**SOLICITATION FOR PROPOSAL**

**FOR**

**MEDICAID MANAGEMENT INFORMATION SYSTEM REPLACEMENT AND FISCAL INTERMEDIARY SERVICES**



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**OFFICE OF STATE PURCHASING**

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1. Part I ADMINISTRATIVE AND GENERAL INFORMATION
   1. Background

The Louisiana Medicaid Management Information System (MMIS) has been in operation since July 1, 1977. The first Louisiana MMIS was operated by E.D.S. Federal Corporation until December 31, 1980. The Computer Company of Richmond Virginia operated the Louisiana MMIS from January 1, 1981 through December 31, 1983. Molina Medicaid Solutions, the current Fiscal Intermediary (FI), has operated the Louisiana MMIS since January 1, 1984. On average, 1.1 million claims are processed and nearly $106 million in provider payments are made weekly through this system. The fiscal intermediary enrolls and the MMIS maintains data on approximately 32,450 qualified Medicaid providers. The MMIS maintains recipient eligibility and claims data for over one million individuals. In State Fiscal Year (SFY) 2008/2009 Louisiana Medicaid had 1.2 million unduplicated enrollees.

Reasons for replacing the current MMIS

The current Louisiana MMIS, initially launched in 1990, has over forty (40) components comprised of a mixture of mainframe hardware, coding, and software applications residing on client servers, computers, or web-based servers. This mixture of coding and applications has limited Medicaid’s ability to respond in times of crisis as well as complying with regulatory changes.

Examples include:

* Current system has hard coded logic that must be changed by technical staff. New systems are easier to maintain since they are more table driven or rules based. This means that non-technical staff can make changes resulting in decreased costs to maintain system or make changes;
* Limitations of current system have caused Medicaid to invest dollars in stovepipe systems and/or workarounds because the current MMIS cannot easily support the new functionality or cannot be changed timely. Those systems and/or workarounds sometimes only meet the minimal needs while increasing costs for maintaining data in multiple places which shall be synchronized or exchanged;
* Current MMIS does not accommodate the HIPAA mandated X12 Version 5010 transactions that shall be required by January 1, 2012. ICD-10 codes shall be required on October 1, 2013 and are not supported in the current system. A new system would easily accommodate these and other mandatory changes;
* Current system has limited documentation. More senior, knowledgeable staff is required because of the lack of documentation, antiquated user presentation, and manual workarounds. The learning curve for new staff to become familiar with the MMIS is lengthy;
* Ability to generate ad hoc or new management reports is limited to a select number of persons who have knowledge of the system and data. In most instances, the data resides in multiple databases and data may differ depending on the person creating the report and where the data was obtained;
* Many processes within Medicaid are paper intensive because of system limitations. A new system would allow users to enter data directly. This would reduce the number of manual processes;
* The current system is limited in the data elements and/or historical data that can be maintained to support Medicaid operations during disasters. The ability to easily turn on/off specific edits to support disaster related claims processing does not exist. As such, Medicaid is required to turn on/turn off more edits than required. This can result in higher claim costs;
* Current system does not have ability to implement cost avoidance programs within the claims processing. As such, Medicaid does much more “Pay and Chase” processing than other states. Collection of monies after payment is much more difficult;
* Operational costs to run the Medicaid Program are greater than comparable states (based on latest CMS 64 reports available on-line for years 2004 and 2005). Current system contributes to those higher costs;
* The MMIS of the 21st Century is different from the legacy systems. The new systems being developed for states are based on a modular design. This means that modular subsystems can be added and work seamlessly with each other. In the new MMIS systems, core functionality supports the payment of claims (and capitation payments in states with managed care programs), while other business specific subsystems, often developed and/or operated under separate contracts, support other business areas such as pharmacy, decision support system/data warehouse (DSS/DW), and dental. The concept of implementing a MMIS using the best subsystems available allows states to customize their MMIS for their unique needs;
* Better use of resources and more advanced systems shall allow Louisiana to better:
  + Control ever increasing operational needs more efficiently;
  + Capture and maintain less redundant data in a single repository;
  + Provide better reporting capabilities for more efficient administration of the programs and systems; and
  + Respond quickly to emergencies or new mandates.
    1. Current MMIS Technical Environment

Molina operates the current Louisiana MMIS on two platforms: one a mainframe platform for the MMIS and a second mainframe platform for the Point of Sale (POS)/Medicaid Eligibility Verification System (MEVS)/Claims Status Inquiry (CSI). The information transmitted from these platforms is passed using T-1 lines through the Molina frame-relay and Molina HealthNet frame-relay into the data warehouse, state systems, and to state contractors.

The local Molina system receives its transmission from the Molina HealthNet and frame-relay. Once in the MMIS, data is fed into the MARS warehouse which is part of the overall data warehouse. State agencies also feed data in to the data warehouse, which is totally isolated from the rest of the system and does not have a reporting tool attached for easy retrieval of data. Extracts of the MARS warehouse and other data warehouse data are then relayed by routers to a standalone or silo Program Integrity (PI) system in the Department as well as the Department LAN. The data warehouse is accessible by Department staff through Department LAN authorization or by PI system authorization.

A dedicated frame-relay provides a feed to the agency via the Molina CISCO router, which is not managed by the State. Once into the CISCO router, data is transmitted to the Department LAN and the DSS/DW host. The DSS/DW host provides access to the system for the Department field offices while the Department LAN provides access to the Department sections and staff in the main office. These are separate hosts and have different capabilities and access. For instance, the Department field offices have absolutely no access to information in the data warehouse and the users that have access though the Department LAN do not have real-time access to information that is entered by the Department field office staff.

Two (2) frame-relays take data to state agencies and contractors. The first is dedicated to providing extracted information to and from the Attorney General System and the Louisiana State University (LSU) School of Dentistry systems. Again, these are two separate systems from each other, the MMIS and POS. Neither system has access to the data warehouse information. Any information these systems pass back to the MMIS shall be uploaded during batch processing.

The other relay is for the silo systems used by contractors for Pharmacy, Prior Authorization (PA) and Surveillance and Utilization Review System (SURS) functions. The University silo system takes an extract from the data warehouse, MMIS and the POS, which is loaded into the system where analysis is performed. The University silo system then passes data back to the data warehouse, MMIS and POS for upload via a batch process. The same is true for the silo system for SURS and PA; extracted data is provided for loading into the system and then data is passed back and loaded via a batch process.

The Pharmacy website is also separate from the MMIS and only batch processing access is granted into the MMIS. All of the functions conducted by these silo systems and websites would be much more efficient if the state agencies and contractors had direct access to the MMIS.

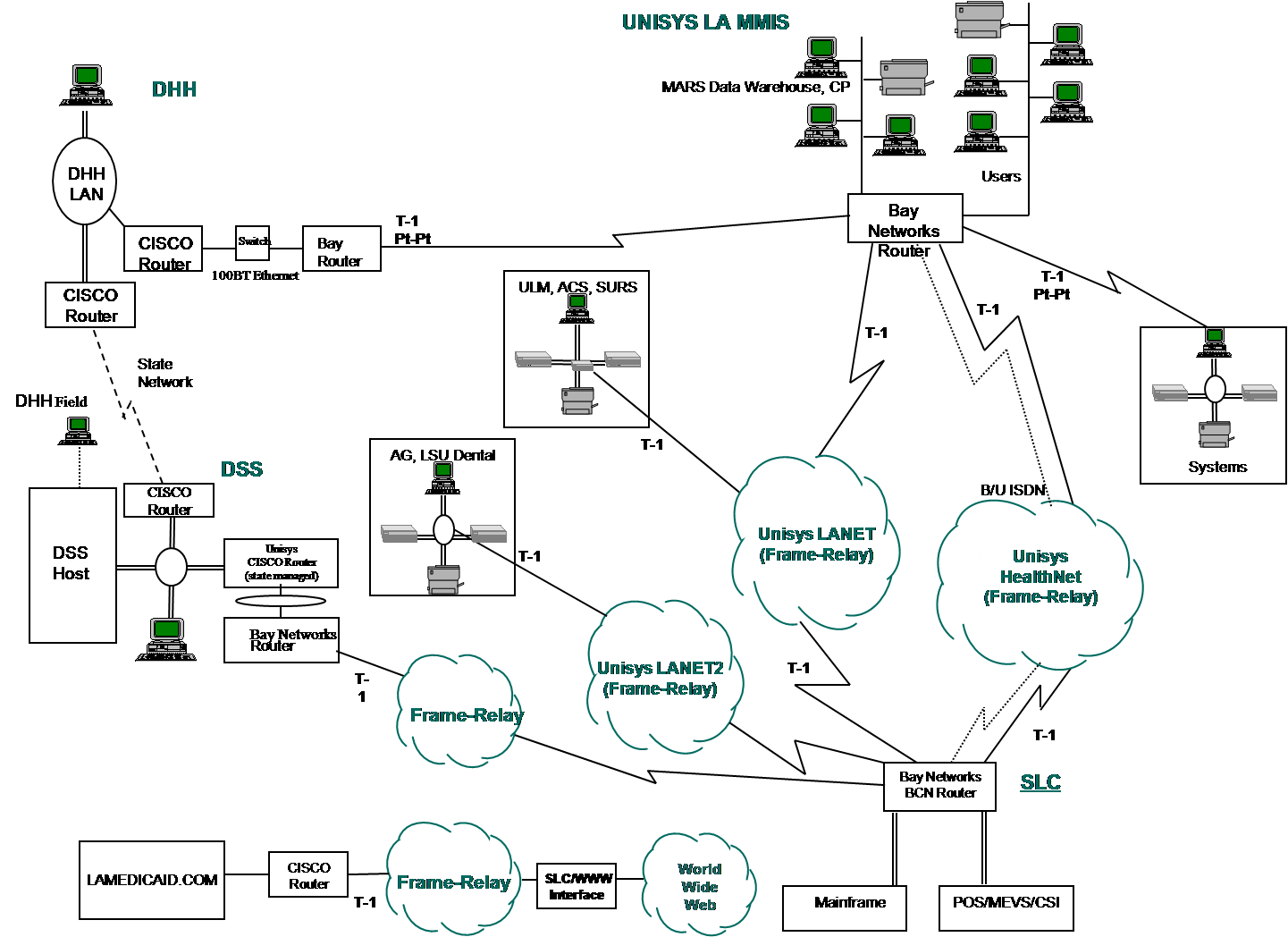


Figure Current MMIS Technical Environment

* + 1. Current Business Environment

The Louisiana Department of Health and Hospitals (Department), an agency of the State, maintains health and medical services for disease prevention and treatment. It provides health and medical services for uninsured and medically indigent persons and maintains a coordination of services with local health departments and federally qualified health centers. The Department supervises, coordinates, and provides facilities for mental health, addictive disorder, and public health services, services for the developmentally disabled, the aged, and Medicaid services. The Department is the single State agency administering or supervising the administration of the Louisiana State Medicaid plan under SS 1902(a) (5) of the Social Security Act.

The Undersecretary directs the Office of Management and Finance and manages the Department's $8 billion budget. The Undersecretary also oversees the Medicaid program, as well as the administrative divisions with departmental responsibilities for budget preparation, financial forecasting, research and planning, purchasing, personnel, training, contracting, program evaluation, quality assurance, payment management, accounting, data processing, strategic and operational planning and architectural and engineering services.

Bureau of Health Services Financing (BHSF) is the administrative operation responsible for the [Medicaid](http://www.dhh.louisiana.gov/offices/?ID=92) program. Medicaid is the program which provides payment for health care services to qualified elderly, disabled, and low-income persons. Funded by both Federal and State governments, Medicaid provides medical benefits such as physician, hospital, laboratory, x-ray, and nursing home services; optional programs include services such as pharmacy and intermediate care facilities for the developmentally disabled (ICF/DD). Medicaid also provides funding for CMS approved Home and Community-Based Services (HCBS) through a waiver or State plan services.

Bureau of Health Services Financing (Medicaid) Organizational Structure

The Bureau of Health Services Financing (BHSF) is the organization in which the MMIS section, which includes the MMIS Project team, operates. The BHSF includes sections under the management of the Director’s office.

The following organization chart identifies each of the sections and also references the outline identification number within this document. The external support sections, while not directly reporting to the BHSF, each provide integral assistance and warrant mention within the organization chart. Following the figure, a summary narrative provides the current duties and responsibilities of each section.

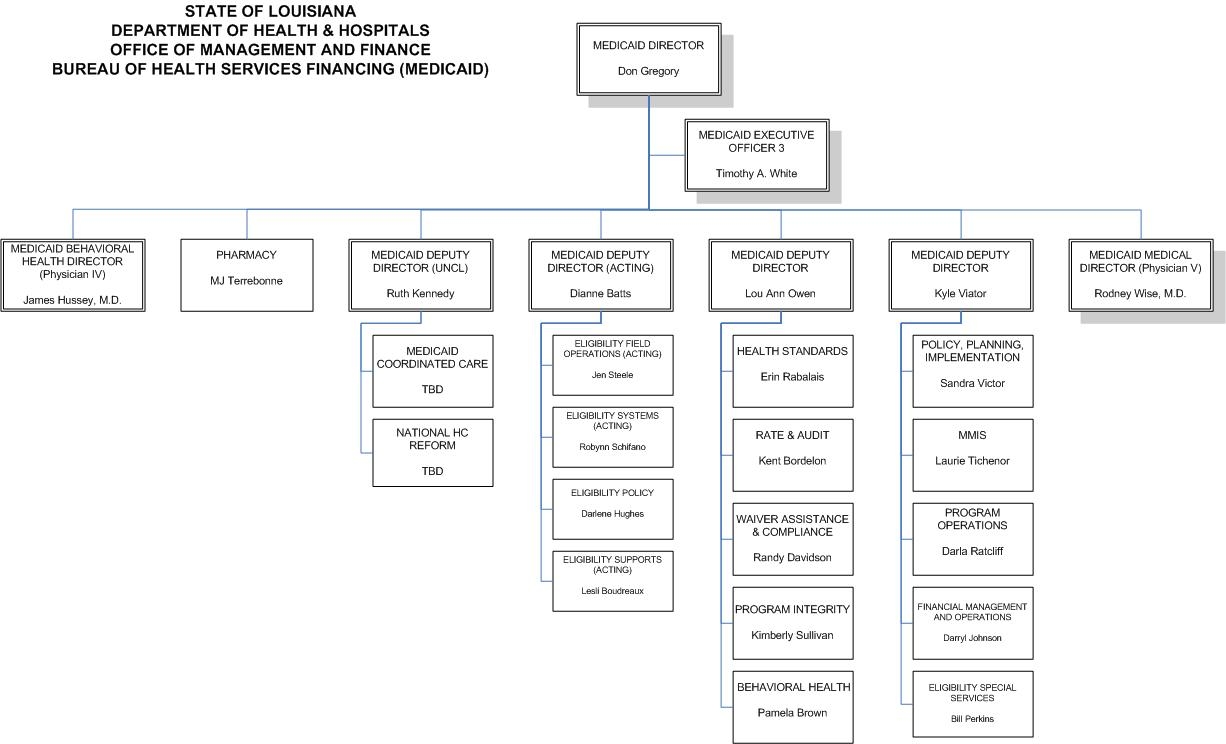


Figure 2 BHSF Organizational Chart

The Health Standard Section (HSS) is responsible for the following processes:

* Licensing and certification of all healthcare facilities and providers in Louisiana governed by the State statutes;
* Conducting complaint surveys in all facilities and providers regulated by the Department;
* Conducting on-site monitoring of five percent (5%) of all waiver enrollees;
* Managing the Certified Nursing Assistant (CNA) and Direct Service Worker (DSW) registries;
* Issuing Civil Monetary Penalties (CMPs) to Nursing Homes and other providers; and
* Providing referrals to licensing boards.

The Rate and Audit (RATE) section is responsible for the following:

* Performing rate and audit functions related to Nursing Homes, Adult Day Health Care, Hospice, Medicaid Administrative Claiming (MAC), and PACE;
* Rate setting;
* Conducting audit reviews;
* Conducting case mix and Minimum Data Set (MDS) reviews;
* Authorizing reprocessing of claims and claims payment via resetting of rates or audit results; and
* Conducting reviews of cost reports and initiates cost settlements.

The Waiver Assistance and Compliance (WAC) section is responsible for the following:

* Monitors the Medicaid waiver programs as well as provides oversight of the Office of Aging and Adult Services and the Office for Citizens with Developmental Disabilities for Medicaid Services;
* Manages the Non-emergency Medical Transportation (NEMT) program;
* Supports coordination of the Family Planning Waiver;
* Manages policy for the American Indian “638” clinics;
* Is responsible for support coordination policy for the Department;
* Manages the Physician Supplemental Payment Program;
* Responsible for Department Data Contractor for all Support Coordination and waiver services including Nurse Family Partnership;
* Oversees the Children’s Hospital Ventilator Assisted Care Program; and
* Performs ICF –Disabled cost reporting and rate setting.

The Program Integrity (PI) section assures expenditures for Medicaid services are appropriate and identifies fraud and abuse in the system. The section performs the following functions:

* Forensic data mining using J-SURStm and other tools;
* Complaint investigations;
* Forensic claims investigation;
* Payment error rate measurement including eligibility reviews, claim processing, and medical reviews;
* Enrollment and disenrollment of Medicaid providers;
* Provider Eligibility reviews;
* Resolution of errors or disagreements resulting from reviews; and
* Oversight of Payment Error Rate Measurement (PERM).

There are five (5) sections related to Medicaid Eligibility. These sections provide services or are responsible for functions that are “enrollee-oriented” via direct contact or communication. The sections include the following:

* Eligibility Field Operations (EFO) - The EFO section supervises the nine (9) regional and thirty-three (33) local Medicaid Eligibility Offices throughout the State. Five of the regional offices are co-located with the local parish offices. This section is responsible for assuring timely processing of Medicaid eligibility applications and renewals and notifying applicants of eligibility decisions.
* Eligibility Policy Section (EPS) - The EPS section develops and implements eligibility policies and procedures and forms for statewide utilization. This group reviews clinical and social information for persons applying for Medicaid to determine whether they meet the disability definition. This group also conducts Medicaid quality control reviews and implements corrective action to assure the integrity and accuracy of eligibility decisions.
* Eligibility Systems Section - The Eligibility Systems section is responsible for developing and maintaining system programming to identify and classify Medicaid eligibles for enhanced federally funded programs. This group also designs and maintains the hardware and software solutions for the Medicaid administrative statewide enterprise.
* Eligibility Supports Section (ESS) - The ESS section is responsible for development and maintenance of customer service operations to support local eligibility offices. The group manages the State Children’s Health Insurance Program (SCHIP) known as LaCHIP. This section directs and oversees outreach and enrollment assistance throughout the State for Medicaid and LaCHIP.
* Eligibility Special Services Section (ESSS) - The ESSS administers and maximizes cost avoidance through identification of viable third parties and recoveries of funds. The section identifies Medicaid enrollees with access to cost effective employer sponsored insurance and arranges premium reimbursement.

The Financial Management and Operations Section (FMO) is responsible for the administration of the Title XVIII, Title XIX, and Title XXI fiscal operations. Staff within this section:

* Maintains Federal funding for program services and administrative expenditures;
* Develops Federal and State budget projections;
* Develops and implements Medicaid strategic plan;
* Develops and implements the Medicaid operational plan;
* Completes the performance indicator reports measuring estimated expenditures for a program against actual expenditures;
* Defines reporting categories for reports from MMIS and DSS/DW; and
* Performs contract and personnel business functions for Medicaid.

The Pharmacy Benefits Management section (PBM) is responsible for the operation of a Louisiana-owned not-for-profit PBM. The staff within this section is responsible for the following:

* Provider network development;
* Assessment of provider fees and co-payments;
* Maintenance of the preferred drug list;
* Providing help desk services for providers;
* Prior authorization of prescription benefits;
* Completion of prospective, concurrent, and retrospective drug utilization reviews;
* Claims management;
* Conducting provider audits and patient profiling;
* Supporting on-line prescription reporting;
* Provider reporting;
* Patient reporting;
* Lock-in;
* Clinical Drug Inquiry Application (CDI);
* Federal and state drug manufacture rebates; and
* Maintenance of the PBM Provider Manual.

The Medicaid Reform section is a newly formed section that ultimately shall have responsibility for the CommunityCARE Gold waiver when approved by CMS.

The Policy Development and Implementation section is responsible for the following activities:

* Researching and analyzing Federal legislation for its impact on Louisiana;
* Promulgating rules for Medicaid and Licensing and Certification;
* Developing and implementing new programs;
* Maintaining the Medicaid State Plan;
* Maintaining provider manuals;
* Development and circulation of provider and enrollee notices;
* Maintaining the memoranda of understanding and data sharing agreements;
* Coordinating the development, distribution for review, update, and publishing of documents; and
* Generate Fiscal Intermediary Management System (FIMS) which is a letter to Fiscal Intermediary providing instructions for sending notices or other documents.

The Program Operations (PO) section is responsible for the daily operations of the Medicaid Fee-for-Service programs with the exception of Prescription, Long Term Care, and Waiver Programs. The section is responsible for the following business activities:

* Develops, implements, and maintains program policies and procedures that govern the coverage and reimbursement of services;
* Evaluates reference codes for coverage, payment, and service limitations;
* Provides oversight of Chisholm Prior Authorization Liaison (PAL) activities ;
* Reviews test results provided by fiscal intermediary;
* Prepare reports related to meeting performance indicators;
* Provide response to Provider and enrollee inquiries;
* Performs analysis of data such as **Healthcare Effectiveness Data and Information Set (**HEDIS), utilization profiles, quality profiles and outliers, encounter data for Federally Qualified Health Clinics and Rural Health Clinics, etc; and
* Support cost reporting and cost settlement activities.

The Medicaid Behavioral Health Section (MBHS) provides oversight of Bureau of Health Services Financing (BHSF) funded mental health programs which include:

* Mental health rehabilitation;
* State operated clinic based services;
* Psychological and behavioral health services; and
* Multi-systemic Therapy.

The providers for these services are both public and private. The services include medication management, individual and group counseling, service coordination, and skills training.

These services are provided in the community to assess and manage mental health symptoms and to improve daily living skills. The MBHS functions include program administrative and service budgeting, policy and rule development and implementation, and provider enrollment, recertification, training, prior authorization, and quality management.

The Medicaid Management Information System (MMIS) section is responsible for oversight of the Contract with the existing fiscal intermediary. The MMIS section is responsible for the following:

* Oversight of the payment of Medicaid claims to providers and the reporting on Medicaid expenditures to State and Federal offices;
* Processing enrollee reimbursements; and
* Claims resolution.

While DHH Financial is separate from Medicaid, staff performs specific functions for Medicaid including the following:

* Processing deposits, payables/receivables;
* Processing dispositions where a provider decides they have been overpaid and returns payment;
* Maintaining financial statements;
* Calculating the CMS-64 and CMS-21 reports;
* Managing weekly check-write process, including drawing down of funds from CMS;
* Maintaining signature plates that are used to sign paper checks;
* Ensuring State match funds on hand to handle weekly check write;
* Authorizing payments/recoupments from providers; and
* Reviewing the State Paid Claims File and authorizes release for use in updating the ledger and forwarding on to Division of Administration (DOA).

Like DHH Financial, Medicaid Technical Support is a separate entity and reports to the Bureau of Health Services Financing (Medicaid). Medicaid Technical Support performs primary technical support for the Bureau and is provided by the University of New Orleans (UNO). Staff within this section:

* Provides Help Desk support including hardware and software;
* Performs software development;
* Provides database administration;
* Provides staff augmentation for Pharmacy Rebate;
* Manages active directory;
* Deploys software packages to Windows workstations; and
* System support services other than MMIS.

Louisiana Medicaid Programs and Services

The Louisiana Medicaid Program continues to be one of the largest state programs with total expenditures of about $6.4 billion during State Fiscal Year 2008/09. Of the $6.4 billion, $5.5 billion were claims and premium payments paid on behalf of more than 1.2 million Louisianans, about 28% of the state population. In addition, Medicaid paid about $845.3 million as reimbursement of Uncompensated Care Costs on behalf of the uninsured and underinsured population. The Louisiana Medicaid Program continuously strives to accomplish its stated mission and goals: “responding to the health needs of Louisiana’s citizens, provide access and quality of care, and improve health outcomes of its enrollees through ongoing cost containment efforts and program initiatives.”

During SFY 2008/09, 1,233,712 people, about 28% of Louisiana’s population of 4,410,796, were enrolled and payments were made on behalf of 1,212,569 recipients in the Medicaid program. From a historical perspective, this was about 4.8% increase in enrollees and about 4.7% increase in recipients compared to the previous SFY.

The Louisiana Medicaid Program made efforts to sustain accessible and quality health care for its enrollees, even in the face of budget reductions. During State Fiscal Year 2008/09, access to services were increased by adding slots to the Home and Community-Based Services program, adding the Youth Aging Out of Foster Care program and expanding the Family Opportunity Act to children through age of 18. In addition, Medicaid started the development of the “MaxEnroll” initiative facilitated by a four-year grant to help maximize enrollment of eligible children in Medicaid and LaCHIP. These efforts will enable Louisiana Medicaid to provide more citizens with quality health care.

During SFY 2008/09, over 24,000 providers participated and offered services to Louisiana Medicaid enrollees.

Louisiana Medicaid Covered Services

| Medicaid Covered Services\* |
| --- |
| Adult Denture Services for Eligible’s over Age 21 |
| Ambulatory Surgical Center Services |
| Audiology |
| Case Management for targeted and waiver populations |
| Certified Nurse Anesthetists (CRNA) |
| Clinic Services – Rural Health, Family Planning, Mental Health, Substance Abuse, Free-Standing, End-Stage Renal Disease, Radiation Therapy, STD, and TB services |
| Dental Services |
| DME |
| Early Periodic Screening, Diagnosis and Treatment (EPSDT) Personal Care Services |
| Emergency Hospital Services |
| Emergency Medical Transportation Services |
| Expanded Dental Services for Pregnant Women (Ages 21 through 59) |
| Family Planning Services |
| Home Health (Occupational Therapy, Physical Therapy, Intermittent Nursing) |
| Home Health Care Services |
| Hospice |
| Inpatient Hospital Services |
| Inpatient Psychiatric Services for Individuals Under Age 21 and Age 65 or Over |
| Institutional Care – Nursing Facilities, ICF/DD |
| Intermediate Care Services (Level I, Level II, Developmental Disabilities) |
| KIDMED - Early Periodic Screening, Diagnosis and Treatment (EPSDT) of Individuals Under Age 21 (includes dental and eyeglass services) |
| Laboratory and X-Ray Services |
| Long-Term Personal Care Services |
| Non-emergency Medical Transportation Services |
| Nurse Home Visits for First Time Mothers |
| Nurse-Midwife Services |
| Optometrist/Ophthalmologist Services |
| Outpatient Hospital Services |
| PACE |
| Pharmaceutical Services |
| Physician Services |
| Prenatal clinics |
| Psychology |
| Rehabilitative Services |
| Skilled Nursing Services |
| Technology Dependent Care and Neurologically Complex Care |
| Waiver Services |

Figure 3 Medicaid Services

\* The full Medicaid Services Chart is available on-line at <http://www.dhh.louisiana.gov/offices/publications/pubs-92/Medicaid.Services.Chart.pdf>

* + 1. Purpose

The purpose of this Solicitation for Proposal (SFP) is to obtain competitive proposals as allowed by Louisiana R. S. 39:198(D) from qualified proposers who are interested in providing a claims payment and information retrieval system; and ongoing fiscal agent or fiscal intermediary services for the Louisiana Medicaid program. This system, known as a Medicaid Management Information System (MMIS) shall meet Federal certification requirements on the first day of operations. The certifying agency is the Centers for Medicaid and Medicare Services (CMS). The certification requirements are available at www.CMS.gov.

It is the intent of the Department that this SFP permit fair, impartial, and free competition among all proposers. The Proposer shall be responsible for all Contractor requirements defined in this SFP throughout the term of the Contract. However, the Department encourages the Proposer to form partnerships with entities that are business leaders in their industry. Proposers responding to this SFP shall be expected to have extensive, current experience as a fiscal agent or intermediary for Medicaid or a similar large health care claims processing entity. It is critical that interested Proposers carefully read, study, analyze, and understand all sections and provisions of the SFP and reference material contained in the Medicaid Procurement Library.

The Department is issuing this SFP to obtain a MMIS that shall support the Louisiana Medical Assistance Program in a cost effective and efficient manner. The Department is undertaking this MMIS procurement effort to:

* Transfer a HIPAA compliant CMS certifiable MMIS that shall be enhanced to meet Louisiana’s special requirements utilizing state-of-the-art technology that shall enhance the operation of the Louisiana Medical Assistance Program;
* Ensure that the new MMIS shall perform all functionality on an integrated platform;
* Satisfy the Department’s need for a new MMIS that can be quickly adapted to incorporate changes in Federal and Louisiana Medical Assistance Program policies;
* Be responsive to CMS’ mandate for the periodic open and competitive procurement process;
* Enhance current operations, consolidate and streamline appropriate business functions, and provide seamless services allowing for comprehensive management oversight;
* Adhere to the Medicaid Information Technology Architecture principles;
* Support the Department’s dynamic environment and rapid policy changes by utilizing a flexible, real-time MMIS system easily accessed and maintained by the Contractor;
* Ensure smooth healthcare systems integration and/or implementations that are innovative, flexible, secured, CMS certifiable, HIPAA-compliant, and client-server and business process driven;
* Deliver technologically-advanced MMIS functionality for operational effectiveness and cost savings;
* Maximize web-based technology delivery to further reduce administrative costs and improve operational effectiveness;
* Provide enhanced reporting and analytics to support executive management decision making on programmatic, clinical and reimbursement methodology topics as well as healthcare report card measurements;
* Obtain an integrated alert process that supports both the fiscal intermediary and the Department; and
* Obtain a robust document management system that may be used by the Department to manage the development, written approval, and delivery of documents.

The Department seeks to consolidate Medicaid operations under one Contractor. In addition to the functional and technical requirements that shall be met to achieve CMS certification, the Department seeks a wide range of services and staffing such as:

* Service authorizations such as medically necessary determinations for hospital precertification, prior authorized services and plans of care;
* An Enrollee Call Center that can respond to and track all enrollees’ inquires once Medicaid eligibility has been established;
* A web portal for enrollees with access to personal information maintained within the Replacement MMIS including, but not limited to, the following:
  + Demographic information,
  + Eligibility information,
  + Enrollment information,
  + Service authorizations,
  + Third Party Liability and Recovery information,
  + Enrollee reimbursement information,
  + Enrollee correspondence,
  + Enrollee Invoices,
  + Claim payment history, and
  + Information obtained from electronic health records provided to the Department;
* Provider Relations including a Provider Call Center that can respond to and track all providers’ inquiries;
* Full service provider relations with onsite visits and training;
* Development, implementation and maintenance of clinical policy for medical necessity, and policies such as for all service authorization which includes prior authorizations and precertification functions;
* Reconciliation of enrollee claims;
* Training of staff and other stakeholders on the Replacement MMIS;
* A web portal for providers with access to view and/or change information maintained within the Replacement MMIS including, but not limited to, the following:
  + Demographic information;
  + Provider Enrollment information;
  + Service authorizations;
  + Claims and payments;
  + Remittance advices;
  + Sanctions and Recoupments;
  + Grievance and Appeals;
  + Peer Based Provider Profiling;
  + Enrollee information;
  + Electronic health information provided to and maintained by the Department;
  + Provide access to the dashboard and other reports to each provider via the secure provider website; and
  + Allow the providers to view and make payments via the web;
* A centralized fraud and abuse hotline that directs callers to the appropriate entity;
* A robust Surveillance and Utilization Review System (SURS) that shall be overseen by the Department’s Program Integrity staff;
* Cost reporting system for hospitals, nursing homes, etc;
* A robust Pharmacy Benefit Management system; and
* A state-of-the-art decision support system/data warehouse (DSS/DW) that shall provide analytics to support the Department’s programmatic, financial, and operational decisions.

The proposed MMIS shall be a CMS certifiable system that can be transferred from another state and enhanced to meet the special requirements of the Louisiana Medical Assistance program. The primary change from the current MMIS shall be the transition to a consolidated platform that shall utilize current and flexible technology, be most responsive to user needs and requests, and be able to support the implementation of the Department’s initiatives.

The new MMIS shall meet all specific requirements in Part 11 of the Centers for Medicare and Medicaid Services State Medicaid Manual. The Contractor selected by the Department as a result of this procurement process shall be required to implement the replacement MMIS no later than April 14, 2014.

* + 1. Goals and Objectives

The objectives for the MMIS Replacement and FI Services project include:

* Implementing a MMIS that is cost effective and efficient;
* Meeting or exceeding Federal MMIS certification standards with Federal financial participation retroactive to first day of implementation by Centers for Medicaid and Medicare Services;
* Meeting or exceeding all requirements in 42 CFR 433, Subpart C and Part 11 of the State Medicaid Manual;
* Providing the information and processing capabilities necessary to support all requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) including accepting and sending all electronic data interchange (EDI) formats in the current version at the time of implementation and continuing to implement the current versions in line with the implementation dates set by CMS. This could entail the simultaneous use of two version of the transactions and code sets;
* Providing a replacement system that is driven by a relational database with on-line Web capabilities for all authorized users, including providers and enrollees;
* Utilizing a rules-based structure to allow for easy modification to edits, audits, and business rules by authorized users to eliminate the delays and programming issues related to hard coding. This shall ensure timely implementation of changes thus reducing the need for programmers and excessive numbers of customer service requests;
* HIPAA Privacy and Security;
* The ability to grant access permissions down to the data element level to ensure compliance with Health Insurance Portability and Accountability Act of 1996 (HIPAA) security requirements, and preserve enrollee Electronic Protected Health Information (EPHI);
* The ability to easily identify all changes via an audit trail that displays the date, time, user name and data changed for each change made, whether on-line or batch;
* On-line context sensitive help functionality;
* Drill down capabilities;
* User controlled customizable favorites list;
* Data key functionality;
* On-line real-time query capability that allows authorized users to filter data through user defined parameters;
* Adjudication of claims, including the application of edits, audits, and prior authorizations for all services;
* On-line entry of provider enrollment applications; tracking and automated workflow management of the process; and on-line verification of provider enrollment status;
* Graphical user interfaces (GUIs) to include pull-down menus, buttons, scroll bars, sorting, icons, wizards, and templates. These features should be used in a manner to allow simplified query construction and report design to match the skill level of a majority of the user community;
* Real-time, on-line ability to enter claims by direct data entry (DDE), obtain enrollee eligibility verification, conduct claim status inquiry, view remittance and status reports, and submit and view the status of SA requests via Web screens for authorized providers and other authorized users;
* The ability to send and receive all HIPAA transaction sets using the currently mandated versions, intake imaged and scanned documents, and automatically link both the HIPAA transaction and the imaged document together in history;
* The utilization of Commercial-Off-The-Shelf (COTS) products whenever possible. This would ensure that the various system and software components remain current, readily available, and easily upgradeable. Selecting the right product vendor is also important to ensure that modifications and customization needed by the State are easily accomplished with no additional cost. DHH will approve an open source solution, but it should be branded and maintained by a branded company;
* A portal to provide enrollees with on-line and real-time ability to view their data, to make authorized changes, to see claims filed for services rendered by providers, to request a replacement Medicaid card, to quickly and easily select managed care plans and to view and append their electronic health record;
* The ability to accept, process and report encounter data;
* The ability to accept, verify and process claims using the National Provider Identifier in accordance with all applicable Federal regulations;
* Increased automation, system integration and decreased reliance on manual processes;
* Capabilities that allow for continual modernization to support implementation of innovative technologies;
* A System that conforms to the ongoing goals and objectives of the Medicaid Information Technology Architecture (MITA);
* A System that conforms to the specific goals of the Department as detailed in the “To-Be” section of the Department’s State Self- Assessment; (available in the Procurement Library);
* A Pharmacy Benefits Management system;
* Point of Sale transactions for pharmacy services;
* Visit Verification and Management system to prevent provider fraud (in-home and facility/provider based);
* Provide prior authorization for medical, behavioral, and other services such as durable medical equipment, prescription drugs, physician services, waiver services, and personal care services as well as the functionality for these authorizations;
* A robust DSS/DW that not only supports executive decision making, but also Program Integrity activities, Surveillance and Utilization Reviews, Management and Administrative Reports;
* Financial management (the billing, receiving and accounting) for estate recoveries, provider and enrollee recoveries, and recoupments;
* Obtain and store enrollee eligibility information from the Medicaid Eligibility System (currently data is received from the Medicaid Eligibility Data System (MEDS);
* Interface with and provide data to the DSS/DW and other interface requirements as identified in each functional area;
* Meet or exceed all functional requirements identified in the SFP;
* Facilitate the implementation of future program initiatives;
* Provide support and training to providers;
* Provide support and training to Department employees;
* The capability to perform analytics based on standards and pay providers based on analytics and performance;
* Fiscal Intermediary cost reporting and auditing services; and
* Provide Contractor staffing and expertise required by the Department to efficiently operate the Department’s programs as described in Section 2.1.4.
  1. Glossary of Terms and Acronyms

These are the terms, abbreviations, and acronyms used in the SPF and or supporting documentation:

**ACH:** Automated Clearing House.

**ADA:** The Americans with Disabilities Act of 1990.

**Ad Hoc:** On-request or specially requested; not scheduled. Ad Hoc refers to one-time, special reporting requests.

**Adjudicated Claim:** A claim which has moved from pending status to final disposition, either paid or denied.

**Adjustment:** A transaction that changes any information on a claim which has been adjudicated.

**AFS:** Advantage Financial System is the Louisiana State Government financial management system.

**Agency:** Any department, commission, council, board, office, bureau, committee, institution, agency, government, corporation, or other establishment of the executive branch of this State authorized to participate in any contract resulting from this solicitation. In this SFP, the Agency is the Department of Health and Hospitals and is referred to as “Department” within this SFP.

