REQUEST FOR PROPOSALS FOR

Nursing Facilities Services Reimbursement System/Nursing Facility Information System Support Services

ISSUING OFFICE

Department of Public Welfare
Office of Administration
Bureau of Financial Operations
Division of Procurement
Room 402 Health and Welfare Building
625 Forster Street
Harrisburg, PA 17120

RFP NUMBER

13-13

DATE OF REISSUANCE

July 9, 2014
REQUEST FOR PROPOSALS FOR
Nursing Facilities Services Reimbursement System/Nursing Facility Information System Support Services

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

<table>
<thead>
<tr>
<th>Activity</th>
<th>Responsibility</th>
<th>Date</th>
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<tbody>
<tr>
<td>Deadline to submit Questions via email to <a href="mailto:RA-pwrfpquestions@pa.gov">RA-pwrfpquestions@pa.gov</a>.</td>
<td>Potential Offerors</td>
<td>July 22, 2014</td>
</tr>
<tr>
<td>Pre-proposal Conference—The Pennsylvania Child Welfare Resource Center</td>
<td>Issuing Office/Potential</td>
<td>July 22, 2014 1:00 p.m.</td>
</tr>
<tr>
<td>University of Pittsburgh, School of Social Work</td>
<td>Offerors</td>
<td></td>
</tr>
<tr>
<td>403 East Winding Hill Road</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mechanicsburg, PA 17055</td>
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<td></td>
</tr>
<tr>
<td>Answers to Potential Offeror questions posted to the DGS website (<a href="http://www.dgsweb.state.pa.us/RTA/Search.aspx">http://www.dgsweb.state.pa.us/RTA/Search.aspx</a>) no later than this date.</td>
<td>Issuing Office</td>
<td>July 30, 2014</td>
</tr>
<tr>
<td>Please monitor website for all communications regarding the RFP.</td>
<td>Potential Offerors</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Sealed proposal must be received by the Issuing Office at Department of Public Welfare</td>
<td>Offerors</td>
<td>August 22, 2014 2:00 p.m.</td>
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<tr>
<td>Division of Procurement</td>
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<tr>
<td>Room 402 Health and Welfare Building</td>
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<td>625 Forster Street</td>
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<td>Harrisburg, Pennsylvania 17120</td>
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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 Public Welfare’s (DPW or Department), Health (DOH), and Aging (PDA) consideration on behalf of the Commonwealth of Pennsylvania (“Commonwealth”) to satisfy a need for nursing facility reimbursement support services. Required services include: nursing consultation services, rate setting services and information technology (IT) support services (“Project”).

I-2. Issuing Office. The Department of Public Welfare, Office of Administration (“Issuing Office”) has issued this RFP on behalf of the DPW. The sole point of contact in the Commonwealth for this RFP shall be Michelle Herring 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 service to be provided; requirements which Offerors must meet to be eligible for consideration; general evaluation criteria; and other requirements specific to this RFP.

For purposes of this RFP, the nursing consultation services include:
- Training providers, including the DPW and DOH, on Minimum Data Set (MDS) and Outcome and Assessment Information Set (OASIS)
- Reviewing Case Mix Index (CMI) calculations
- Acting as a liaison with DPW field operations on MDS reports
- Operating a help desk for MDS related questions and submissions
- Tracking submission of MDS reports and alerting DPW to those reports that fail to meet the federal and state requirements

For purposes of this RFP, the rate setting services include:
- Nursing facility payment calculation.
- Supplemental payment determination.
- Disproportionate Share incentive payment calculation.
- Budget analysis.
- Feasibility studies.
- Cost analysis.

In addition to the services noted above, the selected Offeror will also be required to takeover, maintain, and operate DPW’s existing systems and associated subsystems that are owned by the Department including those that are currently in production. DPW is not seeking proposals for services to develop a new system at this time. The selected Offeror will operate and maintain DPW’s existing system(s) using computer equipment owned by the Commonwealth or Centers for Medicare & Medicaid Services (CMS). It is essential that the selected Offeror provide minimal interruption to DPW’s providers and clients during the takeover period without introducing excessive risk of failure.
Operation and maintenance of DPW’s Nursing Home Facility System and associated subsystems include:

- A takeover of the existing systems;
- Implementing and institutionalizing standard project management functions – e.g., change management, software configuration management, quality assurance, etc.;
- Operating the Nursing Facility Services Reimbursement System/Nursing Facility Information System (NIS) and associated applications, including providing all work space and personnel to carry out the required functions;
- Performing systems maintenance, enhancements, corrections, file maintenance, and, application support services;
- Maintaining up-to-date system documentation and other user documentation; and,
- Developing and implementing a system transfer plan.

The procurement process for this RFP will be conducted in accordance with the federal laws and regulations and applicable procurement procedures established by the Commonwealth of Pennsylvania.

Detailed information on the Commonwealth systems and the required information technology services is provided in Part IV, Statement of Work.

I-4. Problem Statement. This Project entails providing nursing consultation services, rate setting services and information technology (IT) support services as described in this RFP.

In Pennsylvania, DPW administers the Medical Assistance (MA) Program which includes programs for individuals that require nursing care. DPW is responsible for providing a reimbursement system for nursing facility providers that is fair and equitable and promotes quality care for Pennsylvania’s most vulnerable citizens.

DPW implemented NIS on January 1, 1996. The reimbursement system is a prospective pricing system that establishes prices among groups of facilities, based upon costs of the group, rather than individual facilities, except for capital costs. The NIS supports the determination of rates to be paid to nursing facilities as well as the information needs for DPW. For further information on the reimbursement system, please refer to Appendix A, Department of Public Welfare Nursing Facility Services Case Mix Reimbursement System Regulations (55 Pa. Code Chapters 1187, 1189 and 1101).

The reimbursement system requires data from providers regarding costs and resident assessments; from an appraisal firm regarding the appraised value of a facility, land, plant and fixed equipment; and from current databases and files regarding facilities, MA recipients, paid claims history, reference tables, and costs. These data are processed on a quarterly basis to result in the per diem rate to be paid to each of approximately 700 nursing facilities in Pennsylvania that provide nursing services to MA recipients. A file of the per diem rates is electronically sent by the selected Offeror to DPW for approval. It is then forwarded by the selected Offeror to another DPW Office or its agent for the loading and payment of claims through the Provider Reimbursement and Operations Management Information System (PROMISe).

The purpose of this procurement is to contract for support services for the Nursing Facility Services Reimbursement System/NIS and associated subsystems, to produce per diem rates,
and to collect certain data required by the Federal CMS, for DPW, DOH and PDA. Additional detail is provided in Part IV, Statement of Work.

I-5. Type of Contract. It is proposed that if the Department enters into a contract as a result of this RFP, it will be a performance based firm-fixed price contract, with a time/hourly rate component for new initiatives and special projects, for the provision of services and tasks defined within Part IV, Work Statement of this RFP. All new initiatives and special projects (as defined in Part IV, Work Statement) will be subject to a work order process, to manage the consumption of hours. During the contract term, additional projects may be identified and agreed to by both parties for all application maintenance and support. All tasks and deliverables will be subject to performance standards, as defined in Part IV-7 Performance Standards.

The contract will include the Standard Contract Terms and Conditions as shown in Appendix B, the DPW Addendum to Standard Contract Terms and Conditions as shown in Appendix C, including its riders and the Business Associate Addendum as shown in Appendix K.

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 performing the Project.

I-6. Rejection of Proposals. The Department, in its sole and complete discretion, may 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 the preparation and submission of its proposal, in participating in the RFP process or in anticipation of award of a contract.

I-8. Pre-proposal Conference. The Department will hold a Pre-proposal conference as specified in the Calendar of Events. The purpose of this conference is to provide 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 Pre-proposal 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 Pre-proposal Conference is optional but highly recommended.

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 13-13 Question”) to the Project Officer named in Part I, Section I-2 of the RFP. If the Offeror has questions, they must be submitted via email no later than the date indicated on the Calendar of Events. The Offeror shall not attempt to contact the Project Officer by any other means. The Department shall 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 a question is 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 Department decides to respond to a non-administrative question after the deadline date for receipt of questions indicated on the Calendar of Events, the answer must be provided to all Offerors through an addendum.

All questions and responses as posted on the DGS website are considered as an addendum to, and part of, this RFP in accordance with RFP Part I, Section I-10. Each Offeror shall be responsible to monitor the DGS website for new or revised RFP information. The Department shall not be bound by any verbal information nor shall it be bound by any written information that is not either contained within the RFP or formally issued as an addendum by the Department. The Department does not consider questions to be a protest of the specifications or of the solicitation. The required protest process for the Department procurements is described in Part I, Section I-27.

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 Department will post an addendum to the DGS website at http://www.dgsweb.state.pa.us/RTA/Search.aspx. It is the Offeror’s responsibility to periodically check the website for any new information or addenda to the RFP. Answers to the questions asked during the Questions & Answers period also will be posted to the website as an addendum to the RFP.

I-11. Response Date. To be considered for selection, hard copies of 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 Issuing Office otherwise notifies Offerors. The hour for submission of proposals shall remain the same. The Department will reject, unopened, any late proposals.

I-12. Proposals. To be considered, Offerors should submit a complete response to this RFP to the Issuing Office, using the format provided in Part II, providing seven (7) paper copies of the Technical Submittal and two (2) paper copies of the Cost Submittal and two (2) paper copies of the Small Diverse Business (SDB) participation Submittal. In addition to the paper copies of the proposal, Offerors shall submit two complete and exact copies of the entire proposal (Technical, Cost and SDB submittals, along with all requested documents) on CD-ROM or Flash drive in Microsoft Office or Microsoft Office-compatible format. Additionally, on the two CD-ROMs or Flash drives, include separate folders which contain a complete and exact copy of the entire technical (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 Part I, Section I-18, the Offeror must also include one (1) redacted version of the Technical Submittals on CD-ROM or Flash Drive, excluding financial capability information in Microsoft Office or Microsoft Office-compatible format. Except as provided in this section, the electronic copies must be a mirror image of the paper copy and any spreadsheets must be in Microsoft Excel. The Offerors may not lock or protect any cells or tabs. The CD or Flash drive should clearly identify the Offeror and include the name and version number of the virus scanning software that was used to scan the CD or Flash drive before it was submitted. Offerors should ensure that there is no costing information
in the technical submittal. Offerors should not reiterate technical information in the cost submittal. The Offeror shall make no other distribution of its proposal to any other Offeror or Commonwealth official or Commonwealth consultant. Each proposal page should be numbered 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 D to this RFP) and the Proposal Cover Sheet is attached to the Offeror’s proposal, the requirement will be met. For this RFP, the proposal must remain valid for 120 days or until a contract is 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 Best and Final Offers or negotiations, contractual obligations.

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 contractors, and encourages all prime contractors to make a significant commitment to use small diverse businesses as subcontractors and suppliers.

A Small Diverse Businesses is a DGS-verified minority-owned business, woman-owned business, service-disabled veteran-owned business or 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 revenue 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 Small Business Opportunities  
Room 611, North Office Building  
Harrisburg, PA 17125  
Phone: (717) 783-3119  
Fax: (717) 787-7052  
Email: gs-bsbo@pa.gov  
Website: www.dgs.state.pa.us

The Department’s directory of BSBO-verified minority, women- veteran and service disabled veteran-owned businesses can be accessed from: Searching for Small Diverse Businesses.

I-14. Economy of Preparation. Offerors should prepare proposals simply and economically, providing a straightforward, concise description of the Offeror’s ability to meet the requirements of the RFP.
I-15. **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-16. **Discussions for Clarification.** Offerors may be required to make an oral or written clarification of their proposals to the Department to ensure thorough mutual understanding and Offeror responsiveness to the solicitation requirements. The Project Officer will initiate requests for clarification. Clarifications may occur at any stage of the evaluation and selection process prior to contract execution.

I-17. **Prime Contractor Responsibilities.** The contract will require the selected Offeror to assume responsibility for all services offered in its proposal whether it produces them itself or by subcontract. The Department will consider the selected Offeror to be the sole point of contact with regard to contractual matters.

I-18. **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 or 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 paper and electronic version of its proposal in accordance with Part I, Section I-12, 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 of Pennsylvania 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 a contract. 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 a contract 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, a signed written statement to this effect must be provided with the submission 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. If financial capability information is submitted in response to Part II of this RFP, such financial capability information is exempt from public records disclosure under 65 P.S. § 67.708(b)(26).

I-19. **Best and Final Offers.**
A. While not required, the Department may conduct discussions with Offerors for the purpose of obtaining “best and final offers.” To obtain best and final offers from Offerors, the Department may do one or more of the following, in any combination and order:

1. Schedule oral presentations;
2. Request revised proposals; and
3. Enter into pre-selection negotiations.

B. The following proposals of Offerors will **not** be considered by the Department for a Best and Final Offer:

1. The proposals of those Offerors which the Department has determined to be not responsible or the proposals the Department has determined to be not responsive.

2. The proposals of those Offerors which the Department has determined in accordance with Part III, Section III-5, from the submitted and gathered financial and other information, do not possess the financial capability, experience or qualifications to assure good faith performance of the contract.

3. A proposal with a score for its technical submittal that is less than 70% of the total amount of technical points allotted to the technical criterion.

The Department may further limit participation in the best and final offers process to those remaining responsible Offerors which the Department has, within its discretion, determined to be within the top competitive range of responsive proposals.

C. The Evaluation Criteria found in Part III, Section III-4, shall also be used to evaluate the Best and Final offers.

D. Price reductions offered shall have no effect upon the Offeror’s Technical Submittal. Dollar commitments to Small Diverse Businesses can be reduced only in the same percentage as the percent reduction in the total price offered through any best and final offers or negotiations.

**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 a proposal 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 the Offeror has engaged in any violations of this condition, the Department may reject the offending Offeror’s proposal or rescind its contract award. Offerors must agree not to distribute any part of their proposals beyond the Issuing Office. An Offeror who shares information contained in its proposal with other Commonwealth personnel and/or competing Offeror personnel may be disqualified.
I-22. **Department Participation.** 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-22. The extent of Commonwealth participation is dependent upon the task involved. The Commonwealth will assign a Contract Administrator to manage the administration, and monitoring of any contract resulting from this RFP. The Department’s Office of Long-term Living, together with the Bureau of Information Systems will participate to a limited extent in the implementation of the contracted IT services, only to ensure that the selected Offeror has access to the proper documentation, systems access, and to facilitate the knowledge transition task.

DPW will not provide the selected Offeror with the following:
- Office Hardware to include: Personal Computers (PCs), Local Area Network servers, printers, facsimile machines, copiers, scanners, shredders, notebooks, and desktop /cell phones.
- General Office Software to include: Word Processing, Spreadsheet, Project Management, Email, and Presentation.
- Office Supplies such as, pens, pencils, paper, and binders.
- Office Furniture.
- Technical support for the previously noted hardware and software.
- Internet access and nationwide phone service for Offeror staff.

DPW will provide Wide Area Network (WAN) connectivity (data circuit) between the Project facility and the Commonwealth technical resources necessary to perform contract responsibilities. Further, DPW will provide the following types or equivalents of software related to the development, maintenance, and operations of the Nursing Facilities Services Reimbursement System/Nursing Facility Information System:
- Data Base – Oracle and all Unisys products.
- Software development and management – [Please see Appendix N Hardware and Software].

I-23. **Term of Contract.** The term of the contract will commence on the Effective Date and will be for a period of three (3) years. Subject to the performance of the selected Offeror and other considerations, the Department may renew the contract on the same terms and conditions for up to two (2) additional one-year periods. The Issuing Office will fix the Effective Date after the contract has been fully executed by the selected Offeror and by the Commonwealth and all approvals required by Commonwealth and federal contracting procedures have been obtained. The selected Offeror shall not start the performance of any work prior to the Effective Date of the contract and the Commonwealth shall not be liable to pay the selected Offeror for any service or work performed or expenses incurred before the Effective Date of the contract.

I-24. **Offeror’s Representations and Authorizations.** By submitting its proposal, each Offeror understands, represents, and acknowledges that:

A. All of 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 the contracts. The Commonwealth shall treat any misstatement, omission or misrepresentation as fraudulent concealment of the true facts relating to the Proposal submission, punishable pursuant to 18 Pa. C.S. § 4904.
B. The Offeror has arrived at the price(s) and amounts in its proposal(s) independently and without consultation, communication, or agreement with any other Offeror or potential offeror.

