

Pre-Proposal Conference for Request for Proposal (RFP) #06-15 for Managed Care Organizations to provide Physical Health Services Commonwealth-wide

October 20, 2015

2. Good Morning, Ladies and Gentlemen, and welcome to the Pre-Proposal Conference for RFP #06-15. This is for Managed Care Organizations to provide Medical Assistance Physical Health Services Commonwealth-wide in the five HealthChoices Zones. Those areas consist of the Southeast Zone, Southwest Zone, Lehigh-Capital Zone, Northwest Zone and Northeast Zone. The Northwest and Northeast Zones are currently identified as New West and New East Zones. Upon the HealthChoices Go-Live date of January 1, 2017, they will become the Northwest and Northeast Zones. The counties that currently comprise those zones will remain the same. Only the naming convention has been altered.

On behalf of my colleagues in the Department of Human Services and affiliated Commonwealth Offices, and on behalf of the citizens that we serve, thank you for coming today. We sincerely hope that the information we will present, and the opportunities you will be afforded to seek clarification by submitting additional follow-up questions, will be helpful and useful for you and the organizations you represent.

There are sign-in sheets and several hand-outs on the tables. If you have not already done so, please make sure that you sign the sheet and provide your name, title, organization and contact information. All these materials will soon be posted with the RFP on the Department of General Services eMarketplace website. The most important hand-out for prospective Offerors today is the question form: please make sure that you have one or more copies of this form. **Since WE WILL NOT BE RESPONDING TO VERBAL INQUIRIES REGARDING THE RFP**, please use these forms to record any additional or follow-up questions that you may have. You

will have the opportunity to return these forms to us later to obtain formal written answers to your questions.

We will begin today by identifying ourselves and then I will ask all of you to introduce and identify yourselves. Please limit your responses to your name, organization and title. I will then explain the “ground rules” and procedure for today’s conference, and its purposes. This will be followed by presentations from some of our colleagues regarding the Small Diverse Business Program, the Contractor Partnership Program and HealthChoices Financial and Rate information. After these presentations, I will speak briefly to provide some background information regarding the reasons this RFP was issued, critical requirements of the RFP, and a high-level timeline with proposed major milestones for the procurement and agreement processes.

You will then have an opportunity to submit your question forms to me, with any additional or follow-up questions. At that point, we will take a break of approximately 45 minutes, during which time my Colleagues and I will review the forms. When we return from the break, I will attempt to provide brief and informal verbal answers to the questions, if ANY, that we determine are appropriate to address at this time and in that manner. However, it is very important to note that any answers provided today MUST be considered unofficial until it is confirmed in writing. I will not attempt to answer any questions not reduced to writing on the question form. All questions asked today will be officially answered in writing. All questions and written answers will be posted to the DGS website as an addendum to, and shall become part of, the RFP. Each Offeror is responsible to monitor the DGS website for new or revised RFP information.

My name is Barry Bowman, and I work for the Commonwealth of Pennsylvania, in the Bureau of Managed Care Operations, Office of Medical Assistance Programs, of the Department of Human Services or “DHS”. I am the Director of the Division of Program Initiatives, Contract Management and Communications. I am the project officer

for RFP #06-15, which is the re-procurement of HealthChoices Commonwealth-wide. HealthChoices is the program through which the Commonwealth enters into Agreements with Managed Care Organizations to provide physical healthcare services to people who are eligible for Medical Assistance. I am responsible to ensure that this procurement is completed in a fair, effective, timely and appropriate manner.

Other Commonwealth Personnel which will be presenting today are:

- Ms. Gayle Nupnau
- Ms. Faith Ellis
- Mr. Allen Fisher
- Mr. John Miller
- Ms. Mara Perez

As those of you who are familiar with standard procurement procedures and who may have attended such conferences previously will be aware, now that this RFP has been released, we have entered what is commonly referred to as a “black-out” period. This means that anyone who wishes to communicate with the Commonwealth regarding the RFP must do so by directing their inquiries to me, the Project Officer, as the sole point of contact, in the manner described in Section I-2 of the RFP. It also means that my colleagues and I will ensure that we conduct today’s conference in a consistent manner by following a script and procedure. During this conference, we will NOT respond to any verbal/spoken questions regarding the RFP, this procurement, or related matters involving the re-procurement of the HealthChoices Physical Health Program. Any questions you wish to ask today must be written on the question forms we have provided.

3. This Pre-Proposal Conference has four purposes:

- a. To furnish you with some of the background leading to the issuance of this RFP;

- b. To emphasize those requirements of the RFP we consider especially important;
- c. To identify some areas where Offerors have experienced difficulties in the past; and
- d. To answer your questions concerning the RFP.