**AGPS:** Advanced Government Purchasing System is used to purchase, rent, lease, or otherwise obtain supplies, services, and major repairs, with the exception of professional, personal, consulting and social service contracts.

**Aid Category:** The designation in which a person is eligible for medical and health care under Medicaid.

**Aid Category – Aged:** Persons who are age 65 or older.

**Aid Category – All Other:** Includes refugee medical assistance, assistance for disaster victims, individuals eligible for state-funded medical benefits as a result of loss of SSI benefits and Medicaid due to a cost-of living increase in State or local retirement and individuals who are diagnosed as or are suspected of being infected with Tuberculosis.

**Aid Category – Blind:** Persons who meet the SSA definition of blindness.

**Aid Category – Disabled:** Persons who receive disability-based SSI or who meet SSA defined disability requirements.

**Aid Category – Families and Children:** Families with minor or unborn children.

**Aid Category – Family Planning:** Individuals that are enrolled in the Family Planning Waiver.

**Aid Category – LIFC:** Individuals who meet all eligibility requirements for LIFC under the AFDC State Plan in effect 7/16/1996.

**Aid Category – Office of Children Services (OCS) Foster Care/Office of Youth Development (OYD):** Foster children and state adoption subsidy children who are directly served by and determined Medicaid eligible by OCS, children eligible under Title IV-E, OCS and OYD children whose medical assistance benefits are state-funded, those whose income and resources are at or below the LIFC standard but are not IV-E eligible because deprivation is not met, those whose income and resources are at or below the standards for Regular MNP, those who meet the standards of CHAMP Child or CHAMP PW, and children ages 18- 21 who enter the Young Adult Program.

**Aid Category - QI-1:** Qualifying Individuals – 1 went into effect January 1, 1998 and is still in effect. There is an annual cap on the amount of money available, which may limit the number of individuals in the group. These individuals are entitled to Medicare Part-B, have income of 120% to 135% of federal poverty level, have resources that do not exceed twice the limit for SSI eligibility, and are not otherwise eligible for Medicaid.

**Aid Category – QMB:** Persons who meet the categorical requirement of enrollment in Medicare Part-A including conditional enrollment.

**APD:** Advance Planning Document. This document is prepared by a state Medicaid agency in advance of a Medicaid fiscal intermediary procurement and submitted to the Centers for Medicare and Medicaid Services for review. It documents the planned approach to the procurement and any modifications to the MMIS.

**APG:** Ambulatory Patient Groups.

**Appeals: –** (also see Fair Hearing) 1. A request for a fair hearing concerning a proposed agency action, a completed agency action, or failure of the agency to make a timely determination. 2. A legal proceeding in which the applicant/enrollee and BHSF agency representative presents the case being appealed in front of an impartial hearing officer*.*

**ARRA:** American Recovery and Reinvestment Act of 2009.

**ASO:** Administrative Service Organization.

**Authorized Service:** Medical or dental assistance and/or other health related services authorized by the Department.

**AVRS**: Automated Voice Response System.

**Benefits:** A schedule of coverage that an eligible participant in the program receives for specific health care services for the treatment of illness, injury or other condition.

**BHSF**: Bureau of Health Services Financing.

**Business Day:** Monday through Friday from 8:00 AM to 4:30 PM Central Time except for LA State holidays. The Contractor shall request prior written approval for any corporate holidays that differ from legal LA State holidays.

**Buy-In:** The process by which a state elects to pay the monthly premium for Part A and Part B of Medicare.

**Calendar Day:** All days of the week.

**Capitation:** A per-recipient prospective payment made to an at-risk provider. Usually covers all services rendered on behalf of the capitated recipient although partial capitation may exclude specialty services.

**Care Management:** Process that focuses on identifying client’s needs, registering those clients into programs, and maintaining the plan of care or case.

**Case Mix:** The type or mixture of treatment provided to an enrollee by an Intermediate Care Facility (ICF) or nursing homes.

**CBA:** Cost Benefit Analysis.

**CCB:** Change Control Board - A board made up of Department staff and Contractor staff that will review and approve or deny all requested changes to the system.

**CCN:** Coordinated Care Network - The Department of Health and Hospitals is working to make Medicaid better for our residents, our providers and our state. The ultimate goal is an improved system of care for the state that includes the creation of a culture of personal responsibility for health, greater flexibility and financial incentives for Medicaid providers, and a more sustainable and budget-conscious solution for all Louisiana residents.

A key component of this transformation includes a shift in the Medicaid delivery system from a traditional fee-for-service only program to Coordinated Care Network (CCN) models. Inherent in the system are numerous benefits for the Medicaid enrollee, who can expect greater coordination of his or her care and management of chronic conditions, as well as overall improved health and higher satisfaction in his or her care.

**CDI:** Clinical Drug Inquiry Application.

**Certification:** A review by CMS of an operational MMIS in response to a state’s request for seventy-five percent (75%) FFP to ensure that all legal and operational requirements are met by the system.

**CFMS:** Contract Financial Management System is used to manage professional, personal, consulting and social service contracts governed by Revised Statutes R.S.39:1481 - 39:1526.

**CFR:** Code of Federal Regulations - The Federal rules that direct a state in its administration of a Medicaid Program and implementation and operation of an MMIS.

**CHAMP Child:** Child Health and Maternity Program is for poverty-level children under the age of 19 who are eligible for Medicaid if they meet all program requirements.

**CHIPRA:** Children’s Health Insurance Program Reauthorization Act of 2009.

**Chisholm** - A settlement agreement outlined in the Third Stipulation and Order of Dismissal in the Chisholm vs Greenstein lawsuit. Settlement covers class members who need assistance in location of an extended home health or personal care services provider. Satisfaction surveys are conducted to ensure approved extended home health and personal care services are being provided to the members as requested.

**Claim:** A bill rendered by a single provider to the Louisiana Medical Assistance Program for a specific service(s) rendered to a single recipient for a given diagnosis or set of related diagnoses. A claim can be submitted for payment in hard copy form, Electronic Media Claims (EMC), or directly through on-line transmission.

**Claim Line/Detail:** A line item of a document or electronic media claim, which bills the LA Medicaid for a specific service(s) for a single recipient from a single provider.

**CLIA:** Clinical Laboratory Improvement Amendments - The regulation by which The Centers for Medicare & Medicaid Services (CMS) regulates all laboratory testing (except research) performed on humans in the U.S. (CMS)

**CMPs:** Civil Monetary Penalties.

**CMS:** Centers for Medicare and Medicaid Services is the federal agency charged with overseeing and approving states’ implementation and administration of the Medicaid and Medicare programs.

**CNA**: Certified Nursing Assistant is a job title for non-professional medical personnel.

**COB:** Coordination of Benefits.

**CommunityCARE Program:** Louisiana’s Primary Care Case Management program (PCCM). This program links Medicaid recipients to primary care physicians and operates statewide.

**Confidentiality:** All reports, files, information, data, tapes and other documents provided to and prepared, developed, or assembled by the Contractor shall be kept confidential in accordance with federal and state laws, rules and regulations and shall not be made available to any individual or organization by the Contractor without prior written approval of the Department.

**Contract Term:** The Contract shall be effective as of the date it is duly signed and for the length of time as specified in the contract.

**Contractor:** The entity awarded the Fiscal Intermediary contract.

**Cost Avoidance:** A term describing procedures or systems of ensuring that the recipient’s known other non-Medicaid health insurance resources were pursued prior to payment by Medicaid. MMIS typically has edits that deny or pend a claim unless there is evidence that the claim had already been submitted to these entities.

**Cost Settlement:** An auditing process by which interim claims payments to cost based providers are adjusted yearly to reflect actual costs incurred.

**COTS:** Commercial-Off-The-Shelf products.

**Covered Services:** Service and supplies for which Medicaid will reimburse the provider.

**CPT:** Current Procedural Terminology - Fourth Edition. A unique coding structure scheme for all medical procedures approved by the American Medical Association.

**Credit:** A claim transaction, which has the effect of reversing a previously processed claim transaction.

**CRNA:** Certified Registered Nurse Anesthetists.

**Crossover Claim:** A claim for services rendered to a recipient eligible for benefits under both Medicare and Medicaid. These claims are initially adjudicated by the Medicare intermediary or carrier.

**Data Element:** A specific unit of information having a unique meaning.

**Data Entry:** The process of entering claims data into the MMIS.

**Day(s):** All day(s) are business days unless specified differently in the SFP text or requirements.

**DC:** Developmental Center.

**DDE:** Direct Data Entry.

**DDI:** Design Development and Implementation.

**DED:** Data Element Dictionary.

**DEERS:** Defense Enrollment Eligibility Reporting System is a worldwide, computerized database of uniformed services recipients (sponsors), their family recipients, and others who are eligible for military benefits, including TRICARE.

**Denied Claim:** A claim for which no payment is made to the provider.

**Department:** Louisiana Department of Health and Hospitals.

**DHH:** Department of Health and Hospitals.

**Diagnosis Code:** The coding structure for all diagnosed medical conditions covered by Medicaid for claims payment.

**Disaster Recovery Plan:** Plan developed and maintained by the Contractor for an orderly shutdown of operations along with detailed plans for resumption of operation.

**Discussions:** For the purposes of this SFP, a formal, structured means of conducting written or oral communications/presentations with responsible Proposers who submit proposals in response to this SFP.

**Disease management (DM):** A program that coordinates education, communication, and health care intervention for a population with a chronic condition, such as diabetes or hypertension, which self-care efforts can significantly improve the quality of life and reduce healthcare cost by reducing or preventing the effects of the condition.

**Disproportionate Share Hospital (DSH):** Payments made by the Medicaid program to hospitals designated as serving a disproportionate share of low-income or uninsured patients. DSH payments are in addition to regular Medicaid payments for providing care to Medicaid beneficiaries. The maximum amount of federal matching funds available annually to individual states for DSH payments is specified in the federal Medicaid statute.

**DME**: Durable Medical Equipment is a category of service involving medical equipment and supplies for home or institutional use.

**DOA:** Division of Administration - a division serving under the Governor, is the central management and administrative support agency for the State. The Division is headed by the Commissioner of Administration and is comprised of three programs: Executive Administration; Community Development and Block Grant; and Auxiliary. The Commissioner oversees and coordinates the Division's 25 sections, which perform legislatively-mandated and other required functions of state government. The Division of Administration also provides supervisory functions for management and budgets of all state departments.

**DOS:** Date of Service.

**DRG:** Diagnosis Related Group - Is a prospective inpatient hospital reimbursement methodology used in Medicare. Under DRG, a single flat amount is paid per discharge.

**Drug Rebate Program:** A program mandated by OBRA >90 in which states are eligible to collect rebates from drug manufacturers for drugs paid under Medicaid in exchange for an open formulary.

**DSD:** Detailed Systems Design.

**DSS**: Decision Support System.

**DSS/DW –** Decision Support System/Data Warehouse.

**DSW**: Direct Service Worker.

**Dual Eligible:** Individuals who are entitled to Medicare and are eligible for full or partial Medicaid benefits. Medicaid pays for all or a portion of Medicare Part A and B premiums, co-payments, and deductibles for dual eligibles. There are two types of eligibility, full dual eligibles, and partial dual eligibles.

**DUR:** A therapeutic drug utilization review program designed to identify recipients at high risk for drug-induced illness, communicate these risk factors to physicians and pharmacies, and modify drug therapies to reduce or eliminate these risks. In Louisiana, the DUR program is made up of two components - the Prospective DUR and the Retrospective DUR.

**DUR Committee:** Administrative control mechanism that is a crucial element in the management of the pharmaceutical component of the Medicaid Program. The committee is composed of physicians and pharmacists.

**ECC:** Electronic Claims Capture.

**EDI:** Electronic data interchange.

**Effective Date of Contract:** The effective date of the Contract shall be the day all signatures have been obtained.

**EFO**: Eligibility Field Operations Section supervises the 9 regional and 33 parish Medicaid Eligibility Offices throughout the State.

**EHR:** Electronic Health Record.

**Eligible:** Eligible is a person who is qualified for Medicaid but may or may not be enrolled.

**Eligible Provider:** A provider of health care services entitled to payment under the Louisiana Medical Assistance Program for rendered authorized services to an eligible recipient as established and certified by the Department to the Contractor.

**EMC:** Electronic media claims (tape, disk, and telecommunications).

**Encounter:** In some states with capitated programs, the term for a pseudo-claim which must be submitted by the PHP/HMO for utilization reporting, not claims payment purposes.

**Enhancement:** An augmentation and/or a change to the LMMIS. An improvement to the basic system which either increases functionality or makes the system run more efficiently.

**Enrollee:** A person who is qualified for Medicaid and whose application has been approved, but he or she may or may not be receiving services.

**EPHI:** Electronic Protected Health Information.

**EPS:** Eligibility Policy Section develops and implements eligibility policies and procedures and forms for statewide utilization.

**EPSDT:** Early and Periodic Screening, Diagnosis, and Treatment (for children under 21 years of age).

**ERD:** Entity Relationship Diagrams.

**ESI:** Employer Sponsored Insurance.

**ESS:** Eligibility Supports Section is responsible for development and maintenance of customer service operations to support local eligibility offices.

**ESSS – Eligibility Special Services Section -** Eligibility Special Services Section administers and maximizes cost avoidance through identification and collection from liable third parties.

**Expenditure:** Expenditure refers to fiscal information derived from the financial system of the Integrated State Information System (ISIS). ISIS reports the program expenditures after all claims and financial adjustments are taken into account.

**FADS:** Fraud Abuse Detection System.

**Family Planning Services:** Any medically approved diagnosis, treatment counseling, drugs, supplies, or devices, which are prescribed or furnished by a physician to individuals of child-bearing age for purposes of enabling such individuals to freely determine the number and spacing of their children.

**Fair Hearing** - a legal proceeding in which the applicant/enrollee and BHSF Agency Representative presents the case being appealed in front of an impartial hearing officer.

**FAQ:** Frequently Asked Questions.

**FDB:** First Databank.

**FEIN:** Federal Employer Identification Number.

**FFP:** Federal Financial Participation - A percentage of State expenditures to be reimbursed by the Federal government for medical assistance and for the administrative costs of the Medicaid program.

**Fiscal Year:** The twelve-month period between settlements of financial accounts. The fiscal year for the State of Louisiana begins on July 1 and ends on June 30 of each year.

**FMAP:** Federal Medicaid Administrative Payment is the percentage the federal government will match for state money spent on Medicaid; also known as FFP.

**FMO:** Financial Management and Operations Section is responsible for the administration of the Title XVIII, Title XIX, and Title XXI fiscal operations.

**FPL:** Federal poverty level.

**FTP:** File Transfer Protocol.

**GAAP:** Generally Accepted Accounting Principles.

**GAAS:** Generally Accepted Auditing Standards.

**GIS:** Geographic Information System.

**Group Practice:** A medical practice in which several providers render and bill for services under a single provider number.

**GSA:** General Services Administration.

**GSD:** General System Design - The definitive guidelines stating all systems requirements for a certifiable MMIS.

**GUI:** Graphical user interfaces.

**HCBS:** Home and Community-Based Services.

**HCPCS:** Healthcare Common Procedure Coding system.

**HEDIS:** Healthcare Effectiveness Data and Information Set.

**HIE:** Health Information Exchange is defined as the mobilization of healthcare information electronically across organizations.

**HIPAA:** Health Insurance Portability and Accountability Act of 1996.

**HMO:** Health Maintenance Organization.

**Home Health Care:** Any of the services, therapy, or equipment charges covered by Medicaid when the provider performs these services at the residence of the recipient.

**Hours of Operation:** The specific hours of operation required in the SFP for specific business operations, (for example, Enrollee and Provider Call Center hours of operations are 7:00 AM to 6:00 PM Central Time).

**HR:** Human Resource systems.

**HSS:** Health Standard Section.

**IAPD:** Implementation Advance Planning Document. This document is prepared by a state Medicaid agency in advance of a Medicaid procurement and submitted to the Centers for Medicare and Medicaid Services for review. It documents the planned approach to the procurement and any modifications to the MMIS.

**ICD-9-CM:** International Classification of Diseases, 9th Revision Clinical Modification.

**ICD-10-CM:** International Classification of Diseases, 10th Revision Clinical Modification.

**ICF/DD:** Intermediate Care Facilities for the Developmentally Disabled.

**ICN:** Internal Control Number - A unique thirteen-digit number assigned by the Contractor to all claims received for identification and control purposes.

**Institution:** An organization which provides medical services for persons confined within its structure (e.g., hospital, nursing home, etc.).

**Integration testing:** S[oftware testing](http://en.wikipedia.org/wiki/Software_testing) in which individual software modules are combined and tested as a group. It occurs after [unit testing](http://en.wikipedia.org/wiki/Unit_testing) and before [system testing](http://en.wikipedia.org/wiki/System_testing). Integration testing takes as its input [modules](http://en.wikipedia.org/wiki/Module_(programming)) that have been [unit tested](http://en.wikipedia.org/wiki/Unit_testing), groups them in larger aggregates, applies tests defined in an integration [test plan](http://en.wikipedia.org/wiki/Test_plan) to those aggregates, and delivers as its output the integrated system ready for [system testing](http://en.wikipedia.org/wiki/System_testing).

**Intermediate Care Facility (ICF):** A long-stay institution which provides care for a recipient, who is usually not bed-ridden, at a lower cost than inpatient hospital care.

**IRS:** Internal Revenue Service.

**ISDM:** Information Systems Development Methodology.

**ISIS:** Integrated Statewide Information System.

**IT-10**: A Louisiana budget/expenditure request form for IT procurements.

**IV:** Intravenous medications/fluids.

**JAD:** Joint Application Design.

**J-SURS:** Java Surveillance and Utilization Review Subsystem.

**Key Personnel:** Contractor staff that shall be considered the key management team.

**KIDMED:** The screening component of Early Periodic Screening, Diagnosis and Treatment (EPSDT) of Individuals Under Age 21 which includes medical, vision, and hearing.

**LaHIPP:** Louisiana Health Insurance Premium Payment - People who have Medicaid and can get health insurance from a job may qualify for LaHIPP. Other people in the home who can join the health plan could also qualify. LaHIPP can pay insurance premiums in some instances.

**LaPAC:** Louisiana Procurement and Contract Network

**LIFT:** Louisiana Information Form Tracking.

**LMMIS:** Louisiana Medicaid Management Information System.

**Lock-In:** Mechanism whereby Title XIX recipients receive physician and pharmacy services from specified providers. The mechanism is designed to ensure against mis-utilization of benefits by recipients.

**Louisiana Children’s Health Insurance Program (LaCHIP):**

The Louisiana Children’s Health Insurance Program, or LaCHIP, was designed to bring quality health care to uninsured children up to age 19. It is a no-cost health insurance program that pays for children’s hospital care, doctor visits, prescription drugs, shots and more.

Eligibility for the program is based on family size and income. Children can qualify for coverage under LaCHIP using higher income standards than traditional Medicaid. The regular LaCHIP only covers uninsured children in families with countable income up to 200 percent of the FPL.

The LaCHIP Affordable Plan is a new LaCHIP health insurance program for uninsured children in moderate income families whose income is too much to qualify for regular LaCHIP but whose gross income is below 250 percent of the Federal Poverty Level (FPL).

**Louisiana Medicaid Program:** Medical benefits program administered by the Department. The benefits are designed to be in compliance with Title XIX of the Social Security Act of 1965 and applicable State law.

**Low-Income Families with Children (LIFC):** Provides Medicaid-only coverage to individuals and families who would be or who are eligible for cash assistance under rules of the state's AFDC program on August 12, 1996 (Section 1931 Eligibility Group).

**LTC:** Long-Term Care **-** An applicant/recipient may be eligible for Medicaid services in the LTC program if he or she requires medical assistance for a defined activity of daily living (ADL) such as dressing, eating, bathing, ambulation, etc. These services may be provided either in a facility or in an individual’s own home or in the community.

**MAC**: Medicaid Administrative Claiming.

**Managed Care:** A term denoting management of recipient care by a provider or case manager to encourage maximum therapeutic efficacy and efficiency through service planning and coordination. Also used in reference to prepaid, capitated health systems.

**Manual Pricing:** Pricing a claim “by hand”. Usually performed due to the special nature of the service, e.g., no code exists; no allowed amount exists for a covered benefit, etc.

**MAPIL –** Medicaid Assistance Program Integrity Law is a law that protects the fiscal and programmatic integrity of the medical assistance programs.

**MARS:** Management and Administrative Reporting System.

**May:** The term “may” denotes an advisory or permissible action.

**MBHS –** Medicaid Behavioral Health Section.

**MDR:** Medicaid Drug Rebate system that performs the URA calculation using the labeler's reported pricing.

**MDS:** Minimum Data Sets - The nursing home quality measures come from resident assessment data that nursing homes routinely collect on the residents at specified intervals during their stay. These measures assess the resident's physical and clinical conditions and abilities, as well as preferences and life care wishes. These assessment data have been converted to develop quality measures that give consumers another source of information that shows how well nursing homes are caring for their resident's physical and clinical needs.

**Medicaid:** The Title XIX Medical Assistance Program intended to provide Federal and State financial assistance for health and medical care of eligible persons.

**Medicaid Reform Section:** This section is a newly formed section that ultimately will have responsibility for the Coordinated Care Network (CCN) waiver when approved by CMS. Louisiana’s families deserve better health. Building on years of analysis, input, and recommendations from health care providers and advocacy groups statewide, and under the direction of the Louisiana Legislature, the Louisiana Department of Health and Hospitals is working to transform Louisiana Medicaid. The ultimate goal is a sustainable system that will provide better health coverage to Louisiana’s residents. Coverage that allows residents to seek treatment in coordinated systems of care will offer better management of chronic conditions, overall improved health and higher patient satisfaction.

**Medical Review:** Pre-payment review conducted by the Contractor to assure accurate payment for procedures and/or diagnosis that require review by medical professionals.

**Medically Needy Program (MNP):** Provides Medicaid coverage when income and resources of the individual or family are sufficient to meet basic needs, in a categorical assistance program, but are not sufficient to meet medical needs according to MNP standards.

**Medicare:** Like Medicaid, Medicare was created by the Social Security Act of 1965, but the two programs are different. Medicare is a federally paid and administrated insurance program primarily for those over age 65. Medicare has four parts: Part-A, Part-B, Part-C, and Part-D.

**Medicare-Part-A:** Part-A is the hospital insurance portion of Medicare. Part-A covers inpatient hospital care, skilled nursing facility care, some home health agency services, and hospice care.

**Medicare-Part-B:** The supplementary or “physicians” insurance portion of Medicare. Part-B covers services of physicians/other suppliers, outpatient care, medical equipment and supplies, and other medical services not covered by the hospital insurance part of Medicare.

**Medicare-Part-C:** Provides for a managed care delivery system for Medicare services.

**Medicare-Part-D:** Provides Medicare beneficiaries with assistance paying for prescription drugs. It was enacted as part of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) and went into effect on January 1, 2006. Unlike coverage in Medicare Parts A and B, Part-D coverage is not provided within the traditional Medicare program. Instead, beneficiaries must affirmatively enroll in one of the many hundreds of Part-D plans offered by private companies.

**MEDS:** Medicaid Eligibility Data System. The Medicaid eligibility determination processes areas supported by a suite of applications and systems. MEDS is the primary data system that currently interfaces with the MMIS to provide eligibility data.

**MEVS:** Medicaid Eligibility Verification System - The Medicaid Eligibility Verification System (MEVS) is an electronic system used to verify Medicaid eligibility. This electronic verification process expedites reimbursement, reduces claim denials, and helps to eliminate fraud. Except for a short time needed each week for maintenance, MEVS is available 24 hours a day, 7 days a week to allow providers easy and immediate retrieval of current recipient eligibility information. (LA Provider website).

**MITA:** Medicaid Information Technology Architecture.

**MMA:** Medicare Modernization Act.

**MMIS:** Medicaid Management Information System.

**MMIS Section:** Is responsible for the oversight of the single largest state contract with the fiscal intermediary.

**Module:** A group of data processing and/or manual processes that work in conjunction with each other to accomplish a specific function.

**MSIS:** Medicaid Statistical Information System.

**Must:** The term “must” denotes mandatory requirements.

**MVA:** Medical Vendor Administration - Administrative arm of the BHSF.

**NCPDP:** National Council for Prescription Drug Programs.

**NDC:** National Drug Code - The national standard formulary 11 digit code used by most states to uniquely identify drugs. Codes are assigned by the FDA.

**NEMT:** Non-emergency Medical Transportation program.

**NPI:** National Provider Identifier - A universally recognized, unique identifier assigned permanently to every provider of health care services or supplies by CMS.

**OCR:** Optical Character Recognition.

**OCS:** Office of Community Services.

**OGB:** Office of Group Benefits.

**OIS:** Office of Information Services.

**OJJ:** Office of Juvenile Justice

**OSP:** Office of State Purchasing.

**OSS:** Optional State Supplement.

**PACE:** Program for All Inclusive Care for the Elderly.

**Paid Claim:** A claim which has been processed through the point of check production.

**PAL:** Prior Authorization Liaison.

**Parallel Testing:** Testing based upon comparison of old and new system results. Requires a period of parallel operation where both systems operate and use the same data.

**PARIS**: Public Assistance Reporting Information System.

**Pay and Chase:** A term which denotes the practice of paying a claim on behalf of a recipient with third party resources and then recovering from the responsible parties. This is done when the third party resources are not known at the time of payment. Pay and Chase is most common with recovery claims involving casualty cases.

**PBM:** Pharmacy Benefits Management section is responsible for the operation of the Louisiana government owned PBM.

**PBPPP:** Peer Based Provider Profiling Program.

**PCCM:** Primary Care Case Management.

**PDL:** Preferred Drug List.

**Performance Bond:** A bond to be procured and maintained during the term of the Contract to secure the Contractor’s performance.

**PERM:** Payment Error Rate Measurement.

**PERT:** Program, Evaluation, and Review Technique.

**PI:** Program Integrity section.

**PMP:** Project Management Professional.

**PO**: Program Operations section is responsible for the daily operations of the Medicaid Fee-for- Service programs with the exception of Pharmacy, Long Term Care, and Waiver Programs.

**POS:** Point of Sale.

**PPO:** Preferred Provider Organization.

**Prior Authorization (PA):** A management tool used to verify whether proposed treatments/services are medically necessary and appropriate for the patient.

**Procedure Code:** The coding structure for all medical procedures covered by Medicaid. (See HCPCS).

**Profile:** An outline of the most outstanding characteristics of a provider practice in rendering health care services or of recipient usage in receiving health care services.

**Program Identification:** An alpha-numeric numbering scheme (e.g., XYZNNNN) used to identify an individual in the LMMIS computer programs.

**Prohibited Aid to Families with Dependent Children** (**AFDC) Provisions:** Provides Medicaid to children and/or their parents denied LIFC because of an AFDC-related provision that is prohibited in Medicaid.

**Prospective DUR:** Prospective drug utilization review. A review of a patient’s drug regimen before a prescription is filled.

**Provider:** A person, group, or agency that provides a covered Medicaid service to a Medicaid recipient.

**Provider Audit:** An audit, financial or conformance in nature, which reviews the books and records of a provider in accordance with American Institute of Certified Public Accountants (AICPA) standards.

**Provider Relations:** The activities performed by the Contractor regarding relationships with Medicaid providers.

**QI:** Quality Improvement.

**RA:** Remittance Advice - A document that accompanies a reimbursement check to a provider. It indicates the reason for pend, denial, and/or payment reductions from billed charges.

**RATE:** Rate and Audit section.

**Recipient:** A person is considered a recipient if any financial/claims related transaction(s) occurred on that person’s behalf during the state fiscal year.

**Recipient Eligibility File:** Maintains the current enrollment of all persons determined by the BHSF to be eligible for Medicaid benefits.

**Recoupment:** A payment returned by a Medicaid provider or a full or partial recovery of such payment due to an overpayment.

**Reject:** To return a claim to a provider for a correction or change that will allow it to be processed properly.

**REOMB:** Recipient Explanation of Medical Benefits is a notice issued to Medicaid recipients that explains the payment of services made on their behalf and requests verification that the service was actually received.

**Retroactive:** Refers to “back dated” coverage or service date in which a person was determined to be eligible for a period prior to the month in which the application was initiated.

**Retrospective Drug Utilization Review:** A review of a patient’s drug regimen designed to identify patients at risk for drug induced illness and/or interactions.

**RFP:** Requests for Proposals.

**RSD:** Requirements Specification Document.

**RTM:** Requirements Traceability Matrix.

**SCHIP:** State Children’s Health Insurance Program (SCHIP) known as LaCHIP in Louisiana.

**Service Authorization (SA):** The generic term for a service/product that requires an approval prior to delivery of a service/product. For example, a pre/post hospital certification or prior authorization is a type of service authorization. The Service Authorization is the higher level.

**Service Limitation:** A maximum amount of services allowable for a recipient for a given time period, such as 12 physician visits per fiscal year.

**SFP:** Solicitation for Proposal.

**SFY:** Louisiana State Fiscal Year is a 12-month period that begins July 1 and ends June 30 of the following calendar year.

**Shall:** The term “shall” denotes mandatory requirements per R.S. 39:1556(24).

**Should:** The term “should” denotes desirable requirements.

**SME:** Subject Matter Experts.

**Specialty:** The specialized area of practice for a physician, such as Pediatrics, Pathology, etc.

**SPT:** Systems Project Tracking.

**SSA:** Social Security Administration.

**SSI:** A federal cash assistance program for low-income aged, blind, and disabled individuals established by Title XVI of the Social Security Act. States may use SSI income limits to establish Medicaid eligibility.

**SSO:** Single Sign On.

**State:** The State of Louisiana.

**State Plan:** The State Plan is the formal agreement between Louisiana and Centers for Medicare and Medicaid Services (CMS) regarding the policies governing the administration of the state’s Medicaid program. Amendments to the State Plan must be submitted to CMS for review and approval no later than the end of the quarter in which the amendment becomes effective. Federal financial participation (FFP) for any added costs is not available to the state until the amendment is approved.

**Subsystem:** A component of a larger system that performs a specific function within that larger system. The component has within itself characteristics of a system but has functional as well as structural relationships to other components of the core system. Examples would include the following parts (or subsystems) of an MMIS: Recipient, Reference, Provider, Claims, MARS, SURS, Third Party Liability, and Managed Care.

**Supplemental Security Income (SSI):** A federal cash assistance program for low-income aged, blind, and disabled individuals established by Title XVI of the Social Security Act. States may use SSI income limits to establish Medicaid eligibility.

**SURS:** Surveillance and Utilization Reviews System.

**Surveillance:** Activities designed to monitor the expenditure of Medicaid funds and services.

**System:** A set of computer and human oriented procedures which operate as a regularly interacting or interdependent group of activities forming a unified whole.

**System Testing:** The process integrates testing of all components of the system.

**Takeover:** The act of a new Fiscal Intermediary assuming the system and operational responsibilities of the previous contractor.

**TCS:** Transactions and Code Sets.

**Third-Party Liability (TPL):** A condition whereby a person or an organization, other than the recipient or the Medicaid Program, is responsible for medical costs incurred by the recipient (Workman’s Compensation, health or casualty insurance company, another person in the case of an accident, etc.).

**Transition:** The system conversion from the Contractor to the State or successor Contractor.

**UAT: User Acceptance Testing:** This is the last phase of testing in the MMIS and will be conducted with a cross section of end users testing the applications. The end users will use real world scenarios and perceptions relevant to their daily work.

**ULM:** University of Louisiana at Monroe – The College of Pharmacy provides a variety of pharmacy related services to DHH.

**UM:** Utilization Management.

**Unduplicated (Eligible/Recipient):** An unduplicated eligible/recipient is a uniquely counted eligible/recipient who is counted only once during a given period for any particular category of interest.

**UNO:** University of New Orleans - Lakefront College provides technical services and training to DHH Medicaid Vendor Administration personnel statewide.

**UPS:** Uninterruptible power supply.

**Utilization Review:** The process of monitoring and controlling the quantity and quality of health care services delivered under Medicaid Program.

**Void:** A transaction which has the effect of zeroing out the payment amount of a previously paid claim.

**WAC:** Waiver Assistance and Compliance - Monitors the Medicaid waiver programs as well as provides oversight of the Office of Aging and Adult Services and the Office for Citizens with Developmental Disabilities for Medicaid Services.

**Waiver:** A Medicaid waiver grants states permission to waive certain federal requirements in order to operate a specific kind of program. Federal law allows states to enact two types of Medicaid waivers: 1) Program Waivers [1915 (b), 1915 (c)] and 2) Research and Demonstration Waivers [1115].

