

REQUEST FOR APPLICATIONS

Managed Care Organizations to Provide Physical Health Services in the Commonwealth of Pennsylvania in the Five HealthChoices Zones:

Southeast Zone, Southwest Zone, Lehigh-Capital Zone, Northwest Zone, Northeast Zone

ISSUING OFFICE

**Commonwealth of Pennsylvania
Department of Human Services
Bureau of Procurement and Contract Management
Room 824 Health and Welfare Building
625 Forster Street
Harrisburg, PA 17120**

RFA NUMBER

07-19

DATE OF ISSUANCE

October 15, 2019

**REQUEST FOR APPLICATIONS FOR
HEALTHCHOICES PHYSICAL HEALTH SERVICES IN ALL
ZONES COMMONWEALTH-WIDE**

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* The Healthcare Effectiveness Data and Information Set (“HEDIS[®]”) is a registered trademark of the National Committee for Quality Assurance (“NCQA”).

** The Consumer Assessment of Healthcare Providers and Systems (“CAHPS[®]”) is a registered trademark of the Agency for Healthcare Research and Quality.

CALENDAR OF EVENTS

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

Activity	Responsibility	Date
Deadline to submit questions via email to RA-PWRFAQUESTIONS@PA.GOV	Potential Applicants	November 5, 2019 @ 2:00 PM EST
Pre-Application Conference Rachel Carson State Office Building - Auditorium 400 Market Street Harrisburg, PA 17101	DHS/ Potential Applicants	November 5, 2019 @ 9:00 AM EST
Answers to Potential Applicant questions posted to the DGS website http://www.emarketplace.state.pa.us/Search.aspx .	DHS	November 19, 2019
Please monitor website for all communications regarding the RFA.	Potential Applicants	Ongoing
Sealed application must be received by the Issuing Office at: Commonwealth of Pennsylvania Department of Human Services Bureau of Procurement & Contract Management Room 824 Health and Welfare Building 625 Forster Street Harrisburg, PA 17120	Applicants	December 17, 2019 @ 12:00 PM EST

PART I

GENERAL INFORMATION

- I-1. Purpose.** This request for applications (“RFA”) provides to those interested in submitting applications for the subject procurement (“Applicants”) sufficient information to enable them to prepare and submit applications for consideration by the Department of Human Services (“Department” or “DHS”) on behalf of the Commonwealth of Pennsylvania (“Commonwealth”) to satisfy a need for Commonwealth licensed Health Maintenance Organizations (“HMOs”) to operate as Managed Care Organizations (“MCOs”) in the HealthChoices Physical Health (“PH”) Program in the five (5) HealthChoices Zones (“Project”). This RFA contains instructions governing the requested applications, including the requirements for the information and material to be included; a description of the services to be provided; requirements that Applicants must meet to be eligible for consideration; general evaluation criteria; and other requirements specific to this RFA.
- I-2. Issuing Office.** The DHS Office of Administration, Bureau of Procurement and Contract Management (“Issuing Office”) has issued this RFA on behalf of the Commonwealth. The sole point of contact in the Commonwealth for Applicants for this RFA shall be Karen Kern, RA-PWRFAQUESTIONS@PA.GOV, the Issuing Officer for this RFA. Please refer all inquiries to the Issuing Officer.
- I-3. Overview of the Project.** The HealthChoices PH Program is the Commonwealth’s statewide mandatory managed care program through which the majority of Medical Assistance (“MA”) beneficiaries receive their physical health services. The Department is issuing this RFA to procure the services of MCOs to provide HealthChoices PH Program services to MA beneficiaries in the five HealthChoices Zones, which cover all 67 counties of the Commonwealth. In issuing this RFA, the Department’s objectives are to improve the HealthChoices Program and accomplish the following:
- Promote achievement of Triple Aim (better health, better care, lower costs);
 - Provide high quality healthcare services to MA beneficiaries;
 - Improve care coordination between physical and behavioral health services;
 - Promote the expansion of value-based purchasing of healthcare services;
 - Promote the expansion of team-based approaches to care delivery (i.e. patient centered medical homes);
 - Promote Community-based public health initiatives;
 - Increase consumer access to needed services, especially in rural and underserved areas of the Commonwealth;
 - Increase consumer access to needed services, including services to mitigate social determinants of health;
 - Improve the efficiency of the HealthChoices Program; and
 - Improve the provider experience with the HealthChoices Program.

To achieve these goals, selected MCOs must be as flexible and adaptable as possible, and demonstrate the ability to coordinate services across multiple programs, including programs whose focus is broader than the delivery of physical healthcare services. Selected MCOs will be challenged to assist their members in new ways to overcome personal barriers and ultimately to be self-sufficient, informed purchasers of services.

As part of such new approaches to service coordination and delivery, the Department may include additional populations to be served or modify benefit packages to be delivered. In developing the HealthChoices PH program, the Department will maintain its focus on the provision of services that will achieve the objectives listed in this section.

The HealthChoices PH Program is currently operational in all 67 counties that comprise five (5) geographic Zones. HealthChoices is the sole program option for the majority of MA consumers residing in these five Zones.

67 Counties in five (5) Zones

The HealthChoices PH Program operates statewide in the following five (5) geographic Zones. Each Zone is considered one combined service area, requiring that a selected PH-MCO be able to provide the HealthChoices services required under this RFA and Agreement in all counties of a Zone for which it has an Agreement.

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

Population projections for the HealthChoices PH Program can be uncertain and can be affected by changes in the economy, law and regulations, and policies. The Department publishes monthly and historical enrollment reports capturing many specific geographic and statistical elements. These reports can be reviewed at <http://www.dhs.pa.gov/provider/healthcaremedicalassistance/managedcareinformation/index.htm>.

Population – July 2019 Member Months

The groupings include Temporary Assistance Needy Families/Modified Adjusted Gross Income (“TANF/MAGI”), Supplemental Security Income/Breast and Cervical Cancer (“SSI/BCC”), and adults ages 19 to 64 newly eligible due to Medicaid expansion (“Newly Eligible”). The TANF/MAGI includes all “Under Age 1” beneficiaries. The Department anticipates that these populations may be relatively stable in the future.

Zone	TANF/MAGI	SSI/BCC	Newly Eligible	Grand Total
Southwest	233,707	80,557	148,780	463,044
Southeast	430,722	116,222	269,523	816,467
Lehigh/Capital	276,089	73,420	143,236	492,744
Northeast	169,614	46,432	100,704	316,750
Northwest	82,348	27,499	47,495	157,342
Grand Total	1,192,480	344,130	709,738	2,246,348

Note: Some totals do not sum due to rounding.

Appendix B: Financial Data

Appendix B includes average rates paid to the MCOs for the CY 2018 Agreement Year in the groupings shown above. Appendix B also includes information about the composition and development of the 2020 rates.

Applicants are not required to submit an application for all Zones but may apply for one, several or all Zones.

Certificate of Authority and County Operational Authority, Provider Enrollment

Participation in the HealthChoices PH Program will be limited to Commonwealth-licensed HMOs. All MCOs awarded an agreement for the HealthChoices PH Program for any Zone will be required to have a Certificate of Authority to operate as an HMO in Pennsylvania, as well as Pennsylvania Department of Health (“DOH”) operating authority in each county in each Zone for which they are selected. A selected Applicant must obtain its Certificate of Authority and operating authority for each county in the Zone(s) for which it has been selected

no later than three (3) months prior to the date on which the selected Applicant begins to provide services to program beneficiaries (referred to as either the “Operational Date” or “Effective Date” of the Agreement), currently anticipated to be 01/01/2021. Please note that the Effective Date is subject to change. Selected Applicants must provide to the Department, through the Managed Care Operations Chief, a copy of their Certificate of Authority to operate as an HMO in Pennsylvania, as well as a copy of the correspondence from the Pennsylvania DOH granting operating authority in each county in the Zone(s) for which they were selected.

As are all providers of MA services, selected Applicants must be MA enrolled providers in the Pennsylvania MA Program or be eligible to enroll and enroll in the MA Program as part of Readiness Review.

Each employee, representative or agent of the Applicant who will require access to Commonwealth Information Technology (“IT”) resources to research or prepare the Technical Submittal, such as access to the HealthChoices Extranet to view information referenced in Appendix A draft HealthChoices Agreement, must be registered with and approved by the Commonwealth to do so. To accomplish this, one Applicant designated representative must complete and sign a hard copy of the “Commonwealth IT Resource Acceptable Use Policy User Agreement – Commonwealth Contractor or Consultant” form located in **Appendix O** “Commonwealth IT Resource User Agreement”. The completed form must be returned to Karen Kern, the Issuing Officer at RA-PWRFAQUESTIONS@PA.GOV. After the Applicant is registered and approved as an organization to be granted this access, each individual who requires access will need to complete an online registration process, including the completion of an electronic version of the “Commonwealth IT Resource User Agreement”. Detailed instructions for the completion of the User Agreements and the registration process are set forth in **Appendix O**.

- I-4. Type of Agreement.** If the Department enters into Agreements as a result of this RFA, they will be full risk, capitated Agreements. Regardless of the number of Zones that are awarded to an MCO, the Department will have one (1) Agreement with the MCO that covers all awarded Zones. Please see **Appendix A** for a draft Agreement.

As a result of this procurement, the Department anticipates awarding the following numbers of MCOs in each Zone:

- A. Southeast Zone: 4-5 MCOs
- B. Southwest Zone: 3-5 MCOs
- C. Lehigh/Capital Zone: 3-5 MCOs
- D. Northwest Zone: 3-4 MCOs
- E. Northeast Zone: 3-4 MCOs

In determining the number of MCOs to be awarded in each Zone, the Department will consider the MA population of a Zone, the Department’s experience with the HealthChoices PH Program, and the ability of a Zone to support multiple MCOs.

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

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

Supporting information related to HealthChoices PH program costs and rates is included in **Appendix B, Financial Data**. This historic information does not necessarily predict the revenue that the Department will provide in its final Agreements with the selected MCOs.

Agreement pricing for the initial agreement year

This RFA does not require a cost proposal. The Department’s actuary will provide a set of actuarially sound rate ranges for the initial program rating period. The most recent Data Book prepared by the Department’s actuary can be found on the Department’s website at the following link:

<http://www.dhs.pa.gov/provider/healthcaremedicalassistance/managedcareinformation/index.htm>

The Department’s actuary will, at a later date, prepare a Data Book for the first Agreement year.

The Department will share the rate ranges and supporting documentation with selected Applicants prior to negotiations over financial terms.

The Department anticipates that the initial Agreements will include:

- Capitation rates for two geographic rating areas within each of the five HealthChoices Zones
- Risk adjustment of capitation rates (see section below)
- Maternity care payments
- High Cost Risk Pools (not immediately applicable to a new entrant)
- Home Nursing Risk Sharing
- Hepatitis C Quality Risk Pools
- Under Age One Risk Sharing
- Specialty Drug Risk Sharing and Quality Risk Pools
- Pay for Performance incentives

The Department will determine a date by which Agreement negotiations must be completed and Agreements must be signed by the selected Applicants. If a selected Applicant does not accept the Department’s final rate offer for a Zone, the Department may, in its sole discretion, reject its application for all or some of the Zones for which it was selected.

Agreement pricing for years subsequent to the initial year and beyond:

For subsequent program years, the Department plans to provide each selected PH-MCO with a financial proposal that includes a rate offer with supporting documentation prior to the annual negotiation of Agreement terms. The Department may change the process as needed to accommodate changes in Centers for Medicare & Medicaid Services (“CMS”) requirements and changes in the Department’s objectives and practices.

Risk Adjustment

The Department anticipates that most capitation rates paid to the PH-MCOs in the HealthChoices PH Program will be subject to risk adjustment. Risk adjustment is a process where capitation payments made to the PH-MCOs are adjusted based on the relative health risk of each PH-MCO’s members. The Department has used risk adjustment to adjust capitation payments in its HealthChoices program since 2003, and plans to continue this practice into the foreseeable future.

The most recent version of the Risk Adjusted Rates (“RAR”) Manual, *HealthChoices Risk Adjusted Rates Manual – Version 2018* can be found in **Appendix B**.