C. The Offeror has not disclosed the prices, the amount of the proposal(s), nor the approximate prices or amounts of its proposal(s) to any other firm or person who is an Offeror or potential Offeror for this RFP, and the Offeror shall not disclose any of these items on or before the proposal submission deadline specified in the Calendar of Events of this RFP.

D. The Offeror has not attempted, nor will it attempt, to induce any firm or person to refrain from submitting a proposal for a contract, or to submit a proposal higher than its proposal(s), or to submit any intentionally high or noncompetitive proposal or other form of complementary proposal.

E. The Offeror makes its proposal(s) 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.

F. To the best knowledge of the person signing the proposal(s) 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 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, except as the Offeror has disclosed in its proposal.

G. To the best of the knowledge of the person signing the proposal(s) 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.

H. The Offeror is not currently under suspension or debarment and has not been precluded from participation in any federally funded health care 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(s) a written explanation of why it cannot make such certification.

I. The Offeror has not made, under separate contract with the Department, any recommendations to the Department concerning the need for the services described in its proposal(s) or the specifications for the services described in the proposal(s).

J. Each Offeror, by submitting its proposal(s), authorizes Commonwealth agencies to release to the Commonwealth information concerning the Offeror’s Pennsylvania taxes, unemployment compensation and workers’ compensation liabilities.

K. Until the selected Offeror receives a fully executed and approved written contract(s) from the Issuing Office, there is no legal and valid contract, in law or in equity, and the Offeror shall not begin to perform.

A. Contract Negotiations. DPW will notify all Offerors in writing of the Offeror selected for contract negotiations after DPW has determined, taking into consideration all of the evaluation factors, the proposal that is the most advantageous to DPW.

B. Award. Offerors whose proposals are not selected will be notified when contract negotiations have been successfully completed and DPW has received the final negotiated contract signed by the selected Offeror.

I-26. Debriefing Conferences. Upon notification of award, Offerors whose proposals were not selected will be given the opportunity to be debriefed. The Project Officer will schedule the debriefing at a mutually agreeable time. The debriefing will not compare the Offeror with other Offerors, other than the position of the Offeror’s proposal in relation to all other Offeror proposals. An Offeror’s exercise of the opportunity to be debriefed does not constitute nor toll the time for filing a protest (See Section I-27 of this RFP).

I-27. RFP Protest Procedure. Offerors and prospective Offerors who are aggrieved in connection with the solicitation or award of a contract under this RFP may file a protest with the Department. Any such protest must be in writing and must comply with the requirements set forth in the Commonwealth Procurement Code at 62 Pa.C.S. §1711.1.

Any protest filed in relation to this RFP must be delivered to:
   Department of Public Welfare
   Office of Administration, Bureau of Financial Operations
   Division of Procurement
   Room 402 Health and Welfare Building
   625 Forster Street
   Harrisburg, Pennsylvania 17120
   Attn: Daniel R. Boyd
   Email address: dboyd@pa.gov
   Fax: 717-787-3560

Offerors and prospective Offerors may file a protest electronically or by facsimile but also must simultaneously send a hard copy of the protest to the address listed above.

I-28. 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 insure 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-29. Information Technology Policies. Services provided as a result of this RFP are subject to the Information Technology Policies (ITP’s) issued by the Office of Administration, Office for Information Technology (OA-OIT); and the DPW Business and Technical Standards created and published by DPW. ITP’s may be found at
The DPW Business and Technical Standards may be found at
   http://www.dpw.state.pa.us/provider/doingbusinesswithdpw/busandtechstandards/index.htm
All proposals must be submitted on the basis that all ITP’s and DPW Business and Technical Standards are applicable to this procurement. It is the responsibility of the Offeror to read and be familiar with the ITP’s and DPW Business and Technical Standards. Notwithstanding the foregoing, if the Offeror believes that any ITP or DPW Business and Technical Standard is not applicable to this procurement, it must list all such ITP’s and/or DPW Business and Technical Standard in its technical response, and explain why it believes the ITP and/or DPW Business and Technical Standard is not applicable. DPW may, in its sole discretion, accept or reject any request that an ITP and/or DPW Business and Technical Standard not be considered to be applicable to the procurement. The Offeror’s failure to list an ITP and/or DPW Business and Technical Standard will result in its waiving its right to do so later, unless DPW, in its sole discretion, determines that it would be in the best interest of the Commonwealth to waive the pertinent ITPs and/or DPW Business and Technical Standard.

I-30. Contractor Partnership Program (CPP). The Contractor Partnership Program (CPP) was created by DPW to create additional employment opportunities within the Commonwealth. The CPP is designed to leverage the economic resources of DPW 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 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 individuals contracting with DPW to make a commitment to fill their vacancies and new positions with individuals currently receiving TANF cash assistance. The CPP will work cooperatively to assist in these efforts by coordinating the resources of local service providers to assist in the identification of qualified individuals for employment opportunities.

Through CPP, DPW 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.

Eligibility Requirements
The selected Offeror must hire individuals receiving TANF cash assistance from DPW. This includes but it is not limited to individuals currently participating in any of DPW’s employment and training programs such as EARN (Work Support and Career Development), 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 food stamps only are not eligible.

For more information about the CPP please contact:
Contractor Partnership Program
PA Department of Public Welfare
Health & Welfare Building
2nd Floor West
7th & Forster Streets
Harrisburg PA 17105
Phone: 1-866-840-7214/Fax: (717) 787-4106
Email: RA-BETPCPP@state.pa.us
I-31. Mentor Protégé Program (MPP). The MPP is a key element of DPW’s contracting goal to mentor and develop skills related to the services identified in this RFP and to assure that Small Diverse Businesses are provided access to opportunities generated under the resulting contracts.

The MPP encourages Offerors to make a commitment to establish a formal Mentor Protégé Program that will further develop the skills with regard to the capacity and capability of Small Diverse Businesses. DPW is committed to assisting prime contractors who undertake this important small business growth and development initiative. Each contractor electing to participate in this program will identify DGS BSBO Small Diverse Businesses to receive mentorship assistance.

Refer to Section I-13 of this RFP for information concerning the identification of Small Diverse Businesses.

Offerors are encouraged to seek input and guidance from DPW's Bureau of Equal Opportunity – Mentor Protégé Plan (DPW BEO - MPP) concerning this program:

Brenda Kates, Director
Bureau of Equal Opportunity (DPW BEO – MPP)
Mentor Protégé Program
Department of Public Welfare
Commonwealth of Pennsylvania
Phone: (717) 787-3336
E-mail: bkates@pa.gov

While DPW BEO - MPP will provide assistance, the Offeror is ultimately responsible for ensuring its commitment is met.
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. All cost data relating to this proposal and all Small Diverse Business cost data should be kept separate from and not included in the Technical Submittal. Proposals shall consist of the following three separately sealed submittals:

A. Technical Submittal, which shall be a response to RFP Part II, Sections II-1 through II-8 and II-11 through II-14

The Technical Submittal must include a Transmittal Letter and include Tabs 1 through 15. Offerors must format their technical responses using the following guide:

- Tab 1: Table of Contents
- Tab 2: Statement of the Problem
- Tab 3: Management Summary
- Tab 4: Work Plan
- Tab 5: Prior Experience
- Tab 6: Personnel
- Tab 7: Training
- Tab 8: Financial Capability
- Tab 9: Objections to Standard Terms and Conditions
- Tab 10: Domestic Workforce Utilization Certification (Appendix E)
- Tab 11: Lobbying Certification and Disclosure (Appendix F)
- Tab 12: Contractor Partnership Program
- Tab 13: Mentor Protégé Program
- Tab 14: Corporate Reference Questionnaire (Appendix I)
- Tab 15: Personnel Reference Questionnaire (Appendix J)

B. Small Diverse Business participation submittal, in response to RFP Part II, Section II-9; and

C. Cost Submittal, in response to RFP Part II, Section II-10.

Proposals must follow the following format:

- Pages must be 8.5 by 11 inches with right and left margins of one (1) inch; and be double-sided.
- Must use Arial or Times New Roman font with a size of twelve (12).
- Tab and Section headings, show in Part II-A, General Proposal Requirements, MUST be used.
- Each page of the proposal must include a page number and identification of the Offeror in the page footer.
- Materials provided in any Appendix must be specifically referenced by page number(s) in the body of the proposal.
The Department may request additional information which, in the Department’s opinion, is necessary to assure that the Offeror’s competence, number of qualified employees, business organization, and financial resources are adequate to perform according to the RFP.

The Department may make investigations as deemed necessary to determine the ability of the Offeror to perform the Project, 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 to complete the Project as specified.

II-1. Tab 2 - Statement of the Problem. State in succinct terms your understanding of the problem presented or the service required by this RFP. Your response should demonstrate that the Offeror fully understands the scope of work, your responsibilities, and the performance requirements of this RFP. This section is limited to 1 to 3 double sided pages.

II-2. Tab 3 - Management Summary. Include a narrative description of the proposed effort and a list of the items to be delivered or services to be provided. The summary will condense and highlight the contents of the technical proposal in a way that provides DPW with a broad understanding of the entire Technical Submittal. This section must not exceed 3 double sided pages.

II-3. Tab 4 - Work Plan. Describe in narrative form your technical plan for accomplishing the work. Use the task descriptions in Part IV of this RFP as your reference point. Modifications of the task descriptions are permitted; however, reasons for changes should be fully explained. If more than one approach is apparent, comment on why you chose this approach. The relationship between key staff and the specific tasks, assignments, and deliverables proposed to accomplish the scope of work should also be described.

Describe your management approach and how the proposed work plan will be executed. Include detailed information to demonstrate that your work plan meets all requirements included in this RFP. Where possible, provide specific examples of methodologies or approaches that will be used to fulfill the various requirements, and how these methodologies will be adapted and implemented for the contract. Describe the processes to be followed and the management controls that will be used to ensure the quality of the work as well as the ability to meet all performance standards. Also address your approach to internally monitor and evaluate your effectiveness in meeting the RFP requirements throughout the course of the contract.

Include a discussion on the formal and informal communication processes within a project of this nature. The work plan must include the planned approach/process for establishing and maintaining communication between all parties and a technical approach that is aligned with all written specifications and requirements contained in Part IV, Statement of Work, including section IV-7. Performance Standards. Include meetings planned and communication vehicles.

Describe the approach you will take to establish, capture, document, evaluate, and report on core performance standards (section IV-7) relative to the contract and business operation performance, efficiencies, and effectiveness; and provide an outline of your process improvement procedures. This section is limited to 15 to 18 double sided pages.

II-4. Tab 5 - Prior Experience. Include experience in health care cost analysis; program payment experience; cost report desk reviews and audits; cost report design and database
development; computerized payment/rate systems; case mix reimbursement systems; MDS/OASIS; assisting with state plan development; drafting Medicaid reimbursement regulations; providing testimony in rate appeals or settlement disputes; Minimum Data Set and Resource Utilization Groups; Case Mix Rate Setting System Design; case mix validation; sophisticated automated data systems; working with provider groups and nursing facility representatives; OASIS; and Home Health. Experience shown should be work done by individuals who will be assigned to this project as well as that of your company. Studies or projects referred to must be identified and the name of the customer shown, including the name, address, and telephone number of the responsible official of the customer, company, or agency who may be contacted. This section is limited to 15 to 18 double sided pages.

In addition, provide the following information:

a. Corporate Background. The Offeror must describe the corporate history and relevant experience of the Offerors and any subcontractors. This section must detail information on the ownership of the company (names and percent 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. The Offeror must provide a corporate organizational chart as part of this section.

Offerors must state that they have no conflict of interest in providing services under a contract resulting from this RFP. If unable to state, Offerors must identify any current contracting, subcontracting or other relationship(s) that may result in a conflict with the requirements of this RFP.

b. References. The Offeror must provide a list of at least three (3) relevant contacts within the past three (3) years to serve as corporate references. At least two (2) of the references must be outside clients (non-DPW). This list shall include the following for each reference:
   i. Name of customer
   ii. Type of contract
   iii. Contract description, including type of service provided
   iv. Total contract value
   v. Contracting officer’s name and telephone number
   vi. Role of subcontractor(s) (if any)
   vii. Time period in which service was provided

The Offeror must submit Appendix I, Corporate Reference Questionnaire, directly to the contacts listed. The references should return the completed questionnaires in sealed envelopes to the Offeror. The Offeror must include these sealed references with its technical submittal under Tab 14.

The Offeror must disclose any contract cancellations, suspensions or debarments within five (5) years preceding the issuance of this RFP. If a contract was canceled for lack of performance, the Offeror must provide details on the customer’s allegations, the Offeror’s position relevant to the allegations, and the final resolution of the contract cancellation. For any such cancellations, the Offeror must also include each customer’s:

- Company or entity name,
- Address,
- Contact name,
- Phone number, and
- Email address.

Offerors must provide similar organizational background information on any significant subcontractor (exclusive of affiliates). A significant subcontractor is defined as an organization undertaking more than ten (10%) (on a total cost basis) of the work associated with this RFP.

If the experience of any proposed subcontractor is being used to meet the qualifications and requirements of this RFP, the Offeror must provide the same information as listed above for the subcontractor. This information must be presented separately within this section, clearly identifying the subcontractor experience and name of the subcontractor.

II-5. Tab 6 - Personnel. Include the number of executive and professional personnel, analysts, auditors, researchers, programmers, nurse consultants, etc., who will be engaged in the work. Show where these personnel will be physically located during the time they are engaged in the Project. For key personnel, include the employee’s name and, through a resume or similar document, the employee’s education and experience. Indicate the responsibilities each individual will have and how long each has been with your company. Key staff for this project includes a Project Manager and Nurse Consultant. The Offeror may propose additional key staff. For all other personnel, include job title, position descriptions, responsibilities and qualifications. Identify by name any subcontractors you intend to use and the services they will perform. This section is limited to 15 to 18 double sided pages.

Submitted resumes are not to include personal information that will, or will be likely to, require redaction prior to release of the proposal under the Right to Know Law. This includes home addresses and phone numbers, Social Security Numbers, Drivers’ License numbers or numbers from state identification cards issued in lieu of a Drivers’ License, financial account numbers, etc. If the Commonwealth requires any of this information for security verification or other purposes, the information will be requested separately and as necessary.

Include organizational charts outlining the staffing, reporting relationships and staff members in its description. Show the total number of staff proposed and indicate the Full Time Equivalency (FTEs) to account for any staff that are not assigned on a full-time basis. Provide similar information for any subcontractors that are proposed. The organizational chart must illustrate the lines of authority, designate the position(s) responsible and accountable for the completion of each component in the RFP, indicate the names or job title and number of personnel 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.

A minimum of three (3) client references for each Key Staff must be identified. All client references for each Key Staff must be outside clients (non-DPW) who can give information on the individual’s experience and competence to perform project tasks similar to those requested in this RFP. Key Staff may be a member of the Offeror’s organization, or any subcontractor included in the Offeror’s proposal.

The Offeror must submit Appendix J, Personnel 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 15.
Key Staff Diversions Or Replacement. Once key staff is approved by DPW, the selected Offeror may not divert or replace personnel without approval of the DPW Contract Administrator and in accordance with the following procedures. The Offeror must provide notice of a proposed diversion or replacement to the DPW Contract Administrator at least thirty (30) days in advance and provide the name, qualifications, and background check (if required) of the person who will replace the diverted or removed staff. The DPW Contract Administrator will notify the Offeror within ten (10) days of the diversion notice whether the proposed diversion is acceptable and if the replacement is approved.

Divert or diversion is defined as the transfer of personnel by the Offeror or its subcontractor to another assignment within the control of either the Offeror or subcontractor. Advance notification and approval does not include changes in key personnel due to resignations, death and disability, dismissal for cause or dismissal as a result of the termination of a subcontract or any other causes that are beyond the control of the selected Offeror or its subcontractor. DPW must approve the replacement staff.

The DPW Contract Administrator may request that the selected Offeror remove a person from this project at any time. In the event that a person is removed from the Project, the selected Offeror will have ten (10) days to fill the vacancy with a person acceptable in terms of experience and skills, subject to the DPW Contract Administrator’s approval.