**WBS:** Work Breakdown Structure.

**WUI:** Web User Interfaces.

* 1. Schedule of Events

|  |  |
| --- | --- |
| Event | Date and Time (CDT) |
| 1. SFP released and posted to LaPAC | November 1, 2010 |
| 1. Procurement Library | Shall open on the date SFP is released and shall remain open until three (3) weeks prior to the Proposal due date. Proposers shall have submitted a letter of intent in order to access the procurement library. See rules governing access in Section 1.7.3 |
| 1. Deadline to receive letter of intent to propose | November 15, 2010 |
| 1. Deadline to receive written inquiries | November 29, 2010 |
| 1. Deadline to answer written inquiries | December 13, 2010 |
| 1. Proposal Opening Date (deadline for submitting proposals) | February 1, 2011 |
| 1. Oral discussions with Proposers, if applicable | To be scheduled |
| 1. Notice of Intent to Award to be mailed | To be scheduled |
| 1. Contract Negotiation | To be scheduled |

NOTE: **The State of Louisiana reserves the right to revise this schedule.  Any such revision shall be formalized by the issuance of an addendum to the SFP.**

* 1. Proposal Submittal

This SFP is available in electronic form at the LaPAC website <http://wwwprd.doa.louisiana.gov/osp/lapac/pubmain.asp>. It is available in PDF format or in printed form by submitting a written request to the SFP Contracting Officer with the Office of State Purchasing (OSP).

It is the potential Proposer’s responsibility to check the Office of State Purchasing LaPAC website frequently for any possible addenda that may be issued. The Office of State Purchasing is not responsible for a potential Proposer’s failure to download any addenda documents required to complete a Solicitation for Proposal.

All proposals shall be received by the Office of State Purchasing **no later than the date and time shown in the Schedule of Events.**

**Important** - - **Clearly mark outside of envelope, box, or package with the following information and format:**

* **Proposal Name: Medicaid Management Information System Replacement and Fiscal Intermediary Services**
* **File Number: R 27931 EP, Solicitation Number: 2242837**
* **Proposal Opening Date: February 1, 2011 @ 10:00 A.M. (CST)**

**Proposers are hereby advised that the U. S. Postal Service does not make deliveries to our physical location.**

Proposals may be mailed through the U. S. Postal Service to our box at:

**Office of State Purchasing**

**P.O. Box 94095**

**Baton Rouge, LA 70804-9095**

Proposals may be delivered by hand or courier service to our physical location at:

**Office of State Purchasing**

**1201 North 3rd Street**

**Suite 2-160**

**Baton Rouge, LA 70802**

Proposer is solely responsible for ensuring that its courier service provider makes inside deliveries to our physical location. The Office of State Purchasing is not responsible for any delays caused by the Proposer’s chosen means of proposal delivery.

Proposers should be aware of security requirements for the Claiborne building and allow time to be photographed and presented with a temporary identification badge.

Proposer is solely responsible for the timely delivery of its proposal. Failure to meet the proposal opening date and time shall result in rejection of the proposal.

PROPOSALS SHALL BE OPENED PUBLICLY AND ONLY PROPOSERS SUBMITTING PROPOSALS SHALL BE IDENTIFIED ALOUD. **PRICES SHALL NOT BE READ.**

* 1. Proposal Response Format

Proposals submitted for consideration should follow the format and order of presentation described below. Two separate proposals shall be submitted – a Technical Proposal and a Cost Proposal. The detail of what is expected to be presented in each section is in Section 2.6 Proposal Elements.

Technical Proposal Format:

1. **Cover Letter**: The cover letter should exhibit the Proposer’s understanding and approach to the project. It should contain a summary of Proposer’s ability to perform the services described in the SFP and confirm the Proposer is willing to perform those services and enter into a contract with the State.

By signing the letter and/or the proposal, the proposer certifies compliance with the signature authority required in accordance with L.R.S. 39:1594 (Act 121). The person signing the proposal must be:

* A current corporate officer, partnership member, or other individual specifically authorized to submit a proposal as reflected in the appropriate records on file with the secretary of state; or
* An individual authorized to bind the company as reflected by a corporate resolution, certificate or affidavit; or
* Other documents indicating authority which are acceptable to the public entity.

The cover letter should also

* Identify the submitting Proposer and provide their federal tax identification number;
* Identify the name, title, address, telephone number, fax number, and email address of each person authorized by the Proposer to contractually obligate the Proposer;
* Identify the name, address, telephone number, fax number, and email address of the contact person for technical and contractual clarifications throughout the evaluation period.

1. **Table of Contents:** Organized in the order cited in the format contained herein.
2. **Administrative and Mandatory Requirements**: Mandatory requirements exist for this proposal and shall be addressed within the Administrative and Mandatory Requirements section of the SFP. The Proposer shall either provide the information requested within Section 2.6.1.3 or acknowledge the information has been provided elsewhere citing the specific location where the information can be found.
3. **Executive Summary**

The Executive Summary shall contain the following:

* A brief statement of understanding of the procurement objectives;
* A summary statement of the overall technical approach to DDI and operations.

1. **Proposer Qualifications and Experience:** The Proposer's administrative structure shall be designed to facilitate effective management of the Proposer’s and subcontractors’ resources and to ensure the efficient delivery of quality services to the Department.
2. **Proposed Solution/Technical Response:** Illustrating and describing proposed technical solution and compliance with SFP requirements.
3. **Period of Agreement:** The Proposer shall agree to the term of the contract which is ninety-six (96) months, divided into one period of sixty (60) months for DDI and Operations, immediately followed by three (3) successive twelve (12) month periods as approved by the Department.
4. **Deliverables:** The Proposer shall meet specific requirements for all deliverables in all phases of this contract.
5. **Location:** The Contractor shall establish and maintain a facility within a seven (7) mile radius of 628 N. 4th Street, Baton Rouge, Louisiana, throughout the term of the contract. Exceptions to this requirement may be considered only if space is not available within the seven (7) mile radius. Supporting documentation from a minimum of two (2) accredited realtors must be included for justification to be validated by the Department.
6. **Detailed Project Work Plan:** Detailed schedule of implementation plan for Department implementation. This schedule is to include implementation actions, timelines, responsible parties, etc.

Cost Proposal Format:

**K.** **Cost Proposal:** Proposer’s fees and other costs shall be submitted separately from the technical proposal. There shall be no mention of price in the technical proposal. Prices proposed shall be firm for the duration of the Contract. This cost proposal shall include any and all costs the Proposer wishes to have considered in the contractual arrangement with the State. The cost proposal shall be labeled as such, sealed, and submitted separately. Failure to comply with this requirement shall cause the proposal to be rejected.

* + 1. Number of Response Copies

Each Proposer shall submit one (1) signed original response of the technical and the separate cost proposal. These documents shall be packaged separately from the other copies and marked as “**ORIGINALS**”. Twenty (20) additional paper copies with five (5) discs of the technical proposal and ten (10) paper copies of the cost proposal with five (5) discs should be provided, as well as one (1) redacted copy in both paper and electronic medium, if applicable (See Section 1.6). The costs proposals shall be packaged and sealed separately and marked as “COST PROPOSALS”.

* + 1. Legibility/Clarity

Responses to the requirements of this SFP in the formats requested are required with all questions answered. The Proposer’s response is to demonstrate an understanding of the requirements. Proposals shall be prepared simply and economically, providing a straightforward, concise description of the Proposer’s ability to meet the requirements of the SFP. Although there is no page limit, the Department expects the proposers to include only value added information in the proposal. Each Proposer is solely responsible for the accuracy and completeness of its proposal.

* 1. Confidential Information, Trade Secrets, and Proprietary Information

The designation of certain information as trade secrets and/or privileged or confidential proprietary information shall only apply to the technical portion of the proposal. The cost proposal shall not be considered confidential. Any proposal copyrighted or marked as confidential or proprietary in its entirety shall be rejected without further consideration or recourse.

For the purposes of this procurement, the provisions of the Louisiana Public Records Act (La. R.S. 44.1 et. seq.) shall be in effect. Pursuant to this Act, all proceedings, records, contracts, and other public documents relating to this procurement shall be open to public inspection. Proposers are reminded that while trade secrets and other proprietary information they submit in conjunction with this procurement may not be subject to public disclosure, protections shall be claimed by the Proposer at the time of submission of its Technical Proposal. Proposers should refer to the Louisiana Public Records Act for further clarification.

The Proposer shall clearly designate the part of the proposal that contains a trade secret and/or privileged or confidential proprietary information as “confidential” in order to claim protection, if any, from disclosure. The Proposer shall mark the cover sheet of the proposal with the following legend, specifying the specific section(s) of his proposal sought to be restricted in accordance with the conditions of the legend:

*“The data contained in pages \_\_\_\_\_of the proposal are submitted in confidence and contain trade secrets and/or privileged or confidential information and such data shall only be disclosed for evaluation purposes, provided that if a contract is awarded to this Proposer as a result of or in connection with the submission of this proposal, the State of Louisiana shall have the right to use or disclose the data therein to the extent provided in the Contract. This restriction does not limit the State of Louisiana’s right to use or disclose data obtained from any source, including the Proposer, without restrictions.”*

Further, to protect such data, each page containing such data shall be specifically identified and marked “CONFIDENTIAL”.

Proposers shall be prepared to defend the reasons why the material should be held confidential. If a competing Proposer or other person seeks review or copies of another Proposer's confidential data, the State shall notify the owner of the asserted data of the request. If the owner of the asserted data does not want the information disclosed, it shall agree to indemnify the State and hold the State harmless against all actions or court proceedings that may ensue (including attorney's fees), which seek to order the State to disclose the information. If the owner of the asserted data refuses to indemnify and hold the State harmless, the State may disclose the information.

The State reserves the right to make any proposal, including proprietary information contained therein, available to OSP personnel, the Office of the Governor, or other State agencies or organizations for the sole purpose of assisting the State in its evaluation of the proposal. The State shall require said individuals to protect the confidentiality of any specifically identified proprietary information or privileged business information obtained as a result of their participation in these evaluations.

If your proposal contains confidential information, you should also submit a redacted copy along with your proposal. If you do not submit the redacted copy, you shall be required to submit a redacted copy within 48 hours of notification from the Office of State Purchasing. When submitting your redacted copy, you should clearly mark the cover as such - “REDACTED COPY” - to avoid having this copy reviewed by an evaluation committee member. The redacted copy should also state which sections or information has been removed.”

* 1. Proposal Clarifications Prior to Submittal
     1. Pre-proposal Conference

A pre-proposal conference is not required for this SFP, but a letter of intent to propose is mandatory from any Proposer interested in submitting a proposal by the identified date in Section 1.3.

* + 1. Rules Governing the Mandatory Letter of Intent to Propose

An official letter of intent signed by an individual authorized to bind the company as reflected by a corporate resolution, certificate, or affidavit; shall be received by the Office of State Purchasing within fourteen (14) calendar days of the release date of the SFP in order for a proposal to be considered. It is acceptable to fax a letter of intent. The fax number is (225) 342-8688. See Appendix A for the Letter of Intent. (The name and contact information of the authorized submitter of questions shall be included in letter of intent. This person shall also be the only authorized to book the procurement library.). All faxes shall be responded to in the order of receipt.

Any proposal submitted by a Proposer that did not submit a letter of intent during the specific period shall be considered non-responsive and shall not be evaluated.

* + 1. Rules Governing the Use of the Procurement Library

The Procurement library is to provide internal Medicaid reports and documents for use as a resource in the development of the proposal. However, the Department does not warrant the accuracy of the documentation. Furthermore, the requirements specified in the SFP take precedence over any documentation in the Procurement Library if a conflict exists.

Some parts of the Procurement Library shall be available on-line at: <http://www.dhh.louisiana.gov/offices/page.asp?ID=141&Detail=8775>

* Use of the physical Procurement Library shall be scheduled for half-day intervals. Reference the schedule of events for dates. Only persons with appointments shall be allowed to access the Procurement Library.
* Appointments to use the physical Procurement Library shall be made by calling:

Dawn Gulczynski at (225) 342-5962

All appointments shall be made on a first call basis. Access to the Procurement Library shall be provided Monday through Friday from 8:30 a.m. to 11:30 a.m., and from 1:00 p.m. to 4:00 p.m., with the exception of official State holidays.

* The physical Procurement Library is located at:

Department of Health and Hospitals

628 N. 4th Street

Baton Rouge, LA

6th Floor Room 640

* Individuals using the Procurement Library shall be required to sign in at the first (1st) floor Reception Desk, provide identification with a photograph, and obtain a visitor badge. Please leave sufficient time for this prior to the scheduled appointment.
* So that all persons shall have an opportunity to use the library, no individual persons shall be allowed to schedule more than four (4) consecutive half-day intervals and no more than two half-day intervals during the three (3) weeks before proposals are due.
* At the time the appointment is made, the name of the reviewer(s), the name, physical address and e-mail address of the entity and a telephone number at which the individual may be reached shall be provided. E-mail confirmation of the appointment shall be provided by the Department. Should an individual not be able to keep the appointment or changes occur as to who shall review the reference materials, the Department should be notified at least one (1) day prior to the scheduled appointment. For "no-shows," contiguous appointments for that entity may be canceled. Identification shall be required. Proposers shall be limited to five (5) individuals at any one session.
* Reviewers shall sign their name; provide the firm name, date and time in a log prior to admittance to the Procurement Library.
* A Department staff member shall be present during review of materials.
* Reference materials shall remain in the designated Procurement Library at all times.
* A Department staff person shall assure that all reference materials are intact prior to the reviewer's departure. The reviewer shall sign out, noting his/her time of departure.
* Proposers may copy any material contained in the Procurement Library using portable copy equipment supplied by the Proposer or use a local copy company where use has been prior arranged by the Department (information will be available in the procurement library).

* + 1. Proposer Inquiry Periods

The State shall not and cannot permit an open-ended inquiry period, as this creates an unwarranted delay in the procurement cycle and operations of our agency customers. The State reasonably expects and requires *responsible and interested* proposers to conduct their in-depth proposal review and submit inquiries in a timely manner.

An inquiry period is hereby firmly set for eligible Proposers who have submitted a timely letter of intent, to perform a detailed review of the SFP documents and to submit any written inquiries relative thereto. *Without exception*, all inquiries SHALL be submitted in electronic Excel format using Appendix G (Written Inquiry Template) by an authorized representative of the proposer, clearly cross-referenced to the relevant solicitation section. All inquiries must be received by 4:30 p.m. (CDT) on the Inquiry Deadline date set forth in Section 1.3 Schedule of Events of this SFP. Only those inquiries received by the established deadline shall be considered by the State. Inquiries received after the established deadline shall not be entertained.

Inquiries concerning this solicitation may be delivered by mail, express courier, e-mail, or hand, to:

Delivered by mail through the U. S. Postal Service to our box at:

Office of State Purchasing

Attention: Felicia M. Sonnier

P. O. Box 94095

Baton Rouge, LA 70804-9095

Delivered by hand or courier service to our physical location at:

Office of State Purchasing

1201 North Third St.

Claiborne Bldg., Suite 2-160

Baton Rouge, LA 70802

E-mail: felicia.sonnier@la.gov

Phone: 225-342-8029

Inquiries delivered by mail, express courier, or hand shall be provided on compact disk.

An addendum will be issued and posted at the Office of State Purchasing LaPAC website, to address all inquiries received and any other changes or clarifications to the solicitation. Thereafter, all proposal documents, including but not limited to the specifications, terms, conditions, plans, etc., will stand as written and/or amended by any addendum. No negotiations, decisions, or actions shall be executed by any proposer as a result of any oral discussions with any state employee or state consultant. It is the proposer’s responsibility to check the LaPAC website frequently for any possible addenda that may be issued. The Office of State Purchasing is not responsible for a proposer’s failure to download any addenda documents required to complete this SFP.

\* Note: LaPAC is the State’s on-line electronic bid posting and notification system resident on the Office of State Purchasing’s website [www.doa.Louisiana.gov/osp] and is available for vendor self-enrollment. In that LaPAC provides an immediate e-mail notification to subscribing Proposers that a solicitation and any subsequent addenda are let and posted, notice and receipt thereof is considered formally given as of their respective dates of posting.

Any person aggrieved in connection with the solicitation or the specifications contained therein have the right to protest in accordance with R.S. 39:1671. Such protest shall be made in writing to the Director of State Purchasing at least two days prior to the deadline for submitting proposals.

* 1. Errors and Omissions in Proposal

The State shall not be liable for any errors in the proposal. Proposer shall not be allowed to alter proposal documents after the deadline for proposal submission, except under the following condition: The State reserves the right to make corrections or clarifications due to patent errors identified in proposals by the State or the Proposer. The State, at its option, has the right to request clarification or additional information from the Proposer.

* 1. Proposal Guarantee

Each proposal shall be accompanied by a proposal guarantee in the form of a bond or a certified or cashier’s check or money order made payable to the Treasurer of the State of Louisiana, in the amount of Two hundred, fifty thousand dollars ($250,000). If a bond is used, it shall be written by a surety or insurance company currently on the U.S. Department of the Treasury Financial Management Service list of approved bonding companies which is published annually in the *Federal Register*, or by a Louisiana domiciled insurance company with at least an A- rating in the latest printing of the A.M. Best’s Key Rating Guide to write individual bonds up to ten percent (10%) of policyholder’s surplus as shown in the A.M. Best’s Key Rating Guide. Proposal guarantees shall be subject to forfeiture for failure on the part of the selected Proposer to execute a contract within fourteen (14) calendar days after such contract is submitted to Proposer in conformance with the terms, conditions, and specifications of this solicitation. Proposal guarantees in the form of a check or money order shall be returned upon the Division of Administration’s approval of the signed contract or upon rejection of all proposals.

* 1. Performance Bond

The successful Proposer shall be required to provide a performance (surety) bond in the amount of six million dollars ($6,000,000) to be renewed annually for the life of the Contract. The bond is to insure the successful performance under the terms and conditions of the Contract negotiated between the successful Proposer and the State.

Any performance bond furnished shall be written by a surety or insurance company currently on the U.S. Department of the Treasury Financial Management Service list of approved bonding companies which is published annually in the Federal Register, or by a Louisiana domiciled insurance company with at least an A-rating in the latest printing of the A.M. Best's Key Rating Guide to write individual bonds up to ten percent (10%) of policyholder’s surplus as shown in the A.M. Best's Key Rating Guide or by an insurance company that is either domiciled in Louisiana or owned by Louisiana residents and is licensed to write surety bonds.

No surety or insurance company shall write a performance bond which is in excess of the amount indicated as approved by the U.S. Department of the Treasury Financial Management Service list or by a Louisiana domiciled insurance company with an A-rating by A.M. Best up to a limit of ten percent (10%) of policyholder’s surplus as shown by A.M. Best; companies authorized by this Paragraph who are not on the treasury list shall not write a performance bond when the penalty exceeds fifteen percent (15%) of its capital and surplus, such capital and surplus being the amount by which the company's assets exceed its liabilities as reflected by the most recent financial statements filed by the company with the Department of Insurance.

The performance bond is to be provided within ten (10) business days from request. Failure to provide the performance bond within the time specified above may cause your offer to be rejected.

In the event the Department exercises any of the optional years of the Contract, the surety shall be granted the right to review the extension of the performance bond, reserving full rights to extend at each instance of extension of the Contract. Refusal of such surety to extend will not relieve the Contractor of its obligation to procure and maintain the performance bond as described above. In addition, any performance bond furnished shall be written by a surety or insurance company that is currently licensed to do business in the State of Louisiana.

The performance bond shall be forfeited under the following circumstances:

* If the Contract is terminated during the Contract life for cause or default.
* If the Contract is terminated during the Contract life for bankruptcy as provided in Article III, Section C of this Contract.

The performance bond shall not be forfeited if the Contract is terminated during the Contract life for convenience of the Department.

* 1. Changes, Addenda, Withdrawals

The State reserves the right to change the Schedule of Events or issue Addenda to the SFP at any time. The State also reserves the right to cancel or reissue the SFP.

If the Proposer needs to submit changes or addenda, such shall be submitted in writing, signed by an authorized representative of the Proposer, cross-referenced clearly to the relevant proposal section, prior to the proposal opening according to the schedule of events, and should be submitted in a sealed envelope. Such shall meet all requirements of the proposal.

* 1. Withdrawal of Proposal

A Proposer may withdraw a proposal that has been submitted at any time up to the proposal closing date and time. To accomplish this, a written request signed by the authorized representative of the Proposer shall be submitted to the Office of State Purchasing.

* 1. Material in the SFP

Proposals shall be based only on the material contained in this SFP. The SFP includes official responses to questions, addenda, and other material, which may be provided by the State pursuant to the SFP.

* 1. Waiver of Administrative Informalities

The State reserves the right, at its sole discretion, to waive administrative informalities contained in any proposal.

* 1. Proposal Rejection

Issuance of this SFP in no way constitutes a commitment by the State to award a contract. The State reserves the right to accept or reject any or all proposals submitted or to cancel this SFP if it is in the best interest of the State to do so.

In accordance with the provisions of R.S. 39:2182, in awarding contracts after August 15, 2010, any public entity is authorized to reject a proposal or bid from, or not award the contract to, a business in which any individual with an ownership interest of five percent or more, has been convicted of, or has entered a plea of guilty or nolo contendere to any state felony or equivalent federal felony crime committed in the solicitation or execution of a contract or bid awarded under the laws governing public contracts under the provisions of Chapter 10 of Title 38 of the Louisiana Revised Statutes of 1950, professional, personal, consulting, and social services procurement under the provisions of Chapter 16 of this Title, or the Louisiana Procurement Code under the provisions of Chapter 17 of this Title.

* 1. Ownership of Proposal

All materials (paper and electronic) submitted in response to this request become the property of the State, but will be treated with the confidentiality described in section 1.6. Selection or rejection of a response does not affect this right. All proposals submitted shall be retained by the State and not returned to Proposers. The Department shall have the right to use all system concepts contained in any proposal regardless of selection or rejection.

All Contractors agree that the Department may copy the Proposal for purposes of facilitating the evaluation of the Proposal or to respond to requests for public records. The Proposer consents to such copying by submitting a Proposal and represents/warrants that such copying will not violate the rights of any third party. The Department shall have the right to use ideas or adaptations of ideas that are presented in the Proposals.

* 1. Cost of Offer Preparation

The State is not liable for any costs incurred by prospective Proposers or Contractors prior to issuance of or entering into a contract. Costs associated with developing the proposal, preparing for oral presentations, and any other expenses incurred by the Proposer in responding to the SFP are entirely the responsibility of the Proposer, and shall not be reimbursed in any manner by the State of Louisiana.

* 1. Non-negotiable Contract Terms

Non-negotiable contract terms include but are not limited to taxes, assignment of contract, audit of records, EEOC and ADA compliance, record retention, content of contract/order of precedence, contract changes, governing law, claims or controversies, and termination based on contingency of appropriation of funds.

* 1. Taxes

Any taxes, other than state and local sales and use taxes, from which the State is exempt, shall be assumed to be included within the Proposer’s cost.

* 1. Proposal Validity

All proposals shall be considered valid for acceptance until such time an award is made, unless the Proposer provides for a different time period within its proposal response. However, the State reserves the right to reject a proposal if the Proposer’s acceptance period is unacceptable and the Proposer is unwilling to extend the validity of its proposal.

* 1. Prime Contractor Responsibilities

The selected Proposer shall be required to assume responsibility for all items and services offered in his proposal whether or not he produces or provides them. The State shall consider the selected Proposer to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the Contract.

* 1. Use of Subcontractors

Each Contractor shall serve as the single prime contractor for all work performed pursuant to its contract. That prime contractor shall be responsible for all deliverables referenced in this SFP.

This general requirement notwithstanding, Proposers may enter into subcontractor arrangements. Proposers may submit a proposal in response to this SFP, which identifies subcontract(s) with others, provided that the prime contractor acknowledges total responsibility for the entire contract. Subcontractors shall conform to and meet all requirements as specified in the SFP.

If it becomes necessary for the prime contractor to use subcontractors, the State urges the prime contractor to use Louisiana vendors, including small and emerging businesses, a small entrepreneurship or a veteran or service-connected disabled veteran-owned small entrepreneurship, if practical. In all events, any subcontractor used by the prime should be identified to the State Project Manager. Use of any subcontractor shall require prior approval from the Department and a copy of the subcontractor agreement shall be provided to the Department.

* 1. Written or Oral Discussions/Presentations

Written or oral discussions may be conducted with Proposers who submit proposals determined to be reasonably susceptible of being selected for award; however, the State reserves the right to enter into an Agreement without further discussion of the proposal submitted based on the initial offers received.

Any commitments or representations made during these discussions, if conducted, may become formally recorded in the final contract.

Written or oral discussions/presentations for clarification may be conducted to enhance the State's understanding of any or all of the proposals submitted. Proposals may be accepted without such discussions.

* 1. Acceptance of Proposal Content

The mandatory SFP requirements shall become contractual obligations if a contract ensues. Failure of the successful Proposer to accept these obligations shall result in the rejection of the proposal.

* 1. Evaluation and Selection

Qualified responses received as a result of this SFP are subject to evaluation by the State Evaluation Committee for the purpose of selecting the Proposer with whom the State shall contract.

To evaluate all proposals, a committee whose members have expertise in various areas has been selected. This committee shall determine which proposals are reasonably susceptible of being selected for award. If required, written or oral discussions may be conducted with any or all of the Proposers to make this determination.

Written recommendation for award shall be made to the Director of State Purchasing for the Proposer whose proposal, conforming to the SFP, shall be the most advantageous to the State of Louisiana, price and other factors considered.

The committee may reject any or all proposals if none is considered in the best interest of the State.

* 1. Contract Negotiations

If for any reason the Proposer whose proposal is most responsive to the State's needs, price, and other evaluation factors set forth in the SFP considered, does not agree to a contract, that proposal shall be rejected and the State may negotiate with the next most responsive Proposer. Negotiation may include revision of non-mandatory terms, conditions, and requirements. OSP shall approve the final contract form to complete the process.

The Department reserves the right, at its discretion, to require Best and Final offers for technical and/or cost proposals. OSP shall establish a date and time for submission of best and final offers. For Proposers who do not submit a Best and Final offer, their immediate previous offer will be construed as their best and final offer. However, Proposers are cautioned to propose their best possible offers at the outset of the process, as there is no guarantee that any Proposer will be allowed an opportunity to submit a Best and Final technical and/or cost offer.

* 1. Contract Award and Execution

The State reserves the right to enter into a Contract without further discussion of the proposal submitted based on the initial offers received.

The SFP, including any addenda and the proposal of the selected Contractor shall become part of any contract initiated by the State.

Proposers are discouraged from submitting their own standard terms and conditions with their proposals. Proposers should address the specific language in the sample contract and submit any exceptions or deviations the Proposer wishes to negotiate. The proposed terms shall be negotiated before a final contract is entered. Mandatory terms and conditions are not negotiable. If applicable, a Proposer may submit or refer to a Master Agreement entered into by the Proposer and the State in accordance with R.S. 39:198(e).

If the Contract negotiation period exceeds thirty (30) calendar days or if the selected Proposer fails to return a signed contract within seven (7) calendar days of delivery of it, the State may elect to cancel the award and award the Contract to the next-highest-ranked Proposer.

Award shall be made to the Proposer with the highest points, whose proposal, conforming to the SFP, shall be the most advantageous to the State of Louisiana, price and other factors considered.

The State intends to award to a single Proposer.

* 1. Notice of Intent to Award

Upon review and prior written approval of the evaluation committee’s and Department’s recommendation for award, OSP shall issue a “Notice of Intent to Award” letter to the apparent successful Proposer. A contract shall be completed and signed by all parties concerned on or before the date indicated in the “Schedule of Events.” If this date is not met, through no fault of the State, the State may elect to cancel the Notice of Intent to Award letter and make the award to the next most advantageous Proposer.

OSP shall also notify all unsuccessful Proposers as to the outcome of the evaluation process. The evaluation factors, points, evaluation committee member names, and the completed evaluation summary and recommendation report shall be made available to all interested parties after the “Notice of Intent to Award” letter has been issued.

Any person aggrieved by the proposed award has the right to submit a protest in writing, in accordance with R.S. 39:1671, to the Director of State Purchasing, within fourteen days of the award/intent to award.

* 1. Debriefings

Debriefings may be scheduled by the participating Proposers after the “Notice of Intent to Award” letter has been issued by scheduling an appointment with the Office of State Purchasing. Contact may be made by phone at (225) 342-8029 or E-mail to felicia.sonnier@la.gov.

* 1. Insurance Requirements

Contractor shall procure and maintain for the duration of the Contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees, or subcontractors. The cost of such insurance shall be included in the Contractor's approval.

* + 1. Minimum Scope of Insurance

Coverage shall be at least as broad as:

Insurance Services Office Commercial General Liability “occurrence” coverage form CG 00 01 (current form approved for use in Louisiana). "Claims Made" form is unacceptable.

Insurance Services Office form number CA 00 01 (current form approved for use in Louisiana). The policy shall provide coverage for owned, hired, and non-owned coverage. If an automobile is to be utilized in the execution of this contract, and the vendor/Proposer does not own a vehicle, then proof of hired and non-owned coverage is sufficient.

Workers Compensation insurance as required by the Labor Code of the State of Louisiana, including Employers Liability insurance.

* + 1. Minimum Limits of Insurance

Contractor shall maintain limits no less than:

Commercial General Liability: $1,000,000 combined single limit per occurrence for bodily injury, personal injury, and property damage.

Automobile Liability: $1,000,000 combined single limit per accident, for bodily injury and property damage.

Workers Compensation and Employers Liability: Workers Compensation limits as required by the Labor Code of the State of Louisiana and Employers Liability coverage. Exception: Employers liability limit is to be $1,000,000 when work is to be over water and involves maritime exposure.

* + 1. Deductibles and Self-insured Retentions

Any deductibles or self-insured retentions shall be declared to and approved by the Department. At the option of the Department, either 1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the Department, its officers, officials, employees and volunteers, or 2) the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

* 1. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

* + 1. General Liability and Automobile Liability Coverage;

The Department, its officers, officials, employees, Boards and Commissions and volunteers are to be added as "additional insureds" as respects liability arising out of activities performed by or on behalf of the Contractor; products and completed operations of the Contractor, premises owned, occupied, or used by the Contractor. The coverage shall contain no special limitations on the scope of protection afforded to the Department, its officers, officials, employees, or volunteers. It is understood that the business auto policy under "Who is an Insured" automatically provides liability coverage in favor of the State of Louisiana;

Any failure to comply with reporting provisions of the policy shall not affect coverage provided to the Department, its officers, officials, and employees, Boards and Commissions or volunteers;

The Contractor's insurance shall apply separately to each insured against whom the claim is made or suit is brought, except with respect to the limits of the insurer's liability;

Workers Compensation and Employers Liability Coverage; and

The insurer shall agree to waive all rights of subrogation against the Department, its officers, officials, employees, and volunteers for losses arising from work performed by the Contractor for the Department.

* 1. All Insurance Coverage

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, or reduced in coverage or in limits except after thirty (30) calendar days prior written notice by certified mail, return receipt requested, has been given to the Department.

* + 1. Acceptability of Insurers

Insurance is to be placed with insurers with a Best's rating of A-VI or higher. This rating requirement may be waived for workers compensation coverage only.

* + 1. Verification of Coverage

Contractor shall furnish the Department with certificates of insurance affecting coverage required by this clause. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates are to be received and approved by the Department before work commences. The Department reserves the right to require complete, certified copies of all required insurance policies, at any time.

* + 1. Subcontractor Insurance

Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certificates for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

* + 1. Indemnification and Limitation of Liability

Neither party shall be liable for any delay or failure in performance beyond its control resulting from acts of God or force majeure. The parties shall use reasonable efforts to eliminate or minimize the effect of such events upon performance of their respective duties under the Contract.

Contractor shall be fully liable for the actions of its agents, employees, partners or subcontractors and shall fully indemnify and hold harmless the State from suits, actions, claims, damages and costs of every name and description relating to personal injury and damage to real or personal tangible property caused by Contractor, its agents, employees, partners or subcontractors in the performance of the Contract, without limitation; provided, however, that the Contractor shall not indemnify for that portion of any claim, loss or damage arising hereunder due to the negligent act or failure to act of the State.

Contractor shall indemnify, defend and hold the State harmless, ***without limitation****,* from and against any and all damages, expenses (including reasonable attorney’s fees), claims judgments, liabilities and costs which may be finally assessed against the State in any action for infringement of a United States Letter Patent with respect to the Products, Materials, or Services furnished, or of any copyright, trademark, trade secret or intellectual property right, provided that the State shall give the Contractor: (i) prompt written notice of any action, claim or threat of infringement suit, or other suit, (ii) the opportunity to take over, settle or defend such action, claim or suit at Contractor's sole expense, and (iii) assistance in the defense of any such action at the expense of Contractor. Where a dispute or claim arises relative to a real or anticipated infringement, the State may require Contractor, at its sole expense, to submit such information and documentation, including formal patent attorney opinions, as the Commissioner of Administration shall require.

The Contractor shall not be obligated to indemnify that portion of a claim or dispute based upon: (i) State’s unauthorized modification or alteration of a Product, Material, or Service; (ii) State’s use of the Product, Material, or Service in combination with other products, materials, or services not furnished by Contractor; (iii) State’s use in other than the specified operating conditions and environment.

In addition to the foregoing, if the use of any item(s) or part(s) thereof shall be enjoined for any reason or if Contractor believes that it may be enjoined, Contractor shall have the right, at its own expense and sole discretion as the State’s exclusive remedy to take action in the following order of precedence: (i) to procure for the State the right to continue using such item(s) or part (s) thereof, as applicable; (ii) to modify the component so that it becomes non- infringing equipment of at least equal quality and performance; or (iii) to replace said item(s) or part(s) thereof, as applicable, with non-infringing components of at least equal quality and performance, or (iv) if none of the foregoing is commercially reasonable, then provide monetary compensation to the State up to the dollar amount of the Contract.

For all other claims against the Contractor where liability is not otherwise set forth in the Contract as being “without limitation”, and regardless of the basis on which the claim is made, Contractor’s liability for direct damages, shall be the greater of $100,000, the dollar amount of the Contract, or two (2) times the charges for products, materials, or services rendered by the Contractor under the Contract. Unless otherwise specifically enumerated herein mutually agreed between the parties, neither party shall be liable to the other for special, indirect or consequential damages, including lost data or records (unless the Contractor is required to back-up the data or records as part of the work plan), even if the party has been advised of the possibility of such damages. This SFP requires the Contractor to back up all data at least once per calendar day and store data in a safe environment. Neither party shall be liable for lost profits, lost revenue or lost institutional operating savings.

The State may, in addition to other remedies available to them at law or equity and upon notice to the Contractor, retain such monies from amounts due Contractor, or may proceed against the performance and payment bond, if any, as may be necessary to satisfy any claim for damages, penalties, costs and the like asserted by or against them.

* 1. Fidelity Bond

Not required for this SFP.

* 1. Payment for Services

The Department shall pay Contractor in accordance with the Cost Schedule set forth in Section 2.3. The Contractor may invoice the Department monthly at the billing address designated by the Department. Payments shall be made by the Department within approximately thirty (30) days after receipt of a properly executed invoice, and prior written approval by the Department. Invoices shall include the Contract and order number, using department and product purchased. Invoices submitted without the referenced documentation shall not be approved for payment until the required information is provided.

* 1. Termination
     1. Termination of the Contract for Cause

The State may terminate the Contract for cause based upon the failure of Contractor to comply with the terms and/or conditions of the Contract, or failure to fulfill its performance obligations pursuant to the Contract, provided that the State shall give the Contractor written notice specifying the Contractor’s failure. If within thirty (30) calendar days after receipt of such notice, the Contractor shall not have corrected such failure or, in the case of failure which cannot be corrected in thirty (30) calendar days, begun in good faith to correct such failure and thereafter proceeded diligently to complete such correction, then the State may, at its option, place the Contractor in default and the Contract shall terminate on the date specified in such notice.

The Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the State to comply with the terms and conditions of the Contract, provided that the Contractor shall give the State written notice specifying the State’s failure and a reasonable opportunity for the State to cure the defect.