The RAR Manual provides in-depth documentation of the risk adjustment process utilized in the HealthChoices program. The attached RAR Manual reflects the current process. The Department may make changes to the risk adjustment process that it determines to be appropriate. The Department will provide comprehensive documentation with timely updates to each selected PH-MCO on the risk adjustment method.

- I-5. Rejection of Applications.** The Department may, in its sole and complete discretion, reject any application received as a result of this RFA.
- I-6. Incurring Costs.** The Department is not liable for any costs the Applicant incurs in preparation and submission of its application, in participating in the RFA and Readiness Review processes or in anticipation of Agreement award.
- I-7. Pre-Application Conference.** The Department will hold a Pre-Application conference as specified in the Calendar of Events. The purpose of this conference is to provide an opportunity for clarification of the RFA. Applicants should forward all questions to the RFA Issuing Officer in accordance with **Part I, Section I-8** to allow for adequate time for analysis before the Department provides an answer. Applicants may also ask questions at the conference. The Pre-Application 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. **Attendance at the Pre-Application Conference is optional, but strongly encouraged.**
- I-8. Questions & Answers.** If an Applicant has any questions regarding this RFA, the Applicant must submit the questions by email (**with the subject line “RFA #07-19 Question”**) to the Issuing Officer named in **Part I, Section I-2** of the RFA. If the Applicant has questions, they must be submitted via email **no later than** the date indicated on the Calendar of Events. The Applicant shall not attempt to contact the Issuing Officer by any other means. The Department

will post the answers to the questions on the Department of General Services (“DGS”) website by the date stated on the Calendar of Events. An Applicant who submits a question *after* the deadline date for receipt of questions indicated on the Calendar of Events assumes the risk that its application will not be responsive or competitive because the Commonwealth is not able to respond before the application receipt date or in sufficient time for the Applicant to prepare a responsive or competitive application. When submitted after the deadline date for receipt of questions indicated on the Calendar of Events, the Issuing Officer *may* respond to questions of an administrative nature by directing the questioning Applicant to specific provisions in the RFA. To the extent that the Issuing Office decides to respond to a non-administrative question *after* the deadline date for receipt of questions indicated on the Calendar of Events, the answer will be provided to all Applicants through an addendum.

I-9. Addenda to the RFA. If the Department deems it necessary to revise any part of this RFA before the application response date, the Issuing Office will post an addendum to the DGS website at <http://www.emarketplace.state.pa.us/Search.aspx>. It is the Applicant’s responsibility to periodically check the website for any new information or addenda to the RFA. The Department will post answers to the questions asked during the Questions & Answers period to the website as an addendum to the RFA. 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 RFA or formally issued as an addendum.

I-10. Response Date. To be considered for selection, hard copies of applications must arrive at the Issuing Office on or before the time and date specified in the RFA Calendar of Events. The Department will **not** accept applications via email or facsimile transmission. Applicants who send applications by mail or other delivery service should allow sufficient delivery time for the timely receipt of their applications. If, due to inclement weather, natural disaster, or any other cause, the Commonwealth office location to which applications are to be returned is closed on the application response date, the deadline for submission will be automatically extended until the next Commonwealth business day on which the office is open, unless the Department otherwise notifies Applicants. The hour for submission of applications shall remain the same. The Department will reject unopened, any late applications.

I-11. Application Requirements.

A. Application Submission. To be considered, Applicants should submit a complete response to this RFA to the Issuing Office, using the format provided in **Part I, Section I-11.B** providing ten (10) paper copies of the Technical Submittal; two (2) paper copies of the Small Diverse Business (“SDB”) Participation Submittal for each Zone for which an application is being submitted (and which must include either the SDB Utilization Schedule (**Form SDB-3**), the Good Faith Efforts Documentation to Support Waiver Request (**Form SDB-6**) or both); and two (2) paper copies of the Contractor Partnership Program (“CPP”) Submittal (**See Part V**). In addition to the paper copies of the application, Applicants shall submit ten (10) complete and exact electronic copies of the Technical Submittal in the exact format provided in **Part I, Section I-11.B**, on Flash drive in Microsoft Office or Microsoft Office-compatible format and two (2) complete and exact electronic copies of the entire

application (Technical, SDB, and CPP Submittals, along with all supporting documentation) on Flash drive in Microsoft Office or Microsoft Office-compatible format. Additionally, on the Flash Drive, include a separate folder that contains a complete and exact copy of the entire Technical Submittal, excluding financial capability information, in a searchable PDF (portable document format). The electronic copies must be a mirror image of the paper copy and any spreadsheets must be in Microsoft Excel. To the extent that an Applicant designates information as confidential or proprietary or trade secret protected in accordance with **Part I, Section I-17**, the Applicant must also include one (1) redacted version of the Technical Submittal, also excluding financial capability on Flash Drive in Microsoft Office or Microsoft Office-compatible format. Applicants may not lock or protect any cells or tabs. The Flash drives must clearly identify the Applicant and include the name and version number of the virus scanning software that was used to scan the Flash drives before they were submitted.

Applicants should not include any cost information in the technical submittal. The Applicant shall make no other distribution of its application to any other Applicant or Commonwealth official or Commonwealth consultant. Each application page should be numbered for ease of reference. An official authorized to bind the Applicant to its provisions must sign the application. If the official signs the Application Cover Sheet (**Appendix D** to this RFA) and the Application Cover Sheet is attached to the Applicant's application, the requirement will be met. For this RFA, the application must remain valid for **120** days or until Agreements are fully executed. If the Department selects the Applicant's application for award, the contents of the selected Applicant's application will become, except to the extent the contents are changed through negotiations, Agreement obligations.

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

- B. Application Format.** Applicants must submit their applications in the format, including heading descriptions, outlined below. To be considered, the application must respond to all application requirements. Applicants should provide any other information thought to be relevant, but not applicable as an appendix to the application.

Applicants may submit one application for multiple Zones; however, if an Applicant is submitting for multiple Zones, **any and all** portions of the Technical and CPP Submittals that describe different, separate, or additional components specifically designed to address the

RFA requirements in one particular Zone must be provided under separate tabs of the Applicant's response for a particular section or question, and clearly labeled as "Section or Question [*insert number and name of relevant section or question*] HealthChoices [zone name] **Zone**" and Section or Question [*insert number and name of relevant section or question*] HealthChoices [zone name] **Zone**," respectively. For example, Applicants will note in Part III, under "Personnel", the Department is specifically requesting that any such different, separate, or additional organizational structure(s) or personnel be provided under separately tabbed sections of the Applicant's application, and clearly labeled as "Part III , Section III-4.C HealthChoices [zone name] Personnel," and Part III, Section III-4.C HealthChoices [zone name] Personnel," respectively. If submitting for multiple Zones, Applicants must include separate SDB Submittals for each Zone in its application.

Each application shall consist of the following **three (3)** separately sealed submittals:

1. Technical Submittal:

a. In response to Part III, Sections III-1 through III-8;

The Technical Submittal must include a Transmittal Letter and include Tabs 1 through 10. Applicants must format their technical responses as follows:

- Tab 1: Table of Contents
- Tab 2: Zone(s) of Operations
- Tab 3: Management Summary
- Tab 4: Prior Experience
- Tab 5: Personnel
- Tab 6: Work Statement Questionnaire
- Tab 7: Financial Capability
- Tab 8: Requirements
- Tab 9: Objections to the Standard Terms and Conditions
- Tab 10: Applicant's Managed Care Experience and References (**Appendix F**)

b. Complete, sign and include Appendix I – Domestic Workforce Utilization Certification;

c. Complete, sign and include Appendix L, Lobbying Certification and if applicable, the Disclosure of Lobbying Activities form; and

d. Complete and include Appendix C – Federal Funding Accountability and Transparency Act Sub-Recipient Data Sheet.

2. SDB Participation Submittal (which must include Appendix J - Small Diverse Business Participation Summary Sheet, the SDB Utilization Schedule (Form SDB-3), Good

Faith Efforts Documentation to Support Waiver Request (**Form SDB-6**) or both), in response to RFA **Part IV**; and

3. CPP Submittal, in response to Part V.

The Department may request additional information which, in the Department's opinion, is necessary to determine whether the Applicant's competence, number of qualified employees, business organization, and financial resources are adequate to perform according to the RFA and the Agreement. The Department will initiate requests for additional information at any stage of the evaluation and selection process prior to the award of an agreement.

The Department may make investigations as it deems necessary to determine the ability of the Applicant to perform as a HealthChoices PH-MCO, including investigations to determine an Applicant's ability to provide services in multiple Zones if selected for negotiations. The Applicant shall furnish to the Department all requested information and data. The Department may reject any application for some or all Zones if the evidence submitted by, or investigation of, such Applicant fails to satisfy the Department that such Applicant is properly qualified to carry out the obligations of the RFA and the Agreement in some or all Zones.

Applications must adhere to the following format:

- a. Pages must be 8.5 by 11 inches with right and left margins of one (1) inch; and be double-sided.
- b. Must use Arial or Calibri font with a type size of twelve (12).
- c. Tab and Section Headings must be used.
- d. Each page must include a page number and identification of the Applicant in the page footer.
- e. Materials provided in an Appendix must identify the application section, including page number to which it applies. Appendices also must be specifically referenced in the body of the application section to which it applies.
- f. Exceptions for paper and font size are permissible for project schedule (Microsoft Project) or for graphical exhibits, tables and material in appendices which may be printed on white paper with dimensions of 11 by 17 inches, however a font size lower than nine (9) should not be used.

Applicants must submit electronic applications in Microsoft Office-compatible Flash Drives in the following format:

- a. Must comply with the requirements of RFA **Part I, Section I-11.B** and follow the formatting as outlined above in letters a-f.
- b. Must not be provided as one all-inclusive document.

- c. Must separately provide each section of each part of the RFA as a separately labeled document.
 - d. Must order each separately labeled document in the same order as the RFA.
 - e. The Work Statement Questionnaire must be broken down by each category and labeled accordingly in separate documents.

- I-12. Economy of Preparation.** Applicants should prepare applications simply and economically, providing a straightforward and concise description of the Applicant's ability to meet the requirements of the RFA and the Agreement.

- I-13. Alternate Applications.** The Department has identified the basic approach to meeting its requirements, allowing Applicants to be creative and propose their best solution to meeting these requirements. The Department will not accept alternate applications.

- I-14. Discussions for Clarification.** Applicants may be required to make an oral or written clarification of their applications to the Department to ensure thorough mutual understanding and Applicant responsiveness to the solicitation requirements. The Department will initiate requests for clarification and may request clarifications at any stage of the evaluation and selection process prior to the award of an Agreement. The Department will limit its requests for clarifications to those applications that the Department has determined, within its sole discretion, to need such clarifications.

- I-15. Oral Presentations and Negotiations.** An Applicant may be required to make an oral presentation of its application to the Department to demonstrate an Applicant's capabilities and ability to provide the services required in the RFA. The Department will initiate requests for oral presentations; which may include a request that key personnel be present. The oral presentation will be held in Harrisburg, Pennsylvania. The Department, in its sole discretion, may undertake negotiations with Applicants whose applications, in the judgment of the Department, show them to be qualified, responsible, and capable of providing the services. The Department may request a presentation or conduct negotiations at any stage of the evaluation and selection processes prior to grant agreement award.

- I-16. Prime Applicant Responsibilities.** The Agreement will require the selected Applicant to assume responsibility for all services offered in its application whether it produces them itself or by subcontracts or sub-agreements. The Department will consider the selected Applicant to be the sole point of contact with regard to Agreement matters.

- I-17. Application 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 Applicants' submissions in order to evaluate applications submitted in response to this RFA. Accordingly, except as provided herein, Applicants should not label application submissions as confidential or proprietary or trade secret protected. Any Applicant who

determines that it must divulge such information as part of its application must submit the signed written statement described in subsection C. below and must additionally provide a redacted version of its application, which removes only the confidential proprietary information and trade secrets, for required public disclosure purposes.

