

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Department of Health Care Finance



TO: ALL PROSPECTIVE OFFERORS **September 4, 2014**

SUBJECT: Solicitation No. DCHT-2014-T-0003, "Actuarial Consulting Services"

AMENDMENT NO. 3

- 1. New Opening Date**
This Amendment changes the Task Order Proposal Due Date from September 9, 2014 at 2:00pm to September 16, 2014 at 2:00pm; and
- 2. Responds to questions received regarding Solicitation No. DCHT-2014-T-0003, "Actuarial Consulting Services".**

Below are the questions received with their respective answers.

- Q1. Is the result of this procurement a contract award or a task order award under the selected vendor(s) GSA Schedule?
- A1. This will be a Task Order award under the GSA Schedule.
- Q2. Will the resulting contracting vehicle allow the selected vendor(s) to start work immediately on the project as outlined in the Scope of Work, Appendix A or will separate task orders be awarded for specific tasks?
- A2. Contractor will start work immediately on the project as outlined in the Scope of Work. There will not be a separate task order for each task.
- Q3. Can the vendor request terms and conditions that are in addition to the terms provided in the GSA Schedule contract?
- A3. Yes, the vendor may request additional terms and conditions but they must be pre-approved before being added to contract language.
- Q4. Where should the vendor include its requests for consideration of additional terms and conditions?
- A4. The request may be made in the technical proposal.
- Q5. Does the District intend to award to a single vendor or multiple vendors?
- A5. Single vendor only

- Q6. The first paragraph under Factor 4 includes a statement that multiple awards may be made for the same labor category. Conversely, the evaluation for award section at the bottom of page 8 indicates that the District intends to award one Fixed-Price contract?
- A6. A single award
- Q7. Page 7, C.13.3, Past Performance Evaluations: Please confirm that the past performance evaluations can be submitted directly by the business references to Janelle Taylor (Janelle.taylor2@dc.gov). This section references a contact person in Section C.3, but there is no contact person identified in C.3.
- A7. Yes. The contact person should be Janelle.Taylor2 @dc.gov
- Q8. Page 8, Section 2 Price Proposal, states “Offerors shall also complete and return the Tax Certification Affidavit (Attachment C), and the Bidder Offeror Certification Form (Attachment D) and Past Performance Evaluation form (Attachment E). Should the requested attachments be included in the Price Proposal or the Technical Proposal as an addendum? Please clarify.
- A8. The additional solicitations documents can be found in the following locations (Section J) - Attachments Table
- Q9. Page 8, Price Proposal: From prior procurements with District agencies, it is our understanding that District government agencies must obtain City Council approval of projects awarded over \$1 million annually. Does this provision apply for contracts procured under GSA Schedules?
- A9. Yes it applies to all contracts.
- Q10. Have the scope of services in Section C.5 changed since the last procurement for actuarial services with DHCF was conducted in 2009? If so, what services have been added or removed from the requested scope?
- A10. YES. Calculate and develop **risk-adjusted capitation rates for three (3) MCO contracts every six (6) months**, including all activities appropriated to complete the analysis;
- Calculate and validate the annual Health Insurance Providers Fee (HIPF) as required for each qualifying MCO;
 - Calculate and validate the DC Exchange Tax as required for each qualifying MCO;
 - Calculate and validate the annual Health Insurance Providers Fee (HIPF) as required for each qualifying CASSIP; and
 - Calculate and validate the DC Exchange Tax as required for each qualifying CASSIP.
 - Contractor shall develop and prepare a quarterly Report Card that demonstrates the performance of three (3) MCOs performance, including the activities listed in C.5.23.1 – C.5.23.5.3.

Q11. The RFP on Page 8, 7. Evaluation for Award, requires vendors to include a copy of its GSA Schedule. Please confirm that it is acceptable for the vendor to include a copy of its GSA Schedule in the Technical Proposal as an appendix and that any price information contained in the Schedule documents should be left in. Separately, the RFP, 2. Price Proposal, on Page 8 indicates the vendor should include a “Copy of Offeror’s General Services Administration Federal Supply Schedule price list”. Please confirm the vendor should excerpt the current approved GSA rates, in our case in a contract amendment, in the Price Proposal.