II-6. Tab 7 - Training. If appropriate, indicate recommended training of Commonwealth, Provider and appropriate personnel. Include the agency personnel to be trained, the number to be trained, duration of the program, place of training, curricula, training materials to be used, number and frequency of sessions, and number and level of instructors. This section is limited to 1 to 3 double sided pages.

II-7. Tab 8 - Financial Capability. Describe your company’s financial stability and economic capability to perform the contract requirements. Provide your company’s financial statements (audited, if available) for the past three fiscal years. Financial statements must include the company’s Balance Sheet and Income Statement or Profit/Loss Statements. Also include a Dun & Bradstreet comprehensive report, if available. If your company is a publicly traded company, please provide a link to your financial records on your company website in lieu of providing hardcopies. The Commonwealth may request additional information it deems necessary to evaluate an Offeror’s financial capability.

II-8. Tab 9 - Objections and Additions to Standard Contract Terms and Conditions. The Offeror will identify which, if any, of the terms and conditions (contained in Appendix B and Appendix C) it would like to negotiate and what additional terms and conditions the Offeror would like to add to the standard contract terms and conditions. The Offeror's failure to make a submission under this paragraph 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 sole 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 contract 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 for Appendix B or Appendix C. All terms and conditions must appear in one integrated contract. 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, including the cost proposal, on the basis of the terms and conditions set out in **Appendix B and Appendix C**. The Department will reject any proposal that is conditioned on the negotiation of the terms and conditions set out in **Appendix B or C**.

II-9. **Small Diverse Business Participation Submittal.**

**A.** To receive credit for being a Small Diverse Business or for subcontracting with a Small Diverse Business (including purchasing supplies and/or services through a purchase agreement), an Offeror must include proof of Small Diverse Business qualification in the Small Diverse Business participation submittal of the proposal(s). A Small Diverse Business verified by BSBO as a Small Diverse Business must provide a photocopy of its verification letter.

**B.** In addition to the above verification letter, the Offeror must include in the Small Diverse Business (SDB) participation submittal of the proposal the following information:

1. **All** Offerors must include a numerical percentage which represents the total percentage of the work (as a percentage of the total cost in the Cost Submittal) to be performed by the Offeror and not by subcontractors and suppliers.

2. **All** Offerors must include a numerical percentage which represents the total percentage of the total cost in the Cost Submittal that the Offeror commits to paying to SDBs as subcontractors. To support its total percentage SDB subcontractor commitment, Offeror must also include:
   
   a) The percentage and dollar amount of each subcontract 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 a SDB.
   c) The services or supplies each SDB will provide, including the timeframe for providing the services or supplies.
   d) The location where each SDB will perform services.
   e) The timeframe for each SDB to provide or deliver the goods or services.
   f) A signed subcontract or letter of intent signed by Offeror and 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 relate to the Project, and the specific timeframe during the term of the contract and any option or 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 commitment and associated estimated dollar value that each SDB will receive based on the total value of the initial term of the contract as provided in the Offeror’s Cost Submittal. Please see Appendix M, letter of intent template which may be used to satisfy these requirements.
   g) The name, address and telephone number of the primary contact person for each SDB.

3. The total percentages and each SDB subcontractor commitment will become contractual obligations once the contract is fully executed.
4. 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 Small Diverse Business participation submittal. The submittal shall be clearly identified as Small Diverse Business information and sealed in its own envelope, separate from the remainder of the proposal.

D. A Small Diverse Business can be included as a subcontractor with as many prime contractors as it chooses in separate proposals.

E. An Offeror that qualifies as a Small Diverse Business and submits a proposal as a prime contractor is not prohibited from being included as a subcontractor in separate proposals submitted by other Offerors.

II-10. **Cost Submittal.** The information requested in this Part II, Section II-10 and Appendix H shall constitute the Cost Submittal portion of a proposal. **The cost submittal shall be placed in a separate, sealed envelope within the sealed proposal and kept separate from the technical portion of the proposal.** Offerors should **not** include any assumptions in their cost submittals. If the Offeror includes assumptions in its cost submittal, the Department may reject the proposal. Offerors should direct any questions in writing to Project Officer pursuant to Part I, Section I-9 about whether a cost or other component is included or applies. All Offerors will then have the benefit of the Department’s written answer so that all proposals are submitted on the same basis.

The pricing for tasks is as follows:

**DPW TRANSITION TASK** -
Offeror must include pricing for the transition deliverable as defined in Part IV, Work Statement of the RFP. The price should be all inclusive of all costs associated with completing the task as described in the Work Statement.

**DOH TRANSITION TASK** -
Offeror must include pricing for the transition deliverable as defined in Part IV, Work Statement of the RFP. The price should be all inclusive of all costs associated with completing the task as described in the Work Statement.

**DPW TURNOVER TASK** -
Offeror must include pricing for the turnover deliverable as defined in Part IV, Work Statement of the RFP. The price should be all inclusive of all costs associated with completing the task as described in the Work Statement.

**DOH TURNOVER TASK** -
Offeror must include pricing for the turnover deliverable as defined in Part IV, Work Statement of the RFP. The price should be all inclusive of all costs associated with completing the task as described in the Work Statement.

**DPW FIRM, FIXED MONTHLY PRICE** -
Offeror must include firm, fixed monthly pricing for the DPW tasks as defined in Part IV, Work Statement of the RFP. The price should be all inclusive of all costs associated with completing the DPW tasks as described in the Work Statement.
DOH FIRM, FIXED MONTHLY PRICE -
Offeror must include firm, fixed monthly pricing for the DOH tasks as defined in Part IV, Work Statement of the RFP. The price should be all inclusive of all costs associated with completing the DOH tasks as described in the Work Statement.

NEW PROJECTS AND SPECIAL INITIATIVES -
Offeror must include a firm, fixed hourly price for the all hours as defined in Part IV, 6.G.(b) and (c) of the Work Statement of the RFP. The price should be all inclusive of all costs associated with completing the tasks as described in the Work Statement.

Additionally, the Cost Submittal also has two Cost Verification Tabs; DPW Cost Verification and DOH Cost Verification. This is for internal DPW use only, and will not be part of the final contract as awarded to the selected Offeror. For the Cost Verification Tabs of the Cost Submittal, total costs should be broken down into the following components:

A. Direct Labor Costs. Itemize to show the following for each category of personnel with a different hourly rate:
   1. Category (e.g., partner, project manager, analyst, senior auditor, research associate).
   2. Estimated hours.
   3. Rate per hour.
   4. Total cost for each category and for all direct labor costs.

B. Labor Overhead. Specify what is included and rate used.

C. Travel and Subsistence. Itemize transportation, lodging and meals per diem costs separately.

D. Consultant Costs. Itemize as in (a) above.

E. Subcontract Costs. Itemize as in (a) above.

F. Cost of Supplies and Materials. Itemize.

G. Other Direct Costs. Itemize.

H. General Overhead Costs. Overhead includes two major categories of cost, operations overhead and general and administrative overhead. Operations overhead includes costs that are not 100% attributable to the service being completed, but are generally associated with the recurring management or support of the service. General and administrative overhead includes salaries, equipment and other costs related to headquarters management external to the service, but in support of the activity being completed. Specify what specific items are included and the rates used.

I. Fee or Profit.

J. Audit Costs.

K. Total Cost.

Note: For the DPW Cost Verification, further breakdown the Desktop Support tasks from the Fixed Monthly Fees; they should be annotated as such. All costs associated with the Desktop Support task, should be a separate item; i.e. Desktop Support Travel, Desktop Support Supplies & Materials, etc.

The Department will reimburse the selected Offeror for work satisfactorily performed after execution of a written contract and the start of the contract term, in accordance with contract requirements, and only after the Department has issued a notice to proceed.
II-11. Tab 10 - Domestic Workforce Utilization Certification. Complete and sign the Domestic Workforce Utilization Certification contained in Appendix E 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 10.

II-12. Tab 11 - Lobbying Certification and Disclosure of Lobbying Activities
This Project will be funded, in whole or in part, with federal monies. Public Law 101-121, Section 319, prohibits federal funds from being expended by the recipient or by 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 the awarding of any federal contract, the making of any federal grant or loan, or entering into any cooperative agreement. All parties who submit proposals in response to this RFP must sign the “Lobbying Certification Form,” and “Disclosure of Lobbying Activities” (attached as Appendix F). The signed forms must be included as Tab 11 in the Technical Submittal.

II-13. Tab 12 - Contractor Partnership Program (CPP) Submittal
Regardless of whether you propose a strategy to recruit individuals for CPP, the following general information must be included in the CPP Tab:
   a. Offeror's name, telephone number and mailing address.
   b. County where the Offeror's headquarters is located, if in Pennsylvania.
   c. The name, title, telephone number, mailing and email address of the contact person for the CPP.
   d. Mailing address for all satellite offices located in Pennsylvania, including the county.
   e. Type of business entity. (i.e., not for profit, government entity, public corporation, university etc.)
   f. If a subcontractor will provide the primary service of the contract, list the company name and mailing address for offices located in Pennsylvania, including the county.
   g. Type of services being provided.
   h. Type of positions needed for this project. Please specify management vs. non-management positions.

In addition to the above requested information; Offerors must provide a written narrative that addresses the following statements and include the information in the CPP Tab of the proposal. All of the statements listed below pertain to the hiring of individuals that are receiving TANF cash assistance.

1. Identify the anticipated number of employees that will be assigned to this project including vacancies.
2. Identify the number of management and non-management employees.
3. State the number of TANF cash assistance recipients that will be hired. Please do not include percentages.
4. Describe the strategy that will be employed to identify and recruit individuals that meet the eligibility requirements for the CPP.
5. Describe the methods that will be used to retain TANF recipients once they are employed.
6. Provide a brief explanation of the efforts that will be made to ensure TANF hiring commitments are met and remain in effect throughout the existence of the contract.

II-14. Tab 13 - Mentor Protégé Program (MPP) Submittal

The following information must be included in the MPP Tab:

a. Offeror’s name, telephone number and mailing address
b. County where the Offeror’s headquarters is located
c. The name, title, telephone number, mailing and e-mail address of the contact person for the MPP.
d. Mailing address for all satellite offices located in Pennsylvania, including county.
e. Type of business entity: (i.e. not for profit, government entity, public corporation, university, etc.)

In addition to the above requested information; Offerors should provide a written Mentor Protégé Plan that includes:

a. The Protégé company’s name and address
b. Protégé company’s contact person, title, telephone number, mailing and e-mail address
c. A Mentor Protégé Plan describing the type of mentoring that will be provided to the Protégé(s) along with information concerning meeting dates, time frames, goal setting, performance expectations and outcomes. Mentoring may include, but is not limited to the following areas:

1) Technical Assistance.

2) Budget Infrastructure. Assistance pertaining to general business management or corporate infrastructure, provided by the Mentor, may include the following:

a) Organizational planning management: strategic planning, business planning, legal/risk management, proposal development
b) Business development/marketing-sales: market research, product forecasting, web-based marketing, e-commerce.
c) Human Resource management
d) Financial management
e) Contract management
f) Facilities and plant management: security, health and safety
g) Any other assistance designed to develop the capabilities of the Protégé
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 (2) Mandatory Responsiveness Requirements set forth in Section III-1 above (A-B) are the only RFP requirements that the Commonwealth will consider to be non-waivable. The Department, in its sole discretion, may (1) waive any other 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 the 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, BSBO will evaluate the Small Diverse Business participation submittal 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 Offeror whose proposal is 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 proposal:
   a. Technical Evaluation: The Department has established the weight for the Technical criterion as 50% of the total points. Evaluation will be based upon the following in order of importance: Soundness of Approach, Offeror Qualifications, Personnel Qualifications, and Statement of the Problem. The final Technical scores are determined by giving the maximum number of technical points available to the proposal with the highest raw technical score. The remaining proposals are rated by applying the Technical Scoring Formula set forth at the following webpage: http://www.portal.state.pa.us/portal/server.pt/community/rfp_scoring_formulas_overview/20124.
   b. Cost: The Department has established the weight for the Cost criterion for this RFP as 30% of the total points. The cost criterion is rated by giving the proposal with the lowest total cost the maximum number of Cost points available. The remaining proposals are rated by applying the Cost Formula set forth at the following webpage: http://www.portal.state.pa.us/portal/server.pt/community/rfp_scoring_formulas_overview/20124
   c. Small Diverse Business Participation: BSBO has established the weight for the Small Diverse Business (SDB) participation criterion for this RFP as 20% of the total points. Each SDB participation 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. A business submitting a proposal as a prime contractor must perform at least 60% of the total contract value to receive points for this criterion under any priority ranking.
2. To receive credit for an SDB subcontracting commitment, the SDB subcontractor must perform at least fifty percent (50%) of the work subcontracted to it.
3. A significant subcontracting commitment is a minimum of five percent (5%) of the total contract value.
4. A subcontracting commitment less than five percent (5%) of the total contract value 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 150 points. In addition, SDB prime Offerors that have significant subcontracting commitments to additional SDBs may receive up to an additional 50 points (200 points total available). Subcontracting commitments to additional 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 150 points.

**Priority Rank 3:** Proposals submitted by non-small diverse businesses as prime contractors, with significant subcontracting commitments to SDBs, will receive up to 100 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 as prime contractors with no SDB subcontracting commitments shall receive no points under this criterion. To the extent that there are multiple SDB Participation 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:

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

*Priority Rank 1 = 50 Additional Points Available
*Priority Rank 3 = 100 Total Points Available

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:
d. 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 amount of bonus points available for this criterion is 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 contract. 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. See the following webpage for the Domestic Workforce Utilization Formula:
http://www.portal.state.pa.us/portal/server.pt/community/rfp_scoring_formulas_overview/20124. 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. The certification will be included as a contractual obligation when the contract is executed.

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

In order for an Offeror to be considered responsible and therefore eligible for selection for best and final offers or selection for contract negotiations for a proposal submitted in response to this RFP:

A. The total score for the technical submittal of the Offeror’s proposal must be greater than or equal to 70% of the available technical points; and

B. The Offeror’s financial information must demonstrate that the Offeror possesses the financial capability to assure good faith performance of the contract. The Department will review the Offeror’s previous three financial statements, 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.

An Offeror which fails to demonstrate sufficient financial capability to assure good faith performance of the contract as specified herein may be considered by the Department, in its sole discretion, for Best and Final Offers or contract negotiation contingent upon such Offeror providing contract performance security for the first contract year cost proposed by the Offeror in a form acceptable to the Department. Based on the financial condition of the Offeror, the Department may require a certified or bank (cashier’s) check, letter of credit, or a performance bond conditioned upon the faithful performance of the contract by the Offeror. The required performance security must be issued or executed by a bank or surety company authorized to do business in the Commonwealth. The cost of the required performance security will be the sole
responsibility of the Offeror and cannot increase the Offeror’s cost proposal or the contract cost to the Commonwealth.

Further, the Department will award a contract only to an Offeror 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 any best and final offer process conducted, the Issuing Office will combine the evaluation committee’s final technical scores, BSBO’s final small diverse business participation scores, the final cost scores, and (when applicable) the domestic workforce utilization scores, in accordance with the relative weights assigned to these areas as set forth in this Part.

B. The Issuing Office will rank responsible Offerors according to the total overall score assigned to each, in descending order.

C. The Department must select for contract negotiations the Offeror with the highest overall score; PROVIDED, HOWEVER, THAT AN AWARD WILL NOT BE MADE TO AN OFFEROR WHOSE PROPOSAL RECEIVED THE LOWEST TECHNICAL SCORE AND HAD THE LOWEST COST SCORE OF THE RESPONSIVE PROPOSALS RECEIVED FROM RESPONSIBLE OFFERORS. IN THE EVENT SUCH A PROPOSAL ACHIEVES THE HIGHEST OVERALL SCORE, IT SHALL BE ELIMINATED FROM CONSIDERATION AND AWARD SHALL BE MADE TO THE OFFEROR WITH THE NEXT HIGHEST OVERALL SCORE.

D. The Department has the discretion to reject all proposals or cancel the request for proposals, in whole or part, at any time prior to the time a contract 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 contract file.
PART IV

WORK STATEMENT

Background
In the Commonwealth of Pennsylvania, the Department of Public Welfare (DPW) and the Department of Health (DOH) are responsible for the administration of long-term care programs. Several reporting applications have been developed to provide DPW and DOH with needed information for program development and other state and federal reporting requirements. See Appendix DD for the NIS Case Mix history of applications developed or utilized within the Commonwealth for the administration of long-term care programs.