- B. Commonwealth Use.** All material submitted with the application shall be considered the property of the Commonwealth and may be returned only at the Department’s option. The Commonwealth has the right to use any or all ideas not protected by intellectual property rights that are presented in any application regardless of whether the application becomes part of an agreement. Notwithstanding any Applicant copyright designations contained on applications, the Commonwealth shall have the right to make copies and distribute applications 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 an agreement pursuant to this RFA, all application 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 an application 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. Refer to **Appendix E** of the RFA for a **Trade Secret Confidential Proprietary Information Notice Form** that may be used as the signed written statement, if applicable. If the Applicant identifies such information, it should attach its signed statement to its signed Application Cover Sheet (**Appendix D**). Financial capability information submitted in response to **Part III** of this RFA is exempt from public records disclosure under 65 P.S. § 67.708(b)(26).

I-18. Best and Final Offers.

- A.** While not required, the Department may conduct discussions with Applicants for the purpose of obtaining best and final offers (“BAFOs”). To obtain BAFOs from Applicants, the Department may do one or more of the following, in any combination and order:

 - 1.** Schedule oral presentations;
 - 2.** Request revised applications; and
 - 3.** Enter into pre-selection negotiations.
- B.** The following Applicants will **not** be invited to submit a BAFO:

 - 1.** Those Applicants that the Department has determined to be not responsible or whose applications the Department has determined to be not responsive.

2. Those Applicants, which the Department has determined in accordance with **Part III**, from the submitted and gathered financial and other information, do not possess the financial capability, experience or qualifications for the good faith performance of the grant agreement.
3. Those Applicants whose raw score for their technical submittal of the application is less than 75% of the total amount of raw technical points allotted to the technical criterion.
4. Those Applicants who have failed to make a commitment to meet the SDB participation goal or have not demonstrated to the Department and to DGS that it made a good faith effort to meet the SDB goals.

C. The Department may further limit participation in the BAFO process to those remaining responsible Applicants that the Issuing Office has, within its discretion, determined to be within the top competitive range of responsive applications.

D. The Evaluation Criteria found in **Part II, Section II-4**, shall also be used to evaluate the BAFOs.

I-19. News Releases. Applicants 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-20. Restriction of Contact. From the issue date of this RFA until the Department selects applications for award, the Issuing Officer is the sole point of contact for all Applicant inquiries concerning this RFA. If an Applicant or its subcontractor violates this condition, the Department may reject the offending Applicant's application. If the Department later discovers that the Applicant has engaged in any violations of this condition, the Department may reject the offending Applicant's application or rescind its award. Applicants shall not distribute any part of their applications beyond the Department. An Applicant who shares information contained in its application with other Commonwealth personnel or competing Applicant personnel may be disqualified.

I-21. Issuing Office Participation. Applicants 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-21**.

Prior to the enrollment of MA consumers in an MCO, the Department will conduct a Readiness Review to determine the selected Applicant's readiness to serve MA beneficiaries in each Zone for which the Applicant has been selected for negotiations. MA beneficiaries will not be able to enroll in a selected MCO and an Agreement with a selected PH-MCO will not become effective until after the Department determines that the MCO has satisfied the Readiness Review requirements. The Department will monitor selected MCOs for compliance with the requirements of the HealthChoices PH Program Agreement. The Department will designate

staff to coordinate the Project, provide or arrange for technical assistance, and monitor Readiness Review and compliance with Agreement requirements, the approved waiver and program policies and procedures. At its discretion, the Department may commence monitoring before the Effective Date of the agreement, and before the formal Readiness Review period begins.

I-22. Term of Agreement. The term of the Agreements will commence on the Effective Date and will end **five (5)** years after the Effective Date. The Department shall have the option to extend the agreements for one (1) additional three (3) year period. The Department will fix the Effective Date after the Agreement has been fully executed by the selected Applicants and by the Commonwealth and all required Commonwealth and federal approvals of the Agreements have been obtained. The selected Applicants shall not provide services to MA beneficiaries prior to the Effective Date of the Agreement and the Commonwealth shall not be liable to pay the selected Applicants for any service or work performed or expenses incurred before the Effective Date of the Agreement.

I-23. Applicant's Representations and Authorizations. By submitting its application, each Applicant understands, represents, and acknowledges that:

- A.** All of the Applicant's information and representations in the application are material and important, and the Department will rely upon the contents of the application in awarding the Agreement. The Commonwealth may treat a misstatement, omission or misrepresentation as fraudulent concealment of the true facts relating to the application submission, punishable pursuant to 18 Pa. C.S. § 4904.
- B.** The Applicant has not attempted, nor will it attempt, to induce any firm or person to refrain from submitting an application, or to submit a noncompetitive application or other form of complementary application.
- C.** The Applicant makes its application 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 application.
- D.** To the best knowledge of the person signing the application for the Applicant, the Applicant, its affiliates, subsidiaries, officers, directors, and employees are not currently under investigation by any governmental agency and have not in the last four (4) years been convicted or found liable for any act prohibited by State or Federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding or proposing on any public contract or agreement, except as disclosed in its application.
- E.** To the best of the knowledge of the person signing the application for the Applicant and except as the Applicant has otherwise disclosed in its application, the Applicant 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 Applicant that is owed to the Commonwealth.

- F.** The Applicant is not currently under suspension or debarment and has not been excluded from participation in any federally funded health care program by the Commonwealth, any other state or the federal government, and if the Applicant cannot so certify, then it shall submit along with its application a written explanation of why it cannot make such certification. Further, to the best knowledge of the person signing the application for the Applicant, the Applicant has no relationships with individuals or entities that are prohibited under 42 C.F.R. § 438.610 Prohibited Affiliations.
- G.** The Applicant has not made, under separate agreement with the Department, any recommendations to the Department concerning the need for the services described in its application or the requirements for the services described in its application.
- H.** Each Applicant, by submitting its application, authorizes Commonwealth agencies to release to the Commonwealth information concerning the Applicant's Pennsylvania taxes, unemployment compensation and workers' compensation liabilities.
- I.** Until the selected Applicant receives a fully executed and approved written agreement from the Department, there is no legal and valid agreement, in law or in equity.
- J.** The Applicant is not currently engaged and will not during the Agreement term engage, in a boycott or a person or an entity based in or doing business with a jurisdiction that the Commonwealth is not prohibited by Congressional statute from engaging in trade or commerce.

I-24. Notification of Selection.

- A. Negotiations.** The Department will notify all Applicants in writing of the Applicants selected for negotiations after the Department has determined, taking into consideration all of the evaluation factors, the applications that are most advantageous to the Department.
- B. Award.** Applicants whose applications are not selected will be notified when negotiations have been successfully completed and the Department has received the final negotiated Agreements signed by each selected Applicant.

- I-25. Debriefing Conferences.** Upon notification of selections for negotiations, those Applicants whose applications were not selected will be given the opportunity to be debriefed. The purpose of the debriefing is to assist the Applicant in understanding some of the strengths and weaknesses of certain aspects of its application. The Department will schedule the debriefing at a mutually agreeable time. The Department will not compare the Applicant with other Applicants during the debriefing, other than the position of the Applicant's application in relation to all other Applicant applications. An Applicant's exercise of the opportunity to

be debriefed does not constitute nor toll the time for filing a protest (see **Section I-26** of this RFA).

- I-26. RFA Protest Procedure.** Applicants and prospective Applicants who are aggrieved in connection with the solicitation or award of this RFA may file a protest with DHS.

Any protest filed in relation to this RFA must be delivered to:

Department of Human Services
Office of Administration, Bureau of Procurement & Contract Management
Room 824 Health and Welfare Building
625 Forster Street
Harrisburg, Pennsylvania 17120
Attn: DeShawn Lewis
Email address: RA-PWRFAQUESTIONS@PA.GOV

Protests by prospective Applicants that have not or have not yet submitted an Application must be filed no later than the Application submission deadline specified in the Calendar of Events.

Applicants and prospective Applicants should send a file protest electronically via email to the resource account listed above but must simultaneously send an original and two (2) hard copies of the protest to the address listed above. The date of filing is the date of receipt of the protest. A protest must be filed in writing with the Issuing Office and must state all grounds the Applicant asserts the solicitation or award is improper. Issues not raised are waived and may not be raised on appeal. To be timely, the protest must be received by 4:00 p.m. on the seventh day of when the Applicant knew or should have known of the facts giving rise to the protest, except in no event may a protest be filed later than seven days after notification of award. Untimely filed protests must be disregarded by the Department. The Issuing Office will notify the contracting office and any Applicant reasonably susceptible of award of the protest, and such notification shall start the timeline for any protest response. Protests will be decided by the Secretary of Human Services or a designee by the Secretary in her discretion; however, that such designee may not be a member of the RFA evaluation committee or the Contracting Officer designated for the protest.

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

- I-28. Information Technology Policies.** This RFA is subject to the Information Technology Policies ("ITPs") issued by the Office of Administration, Office for Information Technology ("OA-OIT"); and the DHS Business and Technical Standards created and published by DHS. ITPs may be found at <http://www.oa.pa.gov/Policies/Pages/itp.aspx>. The DHS Business and Technical Standards may be found at: <http://www.dhs.pa.gov/provider/busandtechstandards/index.htm>.

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

PART II

CRITERIA FOR SELECTION

II-1. Mandatory Responsiveness Requirements. To be eligible for selection, an application must:

- A. Be timely received from an Applicant (see **Part I, Section I-10**);
- B. Be properly signed by the Applicant (see **Part I, Section I-11.A**); and
- C. Contain an SDB Participation Submittal and the additional required documentation, all completed in accordance with **Part IV** and the Instructions for Completing the SDB Participation Submittal and SDB Utilization Schedule (**Form SDB-1**).

II-2. Technical Nonconforming Applications. The three (3) Mandatory Responsiveness Requirements set forth in **Part II, Section II-1** above (A-C) are the only RFA requirements that the Commonwealth considers to be non-waivable. The Department, in its sole discretion; may (1) waive technical or immaterial nonconformities in an Applicant's application, (2) allow the Applicant to cure the nonconformity, or (3) consider the nonconformity in the scoring of Applicant's application.

II-3. Evaluation. The Department has selected a committee of qualified personnel to review and score the technical submittal of timely submitted applications. The Department will separately score and evaluate the technical submittals for each Zone. The Department will notify in writing of its selection for negotiations the responsible Applicants whose applications are determined to be the most advantageous and in the best interests of MA beneficiaries and the Commonwealth as determined by the Department after taking into consideration all evaluation factors.

The Commonwealth will not score the SDB Submittal of the applications. Rather, Applicants must commit to meeting the SDB participation goal or make good faith efforts to meet the SDB participation goal as more fully explained in **Part IV**. Although the SDB Submittal will not be scored, the DGS Bureau of Diversity, Inclusion and Small Business Opportunities ("BDISBO") and the Department will evaluate the SDB Participation Submittal, and the additional required documentation to determine whether they have been completed in accordance with **Part IV** and whether the Applicant has satisfied the SDB participation requirements.

II-4. Evaluation Criteria.

- A. **Technical:** The Department has established the weight for the Technical criterion for this RFA as 100% of the total points. Evaluation will be based upon the following: **Soundness of Approach (85%), Personnel Qualifications and Staffing (5%), and Prior Experience and Performance (10%).**

- **Soundness of Approach.** For the Zone(s) that an Applicant includes in its application, the Department’s evaluation will include consideration of but is not limited to:
 - Whether the Applicant has fully and appropriately accounted for the particular or unique healthcare resources available to and healthcare challenges faced by MA beneficiaries in the Zone;
 - Whether the Applicant has fully and effectively addressed all work statement requirements and other requirements in a manner that demonstrates its ability to provide for those physical health and related services essential to the care of MA beneficiaries and to effectively support the PH HealthChoices program;
 - Content that demonstrates the Applicant’s approach has been specifically crafted to address the particular and unique demographic, cultural, economic, geographic, or other relevant characteristics of the regions, counties and municipalities comprising the Zone(s); and
 - Whether the Applicant had fully and appropriately demonstrated how its past performance has improved quality, access and value for the HealthChoices Program or a similar program.