A11. YES

Q12. Pages 2-4: A number of section references outlined in Section 1.A appear to be misaligned with the final outline of the requirements in Section C.5. We have noted in the table below what appear to be the correct references to the items in Factor A based on the descriptions. Please confirm these are the correct sections from C.5 for which to provide the methodology in response to the items noted in Section 1.A.

A12.

Factor	Current Reference to Section C	Updated Reference to Section C
A.1	C.5.1-C.5.23	C.5.1-C.5.23 (no change)
A.2	C.5.1.2	C.5.1.2 (no change)
A.3	C.5.1.3	C.5.1.3.1
A.4	C.5.1.3.1	C.5.1.3.2
A.5	C.5	C.5.1.3.3
A.6	C.5.1.3.4	C.5.1.3 description does not match exactly
A.7	C.5.1.3.5	C.5.1.3.5 (no change)
A.8	C.5.1.3.6	C.5.1.3.6 (no change)
A.9	C.5.3	C.5.1.3.4 or C.5.2
A.10	C.5.4	C.5.4 (no change)
A.11	C.5.5	C.5.5 (no change)
A.12	C.5.7	C.5.7.1
A.13	C.5.7.2	C.5.7.2 (no change)
A.14	C.5.7.3	C.5.7.3 (no change)
A.15	C.5.7.4	C.5.7.4 (no change)
A.16	C.5.7.5	C.5.7.5 (no change)
A.17	C.5.9	C.5.9 (no change)
A.18	C.5.8	C.5.10
A.19	C.5.12	C.5.12 (no change)
A.20	C.5.13	C.5.13 (no change)
A.21	C.5.6	C.5.14
A.22	C.5.7	C.5.15
A.23	C.5.1.2.6 and C5.1.3.6	C.5.3 and C.5.8
A.24	C.5.1.9	C.5.17
A.25	C.5.1.15	C.5.23
A.26	C.3	C.6

- Q13. Pages 4-5, Section B requests information on technical expertise, capacity and organizational narrative. Responses requested in B.1 to B.3 appear to be duplicated by items requested in B.4-B.6. Is there something additional required in the responses for B.4-B.6?
- A13. Yes, sections B-4 through B-6 are duplicates of B1-B3.
- Q14. Section C.5.18: This section discusses consultation with respect to policy proposals and the development of rate adjustments related to program changes or contract modifications. During the last two contract years, were mid-year capitation rate adjustments required? If so, how many adjustments were made after the rates were initially established for a contract year? This response will aid us in understanding the scope of the consultation outside of the annual rate development process.
- A14. References 2012 & 2013: 1) 2012 – Hospital Claims for Medicaid Reimbursable Emergency Medical Services for Alliance Members – the coverage was removed from the MCO contracts. 2) 2013 - Carved-out coverage of anti-retrovirals from the MCO and CASSIP contracts.
- Q15. Section C.8.2: No deliverables are identified for scope of work section C.22 or C.23. Are deliverables expected related to the financial monitoring and the quarterly Report Card?
- A16. See #29 in C.8.2 and revise as: RFP Section Reference - C.5.21.11; Due Date -Quarterly and Annually
- **Insert New Row as #30: RFP Section is C.5.22; Deliverable** – Written report that includes collection and analysis of MCO administrative and medical expenditures that comprise medical and administrative loss ratios for Quarterly Report Card
 - **Insert New Row as #31: RFP Section is C.5.23 – C.5.23.5.3; Deliverable** – Template for reporting the information related to the DCHFP and Alliance Programs, as applicable **Due Date** – Quarterly
 - **Delete Row #7** – The deliverable is not applicable to the SOW.
- Q17. The proposal requirements state that 1 original proposal shall be submitted along with 4 copies. The requirements also mention 4 electronic copies. Please confirm that this means 4 copies in hardcopy form and 4 copies on CD ROM for each of the technical and the price proposals.
- A17. One original and four electronic copies of technical; and four separate electronic copies of the price proposals on separate CD-Roms.
- Q18. The RFP requests that the contractor include with the proposal the GSA Contract Number and a copy of our GSA contract. Our GSA contract is several hundred pages long. Will a link to our contract on the GSA website be sufficient?
If a link to our on-line contract is not sufficient, how many copies shall we submit and should they be in electronic or hardcopy format?
- A18. Yes