IV-1. Objectives
The general objective of this procurement is to obtain technical assistance, training, and system development and support services for the Commonwealth's current and future systems and applications used for long-term care program development that meets the approval and satisfaction of the customers and stakeholders. In addition, the objective is to monitor long-term care programs, systems, and applications, and support the state and federal reporting requirements of long-term care programs. The success of the Commonwealth's information technology organizations is dependent on being able to be responsive to the business needs of the organization.

In order for the Commonwealth to successfully achieve its business goals, it must be able to effectively manage and deliver Information Technology (IT) support for the Nursing Facility Services Reimbursement System/Nursing Facility Information System, DOH, and other DPW IT projects while simultaneously refining DPW’s program and project management skills, technologies, and methodologies, including the rate setting process, as needed. Timely and open communication with the Commonwealth's program offices, the Nursing Facility Services Reimbursement System/Nursing Facility Information System user community, and Federal and State oversight agencies is critical to the success of the Commonwealth’s technology organizations.

IV-2. Nature and Scope of the Project
The selected Offeror must operate, maintain and support the established Nursing Facility Services Case Mix Reimbursement System, including Nursing Information System (NIS), Nursing Facility Assessment System (NAS), Front Door Information System (FDIS) and Minimum Data Set (MDS) Data Collection systems, as well as the Outcome and Assessment Information Set (OASIS) Data Collection system for home health care agencies. The Offeror must maintain the systems and make improvements and changes as requested. These improvements and changes will occur at the direction of the Commonwealth. The selected Offeror must provide computer system consultant services for the better operation of the Commonwealth’s systems both at the Offeror’s site and at Commonwealth's sites located at 1006 Hemlock Drive, Willow Oak Building, Harrisburg PA 17110, 625 Forster St, Harrisburg PA 17120, and 555 Walnut St, Forum Place, Harrisburg PA 17101. The Offeror must be able to provide technical assistance on the systems on an on-going basis in order to ensure the continued efficient operation of these systems.
IV-3. Requirements

The selected Offeror must be able to complete the work in each objective based upon Federal and State regulatory guidelines as provided in Appendix A - State and Federal Regulations and Manuals or as deemed appropriate based upon the agencies’ objectives and tasks. The selected Offeror must be able to provide technical assistance and consultant services based upon the goals of the agencies. The selected Offeror must provide the appropriate personnel and equipment to perform the various kinds of tasks as outlined in each objective and task.

A. Project Management. The selected Offeror shall provide project management services throughout implementation. The selected Offeror shall assign a project manager who will serve as the key point of contact and provide oversight on all project tasks and activities. The selected Offeror shall describe the project management methodologies and approach proposed for this project.

B. Hosting Requirements. Offerors providing a non-Commonwealth hosted solution shall meet all of the hosting requirements as described in the business and technical standards located at http://www.dpw.state.pa.us/provider/doingbusinesswithdpw/busandtechstandards/index.htm, including domestic hosting requirements for personal identifying information. Offeror shall describe where the solution is physically hosted and what physical backup redundancies are in place.

C. Documentation Versioning/Storage. The Offeror shall provide electronic versions of all documentation, and employ change control processes and version control to ensure documentation is kept current for the duration of the purchase order (PO) resulting from this RFP. Where appropriate, a table of contents, an index, and keywords shall be available for information searching. The Department, at its discretion, may request or accept printed documentation on a case by case basis.

D. Regulatory Requirements. The selected Offeror must comply with all applicable state nursing facility regulations (55 Pa Code Chapters 1101, 1187, and 1189; and 28 PA Code Chapters 51, and 201-211, ) and federal (42 CFR) regulations. The selected Offeror must comply with home health care regulations as provided in 42 CFR Part 484 “Home Health Services” and 55 Pa Code Chapter 1249 “Home Health Agency Services” regulations, and State and federal regulations governing the Department of Health. Links to the regulations and manuals are provided in Appendix A.

E. Security and Control. The nature of the project requires the handling of confidential and sensitive information. The selected Offeror must establish processes to ensure the protection and confidentiality of all records and other related information.

1. Health Insurance Portability and Accountability Act (HIPAA) Regulations. The selected Offeror shall comply with all federal or state laws related to the use and disclosure of information, including information that constitutes Protected Health Information (PHI) as defined by the Health Insurance Portability and Accountability Act (HIPAA). Offeror shall describe the approach it will take to meet this requirement.

2. Staff Clearances
   a) All individuals with access to confidential or sensitive information must sign a confidentiality agreement. Personnel policies must address disciplinary procedures relevant to violation of the signed confidentiality agreement.
b) The selected Offeror shall, at its expense, arrange for a background check for each of its employees, as well as the employees of any of its subcontractors, who will have access to Commonwealth data and IT facilities, either through on-site access or through remote access. Background checks are to be conducted via the Request for Criminal Record Check form and procedure found at [http://epatch.state.pa.us](http://epatch.state.pa.us). If an employee has not been a resident of PA for the last 2 years, a criminal background check from the state of residence during the last 2 years is required. The background check must be conducted prior to initial access and on an annual basis thereafter.

c) Before the Commonwealth will permit access to the selected Offeror(s), the selected Offeror(s) must provide written confirmation that the background checks have been conducted. If, at any time, it is discovered that an employee of the selected Offeror(s) or an employee of a subcontractor of the selected Offeror(s) has a criminal record that includes a felony or misdemeanor involving terroristic behavior, violence, use of a lethal weapon, or breach of trust/fiduciary responsibility or which raises concerns about building, system or personal security or is otherwise job-related, the selected Offeror shall not assign that employee to any Commonwealth facilities, shall remove any access privileges already given to the employee and shall not permit that employee remote access unless the Commonwealth consents to the access, in writing, prior to the access. The Commonwealth may withhold its consent at its sole discretion. Failure of the selected Offeror to comply with the terms of this Section on more than one occasion or selected Offeror’s failure to appropriately address any single failure to the satisfaction of the Commonwealth may result in the selected Offeror being deemed in default of its Contract.

d) The Commonwealth specifically reserves the right of the Commonwealth to conduct background checks over and above that described herein.

e) Access to certain Capitol Complex buildings and other state office buildings is controlled by means of card readers and secured visitors entrances. Commonwealth contracted personnel who have regular and routine business access in Commonwealth worksites may be issued a photo identification or access badge subject to the requirements of the contracting agency and DGS set forth in Enclosure 3 of Commonwealth Management Directive 625.10 Amended (January 30, 2008) Card Reader and Emergency Response Access to Certain Capitol Complex Buildings and Other State Office Buildings. The requirements, policy and procedures include a processing fee payable by the selected Offeror(s) for contracted personnel photo identification or access badges.

3. The selected Offeror shall be responsible for implementing and maintaining measures to prevent unauthorized access, copying and distribution of information relating to this project.

4. The selected Offeror shall preserve all Departmental files and papers supplied to them according to all applicable Federal and state laws, regulations and policies.

5. The selected Offeror shall maintain all case documentation in a paperless environment where it is readily available to users for review and reproduction.

6. The selected Offeror shall protect the confidentiality of patient, client, provider and Departmental records in compliance with Federal and state laws, regulations and policies.
7. Confidential and Sensitive information may need to be transferred in multiple formats, including electronic and manual means, between DPW, DOH or shared with the Commonwealth during the term of the contract, and turned over to a successor contractor or Commonwealth staff at the conclusion of the contract. The selected Offeror must follow Commonwealth procedures for information handling and sharing.

8. The selected Offeror is responsible for proper disposal (i.e. shred, surrender) of both hard and electronic working copies of such sensitive information during work on this project, as well as any remaining information upon the completion of the project.

9. The Offeror will provide an internal audit and quality control function to ensure the integrity of this project. The Offeror will provide completed reports to the agencies listing the findings of the reviews. Any Offeror input or processing errors will be corrected by the Offeror at no cost to the Commonwealth.

10. The Offeror will allow access to the facilities utilized in the performance of the duties related to this RFP as requested by the agencies. Access is defined as the ability of the agencies employees or individuals authorized by the Commonwealth to see personnel, operating systems, programs, procedures, facilities, and equipment used in support of the project.

11. The selected Offeror is required to be listed as a custodian on the Data Use Agreement Form 0235 or applicable CMS agreement with CMS in order to support the Agencies use with the MDS and OASIS data. The selected Offeror shall also obtain, prior to releasing any MDS/OASIS data to other entities, a copy of the entities data use agreement form (CMS-R-0235) or applicable CMS agreement to ensure that the entities are authorized to obtain the MDS/OASIS data. The CMS Data User Agreement website is: [http://www.cms.gov/Research-Statistics-Data-and-Systems/Computer-Data-and-Systems/Privacy/DUAs.html](http://www.cms.gov/Research-Statistics-Data-and-Systems/Computer-Data-and-Systems/Privacy/DUAs.html).

F. Disaster Recovery Plan. The selected Offeror must develop a disaster recovery plan regarding computer failure (loss of data) and destruction to the facility. Within 48 hours, the selected Offeror’s office must be operational at a temporary site with an operating telecommunications system. The selected Offeror’s disaster recovery plan must include, at a minimum:

1. The rapid return to limited operations;
2. The accuracy of software and data at return to operation;
3. The ability to return to full capacity as soon as possible;
4. A complete backup of all non-software data sets at the end of each production day;
5. The resultant tapes/disks will be removed to an external secure site. These backup tapes/disks must be cycled on a weekly basis;
6. Upon the installation of any software (new or upgraded), a complete backup (copy) of the software must be made with the resultant tapes/disks removed to an external secure site. The backups must be retained in the grandfather, father, son scheme;
7. The server must be designed to employ a method of redundancy for operational integrity and production;
8. All workstations attached to the network must have sufficient processing capability to be used interchangeably and must be able to backup one another until repair or replacement can be effected;

9. The server must be connected to an Uninterrupted Power Supply (UPS) system, which will condition incoming power to the server and provide sufficient processing time for the server to be correctly shutdown in the event of a power failure;

10. In the event of damage of a sufficient magnitude to the primary operational site, a second company location must be able to be modified to accommodate the system;

11. There must be a description of the change of communication and command, by level, in the case of a systems or power failure; and

12. There must be a Business Continuity Plan (BCP) to maintain business operations via a semi-automated and/or manual mode to mitigate complete disruption of services until systems have been restored to normal operating capacities.

G. The selected Offer must adhere to the Information Technology Bulletins (ITP’s) issued by the Office of Administration, Office for Information Technology (OA-OIT); and the DPW Business and Technical Standards created and published by DPW; as indicated in Section I-29.

H. Transportable System. The system must be non-proprietary and transportable to another environment should the agencies decide to move the system in-house at some future date or to another Offeror at the end of the contract.

I. Hardware and Software. Appendix N provides a list of software and hardware currently used by Agencies staff and the incumbent vendor for a variety of functions associated with the system. If the Offeror proposes additional or other (replacement) software, the Offeror must provide a description of each software package proposed for use in support of NIS and associated subsystems. For each of the following categories, the Offeror must provide a complete description of each software package proposed, including all features, capabilities and standards supported: operating system, languages, data base, communications, job accounting, monitoring, diagnostics, security products, and case tools. The selected Offeror must also be able to make any changes required by the Commonwealth Business and Technical Standards program created and published by DPW; as indicated in Section I-29.

1. Database updates.
   The Offeror must provide a description of how a system will maintain audit trails of all database(s) updates made to the system(s). Describe how the database(s) will be recovered in the event of a program(s) or system(s) failure.

   The Offeror must provide a description of the software to be used by the Offeror and the statistics to be generated regarding run-time statistics, on-line processing times, etc.

3. Additional Software Packages.
   If additional software packages are proposed for use on personal computers used by the Agencies’ staff, the Offeror must describe these packages and the reason for their need. However, it should be noted that much of the software currently being used is standardized; therefore, the Agencies’ staff must provide full
justification and receive approval from the Project Officer for deviating from these software packages.

If the Offeror wants to use software within the Agencies’ systems other than that which is already established, they must describe the capabilities of the proposed software to be used. Also, the Offeror must describe how the data can be downloaded to personal computers in various formats, such as (dat, Excel and pdf). Any additional software required must be disclosed and included in the Offerors pricing. The Commonwealth must approve the use of any new software. No software should be proprietary and commonwealth should reserve the right to purchase from state contracts.

4. **Hardware Configuration.**
   The Offeror must describe, using industry standard terms (i.e., processors, disk drives, terminals), the hardware configuration proposed, if different than what is currently in use, to support the Nursing Facility Information System as described in Appendix N – Hardware and Software. The Offeror should describe the system infrastructure requirements and minimally address areas such as processor types/speeds, memory, disk/storage requirements, capacity planning (concurrent user activity and projected growth annually if known), supported operating systems, and if virtualization is supported.

J. **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 essential contracts that provide critical business services to the Commonwealth have planned for such an emergency and put contingencies in place to provide needed goods and services.

1. Describe how you anticipate such a crisis 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 pandemic preparedness: employee staffing, training and essential business functions and key employees.
   a) Explain employee training (describe Offeror’s training plan, and how frequently it is shared with employees)
   b) Identify essential Offeror business functions and Offeror key employees necessary to carry them out
   c) Explain contingency plans for:
      i. How Offeror shall handle staffing issues when a portion of its key employees are incapacitated due to illness.
      ii. How Offeror employees shall carry out essential functions if emergency control measures prevent them from going to the primary workplace.
      iii. Explain how Offeror shall communicate with its staff and suppliers if primary communications systems are overloaded or otherwise fail, including key contacts, chain of communications (including suppliers), etc.
      iv. Explain how and when Offeror’s emergency plan shall be tested, and if the plan shall be tested by a third-party.
IV-4. Tasks

Task A  Incoming Transition

The selected Offeror will be responsible for effecting a vendor-to-vendor transition of the current NIS and related sub-systems. The contract will provide six months for transition from the incumbent vendor to the selected Offeror. The transition period is critical and necessary in order to effectuate knowledge transition to the incoming Offeror’s staff. A continuation of the services provided by the NIS application and a smooth transition is imperative to Pennsylvania citizens who are dependent on these services. This knowledge transition is also crucial to understanding how to continue the smooth operation of the NIS system and for the selected Offeror to be readily able to fix operational problems if they occur.

1. Orientation/Knowledge Acquisition

Orientation/Knowledge Acquisition refers to a “transition phase” that consists of activities that must take place between the effective date of the contract and the selected Offeror’s start date. This includes all required activities. The primary objectives of the Orientation/Knowledge Acquisition Transition Phase are the following:

a) successful orientation, knowledge acquisition, and operational independence from incumbent vendor
b) smooth transition of responsibilities;

c) Complete knowledge transfer and domain understanding;
d) accurate assessments and strong accountability controls;

e) Mitigation of risk to the Commonwealth, DPW, DOH, clients and taxpayers
f) Establishment of facilities and appropriate infrastructure to support the NIS Case Mix system and business processes.

2. Orientation/Knowledge Acquisition Transition Offeror Responsibilities:

a) The selected Offeror will prepare and submit a comprehensive Orientation/Knowledge Acquisition Transition (OKA) Plan. The Orientation/Knowledge Acquisition Transition Plan will incorporate the activities necessary to turn over the business systems in an orderly manner. The plan must address specialized business and computer systems operational transition of all in scope systems and operations (i.e., DPW and OLTL Environments). The plan must address the resources required for the turnover including those from the Commonwealth, incumbent vendor, and new vendor if any. Additionally, the plan will identify the system turnover objectives and work plan activities on a Gantt chart and document activity time frames and responsibilities. The Transition Plan will be submitted to DPW for final review and approval.

b) The selected Offeror must ensure that knowledge transfer occurs in such a manner to enable its staff to confidently assume ownership, independently manage the in-scope operational systems without disrupting business operations or timely delivery of citizen services.

c) The selected Offeror must receive the turnover of the operation and management of all in-scope operational business functions no later than the end of the transition period. This turnover must be planned and managed in an orderly fashion so that no disruption of service to users, clients, and/or beneficiaries takes place.
d) Upon approval of the Transition Plan, the selected Offeror will begin transitioning the business systems and provide the transition progress assessments and status updates. Offeror will coordinate with DPW regarding transition tasks prioritization issues or conflicting activities interfering with maintaining and operating the systems.

e) At the end of the transition phase, the selected Offeror will prepare the OKA Transition Results Report. This will document the completion of turnover activities, and will provide status of each high-level task and activity that took place during the transition period. The report will highlight how each of the objectives stated in the Transition Plan have been achieved and the resolution of issues identified and prioritized during the turnover process.