* + 1. Termination of the Contract for Convenience

The State may terminate the Contract at any time by giving thirty (30) calendar days written notice to the Contractor of such termination or negotiating with the Contractor an effective date.

The Contractor shall be entitled to payment for deliverables in progress, to the extent work has been performed satisfactorily.

* + 1. Termination for Non-Appropriation of Funds

The continuance of the Contract is contingent upon the appropriation of funds to fulfill the requirements of the Contract by the legislature. If the legislature fails to appropriate sufficient monies to provide for the continuation of the Contract, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act or Title 39 of the Louisiana Revised Statutes of 1950 to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of the Contract, the Contract shall terminate on the date of the beginning of the first fiscal year for which funds are not appropriated.

* 1. Assignment

Assignment of contract, or any payment under the Contract, requires the advanced written approval of the Commissioner of Administration.

* 1. No Guarantee of Quantities

Not Applicable to this SFP

* 1. Audit of Records

The State legislative auditor, federal auditors and internal auditors of the Department of Health and Hospitals, Division of Administration, or others so designated by the DOA, shall have the option to audit all accounts directly pertaining to the resulting contract for a period of five (5) years after project acceptance or as required by applicable State and Federal law. Records shall be made available during normal working hours for this purpose.

* 1. Civil Rights Compliance

The Contractor agrees to abide by the requirements of the following as applicable: Title VI and Title VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Federal Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran’s Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Act of 1975, and Contractor agrees to abide by the requirements of the Americans with Disabilities Act of 1990. Contractor agrees not to discriminate in its employment practices, and shall render services under the Contract, without regard to race, color, religion, sex, national origin, veteran status, political affiliation, or disabilities. Any act of discrimination committed by Contractor, or failure to comply with these statutory obligations when applicable shall be grounds for termination of the Contract.

* 1. Record Retention

The Contractor shall maintain a backup copy of all records in relation to the Contract for a period of at least seven (7) years after final payment.

* 1. Record Ownership

The Department shall own all work products (records, reports, documents and other material) developed or furnished related to any contract resulting from this SFP and/or obtained or prepared by Contractor in connection with the performance of the services contracted for herein shall become the property of the State and shall, upon request, be provided or returned by Contractor to the State, at Contractor’s expense, at termination or expiration of the Contract or at the State’s request.

* 1. Content of Contract/ Order of Precedence

In the event of an inconsistency between the Contract, the SFP, and/or the Contractor's Proposal, the inconsistency shall be resolved by giving precedence first to the final contract, then to the SFP and subsequent addenda (if any) and finally, the Contractor's Proposal.

* 1. Contract Changes

No additional changes, enhancements, or modifications to any contract resulting from this SFP shall be made without the prior written approval of OSP.

Changes to the Contract include any change in: compensation; beginning/ ending date of the Contract; scope of work. Any such changes, once approved, shall result in the issuance of an amendment to the Contract. All amendments shall be in writing, signed by both parties and approved by OSP in accordance with State laws and regulations.

* 1. Substitution of Personnel

If, during the term of the Contract, the Contractor or subcontractor cannot provide the personnel as proposed and requests a substitution, that substitution shall meet or exceed the requirements stated herein. A detailed resume of qualifications and justification shall be submitted to the State for written approval prior to any personnel substitution.

The State reserves the right to approve or disapprove any of the Contractor's or subcontractor’s proposed changes in staff or to require the removal or reassignment of any Contractor employee or subcontractor employee found unacceptable by the State. Removal of a Contractor employee or subcontractor employee shall mean that the individual may no longer work on the Louisiana Replacement MMIS project or subsequent operations either on-site or remotely. The Department’s request does not need to include any reason as to the request. There shall be no negotiation relative to the request. Reassignment request from the Contractor shall include a justification of why the reassignment is beneficial to the Department.

The Proposer shall provide resumes for all proposed Key Personnel as part of the proposal. The Key Personnel identified by resume in the proposal submitted by the Contractor may, at the option of the Department, be interviewed by the Department as part of the evaluation. There are additional requirements for Key and Non-Key Personnel in Section 2.1.4

Following contract award, the Contractor shall, upon request, provide the Department with a resume of any member of its staff or a subcontractor's staff assigned to or proposed to be assigned to perform any part of this contract.

* 1. Governing Law

All activities associated with this SFP process shall be interpreted under Louisiana Law. The contract is subject to provisions of the law of the State of Louisiana including but not limited to L.R.S. 39:1551-1736; R.S.39:198 (D); purchasing rules and regulations; executive orders; standard terms and conditions; special terms and conditions; and specifications listed in this SFP.

* 1. Claims or Controversies

Any claims or controversies shall be resolved in accordance with the Louisiana Procurement Code, R.S. 39:1673.

* 1. Proposer’s Certification of OMB A-133 Compliance

Certification of no suspension or debarment: By signing and submitting a proposal, the Proposer certifies that their company, any subcontractors, or principals are not suspended or debarred by the General Services Administration (GSA) in accordance with the requirements in OMB Circular A-133.

A list of parties who have been suspended or debarred can be viewed via the internet at <http://www.epls.gov>.

* 1. Civil Rights

Both parties shall abide by the requirements of Title VII of the Civil Rights Act of 1964, and shall not discriminate against employees or applicants due to color, race, religion, sex, handicap, or national origin. Furthermore, both parties shall take Affirmative Action pursuant to Executive Order #11246 and the National Vocational Rehabilitation Act of 1973 to provide for positive posture in employing and upgrading persons without regard to race, color, religion, sex, handicap, or national origin, and shall take Affirmative Action as provided in the Vietnam Era Veteran's Readjustment Act of 1974. Both parties shall also abide by the requirements of Title VI of the Civil Rights Act of 1964 and the Vocational Rehabilitation Act of 1973 to ensure that all services are delivered without discrimination due to race, color, national origin, or handicap.

* 1. Anti-Kickback Clause

The Contractor hereby agrees to adhere to the mandate dictated by the Copeland "Anti-Kickback" Act which provides that each Contractor or subgrantee shall be prohibited from inducing, by any means, any person employed in the completion of work, to give up any part of the compensation to which he is otherwise entitled.

* 1. Clean Air Act

The Contractor hereby agrees to adhere to the provisions which require compliance with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act which prohibits the use under non-exempt Federal contracts, grants, or loans of facilities included on the EPA list of Violating Facilities.

* 1. Energy Policy and Conservation Act

The Contractor hereby recognizes the mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (P.L. 94-163).

* 1. Clean Water Act

The Contractor hereby agrees to adhere to the provisions which require compliance with all applicable standards, orders, or requirements issued under Section 508 of the Clean Water Act which prohibits the use under non-exempt Federal contracts, grants, or loans of facilities included on the EPA List of Violating Facilities.

* 1. Anti-Lobbying and Debarment Act

The Contractor will be expected to comply with Federal statutes required in the Anti-Lobbying Act and the Debarment Act.

* 1. Warranty
     1. System Warranty

The Contractor represents and warrants that the system and software delivered under the Contract shall be free from defect and capable of performing the fiscal agent’s services.

* The Contractor agrees to correct errors discovered in the design and installation of the system.
* The Contractor represents and warrants that no anti-use devices have been or will be installed in the software.
* The Contractor agrees this warranty shall survive termination of the Contract.

* + 1. Leap Year Warranty

The Contractor represents and warrants that any systems hardware and software which is developed and delivered under their Contract shall:

* Accurately process date data, including, but not limited to, calculating, comparing and sequencing from, into, between, and among the nineteenth, twentieth and twenty-first centuries, including leap year calculations, when used in accordance with the documentation provided by the Contractor.
* The Contractor agrees this warranty shall survive termination of the Contract.
  + 1. Compatibility Warranty

The Contractor represents and warrants that the system and software which is developed and delivered under the Contract will perform as a system, and the system and software shall, at a minimum, process, transfer, sequence data, or otherwise interact with the other components or parts of the Department’s system to exchange accurate data. This warranty shall survive termination of the Contract.

* + 1. Remedies

The remedies available to the Department for a breach of warranty include but are not limited to:

* The Contractor must repair non-compliant software at no cost to the Department.
* The Contractor must replace non-compliant software at no cost to the Department.
* The Department may pursue other remedies available to the Department under the Contract.
  + 1. Intellectual Property Rights Warranty

The Contractor represents and warrants that it is the owner and has secured all applicable interests, rights, licenses, permits, or other intellectual property rights in all concepts, materials, Work Products, systems and software, and any other intellectual property right developed and delivered under the Contract. The Contractor further represents and warrants that all concepts, materials, Work Products, systems and software, and any other intellectual property right developed and delivered under the Contract shall not misappropriate a trade secret or infringe any copyright, patent, trademark, trade dress, or other intellectual property right of any third-party. This warranty shall survive termination or expiration of the Contract.

* + 1. Professional Practices Warranty

The Contractor represents and warrants that all services performed pursuant to the Contract shall be performed in a professional and competent, manner by knowledgeable, trained, and qualified personnel, in accordance with the terms of the Contract and the standards of performance considered generally acceptable in the industry for similar services.

1. Part II Scope of Work/Services
   1. Scope of Work
      1. Approach and Methodology

This SFP includes both project-based and operations-based activities, each with its own approach and methodologies to be applied by the Contractor to accomplish the specific requirements of the SFP. The work that shall be performed by the Contractor under the scope of work for this SFP shall be organized under two major phases with major tasks associated with each phase including:

Phase 1: Design, Development, and Implementation (DDI):

Task 1: Project Management,

Task 2: Design,

Task 3: Development and Testing,

Task 4: Conversion,

Task 5: User Acceptance Testing,

Task 6: Implementation, and

Task 7: Certification.

Phase 2: Operations:

Task 1: Project Management,

Task 2: System Modification and Change Control Management, and

Task 3: Succession Management.

As a part of the proposal, the Proposer shall provide information regarding the approaches and methodologies that shall be used by the Proposer for work under the Contract for each phase listed above. The Proposer shall include in its response to this SFP, a description of its application development and maintenance methodology, and identify the approach to:

* Project Management for all DDI;
* Project Management for Operations Phase;
* Information Systems Development Methodology (ISDM) including, but not limited to the following:
  + Requirements Validation,
  + General System Design,
  + Detailed System Design,
  + Development,
  + Testing (unit, system, parallel, conversion, user acceptance, and operational readiness),
  + Data Conversion,
  + Implementation, and
  + Operations.
* MMIS Certification;
* Operations Management;
* Physical and Systems Privacy/Security Management;
* Quality Control Management;
* Change Request Control for DDI and Operations;
* Succession Management;
* Overall Service Approach to the Department;
* Vision of Future Needs; and
* Facilities Operation and Management;

The Proposers are encouraged to identify and describe their ISDM approach and how that approach meets the overall needs of the Department for Approach and Methodology while introducing efficiencies for development and customization of software as well as the integration of COTS products. Where the Proposer’s processes allow the combination of tasks or deliverables to incorporate efficiencies in the process, these should be identified with an explanation of how the processes or approaches meet or exceed the Department’s requirements, as well as define the impact on the overall timeline for phases and tasks described in the SFP.

Any areas where the process or approach differs because it exceeds the Department’s requirements shall be clearly marked as such. The Proposer shall also submit examples of deliverables produced for other projects of similar scope to the Louisiana Replacement MMIS.

The requirements for the project tasks are organized within each task as follows:

* Department responsibilities;
* Contractor responsibilities;
* System requirements;
* Deliverables; and
* Milestones.
  + - 1. Phase 1: Louisiana Replacement MMIS Design, Development, and Implementation

During the DDI Phase, the Contractor shall transfer to Louisiana and implement a certifiable and modifiable Medicaid Management Information System and Decision Support System that complies with the requirements of this SFP. The Contractor shall make or alter the transferred MMIS and COTS applications to meet the business functional requirements described in Section 2.1. The most current versions of the system and COTS applications proposed for the Louisiana Replacement MMIS shall be available for viewing and demonstrations during the requirements validation, general design, and detail design as points of reference for Department staff.

The Proposer shall set the schedule of key dates and dates for submittal of major deliverables for the Department’s review during DDI in the Project Work Plan. All milestone dates and key dates are contingent upon the Department’s prior written approval. The Department desires a thirty-six (36)-month DDI phase for the Louisiana Replacement MMIS Project once the project starts. The recommended thirty-six (36)-month DDI phase consists of the following phases and timelines:

* Design Phase – nine (9) months,
* Development Phase – eighteen (18) months,
* System Test Phase – three (3) months, and
* User Acceptance Phase – six (6) months.

The Proposer shall provide a realistic and achievable work plan and schedule in the proposal that meets all requirements of this SFP.

* + - * 1. Task 1: Project Management – Design, Development, and Implementation

The Contractor shall implement an overall project management approach and methodology that shall best meet the needs of the Contract, as defined by the SFP. Project Management includes all activities to ensure that the appropriate management, monitoring, documentation, and communication processes are executed in support of a successful Louisiana Replacement MMIS.

The Department is open to innovative approaches that shall best take advantage of the

* Transfer system capabilities,
* COTS applications,
* Lessons learned from previous implementations, and
* Insights into future directions in healthcare and healthcare management.

The Department anticipates that Contractors responding to this SFP for the implementation of a certifiable MMIS would have extensive experience in the MMIS or other large health care claims arena. The Department is seeking proposals that include innovative concepts that provide for price and time efficiencies for both the DDI of the system and operation of the MMIS.

The Department is interested in approaches that provide for early implementation of systems and/or contractor functions that can be implemented with minimal impact on the current business processes or operating systems. Early implementation of a function shall not require duplicative work efforts on the part of DHH staff to support both the current operations and proposed operations.

The Department is specifically interested in implementation of the provider enrollment function as early in the DDI process as possible. The provider enrollment function must be capable of supporting the re-enrollment of all current providers and support generation of a daily file of provider re-enrollments to the incumbent Fiscal Intermediary through complete implementation of the replacement MMIS (as well as be integrated into the replacement MMIS for operations). All current providers shall be re-enrolled as early as possible but no later than twenty (20) days prior to the start of User Acceptance Testing (UAT) of the replacement MMIS. Provider training shall begin no later than ninety (90) calendar days prior to implementation. Provider enrollment must include processes to validate facility and individual licensing, criminal background checks, and ownership. The file for use by the incumbent Fiscal Intermediary shall be in a format that requires no changes to the legacy system. The Department expects the proposals to include the method, process, and timeline for the implementation of the provider enrollment functionality and the re-enrollment of all providers including UAT of enrollment process prior to the implementation of the process. The re-enrollment process shall meet the need to collect and utilize any data elements related to the detection of waste, fraud and /or abuse as required from any Federal health reform initiatives such as Section 1903(r)(1)(F) of the Social Security Act (42 U.S.C.1396b(r) (1)(F).

Processes that are considered key components of effective project management for DDI shall be as follows:

* Project Initiation, Planning, and Execution;
* Time Management-activity definition, sequencing, development, and control;
* Staff Management-resource planning, staff acquisition, and team development;
* Quality Management-quality planning, quality assurance and quality control;
* Communications Management-communications planning, information distribution;
* Performance reporting, administrative functions;
* Risk Management-risk planning, risk identification, risk analysis, risk response planning, documenting, communicating, and mitigation;
* Change Control-establishing and managing;
* Issues Management-identifying, logging, communicating, and resolving project issues;
* Ensuring adherence to all applicable regulatory (Federal and State) policies, standards, guidelines, and procedures; and
* Contract Management.

All of the above will be maintained in a detailed Project Work Plan to be updated on a bi-weekly basis.

The Proposer shall discuss, in their proposal, their approach to project management addressing each of the key components above as well as define the anticipated timelines and estimated completion dates for the project deliverables in a Detailed Project Work Plan that shall be submitted with their proposal.

During execution of the Project, the Contractor shall exert control to assure the completion of all tasks according to the Project Schedule and Project Budget. All variances shall be tracked and reported to the Department, and the Contractor shall work with the Department to deal with any variance in a manner that shall assure overall completion of the Project within time and budget constraints. The Department shall work with the Contractor to approve fast-tracking or reallocation of Contractor resources as necessary.

Task 1: Project Management Department Responsibilities

It is the Department’s intentions to provide the support and expertise necessary to accomplish a successful Louisiana MMIS Replacement project. The Department shall have a full-time Project Management Team that will include a Project Manager, Deputy Project Manager, and team members to support the following specialty areas:

* Project Management & Operation Management,
* Member Management,
* Provider Management, Business Relationship Management, Program Integrity,
* Program Management,
* Contractor Management,
* DHH IT,
* Pharmacy (PBM/POS, Rebate), and
* Reporting (DSS/DW, MARS, Ad hoc).

Additional expertise will be provided by SMEs during periods such as work sessions, deliverable review, and testing. The Project Management Team will be responsible for coordinating the allocation of SMEs and other Department staff to project tasks.

The Department shall:

Provide a Project Manager and Deputy Project Manager to provide day-to-day project management, oversight, and coordination of Department resources. During DDI, the Project Manager will serve as the Contract Monitor and have authority to approve required deliverables. For Operations, the Medicaid Director or designee will act as the Contract Monitor with the same level of authority to approve required deliverables. For both DDI and Operations, the Contract Monitor will obtain input from the Executive Steering Committee prior to approval for changes in contractual requirements, scope of work, or changes in Key Personnel;

Provide a Project Team to support day-to-day management activities of the project;

Review and approve agendas and meeting minutes for all project management meetings within ten (10) days;

Attend all project status meetings and ad hoc meetings as identified;

Review all project management status reports and deliverables and provide comments or prior written approval decisions to the Contractor within ten (10) days;

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified;

Review all detailed project work plans and provide comments or prior written approval decision within ten (10) days; and

Identify and provide updates for Department tasks to be included in the Detailed Project Work Plan.

Task 1: Project Management Contractor Responsibilities

The Contractor shall:

Know and actively apply professional project management standards to every aspect of the work performed under the Contract. The Contractor shall adhere to the highest ethical standards, and exert financial and audit controls and separation of duties consistent with the size and volume of the Louisiana Medicaid program and consistent with Generally Accepted Accounting Principles (GAAP) and Generally Accepted Auditing Standards (GAAS). The Contractor shall provide a completed Statement on Auditing Standards No.70 (SAS 70) by the first business day in October of each year of the contract. The Contractor shall submit a corrective action plan responding to any audit findings for Department review and prior written approval within ten (10) business days of notification of the audit results;

Operate a Quality Monitoring and Control unit under direct management control ensuring all information system development methodologies and standards are followed throughout the DDI tasks. The Quality Monitoring and Control staff shall also complete reviews of all project deliverables and approve their content prior to submission to the Department for review and written approval. Quality Monitoring and Control staff shall not participate in the day-to-day DDI activities they are monitoring;

Prepare a detailed Project Work Plan with a Work Breakdown Structure (WBS) that defines each task, activity, and completion date for each. The Project Work Plan shall incorporate all Contractor and Department tasks and activities into the detailed Project Work Plan;

Submit in writing the Detailed Project Work Plan to the Department Project Manager for review, comments, and written approval decision fifteen (15) calendar days following project start date and then bi-weekly thereafter on a day approved in writing by the Department;

During execution of the Project, the Contractor shall measure performance according to the WBS and manage changes to the plan requested by the Department;

Develop or use a COTS package to record staff work effort toward each task, subtask included in the WBS. The Contractor shall provide the Department with ongoing access to this system for inquiry purposes, and shall produce detailed reports at the Department’s request;

Attend weekly project status meetings. The Contractor shall prepare all agendas with Department input and distribute to invited participants. The Department Project Manager and Contractor shall determine the appropriate participants based on current activities or outstanding issues. The Contractor shall prepare, present the meeting minutes to the Department for written approval, and provide follow-up to action items;

Attend monthly Executive Steering Committee meetings. The Contractor shall prepare all agendas with Department input and distribute to invited participants. The Department shall determine the appropriate participants for the meeting. The Contractor shall prepare and present the meeting minutes to the Department for written approval and provide initial follow-up to action items;

Prepare and submit weekly, monthly, and quarterly project status reports using formats, media, and schedule previously approved by the Department;

Prepare and submit other ad hoc status reports or white papers as requested by the Department;

Attend and participate in other ad hoc meetings as requested by the Department;

Prepare and submit a Disaster Recovery and Business Continuity Plan to cover the project during DDI for Department review, comment, and written approval decision forty-five (45) calendar days following project start. An annual review is required and updates made as necessary;

Prepare and submit in writing or other media previously approved by the Department, a Staff Management Plan to the Department for review, comment, and written approval decision thirty (30) calendar days following project start. Updates to the Staff Management Plan shall be submitted for Department review, comment, and written approval decision thirty (30) calendar days prior to the start of the Development and Testing Task, Implementation Task, and Operations Phase;

Prepare and submit a Communications Management Plan for Department review, comment, and written approval decision thirty (30) calendar days following project start. Updates to the Communications Management Plan shall be submitted for Department review, comment, and written approval decision thirty (30) calendar days prior to the start of the Development and Testing Task, Implementation Task, and Operations Phase;

Prepare and submit a Quality Management Plan for Department review, comment, and written approval decision thirty (30) calendar days following project start. Updates to the Quality Management Plan shall be submitted for Department review, comment, and written approval decision thirty (30) calendar days prior to the start of the Development and Testing Task, Implementation Task, and Operations Phase. An annual review is required and updates made as necessary;

Prepare and submit a Quality Monitoring and Control Report for Department review, comment, and written approval decision monthly using a format and media approved by the Department;

Prepare and submit a Change Control Plan for Department review, comment, and written approval decision forty-five (45) calendar days following project start;

Prepare and submit a Risk and Issues Management Plan for Department review, comment, and written approval decision forty-five (45) calendar days following project start;

Prepare and submit a Disaster Recovery and Business Continuity Plan to cover the project during Operations for Department review, comment, and written approval decision sixty (60) calendar days prior to the start of User Acceptance Testing. An annual review is required and update made as necessary;

Prepare and submit a Privacy/Security Management Plan for Department review, comment, and written approval decision within ten (10) calendar days following final written approval of the General System Design. Updates to the Privacy/Security Management Plan shall be submitted within thirty (30) calendar days prior to start of the Operations Phase. An annual review is required and updates made as necessary;

Prepare and submit a Configuration Management Plan for Department review, comment, and written approval decision thirty (30) calendar days prior to the start of the Development and Testing Task. Updates to the Configuration Management Plan shall be submitted for Department review, comment, and written approval decision thirty (30) calendar days prior to the start of the User Acceptance Testing and Implementation Tasks; and

Proposers are required to meet all the performance measurements in section 4.2 and they must maintain the appropriate functionality to measure compliance and report the results.

Task 1: Project **Management**Task Deliverables

Detailed Project Work Plan

The Proposer shall submit a Detailed Project Work Plan to the Department both in hard copy and in an electronic media compatible with Department standards within fifteen (15) calendar days following project start. The purpose of the detailed Project Work Plan is to reaffirm Proposer delivery dates presented in the Proposer’s proposal, to detail work activities, and to facilitate the Department’s monitoring of Contractor progress based on milestones and key dates as specified in SFP. Any work task exceeding eighty (80) hours or ten (10) days to complete shall be decomposed further. The Project Work Plan shall be updated on a bi-weekly basis and provided to the Department both in hard copy and in an electronic media compatible with Department standards.

A draft Detailed Project Work Plan shall be submitted as part of the response to this SFP.

At a minimum, the detailed Project Work Plan shall include:

* Work Breakdown Structure (WBS), using a breakdown of tasks and subtask, within each of the Louisiana Replacement MMIS Design, Development, and Implementation Tasks;
* Start and Finish dates, including baseline, planned and actual, for each task and subtask including deliverable submissions and milestones. Written Department approval is needed prior to re-baselining the work plan;
* Description at the subtask level which includes:
  + Description of the subtask,
  + Proposed location for tasks to be performed,
  + Definition of work products,
  + Contractor key staff resources applied by name and level of effort, in hours,
  + Contractor non-key staff resources applied by category or position name and level of effort, in hours,
  + Department resource requirements (staff and other),
  + Duration of task and subtask,
  + Dependencies,
  + Deliverables,
  + Risks and Assumptions, and
  + Contingency and recovery procedures at the activity level.
* Gantt chart;
* Program, Evaluation, and Review Technique (PERT) or dependence chart; and
* Resource (personnel and other) matrix by subtask, summarized by total hours by person, per month.

Project Status Reports

The Contractor shall produce weekly, monthly, and quarterly project status reports throughout the life of the Louisiana Replacement MMIS using a format previously approved by the Department. The Contractor shall also attend project status meetings on a schedule approved by the Department. The Contractor and Department Project Manager shall identify persons who are required to attend project status meetings. Except as otherwise approved, status meetings shall be held on a weekly basis. Executive Steering Committee meetings shall be conducted on a monthly basis or as approved by the Department.

Written status reports shall include, at a minimum:

* A general status report;
* Activities completed in the preceding reporting period;
* Activities planned for the next period;
* Problems encountered and proposed/actual resolutions;
* Status of risks with special emphasis on change in risks;
* Status of each task in the Project Work Plan that is in progress, overdue, or planned to begin in next reporting period;
* Status of active issues and/or action items;
* Contractor’s Quality Assurance status;
* Identification of schedule slippage and strategy for resolution; and
* Status of staff including planned and unplanned departures, vacancies, vacations, absences, and new staff additions.

Monthly and Quarterly Status Reports shall summarize data from the weekly reports and include clear identification of new or changed items; financial information related to expenses and billings for the project; Contractor staff, location/schedule and actual/planned hours of work for the current and next reporting period; Department resources required for activities during the next reporting period; and include executive summaries for presentation to management and oversight bodies. The Contractor shall obtain written prior approval of the format and media for these reports.

Meeting Agendas, Minutes, and Addendum

The Contractor shall work with the Department to schedule meetings and identify participants to attend the meetings as far in advance as possible. Meetings shall be held at the Contractor’s Baton Rouge facility unless a change in location is approved or requested by the Department. Meetings that are needed to complete work identified in the detailed Project Work Plan shall be scheduled no later than ten (10) days prior to the meeting unless otherwise approved by the Department.

For each scheduled meeting, the Contractor shall prepare an agenda and present to the Department for review and comment. The final agenda shall be distributed to the invited participants as far in advance of the meeting as possible but no less than one (1) day before the meeting. The agenda shall identify the meeting place/time/location, scheduled participants, and discussion points to be addressed during the meeting, and open action items from previous meetings, if appropriate.

Following meetings, the Contractor shall document the participants, discussion items addressed, decisions made, and action items resolved or added to the list. The minutes shall also identify any work materials that were distributed. The meeting notes shall then be distributed to meeting participants for review and comment. The meeting minutes shall be disseminated to the attendees and any other individuals indentified by the Department. The minutes shall be disseminated via e-mail and posted to a shared on-line repository no later than two (2) days after the meeting. The updated final version of the minutes shall be disseminated via e-mail to the original distribution list and posted on the shared on-line repository no later than one (1) day after the comments are received from the Department. The Contractor shall perform follow-up on action items and provide documentation of contacts made, results/action taken and those who did not produce results.

Disaster Recovery and Business Continuity Plan (DDI)

The Louisiana Replacement MMIS DDI task shall be protected against hardware, software, and human error. All DDI work products shall be well protected in the event of natural or man-made disasters. The disaster plan shall take into consideration any disaster that impacts the Louisiana Replacement MMIS during DDI whether it occurs in Louisiana or some other location. It is the sole responsibility of the Contractor to maintain adequate back-up to ensure DDI may continue on schedule. This plan shall be available to the Department and the State auditors at all times.

The system shall include appropriate DDI restart capabilities, file back-up and storage capabilities, hardware and software back-up, telecommunications reliability, and disaster recovery. The Disaster Recovery and Business Continuity Plan shall be available for review by Department or Federal officials on request and version control shall be maintained. The Contractor shall prepare a Disaster Recovery and Business Continuity Plan for their sites that minimally addresses:

* Restart capabilities including staffing, hardware, applications, and development tools needed for continuation of the DDI phase;
* Retention and storage of DDI back-up files and software;
* Hardware back-up for the main processor;
* Network back-up for telecommunications;
* A detailed file back-up plan and procedures, including the offsite storage of crucial transaction and master files. The plan and procedures shall include a detailed schedule for backing up critical DDI files and their rotation to an offsite storage facility. The offsite storage facility shall also provide for comparable security of the data stored there, including fire, sabotage, and environmental considerations;
* The maintenance of current system documentation and source program libraries at an offsite location;
* Annual review during DDI of the Disaster Recovery Plan and procedures, including Department written approval. The Department shall participate in the walk through; and
* Each aspect of the Disaster Recovery Plan shall be detailed as to both Contractor and Department responsibilities.

Staff Management Plan

For the Louisiana Replacement MMIS Project, the Contractor shall create a Staffing Management Plan including organizational charts with defined responsibilities and contact information. Key staff resources shall be allocated by name and non-key staff by category or position names (such as business analyst 1, business analyst 2) to the tasks/subtasks included in the detailed Project Work Plan. The plan shall also provide for appropriate training and management supervision as staff is added to the project and ongoing as appropriate.

The Proposer’s approach to staff management shall be included as part of the proposal in response to the SFP.

Communications Management Plan

The Contractor shall develop a written project communications plan to be followed during the Louisiana Replacement MMIS DDI tasks. Communications planning and management includes the activities performed to ensure the proper generation, collection, dissemination, and storage of project information for project stakeholders both internal and external to the project.

To complete the Communications Plan, the Contractor shall complete an analysis of all stakeholders groups and stakeholders, identify the formal and informal information requirements for each stakeholder, and the type, method of delivery, format, and content, frequency, and identify who is responsible for the communications delivery. All communications shall be produced in a format using standard software available to the Department. The Communications Plan shall also address document management processes for development, review, written approval, and storage of the many communications.

The Proposer’s approach to communications management shall be included as part of the proposal in response to the SFP including a description of the document management system that would be used to meet the plan’s requirements.

Quality Management Plan

Throughout all phases of the Contract, the Contractor shall employ a formal Quality Management Plan in a format previously approved in writing by the Department. The plan shall address the processes for ensuring quality of deliverables created and submitted to the Department as well as adherence to ISDM methodologies and standards. The Contractor is expected to develop checklists, measures, and tools to measure the level of quality of each deliverable. The quality measurement process applies to plans and documents, as well as programs and operational functions. The Quality Management plan shall reflect a process for sampling and audits and for continuous quality improvement. The plan shall address the monthly submission of a Quality Monitoring and Control report to the Department for review, comment, and written approval using a format and media approved by the Department. The monthly report is required to be submitted during all tasks listed in Section 2.1.

The Proposer’s approach to quality management shall be included as part of the proposal in response to the SFP.

Change Control Plan

For both the DDI and Operations phases of the project, the Contractor shall maintain a System Modification and Change Management System to track all requests for modifications or enhancements to the system. Requirements for the System Modification and Change Management System can be found in Section 2.1.1.2.2. Transition from use of the management system from DDI to Operations shall require minimal changes in procedures.

The Proposer is required to describe their System Modification and Change Control Management processes and tracking system in their response to this SFP.

Risk and Issues Management Plan

During the life of the Contract, the Contractor shall develop and use a standard Risk and Issues Management Plan previously approved in writing by the Department.

For each risk identified by the Contractor or the Department, the Contractor shall evaluate and set the risk priority based on likelihood and impact, assign risk management responsibility, and create a risk management strategy. For each significant accepted risk, the Contractor shall develop risk mitigation strategies to limit the impact of the risk on the project. The Risk and Issues Management Plan shall include aggressive monitoring for risks, identify the frequency of risk reports, and describe the plan for timely notification to the Department of any changes in risk or trigger of risk events.

At a minimum, the Risk and Issues Management Plan shall:

* Address the process and timing for risk and issues identification;
* Describe the process for tracking and monitoring risks and issues;
* Identify Contractor staff that shall be involved in the risk and issues management process;
* Identify the tools and techniques that shall be used in risk identification and analysis;
* Describe how risks shall be quantified and qualified; and
* Describe how the Contractor shall perform risk response planning.

The Proposer shall describe their Risk and Issues Management methodology as a part of the response to this SFP.

Disaster Recovery and Business Continuity Plan (Operations)

The Louisiana Replacement MMIS shall be protected against hardware, software, and human error. The system and associated Contractor processes and services, such as provider enrollment applications and prior authorization, shall also be well prepared in the event of natural or man-made disasters. The disaster plan shall take into consideration any disaster that impacts the processing of Louisiana Replacement MMIS whether it occurs in Louisiana or some other location. The disaster plan shall also address an efficient turnkey process. The turnkey process should allow for a smooth, efficient, and speedy transition to use of specific edits and reporting requirements for the disaster processing, as well as special processes such as emergency provider applications. It is the sole responsibility of the Contractor to maintain adequate back-up to ensure continued automated and manual processing. This plan shall be available to the Department and the State auditors at all times.

The system shall include appropriate checkpoint/restart capabilities, file back-up and storage capabilities, hardware and software back-up, telecommunications reliability, and disaster recovery. The Disaster Recovery and Business Continuity Plan shall be available for review by Department or Federal officials on request and version control shall be maintained. The Contractor shall prepare a Disaster Recovery and Business Continuity Plan for their site that minimally addresses:

* Checkpoint/restart capabilities;
* Retention and storage of back-up files and software;
* Hardware back-up for the main processor;
* Hardware back-up for data entry equipment;
* Network back-up for telecommunications;
* Maintenance of current system, user, and operations documentation and all program libraries;
* The continued processing of Louisiana transactions (claim records, eligibility verification, provider file, updates to the Louisiana Replacement MMIS, and so forth), assuming the loss of the Contractor’s primary processing site;
* The continuation or resumption of physical processes, procedures, and services, such as prior authorization, pre-cert function, and call center, provided by staff located at the Contractor’s site in Baton Rouge, Louisiana;
* Back-up procedures and support to accommodate the loss of on-line communication between the Contractor’s processing site and Department facility(s) in Louisiana. These procedures shall not only provide for the batch entry of data and provide the Contractor with access to information necessary to adjudicate claim records, but shall also provide the Department with access to the information and processing capabilities necessary to perform its functions;
* A detailed file back-up plan and procedures, including the offsite storage of crucial transaction and master files. The plan and procedures shall include a detailed schedule for backing up critical files and their rotation to an offsite storage facility. The offsite storage facility shall also provide for comparable security of the data stored there, including fire, sabotage, and environmental considerations;
* The maintenance of current system documentation and source program libraries at an offsite location; and
* Annual review and test of the Disaster Recovery Plan and procedures, including Department written approval; the Department shall participate in the walk through.

Each aspect of the Disaster Recovery Plan shall be detailed as to both Contractor and Department responsibilities and shall satisfy all requirements for CMS certification.

Privacy/Security Management Plan

The Privacy/Security Management Plan shall document the actions to be taken by the Contractor to ensure that all systems, procedures, practices, and facilities are fully secured and protected. Additionally, the plans shall address how the Contractor shall comply with applicable Louisiana State Privacy Laws and Health Insurance Portability and Accountability Act Privacy laws. The plan shall address periodic security reviews and production of the report of the findings to the Department within fourteen (14) days of the review. The content, format, and media of the report shall be approved by the Department during project initiation.

Configuration Management Plan

This deliverable describes the administrative and technical procedures to be used by the Contractor throughout the software development lifecycle to control modifications and releases of the software. The initial Configuration Management Plan shall cover the initial design, development, and implementation (DDI) of the Louisiana Replacement MMIS. Subsequent updates shall address ongoing maintenance, enhancement, reuse, reengineering, and all other activities resulting in software products.