At this time, we will begin presentations regarding Small Diverse Business, Contractor Partnership Program and HealthChoices Financial and Rate Information.

4. SDB/ CPP and Financial Presentations

- a. SDB/ CPP Presentation
- b. Financial Presentation

5. Background:

This RFP has been issued to procure the services of Managed Care Organizations (MCOs) to operate the HealthChoices Physical Health program in all 67 counties of the Commonwealth of Pennsylvania. HealthChoices Physical Health is the Program through which the Commonwealth enters into agreements with MCOs to provide physical healthcare services for people who are eligible for Medical Assistance.

The HealthChoices Program has now been operational for over 18 years. Due to the phased approach for development of HealthChoices Zones, each HealthChoices Zone had previously been procured, and re-procured, individually. This resulted in individual Agreements between the Commonwealth and the MCOs for each Zone of operation. DHS currently develops and amends over 20 individual Agreements with MCOs in the 5 Zones of operation. The development and maintenance of such a large number of Agreements/Amendments presents many administrative challenges for both the Commonwealth and the MCOs.

Facing another Zone re-procurement in the near future, DHS made the decision earlier this year to re-procure the entire HealthChoices Program Commonwealth-wide. This will allow the Commonwealth to consolidate all of the individual Agreements to one per MCO. It also gives the DHS the opportunity make changes in the HealthChoices Program that will put it in a position to increase the overall quality of the services provided and achieve the primary goals noted in the RFP. These goals are as follows:

- Improve Care Coordination overall; but particularly between the Physical Health and Behavioral Health components of HealthChoices.
- Promote the expansion of Value-based purchasing of healthcare services.
- Promote expansion of patient-centered, team-based approaches to care delivery.
- Promote more Community-based public health initiatives.
- Increase consumer access to needed services with particular emphasis in rural and other traditionally underserved areas of the Commonwealth.
- Improve the overall efficiency of the HealthChoices Program.
- Improve the provider experience with the HealthChoices Program.

To achieve these goals, successful MCOs must be flexible and adaptable, while demonstrating the ability to coordinate services and care among multiple programs. This will include programs whose focus is broader than the delivery of physical healthcare services.

6. Critical Points in the RFP—

Previous HealthChoices RFPs were specific to a zone or two zones. This RFP covers all five of the HealthChoices Zones. Offerors are not required to bid on all zones; but they can bid on one, several or all zones. Please be sure that your response clearly indicates the zones for which you want to be considered.

Offerors should avoid duplicative responses if the same processes/policies will be employed across zones. Please be sure to follow the directions in the RFP for use of tabs to identify separate zone responses.

Page limits are maximums, not requirements.

7. Problem Areas in the RFP—

- a. No answers are official until it is confirmed in writing and posted as an addendum to the RFP.
- b. Proposals must be timely received and properly signed by the Offeror. Please insure that the delivery mechanism you choose meets the delivery deadlines indicated in the RFP.
- c. If you specify that the proposal is not firm for the time period specified in Section I-12 of the RFP, your proposal may be rejected.
- d. If you state that the proposal is contingent on negotiation of offeror terms and conditions, your proposal may be rejected.

8. Major RFP Proposed Milestones

October 26, 2015: Post formal written answers to Offerors' question to the DGS website.

November 17, 2015: All proposals must be received by the Procurement Office by 2 p.m. on this date.

November and December 2015: Complete proposal evaluation and announce selected Offerors by January 2016.

January/February 2016: DHS conducts individual non-rate discussions with selected offerors.

January through April 2016: Development of rates; send rate offers to MCOs; conduct rate discussions with MCOs.

May through July 2016: finalize Agreements and execute approved Agreements.

February through October 2016: DHS will conduct full-scale Readiness Review of selected offerors.

January 1, 2017: “Go Live” Implementation of HealthChoices Physical Health in all Zones.

At this time, we will be taking a 45 minute break so that we can review the questions you submitted. Please submit your questions to me now.

9. Additional/Follow Up Questions—

We will now address some of your additional questions. I will read each question without identifying the firm involved, and If I can, provide a response now. As noted, any answer provided today must be considered unofficial until it is confirmed in writing. I will not attempt to answer any questions not reduced to writing on the question form. All questions asked today will be officially answered in writing. All questions and written answers will be posted to the DGS website as an addendum to, and shall become part of, the RFP. Each offeror is responsible to monitor the DGS website for new or revised RFP information.

10. Conclusion—

Thank you for attending this pre-proposal conference, we hope the information and opportunities presented have been helpful, and we look forward to working with the selected MCOs as we guide the HealthChoices program into the future.