3. Orientation/Acquisition Transition Plan: Project Initiation, Setup, and planning

a) Project Initiation, Setup, and Planning

Project Initiation, Setup, and Planning will include all activities and tasks required to begin the project. The selected Offeror will acquire and set up facilities, acquire and install the necessary hardware and software, establish the necessary telecommunication capabilities, and create various plans that must be followed during the execution of the project.

i. Deliverables and Outcomes: Project Initiation, Setup and Planning Deliverable

   a. Project Initiation, Setup and Planning Deliverable to include:

      1) Detailed Project Work Plan. The work plan must include but is not limited to defining each of the planned tasks and subtasks along with start dates, planned completion dates, primary responsibility, and dependencies.

      2) Orientation/Knowledge Acquisition Plan of the CIS suite and DPW environment. The Knowledge Acquisition plan must address the details of how the Orientation/Knowledge Acquisition needs of the project will be met. The details of the plan must include but not be limited to (a) purpose statement, (b) resource allocations, (c) details of knowledge acquisition approach, (d) dependencies, and (e) agreements that summarize and clarify roles and responsibilities among those who will execute and be part of the plan.

      3) Issue Management Plan. The issue management plan must provide procedures for identifying, evaluating, and resolving issues impacting the project. This plan will be developed as part of the planning process but will be updated as necessary throughout the project.

      4) Change Management Plan. The change management plan must provide a process for evaluating, assessing, and determining the impact of any proposed changes to the project. This plan should incorporate DPW project change procedures.

      5) Communications Management Plan. The communications management plan must provide an explanation of the methods the Offeror intends to employ for communication with DPW during the project. The plan must identify the key stakeholders, what will be
communicated through the plan, when it will be communicated, and the method(s) used for communication.

6) Quality Management Plan. The quality management plan must address the quality control processes and procedures the Offeror will use to ensure the quality during the project.

7) Requirements Management Plan. The requirements management plan must address how the Offeror will develop baseline requirements, the processes and procedures the Offeror will employ to track and monitor requirements throughout the project. The requirements management plan should include any software tool that the Offeror intends to use to manage requirements.

8) Budget/Contract Management Plan. The budget and contract management plan must provide the method to periodically report up-to-date budget information for the project.

9) Periodic Status Report templates. The periodic status report templates will define the format and content of all Status Reporting documents.

10) Agenda and material for the Project Kickoff Meeting. The Agenda and material for Project Kick-off will aid in planning the kick-off meeting and getting agreement on the presentation content for the meeting.

b. Non-Deliverable Outcomes:

1) Fully setup facilities, equipment
2) Project Kickoff Meeting
3) Readiness to commence the next set of project activities

b) Orientation/Knowledge Acquisition Transition Period

The contract will provide for a maximum of six months for transition from the incumbent vendor to the selected Offeror.

The selected Offeror must carry out and participate in each of the specific activities delineated in the agreed-upon Orientation/Knowledge Acquisition Plan. During this activity, the selected Offeror must gain sufficient knowledge to understand the functionality provided by iCIS, its underlying data structures, its processing sequences, its key data input mechanisms, its interfaces, the operational aspects of iCIS such as concurrent usage, transaction volumes, etc. in order to successfully perform the project requirements.

The selected Offeror must allocate sufficient resources and time for Orientation/Knowledge Acquisition and ensure that Orientation/Knowledge Acquisition takes place in a partnership spirit and cooperative manner. The selected Offeror will be responsible for satisfactorily meeting the deliverables and achieving the outcomes in a timely manner.

i. Deliverables and Outcomes: Orientation/Knowledge Acquisition

a. Deliverables

   o Knowledge Acquisition Completion Checklist
      The selected Offeror shall develop a Knowledge Acquisition Completion Checklist that will indicate that all planned Knowledge Acquisition activities have been complete.
b. Non-Deliverable Outcomes:
   o The selected Offeror acquires sufficient knowledge of iCIS suite and its operating environment to successfully carry out the project requirements in an effective and timely manner.

c. Outgoing Vendor’s Integrated Solutions Turnover Plan and Assumptions for Knowledge Transfer Transition

Orientation/Knowledge Acquisition Required Items:
The selected Offeror must develop and implement a Commonwealth-approved Turnover Plan covering the possible turnover of the system and operational activities to either the Commonwealth or a successor vendor. The Offerors must describe in detail how they will coordinate and work with designated Commonwealth stakeholders, and third party vendors. The selected Offeror will 1) Effectively stand up operations as well as perform and manage all the tasks outlined in the Orientation/Knowledge Acquisition section for a successful, completed transition by six months after the effective date of the contract; 2) Meet the primary objectives and responsibilities, 3) Provide a resource plan and organizational chart for the transition team and crosswalks to operational positions after completion, and 4) Conduct activities and procedures for the evaluation, knowledge acquisition, and transition of the in-scope systems relative to, but no limited to the following items:
   - Work materials
   - Business and Technical Governance (Processes and Procedures)
   - Software, tools, and end-user guides and operational documentation
   - Project Plans and associated status (on-going initiatives and scheduled on baseline, risk/Issues logs, status reports, etc).
   - Program Office business cycles demands and operational environments abilities, strengths, and constraints
   - Program mission, vision, and strategies (domain understanding and continuity during transition)
   - Program and documentation update procedures during transition
   - On-going and scheduled operational activities
   - On-going and scheduled computer systems Modifications/Enhancement activities and associated end-user adoption and implementation support activities
   - Staffing Levels and Organizational Structures
   - Defining and transition of responsibilities
   - Skill sets requirements, staff training, and job shadowing
   - Criteria for success, validations, and certifications
   - Production program and documentation update procedures during transition
   - Program Office business plans and strategies turnover procedures
   - Understanding procedures for on-boarding business concepts through the Business Review Board, requesting changes to computer programs, and other documentation
   - Transition alignment with business cycle and scheduled events
   - Check points and transition operational readiness assessments throughout the transition period
Task B  Outgoing Transition – Turnover Services
This section presents the turnover requirements to which the selected Offeror must agree. Turnover is defined as those activities that are required for the selected Offeror to perform to transition contract service delivery to a subsequent vendor or to Commonwealth resources. It will be the selected Offeror’s responsibility to ensure that the system is converted, installed and tested at the new site. Provide a step-by-step plan for the transition including target dates, phase-out activities, training, etc.

1. Turnover Scope
During turnover, the selected Offerors must ensure that program stakeholders do not experience any adverse impact from the transfer of services. Nine months prior to the end of the contract term, the selected Offeror must develop and submit a comprehensive Turnover Plan that details the proposed schedule, activities, and resource requirements associated with the turnover tasks identified. Six months prior to the end of the contract term, the selected Offeror must implement a DPW and DOH approved Turnover Plan. Turnover activities include, but are not limited to:

- Transfer of information including documentation relating to software and interfaces; functional business process flows; and operational information concerning subcontractors;
- The implementation of a quality assurance process to monitor turnover activities;
- The plan for training the State and/or its designated agent’s staff in the delivery of services;
- Post-Turnover services including a Turnover Results Report and access to the selected Offeror’s staff with technical and operational expertise.
- Appoint, with State approval, a manager to manage and coordinate all turnover activities outlined in the Turnover Plan approved by the State.

The selected Offeror must:
- Execute the approved Turnover Plan in cooperation with the incoming vendor’s Transition Plan.
- Maintain service delivery staffing levels (no reduction in staffing) during the turnover period; all changes require prior approval by the DPW Contract Administrator;
- Not restrict or prevent the selected Offeror’s staff from accepting employment or contract positions with DPW or DOH or with any successor vendor. DPW will work with the incumbent and successor vendors on the timing of any transition of incumbent staff.
- Notify the DPW Contract Administrator of reassignment or termination of employment or contract with any of its staff during Turnover prior to reassignment or termination of the staff.
- Provide to DPW or its agent, within 15 business days of the request, all updated scripts and other documentation and records required by the DPW or its agents.
- Turn over the operation and management of all service delivery functions to DPW or its designee. This turnover must be planned and managed in an orderly fashion so that no disruption of service to users or clients takes place.
- Work closely with DPW to ensure that this turnover of responsibilities and the necessary knowledge transfer are completed by the end of the contract period.
- Submit turnover deliverables as outlined in the tables below.
- Respond to all DPW or DOH requests regarding turnover information, in the timeframe defined by the Commonwealth at the time of the request.

2. **Turnover Deliverables**
The following deliverables are associated with Turnover:

   a) **Turnover Plan Deliverable**

<table>
<thead>
<tr>
<th>Turnover Plan</th>
<th>Activity</th>
<th>Expected Delivery</th>
<th>Frequency</th>
<th>Description</th>
</tr>
</thead>
</table>
| Turnover Plan | Turnover | Submitted for approval no later than 9 months prior to the end of the contract term or within 3 months of request by DPW | Once | The selected Offeror must develop and implement a DPW-approved Turnover Plan covering the possible turnover of the operational business activities and systems to either DPW or its designee. The Turnover Plan must be a comprehensive document detailing the proposed schedule, activities and systems, and resource requirements associated with the turnover tasks. Additionally, the Turnover Plan, must be provided in a format and media specified by DPW. The Turnover Plan must include:
   - Turnover of copies of all relevant data, documentation, or other pertinent information necessary for DPW or its designee to take over and successfully assume operational business activities
   - Detailed description and diagram showing the configuration of the hardware and telecommunications network
   - Detailed inventory of all Pennsylvania DPW software programs and modules, scripts, parameters, files and data bases, data element dictionary, user code or exits used in proprietary software packages, login IDs/passwords and other necessary credentials, etc. that comprise the Pennsylvania DPW systems
   - Documentation of all external interfaces identifying the external entity, description of interface, frequency, volume (size of files), and media or type of interface (FTP server, email, CD/DVD, clearing house, tape file, etc.)
   - Inventory of all documentation including systems, operations, user, provider, design, system change orders, defects, special projects, training materials, operational and desk-level procedures, and program policies, etc. that is used to carry out the Contractor responsibilities under this contract
   - Turnover of correspondence, documentation of outstanding issues, and other service delivery support documentation
   - A description of the Offeror’s approach and schedule for transfer of operational support information
   - A description of information and systems required to continue service delivery
   - Vendors shall document how they will, as part of their turn over plan, support efforts of a new vendor in:
     - Engaging stakeholders
     - Describing the application or support service
     - Focusing the transition plan design
     - Supporting the well-rounded approach and credible efforts of the transition
Justifying the processing and conclusions of the transition.
- Capability Turnover Plan
- Knowledge Transfer Topics
- Knowledge Transfer Schedule
- Staff Load and Qualification Document
- Turnover Inventory of Documents and Plan
- Turnover Completion Report
- Asset Inventory (Hardware, Software, Manuals, etc.)
- Detailed Business Systems Platform Blueprints (Hardware & Software technologies, configurations, systems specifications, and associated technical procedures)

### b) Turnover Lessons Learned Report Deliverable

<table>
<thead>
<tr>
<th>Turnover Lessons Learned Report</th>
<th>Activity</th>
<th>Expected Delivery</th>
<th>Frequency</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Turnover</td>
<td>Submitted for approval no later than 9 months prior to the end of the contract term or within 3 months of request by DPW</td>
<td>Once</td>
<td>The selected Offeror must provide a Turnover Lessons Learned Report to either DPW or its designee. The Turnover Lessons Learned Report must be a comprehensive document detailing the lessons learned from their Orientation/Knowledge Acquisition plan and process; and incorporate that information into their Turnover Plan. Additionally, the Turnover Lessons Learned Report, must be provided in a format and media specified by DPW.</td>
</tr>
</tbody>
</table>

### c) Turnover Results Report Deliverable

<table>
<thead>
<tr>
<th>Turnover Results Report</th>
<th>Activity</th>
<th>Expected Delivery</th>
<th>Frequency</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Turnover</td>
<td>Submitted for approval within 30 calendar days of the completion of Turnover activities</td>
<td>Once</td>
<td>Following turnover of service delivery, the selected Offeror must provide DPW with a Turnover Results Report documenting the completion and outcomes of each step of the Turnover Plan previously approved by the DPW. Turnover will not be considered complete and final payment will not be made until the Turnover Results Report is received and approved by the DPW Contract Manager.</td>
</tr>
</tbody>
</table>

### d) Turnover Required Items:
The Offeror must describe in detail:

1. The resources including skill sets and experience required, and resource allocation strategies (roll-on or roll-off) to support a successful turnover,
2. The associated turnover organizational chart,
3. A turnover plan outline defining the key points and considerations, turnover success criteria, and the major tasks and subtasks they believe are pertinent to ensuring a successful turnover with minimal impact to business operations, and
iv. How they would manage the plan, accurately assess progress, and mitigate variances for a successful turnover.

**NOTE:** The selected Offeror must work collaboratively in the assessment and implementation of any Orientation/Knowledge Acquisition and transition activities. The selected Offeror agrees to cooperate with any other vendor, and shall not commit or permit any act that may interfere with the performance of work by any other Contractor.

It is the Departments’ expectations that all Orientation/Knowledge Acquisition tasks and requirements shall be accomplished under the terms of the contract for work authorizations and approvals, cost methodology, billing/invoicing, staff time, payments, documentation support, and any other applicable standards, procedures, and contract specifications.

**Task C Nursing Facility Payments**

1. **Nonpublic Nursing Facilities (55 Pa. Code Chapter 1187)** (Please refer to the following site for information:

   [http://www.dpw.state.pa.us/provider/doingbusinesswithdpw/longtermcarecasemixinformation/index.htm](http://www.dpw.state.pa.us/provider/doingbusinesswithdpw/longtermcarecasemixinformation/index.htm)

   The selected Offeror is required to update the NIS database with information necessary for rate setting. See 55 PaCode Chapter 1187 and the Commonwealth’s approved State Plan. Each nonpublic nursing facility's per diem rate is comprised of four rate components, one for each of the three "net operating cost centers": "resident care" costs; "other resident related" costs; "administrative" costs; and a fourth for the "capital" cost center. Each component is separately computed on an annual basis. In addition, as required by section 443.1 of the Public Welfare Code, 62 P. S. § 443.1(7)(iv), regarding MA payments for institutional care, each nonpublic nursing facility's CMI-adjusted quarterly rate is then multiplied by a budget adjustment factor (BAF) to align with the funds appropriated by the General Appropriations Act for the fiscal year. The budget adjustment factor for each rate year is determined in accordance with the formula set forth in the Commonwealth’s approved State Plan.

   a) Establish of rates for nursing facilities on a quarterly basis. See Appendix A for locations of detailed information.

   b) Update the NIS database that is used to house information regarding rates on an ongoing basis.

   c) Calculate rates for a new facility or a new provider as needed.

   d) Set the peer group price annually. Refer to Appendix A for locations of further details.

   e) Update the NIS database for price and rate setting as data is received. See Appendix A for locations of further details.

   f) Supply data regarding rate setting to DPW.

      i. Supply data regarding rate setting to DPW on a quarterly basis in a format defined by the Commonwealth.

      ii. Provide a peer group file containing the peer groups, peer group medians and peer group prices in two formats, Excel spreadsheet to be
downloaded to DPW’s Internet website and a word document to be inserted into a public notice. This is usually done on an annual basis.

h) Provide rate setting and calculation letters to DPW on an annual basis.

i) Provide a rate file containing provider identification information and the per diem payment rate for each facility as needed. This is sent electronically to the PROMISSe system from the selected Offeror two weeks prior to the beginning of each quarter to be used in the payment of claims. The quarterly case mix rates file is sent in multiple formats (dat, Excel and pdf) as defined by the Commonwealth, for example: an Excel spreadsheet to be downloaded to DPW’s Internet website and a .dat file to be sent to the PROMISSe system.

j) Download the CMI file in an Excel spreadsheet format for DPW’s Internet website on a quarterly basis.

k) Modify the current new rate database, consisting of the three most recent audited cost reports (MA-11) for each facility, on an ongoing basis.

l) Update the Proposed rate file on a quarterly basis.

m) Update the Final rate file on a daily basis as needed.

n) Update the Nursing Home Information System (NIS) pertaining to MDS and Rates on an ongoing basis.

o) Provide, each fiscal year, a fiscal impact analysis in a Microsoft Excel version accepted by the Commonwealth (currently Excel 2010) for use in the fiscal impact section of the proposed and final public notices and their related fiscal notes. See public notice Payments to Nonpublic and County Nursing Facilities; Proposed Rates for State Fiscal Year 2013-2014 at 43 Pa.B. 3587 (June 29, 2013). There are three phases of the Commonwealth budgeting process in which the selected Offeror will be involved: Pre-Budget; Post Budget and the rate calculation.

