

SOURCE JUSTIFICATION FORM

Bureau of Procurement

The objective of this form is to capture all relevant documentation an Agency may have to assist the Department of General Services ("DGS"), Bureau of Procurement, in expediting the source justification review process. This form must be completed electronically, signed, and submitted with all relevant documentation to DGS. If a question is neither mandatory nor applicable, please indicate "N/A". Please use standard terminology and define acronyms.

SECTION A

1. Agency Name:	Department of Human Services "prior DPW"		
2. Procurement Description: This description will appear on the eMarketplace website for public viewing	InterQual Clinical Criteria Subscription		
Materials Description:			
Services Description:	Severity of Illness and Intensity of Service Criteria (InterQual) for Acute Care Adult, Acute Care Pediatric, Rehabilitation, Behavioral Health (BH), Home Care, Imaging, and Durable Medical Equipment (DME) Services License/Subscription		
3. Materials Shopping Cart # or Services SPR#	6100036648	Estimated Cost:	\$250,001 - \$500K
		Initial Contract Term:	4 months
		Renewals:	2, one-month
4. Supplier - Name:	Change Healthcare Technologies LLC		
Full Address:	22423 Network Place Chicago IL 60673-1224		
Contact Name:	Jennifer Rankin		
Telephone:	212-595-0972	FAX:	
E-mail:	jennifer.rankin@optum.com		
SRM Supplier #:	379561		
5. Delivery or service location:	303 Walnut St. Harrisburg PA 17101 (Commonwealth T		

SECTION B

<input checked="" type="checkbox"/> 1. Sole Source: Only known source - Not available from another supplier.
<input type="checkbox"/> 2. Material/Repair/Maintenance: Material or service MUST be compatible with existing equipment. Documentation must be provided from the manufacturer.
<input type="checkbox"/> 3. Used Equipment: Value set by 2 independent 3rd party appraisals.
<input type="checkbox"/> 4. Professional Expert: Describe in detail in Section C.
<input type="checkbox"/> 5. Exempt (Law): A federal or state statute or regulation exempts the procurement from the competitive procedure. Any applicable information precluding the procurement from competitive procedures must be attached.
<input type="checkbox"/> 6. Feasibility: Clearly not feasible to award the contract on a competitive basis.

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SECTION C

1. Describe the unique features of this procurement that prohibit a competitive environment. If applicable, attach a Statement of Work ("SOW").

Human Services Code 62 Pa. Stat. § 403 (a) and (b) and § 443.6 states in order to receive reimbursement for items or services, providers must secure authorization prior to providing the items or services. The statute also requires that the Department establish uniformity in the administration of human services. The InterQual clinical criteria subscription is used by prior authorization staff as a guide to determine medical necessity in accordance with 55 Pa. Code § 1101.21(a).

2. Document and attach the research that has been conducted to date to verify the supplier is the only known source.

N/A see response to item 8 and 9

3. Does the supplier utilize distributors, dealers, resellers, etc.? If "Yes," please identify.

No

4. Are there compatibility requirements or compliance requirements with a warranty or service agreement? If "Yes," please explain.

No

5. How has the material or service been procured in the past? Please provide previous source justifications, contracts, & PO's for this material or service.

The contract with Change Healthcare has been in place since August 5, 2016. The contract number is 4400015854 and the initial term was for two years with three, 1-year renewal options. An amendment extended the contract under the same terms and conditions for two years with two, 6-month renewal options.

6. If procured through the IT ITQ process, please provide original \$ amount and contract period of order. Is this the final phase of the project?

N/A

7. If this is an upgrade, addition, alteration, etc., to an earlier procurement, please describe in detail.

Requesting the extension of the current contract between Change Healthcare and DHS that was originally awarded in August 2016.

8. What are the consequences of not approving this procurement?

PA Medicaid would not be able to make medical necessity decisions. In order to ensure continuity of services for medical prior authorization reviews that utilize InterQual Clinical Criteria subscription services, OMAP staff must perform timely medical reviews to ensure access to care for the neediest recipients. Failure to issue timely authorizations for medically necessary services can negatively impact the health of a particularly vulnerable segment of our population and lead to adverse health outcomes. The services the staff review, such as hospital admissions and ongoing stays, home health services, advanced radiology services, and durable medical equipment must be reviewed timely to ensure that medically necessary services are available to those in need.

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9. If timing is a factor, what is the time factor and why?

We are currently in the business design phase of a new prior authorization module/MMIS to replace PROMISe. InterQual works in conjunction with PROMISe and both are required to make a prior authorization determination. The new prior authorization module will not be operational before the end of the current Change Healthcare contract. This is needed as a bridge until the new prior authorization module is functional.

10. List any other information relevant to the acquisition of this procurement here or as an attachment.

InterQual allows us to make most prior authorization decisions within the established timeframes. If the InterQual contract were allowed to lapse, the Department would not have the tools available to meet the determination requirements and the recipient could potentially not receive services. InterQual's functionality is included in the new prior authorization module body of work.

11. For requests > \$100,000, has the supplier signed cost or pricing data certification and is the pricing breakdown attached?

Extension costs attached

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SECTION D

IMPORTANT*: The printed names on this form shall constitute the signatures of these individuals. Agencies must insure that these individuals review the completed form and give their consent to apply their printed name on this form. No handwritten signatures shall be required in order for the form to be considered "signed" by those individuals whose names appear in the signature section of the form.

Shopping Cart Contact Person (Person whom DGS will contact regarding the Shopping Cart):

Name:	<input type="text" value="Kaylee Knepp"/>	P-Group:	<input type="text" value="BW1"/>	Date:	<input type="text" value="04-16-24"/>
Title:	<input type="text" value="Human Services Program Spe"/>	Telephone:	<input type="text"/>	Fax:	<input type="text"/>

Agency Contact Person: Person in your agency that DGS can contact for additional information, etc.

Name:	<input type="text" value="Lindsey Shover"/>	Title:	<input type="text" value="Human Services Executive 2"/>	Date:	<input type="text" value="04-16-24"/>
Telephone:	<input type="text"/>	Fax:	<input type="text"/>	Email:	<input type="text" value="lshover@pa.gov"/>

Approving Authority (Agency Head or Deputy reviewing and approving this request): Approving Authority connotes approval of the source justification and the cost or pricing data certification.

Name:	<input type="text" value="Ally Wullbrandt"/>	Title:	<input type="text" value="Director"/>	Date:	<input type="text" value="04-19-24"/>
Telephone:	<input type="text"/>	Fax:	<input type="text"/>	<input type="text"/>	<input type="text"/>

Additional Approvals (if required by Agency):

Name:	<input type="text"/>	Title:	<input type="text"/>	Date:	<input type="text"/>
Telephone:	<input type="text"/>	Fax:	<input type="text"/>	Email:	<input type="text"/>
Name:	<input type="text"/>	Title:	<input type="text"/>	Date:	<input type="text"/>
Telephone:	<input type="text"/>	Fax:	<input type="text"/>	Email:	<input type="text"/>
Name:	<input type="text"/>	Title:	<input type="text"/>	Date:	<input type="text"/>
Telephone:	<input type="text"/>	Fax:	<input type="text"/>	Email:	<input type="text"/>
Name:	<input type="text"/>	Title:	<input type="text"/>	Date:	<input type="text"/>
Telephone:	<input type="text"/>	Fax:	<input type="text"/>	Email:	<input type="text"/>
Name:	<input type="text"/>	Title:	<input type="text"/>	Date:	<input type="text"/>
Telephone:	<input type="text"/>	Fax:	<input type="text"/>	Email:	<input type="text"/>