- **Personnel Qualifications and Staffing.** For the Zone(s) that an Applicant includes in its application, the Department’s evaluation will include consideration of but is not limited to:
 - The MCO’s overall organizational structure and its proposed organizational structure, functions, staff and subcontractors (if used) for the operation in the Zone; and
 - The education, experience, qualifications and other information as required in **Part III** for Executive Management, Key Administrative, and subcontracted staff to support operations in each Zone.

- **Prior Experience and Performance.** For the Zone(s) that an Applicant includes in its application, the Department’s evaluation will include consideration of but is not limited to:
 - Corporate Background and History, including relevant prior work by both the company and the specific individual employees who will be assigned to the Zone as well as its history or promoting diversity and inclusion; and
 - Corporate Qualifications and Experience in Medicaid managed care systems, and in the operation of managed care medical programs.

B. Domestic Workforce Utilization: Any points received for the Domestic Workforce Utilization criterion are bonus points in addition to the total points for this RFA. The maximum bonus points for this criterion is **3%** of the total points for this RFA.

To the extent permitted by the laws and treaties of the United States, each application will be scored for its commitment to use domestic workforce in the fulfillment of the agreement.

Maximum consideration will be given to those Applicants 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.

II-5. Applicant Responsibility. To be responsible, an Applicant must submit a responsive application and possess the capability to fully perform the Agreement requirements in all respects and the integrity and reliability to result in good faith performance of the Agreement for all HealthChoices Zones for which selected for negotiations and Agreement award.

In order for an Applicant to be considered responsible for this RFA and therefore eligible for selection for BAFOs and Agreement negotiations:

- A. The total raw score for the technical submittal for each Zone of the Applicant's application must be greater than or equal to **75%** of the **available raw technical points**;
- B. Financial Capability. The Applicant's financial information must demonstrate that the Applicant possesses the financial capability to fully perform the agreement requirements and to ensure good faith performance of the agreement. The Department will consider the Applicant's financial information to determine an Applicant's financial responsibility only and will not score as part of its technical evaluation. The Department will review the Applicant's financial information, any additional information received from the Applicant, and any other publicly-available financial information concerning the Applicant to determine an Applicant's financial responsibility. The Department's assessment will include but is not limited to calculation and analysis of various financial ratios and comparison with industry standards and trends; and
- C. SDB Participation. The Applicant must satisfy the SDB participation goal set forth in **Appendix J Small Diverse Business (SDB) Participation Summary Sheet** or receive a DGS and Department approved good faith waiver of those goals.

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

II-6. Final Ranking and Award.

- A. After any BAFO process has been completed and the Department has completed any additional investigation that it has determined to be necessary, the Department will combine the evaluation committee's final technical scores and the domestic workforce utilization scores, in accordance with the relative weights assigned to these areas as set forth in this Part.

- B.** The Department, in its sole discretion, may undertake negotiations with Applicants whose applications, in the judgment of the Department, show them to be qualified, responsible, and capable of providing the services.
- C.** The Department will rank responsible Applicants according to the total overall score assigned to each, in descending order, per Zone.
- D.** Subject to subsection E and F and for each Zone, the Department shall select for grant agreement negotiations the Applicants with the highest overall scores.
- E.** If a selected Applicant does not complete the Readiness Review to the Department's satisfaction for some or all of the Zones for which it was selected for negotiations, the Department will not permit the Applicant to provide program services to MA beneficiaries and will not proceed to the operational phase of the Agreement with the Applicant for the applicable Zones. If a selected Applicant is not permitted to proceed, the Department, in its sole discretion, may either choose to enter into negotiations with the non-selected Applicant for the applicable Zone(s) that has the highest overall total score or may elect to go forward without a replacement MCO.
- F.** The Department has the discretion to reject all applications or cancel the Request for Applications, in whole or part, at any time prior to the time an Agreement is fully executed, when it is in the best interests of the Commonwealth. The reasons for the rejection or cancellation shall be made part of the agreement file.

PART III

TECHNICAL SUBMITTAL

- III-1. Nature and Scope of the Project.** Selected Applicants will be responsible to participate in the MA Program, provide for those physical health medical and related services essential to the care of MA beneficiaries enrolled in its plan and comply with all federal and Pennsylvania laws generally and specifically governing participation in the MA Program. Selected Applicants must provide physical health HealthChoices services in all counties in the Zone(s) for which they are selected to participate; and improve the accessibility, continuity and quality of health care services for participants in the Commonwealth's MA Program.
- III-2. Zone of Operation.** Indicate the Zone or Zones in which the Applicant wishes to participate. See **Part I, Section I-3** Overview of Project for a description of the Zones.
- III-3. Management Summary.** Include a narrative description of the proposed effort and a list of the Program services to be provided. The summary will condense and highlight the contents of the technical submittal in a manner that allows a broad understanding of the technical submittal.
- III-4. Qualifications.** In addition to relevant prior work done by your company, Applicants should include relevant work experience of the specific individuals who will be assigned to the Zone(s).
- A. Corporate Background.** The Applicant must describe the corporate history and relevant experience of the Applicant and any subcontractors. This section must provide detail regarding the ownership of the company (names and percentages 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 Applicant must provide an organizational chart.

The Applicant must describe its corporate identity and legal status, including the name, address, telephone number, and email address for the legal entity that is submitting the application. In addition, the Applicant must provide the name of the principal officers, a description of its major services, and any specific licenses and accreditations held by Applicant.

The Applicant must submit, as an appendix, its organization's Articles of Incorporation. If its Articles of Incorporation do not include all the information in **Appendix H** Ownership Structure and Related Information, the Applicant must provide this information.

If the experience of a proposed subcontractor is being used to meet the qualifications and requirements of this RFA, the Applicant must provide the same information as listed above

for the subcontractor. This information must be presented separately within this section, clearly identifying the subcontractor's experience and name.

Applicants must identify any current contracting or subcontracting relationship(s) that may result in a conflict of interest with the requirements of this RFA, including 42 C.F.R. § 438.58. Applicants must also abide by the Department's conflict of interest standards identified in **Appendix A**, Draft HealthChoices Agreement Exhibit D, Standard Terms and Conditions for Services and Exhibit E, Department of Human Services Addendum to Standard Terms and Conditions.

If an Applicant is proposing to use the services or products of a subsidiary or affiliated firm, the Applicant must describe the business arrangement with that entity and the scope of the services the entity will provide.

The Applicant must disclose any contract or agreement cancellations or terminations within the five (5) years preceding the issuance of this RFA, including any terminations or cancellations of an agreement or contract of an Affiliate and terminations or cancellations of an agreement or contract by the Applicant or by its Affiliates. If a contract or agreement was canceled or terminated for lack of performance, the Applicant must provide details on the customer's allegations, the Applicant's position relevant to the allegations, and the final resolution of the cancellation or the termination. The Applicant must also include each customer's Company or entity name, Address, Contact name, Phone number, and Email address. The Department may disqualify an Applicant based on a failure to disclose such a cancelled or terminated contract or agreement. If the Department learns about such a failure to disclose after an award, the Department may terminate the agreement.

The Applicant must disclose any significant litigation or investigation related to the provision of managed care or health care services during the two (2) years preceding the issuance of this RFA, including any such litigation or investigation of an Affiliate of the Applicant. The Applicant must provide details concerning any such litigation or investigation, including but not limited to the outcome of the litigation or investigation.

B. Corporate Experience. The Applicant must describe its experience or similar experience in providing managed care services, particularly experience with programs similar in scope, size and complexity to the PH HealthChoices Program. Include the name, address, and telephone number of the responsible official of the customer, company, or agency who may be contacted. Experience shown should be work done by the individuals who will be assigned to the Zone as well as that of your company. This section of the application must include a description of the Applicant's:

1. Qualifications and experience with Medicaid managed care systems;
2. Qualifications and experience operating a managed care healthcare program; and

3. History of promoting diversity and inclusion within its organization.

The Applicant must also complete **Appendix F**, Applicant's Managed Care Experience and References. The Applicant must include all information being requested, including the name, title and contact information for the contact person listed in **Appendix F**. The Department will select three (3) appropriate entities to contact as corporate references for the Applicant. In its discretion, the Department may contact additional listed entities.

- C. Personnel.** The Applicant must submit a description of the MCO's overall organizational structure and its proposed organizational structure for the operation in each HealthChoices Zone(s) for which it is submitting an application. As part of the organizational structure, Applicants must include a description of the positions and staffing as well as the proposed reporting lines. The Applicant must demonstrate that all of the requirements set forth in this RFA and in the draft Agreement (**Appendix A**) are sufficiently addressed in the Applicant's proposed organizational structure and personnel. If the Applicant is applying for multiple Zones and is proposing to employ different, separate, or additional organizational structure(s) or personnel to address RFA requirements in different Zone(s), the Applicant must provide descriptions of the different, separate, or additional organizational structure(s) or personnel under separately tabbed sections of the Applicant's Technical Submittal clearly labeled as "Section III-4.C HealthChoices [zone name 1] Personnel," and Section III-4.C HealthChoices [zone name 2] Personnel" for each Zone.

For those functions described in this section, an Applicant may propose to combine functions or split the responsibility across multiple HealthChoices Zones, unless otherwise indicated, as long as it can demonstrate that the duties of the function will be carried out. If an Applicant proposes to combine or split responsibility, its response to this section must clearly indicate which individuals and offices will be responsible for each duty and function, and demonstrate that such duties and functions will be effectively performed and coordinated in each Zone. If an Applicant is proposing an implementation team, it must identify its strategy for transitioning from an implementation team to a permanent team.

An Applicant may contract with a third party to perform functions, subject to the subcontractor conditions set forth in the draft Agreement. If an Applicant proposes to engage a subcontractor to perform any of the functions discussed in this section of the RFA, Applicants may cross-reference and need not duplicate the descriptions of the subcontractors requested below in **Part III, Section III-4.C.5** of this RFA, Subcontracts. Selected Applicants are required to keep the Department informed at all times of the management individuals whose duties include each of the responsibilities outlined in this section.

For the Executive Management functions (also referred to as "Key Personnel"), provide the individual's name and, through resume or similar document, the individual's qualifications, including education and experience as well as other requested information. Applicants who do not currently employ individuals responsible for a function described in this section, may instead provide job descriptions, including the minimum required

education and experience and the related information requested. Such Applicants, however, must take care that their responses to the Work Statement Questionnaire in **Part III, Section III-6** of this RFA clearly establish that qualified individuals will be employed, and their names and résumés provided to the Department, as part of the Readiness Review process.

1. Executive Management (Section V.M of the draft Agreement). Full time positions for executive management as described in Section V.M. of the draft Agreement mean full time positions dedicated to the HealthChoices PH Managed Care Program in Pennsylvania.

For the Administrator, Chief Financial Officer, Medical Director, Pharmacy Director, Dental Officer, Director of Quality Management, HealthChoices Program Manager and the Information Systems Coordinator (“also referred to as “Key Personnel”), please provide the following information for each position:

- a. Describe the executive’s role in the organization or what that role will be.
- b. Describe the level of effort he or she provides or will provide related to each of the major program areas of program management, financial management, quality management, utilization management, data management, consumer services and provider utilization.

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

- The résumé of the individual who will be in the position.
- A job description for each management position for the proposed organizational structure for the HealthChoices PH Program.
- Specify where management personnel will be physically located during the time they are engaged to work.

Key Personnel Diversions or Replacement. Once Key Personnel are approved by the Department, the selected Applicant may not divert Key Personnel without prior approval of the DHS Contract Administrator. The selected Applicant must provide notice of a proposed diversion to the DHS 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 personnel. The DHS Contract Administrator will notify the selected Applicant within ten (10) business 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 Key Personnel by the selected Applicant or its subcontractor to another assignment within the control of either the Applicant or subcontractor. The selected Applicant is not required to provide advance notification for changes in Key Personnel due to resignations, death or 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 Applicant or its subcontractor. The Department, however, must approve the replacement personnel for such vacancies.

2. Key Administrative Positions (Section V.N of the draft Agreement). In this section, the Applicant must identify the name and position of the person authorized to finalize an Agreement with the Department.

In addition, for each of the key administrative positions and functions listed below, provide the following information:

- a. Attach a job description that includes minimum education and experience required for each position.
- b. Specify where these personnel will be physically located during the time they are engaged to work.