2. County Nursing Facilities (55 Pa. Code Chapter 1189) (Please refer to the following site for information http://www.dpw.state.pa.us/provider/doingbusinesswithdpw/longtermcarecasemixinformation/index.htm.)

The selected Offeror is required to update the NIS database with information necessary for rate setting. Rates are set prospectively for each county facility on an annual basis during the second quarter of each calendar year and are in effect for the subsequent July 1 through June 30 period. The facility’s prior rate year per diem is multiplied by a budget adjustment factor determined in accordance with the formula in the Commonwealth’s approved State Plan which can be found in Appendix S.

This file is similar in format to the nonpublic nursing facility rate file. It also contains provider identification information and the per diem payment rate for each facility, which is sent to DPW for approval and the file is then sent electronically to the PROMISSe Claims Processing System, two weeks prior to the beginning of the rate year. For additional information, please see 55 Pa. Code Chapter 1189 which can be found in Appendix A. The selected Offeror will:

a) Update the NIS database with information required for rate setting on an ongoing basis.

b) Calculate rates for new facilities as needed.

c) Set the annual rate on an annual basis.
d) Maintain NIS database rate setting as data is received.

e) Supply data regarding rate setting to DPW.

f) Provide rate setting and calculation letters as needed to DPW one week prior to final publication in Pa. Bulletin.

g) Provide annual rate files containing provider identification information and the per diem payment rate for each facility. This is sent electronically to DPW from the selected Offeror two weeks prior to the beginning of the rate year to be used in the payment of claims. The annual case mix rates file is sent in multiple formats (dat, Excel and pdf) as defined by the Commonwealth, for example: an Excel spreadsheet to be downloaded to DPW’s Internet web site and a .dat file to be sent to the PROMISE system.

h) Provide a proposed rate file on an annual basis.

i) Provide a Final Rate file on an annual basis.

j) Provide, each fiscal year, a fiscal impact analysis in Excel for use in the fiscal impact section of the proposed and final public notices and their related fiscal notes. See public notice Payments to Nonpublic and County Nursing Facilities; Proposed Rates for State Fiscal Year 2013-2014 at 43 Pa.B. 3587 (June 29, 2013).

3. MA Allowable Assessment Cost and Supplemental Payments

The selected Offeror shall send DPW nursing facility information that is needed to determine supplemental payments. This gross adjustment file is sent to DPW on a quarterly basis. The NAS calculates the MA allowable cost and supplemental payments for qualified nonpublic nursing facilities. These payments are comprised of two components: an allowable cost component and a supplemental component. The allowable cost per diem is determined by dividing the facility assessment by the facility total resident days. The supplemental per diem is determined each fiscal year. Both per diems are then multiplied by the qualified facility’s MA days. The per diem reimbursement is paid quarterly. NAS calculates the payment and stores the data. A data file is established by the selected Offeror with the supplemental and allowable cost payments and sent quarterly to DPW for processing. The selected Offeror will:

a) Send the gross adjustment file in formats accepted by the Commonwealth (currently Excel 2010 and .dat formats) to DPW on a quarterly basis.

b) Maintain the database on an ongoing basis that is used to house information regarding supplemental and allowable cost payments.

c) Update NAS on an ongoing basis for Allowable Assessment Cost and Supplemental Payments.

4. Other Payments

The selected Offeror shall assist DPW in making the following additional payments: a Disproportionate Share Incentive Payment (DSH); County MA Day One Incentive (MDOI), Pay for Performance Incentive (P4P), Supplemental Ventilator Care Payment (SVCP), Hospital Reserve Bed Days Payment, and the Health Care-Associated Infection (HAI) pass-through Payment.

a) Disproportionate Share Incentive Payment (DSH)

Disproportionate share incentive payment is calculated by multiplying MA paid days of care times the per diem incentive to a nursing facility meeting the following criteria for a 12-month cost reporting period: 90% overall occupancy
and 80% MA occupancy. Eligibility and payments are calculated for the two cost reporting periods (July 1st through June 30th and January 1st through December 31st).

A file is created and sent by the selected Offeror to DPW containing the facility, therapeutic, MCO and LTTCAP/LIFE days. Days for facility and therapeutic are obtained via PROMISe through an Enterprise Data Warehouse (EDW) extract. Days for MCO and LTCCAP/LIFE are obtained via Schedule B of the nursing facilities cost report. The selected Offeror will determine eligibility and calculate payment, where applicable, for all facilities with an acceptable full year cost report within the designated time frame. See information located at http://www.dpw.state.pa.us/provider/doingbusinesswithdpw/longtermcarecase mixinformation/ma11costreports/index.htm. A DSH report consisting of multiple formats (dat, Excel and pdf) is submitted to DPW by the selected Offeror. See http://www.dpw.state.pa.us/cs/groups/webcontent/documents/document/c_070 806.pdf. The per diem incentive is calculated annually by the selected Offeror. See Appendix A. The selected Offeror will:

i. Determine eligibility and calculate payment where applicable for all facilities with an acceptable full year cost report within the designated time frame on a semi-annual basis.

ii. Submit a DSH report consisting of multiple formats on a semi-annual basis.

iii. Electronically store a copy of the DSH report for historical reference on an ongoing basis. The DSH reports are generated twice a year by selected Offeror. See Appendix A.

iv. Deliver the DSH reports for December 31 filers annually by July 31st and the DSH reports for June 30 filers annually by January 31 st.

v. Update the initial report as needed, as additional cost reports are accepted for the specified time period.

vi. Prepare DSH payment documents twice per year to be posted to the Commonwealth’s web site.

b) County Nursing Facility MA Day One Incentive (MDOI)

An annual MDOI will be calculated for each qualified county nursing facility to be paid out in quarterly installments as prescribed in the State Plan, see Appendix S. The selected Offeror will:

i. Calculate the MDOI per diem rate on an annual basis.

ii. Provide calculation of incentives for each qualified facility on an annual basis.

iii. Transmit MDOI information to DPW in multiple formats (dat, Excel and pdf) on a quarterly basis.

iv. Maintain history of the MDOI file on an ongoing basis.

v. Prepare MDOI payment documents to be posted to the Commonwealth’s web site. Information can be found at: http://www.dpw.state.pa.us/provider/doingbusinesswithdpw/longtermcarecase semixinformation/index.htm.

c) Pay for Performance Incentive (P4P)
A quarterly P4P will be calculated for each qualified county nursing facility to be paid out in quarterly installments as prescribed in the State Plan, see Appendix S. The selected Offeror will:

i. Determine which county nursing facilities will qualify for the P4P payment on an annual basis. See Appendix A and http://www.dpw.state.pa.us/cs/groups/webcontent/documents/document/p_039704.pdf.

ii. Calculate the quarterly P4P payment for each qualified nursing facility.

iii. Transmit the P4P file to DPW in multiple formats as they are completed.


v. Prepare P4P documents to be posted to the Commonwealth’s web site.

d) Supplemental Ventilator Care Payment (SVCP)
A quarterly SVCP is paid to qualified MA nonpublic and county nursing facilities that provide medically necessary ventilator care for a significant portion of their MA-recipient resident population. The selected Offeror will determine which nursing facilities will qualify for the SVCP and determine the SVCPs using the qualifying criteria and formula in the State Plan, Appendix S. A nursing facility’s eligibility status and, if applicable, their SVCP per diem shall be conveyed by the selected Offeror to each MA nursing facility via the CMI Report. In addition, the selected Offeror shall transmit (four times a year) via email in multiple formats (dat, Excel and pdf) to DPW staff the payment information for each county nursing facility and prepare supplemental ventilator care payment documents to be posted on the Commonwealth’s web site.

e) Hospital Reserve Bed Days
A resident receiving nursing facility services is eligible for a maximum of 15 consecutive reserved bed days per hospitalization. The Department will pay a nursing facility at a rate of one-third of the facility’s current per diem rate on file with the Department for a hospital reserved bed day if the nursing facility meets the overall occupancy requirements as described in the State Plan, Appendix S and 55 Pa. Code Chapters 1187 and 1189.

The selected Offeror shall determine which nursing facilities will qualify for the hospital reserved bed days payment on a quarterly basis using the qualifying criteria in the State Plan and Chapters 1187 and 1189. This information shall be conveyed to each MA nursing facility via the CMI Report.

f) HAI pass-through Payment
The Department of Health’s (DOH) annual health-care associated infection (HAI) surcharge on a nursing facility’s licensing fee is an allowable cost under the MA Program. The MA portion of the HAI surcharge will be reimbursed twice annually as a pass-through payment on an annual basis. After receiving DOH’s HAI payment file, the selected Offeror shall determine each nursing facility’s payment as prescribed in the State Plan, Appendix S. The selected Offeror will transmit via email an Excel file (gross adjustments) to DPW staff containing the payment information for each nursing facility and prepare HAI pass-through payment documents twice annually to be posted to the Department’s web site.

Task D Audit Adjustments
Cost reports are subject to annual audits. To assist Nursing Facilities with understanding regulations used during audits of MA-11 cost report, the Interpretive Guidelines were developed. The Interpretive Guidelines can be found at the following website [http://www.dpw.state.pa.us/provider/doingbusinesswithdpw/longtermcarecasemixinformation/ma11costreports/index.htm](http://www.dpw.state.pa.us/provider/doingbusinesswithdpw/longtermcarecasemixinformation/ma11costreports/index.htm).

The selected Offeror will receive both an electronic and hard copy audit adjustment report for non-public nursing facilities (approximately 589) and an audit adjustments report (hard copy) for county nursing facilities (approximately 29). Depending on volume, the electronic audit adjustment reports are sent via email or loaded onto a CD and picked up by the selected Offeror’s courier. The hard copy reports are picked up from DPW and returned by the selected Offeror’s courier. Currently, the heaviest data exchange time is January through mid-April. The courier pickups range from once a month to once a week. The selected Offeror will verify and edit the audit adjustment reports after approval by DPW. Upon approval, the audit adjustment data is activated on the NIS system database maintained by the selected Offeror. The hard copy data and CD is then returned to DPW.

The audit adjustment template is part of NIS and must be provided by the selected Offeror for the input and editing of audit adjustments. The facility specific template (spreadsheet) is downloaded from NIS by DPW staff on an as needed basis for every facility and is prepopulated with cost data and formulas. After audit adjustment activity occurs, and an audit report is issued, the audit template with the updated data is transferred from DPW staff to the selected Offeror. (See Appendix Z - Audit Template). The software/audit template must continue to meet Commonwealth standards and regulations.

Analyses are performed by DPW to provide the audit staff with information for audit purposes. The selected Offeror will need to complete additional processes to support this audit process, such as, an initial run of the preliminary prices used for rate setting.

The selected Offeror is responsible to support an on-line audit tracking system (See Appendix Q) that is in place to track the status of audits and cost reports. The selected Offeror will provide DPW with online access to the audit tracking systems. The on-line tracking system will provide inquiry and report-generating capabilities that will be accessed by DPW staff. The system will provide routine tracking reports (See Appendix Q for examples of tracking reports) for DPW staff and generate provider letters for each nursing facility based on the audited data. The system must have the capability to produce user-defined ad hoc reports.

1. The selected Offeror shall provide support and an on-line audit tracking system (See Appendix Q) that is in place to note the status of audits and cost reports. Appraisal data should be preserved in NIS for historical record.
2. The selected Offeror shall complete additional processes to support the audit process, such as, an initial run of the preliminary prices used for rate setting.
3. The selected Offeror shall load the audit templates as data is received and validated via electronic submission by the provider. The selected Offeror shall refine the audit template as directed by DPW.
4. The selected Offeror shall make arrangements for the pickup and return of audited cost data.

**Task E  Nursing Facilities Assessment Process**

The nursing facility reports its resident days, number of licensed beds and Continuing Care Retirement Community (CCRC) status via www.PANFSubmit.com on a quarterly basis. The data submitted by the nursing facilities is stored on NAS. The website, NAS and the PA NF Assessment and Quarterly Resident Day Reporting Form - End User Manual is maintained and updated by the selected Offeror. See [http://www.dpw.state.pa.us/provider/doingbusinesswithdpw/longtermcarecasemixinformation/assessment/index.htm](http://www.dpw.state.pa.us/provider/doingbusinesswithdpw/longtermcarecasemixinformation/assessment/index.htm).

1. After the assessment rate is approved by the Governor, the selected Offeror updates the NAS with the new assessment rates.

2. The selected Offeror is responsible for downloading the assessment payments made by nursing facilities via electronic transfer from the DPW financial institution. The Automated Clearing House (ACH) payments and wire transfers are logged into the NAS System daily via an FTP transfer from DPW’s financial institution daily by the selected Offeror. The checks are manually input by DPW staff. DPW monitors the program and tracks the assessment payments made by nursing facilities via electronic transfer or check through NAS.

3. The selected Offeror shall maintain and update NAS, the www.PANFSubmit.com website, PA NF Assessment and Quarterly Resident Day Reporting Form and End User Manual.

4. The assessment rate is determined annually by a work group consisting of staff from DPW and the selected Offeror. The selected Offeror supports the work group with analysis of nursing facility data to determine the assessment rate for the fiscal year.

**Task F  Training**

The selected Offeror is required to provide training to DPW, DOH, Providers and appropriate state agency(s) staff. Training documentation needs DPW and/or DOH approval.

1. DPW staff members will have a minimum of 1 or 2 training sessions per year, depending upon staff turnover or the number of changes implemented by CMS. The current topics are:
   - RAI Manual Updates from CMS
   - Nursing Facility Baseline Error Percentage Rates over the past years
   - MDS RUG III
     - Resource Utilization Group III, Version 5.12 (RUG-these are 44 Items on the MDS that affect payment in our state) Element Error Rates over the past several years
     - Top 10 RUG Error Percentages for past year
     - Top 10 RUG Error Frequencies for past year
     - RUG system
     - Discussion of RUG-III Classification and Hierarchy
     - Section S of the MDS (State section)
     - MA Change Tracking Form
Documentation Discussion for each of the 44 RUG Items on the MDS (What must be charted in the resident’s chart in the nursing facility in order to accept a RUG item when it is coded on the MDS)

New versions of MDS
- Case Mix Index (CMI)
  - CMI Report and the process of how these are generated quarterly
  - Valid Assessment for the CMI Report
  - Index Maximization
  - When is a resident MA for MA Case Mix
- Procedures/Processes
  - Baseline MDS Review Process and changes for the year
  - Procedural Issues for Baseline Review
- Discussion and orientation of the Pennsylvania Case Mix Classification; Case Mix, Picture Date, MA Day of Care per 1187 Regulations, Reporting of MA/Non-MA Status
- Rate setting for DPW on an as needed frequency
- MA Pending and PA 162 discussion
- New Happenings

2. The DOH survey staff will have training at least every quarter (4 times per year) provided by the selected Offeror or in conjunction with the DOH, as determined by the DOH. Training topics to include, but are not limited to:
   - Resident Assessment Instrument. (Training to cover all aspects of the RAI.)
   - RAI Manual Updates from CMS
   - New Happenings
   - New versions of MDS
   - Oasis Updates

3. Provider training will be conducted at least every quarter (4 times a year) by electronic means consistent with current standards of technology or by means determined by the DOH.
   a) Training topics to include, but are not limited to:
      - Minimum Data Set.
      - Care Area Assessment (CAA) Process [Care Area Triggers (CATs), Care Area Assessment, CAA Summary (Section V of the MDS 3.0)]
      - Care Planning
      - Utilization Guidelines.
      - Medicare Perspective Payment System (PPS)
   b) Newsletters at least every quarter (4 times a year), in a format suitable for distribution by electronic means, written by selected Offeror and approved by DPW and DOH will include:
      - Current issues related to the Resident Assessment Instrument (RAI) process
      - Written responses to the Questions and Answers that were discussed during Teleconference broadcast.
      - Contact information for future inquiries to the State RAI Coordinator

4. Training Plans and Materials
Training plans and materials will be developed for both the providers and the Commonwealth and kept up to date.