At a minimum, the Configuration Management Plan shall:

* Describe the configuration management policies and procedures that shall be executed;
* Describe the tool(s) that shall be used for monitoring the software configuration;
* Describe the types of items that shall be under configuration management control and how baselines shall be established;
* Describe the Contractor’s plan/process to ensure the completeness, consistency, and correctness of releases;
* Describe any controls put in place for the storage, handling, and delivery of the software releases;
* Describe the process for recording and reporting the status of items and modification requests including the process for identification, submission, tracking, evaluation, coordination, review, prioritization, and approval/disapproval of proposed changes;
* Describe plans for version and audit control including the release and delivery of software products and documentation; and
* Describe the use and maintenance of configuration repositories, control mechanisms, and retention policies and procedures.

The Configuration Management Plan shall be submitted, in a Department defined format and media, for the Department’s review and prior written approval thirty (30) calendar days prior to the start of the Development and Testing Task, User Acceptance Testing, and Implementation.

Task 1: Project Management Milestones:

Department written approval Monthly Project Status Reports;

Department written approval of Monthly Quality Management and Control Report;

Department written approval of Detailed Project Work Plan;

Department written approval of Staff Management Plan;

Department written approval of Quality Management Plan;

Department written approval of Communications Management Plan;

Department written approval of Risk and Issues Management Plan;

Department written approval of Configuration Management Plan;

Department written approval of Privacy/Security Management Plan; and

Department written approval of Disaster Recovery and Business Continuity Plan.

* + - * 1. Task 2: Louisiana Replacement MMIS Design Task

The Department requires that the Louisiana Replacement MMIS support the requirements identified by the Department in this SFP.

The objectives of the Design Task are to:

* Gain an understanding of the Department and the Louisiana Medical Assistance Program environment, policies, and business requirements;
* Present the proposed system design documentation and live demonstrations of the system to orient Department staff to the proposed system;
* Validate and refine the system requirements specified in this SFP through Joint Application Design (JAD) sessions and/or interviews; and
* Develop the General System Design (GSD) and Detailed Systems Design (DSD) of the Louisiana Replacement MMIS, which shall contain architecture that is innovative, flexible, rules-based, user-friendly, and table-driven. The design shall also contain a client-server, relational database, and interoperability-supported architecture utilizing an integrated Commercial-Off-The-Shelf (COTS) framework that meets, at a minimum, the standards of the Louisiana Office of Information Technology and the Department’s Office of Information Technology. Pros and cons for the COTS products that are being recommended should also be provided to the Department.

Task 2: Design Task Department Responsibilities

The Department shall:

Provide all available relevant documentation on current Louisiana MMIS operations and business requirements;

Clarify, at the Contractor’s request, Department policies, regulations, and procedures;

Review and approve policies drafted by the FI contractor and develop policies such as, but not limited to, additional fee schedules and reimbursement methodologies, or other criteria, as determined by the Department;

Make staff available to participate in the JAD sessions and interviews;

Meet with Contractor staff, as necessary, to validate and refine the Louisiana Replacement MMIS requirements;

Determine the frequency, content, format, media, and numbers of copies for all documents or reports to be produced from the system;

Review, comment, and provide written approval decisions on all Design Task deliverables;

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified;

Attend walk-throughs of the deliverables to enhance understanding of the Louisiana Replacement MMIS functionality and to facilitate the written approval process; and

Provide copies of all current files, as requested, to support conversion activities.

Task 2: Design Task Contractor Responsibilities

The Contractor shall:

Install the most current versions of the proposed MMIS and COTS applications for viewing and demonstrations during the requirements validation, general design, and detail design as points of reference for Department staff;

Establish and maintain the system design using an Information System Development Methodology (ISDM) appropriate to the development platforms used by the Contractor and approved by the Department;

Gain a solid working knowledge of Louisiana Medicaid and other medical program policies, services, and administration, as well as Louisiana Replacement MMIS requirements;

Conduct JAD sessions for requirements definition, verification, and validation, general design, and detailed design to support development of the required Design Task deliverables. These sessions shall use consistent facilitators and processes throughout the sessions;

Conduct follow-up interviews with the Department’s staff to finalize requirements acceptable to the Department;

Prepare all deliverables identified for the Design Task and submit for Department review. The Department prefers and shall accept “incremental” delivery of larger deliverables as agreed to by the Department. Payment for “incremental” deliverables shall not be made until all parts of the deliverable have been approved by the Department;

Conduct walk-throughs and demonstrations, as needed or requested by the Department during development of the deliverables to enhance the Department’s understanding and to facilitate the written approval process. Walk-throughs or demonstrations shall not result in any additional cost to the Department, including travel costs;

Develop and revise on-line window/screen layouts, report detail layouts, edit criteria, and file and record contents to reflect Louisiana requirements. In developing window/screen layouts the Contractor shall display an actual window/screen with navigation ability to enable Department staff to review and approve designs prior to their becoming final;

Prepare and submit the Requirements Specification Document (RSD) addressing all requirements as defined in the SFP and any other requirements identified during the RSD development phase for Department review, comment, and written approval decision;

Prepare and submit the General Systems Design (GSD) addressing all requirements as defined in the SFP for Department review, comment, and written approval decision;

Prepare and submit the Detailed Systems Design (DSD) addressing all requirements as defined in the SFP for Department review, comment, and written approval decision;

Prepare and submit the Requirement Traceability Matrix (RTM) that tracks all requirements from the SFP through completion of the Design Task for Department review, comment, and written approval decision within ten (10) days following final Department written approval of the RSD, GSD, and DSD deliverables; and

Always work through the Department Project Manager or Department designee on all projects.

Task 2: Design Task Deliverables

The Design Task deliverables shall include the following:

Requirements Specification Document (RSD)

The RSD shall take proposal requirements, validate and refine them and identify how and where the requirements are met in the Louisiana Replacement MMIS design. The RSD process shall also verify that the requirements are sufficient to develop a system that meets CMS requirements. The RSD shall be provided to the Department both in hard copy and in an electronic media compatible with Department standards. At a minimum, the RSD shall include:

* A detailed description of the hardware and software configuration to be used for Louisiana Replacement MMIS processing;
* Cross-walk or map of each functional requirement included in the Louisiana MMIS Requirements in Section 2.1 of this SFP with the exception of Department Responsibilities, as well as any requirements subsequently identified in JAD sessions;
* An overview of the system architecture and how components are integrated to meet SFP requirements;
* An identification of all internal and external interfaces; and
* An identification of linkages across subsystems.

General Systems Design (GSD)

At a minimum, the GSD shall be available in hardcopy and in an electronic media and format compatible with Department standards, and shall include:

* A systems standards manual, listing all standards, practices and conventions, such as, language, special software, identification of all test and production libraries, and qualitative aspects of data modeling and design;
* An identification of system files, database design, and processing architecture;
* A general narrative of the entire system and the flow of data through the system;
* A general narrative of each subsystem, describing subsystems, features, and processes;
* A flow diagram of each subsystem, identifying all major inputs, processes, and outputs of the subsystem;
* Lists of all interfaces, inputs and outputs, by subsystem;
* A listing and brief description of each file;
* Preliminary screen and report layouts;
* Preliminary screen and report narrative descriptions;
* A network configuration with a graphic layout of network lines showing alternative line configurations; and
* A preliminary layout for the data element dictionary.

Detailed System Design (DSD)

At a minimum, the DSD shall be available in hardcopy and in an electronic media and format compatible with Department standards, and shall include:

* Detailed subsystem narratives describing each function, process, and feature;
* Final network configuration with graphic layout of all network lines, switches, and all hardware/software detail;
* A high-level data model and a detailed and physically-specific data model;
* Entity relationship diagrams;
* Hierarchy charts;
* High and medium level batch flowcharts to the job, procedure, and program level;
* Detailed program logic descriptions and edit logic, including, at a minimum, the sources of all input data, each process, all editing criteria, all decision points and associated criteria, interactions with other programs, and all outputs;
* Final layouts for all inputs to include, at a minimum, input names and numbers, data element names, numbers, and sources for each input field, and examples of each input;
* Final layouts for all outputs to include, at a minimum, output names and numbers, data element names, numbers, and sources for each output field, and examples of each output;
* Final layouts for all files (including interfaces) to include, at a minimum, file names and numbers; data element names, numbers, number of occurrences, length and type; record names, numbers, and length; and file maintenance data such as number of records, file space; and
* A detailed comprehensive data element dictionary, including, at a minimum, data element names, numbers, and definitions, valid values with definitions, sources for all identified data elements, and lists from the data element dictionary (DED) in multiple sort formats.

Requirements Traceability Matrix (RTM)

The Contractor shall establish and maintain a Requirements Traceability Matrix to allow requirements to be traced through the design, development, and testing process to the final product. The requirements included in this SFP shall become the basis for the report.

Task 2: Design Task Milestones

Design Task milestones shall include:

Department written approval of the RSD;

Department written approval of the GSD;

Department written approval of the DSD; and

Department written approval of the RTM following final written approval of the DSD Deliverable.

* + - * 1. Task 3: Development and Testing Task

The objectives of the Development Task shall include all activities to transfer, modify, and implement a CMS certifiable MMIS including:

* Installation, modification, and development of a certifiable MMIS on the Contractor's hardware; and
* Performing the following types of testing to ensure the Louisiana Replacement MMIS correctly performs all required functionality including, but not limited to, payment of all claim types, application of all updates, production of reports and other outputs, and interfaces:
* Unit Test - includes tests to ensure that changes meet the intended purpose, do not cause unintended consequences, and do not cause system errors upon execution of changed programs, batches, pages, or procedures,
* System Test - includes test scenarios or use cases with anticipated outcome for each scenario,
* Volume or Performance Test – includes tests for production based on estimates of transaction volumes,
* Parallel Tests - includes the test of Louisiana Replacement MMIS based on actual converted data that can be compared to current operations of the MMIS,
* User Acceptance Test - includes a set of disciplined tests developed by the FI and/or Department that validates/shows that all functionality of the system is operating correctly (for example, screen display is correct, edits are working correctly, correct data is being used to populate fields),
* Operations Readiness Test - includes demonstrations of system processing through all steps, load testing and results, staff readiness testing, and communications testing, and
* Regression Test – any type of software testing that seeks to uncover software regressions where previously working software functionality stops working as intended. Typically, regressions occur as an unintended consequence of program changes. Regression should occur throughout all phases of the project in conjunction with other types of testing.
* Demonstrate, through Systems Testing and Operations Readiness testing, that the Contractor is ready to perform all required functions for the MMIS; and
* Complete system testing to assure that the Department can successfully participate in the Acceptance Testing Task. The Contractor’s unit and systems testing shall be complete prior to the start of the user acceptance testing unless otherwise approved by the Department.

The Contractor shall implement test environments that shall support all testing requirements including a User Acceptance test environment. The Department requires that the User Acceptance test environment shall contain the Contractor’s system-tested version of all Louisiana Replacement MMIS software. Software shall be migrated to the User Acceptance test environment only after Department sign-off of system test results. Software shall be migrated to production from the User Acceptance test environment only after Department approves the acceptance test results.

The Proposer is required to describe the development and testing methodologies used as a part of the Proposer’s ISDM, including software modification and development, standards, testing procedures and environments, development of user and system documentation, software migration, and defect resolution. The Proposer should identify, document, and discuss with the Department all applications or tools that shall be used for development and testing.

The Proposer shall describe its approach to supporting User Acceptance Testing as a part of the response to this SFP as well as the Proposer’s description of its operations readiness testing strategy, methodology, and schedule in response to this SFP. The Department shall require a minimum of six (6) months for User Acceptance Testing.

The Department shall not accept the Louisiana Replacement MMIS until all tests pass to the satisfaction of the Department. The Contractor shall revise and retest as often as necessary to meet Department requirements.

Task 3: Development and Testing Task Department Responsibilities

The Department shall:

Coordinate communications between Department and the Contractor;

Advise the DDI staff of any changes scheduled to be made to the Legacy Louisiana MMIS after contract award so that, if appropriate, they can be reflected in the Louisiana Replacement MMIS;

Provide timely support to the Contractor for resolution of requests for clarification or information, issues, and changes in requirements as needed for the Contractor to complete the development task and associated deliverables;

Participate in meetings and provide required information, as needed, to support the Contractor in the completion of all Development and Testing Task requirements and deliverables;

Provide staff to manage and participate in User Acceptance testing of the Louisiana Replacement MMIS prior to implementation and on-going as changes are made to the system;

Generate and/or review defect reports resulting from User Acceptance Testing and Operations Readiness testing for correction by the Contractor;

Review, comment, and provide written approval decision for all Development and Testing Task deliverables;

Determine readiness to implement the operational ready Louisiana Replacement MMIS based on a comprehensive assessment of the test results from User Acceptance Testing, Operational Readiness Testing, outstanding defect corrections, change requests, and/or other issues;

Attend deliverable walk-throughs to enhance understanding and facilitate the written approval process;

Provide input on Department policies for all manuals or other communications to be developed by the Contractor;

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified;

Coordinate the Change Control process to provide direction on all change requests including prioritization of requests and written approval decisions; and

Coordinate the review of defect reports including prioritization of defect reports to be addressed by the Contractor.

Task 3: Development and Testing Task Contractor Responsibilities

The Contractor shall:

Establish all necessary telecommunications links with all specified Department offices after obtaining written prior approval from the Department contract monitor;

Establish separate and distinct electronic data processing environments necessary to develop and operate the Louisiana Replacement MMIS;

Use professional standards and methodologies consistent with industry standards that meet the requirements of this SFP. The systems design and development methodology to be used by the Contractor requires Department written prior written approval at the outset of the Design Task;

Establish separate and distinct test environments and procedures for each major testing activity. Each test environment shall be set up to test all functions and processes of the Louisiana Replacement MMIS;

Develop or implement COTS applications or tools required for the modification and development of the transferred system;

Develop and implement a COTS application or tool that provides for identification and tracking of all deficiencies from point of identification through all phases of the resolution and implementation of the changes to the system;

Develop or implement a COTS applications or tools that support automated testing functionality including capture of test or use cases, generation of scripts, generation of test data, capture of test results, volume/transaction simulation, and analysis of the reasons for test failure;

Prepare and submit a System Test Plan for Department review, comment, and written approval decision sixty (60) calendar days prior to the beginning of unit testing;

Convert a subset of data from the legacy MMIS to be utilized during testing. At a minimum, the Department expects that converted data would be used for Parallel Test, User Acceptance Test, Volume or Performance Test, and Operations Readiness Test;

Prepare and submit a Revised System Test Plan for Department review, comment, and written approval decision thirty (30) calendar days prior to the start of User Acceptance Testing;

Perform unit, system, parallel, and operations readiness tests to ensure that software programs function correctly on Contractor hardware and the system can handle anticipated transaction volumes and still meet performance requirements;

Perform volume or performance testing at intervals to be approved by the Department beginning with the User Acceptance Test through implementation of the Louisiana Replacement MMIS;

Prepare and submit unit test results to the Department for review, comment, and written approval decision ten (10) days following the start of system testing by the Contractor. The Department requires the “incremental” delivery of unit test results throughout unit testing;

Prepare and submit system test results to the Department for review, comment, and written approval decision ten (10) days following the end of the Contractor’s formal system test. The Department requires the “incremental” delivery of system test results throughout system testing;

Prepare and submit parallel test results to the Department for review, comment, and written approval decision ten (10) days following completion of the parallel testing;

Prepare and submit Performance test results to the Department for review, comment, and written approval decision within ten (10) days following completion of the volume or performance testing. The Department requires the delivery of informal volume or performance test results after each occurrence of volume or performance testing;

Prepare and submit draft Provider Manuals and communications to the Department for review and use during testing no later than fifteen (15) days prior to start of the UAT task;

Prepare and submit final Provider Manuals and communications to the Department for review, comment, and written approval decision no later than twenty (20) days prior to start of provider training;

Prepare and submit draft User Manuals to the Department review and use during testing no later than fifteen (15) days prior to start of the UAT;

Prepare and submit final User Manuals to the Department for review, comment, and written approval decision no later than thirty (30) days prior to the implementation of the Louisiana Replacement MMIS;

Prepare and submit draft Operating Procedures for review and use during testing no later than fifteen (15) days prior to start of the UAT;

Prepare and submit final Operating Procedures for Department review, comment, and written approval decision no later than thirty (30) days prior to implementation of the Louisiana Replacement MMIS;

Prepare and submit draft System Documentation for review and use during testing no later than fifteen (15) days prior to the start of the UAT;

Prepare and submit a revised DSD Document to reflect changes identified during development, unit test, system test within thirty (30) days prior to the start of the UAT;

Provide Revised RTM that incorporates all changes to requirements for Department review, comment, and written approval decision thirty (30) days prior to the start of the UAT;

Provide procedures for updates to all documentation and distribution of updates to all deliverable holders;

Prepare communications for the Department’s written approval announcing upcoming changes in the Louisiana Replacement MMIS; and

Provide management support and participate in the User Acceptance Testing of the Louisiana Replacement MMIS prior to implementation and on-going as changes are made to the system, including compiling and generating defect reports.

Task 3: Development and Testing Task Deliverables

Development and Testing Task deliverables shall include:

Louisiana MMIS Provider Manual(s)

Provider manual sections are used to enable the provider community to submit claim records in the proper format for adjudication. Each manual section shall be specific to individual provider type(s) or groups of related provider types or service areas. Version Control shall be maintained. The minimum requirements shall include:

* An introduction, policy section developed by the Department, billing instructions, billing examples, and rate methodologies;
* Being created and maintained in the most current version of software approved and used as the Department standard (currently Microsoft Word 2007) and shall be provided upon request to the Department in an electronic media;
* General program information and highlighted differences in programs and in processes among programs;
* Contractor and Department personnel contact information – telephone numbers, provider representative names, e-mail addresses, and any other pertinent contact information;
* A table of contents and be indexed;
* A description of general medical or case record content and record retention and audit procedures and responsibilities;
* A explanation of the Medical Assistance Program Integrity Law (MAPIL) which establishes sanctions and monetary penalties for provider healthcare fraud;
* Third-party resource identification and recovery procedures;
* Detailed billing instructions and filing requirements, for all billing methods, including electronic transactions; and
* The process to complete adjustments and make refunds.

Louisiana Replacement MMIS User Manual(s)

The Contractor shall prepare user manuals for each subsystem. User manuals shall be prepared during the Development/Testing Task and updated during the User Acceptance Testing Task. During the Operations Phase, updates to user manuals shall be prepared in final form on all changes, corrections, or enhancements to the system prior to Department sign-off of the system change. The Contractor shall be responsible for the production and distribution of all user manual updates within timeframe identified in performance standards. There shall be hard copy as well as soft copy versions available. Version control shall be maintained. The following are minimum requirements for Louisiana Replacement MMIS user manuals:

* The manuals shall be available on-line via the internet and shall facilitate updating. Pages shall be numbered within each section and a revision date on each page. Revisions shall be clearly identified in bold print;
* User manuals shall be created and maintained in the most current version of software approved and used as the Department standard (currently Microsoft Word) and shall be provided upon request to the Department in an electronic media;
* User manuals shall be written and organized so that users not trained in data processing can learn from reading the documentation how to access the on-line screens, read subsystem reports, and perform all other user functions;
* User manuals shall be written in a procedural, step-by-step format;
* Instructions for sequential functions shall follow the flow of actual activity with flow charts (for example, balancing instructions and inter-relationship of reports);
* User manuals shall contain a table of contents, an index, and flow charts;
* Descriptions of error messages for all fields incurring edits shall be presented and the necessary steps to correct such errors shall be provided;
* Definitions of codes used in various sections of a user manual shall be consistent;
* Mnemonics used in user instructions shall be identified and shall be consistent with windows, screens, reports, and the data element dictionary;
* Abbreviations shall be consistent throughout the documentation;
* Field names for the same fields on different records shall be consistent throughout the documentation;
* Each user manual shall contain “tables” of all valid values for all data fields (for example, provider types, claim types), including codes and an English description, presented on windows, screens, and reports;
* Each user manual shall contain illustrations of windows and screens used in that subsystem, with all data elements on the screens identified by number;
* Each user manual shall contain a section describing all reports generated within the subsystem, which shall include the following:
* A narrative description of each report,
* The purpose of the report,
* Definition of all fields in reports, including detailed explanations of calculations used to create all data and explanations of all subtotals and totals, and
* Definition of all user-defined, report-specific code descriptions; and a copy of representative pages of each report.
* Instructions for requesting reports or other outputs shall be presented with examples of input documents and/or screens;
* All functions and supporting material for file maintenance (for example, coding values for fields) shall be presented together and the files presented as independent sections of the manual;
* Instructions for file maintenance shall include both descriptions of code values and data element numbers for reference to the data element dictionary; and
* Instructions for making on-line updates shall clearly depict which data and files are being changed.

User manuals shall be used as the basis for user training, unless otherwise specified by the Department.

Louisiana Replacement MMIS Operating Procedures

Louisiana Replacement MMIS Operating Procedures define the relationships and responsibilities of Contractor and Department personnel for Louisiana Replacement MMIS operations. Version control shall be maintained. Minimum requirements are:

* Operating procedures shall be written in a procedural, step-by-step format;
* Operating procedures shall be created and maintained using the most current version of software approved and used as the Department standard (currently Microsoft Word 2007) and shall be provided upon request to the Department in an electronic media or in hard copy if requested by the Department;
* Instructions for sequential functions shall follow the flow of actual activity;
* Operating procedures shall contain a table of contents and be indexed;
* Include all procedures for Louisiana Replacement MMIS operations including mailroom; cycle balancing, production control, file updates, and so forth;
* Descriptions of error messages for all fields incurring edits shall be presented;
* Definitions of codes used in various sections of a manual shall be consistent;
* Mnemonics used in operating procedures shall be identified and shall be consistent with windows, screens, reports, and the data element dictionary;
* Abbreviations shall be consistent throughout the documentation;
* Instructions for making on-line updates shall clearly depict which data and files are being changed; and
* Operating procedures shall contain any internal reports used for balancing, or other internal reports, that are not Louisiana Replacement MMIS outputs. All fields in reports shall be defined, including detailed explanations of calculations used to create all data.

System Documentation

The Contractor shall be responsible for all system documentation. The Contractor shall store, update, and track all updates and alert users when an update has been made to the documentation. The Department shall approve all changes made to documentation before it is placed on-line for viewing.

The Contractor shall maintain all system documentation electronically with viewing capabilities via the web portal or Louisiana Replacement MMIS screens. The Contractor shall structure all documentation so that information is easily searched and accessible. System documentation for the Louisiana Replacement MMIS shall address the following requirements or standards:

* Prepared in a format that is easily maintained and user friendly;
* Include narratives written in clear effective nontechnical language so that all users shall understand the narratives;
* Contain an overview of the Louisiana Replacement MMIS, including general system narrative, general system flow, and a description of the operational environment;
* Use the same classifications in narratives and modules so that the documentation is consistent across all modules;
* Include module level documentation that contains:
  + Name and numeric identification,
  + Narrative,
  + Program flow, identifying each program, input, output and file,
  + Job streams within each module, identifying programs, inputs and outputs, control, job stream flow, operating procedures, and error and recovery procedures,
  + Name and description of input documents, example of documents, and description of fields or data elements on the document,
  + Listing of the edits and audits applied to each input item and the corresponding error messages,
  + Narrative and process specifications for each program,
  + Screen layouts with mapping of data source for each element, report layouts, and other output definitions, including examples and content definitions,
  + Listing and description of all control reports,
  + File descriptions and record layouts, with reference to data element numbers, for all files, including intermediate and work files,
  + Listing of all files by identifying name, showing input and output with cross-reference to program identifications,
  + Facsimiles or reproductions of all reports generated by the modules,
  + Instructions for requesting reports shall be presented with samples of input documents and/or screens,
  + Narrative descriptions of each of the reports and an explanation of their use shall be presented,
  + Definition of all fields in reports, including a detailed explanation of all report item calculation, and
  + Desk level procedures.
* Include data structures, Entity Relationship Diagrams (ERD), and all other documentation appropriate to the Louisiana Replacement MMIS and DSS/DW platforms, operating systems and programming languages; and
* Documentation shall include a data element dictionary that shows, for each data element:
* Unique data element number,
* Standard data element name,
* Narrative description of the data element,
* List of aliases or technical names used to describe the data element,
* Cross-reference to the corresponding Louisiana Replacement MMIS entry in the General System Design (GSD) document,
* Listing of programs using the data element, describing the use as input, internal, or output,
* Table of values for each data element and description,
* Data element source, and
* List of files containing the data elements.

System Test Plan

The Contractor shall develop a System Test Plan for Department review, comment, and written approval decision. At a minimum, the System Test Plan shall include:

* Process and procedures for unit, system, parallel, performance, user acceptance, and operations readiness testing;
* Plan for use of regression testing during all testing phases of the system;
* Plan and schedule for each system module and subsystem as well as for the integrated testing. Integrated testing would involve testing Louisiana Replacement MMIS features which involve more than one (1) subsystem, such as updates to enrollee or provider records based on paid claim records, interfaces between TPL records and claim records payments, processing of claim records from input through reporting;
* Plan for analyzing difference between the legacy MMIS and the Louisiana Replacement MMIS during parallel testing and how those differences shall be reported;
* Plan for identifying documenting test situations and expected test results;
* An organization plan showing contractor personnel responsible for testing;
* Plan for managing the testing effort, including strategies for dealing with delays in the testing effort, back-up plan, back-up personnel, and related issues;
* Procedures for tracking, documenting, and correcting deficiencies discovered during each phase of testing;
* Strategy and methodology for dealing with the situation where unit tests, system tests, performance tests, user acceptance tests, parallel tests, or operations readiness tests failed to produce the desired results;
* Plan for updating system or user documentation based on test results;
* Procedures for notifying the Department of problems discovered in testing, progress, adherence to the test schedule, and so forth;
* A plan for documenting and reporting test results to the Department for review including test scenarios used, anticipated and actual outcomes, and discrepancies identified;
* Specific procedures for backing up, restoring, and refreshing all permanent data stores in the test environments;
* Migration procedures describing the steps needed to move or copy software from system test libraries to the test environments; and
* Migration procedures describing the steps needed to move or copy software from the User Acceptance test environment to production.

System Test Results

The Contractor shall prepare and submit test results for all testing phases to the Department. At a minimum, the test results shall include:

* All test results, including screen prints, test reports, and test inputs, cross-referenced to the expected test results in the System Test plan;
* Corrective actions taken and retest documentation for all problems identified in the initial tests and all re-tests;
* Integrated system test results which show that the system can perform all integrated functions and can process all claim types from input through reporting and successful interface with the DSS/DW;
* A summary of the status of testing, including numbers of problems identified by type of problem, numbers of problems corrected, any significant outstanding issues, the effect of any findings on the implementation schedule, and any other relevant findings; and
* Test results for the unit, system, and performance testing shall be submitted on an “incremental” delivery schedule to allow the Department to review results throughout the testing phase.

Revised Detailed System Design (DSD)

The Contractor shall revise the DSD to reflect changes identified during the testing process within ten (10) days. The Contractor shall provide updated pages to the Department for review and written approval utilizing DSD requirements defined previously within.

Revised Requirements Traceability Matrix (RTM)

The Contractor shall revise the existing Requirements Traceability Matrix to incorporate any changes in requirements identified during the testing process within ten (10) days and submit to the Department for review and written approval.

Task 3: Development and Testing Task Milestones

Development and Testing Task milestones shall include:

Department written approval of System Test Plan;

Department written approval of Unit Test Results;

Department written approval of System Test Results;

Department written approval of Parallel Test Results;

Department written approval of Performance Test Results;

Department written approval of User Acceptance Test Report and Results;

Department written approval of Revised DSD; and

Department written approval of Revised RTM.

* + - * 1. Task 4: Conversion Task

The Conversion Task shall consist of the planning, development, testing, and coordination of all data and file conversions required to support the operation of the Louisiana Replacement MMIS. The Conversion Task shall include the identification of all data required to support Louisiana Replacement MMIS processes and those which need to be converted from the current MMIS, data warehouse, or other stand-alone systems that now exist. It shall also include the identification of the source of the data (manual file, automated file, archived files data warehouse data and/or primary data collection), how to secure the data, and the development of data conversion requirements. Data conversion shall allow Department and Contractor staff the ability to view data transparently from previous periods in Louisiana MMIS, including, but not limited to, images of claims, provider files, and other documents imaged in the existing MMIS and data warehouse regardless of age of data.

The Conversion Task shall also include development of conversion software and/or manual procedures, testing of conversion programs and procedures, and preliminary conversion of all files. The Conversion Task shall demonstrate, through comprehensive testing of conversion processes, that all data required to support Louisiana Replacement MMIS processing shall be available and accurate. The Conversion Task shall be performed concurrently with the Development/Testing Task. Data conversion shall be complete before parallel testing and user acceptance testing begins and shall be reapplied before implementation of the new system.

The Proposer shall describe in significant detail its approach to data conversion as a part of the Proposer’s response to this SFP.

Task 4: Conversion Task Department Responsibilities

The Department shall:

Assist in identifying and obtaining sources of data as needed;

Review, comment, and provide a written approval decision for the Conversion Plan;

Review, comment, and provide a written approval decision for the conversion test results;

Clarify, at the Contractor’s request, data element definitions, record layouts, and file descriptions;

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified;

Provide staff time for walk-through of deliverables;

Participate in testing and approve all routines for data conversion before final application to the production version of the system; and

Provide legacy data from the current vendor within sixty (60) days of the contract award and will coordinate all communications and additional data gathering between the new Contractor and the current contractor(s).

Task 4: Conversion Task Contractor Responsibilities

The Contractor shall:

Identify data requirements and source(s) of data for all Louisiana Replacement MMIS files necessary to meet all functional specifications in this SFP;

Receive files from the Department;

Obtain data from other sources when approved or as requested by the Department;

Prepare and submit a Conversion Plan for Department review, comment, and written approval decision no later than fifteen (15) days following completion of the Requirements Specification Document;

Perform preliminary file conversions for review during parallel testing and for use in User Acceptance Testing;

Test conversion programs and procedures, and provide a walk-through of Conversion Test Results for Department staff;

Prepare and submit final Conversion Test Results for Department review, comment, and written approval decision within (30) days prior to implementation;

Prepare and submit interim Conversion Test Results within twenty-four (24) hours of each scheduled file conversion test; and

Convert all data from the State’s existing MMIS, silos, and DSS/DW necessary to operate the Louisiana Replacement MMIS and produce comparative reports for previous periods of operation.

Task 4: Conversion Task Deliverables

Conversion Task deliverables shall include:

Conversion Plan

The Contractor shall provide a formal Data Conversion Plan. The minimum requirements shall include:

* A detailed plan for conversion of all files, user validation of converted data, and final conversion of files;
* A detailed conversion schedule and the personnel assigned to the conversion of each file;
* A description of all files to be converted and whether it shall be a manual or an automated conversion, or a combination of both;
* Data element mappings, including values, of the old system data elements to the new system data elements, new data elements to old data elements and any identified in JAD to ensure all data elements are addressed;
* A discussion of the management of the conversion effort, including strategies for dealing with delays, back-up plan, back-up personnel, process verification, and so forth;
* Provide documentation to support data conversion plan;
* Procedures for tracking and correcting conversion problems when encountered;
* Procedures for notifying the Department of conversion problems encountered; and
* Identification of default values, where necessary.

Conversion Test Results

The Contractor shall submit a formal deliverable documenting all conversion test results. The minimum requirements shall include:

* All test results;
* Any problems encountered and the impact on the rest of the conversion schedule;
* Before and after versions of each converted file, including default values, formatted for review by non-technical personnel (in certain cases, the Department may require only a portion of the file to be formatted for review);
* A summary of the status of the conversion, including numbers of problems identified by type of problem, numbers of problems corrected, any significant outstanding issues, the effect of any findings on the implementation schedule, and any other relevant findings; and
* Copies of all conversion programs and program listings used during the test.

Throughout the Conversion Task, the Department requires interim reporting on each file conversion test within twenty-four (24) hours of each scheduled file conversion test. The interim reports should include those elements required for the formal deliverable or as otherwise agreed to by the Department.

Preliminary Converted Data

The Contractor shall submit preliminary converted data to the Department for review and written approval. Minimum requirements shall include:

* Any problems encountered and the impact on the rest of the conversion schedule;
* Before and after versions of each converted file, including default values, formatted for review by non-technical personnel (in certain cases, the Department may require only a portion of the file be formatted for review); and
* Versions of manually and automated converted files available for review on-line, where appropriate.

Throughout the Conversion Task, the Department requires the submission of interim preliminary converted files twenty-four (24) hours of each scheduled file conversion test. The interim reports should include those elements required for the formal deliverable or as otherwise agreed to by the Department.

Task 4: Conversion Task Milestones

Conversion Task Milestones shall include:

Department written approval of Conversion Plan;

Department written approval of Conversion Test Results; and

Department written approval of all preliminary converted files.

* + - * 1. Task 5: User Acceptance Testing Task

For DDI, the User Acceptance Testing Task is designed to demonstrate that the Louisiana Replacement MMIS, as installed by the Contractor, meets Louisiana specifications and performs all processes timely and correctly. All Louisiana Replacement MMIS subsystems, modules, and functions shall be tested.

Components of the test shall require that the Contractor demonstrate readiness to perform all Contractor responsibilities for the Louisiana Replacement MMIS functions and any other contractual requirements, including manual processes. The Department shall identify the schedule for test cycles and delivery of output.

User Acceptance Testing shall be conducted for a minimum of six (6) months in a controlled and stable environment. No modifications to the software or files in the acceptance test library shall be made without written prior approval from the Department.

The Department shall utilize two (2) types of User Acceptance Testing:

* Structured data test; and
* Operational readiness test.

For DDI, the FI and Department shall share responsibility for acceptance testing of changes to the system. The FI shall be responsible for test script and scenario development, providing test data, and actual testing based upon direction from the Department. For Operations, the FI and the Department shall share responsibility for acceptance testing of changes to the system depending on the level of complexity of the change. The FI’s quality assurance staff shall be responsible for the development of test plans and test scripts and actual testing of the changes. The FI’s quality assurance staff shall also be responsible for documenting the results of the tests and presenting the test documentation to the Department for review and written approval. The Department may opt to review the test documentation only, participate in the FI’s user acceptance testing, or perform independent user acceptance testing of the changes.

Task 5: User Acceptance Testing Task Department Responsibilities

The Department shall:

Participate in the development of, review and approve the User Acceptance Test Plan including test criteria and procedures for DDI;

Assist the Contractor in preparing User Acceptance Test data and scenarios;

Participate in the development of, and provide approval for the User Acceptance Test schedule;

Participate in UAT testing related to DDI;

Participate in UAT testing related to Operations, at the Department’s option, depending upon level of complexity of the changes;

Monitor Contractor support for User Acceptance Test;

Monitor Contractor compliance with the User Acceptance Test schedule;

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified;

Validate testing results;

Approve schedules for test cycles and delivery of output;

Use the Contractor’s test tracking system to document test cases, expected results, actual results, and test case discrepancies or problems;

Monitor Contractor response and resolution of discrepancies or problems;

Participate in and approve retest after correction of any problems;

Approve documentation of testing results;

Review, comment, and approve Contractor’s User Acceptance Test Resolution deliverable;

Review, comment, and provide written approval decision regarding Contractor’s operational readiness report; and

Identify and coordinate the participation of Department staff that will need to be trained for UAT.