Key Administrative Positions/Functions

- Quality Management Coordinator
- Behavioral Health Coordinator
- Utilization Management Coordinator
- Special Needs Coordinator
- Government Liaison
- Maternal Health/EPSTD Coordinator
- Member Services Manager
- Provider Services Manager
- Complaint, Grievance and DHS Fair Hearing Coordinator
- Claims Administrator
- Provider Claims Educator
- Contract Compliance Officer
- HEDIS[®] Project Manager
- Special Investigations Unit Director
- Other key personnel identified by Applicant

For ease of reference, Applicants may use the chart in **Appendix G**, Executive Staff and Key Administrative Personnel Checklist, to ensure that their response provides all the documents and information pertaining to the Executive Management and Key Administrative positions and functions discussed in this section.

3. Board Members. The Applicant must describe the role of its board members in governance and policy making and specify the manner in which MA consumers will be represented in an advisory and decision-making capacity for the HealthChoices Zone(s). In accordance with Pennsylvania DOH regulations, one-third of the board's membership must be "subscribers" of the MCO.

- 4. Staffing Plans.** The Applicant must include a comprehensive statement of its proposed staffing plan, including staffing plans for subcontractors, demonstrating how it will provide adequate staffing to address all requirements found in the RFA and the Agreement. Include comprehensive organizational charts that detail the number of staff and positions for each existing or proposed department within the MCO. The organizational chart must illustrate the lines of authority, designate the positions responsible and accountable for the completion of each component in the RFA, and indicate the names and job titles and number of personnel that will be assigned to each role. 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.

- 5. Subcontracts.** Provide a subcontracting plan for all subcontractors, including SDB subcontractors, with responsibilities related to the provision of services to consumers including, but not limited to, the provision of medical services (other than services provided by Network Providers), and consumer services and administrative support including, but not limited to, claims processing. Include the following information for each subcontractor, including SDB subcontractors. Provide a separate response for each subcontract (Limit to 2 pages for each subcontract).
 - a. Name of subcontractor;
 - b. Primary contact name and email of subcontractor;
 - c. Address of subcontractor;
 - d. Description of services to be provided;
 - e. Applicant's prior experience working with subcontractor;
 - f. Subcontractor's qualifications;
 - g. Number of employees by job category to work on the Project;
 - h. Description of how the subcontractor(s) are to be supervised, channels of communication are maintained and compliance with Agreement terms are verified;
 - i. Geographical location of staff; and
 - j. Resume(s) and responsibilities of individual (if required by the RFA).

Upon award of an agreement resulting from this RFA, subcontractors included in the application are deemed approved.

If the subcontract provides for any financial risk, the HealthChoices MCO must comply with the subcontracting requirements set forth in Section XII of the Agreement.

III-5. Financial Capability. The Applicant must submit information about the financial condition of the company in this section. The Department will use this information to determine an Applicant's financial responsibility only and will not score as part of its technical evaluation. For ease in assembling the technical submittal, the Applicant should append its financial

documentation rather than including it in the main body of the technical submittal. The Applicant must provide the following information:

- A.** The identity of each entity that owns at least five percent (5%) of the Applicant.
- B.** Provide the following for the Applicant and for each entity that owns at least five percent (5%) of the Applicant. (The Applicant may **also** include information for other Affiliates as long as they still provide the requested information for each entity that owns at least 5%):
 - 1.** Audited financial statements for the two (2) most recent fiscal years for which statements are available. The statements must include a balance sheet, statement of revenue and expense, and a statement of cash flow. Statements must include the auditor's opinion and the notes to the financial statements submitted by the auditor to the Applicant. If audited financial statements are not available, explain why and submit unaudited financial statements.
 - 2.** Unaudited financial statements for the period between the last date covered by the audited statements through the quarter before the submission of the application.
 - 3.** Documentation about available lines of credit, including maximum credit amount and amount available thirty (30) business days prior to the submission of the application.
 - 4.** The most recent sets of quarterly and annual financial statements filed with the Pennsylvania Insurance Department or with other states' insurance departments, if the Pennsylvania filing is non-applicable.
 - 5.** State of incorporation.
 - 6.** Type of incorporation, as profit or non-profit.
 - 7.** Bond rating.
 - 8.** A.M. Best rating for life/health.
 - 9.** Standard and Poor's rating.
 - 10.** Weiss rating.
 - 11.** Its Risk Based Capital Ratio for the year filed most recently with the Pennsylvania Insurance Department.

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

- C. Describe your financial stability and economic capacity to perform the HealthChoices PH Program requirements.
- D. If the Applicant plans to enter into a subcontract at a cost of at least fifty percent (50%) of anticipated Agreement revenues received from the Department, and if the subcontract provides for financial risk on the part of the subcontractor, provide items listed in **Part II, Section III-5.B** above, as they relate to the proposed subcontractor.
- E. The Applicant or entity(ies), identified in **Part II, Section III.5.A** above, who is an HMO or licensed insurer, must have SAP-basis equity, as of December 31 for the calendar year prior to submission or a subsequent date prior to submission of the application, equal to the highest of the amounts determined by the following “Three (3) Part Test”:
1. \$25.00 million;
 2. 7.0% of revenue earned by the Applicant or entity(ies) during the most recent four (4) calendar quarters; or
 3. 7.0% of revenue earned by the Applicant or entity(ies) during the current quarter multiplied by three (3).

If the Applicant (not a related party) does not have the required SAP-basis equity, explain why and provide GAAP-basis equity. Applicant must support its assertion of equity by a copy of a filing with the Pennsylvania Insurance Department. If the Pennsylvania Insurance Department’s filing is not available, explain why and provide a balance sheet that is attested to by an independent public accounting firm.

Failure to comply with the equity requirement, or with the requirement to provide documentation satisfactory to the Department, may result in rejection of the application.

- F. The Department will not permit a selected Applicant to implement a HealthChoices PH Program unless it has SAP-basis equity, as of the last day of the second quarter prior to the program implementation date, or a subsequent date as determined by the Department, equal to the highest of the amounts determined by the following “Three (3) Part Test”:
1. \$25.00 million;
 2. 7.0% of revenue earned by the Applicant during the most recent four (4) calendar quarters; or
 3. 7.0% of revenue earned by the Applicant during the current quarter multiplied by three (3). The equity of an entity identified in **III.5.A** above may not be relied upon to satisfy this requirement.
- G. Instead of the “three part test” equity requirement described in **Sections III.5.E and F** above, an Applicant may demonstrate compliance with the following alternative equity requirement. This alternative requirement has three parts:

1. PH-MCO RBC ratio of at least three (3.0);
 2. Substitution of five and one-half percent (5.5%) where the figure seven percent (7.0%) is included in the Three Part Test above; and
 3. Compliance with the Three Part Test with the figure of eight and three tenths percent (8.3%), where seven percent (7.0%) is stated, by individual at-risk Subcontractors who collectively receive at least seventy five percent (75%) of the revenue provided by the Department to the PH-MCO. Revenue, for the purpose of this alternative equity requirement, would be premium revenue reported on the most recently available audited statements and updated to incorporate more recent quarterly information.
- H.** The Applicant shall explain how it will fund development and start-up costs, including the source of funds. Provide information and documentation to enable the Department to conclude whether sources have and are committed to providing the expected funds.
- I.** List any ownership interest in proposed subcontractors. Copies of proposed subcontract arrangements are to be included as an appendix. The Department will approve all subcontracts used by the selected Applicant.
- J.** The Applicant will state whether it has changed its independent actuary or independent auditor in the last two (2) years. If it has, it must provide the date and explain why.

III-6. Work Statement Questionnaire. In this section, the Applicant will respond to the following questionnaire, taking care to be as concise as possible in its responses. In responding, the Applicant should repeat each question and then follow each question with the specific response. Please note that page limits have been established for the response to each question. When providing a separately tabbed response to a question for a Zone, the page limit will separately apply to each Zone. While the Department will take note of an Applicant's adherence to these limits, they represent only the maximum permissible length of a response. Applicants should not expand their responses to the maximum length if a question may be fully answered in fewer pages. **All page limits apply to response text only; not to any requested documents or the question text.**

When possible, **Applicants currently participating in HealthChoices** should describe their current practices as well as changes or improvements to their current operations and use examples from their HealthChoices line of business when explaining their future plans related to a question.

Applicants new to HealthChoices should provide responses on line(s) of business deemed to be most similar to the Pennsylvania HealthChoices PH Program. They should also describe how they would adapt their current line(s) of business to the HealthChoices PH Program.

If the Applicant is proposing on multiple Zones, **any and all** portions of a response to questions in **Part III, Section III-6** that describe different, separate, or additional components of the

response that is specifically designed to address the needs of one particular Zone should be provided under separately tabbed sections of the Applicant's Technical Submittal, and clearly labeled as "Section III-6 Work Statement Questionnaire HealthChoices [zone name] Zone," and "Section III-6 Work Statement Questionnaire HealthChoices [zone name] Zone," respectively.

If the Applicant is applying for multiple Zones and its response to any question is the same for all or some of the Zones, it need not duplicate its response for each Zone.

WORK STATEMENT QUESTIONNAIRE	
PLANNED APPROACH	
1.	<p>Provide a work plan for program implementation. At a minimum, the work plan should include:</p> <ul style="list-style-type: none"> • A description of all activities necessary to obtain required contracts for your provider network as specified in the Agreement; and • An itemization of activities that you will undertake from notification of selection for negotiations to Readiness Review and to implementation of Program services. The Applicant will identify established deadlines, timeframes and responsible individuals or functional leads for each activity. <p>(Limit to four pages)</p>
MEMBER MANAGEMENT	
1.	<p>Describe the innovative approaches your organization takes and will take to promote personal responsibility among consumers by involving them in managing their own healthcare benefits and providing incentives that encourage wellness and healthy lifestyles. For any existing programs, include the number of consumers engaged and any results. Describe how your MCO plans to publicize such programs. Describe the approaches to be used for the HealthChoices PH Program.</p> <p>(Limit to four pages)</p>
2.	<p>Describe your organization’s experience using technology such as telehealth, social media or other methods to engage members in managing their healthcare benefits and to provide information to access resources. What is your planned use of technology for the HealthChoices PH Program? How do you assess the effectiveness of the use of technology to achieve improved health outcomes? (Limit to two pages)</p>
3.	<p>Describe the management techniques, policies, procedures and initiatives you have implemented and will implement to promote health care equity (i.e., reductions in disparity in treatment and outcomes among disparate races and ethnic groups). Please provide the results and any lessons learned about these efforts. Describe the strategy to be used for the HealthChoices PH Program.</p> <p>(Limit to six pages)</p>
4.	<p>Describe the management techniques, policies, procedures and initiatives you have and will have in place to effectively and appropriately increase the use of pediatric medical and dental preventive services within the Medicaid population. Please outline the results you have achieved in providing Medicaid-eligible children with preventive care on an ongoing basis and how you monitor compliance with the Early and Periodic Screening, Diagnostic, and Treatment (“EPSDT”) Periodicity Schedule. Describe your strategy to improve performance for the HealthChoices PH Program. (Limit to six pages)</p>
5.	<p>Describe the disease management programs your organization has in place and how you have determined the results including how members are educated about their availability. Describe how you coordinate with your care management programs to provide for a patient-centered approach for disease and care management activities including any technology to stratify and track members that are most in need of case or disease management. Identify and describe the program(s) that will be used if selected for award. (Limit to four pages)</p>
UTILIZATION MANAGEMENT	