- Q19. Please provide an estimated number of trips/days per year the contractor will be required to travel.
- A19. Average approximately 3 – 4, depending on need to provide face-to-face discussions with the District’s Medicaid health plans. Does this requirement apply to the Data Manager as well?
- Q20. As indicated, all Key Personnel shall be members of the American Academy of Actuaries. Does this requirement apply to the Data Manager as well.
- A20. All personnel responsible for actuarial services are required to be members of the American Academy of Actuaries.
- Q21. The RFP website lists the subcontracting requirement is 35%.
- A21. Please refer to the H.10.1 (Mandatory Subcontracting Requirements)
- Q22. If a copy of the current contract for the existing vendor is not available online, we would like to request a copy of the contract. If it is on-line, please provide a link to the contract
- A22. Please make FOIA request to the appropriate office (MAKE SURE TO PROVIDE INFO)
- Q23. Are the hourly rates referenced on page 7 the same as those referenced in section 2a and/or 2c on page 8?
- A23. No
- Q24. Is the hourly rate price scored or is the total annual cost scored
- A24. Both hourly and annual costs will be part of the price analysis.
- Q25. Are items b - g in attachment B applicable to the travel cost ceiling or to the entire cost ceiling?
- A25. The referenced items are applicable to the entire cost ceiling.
- Q26. What services are included in the CASSIP enrollee risk sharing arrangement?
- A26. This is a risk sharing mechanism in which the District and the CASSIP assumes risk for the cost of medical services covered under its contract (CASSIP) and incurs loss if the cost of furnishing the services exceeds the payments, per the contract.
- Q27. Will the contractor be responsible for the financial projections supporting waiver renewal? What waiver renewals are expected during the potential five year term of the contract including any expected new waivers?
- A27. No, this will be removed from the RFP

- Q28. C.5.21.9 refers to reports of irregularities for each MCO entity for Medical clinicians who may need to review and comment on specific provider issues. Is the contractor to supply the Medical clinicians to do the review? If so, what types of review are needed and how often?
- A28. The Contractor is to reconcile any irregularities found in the encounter data submitted by the health plans/CASSIP. The review is conducted by the Contractor and provides any comments, feedback to the MCO/CASSIP and explanations to address any irregularities. Encounter data is submitted weekly by the MCOs/CASSIP; the data is reviewed to ensure acceptance and proper reporting in volume and accuracy.
- Q29. Please provide information on the current contractor (contract terms, hourly rates, as well as total payments made to the contractor by task for each of the past two years).
- A29. The current contractor's period of performance is one base year of January 13, 2010 to January 12, 2011 with four option years. The contractor did not have hourly rates. For information on total payments made to the contractors from the past two years, please submit an appropriate FOIA request.
- Q30. Please provide a copy of a recent rate setting report for each of the programs as well as the other deliverables completed by the current contractor.
- A30. This request has to be made through FOIA.
- Q31. Please describe any anticipated program, benefit, and / or eligibility changes for each of the programs
- A31. Currently, there are no anticipated eligibility changes for the Managed Care Program. As changes or mandates are required through the Affordable Care Act, the District will comply.
- Q32. Please provide additional information on the financial data collected from the MCOs. Please include data description, format, size, time frame, etc. Also, describe the extent to which the data has been validated. When will the data be made available?
- A32. The MCOs provide financial data as requested by the Actuary and submitted in templates created and prepared by the Actuary for completion. The data is used to assist with development of the health plan's capitation rates. In addition copies of the MCOs quarterly and annual financial filings submitted to the District's Department of Insurance, Securities and Banking (DISB) are received and reviewed by the Actuary during development of data for preparation of the MCO Quarterly Report Card. The Report Card is used present a quarterly assessment of the MCO's financial, encounter, utilization and operational management.
- Q33. What is the proper forum for discussing contract language?
- A33. Question and Answer Period

Sign and attach a copy of the amendment to each copy of your proposal submitted to the District, and return to the address listed below. In the event your proposal has been previously deposited, submit this amendment by sealed envelope, identified on the outside by solicitation number and proposal closing date.

This amendment, together with your proposal, must be received in this office prior to the time set for receipt of proposals.

FAILURE TO ACKNOWLEDGE RECEIPT OF THIS AMENDMENT MAY BE CAUSE FOR REJECTION OF YOUR PROPOSAL.

**Kenneth Evans
Contracting Officer**

This amendment is acknowledged and is considered a part of the proposal response.

Signature of Authorized Representative

Title

Name of Firm