Task G Miscellaneous Tasks and System Documentation

1. Manuals

Manuals will be maintained and/or updated by the selected Offeror for the use of the providers and the Commonwealth. Commonwealth staff receives notification of changes from CMS or State regulatory sources, the following systems and manuals will need to be updated by the selected Offeror. The current systems and program manuals include:

- Resident Data Reporting Manual - This document explains the Pennsylvania Medicaid Case mix Reimbursement System. The Resident Data Reporting Manual will need to be reviewed twice a year for potential updates. See http://www.dpw.state.pa.us/cs/groups/webcontent/documents/manual/d_006851.pdf. MA-11 Cost Report Submission System, This document provides information concerning completion of the electronic cost report standard file and the submission and acceptance process and also includes sequentially numbered cost report schedules.


- Excel Spreadsheet Template, This spreadsheet may be used to data enter cost report information in the standard file format required for electronic submission. If the provider or their cost report preparer currently use custom MA-11 cost report software of spreadsheets, the use of this template may not be necessary. See http://www.dpw.state.pa.us/provider/doingbusinesswithdpw/longtermcarecase mixinformation/ma11costreports/index.htm.

- NIS End User Manual – This manual is an internal document used by the DPW staff to navigate the NIS file that is currently housed on the DPW server. See Appendix Q.

- NAS End User Manual - This manual is a document used by DPW staff and nursing facility providers to navigate the NAS file that is currently housed on the DPW server. See http://www.dpw.state.pa.us/provider/doingbusinesswithdpw/longtermcarecase mixinformation/assessment/index.htm.

2. Documentation

Detailed documentation of all the systems will be prepared and maintained throughout the length of the contract. At the conclusion of the contract, all documentation becomes the property of the Commonwealth.

3. Data Use Agreement

The selected Offeror shall execute the Data Use Agreement Form CMS-R-0235 or applicable CMS agreement with CMS in order to support the Agencies use with the MDS/OASIS data. The selected Offeror shall also obtain, prior to releasing any MDS/OASIS data to other entities, a copy of the entities data use agreement form (CMS-R-0235) or
applicable CMS agreement to ensure that the entities are authorized to obtain the MDS/OASIS data.
The selected Offeror shall maintain copies of all data use agreements on file. The CMS user agreement is at the following website: http://www.cms.hhs.gov/cmsforms/downloads/cms-r-0235.pdf

4. Financial Feasibility Analysis
When a nursing facility wants to change their bed capacity, an exception request must be submitted to DPW. The selected Offeror will complete a financial analysis of the information submitted with the exception request. After the selected Offeror completes the financial analysis, the information is returned to DPW for final decision. See http://www.dpw.state.pa.us/cs/groups/webcontent/documents/webcopy/p_013222.pdf.

5. Miscellaneous Data
The selected Offeror must have the capability of performing any analyses or data manipulation including information needed for budgetary purposes, contracting and management strategies, appeals or to determine the impact of potential changes to regulations or policies. Generally, the selected Offeror must be adaptable to change since the Agencies will need the selected Offeror to make changes that may be required as a result of federal or state mandates or the needs of Commonwealth Staff.

The selected Offeror must also be able to make any changes required by the Commonwealth Business and Technical Standards program. The Business and Technical Standards program is a DPW strategy aimed at identifying opportunities for coordination and integration across program offices within DPW, across counties, and across the various departments in the Commonwealth. The Business and Technical Standards program is DPW’s long-term strategy with guiding principles and a governing structure that aims at coordinating functions and supports an integrated service delivery system to the citizens and the business partners of the Commonwealth.

Task H  Application Maintenance and Support
The selected Offeror will be responsible for the maintenance and operation of the NIS production system and its related applications to ensure that all present and future functionality is maintained or developed and the system is operating efficiently and effectively. The selected Offeror must provide several different types of application support services that will directly support the system and program operations as it is being utilized by its users. The selected Offeror is responsible for all the applications, maintenance, support services, and equipment in Headquarters and the Agencies’ field offices. The selected Offeror shall provide a detailed description of the recommended products for utilization with a diagram showing the total system inter-connectivity to understand their viability/support/commitment to the products and processes.

The selected Offeror is responsible for providing IT support to approximately 700 nursing facilities and approximately 340 Home Health Agencies (HHAs) that electronically submit data to CMS. There are seven regional and two satellite DPW field offices with approximately 80 operational staff. There are 22 DOH field offices with approximately 150 DOH field staff equipped with personal computers/modems/network adaptors/printers. All of this equipment requires on-going upgrading, consultative and/or on-site advice/technical
assistance/training and maintenance. A number of processes have been adapted to
electronic data processing methods using several different software programs (mainly data
base, spreadsheet or statistics programs).

The following are the Application Support Services selected Offeror Responsibilities:

1. **Rate Setting Files**
   The selected Offeror must provide an annual county rate file and quarterly
   nonpublic rate files containing provider identification information and the per diem
   payment rate for each facility. The files are sent from the selected Offeror
electronically to the DPW for the payment system two weeks prior to the beginning
   of the fiscal year and rate quarter respectively. The quarterly case mix rate files
   are sent in multiple formats (dat, Excel and pdf): (ex: one is an Excel spreadsheet
to be downloaded to the DPW Internet website and the other is a .dat file to be
sent to the PROMISe system). This website was created to allow all interested
parties quick access to information about the DPW long-term care program. The
website is: [http://www.dpw.state.pa.us/provider/doingbusinesswithdpw/longtermcarecasemixinformation/index.htm](http://www.dpw.state.pa.us/provider/doingbusinesswithdpw/longtermcarecasemixinformation/index.htm)

2. **MA Allowable Cost and Supplemental Payment Files**
The selected Offeror must provide files in multiple formats (dat, Excel and pdf)
from NAS to DPW, containing the MA Allowable and supplemental cost payments
on a quarterly basis.

3. **Other Payment Files**
The selected Offeror must provide files for other payments including:

   a) Disproportionate Share Incentive Payment (DSH) Files consisting of multiple
      formats (dat, Excel and pdf) and are provided to DPW twice a year.

   b) County MA Day One Incentive (MDOI) Files consisting of multiple formats (dat,
      Excel and pdf) are transmitted four times a year, via email, to DPW containing
      the payment information for each county nursing facility. See an example at

   c) Pay for Performance Incentive (P4P) Payment Files consisting of multiple
      formats (dat, Excel and pdf) are transmitted four times a year, via email, to
      DPW containing the payment information for each county nursing facility.

   d) Supplemental Ventilator Care Payment (SVCP) Files consisting of multiple
      formats (dat, Excel and pdf) are transmitted four times a year, via email, to
      DPW containing the payment information for each nursing facility. See

   e) HAI pass-through Payment Files in multiple formats (dat, Excel and pdf) are
      transmitted via email, to DPW containing the payment information for each
      nursing facility.

4. **Data Maintenance**
The selected offeror shall provide the following services in connection with data maintenance.

a) The selected Offeror must provide staff to review and resolve conflicting data on file layouts.
b) Assist regarding input and editing of data, including the Quality Measures (QM) data.
c) Generate standardized reports needed by the agencies to analyze and monitor current and prospective long-term care services.
d) Provide ad hoc reports/information to the Commonwealth for executive/strategic management information purposes.
e) Receive, manage, and prioritize program change requests.
f) Load the assessment payments made by nursing facilities via electronic transfers (ACH and wire transfers) to the NAS system daily from the DPW financial institution.
g) Allow full and complete transactional input and editing capabilities to the data in NAS and NIS for Commonwealth staff with a system maintained audit history to track the users making changes. The editing capabilities include, but are not limited to, updating letter formatting and provider file updates. Assist regarding the input and editing of changes in data.
h) Aid in the connectivity of the ASPEN Central Office with the MDS and Outcome and Assessment Information Set (OASIS) standard collection system and maintenance of the provider tables.

All deliverables will be subject to review, evaluation and approval of the Project Officer. The Project Officer will not accept any deliverables until the conclusion of the reviews and the incorporation of any required changes in the selected Offeror’s work products.

5. Help Desk Services
The selected Offeror must operate a User Help Desk. The Help Desk must be available during regular business hours (Monday through Friday, 8:00 AM to 5:00 PM) to respond to Nursing Facility Reimbursement System application and MDS/OASIS submission issues and questions from providers and other users. The selected Offeror should present appropriate staffing and an operating methodology for a Help Desk operation that efficiently and effectively handles contacts related to application and hardware problems. The selected Offeror may propose a help desk methodology that routes problem reports to other staff with appropriate expertise.

The selected Offeror must work to continuously enhance the knowledge of the Help Desk staff regarding the Nursing Facility Reimbursement System applications in order to improve the capacity of staff to deliver high quality assistance to users. The selected Offeror will also seek to ensure the accuracy and specificity of problem reports generated by the Help Desk and must facilitate communication and understanding of problems and their resolution between the system analysts and the Help Desk staff. Approximately four hundred (400) calls are received per month.

6. Support Services
The selected Offeror will ensure that support services are performed in a dependable and timely manner in accordance with, and as defined by, each agency (typically within one to three days). The selected Offeror will employ staff persons that are familiar with MDS, OASIS and the various Nursing Facility Services Reimbursement Systems. Telephone support provided by the help desk must be available during normal operating business hours to Commonwealth Agency Staff and to nursing facility service providers requesting consultation regarding MDS, OASIS, case mix related issues, rate related issues and program/policy issues. The selected Offeror will provide services to support the Reimbursement System, NIS, NAS and FDIS

a) Problem Resolution
The selected Offeror will provide support services for problem resolution, appeals litigation support, provider support, front end processing, program modification, report modifications, rate disputes, etc. The selected Offeror will resolve data integrity issues on an ongoing basis.

The selected Offeror is required to provide all statistical reports and data needed for pending litigation or appeal hearings and to assist in responding to Right to Know Law requests. Data needed for litigation and appeal hearings include, but are not limited to, data involving cost reports, per diem rates, disproportionate share incentive payments and nursing facility bed requests.

b) New Initiatives
The selected Offeror will provide operational support for new initiatives related to nursing facility services. Hours will vary greatly depending on the project. The selected Offeror shall:

i. Provide a work plan for research, development, implementation, monitoring and contingency plan of the new initiatives as needed.

ii. Provide a benefit/cost analysis for all new initiatives.

iii. Prepare a Work Order for each new initiative which must be approved by DPW prior to the commencement of work on the New Initiative/Special Project. Hours will vary greatly depending on the project. These hours will be consumed by utilizing a documented work order process that will be agreed upon between the Commonwealth and the Offeror.

c) Special Projects
The selected Offeror will support DPW and DOH staff by providing assistance as needed with special projects. All work requested will be coordinated with the Contract Administrator. In connection with special projects, the selected Offeror shall:

i. Prepare a Work Order to be approved by DPW prior to the commencement of work on the Special Project. The hours will be consumed by utilizing a documented work order process that will be agreed upon between the Commonwealth and the selected Offeror.

ii. Provide a work plan for research, development, implementation and monitoring and a contingency plan.
iii. Provide a benefit/cost analysis.

NOTE: For the purpose of consistency and pricing, the Commonwealth is providing an allotment of 500 hours for New Initiatives (b) and Special Projects (c).

d) Technical Assistance
The selected Offeror will provide technical support to the nursing facilities regarding input and editing of data, through a toll free call center. The selected Offeror will:

i. Provide a toll free call center for inquiries and technical support from Monday through Friday during normal business hours.

ii. Create a monthly log and provide a report as needed, identifying caller issues.

e) Desktop Support
The selected Offeror must provide computer system consultant and desktop support services for the better operation of the Commonwealth’s systems both at the Offeror’s site and at Commonwealth’s sites. The current sites are located at 1006 Hemlock Drive, Willow Oak Building, Harrisburg PA 17110, 625 Forster St, Harrisburg PA 17120, and 555 Walnut St, Forum Place, Harrisburg PA 17101 and are subject to change. The Offeror must be able to provide technical assistance on the systems on an on-going basis in order to ensure the continued efficient operation of these systems.

f) Mailing Services
The selected Offeror will be responsible for mailings to nursing facilities, including electronic and certified mail. The total amount of annual mailing is approximately 5000 pieces. All mailings must meet regulatory requirements outlined in Appendix A or as specified by Agencies. The selected Offeror will maintain a log of all mailings to nursing facilities, including electronic and certified mail.

g) Courier Service
The selected Offeror will provide daily courier service, as needed, for the transport of computer disks and tapes, micrographics, management reports, etc., to and from the selected Offeror and specified Commonwealth agencies within the greater Harrisburg area.

IV-5. Reports and Project Control.
As referenced in section IV-3 Requirements, the selected Offeror shall provide project management services throughout the contract for all projects/initiatives (initial and future software deployment releases). The selected Offeror shall deliver and maintain project controls and reports including a work plan, communications plan, requirements management plan, risk management plan, change management plan, final report and lessons learned. The Project Officer will use reports and briefings to ensure that the selected Offeror is meeting the Commonwealth’s needs and adhering to the contract requirements. The Commonwealth must be notified through the work order process of any potential changes made to the system by the selected Offeror. The selected Offeror will provide the Commonwealth with a schedule of all scheduled maintenance and will notify the Project Officer if any changes in the scheduled maintenance occur. We encourage each Offeror to develop its own monitoring plan and promote efficiency. All reports will be subject to approval by the Project Officer. The following are required reports in the monitoring of this project.
A. Project Control

1. **Establish a Work Order Process.** The selected Offeror, in conjunction with the Department, will use a work order process for new initiatives and special projects that delineates all tasks involved in the project and assigns responsibility for tasks to specific members of the project team, as needed. The work plan will include a list of major project events and deliverables and the timing of such events. The selected Offeror will give the number of estimated contract staff hours by employee classification group for each task. When providing timetables and other timing information, the selected Offeror will use estimated periods of time (days, weeks, months, etc.) rather than specific dates, beginning with the start of the contract resulting from this RFP.

2. **Work Plan.** A work plan shall be completed by the Offeror for each task that identifies the work elements of each task, the resources assigned to the task, and the time allotted to each element and the deliverable items to be produced. Where appropriate, a PERT or Gantt chart display should be used to show project, task, and time relationship. The work plan will be updated, as needed, during the project.

3. **Monthly Reports.** The selected Offeror will provide a monthly progress report which will list all project activities, tasks completed, problems encountered, scheduled tasks not completed and solutions arrived at or recommended, actions planned for the next reporting period, and any actions requested to be taken by the Department. These monthly reports will include front-end processing activity tallies and database activity tallies. These reports should be keyed to the work plan the selected Offeror developed in its proposal, as amended or approved by the Issuing Office.

4. **Annual Reports.** The selected Offeror will be required to submit an annual written report to the Project Officer. The report will summarize all monthly progress and summary reports, any findings, conclusions, and recommendations.

5. **Problem Identification Report.** The Problem Identification Report is “as required” report, identifying problem areas. The report should describe the problem and its impact on the overall project and on each affected task. It should list possible courses of action with advantages and disadvantages of each, and include selected Offeror recommendations with supporting rationale.

6. **Requirements Statement Report.** For system development efforts the selected Offeror is expected to produce a Requirements Statement document that includes both the general/logical design of the system for on-line access to resident assessment data and the end user requirements.

7. **Test Packages.** For system developmental efforts, test plan packages will be prepared and submitted to OLTL.

8. **Documentation.** Detailed documentation of the all system information, including but not limited to, detailed design architecture, databases, software, hardware, and network will be prepared and maintained throughout the length of the contract. At the conclusion of the contract, all documentation becomes the property of the Commonwealth.

9. **Training Plans and Materials.** Training plans and materials will be developed for both the providers and the Commonwealth as provided in Task F: Training.

10. **Implementation Plan.** A detailed implementation plan will be completed and approved by the Commonwealth. The plan will outline the transportation and operation of the existing system from its current location to the selected Offeror’s location as provided in the Orientation/Acquisition Transition Plan: Project Initiation, Setup, and planning section.
11. **Briefings.** Briefings will be required each week from the beginning of the contract through the second month after implementation and then on a biweekly basis through the end of the contract period. The briefings will be regularly scheduled and will include overview information on the activities of the previous week, a review of selected Offeror accomplishments, problems and methods for resolution. It is the intent of these sessions to provide the Project Officer with an informal mechanism to keep abreast of and fully understand selected Offeror analysis, results and potential alternatives to processes and problem areas.