Task 5: User Acceptance Testing Task Contractor Responsibilities

The Contractor shall:

Develop the User Acceptance Test Plan test schedule and test scenarios for DDI UAT with input and approval from the Department;

Participate with the Department during DDI and Operations User Acceptance Testing;

Provide user-oriented training for Department staff participating in DDI User Acceptance Test for how to use the Louisiana MMIS system as well as use the applications or tools that are to be used to support the User Acceptance Testing activities;

Provide a thoroughly tested version of the operational system that meets all Louisiana requirements and is separate and distinct from its own development and test system;

Make the User Acceptance Test system available from 6:00 a.m. to 9:00 p.m. daily, Central Time (CST or CDT as applicable), during the six (6) month test period;

Ensure that all modifications to the Louisiana Replacement MMIS software or files are thoroughly unit, system, and parallel tested. Obtain written approval from the Department prior to implementation. Conduct regression testing, at the direction of the Department, before changes that are considered complex or affecting more than one subsystem of the Louisiana Replacement MMIS are moved to the User Acceptance Test environment;

Assist and participate with the Department in implementation of the User Acceptance Test with respect to entry of test data, generation of test transactions, data, and files, analysis of reasons for unanticipated processing results and obtain written approval for the Department for the schedule for code correction and retesting of any coding problems;

Execute User Acceptance Test cycles according to the schedule approved by the Department;

Maintain the User Acceptance Test software and files as directed and approved by the Department;

Perform User Acceptance Test activities as defined for DDI and Operations Phase processing including development of test plans, test scenarios, creation of test data, execution of tests, and documentation of test results;

Provide data entry staff and other data processing staff, other than technical or supervisory-level staff, necessary to perform User Acceptance Test activities;

Provide dedicated functional leads and/or Senior Systems Analysts and other technical staff necessary to coordinate User Acceptance Test activities and assist the Department in the analysis of test results;

Provide dedicated Quality Assurance staff responsible for performing the FI user acceptance testing requirements;

Provide responses to discrepancy notices within the timeframes outlined in this SFP;

Correct, at no cost to the Department, any problems resulting from incorrect computer program code, incorrect file conversion, incorrect or inadequate documentation, or from any other failure to meet specifications or performance standards;

Process, from receipt to final disposition through the check or EFT request process, in a fully operational environment, a representative sample of actual or test claim records, as designated by the Department, as an operational readiness test. The test shall include all tasks from the receipt of a claim to the final reporting of the expenditure on reports such as Medicaid Statistical Informational System (MSIS);

Prepare and submit the User Acceptance Test Results document for Department review, comment, and written approval decision ten (10) days following completion of the DDI User Acceptance Test Task as defined by the Department;

Provide staff for the operational readiness testing to test all areas of the operations and systems environment;

Prepare and submit the Contractor’s Certification of Operational Readiness for Department review, comment, and written approval decision no later than fifteen (15) days prior to implementation of the system;

Coordinate exchange of data between the Legacy Louisiana MMIS operations and silos and the Louisiana Replacement MMIS to support the parallel test component;

Research, resolve and report any discrepancies in the parallel test component of the operational readiness test;

Prepare and submit the updated versions of the Louisiana Replacement MMIS user manual(s) for Department review, comment, and written approval decision no later than thirty (30) days prior to provider training;

Prepare and submit the updated versions of the Louisiana Replacement MMIS provider manual(s) for Department review, comment, and written approval decision no later than thirty (30) days prior to implementation of the system;

Prepare and submit the updated versions of the Louisiana Replacement MMIS operational manual(s) for Department review, comment, and written approval decision no later than thirty (30) days prior to implementation of the system;

Prepare and submit the updated versions of the Louisiana Replacement MMIS system documentation for Department review, comment, and written approval decision no later than thirty (30) calendar days following implementation of the system;

Provide an on-line test tracking system, to document test case discrepancies, problems, resolution status, QA review written approval problems, and resolution and the capability to generate reports on data within the system; and

Prepare and submit the updated RTM that tracks all requirements from the Development and Testing Task through User Acceptance Testing Task for Department approval twenty (20) days after the end of UAT.

Task 5: User Acceptance Testing Task Deliverables

User Acceptance Testing Task deliverables shall include:

User Acceptance Testing Report

The Contractor shall submit a User Acceptance Testing Report that documents the support provided to the Department during user acceptance testing. The report shall include, at a minimum, the following:

* Discussion of work provided by the Contractor to support UAT;
* Discussion of problems encountered and their resolution during UAT such as downtime for the environment, use of automated testing tools, batch processing, and testing of interfaces;
* Summary of the status of testing including numbers of deficiencies identified by type of problem, numbers of deficiencies corrected, any significant outstanding issues, the effect of any findings on the implementation schedule, and any other relevant findings; and
* Recommendations for changes to UAT procedures that should be considered by the Department for ongoing UAT of changes to the system.

Certification of Operations Readiness

The Contractor shall provide a written report on the Operational Readiness Test Results that shall include, at a minimum:

* Description of process used for Operations Readiness testing;
* Description of all problems identified for each subsystem/function and corrective steps taken; and
* Certification that the Louisiana Replacement MMIS, subsystems, functions, processes, operational procedures, staffing, telecommunications, and all other associated support is in place and ready for operation.

The Department shall approve the Contractor’s operational readiness test before the initiation of the Louisiana Replacement MMIS implementation. In the event the Department does not approve the start of the Contractor’s operations, the Department shall make arrangements to continue operations. The Contractor shall be liable for damages levied against the Department by CMS or any additional operating costs incurred to continue operations.

Updated Louisiana Replacement MMIS User Manual(s)

The Contractor shall update the user manual(s) to reflect changes identified during the User Acceptance Test process.

Updated Louisiana Replacement MMIS Provider Manual(s)

The Contractor shall update the provider manual(s) to reflect changes identified during the User Acceptance Test process.

Updated Louisiana Replacement MMIS Operations Manuals

The Contractor shall update the operations manual(s) to reflect changes identified during the User Acceptance Test process.

Task 5: User Acceptance Testing Task Milestones

User Acceptance Testing Task milestones shall include:

Department written approval of the User Acceptance Test Results document;

Department written approval of the updated Louisiana Replacement MMIS user manual(s);

Department written approval of the updated Louisiana Replacement MMIS provider manual(s);

Department written approval of the updated Louisiana Replacement MMIS operations manual(s);

Department written approval of the Operational Readiness Report;

Department written approval of Contractor’s Certification of Operational Readiness; and

Department written approval of revised RTM.

* + - * 1. Task 6: Implementation Task

During the Implementation Task, the Contractor shall complete all activities required to implement the Louisiana Replacement MMIS and assume all functions required for Operations. Activities include, but are not limited to, development of training plans and materials, conducting training for users, conversion of the final existing Legacy MMIS data to the Louisiana Replacement MMIS, contingency planning and implementing the Louisiana Replacement MMIS and operational procedures. Processing of all claim types shall be implemented simultaneously unless otherwise agreed to by the Department. All training materials, regardless of media, shall become the property of the Department upon termination of the Contract or any extensions to the Contract.

The Proposer shall discuss their approach to each implementation subtask as part of the response to this SFP. The Proposer shall also address their approach to training for multiple types of users. Records of training for each individual trained shall be maintained and updated when changes occur. At a minimum, the following shall be tracked:

* Name , address, telephone number, e-mail address, organization and role in organization;
* Date and location of training;
* Training component attended;
* Training Results;
* Post Training Test results, if applicable; and
* Indication of additional training and type of training needed by individual.

Task 6: Implementation Task Department Responsibilities

The Department shall:

Arrange for transfer of all required files to the Contractor from the legacy MMIS fiscal intermediary including, but not limited to, all claim-related receipts and suspended claim records on hand from the Legacy Louisiana MMIS for completion of processing, operational items (for example, checks on hand, correspondence, etc.) needed to start the Operations Phase, and archive files transferred on computer-readable media;

Review and approve the communications developed to inform all Department stakeholders (including providers) of the Louisiana Replacement MMIS, new billing procedures, and the date from which all claim submittals shall be processed by the Louisiana Replacement MMIS;

Approve final file conversion;

Provide staff time to attend initial training of the Department management, technical, administrative, and clerical personnel;

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified;

Provide subject matter experts to address policy-related questions resulting from Contractor provided training;

Provide staff time for documentation walk-through; and

Identify and coordinate the participation of Department staff that will need to be trained for implementation.

Task 6: Implementation Task Contractor Responsibilities

The Contractor shall:

Report monthly on response times: i.e. on-line, dialup, connect, data entry and response via internet;

Provide pre-registration for training, which allows registrants to identify problem areas that they would like to address;

Provide training plan that addresses initial trainings and ongoing training sessions for all Department designated staff, contractors, providers, and other stakeholders. The plan shall include the number of classes and proposed timeline for UAT classes, initial operations classes, provider classes and on-line classes. The Department shall approve the training plan;

Provide initial interactive trainings sessions for all Department designated staff on all MMIS screens, how they function including help function and a DED, how to interpret the data, general claims processing, editing and pricing. The Contractor shall provide quarterly classes for new employees and refresher course through on-line sign up;

Develop and maintain a Fraud/SURS user-training program for the Department’s staff, with both on-line and classroom training;

Provide training to Department staff, via a web-based self-paced training program, in addition to classroom training;

Provide training on the system prior to the start of the UAT task to all personnel designated to participate in UAT;

Develop and maintain training materials (including but not limited to, user guides, frequently asked questions (FAQ), and navigation guide) on the new web portal for use in both classroom and on-line training by the Department staff and contractors;

Supply initial and review training for all Department designated stakeholders on the new DSS/DW, including on-line self-paced training and classroom training that the stakeholders shall register on-line for available classes;

Develop and maintain training materials (including but not limited to, user guides, frequently asked questions (FAQ), and navigation guide) on the new web portal for use in both classroom and on-line training by stakeholders;

Provide classroom training for all providers, provider’s staff, and submitters both initially and annually. Sessions shall include billing procedures, policies, and Louisiana Replacement MMIS processing using provider manuals, an approved training curriculum, and within the timeframes established in the approved training plan. The Contractor shall also provide training using interactive web based training or by video conference. All training should require registration by the provider and shall be tracked and monitored by the Contractor to provide compliance reports and generate follow-up notices to providers who did not participate in the training;

Develop and maintain training materials (including but not limited to, user guides, frequently asked questions (FAQ), and navigation guide) on the new web portal for use in both classroom and interactive on-line training by the providers, their staff, and submitters;

Conduct provider re-enrollment and/or certification no later than twenty (20) days prior to the start of the UAT;

Accept all claim-related receipts and suspended claim records on hand from the Legacy Louisiana MMIS for completion of processing;

Accept all operational items (for example, checks on hand, correspondence, etc.) needed to start the Operations Phase;

Accept and arrange for storage and back-up of archive files transferred on computer-readable media. The storage of archive files shall be maintained in a secured offsite vault that is waterproof and fireproof. The files shall be maintained using archival-quality media that are retrievable by the Contractor;

Conduct final Louisiana Replacement MMIS file conversion and correct, at no charge, to the Department any problems identified during final file conversion;

Plan and conduct initial training to Department management, administrative, technical, and clerical personnel. Louisiana Replacement MMIS training shall enable Department users to prepare inputs, use on-line capabilities, interpret reports, fully understand all Louisiana Replacement MMIS processes, and access and use all Louisiana Replacement MMIS functionality;

After Department written approval of the communication plan, prepare and issue communications to providers identifying all transition activities for implementation of and the start of operations for the Louisiana Replacement MMIS. This shall include, but not limited to, new billing procedures, the date from which all claims are to be submitted to the Louisiana Replacement MMIS, and all other relevant information required by the provider community to successfully submit claim records;

Accept claim records for processing from providers and the Department and begin processing all claim types;

Prepare all deliverables and provide a walk-through for Department staff;

Prepare and submit the Strategic Contingency Plan for Department review, comment, and written approval decision no later than sixty (60) calendar days prior to implementation of the system;

Prepare and submit the Implementation Plan for Department review, comment, and written approval decision no later than sixty (60) calendar days prior to implementation of the system;

Prepare and submit the Department Training Plan and Provider Training Plan for Department review, comment, and written approval decision no later than 120 days prior to start of Department and Provider Training;

Prepare and submit the Department and Provider training materials to be used in classroom situations as well as those for desk use (such as user guides, frequently asked questions, navigation guides) for Department review, comment, and written approval decision no later than thirty (30) days prior to start of Department and Provider Training. Examples of information to be addressed includes, but is not limited to, use of screens or windows, navigation, web portals, DSS/DW, data descriptions and how to interpret the data, general claims processing, editing and pricing;

Provide functionality that supports on-line interactive pre-registration for training, which allows registrants to identify problem areas that students would like to address;

Provide quarterly classes for new employees, stakeholders, and quarterly refresher courses through on-line interactive sign up;

Conduct an interactive web based initial and annual training for the providers (including provider staff and submitters); and

Prepare and submit a Contractor’s Certification of Training Completion for Department review, comment, and written approval decisions ten (10) calendar days before the start of the Operations Phase.

Task 6: Implementation Task Deliverables

Implementation Task deliverables shall include:

Strategic Contingency Plan

The Contractor’s Strategic Contingency Plan, subject to Department prior written approval, addresses plans that shall be executed in case any part of the Louisiana Replacement MMIS does not perform according to specifications following implementation of the system. In particular, the plan shall include a method for paying providers in case claims cannot be properly received and processed.

Louisiana Replacement MMIS Implementation Plan

The Louisiana Replacement MMIS Implementation Plan identifies all the activities that shall be accomplished for a successful implementation, including dates. Minimum requirements shall include:

* Identify all incumbent FI, Department, and Contractor tasks necessary for the successful implementation of the Louisiana MMIS Replacement including associated dates and milestones;
* Provide a process for ongoing review of the status of all tasks necessary for implementation including task name, responsibility, time lines, and current status;
* Provide a process for resolution of all inventory items (for example, suspense, claim records on hand) and associated dates;
* Specify methodology for handling adjustments to incumbent-processed claim records;
* Identify the process to accommodate provider updates, enrollee data changes, reference changes, and prior authorizations, after final conversion but before implementation; and
* Identify the criteria that should be used to determine readiness for implementation of the system and Contractor’s assumption of all Operations responsibilities.

Department Training Plan

The Department Training Plan identifies all the activities leading up to, and including, the training of Department user staff, at all levels, in the proper use of the Louisiana Replacement MMIS. Training shall include the use of web portals or other intranet/internet related functionality of the system. All training costs, including training rooms shall be included in the cost proposal. Minimum requirements shall include:

* Description of training materials;
* Description of desk references such as user guides, frequently asked questions, screen reviews and, navigation guides;
* Plans for ongoing maintenance/revisions of the training materials and frequency of those updates;
* Description of training facilities and locations;
* Training schedule including number of classes and process for registration;
* Plans for remedial training;
* Methodology to ensure continued training during operations for new staff or staff changing positions (for example, classroom or interactive web-based training); and
* Procedures for maintaining history of training received by Department staff or other stakeholders.

The Department expects interactive web-based and classroom training to be available to new and existing users.

Provider Training Plan

The Provider Training Plan shall identify all the activities leading up to, and including, the training of all provider types (including selected out-of-state providers) in proper billing procedures, understanding of Remittance Advices(s), use of web portals, and other relevant functionality all at no additional cost to the Department. Minimum requirements shall include:

* Description of training materials;
* Description of desk references such as user guides, frequently asked questions, screen reviews, and navigation guides;
* Plans for ongoing maintenance/revisions of the training materials and frequency of those updates;
* Training schedule including number of classes and process for registration;
* Plans for remedial training;
* Methodology to ensure continued training during operations for new providers and staff (for example, classroom or interactive web-based training); and
* Procedures for maintaining history of training received by Providers.

The Department expects interactive web-based and classroom training to be available to new and existing users.

Department and Provider Training Materials

The Contractor shall provide training materials that ensures a comprehensive initial and ongoing training program to all Department staff and other stakeholders identified by the Department. Prior to submitting the final training materials to the Department for review, comment, and written approval decision, all training materials shall include:

* Course Name, Description, Objective;
* Instructor/Trainer guides;
* Complete learning experience package and medium (i.e. self-paced web-based training module(s), trainee manual/workbook and presentation, etc.);
* Proficiency testing tools; and
* Course/Trainer Evaluation tools.

The Contractor shall ensure that the training material is well written and organized so that users not trained in data processing or information systems can:

* Learn from reading and comprehending the information presented;
* Easily access and navigate the on-line training screens;
* Easily read and understand reports; and
* Perform other user functions smoothly.

All training materials shall be maintained by the Contractor to reflect the latest version of the Louisiana Replacement MMIS and shall incorporate all approved changes resulting from use during User Acceptance Testing and implementation, evaluations, audits, and quality management.

The Contractor shall be responsible for the production, distribution processes, and cost associated with training materials.

Web-Based Training Application and Plan

The Contractor shall develop and support a web-based training application for use by the Department’s staff, identified State stakeholders, providers, the provider’s staff, and the provider’s submitters. In addition to providing training on the system and all its components, the training application shall also provide a tutorial function to reinforce all training. The web-based training application shall be accessible via a secured internet log-on environment, twenty-four (24) hours per day, three hundred sixty-five (365) calendar days per year unless the Department-approved system maintenance periods deem it necessary for the training application to be unavailable. When necessary, the Contractor shall produce and distribute the training module(s) via CD-ROM discs.

The Contractor shall ensure the web-based training application and modules are consistent with the Contractor’s training modules/material used by trainers in the hands-on facilitated training sessions/workshops. The training shall incorporate training cases for user’s to learn or enhance hands-on practice of skills, information processing, and system change management information dissemination.

In order to measure and monitor each of the web-based modules training effectiveness, the Contractor shall ensure that each training module includes an electronic proficiency test that requires each user to answer all questions correctly prior to recording a “course complete” status. Specific course tracking for each person trained shall also be included within the application. For incorrect answers, the proficiency test shall provide the trainee information on where reinforcement information is available either in a different training module, or other reference document/source.

Updated Louisiana Replacement MMIS Systems Documentation

The Contractor shall update the System Documentation, within three (3) days of the system change to reflect changes identified and changed during the User Acceptance Test process.

Revised Detailed System Design (DSD)

The Contractor shall revise the DSD to reflect changes identified during the testing process. The Contractor shall provide updated pages to the Department for review and written approval utilizing DSD requirements defined previously within.

Contractor’s Certification of Training Completion

The Contractor shall submit a report that documents the training that has been provided in preparation for implementation of the Louisiana Replacement MMIS and certifies that all users have received the required initial training as identified for all users in the approved Training Plan.

Task 6: Implementation Task Milestones;

Implementation Task milestones shall include:

Department written approval of the Strategic Contingency Plan;

Department written approval of the Implementation Plan;

Department written approval of Department Training Plan;

Department written approval of Provider Training Plan;

Department written approval of Department Training Materials;

Department written approval of Provider Training Materials;

Department written approval of Web-Based Training Application and Plan;

Department written approval of System Documentation for the fully implemented Louisiana Replacement MMIS;

Department written approval of Contractor’s Certification of Training Completion; and

Department written approval of Updated DSD.

* + - * 1. Task 7: Certification Task

During the Certification Task, the Contractor shall support the Department with the preparation of folders containing supporting documentation to facilitate the CMS certification process.

Task 7: Certification Task Department Responsibilities

The Department shall:

Direct the Louisiana Replacement MMIS certification process and act as the contact with CMS during the certification process;

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified;

Approve the Louisiana Replacement MMIS certification letters to CMS; and

Approve Contractor produced Louisiana Replacement MMIS certification documentation.

Task 7: Certification Task Contractor Responsibilities

The Contractor shall:

Prepare all reports, letters and data necessary for the preliminary letter submission to CMS as outlined in the State Medicaid Manual, Part 11241;

Prepare certification folders that include all State Medicaid Manual, Parts 11242 and 11243, required documentation, reports, and crosswalks;

Provide personnel to brief appropriate Department staff on certification procedures, system operations, and other information necessary for Department staff to make appropriate presentations to CMS staff during CMS Certification Team visits;

Provide a walk-through of the Louisiana facility and operations if required by the CMS Certification Team;

Provide Louisiana Replacement MMIS expertise to answer questions or provide insight during the certification process;

Expeditiously correct any item that CMS shall not certify on a schedule to be approved by CMS and the Department. The Contractor shall correct all items not certified at no additional charge to the Department; and

Ensure that Federal Financial Participation is received by the Department retroactive to the first day of operations.

Task 7: Certification Task Deliverables

Certification Task deliverables shall include:

Certification Folders;

The Contractor shall be responsible for preparing certification folders that include all State Medicaid Manual requirements (especially those in Parts 11241, 11242, and 11243) and the required documentation, reports, and crosswalks.

The Contractor shall be responsible for supplying any copies of the Louisiana Replacement MMIS Systems Documentation required by CMS.

Task 7: Certification Task Milestones

Certification Task milestones shall include:

Department Written approval of Certification Folders Prepared by Contractor

MMIS certification written approval from CMS

* + - 1. Phase 2: Operations Management

The Operations Phase includes both project-based and operations-based activities, each with its own set of requirements for project management. Project-based activities include the design, development, and implementation of maintenance-related or modifications to the MMIS system and/or services provided by the Fiscal Intermediary. Operations based activities include all those activities that shall be completed on a day-to-day basis to meet the requirements of the SFP once the Louisiana Replacement MMIS is operational. The Contractor shall determine the appropriate level and type of management to successfully complete each requirement of the Contract.

The Proposer is required to discuss, in their proposal, their approach to managing contract requirements during the Operations Phase addressing both project-based and operations-based activities.

* + - * 1. Task 1: Project Management Task

Task 1: Project Management Task Department Responsibilities

The Department shall:

Provide dedicated Department management staff to direct activities related to the operation of the Louisiana Replacement MMIS and other services provided by the Contractor;

Provide dedicated Department staff responsible for monitoring the Louisiana Replacement MMIS contract, deliverables, and performance requirements;

Provide dedicated Department staff to perform business/system analysis activities related to the ongoing operation of the MMIS system including ongoing maintenance and modifications to the system;

Review and approve agendas and meeting minutes for all project management meetings;

Attend all project status meetings and ad hoc meetings as identified;

Review all project management status reports and deliverables and provide comments and written approval decisions to the Contractor;

Review, comment, and approve all change request documents and associated project management documents for maintenance or enhancements to the system;

Monitor status of Contractor and Department work related to the design, development and implementation of all changes to the system;

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified; and

Participate in and approve User Acceptance testing on changes to the system based on the level of complexity.

Task 1: Project Management Task Contractor Responsibilities

The Contractor shall:

Know and actively apply professional project management standards to every aspect of the work performed under the contract. The Contractor shall adhere to the highest ethical standards, and exert financial and audit controls and separation of duties consistent with the size and volume of the Louisiana Medicaid program and consistent with Generally Accepted Accounting Principles (GAAP) and Generally Accepted Auditing Standards (GAAS);

Operate a Systems Security unit under direct management control. The Contractor shall separate duties of staff responsible for network connections, routing, firewall management, intrusion detection, e-mail service, user authentication and verification, password management, and physical access control to ensure appropriate administrative, physical and technical controls are in place;

Develop or use a COTS system for reporting the status of operations to the Department. The system shall allow the Department to identify items for monitoring. Items may relate to automated operations (such as the number of web-based claims received, approved, suspended and denied each day) or may require some manual input (such as the number of correct responses in a quality monitoring of 100 call center inquiries). Initial items for inclusion in the automated status reporting system are described in Section 4.1. Automated items shall be reported in real-time or as required by the Department;

The automated status reporting function shall allow the Department to determine acceptable parameters of the report. The system shall automatically detect exceptions and notify appropriate Department staff by e-mail when an exception is identified;

Operate a Quality Monitoring and Control unit under direct management control ensuring the quality of all Operations functions and deliverables including all information system development methodologies and standards are followed for design, development, and implementation of changes to the Louisiana Replacement MMIS. The Quality Monitoring and Control staff shall complete reviews of all Operations deliverables, required reports, and approve their content prior to submission to the Department for review and written approval. The Quality Monitoring and Control unit shall also perform user acceptance testing functionality including the development and execution of test plans and documentation of the results. Quality Monitoring and Control staff shall not participate in the day-to-day activities or operations they are monitoring;

Prepare all required documentation for the identification, design, development and implementation of changes to the system;

Develop or use a COTS package to record the Contractor’s staff work effort toward completing all functions and services for the Operations Phase. The Contractor shall provide the Department access to this system for inquiry purposes, and shall produce detailed reports at the Department’s request. For implementation of changes to the system, the package shall be able to record staff work effort at the task and subtask levels included in the WBS;

Attend all planned and ad hoc project status meetings. The Contractor shall prepare all agendas with Department input and distribute to invited participants, prepare minutes, and provide initial follow-up to action items;

Prepare and submit monthly and quarterly project status reports using formats, media, and schedule approved by the Department. These reports are due by the 10th calendar day of the month the reports are due;

Prepare and submit ad hoc reports and/or white papers as requested by the Department. The Department has estimated there will be approximately two hundred and fifty (250) ad hoc reports produced and one (1) to five (5) white papers produced annually;

Attend and participate in other ad-hoc meetings as requested by the Department;

Prepare and submit a Revised Staff Management Plan to the Department for review, comment, and written approval decision thirty (30) calendar days prior to the start of the Operations Phase. Updates to the Staff Management Plan shall be submitted by the tenth (10) calendar day of each month for Department review, comment, and written approval decision monthly throughout the remaining contract period;

Prepare and submit a Revised Quality Management Plan for Department review, comment, and written approval decision thirty (30) calendar days prior to the start of the Operations Phase. Updates to the Quality Management Plan shall be submitted for Department review, comment, and written approval decision annually on a date established and mutually agreed upon throughout the remaining contract period or as needed;

Prepare and submit monthly a Quality Monitoring and Control Report for Department review, comment, and written approval decision using a format and media previously approved by the Department;

Prepare and submit a Revised Communications Management Plan for Department review, comment, and written approval decision thirty (30) calendar days prior to the start of the Operations Phase. Updates to the Communications Management Plan shall be submitted for Department review, comment, and written approval decision annually on a date established and mutually agreed upon throughout the remaining contract period;

Continue management of the Risk and Issues Management Plan developed during the DDI phase of the project;

Implement a System Modification and Change Management System for managing requests for maintenance or enhancements to the Louisiana MMIS Replacement;

Prepare and submit a revised Privacy/Security Management Plan for Department review, comment, and written approval decision within thirty (30) calendar days prior to the start of Operations;

Conduct annual physical security reviews of the Contractor’s facilities and systems and provide a report to the Department within fourteen (14) calendar days following the review or as required. Prepare corrective action if necessary and implement within fifteen (15) calendar days;

Perform an annual review and test of the disaster backup and recovery procedures and provide a report of the test within fifteen (15) calendar days of the review. The Department reserves the right to actively participate or monitor the tests as they are conducted. The Contractor shall notify the Department fifteen (15) days prior to date of test;

Prepare and submit a quarterly report that lists COTS products being used in the Louisiana Replacement MMIS, upgrades available, and recommendations for implementation. Department prior written approval is required prior to implementation of any updates. This report shall include, for each COTS product, information relative to the pros and cons of updates, frequency of updates, cost of updates, and any issues or risk associated with use of the COTS product;

Always work through the Contract Monitor or Department designee on all projects; and

Ensure adherence to all applicable regulatory (Federal and State) policies, standards, guidelines, and procedures.

Task 1: Project Management Task Deliverables

Revised Staff Management Plan

The Contractor shall update the Staff Management Plan including organizational charts with defined responsibilities and contact information for Operations. The plan shall also provide for appropriate training and management supervision as staff is added to the project and ongoing as appropriate.

The Proposer’s approach to staff management during the Operations Phase shall be included as part of the proposal in response to the SFP.

Revised Quality Management Plan

The Contractor shall continue to employ a formal Quality Management Plan during the Operations Phase. The plan shall address the processes for ensuring quality of deliverables, reports, system operation, and services provided to or on behalf of the Department by the Contractor. The plan shall also address ensuring the Contractor’s compliance with performance requirements documented in Part IV.

The Contractor is expected to develop checklists, measures, and tools to measure the level of quality of work completed by the Contractor during the Operations Phase. The quality measurement process applies to plans and documents, as well as programs and operational functions. The Quality Management plan shall reflect a process for sampling, audits, and for continuous quality improvement. The plan shall address the monthly submission of a Quality Monitoring and Control report to the Department for review, comment, and written approval. The plan and report shall be in the media and format that is prior approved by the Department.

The Proposer’s approach to quality management for Operations shall be included as part of the proposal in response to the SFP.

Revised Communications Management Plan

The Contractor shall develop a written project communications plan to be followed during the Louisiana Replacement MMIS Operations Phase. Communications planning and management includes the activities performed to ensure the proper generation, collection, dissemination, and storage of information for project stakeholders both internal and external to the project.

The Proposer’s approach to communications management during the Operations Phase shall be included as part of the proposal in response to the SFP including a description of the document management system that would be used to meet the plan’s requirements.

Project Status Reports

The Contractor shall produce weekly, monthly, and quarterly project status reports throughout the Operations Phase using a format and media approved by the Department. The Contractor shall also conduct project status meetings on a schedule approved by the Department. The Department shall identify persons who are required to attend project status meetings. Except as otherwise approved, status meetings shall be held on an every other week basis.

Weekly status reports shall include, at a minimum:

* A general status report;
* Activities completed in the preceding reporting period;
* Activities planned for the next period;
* Problems encountered and proposed/actual resolutions;
* Status of risks with special emphasis on change in risks;
* Status of work on each defect report or change request in progress, overdue, or planned to begin in next reporting period;
* Status of active issues and/or action items; and
* Contractor’s Quality Assurance status.

The Monthly Status reports shall summarize the data from the weekly reports and include the following:

* Status of staff including planned and unplanned departures, vacancies, vacations, absences, and Department approved new staff additions; and
* Financial information related to expenses and billings for the project.

Quarterly Status reports shall summarize data from the monthly reports and include executive summaries and revised organizational charts for presentation to management and oversight bodies. The format and media for these reports shall be approved by the Department.

Risk Management Plan

The Contractor shall continue to use and manage the Risk Management Plan approved by the Department during the DDI phase. Any changes to the procedures described in the plan shall be presented and approved by the Department prior to their implementation.

Privacy/Security Management Plan

The Privacy/Security Management Plan shall document the actions to be taken by the Contractor to ensure that all systems, procedures, practices, and facilities are fully secured and protected. The plan shall address periodic security reviews and production of the report of the findings to the Department within fourteen (14) calendar days of the review. The content, format, and media of the report shall be approved by the Department during project initiation and ongoing during the duration of the Contract.

Revised Disaster Recovery and Business Continuity Plan

Prepare and submit a Revised Disaster Recovery and Business Continuity Plan for Department review, comment, and written approval decisions sixty (60) calendar days before the start of the Operations Phase.

* + - * 1. Task 2: System Modification and Change Control Management Task

To assist the Department staff in establishing reasonable completion dates and setting priorities for changes to the system, the Contractor shall maintain a System Modification and Change Management System to track all requests for maintenance or enhancements to the system. This system shall allow multiple levels of written approvals and accommodate tracking of all projects even if no system changes are required. This system shall allow Department and Contractor management staff to review current priorities and timeliness, change priorities by adding new tasks and target dates, and then immediately see the impact of these new priorities on pre-existing priorities and their target dates. This reporting shall allow review of system programmer/analyst time management, status of project completion, and rapid readjustment of target dates based on system staff being reassigned to new projects and priorities.

It is imperative that all maintenance and enhancement changes to Louisiana Replacement MMIS be performed in a structured, controlled manner. To this end, the Department shall:

* Approve or deny all change requests;
* Monitor the development and implementation of requests for maintenance and enhancements to the Louisiana Replacement MMIS; and
* Negotiate all amendments to the Contract, as needed.

The Proposer is required to describe their System Modification and Change Control Management processes and tracking system in their response to this SFP.

Task 2: System Modification and Change Control Management Department Responsibilities

The Department shall:

Implement a Change Control Board (CCB) responsible for the review, written approval, or denial of all change requests to the system. The CCB shall be made up of Department appointed staff with possibly a representative from the Contractor;

Manage the change control process ensuring appropriate stakeholders within the Department have input into the prioritization of change requests, the development of requirements, and the subsequent design, development, and implementation of the change;

Provide business analysts to support the requirements definition, design, and user testing of changes resulting from change requests;

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified;

Monitor the development, testing, and implementation of change requests; and

Provide primary responsibility for negotiations and amendment of the Contract for change requests not covered within the scope of this SFP.

Task 2: System Modification and Change Control Management Contractor Responsibilities

The Contractor shall:

Implement and use a Change Management Process for all requests for enhancements to the system or contract from project initiation;

Implement and use a Change Management Process for all requests for maintenance (i.e., defect reports) beginning with User Acceptance Testing;

Implement and use a Change Management System that is used to track status of all requests for maintenance and enhancements as required;

Provide the Department with on-line access to the Change Management System for data entry, inquiry, and reporting for any change request, all change requests, or change requests in a category;

Update status of all change requests at least weekly utilizing free text for status notes;

Provide automated notification to affected stakeholders with details regarding a change request. Details such as impacts on other systems/programming priorities shall be included;

Maintain an audit trail of all changes made to a change request identifying the change made, the person making the change, and the date and time of the change. No Contractor staff shall make a change without prior written approval from the Department;

Provide ability to report coding changes, attach test results including “what-if” or other documents, and record all notes from Department and Contractor staff related to each change request;

Provide other data related to change requests as requested by the Department during the Design or Development and Testing Tasks such as changes that could cause unintended consequences or changes to other programs;

Immediately initiate change requests for Department written approval when problems are found by the Contractor;

Implement and use proven promotion and version control procedures for the implementation of modified system modules and files from unit testing through the final implementation to production;

Maintain documented version control procedures that include the performance of regression tests whenever a code change or new software version is installed, including maintaining an established baseline of test cases to be executed before and after each update to identify differences;

Provide the staff required to complete change requests in the agreed upon timelines;

Provide a response to the Department within five (5) calendar days for a regular change request or within twenty-four (24) hours for an emergency change request;

Initiate design and development work on approved change requests within five (5) days of written approval unless otherwise directed by the Department; and

Using parameters identified by the Department, complete an electronic survey of submitters of change requests that verifies that 90% of the submitters were satisfied with the timeliness, communication, accuracy, and result of the implemented changes. Each survey shall be within twenty (20) days of the implemented change.

Task 2: System Modification and Change Control Management Deliverables

System Modifications and Change Control Management Deliverables shall include the following:

Quarterly Report of COTS Products

The Contractor shall provide a quarterly report that lists all Commercial, off-the-shelf (COTS) products used in the system. The report shall identify: the version in use, any available updates issued by the COTS vendor, analysis of those updates (including all pros and cons for restrictions for customization or updating by the Department), any restrictions and impacts to the users and the Contractor’s recommendation for implementing those updates (including proposed implementation plans). Department prior written approval is required prior to implementation of any COTS updates.

Louisiana Replacement MMIS System Documentation

For Operations, the Contractor shall prepare timely updates to the Louisiana Replacement MMIS user, systems, and operations documentation, provider manuals, and all other communications. The purpose of the updates is to incorporate all changes, corrections, or enhancements to the Louisiana Replacement MMIS. If a change in documentation is associated with a system change, updates to the documentation shall be delivered to the Department for prior written approval prior to Department sign-off of the change, unless otherwise agreed to by the Department. Version control of documentation changes shall be maintained.

The complete Louisiana Replacement MMIS Systems Documentation shall be provided to the Department for written approval within thirty (30) calendar days following Department acceptance of the Louisiana Replacement MMIS.

* + - * 1. Task 3: Succession Task

This section outlines the requirements with which the Contractor shall comply during the hand-off of the Replacement MMIS to a successor Contractor at the end of contract term.

The Contractor shall develop and submit at no extra charge, a succession plan that satisfies the requirements for assisting in turning over the Replacement MMIS to the Department or its agent.