1.	Describe your approach to utilization management for the HealthChoices PH Program, including: <ul style="list-style-type: none"> • Lines of accountability for utilization policies and procedures and for individual medical necessity determinations; • Data sources and processes to determine which services require prior authorization and how often these requirements will be re-evaluated; • Processes and resources to develop utilization review criteria; • Prior authorization processes for members requiring services from non-participating providers or for members who require expedited prior authorization review and determination due to conditions that threaten the member’s life or health; and • Processes to provide consistent application of criteria by individual clinical reviewers. (Limit to six pages)
2.	Describe your program exception process and how it is used and will be used in the utilization management process. (Limit 2 pages)
3.	Describe your approach for training your staff and providers in the submission and review of Letters of Medical Necessity and other supporting material so that appropriate and consistent utilization review decisions are made in accordance with the HealthChoices definition of medically necessary. Describe the steps to minimize the number of service denials issued due to a lack of all information being submitted as part of the initial request, especially for denials of children’s services. (Limit to four pages)
4.	Describe the prior authorization process in detail and explain what steps are and will be in place to provide for reviews that are consistently done in a timely manner, especially on weekends. (Limit to two pages)
5.	Describe your observation payment policy and specify what process is and will be in place to provide for timely responses to provider questions or concerns, and outline what processes are in place when considering if an inpatient stay is downgraded to observation status.
6.	Describe your denial process and explain how you use and will use denial language that meets the requirements in the HealthChoices Agreement. (Limit to one page)
CARE MANAGEMENT	
1.	Describe the techniques, policies, procedures and initiatives you have and will have in place to effectively and appropriately control avoidable hospital and emergency department admissions. Describe your strategy for the HealthChoices PH Program to improve performance in this area. (Limit to six pages)
2.	Describe any specific programs that focus on consumers with persistent serious mental illness, substance use disorder or both. Describe your strategy for interacting with Behavioral Health MCOs to directly engage consumers in these programs. Describe how your strategy for the HealthChoices PH Program will improve performance in this area. (Limit to four pages)
3.	Describe opioid use disorder and substance use disorder strategies you developed and implemented for a Medicaid population. Include a description of each initiative, including any challenges experienced and how you overcame them. Describe the outcomes of your strategies. Identify and describe the strategies that will be used if selected for award (Limit 4 pages)

4.	Describe any specific programs that focus on consumers with disabilities or with high acuity levels. Provide outcomes of these programs. Describe how you connect members with the available social and community support services. Describe the programs that will be used and how these programs will improve performance in this area for the HealthChoices PH Program. (Limit to four pages)
5.	Describe the techniques, policies, procedures and initiatives you have in place to effectively and appropriately manage the Transition of Care for members being discharged from inpatient care and how these techniques control hospital readmissions. Describe how your strategy will be used in the HealthChoices PH Program. (Limit to six pages)
6.	Describe your current strategy and the strategy that will be used for working with home health agencies to coordinate and fill authorized hours and shifts for pediatric shift care. Discuss the strategies you have in place to address hours and shifts that are not staffed for all authorized hours or shifts, including the effectiveness of these strategies. (Limit to 4 pages)
7.	Describe your organization’s philosophy on Community Based Care Management and outline the key initiatives of your program. Describe the results of initiatives in demonstrating improved health outcomes for the members that were served. Include any specific initiatives for the perinatal population, those with serious persistent mental illness and those with substance use disorders. Include the number of full time equivalent licensed and non-licensed telephonic and community-based personnel to be involved in these activities. (Limit to four pages)
8.	Describe your experience related to the use of Patient Centered Medical Homes as well as any planned use in the HealthChoices PH program. (Limit to two pages)
9.	Describe your current and proposed strategies for identification, referral, treatment and follow up for members who have an elevated blood lead level, including information on how you propose to overcome barriers, for 1) the investigation of homes where a tested child has an elevated blood lead level and 2) remediation when testing reveals the presence of lead in the home or environment. Describe your outreach strategies when environmental lead issues are identified in a specific geographical area. (Limit to three pages)
SPECIAL NEEDS	
1.	Describe the processes for transitioning and coordinating care for members as they age into adult categories of assistance that may provide less service coverage as well as your strategy for the HealthChoices PH program. (Limit to two pages)
2.	Describe the process and initiatives to actively identify and outreach to members with special needs who would benefit from assistance from the Special Needs Unit. Include how this outreach will address the unique cultural and ethnic populations that exist in the Zone(s). (Limit to four pages)
3.	Describe your experience and efforts in identifying and assisting members with social determinants of health including housing, employment, food insecurity, literacy, transportation and education. Describe any challenges you have experienced in addressing social determinants of health and how you resolved them. Describe how you plan to address social determinants of health, including how you will engage community programs and initiatives aimed at mitigating social determinants of health. (Limit 6 pages)

4.	Describe specific programs you have and will have in place to address social determinants of health. Include how many or what percentage of your membership participates in the programs. Describe the methodology used to determine whether a program is successful and if so, how it is expanded to incorporate widespread implementation. (Limit 4 pages)
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COORDINATION OF CARE	
1.	Describe your plan to create, maintain, and continuously improve collaboration with HealthChoices Behavioral Health Managed Care Organizations (“BH-MCOs”). <ul style="list-style-type: none"> • Include a description of methods you will use to exchange information relevant to providing care coordination using behavioral health utilization data provided by the Department. • Include any current and planned initiatives to work with the BH-MCOs to minimize and provide appropriate utilization of Psychotropic medication for children, especially those in substitute care. (Limit to four pages)
2.	Describe the process you will use to coordinate with County Offices of Children, Youth and Families to provide Children in Substitute Care with necessary services. Describe challenges the organization anticipates or has experienced when coordinating care for children in substitute care and provide any strategies that will be or have been used to improve coordination. (Limit to two pages)

<p>QUALITY AND PERFORMANCE MANAGMENT</p> <p>Please use the template provided in Appendix M to provide the rates and measurement rates requested in criteria number 1 and 3. Please limit your requested text response to criteria number 1 and 3 to one page as noted.</p>
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1.	<p>Provide HEDIS[®] performance measurement rates for the following thirteen (13) measures determined by the Department to be most relevant for the MA population.</p> <ul style="list-style-type: none"> • Applicants currently participating in Pennsylvania’s HealthChoices PH Program must provide rates for HEDIS[®] 2018 and 2019 (reporting years are calendar years 2017 and 2018) for the HealthChoices PH Program for the Zone(s) in which they currently participate. • Applicants that do not currently participate in Pennsylvania’s HealthChoices PH Program must provide rates for HEDIS[®] 2018 and 2019 (reporting years are calendar years 2017 and 2018) from a Medicaid line of business from another state. If the Applicant has a Medicaid product in more than one state, you must choose ONE state that is most similar to Pennsylvania. Provide an explanation of the basis for your determination that the state is most similar to Pennsylvania. (Limit to one page) <ul style="list-style-type: none"> 1. Controlling High Blood Pressure 2. Comprehensive Diabetes Care, HbA1c Poorly Controlled 3. Timeliness of Prenatal Care 4. Post-Partum Care 5. Annual Dental Visits (Ages 2 – 20) 6. Lead Screening in Children 7. Well Child Visits in the First 15 Months of Life, 6 or more visits 8. Well Child Visits in the Third, Fourth, Fifth and Sixth Years of Life 9. Adolescent Well Care Visits 10. Adults Access to Preventive/Ambulatory Health Services, Total 11. Medication Management for People with Asthma (75%) 12. Ambulatory Care – Outpatient Visits 13. Ambulatory Care – Emergency Department Visits
2.	<p>Describe your strategy for achieving improved quality performance and outcomes. Describe how you monitor quality performance throughout the calendar year to improve HEDIS[®] performance rates. (Limit to four pages)</p>
3.	<p>Provide Adult and Child CAHPS[®] measurement rates for the composite measures listed below.</p> <ul style="list-style-type: none"> • Applicants currently participating in Pennsylvania’s HealthChoices PH Program must provide rates for CAHPS[®] 2018 and 2019 (reporting years are calendar years 2017 and 2018) for the Zone(s) in which they currently participate. • Applicants that do not currently participate in Pennsylvania’s HealthChoices Program must provide rates for CAHPS[®] 2018 and 2019 (reporting years are calendar years 2017 and 2018) from a Medicaid line of business from another state. If the Applicant has a Medicaid product in more than one state, you must choose ONE state that is most similar to Pennsylvania. Provide an explanation of the basis for your determination that the state was most similar. (Limit to one page) <ul style="list-style-type: none"> 1. Rating of All Health Care 2. Rating of Health Plan 3. Getting Needed Care – Composite measure 4. Getting Care Quickly – Composite measure

4.	Describe your strategy for improving rates for member satisfaction. How do you incorporate the results of the CAHPS surveys into your quality management program? (Limit to two pages)
<p>PROVIDER NETWORK COMPOSITION AND NETWORK MANAGEMENT</p> <p>Where responses apply to past experience and current programs, current HealthChoices PH-MCOs must submit this information for the Pennsylvania line of business, and non-incumbent PH-MCOs should submit this information for a Medicaid contract from ONE state that is most similar to Pennsylvania. If the Applicant has a Medicaid product in more than one state, it must choose the state that is most similar to Pennsylvania. Provide an explanation of the basis for your determination that the state is most similar, unless it is the same state selected for the responses to Quality and Performance Management Questions 1 and 3 above. If this is the case, please state. (Limit to one page)</p>	
1.	<p>Describe how you will comply with and require your providers in your network to comply with the following:</p> <ul style="list-style-type: none"> • The Labor Anti-Injunction Act, 43 P.S. §§ 206a – 206r, and the Pennsylvania Labor Relations Act, 43 P.S. §§ 211.1 – 211.13. • The Americans with Disabilities Act, 42 U.S.C. §§ 12101 et seq., Section 1557 of the Patient Protection and Affordable Care Act (ACA), 42 CFR § 438.3(f)(1), and 42 CFR § 438.100(d). <p>(Limit to four pages)</p>
2.	<p>Describe the processes you have used and will use to correct deficiencies and make improvements in provider network access and accessibility. Minimum requirements are outlined in Exhibit AAA of the Agreement.</p> <ul style="list-style-type: none"> • Describe provider incentives or programs used and to be used to encourage greater access throughout the network. • Describe how regular provider network adequacy and access monitoring is and will be integrated in your overall quality improvement programs. • Describe the plan to maintain current providers, recruit new providers and correct deficiencies should they occur. • Describe the methods your provider network support staff utilize and will utilize to engage and educate providers. • Explain the circumstances that would result in providers not being approved to participate in your network. <p>(Limit to four pages)</p>
3.	<p>Describe actions taken and to be taken to incent growth in the Dental provider network.</p> <ul style="list-style-type: none"> • Describe how your organization will have a Dental provider network that will grow beyond compliance with the minimum network access requirements. • Specifically discuss how your organization will increase access to pediatric and special needs dentistry through the use of incentives or other innovative provider attraction techniques. • Provide recent examples of dental network improvements made by your organization. <p>(Limit to two pages)</p>
4.	<p>Describe your organization’s oversight process of subcontractors that manage provider networks such as Dental, Vision, and other Benefits Managers.</p> <ul style="list-style-type: none"> • Describe actions taken in the past as well as those that will be taken to correct identified network deficiencies or problems with accurate and timely provider reimbursement.