12. **Management Briefings.** The selected Offeror will be required to provide management briefings to management and executive staff upon request of the Project Officer. The purpose of these briefings will be to present to higher level management an encapsulated overview of major accomplishments and project status. Management briefings will be scheduled on an as needed basis, to be determined by the Project Officer.

13. **Turnover.** Following turnover of operations, the selected Offeror must provide the Commonwealth with a Turnover Results Report documenting the completion and results of each step of the Turnover Plan. The outline and format of the Turnover Results Report must be approved by the Commonwealth in advance. Turnover will not be considered complete until this document is approved by the Commonwealth.

14. **Final Report.** Within 60 days after the expiration or termination of this contract or 180 days after the eighth disbursement, whichever occurs later, the selected Offeror shall submit a final report of all activities performed and all costs expended by the selected Offeror under or in connection with this contract including recommendations for improvements. The financial portion of the final report shall include a statement of income and expenses certified by the selected Offeror to have been prepared in accordance with generally accepted accounting principles consistently applied. The selected Offeror shall submit draft copies of the final report to permit the Issuing Office to satisfy itself as to the report’s completeness and factual accuracy.

The final report shall contain the following:

a) An abstract or summary of the result of the study or service in terminology that will be meaningful to management and others generally familiar with the subject areas.

b) A description of data collection and analytical and other techniques used during the study or service.

c) Summarize findings, conclusions and recommendations developed in each task.

d) Include all supporting documentation; e.g., flow-charts, forms, questionnaires, etc.

e) Recommend a time-phased work plan for implementing the recommendations.

B. Reports and Data Collections

1. **Generation of standardized reports**

a) The selected Offeror will be required to generate and develop standardized reports as needed by the Commonwealth to analyze and monitor current and prospective long-term care services. The following are the current standardized that reports shall be generated:


ii. Weekly report of Nursing Facilities not submitting MDS data. See Appendix T.
iii. The 1st and 16th each month submit FDIS Reports. See information located at http://www.pacode.com/secure/data/055/chapter1187/s1187.96.html.

iv. Monthly Seven Day MDS submission report. See Appendix U.


vi. Quarterly MA Day One Report. See Appendix V.

vii. Annual MDS Error Report. See Appendix W.

viii. Annual State Weighted Average

ix. Annual Upper Payment Limit (UPL) demonstrations for nonpublic and county NFs; annual updates as needed. See Appendix A.

x. Annual support documents attached to waiver letter related to the nursing facility assessment. See Appendix A.

xi. Reports – Data analysis, statistics and trending analysis as needed.

xii. Nursing Facility “Fact Book”: The selected Offeror will develop and maintain annually, the nursing facility statistics reports and trending analyses contained in the Nursing Facility “Fact Book”.

2. CMS, MDS and OASIS Collections and Maintenance

MDS/OASIS assessments for all home health and nursing facility residents (MA and non-MA) are submitted electronically using the federal and state approved MDS/OASIS. All Medicare and Medicaid-certified nursing facilities are required to submit MDS data on newly admitted residents within 7 calendar days of MDS completion. Additionally, all home health care providers are required to submit OASIS assessments to the state database for all persons who receive care. The Commonwealth requires MDS/OASIS reports and data to aid in the completion of survey and certification and/or other regulatory activities by the DOH. As part of the survey process, the Commonwealth uses the MDS 3.0 Quality Measure (QM) reports. Appendix X- Quality Indicator Reports contains samples of the MDS 3.0 QM reports. The selected Offeror will upload MDS/OASIS data from the CMS system through the Commonwealth network in a machine-readable format. The CMS system contains resident data that was submitted by the nursing facilities and home health agencies. The selected Offeror must maintain the State server in order to receive the MDS/OASIS data from the CMS system.

3. The CMI Report and CMI Calculations, Payment for Hospital Reserved Bed Days and Supplemental Ventilator Care Payment

At the end of the resident assessment information submission period, MA Nursing Facilities are required to print and mail a hard copy of the Certification page of the Case Mix Index (CMI) Report to the selected Offeror. The selected Offeror updates NIS upon receipt of the signed Certification page. The selected Offeror identifies the signed Certification page in NIS and stores a hard copy. The CMI Report lists the resident MDS assessments submitted to the CMS-MDS Collection System that are used in the calculation of the facility’s CMI for the picture date. A picture date is the first calendar day of the second month of each calendar quarter (Nursing Facility Services Chapter § 1187.93). The CMI is a relative value that is derived based on the Resource Utilization Group-III (RUG-III) classification system. Specific data elements from the MDS are used in the algorithm to assign the resident to a specific group. An index value has been derived for each group. See information located at http://www.dpw.state.pa.us/provider/doingbusinesswithdpw/longtermcarecasemixinfor
In addition to the CMI for each resident assessment, a total facility CMI is computed by the selected Offeror. Prior to each rate setting year, an arithmetic mean for each facility is computed using every resident assessment (MA and non-MA) CMI. This computation results in the “total facility CMI” that is used to case mix neutralize the costs for the facility. See Appendix A and http://www.dpw.state.pa.us/cs/groups/webcontent/documents/manual/d_006851.pdf.

Each quarter, an arithmetic mean for each facility is computed using only assessments of MA residents. This computation results in the “facility MA CMI” that is used to adjust the resident care cost component of a nursing facilities per diem rate. The CMI Report is downloaded by the facility from the CMS MDS Collection System each quarter. The CMI Report provides the nursing facilities with lists of each of their residents’ CMI and payment source, such as Non-MA or MA. See the CMI Report in Chapter 7 located at http://www.dpw.state.pa.us/cs/groups/webcontent/documents/manual/d_006851.pdf.

a) The selected Offeror shall assure receipt and validation of all hard copy certification pages from all nursing facilities.

b) The selected Offeror shall enter certification pages received from nursing facilities into NIS.

c) The selected Offeror shall calculate and maintain Case mix Index (CMI) calculations. In addition to the CMI for each resident assessment, a total facility CMI is computed by the selected Offeror. Prior to each rate setting year, an arithmetic mean for each facility is computed using every resident assessment (MA and non-MA) CMI. This computation results in the “total facility CMI” that is used to case mix neutralize the costs for the facility. See Appendix A and http://www.dpw.state.pa.us/cs/groups/webcontent/documents/manual/d_006851.pdf.

d) In addition, information relating to hospital reserved bed days is included in the CMI Report. A resident receiving nursing facility services is eligible for a maximum of 15 consecutive reserved bed days per hospitalization. The Department will pay a nursing facility at a rate of one-third of the facility’s current per diem rate on file with the Department for a hospital reserved bed day if the nursing facility meets the overall occupancy requirements as described in the State Plan, Appendix S and 55 Pa. Code Chapters 1187 and 1189.

The selected Offeror will determine which nursing facilities will qualify for payment for the hospital reserved bed days on a quarterly basis using the qualifying criteria in the State Plan and §§1187.104 and 1189.103. This information will be conveyed to each MA nursing facility via the CMI Report. See http://www.dpw.state.pa.us/cs/groups/webcontent/documents/manual/d_006851.pdf.

The most recent information included in the CMI Report relates to the SVCP. A quarterly SVCP is paid to qualified MA nonpublic and county nursing facilities that provide medically necessary ventilator care for a significant portion of their MA-recipient resident population. The selected Offeror will determine which nursing facilities will qualify for the SVCP, determine their SVCP per diem and determine their SVCPs using the qualifying criteria and formula in the State Plan, Appendix S. A nursing facility’s eligibility status and, if applicable, their SVCP per diem will be conveyed to each MA nursing facility via the CMI Report by the selected
4. MDS Resident Data Reports
The Nursing Facility Field Operation Program within OLTL is required to perform reviews of all MA-participating nursing facilities in Pennsylvania. The selected Offeror must provide resident data reports from the CMS/MDS collection. These reports provide the information and format utilized to complete the reviews. The reports are requested a month prior to the scheduled review.
The selected Offeror will key MDS baseline review data annually for 20 nursing facility residents (2 pages per resident) for approximately 618 MA nursing facilities. The data to be keyed consists of errors that are found during the MDS review of RUG items.

The selected Offeror shall receive the resident data in a hard copy format and will key in the corrected data into the NIS system. The end result of keying the errors is a state-wide baseline MDS error percentage rate, which the Commonwealth may access through NIS. See Appendix Y, the Sample Utilization Management Review Packet.

The selected Offeror shall maintain all data and data reports for historical purpose.

5. Generation of Ad hoc reports
Ad hoc reports must be provided on demand with DPW and DOH end users specifying the report requirements. Using the MDS/OASIS data submitted by the nursing facilities and the home health agencies, the selected Offeror will be required to perform edit checks on all fields and to produce statistical reports on an as needed basis. The reports include but are not limited to: average length of stay in days by county and nursing facility based on residents that were discharged; average length of institutionalization by county and nursing facility based on both discharged and remaining residents; nursing facility migration profile totals by county and nursing facility (i.e., number of admissions and discharges, where they were admitted from, and where they were discharged to) number of short-term admissions by county and nursing facility.

The selected Offeror will also be responsible to provide ongoing data maintenance of QM data to DOH. The selected Offeror must provide technical support and will work directly with Commonwealth staff and CMS staff.

a) The selected Offeror shall perform edit checks on all fields and to produce statistical reports.

b) Provide ongoing data maintenance QM data to DOH.

6. Cost Reports Data
Cost reports are submitted electronically to the following website www.pama11.com
There are two different annual cost report period-ending dates (06/30 and 12/31), and cost reports are submitted throughout the year, with the heaviest receipts being in April and October. Additionally, there are approximately thirty cost reports per year covering less than a twelve-month period submitted by facilities that have changed ownership during the year.
Cost Report data is electronically submitted to DPW via a computerized information system (NIS) that will be maintained by the selected Offeror. This system performs automatic computer validations, assigns audit numbers, and electronically generates reports to the providers indicating the acceptability of data and generating facility specific lists of required supporting documentation. The selected Offeror will maintain an automated log showing which providers have submitted data, the dates of submission and the date the submission was accepted by the system.

The selected Offeror shall maintain a computerized information system (NIS) to track the status of each received cost report submission. This system provides designated DPW personnel with on-line access to cost data, updating and provides for inquiry and report-generating capabilities. Standardized reports and ad hoc reports are required. See Appendix Q for a list of standardized report options. The system contains the capability to complete statistical analyses such as cost analysis, budgeting, bed usage and projection of future needs. In addition, the statistical analysis can be performed either through the selected Offeror’s system or through downloading data to a PC computer at the DPW site.

The selected Offeror will provide statistical analysis to the Commonwealth as requested. Accepted cost reports are posted to www.PAMA11.com which is the MA-11 Cost Report Submission System website for DPW maintained by the selected Offeror.

Prior to the imaging system known as PEAP, a part of PROMISe, IPRO/Concordance was the imaging system used to maintain the audited cost report data and other related documents. The imaged documents are maintained on a server. The majority of the imaged documents include audited cost reports. The Agencies do not plan to continue the imaging process via IPRO/Concordance. However, the server and the existing documents will continue to be accessed by the Agencies. The selected Offeror shall maintain the imaging system IPRO/Concordance for DPW to retrieve records under current DPW technology standards.

7. Audit Adjustments
Cost reports are subject to annual audits. To assist Nursing Facilities with understanding regulations used during audits of MA-11 cost reports, the Interpretive Guidelines were developed. The Interpretive Guidelines can be found at the following location:
http://www.dpw.state.pa.us/provider/doingbusinesswithdpw/longtermcarecasemixinformation/interpretiveguidelines/index.

The selected Offeror will receive both an electronic and hard copy audit adjustment report for nonpublic nursing facilities (approximately 618) and an audit adjustments report (hard copy) for county nursing facilities (approximately 35). Depending on volume, the electronic audit adjustment reports are sent via email or loaded onto a CD and picked up from and returned to DPW by the selected Offeror’s courier. Currently, the heaviest data exchange time is January through mid-April. The courier pickups range from once a month to once a week. The selected Offeror will verify and edit the audit adjustment reports after approval by DPW. Upon approval, the audit adjustment data is activated on the NIS system database maintained by the selected Offeror. The hard copy data and CD is then returned to DPW.
The audit adjustment template is part of NIS and must be provided by the selected Offeror for the input and editing of audit adjustments. The facility specific template (spreadsheet) is downloaded from NIS by DPW staff on an as needed basis for every facility and is prepopulated with cost data and formulas. After audit adjustment activity occurs, and an audit report is issued, the audit template with the updated data is transferred from DPW staff to the selected Offeror. (See Appendix Z - Audit Template). The software/audit template must continue to meet Commonwealth standards and regulations.

Analyses are performed by DPW to provide the audit staff with information for audit purposes. The selected Offeror will need to complete additional processes to support this audit process, such as, an initial run of the preliminary prices used for rate setting. The selected Offeror is responsible to support an on-line audit tracking system (See Appendix Q) that is in place to note the status of audits and cost reports. The selected Offeror will provide DPW with on-line access to the audit tracking systems. The on-line tracking system will provide inquiry and report-generating capabilities that will be accessed by DPW staff. The system will provide routine tracking reports (See Appendix Q for examples of tracking reports) for DPW staff and generate provider letters for each nursing facility based on the audited data. The system must have the capability to produce user-defined ad hoc reports. Although the Commonwealth no longer uses appraisals to determine payments to nursing facilities for the capital component of their payment rates, appraisal data currently in the on-line tracking system of appraisal data must be preserved in NIS for historical record.

8. Help Desk Services
The vendor is required to provide reports on all aspects of help desk support services. The reports shall include daily/weekly/monthly call volume, call source, issues, resolutions, and time to resolve the issue, as well as any other information identified to measure performance. The Commonwealth will have final approval on the proposed report structure.

IV-6. Contract Requirements—Small Diverse Business Participation
All contracts containing Small Diverse Business participation must also include a provision requiring the selected contractor to meet and maintain those commitments made to Small Diverse Businesses at the time of proposal submittal or contract negotiation, unless a change in the commitment is approved by the BSBO. All contracts containing Small Diverse Business participation must include a provision requiring Small Diverse Business subcontractors to perform at least 50% of the subcontracted work.

The selected contractor’s commitments to Small Diverse Businesses made at the time of proposal submittal or contract negotiation shall, to the extent so provided in the commitment, be maintained throughout the term of the contract and through any renewal or extension of the contract. Any proposed change must be submitted to BSBO, which will make a recommendation to the Contracting Officer regarding a course of action.

If a contract is assigned to another contractor, the new contractor must maintain the Small Diverse Business participation of the original contract.
The selected contractor shall complete the Prime Contractor’s Quarterly Utilization Report (or similar type document containing the same information) and submit it to the contracting officer of the Issuing Office and BSBO within 10 workdays at the end of each quarter the contract is in force. This information will be used to determine the actual dollar amount paid to Small Diverse Business subcontractors and suppliers. Also, this information will serve as a record of fulfillment of the commitment the selected contractor made and for which it received Small Diverse Business participation 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-7. Performance Standards
The selected Offeror shall comply with the performance standards as defined in the Work Statement and the Service Level Agreement (See Appendix P), including but not limited to:

A Reports - The selected Offeror will deliver timely, accurate reports as required in the Work Statement.

B Application (NAS, NIS, FDIS) Availability and Downtime - The selected Offeror will ensure application availability between the hours of 7am – 5pm Monday through Friday. Any incidents resulting in application downtime during these hours must be resolved within one hour. The selected Offeror will deliver a weekly activity report showing availability and downtime to DPW.

C Help Desk Services/Call Center - The selected Offeror will provide a toll free call center for inquiries and technical support as defined in Task H, Application Maintenance and Support. The target is all calls answered and call backs made within 24 hours.

D Rate Setting – The selected Offeror shall submit all Rates in a timely and accurate manner as required in the Work Statement within 5 days as assigned by DPW.

E Other Payment Files (ex: Supplemental Payments and DSH, MDOI, and P4P Incentives) – The selected Offeror shall submit all required Other Payment Files accurately and in a timely manner, as required in the Work Statement within 5 days as assigned by DPW.