All Proposers shall include the approach they would take to meeting the requirements in this section in their proposal.

Task 3: Succession Task Department Responsibilities

The Department shall:

Maintain full ownership of all Louisiana Replacement MMIS data, custom software, COTS licenses, and all systems and operations documentation used pursuant to this SFP without cost to the Department;

Have the final review and written approval of all documents, documentation, and plans;

Have final review and written approval on all system testing;

Have final review and written approval on all user acceptance testing;

Be the mediator for all conversations between the incoming Contractor and the Incumbent. However, the Department shall have the final decision making authority;

Have final review and written approval of all schedules, training materials, and agendas for all types of training;

Review and approve a succession plan to facilitate hand-off of the Louisiana Replacement MMIS;

Review and approve the Incumbent’s statement of staffing and hardware resources, which would be required to take over operation of the Louisiana Replacement MMIS;

Request succession plan services be initiated by the Contractor;

Coordinate the transfer of Louisiana Replacement MMIS software and files;

Review and approve a succession results report that documents completion of each step of the succession plan and any problems associated with the hand-off. Incumbent Contractor and successor Contractor shall log and track to completion any and all problems associated with the hand-off process;

Assure post-succession support from the Incumbent Contractor at no charge for a minimum of six (6) months following contract termination;

Provide an Implementation Team with duties that include working with the incoming Contractor on the enhancement, design and development of the successor to the Louisiana Replacement MMIS;

Participate in Joint Application Design (JAD) sessions to ensure that the successor Contractor has an adequate understanding of the current system functionality, the Department role, and successor Contractor role and systems requirements for each business function;

Review all system development/modification documents, screen designs, architecture designs, work plans, requirements documents, and other deliverables. The standard turnaround for Department review shall be ten (10) days. The Department encourages early submission of draft documents to expedite Department review;

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified;

The Department Project Team shall transmit final documents and deliverables that are subject to review by Department officials, other State officials or Federal officials and deliver results of any such review to the incoming Contractor; and

Approve the successor to the Louisiana Replacement MMIS for operations upon successful conclusion of all activities described in this phase.

Task 3: Succession Task Contractor Responsibilities

The Contractor shall:

Immediately upon expiration or termination of the Contract, or at an earlier date if required by the Department, the Incumbent shall allow access to any and all aspects of the Louisiana Replacement MMIS including hardware to the Department or its representative until such time as the Department is able to obtain the necessary, equivalent services from its own resources or from another Contractor without interruption. In addition, the Incumbent Contractor shall provide the Department with all related technical advice and assistance on request. This task will begin approximately twelve (12) months before the end of the Contract, at the time of termination, or at the request of the Department. The task will end approximately six (6) months after the end of the Contract, or as extended by the exercise of the Contract extensions;

Deliver a succession plan within 30 calendar days of intent to terminate or re-procurement notice, or upon request by the Department.

Provide the following in the succession plan:

A proposed updated plan of succession activities including: tasks and sub-tasks for succession and;

Schedule for succession;

Production program and documentation update procedures during succession;

A breakdown of processing steps performed, staffing, equipment facility consumption, workloads, and standard procedures;

Any additional information that the Department, at its sole discretion, feels is necessary to effect a smooth succession;

Deliver a second updated succession plan to the Department after the selection of a successor Contractor, if it is other than the incumbent, within fifteen (15) calendar days after a written request from the Department;

Provide all written documentation on all training, internal policies, and procedures. Documentation shall be provided at least sixty (60) calendar days after the Successor Contractor’s start date;

Provide training to the successor Contractor's management in the use, operation, and maintenance of the Louisiana Replacement MMIS computer programs, policies, and procedures. Such training shall be completed at least sixty (60) calendar days prior to the end of the Contract or any extension thereof;

Training shall include:

Claims processing data entry,

Computer operations, including cycle monitoring procedure,

Controls and balancing procedures,

Exception claims processing,

Other manual procedures,

Quality Control and Quality assurance procedures,

Documentation of the design change request and system development life cycle methodology,

All software applications used by the Department to aid in maintaining ad hoc and special reporting, and

Use of reporting tools for the Louisiana Replacement MMIS;

Perform a comprehensive assessment of all Louisiana Replacement MMIS documentation. This documentation assessment shall be completed and delivered to the Department no later than twelve (12) months before the end of the Contract term. The Incumbent shall update any documentation, which is not accurate, complete, and in accordance with these requirements no later than six (6) months prior to the end of the Contract term;

Transfer to the successor Contractor all unprocessed Louisiana Replacement MMIS on-line and paper documents with transmittal sheets indicating contents, the exact status of each document, and the remaining activities for completion within five (5) calendar days after receiving a request from the Department;

Provide the successor Contractor with a comprehensive list of all inventories and historical inventory usage rates no later than forty (40) calendar days prior to the end of the Contract term;

Transfer all software, files, programs, and documentation to the successor Contractor within five (5) calendar days of receiving a request from the Department;

Maintain staffing levels required during and until the entire succession process is complete. At a minimum, provide succession support, at no charge, for six (6) months following contract termination;

Designate full-time and backup Project managers to provide management and control of the Incumbent’s succession assistance until the process is complete; and

Not restrict staff from becoming employees of the successor Contractor.

* + 1. Functional Requirements

This section describes the functional requirements of the Louisiana Replacement Medicaid Management Information System (MMIS). Additional information about proposal submission requirements and the instructions for addressing the various types of requirements are contained in Section 2.6. The evaluation methodology is described in more detail in Part III.

The Contractor's approach to meeting the functional requirements and to performing the associated tasks shall enable the Louisiana Replacement MMIS to:

* Meet or exceed all requirements in 42 CFR 433, Subpart C and Part 11 of the State Medicaid Manual;
* Meet or exceed Federal MMIS certification standards from the first day of operations;
* Obtain enrollee eligibility information from the Louisiana Department of Health and Hospitals (the Department) Medicaid eligibility system in real-time and batch;
* Adjudicate claims as received;
* Interface with and provide data to the DSS/DW daily and other interface requirements and frequencies as identified;
* Provide the information and processing capabilities necessary to support the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and any subsequent national standards including accepting and sending all electronic data interchange (EDI) formats;
* Meet or exceed all functional requirements identified in the SFP; and
* Facilitate the implementation of future program initiatives.

In addition, the Contractor shall provide staffing and expertise required by the Department to efficiently operate the Department’s programs as described in Section 2 and meet the performance standards described in Part IV of this SFP.

This section of the Scope of Work/Services contains the functional requirements for the Louisiana Replacement MMIS. The requirements are in order by business areas. The business areas are:

* Enrollee;
* Reference;
* Provider Services;
* Claims Processing;
* American Recovery and Reinvestment Act of 2009;
* Pharmacy;
* Decision Support Services/Data Warehouse (DSS/DW);
* Program Integrity/Surveillance and Utilization Review; and
* Rate and Audit.

There are subsections within each of the business areas. For each section, there is an overview of the business process.

* + - 1. Enrollee Services

Eligibility Overview

The requirements in the Eligibility business area encompass all aspects of the service and system requirements as they relate to the eligibility of an enrollee. The eligibility data is maintained in the source data system, Medicaid Eligibility Data System (MEDS), which is a component of the Medicaid eligibility determination system. Per Part 11 requirements of the State Medicaid Manual, eligibility data from the Medicaid Eligibility Determination System shall be transferred to the Replacement MMIS nightly. The eligibility data shall be kept in synchronization between Medicaid Eligibility Determination System and MMIS.

Third Party Overview

Medicaid is the payer of last resort; all other insurance coverage whether through an employer health plan, accident insurance or liability insurance shall pay for Medicaid covered services prior to Medicaid. Medicaid shall only pay up to the maximum allowable rate at the time of service after payment by the third party. In no instance shall Medicaid pay more than the Medicaid maximum allowable rate. The Contractor shall ensure that Medicaid is the payer of last resort. The Contractor shall utilize third party insurance databases to identify new or changed insurance and update the MMIS with the new/changed insurance information. The Department shall identify those services that shall be paid prior to third party coverage application known as “pay and chase”. Other services shall be subjected to cost avoidance rules as defined by the Department. All claims shall be processed according to the Louisiana business rules.

Medicare Buy-In Overview

The purpose of buy-in is to ensure that all Medicaid enrollees eligible for Medicare coverage are properly enrolled in Medicare, that Medicaid pays the appropriate premiums, and that all necessary Medicare information is available and accurately used to process dual eligibles including claims payment, plan assignment, and Federal reporting. The buy-in process shall be flexible, accurate, and highly controlled by business rules and workflow management processes. The interfaces are complex and use file formats and exchange protocols that shall be synchronized with the Federal government and the Department. Data contained in the file is uploaded to the MMIS and is critical for accurate claims processing.

Medicare Buy-In includes those automated and business processes necessary to support the purchase of Medicare Part A and/or Part B for certain Medicaid eligibles. The Buy-In processes are initiated for all persons potentially eligible for Medicare Part A and Part B benefits. Buy-In premiums are deleted upon beneficiary death or termination from Medicare or Medicaid eligibility. Buy-In beneficiaries files are submitted to and from CMS for additions, changes, and deletions. The Contractor should be able to send and receive files from CMS and upload the information into the MMIS.

Managed Care Overview

Louisiana Medicaid does not offer managed care at this time although we may in the near future. The expectation is that the majority of enrollees will participate in managed care and as such, will utilize the Managed Care Enrollee Call Center and Disease Management once managed care is implemented. The result may be a significant decrease in the number of Fee for Service enrollees. In order to allow for the coverage, managed care functionality shall be included in the transfer system including the ability to make changes to the managed care information and linkages via direct data entry or interface from an enrollment broker. Louisiana Medicaid does provide primary care provider networks for many of its eligible groups. The Replacement system shall support the linkages between enrollees and multiple providers with effective begin and end dates. There is a chart in the procurement library with the estimated number of recipients to be enrolled in managed care. For more information on the Managed Care program visit [www.makingmedicaidbetter.com](http://www.makingmedicaidbetter.com).

Service Authorization Overview

Certain services and limit overrides are approved through a prior and post authorization process. The determination of what is medically necessary shall be made by the appropriate Contractor medical staff through their developed and Department-approved clinical policy. There are multiple types of service authorizations with each having unique data needs. During the design phase of the project these data needs shall be defined. The prior/post authorization panels shall be made accessible to provider and Department staff to request a prior authorization, checks the status of a prior authorization, or print or reprint a prior authorization via a secure web portal. The service authorization process shall have the functionality to control the types and number of services through the edit routine in claims processing. Once a claim for the prior authorized service is paid, the service authorization is updated to reflect the number of available units/dollars remaining. Any claims reversal shall update the service authorization with the number of available units/dollars remaining. This decrementing and incrementing of services shall allow for either dollars per day, week or month and units per day, week or month

Enrollee Call Center Overview

The Enrollee Call Center is responsible for all enrollee inquiry for non-managed care enrollees once Medicaid eligibility is established. This is a central call center that shall provide support in a variety of languages in addition to English such as Spanish and Vietnamese. All calls shall be logged and tracked in English to a final outcome. Multiple calls from the same enrollee shall be linked so that a complete history of the calls is made. Each conversation shall be recorded and the recording shall be maintained for Department use for fourteen (14) days. If the Department requests that a recorded call be maintained for a longer period, it may do so through a simple on-line request function panel. The request panel shall include the option to indefinitely maintain a conversation. Certain identified enrollees shall always have their calls maintained indefinitely. An important aspect of the Call Center is a provider locator service. The provider locator functionality shall be available to the call center, Department staff, enrollees, and the general public via the internet. The call center shall support enrollees who do not have access to the internet. All call center functionality shall be available to the Department for inquiry and use. The Department shall have access to use the call tracking system to log their contacts with enrollees as well as obtain ad hoc reports on calls being received (for example, all calls received on a specific topic). A separate monthly payment will be made for countable Enrollee Calls. A countable call is any incoming call from a LA Medicaid enrollee (or representative) that is answered by call center staff. A countable call does not include a call that is solely handled by an automated call system. The tracking system must have the ability to receive and display a single view of all contacts regardless of whether the contacts were received through the FI Enrollee Call Center or the Department’s Eligibility Call Center.

* + - * 1. Department Responsibilities

The Department shall:

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified;

Provide the Contractor with the appropriate rules for utilizing enrollee eligibility data from the Medicaid eligibility determination system;

Provide the Contractor with the appropriate rules for utilizing TPL data;

Provide the Contractor with the appropriate business rules for utilizing Buy-In data;

Provide the Contractor with the appropriate business rules for CommunityCARE and the providers that participate in the CommunityCARE program;

Provide the Contractor with the appropriate business rules for prior authorization of services, precertification, and referrals based on medical necessity;

Provide the Contractor with the appropriate business rules for the Enrollee Call Center;

Provide the Contractor with the appropriate business rules for the Chisholm vs. Greenstein lawsuit call center and monitoring;

Provide input and information for the enrollee outreach materials as well as giving final approval; and

Provide the Contractor with the recovery cases to be entered into and/or created by the system, as well as tracked and reported on by the system.

* + - * 1. Contractor Responsibilities

The Contractor shall:

Provide sufficient staff with the appropriate skill sets to meet the requirements of this SFP throughout the term of the Contract;

Utilize eligibility data according to Department business rules;

Utilize TPL data according to Department business rules;

Utilize commercial databases to identify insurance coverage information for enrollees in MMIS at least weekly;

Update MMIS with verified information from commercial databases;

Utilize Buy-In data according to Department business rules;

Utilize Buy-In information from CMS to identify Medicare Buy-In coverage information for enrollees in MMIS;

Conduct all phases of the Buy-In process as directed by the Department;

Prepare transmittal data for payment of premiums to CMS that includes deductions for overpayments;

Update MMIS with verified information from CMS data exchanges and other outside entity data exchanges;

Develop and operate a primary care provider network subsystem for multiple types of Medicaid coverage types;

Systematically and manually link specific enrollees with specific providers based on business rules via direct entry by authorized users or an interface from an enrollment broker;

Generate alerts to the appropriate Department staff when specific changes to enrollees and providers occur;

Design, implement and operate a prior/post authorization process and other service prior authorization processes accessible via a secure web portal for provider and Department staff to utilize the precertification and referral process;

Make determination, based on Department business rules, as to medical necessity on all prior/post authorization and precertification requests and enter data correctly into MMIS;

Ensure that all service authorizations that are the responsibility of the Contractor are reviewed and either approved, denied and if required, appropriate alternative options provided within two (2) days of receipt;

Develop, implement and operate an Enrollee Call Center according to Department business rules with support for the Chisholm vs. Greenstein lawsuit requirements;

Maintain Enrollee Call Center hours of operation from 7:00 a.m. to 6:00 p.m. (CT) Monday through Friday with capabilities to coordinate/transfer calls to other hotlines or call centers as appropriate;

Obtain and maintain, for the life of the Contract, toll free telephone lines for the call center. These numbers shall be the property of Louisiana after the Contract ends;

Provide a system that is capable of participating in any existing master person index system at DHH or state level and also have the ability to become the source master person index so that other applications can participate;

Develop clinical policy for written approval of services and utilize this policy in the prior authorization and precertification;

Conduct all aspects of the buy-in process;

Mail Medicaid eligibility cards within twenty-four (24) hours of notification by the Department that a card should be generated;

Develop and maintain a process to utilize eligibility data from MMIS to generate Medicaid enrollee identification cards;

Develop the enrollee outreach materials:

Gather input and information from the Department for enrollee outreach materials;

Obtain final approval of the enrollee outreach materials from the Department before distribution; and

Deliver the enrollee outreach materials by the most effective method possible to enrollees, be that blast fax, e-mail, web portal, social media or regular mail.

Enter, track and report on recovery cases; and

Assist in any manner possible with the recovery of funds from an enrollee’s estate based on the Departments business rules.

* + - * 1. System Requirements

The System shall:

Provide the ability to override the selected determination or disposition made by the System with the appropriate levels of written approval;

Have the ability to process retroactive eligibility and the ability to pay to any party the claims associated with that eligibility;

Have a web portal with a separate area for enrollees to log into to view and/or change information designated by the Department. Information includes, but is not limited to, the following:

Demographic information,

Eligibility information,

Enrollment information,

Service authorizations,

Third Party Liability and Recovery information,

Enrollee reimbursement information,

Enrollee correspondence,

Enrollee Invoices,

Claim payment history, and

Information obtained from electronic health records provided to the Department;

Have the ability to enroll and disenroll enrollees from the Department programs in real-time;

Have the ability to reassign enrollee or multiple enrollees to new providers and alert all parties;

Allow real-time retrieval of previously generated notices using a variety of keys, such as enrollee id, date, notice/letter type, worker, etc.;

Provide the capability to automatically send a copy of all enrollee correspondence to the Department’s Electronic Case Record system;

Allow authorized users to change letter and notice standard text without the need for the Contractor to make the changes;

Aid in determining individual eligibility for post Medicaid Eligibility Programs such as CommunityCARE, LA HIPP, and others identified by the Department;

Allow an eligible enrollee or multiple enrollees to be enrolled in a variety of eligibility programs such as waivers, lock-in, CommunityCARE, LA HIPP, etc.;

Be capable to disenroll and notify, with both prior and post notices, an enrollee from a post eligibility program when eligibility criteria are no longer met;

Allow an authorized worker to disenroll and notify a enrollee;

Provide the current versions of the ANSI X12N transactions for enrollees and providers (versions 4010 and 5010);

Provide a complete history of an enrollee's eligibility to include begin and end dates, overlapping dates, category of assistance and associated case, etc. Eligibility segments that are continuous, for the same case and category of eligibility, shall be consolidated into one continuous segment capable of reading eligibility overlap segments for payment and reporting;

Allow an enrollee to have and edit, via the web portal, multiple addresses such as residence, mailing, alternate mailing, e-mail address, authorized representative, and emergency. Each address shall have an effective begin and end date. The Department shall define the order of precedence for the address;

Allow a notice to be sent to both an enrollee/applicant and a representative via varying methods including, but not limited to, mail or e-mail;

Be capable of receiving, storing, and utilizing eligibility data from the Department’s Medicaid eligibility systems in real-time or batch. Currently, data is received from the Medicaid Eligibility Data System (MEDS) which is a part of the suite of systems/applications used by the Department;

Interface with the appropriate State and Federal databases to identify when a Medicaid enrollee is deceased so appropriate action can be taken in relation to the enrollees Medicaid file;

Have the ability to send communications and outreach material to enrollees both electronically and by postal-ready mail. All communication shall be tracked so that the Department knows which enrollees were sent communications and what the communication contained. The communications shall be searchable and available to all users;

Automate the process of creating, distributing, and displaying enrollee reimbursement process and adjust the process if needed;

Have the capability to record, apply, and maintain enrollee reimbursement;

Automate the process of creating and distributing insurance premium checks with appropriate Departmental prior written approval;

Have a process for TPL in accordance with Federal and State regulations and policies;

Automate the process of creating, distributing, displaying, and tracking enrollee invoices based on schedules set by the Department;

Produce delinquent payment reminder letters or electronic alerts to enrollees and send alerts to the appropriate Department staff of this action;

Be capable of passing all data deemed necessary by the Department to the Medicaid eligibility determination system;

Interface with the Department’s Medicaid eligibility determination system for look-ups of eligibility information;

Use current claims Coordination of Benefits (COB) history, POS COB history, and the COB on the actual claim to determine correct COB for claims processing;

Calculate insurance premium payments automatically;

Have the ability to create a recovery case, and track and report all related recovery activities;

Electronically gather the supporting claims history data for estate recovery cases when requested, using user defined perimeters for the request;

Calculate the recovery amounts and send a notice (electronically or by a letter) to the responsible party(ies);

Have the capability to determine on-line which recovery exemptions (such as estate recoveries) are valid and shall recalculate the amount of the recovery. The Department’s staff can monitor and override exemptions selected;

Display the Estate Recovery Exemption rules on the portal when the responsible party applies for exemption;

Be capable of tracking and displaying estate recovery payments made by responsible parties, whether or not they were paid from the estate;

Generate automated TPL recovery billings for enrollees with third party coverage;

Generate notification for the TPL unit and the provider when TPL recovery payments are applied to claims;

Retrieve claims history automatically for TPL recovery cases;

Contact the appropriate entities (for example, insurance, etc.) electronically to request they engage in electronic communication with the DHH;

Initiate the claims adjustment process after the receipt of TPL Recovery payment data;

Have the ability to gather TPL information and apply in claims processing, including but not limited to TPL, EOB, payments, and patient liability;

Have the capability to allow any responsible party to apply for Third Party recoveries on-line or by paper (for example, a lawyer for an estate);

The Contractor shall do initial precertifications and precertification extensions for Acute Care Hospitals;

Support the establishment of care management cases, enrollment, and all related tracking;

Monitor and track in real-time the number of slots available in a waiver program and track slots origination such as from Developmental Center (DC), Office of Community Services (OCS), Special Handle etc.;

Alert appropriate staff when a slot is available in a Medicaid program along with the next individual(s) in line or based on assessment and need level;

Have the capability to maintain and track multiple registries (also called lists or rosters). Examples include, but are not limited to, nursing home lists or waiver registries;

Have the ability to establish an electronic case with only minimal data and then allow system and user updates. User updates shall include the functionality to add free-form text with the date and name of user;

Have the ability to search for care management enrollees, based on Department criteria;

Have the ability to receive, generate, and send referrals either electronically or by paper including, but not limited to, primary to specialist or specialist to specialist. The sharing of a referral is also required;

Support the manual or automatic assignment of case management providers either to individuals, groups, or by mass transfer function;

Have the ability to produce, maintain, and display a list of the available providers by the Department's approved parameters;

Have the ability to create and maintain a plan of care, history of changes, and approved notifications;

Have the ability to establish a plan of care with a minimal amount of data from the existing standardized assessment tools (more information on the assessment tools may be found in the procurement library), while allowing for both electronic and manual entry;

Have the ability to use COTS or other products for the Department to assess an enrollee’s need for services (for example medical/social needs);

Have the ability to define different service program slots and assign those slots appropriately;

Have the ability to assign persons to different types of service program slots (as referred to in 2.1.2.1.3.45, 2.1.2.1.3.46 and 2.1.2.1.3.47) within a waiver or program but allow overrides by the Department and the assignment of those slots appropriately with viewing/reporting functionality on the slots;

Identify and display all program and services received while on a registry;

Automatically review care management against established rules and industry standards, sending alerts when certain criteria are met;

Link treatment plans to the registry and other authorized services and automate updates to the treatment plan and prior authorization including, but not limited to, prior authorization of DME, extended home health, and dental;

Include a provider locator functionality that shall be available to the Enrollee Call Center, Department staff, enrollees, and the general public via the internet. The call center shall support enrollees who do not have access to the internet;

Have the functionality to generate and mail plastic enrollee Medicaid identification cards; and

Have the ability to interface (send and receive) Buy-in files to and from CMS.

* + - 1. Reference

The Reference subsystem houses and controls a variety of data for system use. All valid values, edit and error messages, benefit plans, reimbursement rates and business rules are maintained in and by the reference subsystem.

* + - * 1. Department Responsibilities

The Department shall:

Provide the Contractor with the appropriate business rules for the Reference Subsystem; and

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified.

* + - * 1. Contractor Responsibilities

The Contractor shall:

Develop, implement, update, maintain, and operate a Reference Subsystem according to Department business rules; and

Provide sufficient staff with the appropriate skill sets to meet the requirements of this SFP throughout the term of the Contract.

* + - * 1. System Requirements

The System shall:

Automatically load code sets, both annual and periodic upon receipt, in the format that is supplied by the sources. This includes, but is not limited to, ICD-10 Diagnosis and Procedure Code Files, CLIA, HCPCS. Pro-actively identify edits, provide detail of the update, and processes impacted by the load/changes. Generate reports for Departmental input/written approval before implementing;

Create an audit trail of who changed it, what was changed, when it was changed and why, for all code additions, deletions, and modifications;

Provide an edit screen for code modifications by authorized users;

Have effective begin and end dates for rates which shall not be overwritten;

Maintain the complete historical view of all rates, including but not limited to, rate amounts, effective dates, end dates, and reason for the change;

Have a rate table edit screen for editing, validation, approving, and overriding;

Be a web based system with documentation tracking and automated notices of actions needed based on due dates;

Generate recommendations based on the entry of what-if scenarios into the system into a test environment. This process would be based on changing specific parameters (for example, defined business rules, rates, edits) and identifying the impact those changes would have (for example, increase or decrease in the number of claims paid, costs);

Automatically loads new codes, such as HCPCS as defined by the Department;

Have a link from the web portal to reference tables (fee schedules, notices, codes, rates, rules, and manuals) and alert staff about changes;

Allow for both internal and external access with update capability for authorized users;

Determine individual eligibility for Medicaid sub-programs as identified by the Department, such as LaPAS, etc.;

Identify referrals that are made as a result of an EPSDT screening, using claims, encounter, and other data mandated by CMS and/or the Department for EPSDT such as diagnosis;

Differentiate between a referral to providers within Louisiana and out-of-state referrals. This data shall be readily available on-line;

Have a unique service authorization (SA) number for each Service Authorization. Have the ability to associate multiple providers to an SA when necessary;

Be able to track services or a SA by time of day/timestamps and be able to apply edits by these time stamps;

Process claims using prior/post authorizations and editing to determine if services are authorized, determine if there are sufficient units remaining to process claims, maintain accurate balance on units, dollars etc. authorized by decrementing and accreting appropriately as claims are paid or adjusted;

Be able to track Home and Community Based Services (HCBS) including all direct care worker time, location, and service provided through a visit verification and management tool as defined in Section 2.1.2.8.3.17. This system shall include the capture of encounter data by procedure code, the ability to analyze the services provided by enrollee and direct care provider, and reporting that meets the Department’s requirements. This information shall be viewable on-line by authorized staff;

Provide the ability to update treatment plans/plans of care to reflect balance of units and/or dollars authorized using the claims data that is submitted for processing;

Track HCBS workers by certification number so that edits might be applied to verify employment;

Apply diagnosis fields and related edits across all subsystems, prior authorization (PA), pre-cert function (for example, hospital prior authorization), etc;

Generate a report that displays, in layman’s terms, the disposition and reasons for the results of each claim adjudicated in each financial cycle upon the Department’s request; and

Create smart PA numbers based on associated programs as approved by the Department.

* + - 1. Provider Services

Provider Call Center Overview

The Provider Call Center supports providers after they have been approved for enrollment in Louisiana Medicaid. This is a central call center that shall provide support in a variety of languages in addition to English such as Spanish and Vietnamese. All calls shall be logged and tracked in English in a Provider Call Tracking System to a final outcome. Multiple calls from the same provider shall be linked so that a complete history of the calls is made. Each conversation shall be recorded and the recording shall be maintained for Department use for fourteen (14) days. If the Department requests that a recorded call is maintained for a longer period it may do so through a simple on-line request function panel. The request panel shall include the option to indefinitely maintain a conversation. All call center functionality shall be available to the Department for inquiry and use. The Department shall have access to the call tracking system to track contacts with providers as well as produce ad hoc reports (such as number of calls received on a specific topic).

Louisiana Medicaid does not offer managed care at this time although we may in the near future. The expectation is that the majority of enrollees will participate in managed care causing providers to become managed care providers, which should result in a decrease of provider calls to the Provider Call Center.

For the purposes of this contract a countable call is an incoming call from a LA Medicaid enrolled provider that is answered by a Provider Call Center representative, not a call that is solely handled by an automated call system.

Provider Enrollment/ Disenrollment Overview

The Provider Enrollment process is used to enroll a variety of medical and non-medical providers into the Louisiana Medicaid program. Providers shall be enrolled using their National Provider Identifier and taxonomy. Providers who are disqualified or suspended by the Louisiana Medical Examiners Board shall be immediately terminated from participation in the Louisiana Medicaid program both as an individual practitioner and as an enrollee of a group practice. A provider’s relationship in groups shall be maintained in such a way that a user may readily access that information.

Calls to the Provider Enrollment/Disenrollment Unit shall not be included as a countable call for Provider Call Center invoicing purposes during the contract.

The impact of the expected Managed Care program in Louisiana is not expected to result in a change in volume of Provider Enrollment/Disenrollment activities.

PBPPP Overview

The Louisiana Peer Based Provider Profiling Program is designed to develop provider intervention strategies, and materials, and a process to apply program sanctions to providers demonstrating inappropriate patterns of service delivery. The Program focuses on educational outreaches to providers whose practices are aberrant to his/her peers. The Contractor shall identify and help correct aberrant service delivery; identify, evaluate, and monitor existing levels of delivery of services; improve the quality of enrollees’ care; and identify and monitor aberrant physicians based on Department guidelines and notify the Department of its findings.

* + - * 1. Department Responsibilities

The Department shall:

Provide the Contractor with the appropriate business rules for the Provider Call Center;

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified;

Provide the Contractor with the appropriate business rules for the Provider Enrollment;

Communicate with Contractor relative to feedback from provider calls to state management, review of survey reports from the Contractor and/or the Department’s analysis of status or management reports provided by the Contractor;

Provide input, information and final approval for the Provider newsletter, provider outreach materials and provider survey;

Provide the Contractor with the appropriate business rules for the Peer Based Provider Profiling Program and the Provider Grievance and Appeal process; and

Participate in the Provider Grievance and appeal process.

Contractor Responsibilities

The Contractor shall:

Develop, implement, and operate a Provider Call Center according to Department business rules;

One hundred percent (100%) of current Medicaid providers shall be offered the opportunity to re-enroll using the expanded data set required by Section 1903(r)(1)(F) of the [Social Security Act](http://en.wikisource.org/wiki/Social_Security_Act) (42 U.S.C. 1396b(r)(1)(F));

Non-responsive providers shall be disenrolled after Department written approval;

One hundred percent (100%) of current providers shall be re-enrolled or disenrolled by at least twenty (20) days prior to the start of UAT in the DDI phase;

Develop, implement, and operate an annual re-enrollment for all providers using an abbreviated application form and process defined by the Department;

Provide sufficient staff with the appropriate skill sets to meet the requirements of this SFP throughout the term of the Contract;

Obtain and maintain, for the life of the Contract, toll free telephone lines for the call center. These numbers shall be the property of Louisiana after the Contract ends;

Answer all calls to the Provider Call Center within the time agreed to by the Department;

Develop the monthly Provider newsletter:

Gather input and information from the Department for the Provider newsletter,

Obtain final approval of the Provider newsletter from the Department before distribution, and

Deliver the Provider newsletter by the most effective method possible to each provider, be that blast fax, e-mail, web portal or regular mail;

Post the provider newsletter and Remittance Advice (RA) notices on the web portal and maintain historical copies of the provider newsletter and RA notices on the web portal until the Department approves removal;

Develop or provide and customize a COTS product that supports a Peer Based Provider Profiling Program based on Department requirements. The program shall:

Produce a dashboard with a visual presentation of the provider’s performance compared to a group of similar practitioners,

Produce a dashboard with visual presentation of the provider’s performance relative to the management of specific conditions and diseases,

Produce reports that explain the provider’s performance as compared to similar practitioners, Healthcare Effectiveness Data and Information Set (HEDIS) measures and other benchmarks, and

Allow for authorized users to change parameters, selection criteria, time periods, etc;

Provide links to the American Diabetes Association, HEDIS standards, University of Louisiana at Monroe (ULM) documents, and other similar organization;

Develop, operate, and maintain a program that identifies and helps to correct aberrant service delivery, identifies, evaluates, and monitors existing levels of service delivery; improves the quality of enrollees’ care; and identifies and monitors aberrant physicians based on Department guidelines and notifies the Department of its findings;

Conduct on-site visits to identified provider(s). For each visit document which staff attended, issues discussed results of discussions, actions items with due dates and responsibility for resolution. Produce visit reports in the period agreed to by the Department;

Conduct provider visits within seven (7) days of being contacted by the provider for help. Provide a report to the Department including who attended, all issues, results, etc.;

Have the primary working, helpdesk, and business relationship with providers;

Document all contacts in the Provider Call Center database;

Develop the provider outreach materials:

Gather input and information from the Department for provider outreach materials,

Obtain final approval of the provider outreach materials from the Department before distribution, and

Deliver the provider outreach materials by the most effective method possible to providers, be that blast fax, e-mail, web portal or regular mail;

Develop and conduct provider surveys:

Gather input and information from the Department for provider surveys,

Obtain final approval of the provider surveys from the Department before distribution, and

Conduct the provider surveys in the most effective method possible, be that blast fax, e-mail, web portal or regular mail;

Conduct sanction checks, criminal background checks, credit checks, asset checks, OIG exclusion list, licensing checks and ownership checks on all providers upon enrollment, re-enrollment and as directed by the Department.

* + - * 1. System Requirements

The System shall:

Produce electronic dashboards and reports for individual providers based on Department business and medical rules;

Send alerts to providers that a profile has been generated and made available for them;

Allow for electronic communication from profiled providers to the Department;

Receive and process provider applications primarily from the web portal but should also be able to accept and enter paper applications and attachments;

Use algorithms to identify pre-defined rules used to create target population data, produce attachments, and mine the associated data;

Determine provider’s eligibility in accordance with established rules and guidelines, through national and state links to licensure, death records, tax information, address identification, and validate and identify physician specialties;

Produce reports which list provider information in formats specified by the Department and have sort capability;

Allow for all communication to providers to be posted to the web portal;

Post provider-specific information for an individual provider on the secure web portal;

Have the ability to send outreach material, both electronically and by postal-ready mail, to providers;

Have the ability to send communications to providers both electronically and by postal-ready mail. All communication shall be tracked so that the Department knows the type and content of communications sent to each provider;

Establish and maintain links between a provider and all additional identification numbers;

Track and cross match all provider associations with begin and end dates and movement between provider groups and business ownership for at least ten (10) years;

Support a provider profile, including but not limited to, provider enrollment, ownership, monitoring, demographics, and sanctions;

Have the ability to enroll and disenroll providers, either individually or by mass, at varying levels of participation based on the Department’s business rules for participation;

Track and display in real-time the available and filled slots in service programs by updating providers and programs as enrollees and providers disenroll;

Link, track, and display providers and the sites they are linked to with drilldown capability;

Support the provider grievance and appeals process including the submission of grievances, preparation of summaries of evidence for appeals regarding Contractor decisions, and documentation of the outcome;

Support provider profile updates throughout the system by providers. Some updates shall be automatic through an algorithm while others shall require prior written approval by the Department or designated entity;

Have the ability for providers to update their profile of availability limitations for patient slots, indicate specialties, or other limits (for example, Home Health providers, specialties - "only pediatrics" or "only adults");

Have the ability to reassign a patient or multiple patients to new providers and alert all parties;

Have a web and paper provider application that shall be designed during the Design Development and Implementation (DDI) phase;

Be capable of suspending or closing all associated provider IDs in the system with one action when a provider is suspended or closed for any reason such as sanctions, disenrollment, death, etc;

Maintain multiple billing and submitting information segments for providers with beginning and ending date that shall not be overwritten;

Edit billing, attending, servicing, referring, and prescribing provider to ensure that all are valid for the Department’s program;

Allow any authorized Department user to create and process a recoupment case electronically with an audit trail and comments;

Auto-generate and display recoupment reports defined by the Department (for example, beginning and ending balance, reason for recoupment, etc.);

Have the ability to track multiple provider sanctions and the entities in which the providers are members;

Have the capability to conduct sanction checks, criminal background checks, credit checks, asset checks, OIG exclusion list checks, licensing checks, and ownership checks on all providers upon enrollment, re-enrollment and as directed by the Department;

Interface with the appropriate State and Federal databases to verify provider licensure and notify appropriate Department staff when a provider’s license has expired, been suspended, or revoked. Also interface with the appropriate State and Federal agencies to track providers who have had other disciplinary actions taken against them and notify the appropriate Department staff;

Track and maintain if, when, and what type of training a provider has received;

Include an Automated Voice Response (AVR) functionality that shall allow providers to complete automated inquiries on client eligibility, benefits, and service limitations, level of service authorizations, managed care enrollments, and third-party resources using a touch-tone telephone. The AVR shall be available twenty-four (24) hours a day, seven (7) days a week. Features shall include: Claims inquiry, PA inquiry, Provider Payment inquiry with secure access;

Support the data element requirements mandated by the Children’s Health Insurance Program Reauthorization Act of 2009 (CHIPRA) Public Law 111-3, Section 501(e);

Support the allocation of Provider payments to a deferred compensation fund for all provider types whether a member of a group or an individual practitioner. The system shall withhold pre-taxed monies based on provider direction, track the disbursements to deferred compensation entities designated by the Department, and report annually to the provider regarding the amounts that were withheld from payment and forwarded to the deferred compensation entity;

Have the capability to display provider claim information on-line to the provider portal and the ability for an interactive question and answer session (Q & A) between a provider and the Contractor’s Provider Call Center staff;

Allow access to the provider’s information once the provider enrollment application is submitted through the web portal;

Have a web portal with a separate area for providers to log into to view and/or change information designated by the Department. Information includes, but is not limited to, the following:

Demographic information,

Provider Enrollment information,

Service authorizations,

Claims and payments,

Remittance advices,

Sanctions and Recoupments,

Grievance and Appeals,

Peer Based Provider Profiling,

Enrollee information,

Electronic health information provided to and maintained by the Department,

Provide access to the dashboard and other reports to each provider via the secure provider website, and

Allow the providers to view and make payments via the web;

* + - 1. Claims Processing

HIPAA Transactions Overview

The replacement MMIS shall be synchronized with all current HIPAA transactions and code sets. On the day of implementation, the applicable version of HIPAA transactions and codes sets shall be in production. This also applies to pharmacy transactions processed via Point of Sale, as well as inquiry and remittance advices. The MMIS shall also be compliant with the current version of HIPAA transactions and code sets.