	<ul style="list-style-type: none"> Describe incentives, quality improvement processes or assessments pursued to increase network access and accessibility of subcontractor provider networks as well as those that will be used if selected for award. <p>(Limit to three pages)</p>
5.	Describe risk adjustment strategies and provider incentives you will employ in Primary Care Physician (“PCP”) contracting to provide members with complex medical needs with adequate access to primary care and care coordination services. How do you measure the adequacy of access and what programs will you have in place to measure the quality outcomes of the services? (Limit to two pages)
6.	Describe the processes to assess the satisfaction level of the provider network with your organization. <ul style="list-style-type: none"> When low satisfaction rates are identified, describe the processes to address those areas. Describe how provider satisfaction is integrated into the on-going provider network management. Provide a specific example with results of a recent provider network satisfaction assessment and any improvement initiatives that resulted. Provide your organization’s timeline or schedule for visitation of network providers by your provider support or other staff. Describe the information that is discussed with providers during these visits. <p>(Limit to four pages)</p>
7.	Describe the processes used to monitor and assess access and accessibility of the MCO provider network. Specifically identify: <ul style="list-style-type: none"> Amount and frequency of PCP network audits to confirm compliance with access and accessibility requirements for network providers over the past 2 calendar years (2017/2018). Amount and frequency of Specialist network audits to confirm compliance with access and accessibility requirements over the past 2 calendar years (2017/2018). Indicate the corrective actions used when providers are identified as being noncompliant with access and accessibility requirements. Provide the number of network providers identified as non-compliant with accessibility and access standards over the past 2 calendar years. (2017/2018) Provide the number of corrective actions imposed upon providers for access and accessibility non-compliance over the past 2 calendar years. (2017/2018) <p>(Limit to six pages)</p>
8.	Describe your strategy for collecting and reporting provider level data to assess the quality of care within your provider network. How are HEDIS®-like measures used to compare provider performance? Identify whether you collect and report provider level quality data enterprise-wide, and if so, describe your strategy for integrating provider quality data across lines of business. (Limit 4 pages)
VALUE BASED PURCHASING (“VBP”)	

1.	Describe your strategy for meeting the VBP requirements in Section VII.E of the Draft Agreement (Appendix A of the RFA) including detailed descriptions of the types of VBP arrangements you will use to meet your goals. For each VBP strategy you employ and will employ (Pay for Performance programs, Patient centered Medical Home, Shared Savings Contractual Arrangements, Bundled or Global Payment Arrangements, and Full Risk or Accountable Care Organization Arrangements), please describe in detail how you define each VBP strategy, including a general overview of how providers are paid, assessed, and incentivized. Why are you choosing a particular strategy? What is the current percentage of network spending that is attributed to VBP strategies? (Limit to 6 pages)
2.	Hospitals and providers interact with several PH-MCOs and BH-MCOs simultaneously, so value-based efforts can fail if they are not coordinated. Describe your experience working with other payers and MCOs to develop unified, coordinated value-based purchasing plans. Identify and describe the strategies that will be used if selected for award. (Limit 2 pages)
3.	Who in your organization leads value-based purchasing initiatives? How will that individual work with providers to help them meet their quantitative goals? How has your MCO demonstrated leadership in developing a value-oriented culture? Please give specific examples. (Limit 3 pages)
4.	Describe your strategy for sharing data with providers that are in VBP contracting arrangements. What data is shared with providers? How often is the data shared? What is the lag time between when the provider interaction takes place, and when the data is shared with the provider? Please state whether you provide the following: <ul style="list-style-type: none"> • Predictive analytics to identify potential at-risk or high-risk patients • Information that allows clinicians to accurately compare their actions and performance to peers and vetted guidelines • Suggestions for how to make actionable changes (Limit 4 pages)
5.	Describe in detail how providers access the data that you provide to them, and how you help the providers interpret the data. How are providers made aware of which patients are attributed to them in value-based arrangements? How knowledgeable are providers in your networks with risk-based contracting? How will you tailor your value-based arrangement to a provider’s ability to take on additional risk? (Limit 3 pages)
6.	Many VBP initiatives provide financial support to providers to develop population health management infrastructures. Both the literature and stakeholder interviews support this approach. How have you invested and how will you invest in payments to providers for infrastructure to begin to take on risk? How do you build the capacity with your network providers to do population health more generally? (Limit 2 pages)
7.	Describe how you will extend the VBP targets in Section VII.E to all affiliated lines of business operating in Pennsylvania. Provide detail for each affiliated line of business to include current expenditures for VBP and what strategies have been and will be used. (Limit 5 pages)
8.	How are clinicians, patients, and families involved in the design and implementation of new value-based arrangements? How are you trying to engage clinicians, patients, and families in the design and implementation of these models? Describe your patient and family advisory council, if any. (Limit 1 page)

PHARMACY/OUTPATIENT DRUG – Responses should be based on the requirements in Exhibit BBB of the draft HealthChoices Agreement

1.	How will you limit payment to only rebate eligible outpatient covered drugs? (Limit 2 pages)
2.	Describe how you will implement, maintain and support the Pennsylvania Medical Assistance Statewide Preferred Drug List (“PDL”). (Limit to 3 pages)
3.	Describe how you will provide that the coverage of all outpatient drugs covered under the MCO’s Medical Benefit will comply with requirements in Exhibit BBB. (Limit to 3 pages)
4.	Describe how you will comply with the following Pharmacy Provider Network Requirements: <ul style="list-style-type: none"> • The requirement to contract on an equal basis with the willing and qualified pharmacies as required by 62 P.S. § 449. • The requirement that the payment rates, including ingredient cost and professional dispensing fee, paid to all network pharmacies reflects the pharmacist’s acquisition cost, professional services and cost to dispense the prescription to a MA beneficiary. (Limit to 4 pages)
5.	Describe how you will comply with the Pharmacy Benefit Manager (“PBM”) section of Exhibit BBB of the Agreement. Descriptions must include, but are not limited to, the following: <ul style="list-style-type: none"> • The relationship between the MCO and the PBM. • The payment arrangement between the MCO and the PBM (e.g. pass through pricing or spread pricing). • How the MCO will comply with transparent pricing. • How the MCO will comply with PBM provider pricing disputes and Second Level PBM Provider Pricing Dispute Resolutions. (Limit to 10 pages)
6.	What subcontracts will you utilize in the coverage and management of outpatient covered drugs? Describe how you will monitor subcontractors for compliance with the requirements in Exhibit BBB. (Limit 5 pages)

MANAGEMENT INFORMATION SYSTEMS	
1.	<p>Provide a general systems description, including:</p> <ul style="list-style-type: none"> • A systems diagram that describes each component of the management information system and all other systems that interface with or support it; • How each component will support the major functional areas of HealthChoices (In-Plan Services; Coordination of Care; Member Services; Maternity Care Payments; Complaint, Grievance and Fair Hearings; Outpatient Drug; Special Needs; Provider Network; Provider Services; Service Access; Quality Management/Utilization Management (“QM/UM”); Claims Payment and Processing, and; Encounter Data Reporting System). <p>(Limit to ten pages, including the diagram)</p>
2.	<p>Describe any modifications or updates to your Management Information System (“MIS”) that will be necessary within the next year to meet the requirements of the Agreement, and your plan for their completion. (Limit to four pages)</p>
3.	<p>What is the current capacity of your MIS and claims processing? Explain your process to readily expand your MIS or claims processing should the capacity of either be exceeded. (Limit to two pages)</p>
4.	<p>Describe how you will verify that providers and subcontractor(s) submit timely, accurate, complete and required encounter data elements for subsequent transmission to the Department, including the frequency of verification. Explain how you will handle the non-submission of encounter data by a provider or subcontractor. Also explain how you will achieve the accurate and timely submission of complete encounter data to DHS consistent with required formats. (Limit to four pages)</p>
5.	<p>Describe in detail your process for utilizing the Department’s daily and monthly 834 membership files to manage your membership. Include the process for resolving discrepancies and your process for resolving errors if a member record does not process correctly. (Limit to four pages)</p>
6.	<p>Explain your process for maintaining your provider file with sufficient information on each provider to support provider payment and also meet the Department’s reporting and Encounter Data Requirements. Include how you will cross-reference your internal provider identification (“ID”) number with the PROMIS^eTM and MMIS 2020 Platform module contractors’ provider ID and Service Location and the provider’s National Provider Identifier (“NPI”) number with taxonomy and zip code. (Limit to two pages)</p>
7.	<p>Explain your processes for verifying that providers are enrolled in MA and have a valid PROMIS^eTM or MMIS 2020 Platform Provider ID number/Service Location and NPI/taxonomy/Zip code. Include how you will comply with the requirement that your providers (including providers for subcontractors) are enrolled in MA and have a valid PROMIS^eTM or MMIS 2020 Platform Provider ID number/Service Location and NPI/taxonomy/zip. (Limit to two pages)</p>

III-7. Requirements.

- A. A description of the anticipated requirements for the provision of Physical Health services to MA beneficiaries for the HealthChoices Program is set forth in the draft Agreement

(Appendix A). The provisions of this RFA and its Appendices will become a part of the HealthChoices agreement.

B. Readiness Review. Prior to an Agreement becoming effective and a selected PH-MCO being able to provide services to MA beneficiaries, the Department must determine that the PH-MCO has successfully completed the Department's Readiness Review for each HC Zone for which the PH-MCO was selected for negotiations. The Department anticipates that the Readiness Review period will last approximately six (6) months. If the Department determines that a selected PH-MCO has not successfully completed Readiness Review for all or some of the HC Zones for which it was selected, the Department will not award an Agreement to the PH-MCO for some or all of the HC Zones for which it was selected for negotiations. No agreement will exist between the Department and the selected PH-MCO until the Department has determined that the PH-MCO is able and ready to provide services to MA beneficiaries.

During Readiness Review, the Department will assess a selected PH-MCO's readiness to provide required services in compliance with Agreement requirements. As part of Readiness Review, the Department will review required Deliverables and may approve or request modifications to the Deliverables. The Department will provide a Readiness Review tool to the selected PH-MCO that includes all Deliverables. The Department will review the Deliverables through a combination of desk and onsite reviews. The Department will provide technical assistance throughout the Readiness Review process.

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

1. Describe how you anticipate such a crisis will impact your operations.
2. Describe your emergency response continuity of operations plan. Please attach a copy of your plan, or at a minimum, summarize how your plan addresses the following aspects of emergency preparedness:
 - a. Employee training, including the frequency of training.
 - b. Identified essential business functions and key employees necessary to carry them out.
 - c. Contingency plans for:
 - i. How your organization will handle staffing issues when a portion of key employees are incapacitated.
 - ii. How employees in your organization will carry out the essential functions if prevented from coming to the primary workplace.

- d. How your organization will communicate with staff and suppliers when primary communications systems are overloaded or otherwise fail, including key contacts, chain of communications (including suppliers), etc.
- e. How and when your emergency plan will be tested, and if the plan will be tested by a third-party.

D. Disaster Recovery. Selected Applicants must develop and document a Disaster Recovery (“DR”) plan for electronic records and files maintained by a selected Applicant. The selected Applicants must utilize reasonable data backup and DR procedures to prevent loss of information and an interruption in the use of its proposed systems.

1. The Applicant must describe its data backup and DR plans for restoring and maintaining operations during natural or human-induced disasters, or any other occurrence that damages systems or data.
2. The Applicant must provide detailed information regarding its backup and DR systems, architecture and frameworks, capabilities, governance, and procedures.
3. The Applicant must describe how its backup and DR plans enable the continuation of critical processes, including the protection and security of the data and system restoration and availability.
4. The selected Applicant must provide an annual update of the data backup and DR plan and the DR plan testing process and testing frequency on the yearly anniversary of the Effective Date of the Agreement.

E. Lobbying Certification and Disclosure. The Agreement will be funded in part, with federal monies. Public Law 101-121, Section 319, prohibits federal funds from being expended by the recipient or any lower tier sub-recipients of a federal contract, grant, loan, or a cooperative agreement to pay any person for influencing, or attempting to influence a federal agency or Congress in connection with awarding of any federal contract, the making of any federal grant or loan, or entering into any cooperative agreement. Applicants who submit applications in response to this RFA must sign the “Lobbying Certification Form” (attached as **Appendix L**) and, if applicable, complete the “Disclosure of Lobbying Activities” also attached as **Appendix L**.

III-8. Objections and Additions to Standard Grant Terms and Conditions. The Applicant will identify which, if any, of the terms and conditions contained in Exhibits D or E of **Appendix A** it would like to negotiate and what additional terms and conditions the Applicant would like to add to the agreement. The Applicant’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 discretion, would be in the best interest of the Commonwealth. The Department may, in its sole discretion, accept or reject any requested changes to the standard terms and conditions. The Applicant shall not request changes to the other provisions of the RFA, nor shall the Applicant request to completely substitute its own terms and conditions. All terms and conditions must appear in one integrated agreement. The Department will not accept references to the Applicant’s, or any other, online guides or online terms and conditions contained in any application.

Regardless of any objections set out in its application, the Applicant must submit its application on the basis of the terms and conditions set out in **Appendix A, and its Exhibits D and E**. The Department will reject any application that is conditioned on the negotiation of the terms and conditions.

PART IV

SMALL DIVERSE BUSINESS PARTICIPATION INFORMATION

IV-1. Small Diverse Business (“SDB”) Participation Packet, Appendix K. Applicants must submit the SDB Participation Submittal and associated required documentation in accordance with the Instructions for Completing SDB Participation Packet and SDB Utilization Schedule (Form SDB-3) and shall submit in accordance with **Part I, Section I-11**.

IV-2. SDB Participation Goal.

The Department and BDISBO have set a statewide SDB Participation Goal for this RFA, which is listed on **Appendix J, Small Diverse Business (SDB) Participation Summary Sheet** and that must be met for each Zone for which an application is being submitted. The SDB Participation Goal was calculated based upon the market availability of SDBs for work scopes identified for this solicitation and an assessment of past performance under the prior Health Choices PH agreements.

This approach represents a significant programmatic change from the SDB and SB Participation program contained in prior solicitations issued by the Commonwealth. Applicants now must meet the SDB Participation Goal in full or demonstrate they have made Good Faith Efforts to meet the Goal.

Although the SDB Participation Goal is statewide, an Applicant must either meet the SDB Participation Goal or establish to the satisfaction of the Department and BDISBO that it has made a Good Faith Effort to meet the SDB Participation Goal for each Zone for which an application has been submitted. If an Applicant is submitting applications for multiple Zones, it must submit a separate SDB Participation Submittal and required documentation for each Zone. Applicants must clearly identify the Zone for which each Submittal applies.

Currently, the Department and DGS BDISBO have not set a participation goal for Veteran Business Enterprises (“VBE”) (which include Veteran Small Business Enterprises and Service-Disabled Veteran Small Business Enterprises). As the VBE program matures, the Department and BDISBO may establish a VBE participation goal for subsequent Agreement years.

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 SDB Status or entitle an Applicant to receive credit towards the SDB or VBE participation goals.

IV-3. Agreement Requirements – SDB Participation.

A. SDB Participation Documents. All documents submitted by the selected Applicants in connection with its SDB Participation Submittal (including the SDB Participation Submittal, SDB Utilization Schedule, and any Good Faith Efforts Documentation to Support Waiver

Request of SDB Participation Goal) shall be a part of the Agreement and are incorporated into the Agreement.

- B. Required Agreement terms.** All Agreements containing SDB participation must contain the following provisions to be maintained through the initial term and any subsequent extensions:
1. Each SDB participation commitment for which the Applicant received credit and the total percentage of the SDB participation commitments made at the time of application submittal or Agreement negotiations, as applicable, become contractual obligations of the selected Applicants upon the Effective Date of its Agreement with the Commonwealth.
 2. For purposes of monitoring compliance with the selected Applicant's SDB participation commitments, the Department and BDISBO will use the total amount paid for administrative costs as part of the PMPM payments made to the selected Applicant.
 3. The selected Applicants cannot alter their overall SDB commitments or commitments made to individual SDBs without written approval from the Department and BDISBO.
 4. Both the overall percentage of SDB commitments, and the individual SDB commitments must be maintained in the event the Agreement is assigned to another PH-MCO.
- C. Subcontract requirements.**
1. The selected Applicants and each SDB listed on the SDB Utilization Schedule must enter into a final, definitive subcontract signed by the selected Applicant and each SDB no later than 30 calendar days from the Effective Date of the Agreement. A Model Form of Small Diverse Business Subcontractor Agreement that may be used to satisfy this requirement is available as **Appendix N**.
 2. At a minimum, the subcontract must contain:
 - a. The specific work, supplies or services the SDB will perform; location for work performed; how the work, supplies or services relate to the HealthChoices program; and the specific timeframe during the initial term and any extensions when the work, supplies or services will be provided or performed;
 - b. The fixed percentage commitment, that each SDB will receive based on the total amount paid for administrative costs as part of the PMPM payment;
 - c. Payment terms indicating that the SDB will be paid for work satisfactorily completed within 14 calendar days of the selected Applicant's receipt of payment from the Commonwealth for such work. Subcontractors are encouraged to utilize electronic payment methods;
 - d. Commercially reasonable terms for the applicable business or industry that are no less favorable than the terms of the selected Applicant's Agreement with the

Commonwealth and that do not place disproportionate risk on the SDB relative to the nature and level of the SDB's participation; and

- e. The requirement that the SDB submit monthly utilization reports to BDISBO within ten (10) Business Days of the end of each month, identifying the PH HC Agreement and listing:
 - i. Payments received from the PH-MCO within the time frame covered by the report; and
 - ii. Invoices for which the SDB has not been paid.
- 3. If the subcontract terms omit any of the information required in subparagraph 2 but that information is otherwise reflected within the selected Applicant's SDB Participation Submittal, or associated documents (SDB Utilization Schedule and Letters of Commitment), the information listed in the SDB Participation Submittal, or associated documents is incorporated into the subcontract. To the extent that any subcontract terms conflict with the requirements of paragraph (2) or information contained within the selected Applicant's SDB Participation Submittal and associated documents, the order of precedence is as follows: 1) the requirements of paragraph 2; 2) the selected Applicant's SDB Participation Submittal and associated documents; and 3) the terms of the subcontract.
- 4. If the selected Applicant and an SDB listed on the SDB Utilization Schedule cannot agree upon a definitive subcontract within 30 calendar days of the Effective Date of the Agreement, the selected Applicant must provide written notification to the Department and BDISBO.
- 5. The selected Applicants must provide a copy of a subcontract with an SDB to BDISBO or the Department within ten (10) Business Days of receiving such a request.

D. Utilization Reports.

For each Zone for which the Agreement becomes effective, the PH-MCO must submit a Monthly Utilization Report to BDISBO and the Department's HealthChoices Operations Chief in the format required by BDISBO within ten (10) Business Days at the end of each month of the Agreement term and any extensions. For each Monthly Utilization Report submitted, the PH-MCO must list payments made to each SDB subcontractor and any unpaid invoices over 30 calendar days old received from an SDB subcontractor, and the reason payment has not been made. This information will be used to track and confirm the actual dollar amount paid to SDB subcontractors and suppliers and will serve as a record of fulfillment of the PH-MCO's commitment(s). If no activity occurred, the PH-MCO must complete the form, by stating "No activity". The Department may assess a late fee of up to \$100.00 per day for each required Utilization Report not submitted in accordance with the schedule above.

E. Noncompliance with SDB commitments.

1. Upon BDISBO notifying the Department that a selected Applicant did not comply with its SDB commitments, the Department will notify the PH-MCO in writing of the findings and shall specify what corrective actions are required. The PH-MCO must initiate the corrective actions within 10 Business Days and complete them within the time specified by the Department.

2. If the Department determines that material noncompliance with SDB provisions exists and that the PH-MCO refuses or fails to take the corrective action, the Department, in consultation with BDISBO, may impose any and all sanctions and remedies available as it deems appropriate. Such sanctions or remedies include, but are not limited to, termination of the Agreement; revocation of the Applicant's SDB status; and any actions available under the Commonwealth's Contractor Responsibility Program, up to and including suspension or debarment from future procurement opportunities with the Commonwealth.

PART V

CONTRACTOR PARTNERSHIP PROGRAM

- V-1. General Information - Contractor Partnership Program.** The Contractor Partnership Program (“CPP”) was created by the Department to address workforce needs by connecting beneficiaries of Temporary Assistance for Needy Families (“TANF”) to jobs while simultaneously helping to fill the hiring needs of employers. The program is a collaborative effort between DHS and its contractors and grantees to lift families out of poverty.

CPP requires entities who are awarded a contract or agreement with DHS to establish a hiring target that supports TANF beneficiaries in obtaining employment with the contractor, grantee, or their subcontractors for jobs within their organizations that may or may not be related to the contract or grant services. The Department encourages selected Applicants to consider TANF beneficiaries not only for employment opportunities that will be created through the award of an Agreement but also for general employment opportunities within the organization. DHS staff will work cooperatively with selected Applicants to assist in meeting their hiring targets by assisting with the identification of qualified job candidates through the Department’s employment and training programs and providing technical assistance as needed. Participating Applicants may also be eligible to receive hiring incentives, such as the Work Opportunity Tax Credit.

Through CPP, DHS 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.

For more information about the Contractor Partnership Program, please contact: RA-BETPCPP@pa.gov or 1-866-840-7214

- V-2. Participation Requirements.** Entities who are awarded a contract or agreement valued at a minimum of \$5 million through a competitive procurement process are automatically included in CPP. To receive credit towards meeting the CPP requirements and maintain good standing, these entities must hire or make good faith efforts to hire individuals currently receiving TANF cash assistance. This includes but is not limited to individuals receiving TANF who are currently participating in Department employment and training programs as well as TANF beneficiaries outside of these programs.

The Department’s vision for CPP participation is that selected Applicants are able to obtain employment for TANF beneficiaries in a number equal to ten percent (10%) of the average of the annual number of a selected Applicant’s new hires in Pennsylvania over each of the prior three (3) years.

V-3. RFA Requirements.

Applicants must provide a written narrative that addresses the following and must include the information in the CPP Submittal of their application. If the Applicant is applying for multiple

Zones, it may submit one CPP Submittal. If the Applicant is presenting different information or is proposing different strategies for different Zone(s), the Applicant must clearly designate the Zone to which the information or strategy applies.

- a. Applicant's name, telephone number and mailing address.
- b. Type of business entity (i.e. not-for-profit, government entity, public corporation, university).
- c. Address of the company's headquarters; if located in Pennsylvania, include county.
- d. The name, title, phone number, mailing address, and email of the Applicant's point of contact for the CPP.
- e. Address of all satellite offices located in Pennsylvania, including the county.
- f. A list the subcontractors' name, address, and phone number; if located in Pennsylvania, include the county.
- g. Type of services being provided under the Agreement.
- h. Type of services provided by Applicant.
- i. Based on the calculation below, the anticipated number of positions that will be established as the hiring target.

For each of the prior three (3) years, provide the number of new hires at your organization's Pennsylvania offices. The hiring target will be 10% of the average of the annual number of new hires in Pennsylvania over each of the last 3 years. Hiring targets can be discussed with the Office of Income Maintenance CPP staff to determine if a waiver or reduction of this requirement is warranted.

- j. Type of positions anticipated to be available during Agreement term.
- k. Describe the strategies that will be used to identify and recruit TANF individuals.
- l. Describe the methods that will be used to retain the individuals once they are employed, including opportunities for professional development.
- m. Identify the staff and processes that will be used to meet the CPP requirements, including the reporting requirements
- n. Provide a brief explanation of any additional efforts that will be made to meet and maintain TANF hiring commitments.

The Department's Office of Income Maintenance Bureau of Employment Programs will review the CPP Submittal for accuracy and completeness. All information submitted is subject to approval by DHS.

V-4. Agreement Requirements

The approved hiring target will become a performance benchmark, included as part of the agreement. Hiring targets will apply to the full term of the Agreement, including any extensions. After an Agreement has become effective, selected Applicants must establish a login for the DHS data tracking system, the Commonwealth Workforce Development System ("CWDS"), create a business folder, and complete and submit all required forms to the CPP staff. Selected Applicants must complete the Quarterly Employment Report on a quarterly basis to document the number of TANF beneficiaries hired for that quarter. The Office of Income Maintenance will monitor the

submission of the Quarterly Employment Report in CWDS and will share the information with the Program Office responsible for the agreement.

Quarters	Begin Date	End Date	Reports Due*
1 – First	July 1	September 30	October 15
2 – Second	October 1	December 31	January 15
3 – Third	January 1	March 31	April 15
4 – Fourth	April 1	June 30	July 15

**if the 15th falls on a weekend or state holiday, the report is due the next business day.*

All selected Applicants, regardless of the Effective Date of the Agreement must complete the Quarterly Employment Report based on the schedule above. If an Agreement begins in the middle of a quarter, the information reported will be based on activity that occurred from the Effective Date through the end of the quarter. If no activity occurred, an entry reporting zero hires must still be submitted via CWDS.

In addition, selected Applicants must report information documenting the use and outcomes of their hiring strategies and demonstrating their good faith efforts to hire TANF beneficiaries on a quarterly basis. The Department will work with the selected Applicants to develop a form and submission requirements for this reporting.

Verification Process

Data entered in CWDS will be cross referenced with the Client Information System (“CIS”) to confirm TANF eligibility; CIS will automatically credit the selected Applicant whenever a TANF hire is submitted. The CPP staff and the Project Manager will work together to ensure that selected Applicants are meeting their hiring goals.