Claims Adjudication Overview

Louisiana Medicaid business rules shall be utilized to accurately capture and adjudicate all submitted claims (paper and electronic) using HIPAA transactions and codes sets or CMS approved paper claim forms and assure timely, accurate, and appropriate payment of claims for services based on Department approved guidelines and procedures. The replacement MMIS shall capture, control, and process claims data from the time of initial receipt (on hard copy or electronic media) through the final disposition, payment, and archiving according to those rules. The Contractor shall also receive and process encounter data. Adjudication rules for encounter data shall be different from claims, but shall require application of edits and comparative pricing. The Replacement MMIS shall also support the billing and payment of monthly management fees to provider entities based upon information maintained within the MMIS or enrollee rosters submitted by provider entities.

Pharmacy claims may be submitted via a point of sale process or via paper. These claims shall also be supported.

Claims Payment Overview

Once claims have been adjudicated, the claims approved for payment shall be paid according to the Department business rules.

Recoupments Overview

There are instances where a provider has been overpaid. There shall be a process to support the collection of overpayments from providers. The recoupment functionality shall be provided by a fully functional financial system that can track balances, payments, debits, credits, and accrual of interest and penalties.

Recoveries Overview

Louisiana Medicaid is responsible to recover funds from estates of deceased enrollees or insurance settlements. The amount of recovery is based on the claims paid for the enrollee.

Third Party Liability Cost Avoidance and Coordination of Benefits Overview

The Third-party Liability (TPL) processing function permits Louisiana to utilize the private health, Medicare, and other third-party resources of its Medicaid enrollees, and ensures that Medicaid and Louisiana are the payor of last resort. This function works through a combination of cost avoidance (non-payment of billed amounts for which a third-party may be liable) and post-payment recovery (post-payment collection of Medicaid and the Department paid amounts for which a third-party is liable).

Cost avoidance is the preferred method for processing claims with TPL. This method is currently maintained automatically by the legacy MMIS through application of edits and audits which check claim information against various data fields on enrollee, TPL, reference, or other MMIS files. Post-payment recovery is primarily a back-up process to cost avoidance, and is also used in certain situations where cost avoidance is impractical or unallowable.

Encounter Claims

Encounter claims provide data on services provided to Medicaid enrollees enrolled in managed care. They are subject to both HIPAA and Medicaid Statistical Information System (MSIS) requirements.

* + - * 1. Department Responsibilities

The Department shall:

Provide the Contractor with the appropriate Departmental business rules for processing the HIPAA transactions;

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified;

Provide the Contractor with the appropriate business rules for claims adjudication;

Provide the Contractor with the appropriate business rules for the claims payment;

Provide the Contractor with the appropriate business rules for processing recoupments, including when Department approval is necessary;

Provide the Contractor with the appropriate business rules for processing recoveries;

Provide the Contractor with the appropriate business rules for processing coordination of benefits;

Provide the Contractor with the appropriate business rules for processing encounter data;

Provide the Contractor with the appropriate business rules for processing 1099s;

Authorize refunds when notified of overpayments on settlements; and

Provide the Contractor with guidance and authorization to resolve and/or release claims that are suspended and that cannot be resolved by the Contractors resolution tools or processes (See requirement 2.1.2.4.3.52).

* + - * 1. Contractor Responsibilities

The Contractor shall:

Update and maintain all HIPAA transactions and codes sets according to HIPAA and Department business rules;

Process and adjudicate all claims transactions according to Department business rules;

Provide sufficient staff with the appropriate skill sets to meet the requirements of this SFP throughout the term of the Contract;

Accurately key all forms which must be keyed within three (3) days of receipt;

Pay claims according to Department business rules. At a minimum, the contractor must comply with (42 U.S.C 1396a(a)(37) to provide for claims payment procedures which:

* Ensure that 90 per centum of claims for payment (for which no further written information or substantiation is required in order to make payment) made for services covered under the plan and furnished by health care practitioners through individual or group practices or through shared health facilities are paid within 30 calendar days of the date of receipt of such claims and that 99 per centum of such claims are paid within 90 calendar days of the date of receipt of such claims, and
* Provide for procedures of prepayment and post payment claims review, including review of appropriate data with respect to the recipient and provider of a service and the nature of the service for which payment is claimed, to ensure the proper and efficient payment of claims and management of the program;

Develop, implement, and operate a recoupment process according to Department business rules;

Develop, implement and operate a recoveries process according to Department business rules;

Develop, implement, and operate a coordination of benefits process according to Department business rules;

Develop, implement, and operate a encounter data process according to Department business rules; and

Develop, implement, and operate a 1099 process according to Department business rules.

* + - * 1. System Requirements

The System shall:

Automatically load code sets, both annual and periodic upon receipt, in the format that is supplied by the sources. This includes, but is not limited to, ICD-10 Diagnosis and Procedure Code Files, CLIA, HCPCS. Pro-actively identify edits; provide detail of the update, and processes impacted by the load/changes;

Have the ability to process retroactive eligibility and the ability to pay the claims associated with that eligibility;

Maintain and use the most current version of a claim check editing product, such as ClaimCheck, with evidence based and nationally recognized edit sets. Make edit logic/rationale available to providers/billers and coordinate editing with the PA process;

Conduct automated edits/verifications of information entered into the web portal;

Pay the claim based on the SA effective begin/end date in addition to the date of service;

Update the treatment plans with the claims hitting against those plans and keeping track of unit totals, replacing units if claims are voided;

Be able to exempt individual and mass adjustments or voids from certain Department approved edits, audits, and geographical areas and SURS cases;

Require on-line written approval (at different or multiple levels depending on Department set business rules) by a user with appropriate security for mass adjustments that meet criteria defined by the Department;

Re-process mass adjustment claim records with the same time requirements as claims adjudication;

Electronically alert the different program staff/providers that their claims are being mass adjusted;

Have the capability to pay by claim line or the entire claim (header level) and gather all encounter data at the discretion of the Department and its business rules;

Edit and audit all claims data in accordance with State and Federal requirements;

Edit claims to ensure that the enrollee and provider is eligible on all dates of service and that the service billed at a minimum includes the enrollee’s benefit packages and takes into consideration all Federal/Departmental requirements such as, overlapping eligibility segments, birth dates, and death dates;

Edit outlier claims to ensure payment in accordance with the Department, State and Federal policies;

Edit to ensure that claims and adjustments have been submitted in accordance with timely filing limits and all Federal and State requirements;

Edit claims including, but not limited to, the following types of edits:

Standard relational edits, valid diagnosis, valid procedure codes, and valid billed units, and

Edit institutional/facility claims including but not limited to ensuring that the level of care is correct, bill type is correct, and that the admit dates and discharge dates are consistent with the authorization;

Be able to generate a report, which identifies all edits and audit trail;

Perform audit processing using history claims, suspended claims, in-process claims, and same cycle claims. Evaluation shall be completed across the system, including but not limited to provider type and specialty;

Process all of the applicable edit/audit codes at each detail level and at the header level. Display which level the edit/audit came from;

Process claims/encounters in accordance with individual and program requirements;

Generate an allowed amount and payment amount for each approved claim;

Be flexible enough to price Medicare coinsurance, co-payment and/or deductible Coordination of Benefits (COB) claims and adjustments through multiple methods as defined by the Department (for example, override PA amounts in the event of TPL payment);

Process payments for providers where no payment has been actually made, such as encounters and zero pay. Show all payment information including detail line information on encounter claims and have the capability to edit the encounter detail data prior to paying the encounter;

Have the capability for automated mass re-pricing and adjudication of claims;

Be capable of importing national standards and use the standards to perform statistical and other analysis, and then base payment of claims on that analysis. Examples of national standards include, but are not limited to, Resource Utilization Groups (RUG), Minimum Data Sets (MDS), wage indices, and , nursing home cost reports;

Create internal payment reports and post them on-line;

The capability to generate and distribute remittance advices for all claims advances, and ad hoc payments, whether the payment amount is positive, zero, or negative. The claims remittance advice shall be produced in paper, HIPAA 835 transaction, and Department defined format/report for web portal display;

Calculate capitation payments automatically and capture any detail requirements for reporting;

Support capitation payments based on a Department-specified payment schedule and utilize the HIPAA transaction for managed care;

Have the ability to do a retroactive change in capitation rates (either generic or entity specific), and shall trigger automatic or manual adjustments to capitation payments;

Have the capability to automatically recover duplicate payments for capitation and all other claims when duplicate enrollee records are identified and consolidated. Also have capability to setup recoupment record when necessary;

Display payment and claims data through web-based methods and be accessible to authorized users;

Have the ability to show requested, approved, and denied quantities in amounts, units, and dollars for all PA requests;

Edit claims to ensure that enrollee spend-down has been met. Any enrollee liability shall be included in adjudicating the claim;

Deduct enrollee spend-down amounts from claims and track remaining balances;

Display types of claim payments and amounts of the remaining spend-down to the provider and enrollee through the web portal;

Display the explanation of the recoupment (following HIPAA rules) on the RA as well as the Department defined report for web portal display;

Link all claims history to recoupment unless the Department approves an exception;

Have the capability to process on-line recoupments against all claims payment in real-time;

Auto-generate and display recoupment reports defined by the Department (for example, beginning and ending balance, reason for recoupment, etc.);

Have the capability to alert the Department staff to review the recoupment information on-line and select recoupment method as defined by the Department;

Have the capability to take out all or part of payment from a claim or claims resulting from an established recoupment;

Have the capability of automatically gathering claims summary data for settlements;

Have the capability to capture a reason and Department contact for each recoupment;

Detect overpayments of settlements, adjust the financial obligations, and refund or generate appropriate alerts to Department staff to authorize the refund;

Have the capability to process lump sum payments for recoupment, settlements, and other payments;

Collect and display cost reports so authorized parties can use the information;

Process and pay claims correctly at all times;

Initiate the claims adjustment process after the receipt of TPL Recovery payment data;

Have the ability to gather TPL information and apply the information in claims processing, including but not limited to TPL, EOB, payments, and patient liability;

Reason codes for edits and their descriptions shall be listed on the remittance advice (RA), along with any correspondence related to the failure of the claim to pay, regardless whether the RA is electronic or paper;

Be capable of resolving suspended claims and releasing them back for processing. The System shall issue alerts and allow designated Department staff, with proper approval, to grant on-line written approvals for only those suspended claims that cannot be resolved otherwise;

Have the ability to produce a report of any action performed by the system (for example, report on a provider or providers closed or reassigned by the system) etc.;

Ensure crossover claims pay correctly in accordance with Federal and State program policy;

Be capable of complex pricing logic associated with modifiers and multiple modifiers and other claims variables;

Have capability for manual pricing with suspend/edit resolution in real-time;

Create automated requests for information to be sent to providers and or enrollees;

Be able to create year-to-date 1099s on demand based on user-entered parameters;

Have the ability to drill down into lower levels of data on 1099s;

Create and maintain all links between a 1099 and their provider;

Maintain an electronic copy of the actual 1099s that are produced. The 1099 copy shall be stored for a minimum of 10 years, the Federal required timeframe, or other length specified by the Department;

Have the ability to re-link claims to correct Tax identification number;

Have the ability to run a 1099 report on demand within specified criteria;

Be able to calculate the 1099 from date of service (DOS) or date of payment based on changes in provider enrollment (for example, a provider is paid part of the year, then changed 'pay to' to a group the second part of year, 2-1099’s are generated; First one from DOS Jan 1st through August 15th and second from DOS August 16th through December 31st);

Have the ability to electronically verify information with the IRS about 1099s;

Have the ability to transmit 1099s electronically to the IRS and the pay-to provider; and

Run 1099s based on Federal and State regulations.

* + - 1. American Recovery and Reinvestment Act (ARRA) of 2009

The American Recovery and Reinvestment Act (ARRA) Pub. L. 111-5 (Title XIII and Title IV of Division B) establishes regulations and a program to promote the use of Health Information Technology to improve healthcare quality, safety and efficiency while maintaining privacy and security provisions. The Replacement MMIS shall have the capability to interface with and support the administrative, programmatic, financial management and reporting requirements of ARRA that apply to Medicaid, Statewide Health Information Exchange and MMIS. The Department shall work with the Contractor to develop full functionality and support for the provisions in ARRA.

* + - * 1. Department Responsibilities

The Department shall:

Work with the Contractor to assure the appropriate business rules, timelines and guidance for adhering to the provisions of ARRA are met; and

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified.

* + - * 1. Contractor Responsibilities

The Contractor shall:

Develop, implement and operate (in accordance with the Department’s guidance) a system(s) along with any needed processes to adhere to the provisions around ARRA including but not limited to:

* Meaningful use criteria,
* Fraud and Abuse Modules,
* Connectivity with the State HIE and Medicaid Electronic Health Records (EHRs),
* Reporting for:
  + Financial,
  + Quality Outcomes, and
  + Disease Management.

Provide sufficient staff with the appropriate skill sets to meet the requirements of this SFP throughout the term of the Contract.

* + - * 1. System Requirements

The System shall:

Have the ability to support the functions described in 2.1.2.5.2.1.

* + - 1. Pharmacy

Point of Sale Overview

Louisiana Medicaid accepts National Council for Prescription Drug Programs (NCPDP) compliant point of sale transactions, HIPAA compliant transactions, and paper claims. The replacement MMIS shall be implemented with the most current NCPDP version effective on the first day of operations. The Contractor shall remain in compliance with the required versions of all HIPAA transactions and code sets.

Pharmacy Benefit Management Overview

Louisiana Medicaid developed the first state owned Pharmacy Benefit Management Program (PBM). The replacement MMIS shall contain a PBM that supports the business rules of Louisiana.

Pharmacy Rebate Overview

The Pharmacy Rebate program is responsible for Federal and State Supplemental rebates from drug manufacturers. The Department shall continue to perform the tasks for Drug Rebate, but the Contractor is responsible for developing and supporting a drug rebate system.

Pharmacy Prior Authorization (PA) Overview

The Pharmacy PA will be entered into the MMIS by the Departments Pharmacy PA contractor. However all PA automated functions shall be supported by the MMIS.

Drug Utilization Review (DUR) Overview

In Louisiana, the DUR program is made up of two components - the Prospective DUR and the Retrospective DUR.

Preferred Drug List Overview

The Preferred Drug List (PDL) is a list of drugs specified by the Department that are automatically authorized. Drugs not on the PDL require prior authorization. The Contractor is responsible for the systematic development, maintenance, and incorporation of the PDL into payment methodologies with the Department’s approval.

* + - * 1. Department Responsibilities

The Department shall:

Provide the Contractor with the appropriate business rules for processing POS transactions;

Provide the Contractor with the appropriate business rules for PBM;

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified;

Provide the Contractor with the appropriate business rules for a drug rebate system and process;

Receive/deposit checks for drug rebate from the labelers and disposition the payments within the system;

Be responsible for interacting with the drug rebate labelers and resolving disputes;

Provide claim disposition criteria on claims requiring Department interaction as defined by business rules for drugs that fall outside of the automated prior authorization code;

Provide the Contractor with the appropriate business rules for DUR;

Provide the Contractor with the appropriate business rules for the PDL; and

Approve the additions and deletions to PDL.

* + - * 1. Contractor Responsibilities

The Contractor shall:

Develop, implement and operate a POS system according to Department business rules;

Provide pharmacy POS/DUR response, measured from the time of receipt into the MMIS to the time a response is sent from the MMIS to the pharmacy. The time shall be less than five (5) seconds ninety-eight percent (98%) of the time;

Provide sufficient staff with the appropriate skill sets to meet the requirements of this SFP throughout the term of the Contract;

Develop, implement, and operate a PBM according to Department business rules;

Develop, implement, and support a drug rebate subsystem according to Department business rules;

Mail drug rebate invoices and Claim Level Detail Reports when requested/initiated by the Department;

Assure that the POS network provider software is compatible with the required operating NCPDP format. The Contractor shall be a member of NCPDP;

Process quarterly CMS rebate and labeler tapes or cartridges or the currently required media and forward the data to the Department within three (3) days of receipt of the tapes or unmodified cartridges from the Department;

Provide the Department with periodic PBM reports in the following categories, including but not limited to:

Submitted claims,

Paid claims,

Denied claims such as duplicate, incomplete, invalid enrollee,

Provider incorrect data,

Rejected claims, and

DUR rejected claims and educational messages;

Maintain a set of parameters to control the production of profiles based on category of disease, drug class or other parameters, and rejected claims;

Inform providers of the Drug Utilization Review (DUR) system through addenda to provider manuals, provider newsletters, and field visits by provider relations field representatives. The Contractor shall conduct one (1) presentation each year to medical and pharmacy association societies which explains the DUR system and solicit provider cooperation. The Contractor shall pay all expenses associated with these activities;

Provide training to providers in accordance with the training requirements. The Contractor’s pharmacist(s) shall perform these duties;

Lease or purchase, operate, and maintain all hardware and other equipment necessary to operate a therapeutic DUR system as defined by the Department;

Maintain a Point of Sale (POS)/DUR/Electronic Data Interchange (EDI) system conforming to the telecommunications format standard as described by the National Council for Prescription Drug Program (NCPDP) version applicable at the time. This standard would be implemented by and maintained by the Contractor to provide pharmacy providers with billing information. The Contractor shall upgrade to any format changes which occur over the life of the Contract;

Maintain a Prospective Drug Utilization Review process to be linked to the electronic claims management network, to furnish medical and drug history information for each patient. This process is subject to the review and recommendation of the Department established DUR Board. This process shall have the flexibility to adjust to changes in criteria or procedures as recommended by the DUR Board with final written approval obtained from the Department;

Maintain training manuals and conduct training sessions for all new members of the DUR committees and the DUR Board and provide a minimum of four (4) copies of the manual to the Department. The Contractor shall pay all expenses associated with the development and production of a training manual and program. The Contractor also shall pay all expenses associated with providing required training to the committee members;

Make a provision in their contract with First Data Bank or other data provider to allow the Department pharmacy staff to talk directly with First Data Bank or other data provider;

Obtain and implement, at the Contractor’s expense, the most current version of drug databases from First Data Bank or another pharmacy data provider;

Operate and maintain a therapeutic DUR system as defined in this section;

Organize and operate four (4) regional DUR committees composed of three (3) pharmacists and one (1) physician each for each region, to review excepted enrollee profiles and perform other duties (including profile reviews for lock-in) required in this section per Federal regulations. The DUR committees shall review a maximum of eight hundred (800) total enrollee profiles per month. The DUR committee members shall cooperate with the Board of Medical Examiners, Attorney General, and Board of Pharmacy as required by the Department. The Contractor shall pay all expenses including per diems plus expenses. The Contractor shall have the ability to post information and grant access to the web portal for the DUR committee;

Organize and operate the DUR Board to review the recommendations of the regional DUR committees, provide recommendations for action to the Contractor's medical director, and assist in maintaining therapeutic exception criteria used in the therapeutic criteria module per Federal regulations. This committee may consist of members of the regional DUR committees. The DUR Board members shall cooperate with the Board of Medical Examiners, Attorney General, and Board of Pharmacy as required by the Department. The Contractor should pay all expenses including per diems and expenses. The Contractor shall have the ability to post information and grant access to the web portal for the DUR Board;

Perform system testing on DUR to look for initiatives. Testing of criteria changes and results shall be viewed before released for final run;

Process completed invoice data and return to CMS in the CMS mandated format within three (3) days of Department written approval of the invoice;

Provide administrative support to the educational and intervention components of POS system;

Provide the staff required to operate and maintain the POS system including medical staff to define and maintain the detailed medical policy and edits;

Update the procedure manuals and keep them current throughout the Contract;

Submit any change in software development plans to the Department for prior written approval. If the Contractor wishes to acquire any therapeutic DUR software package, it shall submit a detailed software selection analysis to the Department for written approval prior to implementation. At a minimum, the analysis shall describe the software packages considered, the major features of each package, the major advantages, and disadvantages of each package, and a cost/benefit analysis of each package. All changes are required to have an audit trail;

Be required to work closely with the Department’s pharmaceutical contractor, for the educational component and to provide clinical expertise;

Coordinate payment of Medicare crossover and other TPL payers for drugs based on standards and as directed by the Department; and

Be responsible for the systematic development, maintenance and incorporation of the Department approved PDL into the systems payment methodologies.

* + - * 1. System Requirements

The System shall:

Be an automated prior authorization system that uses sophisticated evidence-based and enrollee-specific criteria to automatically screen claims at the point of sale, queries the administrative databases (drug claims, medical claims, approved formulary, and encounters), and determines if the enrollee meets evidence-based criteria established by the plan. If the therapy is appropriate, the pharmacist is sent a message that the prescription is approved to dispense. If the therapy is not appropriate and a claim is denied, system supports the interaction of the Pharmacy Help Desk call center with the provider;

Contain ten (10) years of pharmacy claims history for the Prospective- DUR modules or as specified by the Department;

Ensure that the system alerts the pharmacist at the point of sale, as requested by the Department and in accordance with NCPDP standards, regarding drug utilization evidence for specific patients as defined by drug utilization for review. The Contractor shall maintain a reporting system of DUR alerts to assure the ability to perform outcomes management;

Generate reports and correspondence for enrollee and provider interventions. Notice of interventions shall be mailed to those identified. The Contractor shall schedule the appointments for all interventions and shall be responsible for tracking the effectiveness of the interventions. The Contractor shall coordinate provider interventions with the Department including, but not limited to scheduling, tracking, and participating in face to face interventions;

Maintain an edit and adjudication system as directed by the Department;

Prepare, validate, and distribute all mandated components of the DUR annual report, including but not limited to CMS requirements, summary data, cost saving tables, and annual cost of operating DUR. Incorporate DUR in the annual report submitted to CMS at the end of each fiscal year. Key elements which shall be included in the annual report include:

A review of current and anticipated drug use,

An assessment of potential adverse events,

Scope of the study,

Anticipated impact of DUR intervention,

Appropriate observation period,

Estimated cost savings of DUR and cost avoidance, and

Measure outcomes;

Provide technical help desk services via one toll free telephone number with direct access to the Pharmacy help desk with technically qualified personnel to assist providers with coverage, payments, and/or network problems. PBM Helpdesk technicians shall be dedicated solely to the PBM unit at least from 8:00 a.m. to 5:00 p.m. (CT) Monday through Friday. The PBM unit shall reside in Baton Rouge;

Review criteria used for drug utilization review to assure consistency with those of the procedure;

The POS/DUR/EDI system shall have the ability to identify managed care providers, lock-in providers, and Primary Care Case Management (PCCM) select contractors and others as identified by the Department;

Allow web inquiry to determine coverage status of a drug and the reimbursement rate by NDC and date of service;

Be able to provide communications to drug manufacturers electronically with an audit trail of to whom it was sent, what was sent, and when was it sent;

Be responsible for the Department’s drug rebate application with the following functions:

Provide the ability to create and mail Federal Supplemental invoices to labelers when initiated or authorized by the Department or their contractor,

Provide the ability of the Department to enter the disposition of drug rebate payments into the system,

Provide the ability to create Claim Level Detail Reports and mailing those reports to labelers as requested/initiated by DHH staff,

Provide the ability for the Department staff to initiate rate changes within the system,

Produce rebate reports as defined by the Department; and

Have the capability to generate electronic or paper drug rebate invoices for amounts owed by drug manufacturers and post them on the web portal;

Have a web portal that shows a listing of all pharmacy codes;

Have the ability for on-line drug file updates by specified pharmacy staff;

Have the ability to generate data analysis reports as defined by the Department and invoicing on a quarterly and ad hoc basis;

Have the ability to include COTS clinical editing programs;

Have the capability to load and automatically update all pharmacy codes when they are received;

Have the capability to provide a POS/DUR/EDI System that has drug coverage and dosage information;

Have the capability to provide a POS/DUR/EDI System that has pharmacy provider verification and prescribing provider verification including provider limitations such as lock-in;

Have the capability to provide a POS/DUR/EDI System that has special billing instructions (when applicable);

Limit access to this network to ONLY pharmacy provider personnel participating in the Medicaid Program and assure a totally CONFIDENTIAL handling of all patient related data - at all times;

Maintain an EDI network with participating pharmacies and assure availability of compatible hardware, software, and all necessary participation instructions to fully maintain this network. Ensure adequate lines to accommodate peak processing periods. At no time should processing of claims under which the Contractor has control exceed three (3) seconds;

Maintain drug history profiles;

Maintain interface between the Contractor's database and the switching companies. Authorize and enroll telecommunications vendors who wish to transmit claims for POS users based on applicable State and Federal requirements;

Operate and maintain all interfaces with other Louisiana MMIS subsystems, including the claims processing subsystem, required to operate a therapeutic DUR system as defined in this section;

Provide a POS/DUR/EDI system which shall freely allow the Department flexibility in implementation of policies and changes to existing policies;

Provide a POS/DUR/EDI System that allows for adjudication of all claims (process claims, compile and calculate payments) to include, but not limited to, POS submission, paper submission, batch process capability (EDI), etc.;

Provide a POS/DUR/EDI System that has electronic claims capture (ECC) as an initiation of the claim payment process;

Provide a POS/DUR/EDI System that has HIPAA compliant error/edit messages if claim is not payable;

Provide a POS/DUR/EDI System that can process pharmacy claims for viewing on the web portal;

Provide a POS/DUR/EDI System that has enrollee eligibility verification including but not limited to "lock-in" information;

Provide adjustments and reversals capabilities with allowance for adjustments and reversals for paper claims;

Provide secure on-line access to the POS/DUR database;

Provide participating pharmacists valid, timely billing instructions as a part of an instructional manual on how to participate in Louisiana's POS/DUR/EDI program;

Provide resubmission and reversal capabilities with allowance for "on-line" reversals;

Provide therapeutic exception criteria for different drug entities and therapeutic classes;

Perform enrollee "lock-in" functions as described in the Louisiana Drug Utilization Review Committee Procedures and Operations DUR manual in the Procurement Library. Provide recommendations to the Department regarding drug utilization "lock-in”;

Utilize drug and diagnosis codes consistent with those of the procedure and if the drug falls outside of the automated prior authorization, the claim shall send an alert to the Department or their designee to make a disposition on the claim in the system. The system shall keep track and provide reports on all claims that have to be manually reviewed;

Maintain an Electronic Data Interchange (EDI) system. System shall be capable of paying pharmacies for administration of vaccines or medications in the event of pandemic, natural, or man-made disasters or declared emergencies;

Incorporate the Department approved PDL into the payment methodologies.

* + - 1. Decision Support System and Data Warehouse

Decision Support System and Data Warehouse (DSS/DW) Overview

The Contractor shall ensure the ability to access all claims processing data and approved interfaces through a data warehouse environment with reporting capabilities and report design options available to the Contractor and the Department's users. This includes, but is not limited to, the capability to interface with and balance reports from other functional areas. The Contractor shall review all MMIS reports currently being produced to apply quality assurance and quality control measures, thereby ensuring the integrity and accuracy of data and, where possible, eliminate report redundancy. For the proposal, the Contractor shall include a draft of the data attribute list of the proposed DSS/DW solution.

Management and Administrative Reporting Overview

Management and Administrative Reporting System (MARS) is a Federal requirement for a CMS certified MMIS. The replacement MMIS shall provide the functionality required by MARS.

Standard and Ad Hoc Reporting Overview

The Department requires standard and ad hoc reporting functionality using the DSS/DW and operational MMIS. The DSS/DW should be the primary source of data for both standard and ad hoc reporting to the extent possible.

* + - * 1. Department Responsibilities

The Department shall:

Provide the Contractor with the appropriate business rules for the Decision Support System;

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified;

Provide the Contractor with the appropriate business rules for MARS; and

Provide the Contractor with the appropriate business rules for standard and ad hoc reporting.

* + - * 1. Contractor Responsibilities

The Contractor shall:

Develop, implement, and operate a DSS/DW according to Department business rules and Federal guidelines/regulations;

Develop, implement, and operate a MARS subsystem according to Department business rules and Federal guidelines/regulations;

Notify the Department within one hour of finding a problem with the DSS/DW load;

Make sure that the DSS/DW runs twenty-four (24) hours a day, seven (7) days a week with only scheduled maintenance pre-approved by the Department. The proposal shall include an example of the DSS/DW maintenance schedule;

Supply all license and hardware to support the use of the DSS/DW according to the Department’s defined number of employees and/or stakeholders;

Develop, implement, and operate a standard and ad hoc reporting process according to Department business rules;

Provide sufficient staff with the appropriate skill sets to meet the requirements of this SFP throughout the term of the Contract;

Use algorithms to identify pre-defined rules used to create target population data, produce attachments, and mine the associated data for utilization in disease/care management and pay for performance initiatives;

Support running queries at scheduled intervals or on request/ad hoc basis;

Allow the user to create, modify, and run the rules and algorithms with limited technical support;

Provide the Department with a minimum of 25 user licenses for querying and mining the data in the DSS/DW. The Contractor shall also procure all licenses for the Contractor’s staff. The Contractor should also provide pricing and guidance on the Department increasing their licenses as the Department users become more efficient with the DSS/DW;

Provide one (1) healthcare analyst to be located at the Department’s office. The responsibility of this staff is to provide technical and healthcare reporting and analytical support to the Department. The Department will provide space for this individual, but the Contractor must provide all supplies and computer equipment necessary to complete the responsibilities. The software must be the same or compatible with the Department. The Department will assign the work to be performed by this staff. The Contractor may not assign other maintenance or modification task assignments unless otherwise directed by the Department. If for any reason the staff requested in this requirement ceases to be fully utilized, the Contract Monitor shall notify the Contractor and request re-assignment; and

Provide three (3) programmers/analysts to be located at the Department’s office. These staff shall provide data analysis to meet the information needs of the Department. The Department will provide space for these individuals, but the Contractor must provide all supplies and computer equipment necessary to complete the responsibilities. The software must be the same or compatible with the Department. The Department will assign the work to be performed by this staff. The Contractor may not assign other maintenance or modification task assignments unless otherwise directed by the Department. If for any reason the staff requested in this requirement cease to be fully utilized, the Contract Monitor shall notify the Contractor and request re-assignment.

* + - * 1. System Requirements

The DSS/DW System shall:

Be one of the most advanced systems in the Medicaid market and be kept up to date with the latest Department approved versions of proprietary software or COTS applications. The Contractor shall notify the Department and produce recommendations and an implementation plan once per quarter of all upgrades available for the DSS/DW associated applications. The Department, with input from the Contractor, will approve the updates to be implemented and the timelines for those implementations. All upgrades must have Department approval prior to their implementation;

Maintain all data, deemed necessary by the Department from the MMIS and other systems;

Have standard reports built into the DSS/DW with the capability to be able to be refreshed on demand;

Have an electronic tracking and multi-level written approval system for change requests (currently known as LIFT & System Project Tracking (SPT));

Store electronically all change request information for reporting, searching, and analysis as defined by the Department;

Produce all MARS reports out of the DSS/DW;

Be able to run MARS reports on demand according to the Department specifications;

Allow drill down capabilities for all data on all reports to the individual claim data. This includes, but is not limited to, SURS, MARS and other financial reports;

Have a data dictionary that shall be kept continuously up-to-date. All changes shall be updated in the dictionary within five (5) days of modification or addition of fields;

Allow previews of reports (only a partial report) to run to allow the user to decide if the data is what is needed and wanted;

Produce reports, which list information in formats specified by the Department with sort capability;

Load and append information into the DSS/DW at a frequency agreed to with the Department. The Departments preference is real-time;

Send alerts out when the DSS/DW load is complete;

Have on-line help functions, including mouse over as well as a data dictionary. The field names shall be as descriptive as possible with clear definitions in the data dictionary;

Be streamlined and require a minimal amount of time for updates and loads;

Provide data retention of all data unless the Department gives prior written approval. The data in the DSS/DW shall include but is not limited to all data currently stored or archived in the Louisiana data warehouse;

Maintain accurate and current data for producing all Federal and State mandated reports;

Support a Geographic information System (GIS) tool or product compatible with the DSS/DW reporting tool to allow the Department to break down information into specified areas;

Maintain the data and produce the report for all the Department’s pre-defined management reports and ad hoc reports;

Allow for sort criteria defined by the Department and by any field in any order;

Support drag and drop query/report creation;

Provide an estimate of the system run time required to generate the report prior to execution and compare to time limits identified by the Department. If estimated run time is under the time limit, send alerts to the Department staff on generation of the report. If report is over the time limit, send alert to appropriate Department staff to see if they wish to override the time limit;

Provide the authority for designated staff of the Department to abort reports no matter the reports origin;

For specified reports, have a description and data format that can be viewed prior to selection of the report or asking for the report to be run;

Have the capability of automatically gathering claims summary data for settlements;

Incorporate/load cost reports in the DSS/DW; and

Be able to create specified universes and views of data as requested by the Department.

* + - 1. Program Integrity (PI)/Surveillance and Utilization Reviews (SUR)/ Management and Administrative

Surveillance and Utilization Reviews (SUR) is a Federal requirement for a CMS certified MMIS. The replacement MMIS shall provide the functionality required by SUR. Program Integrity is also a Federal requirement for certification. The Program Integrity section assures expenditures for Medicaid services are appropriate and identifies fraud and abuse in the system. Data mining using the data in the DSS/DW shall be provided according to the requirements below. The Contractor shall support PI with staff who:

* Mine forensic data using the Java Surveillance and Utilization Review Subsystem (J-SURS or J-SURS like) product and other tools. The J-SURS product is currently being used by the Department. The Contractor will be responsible for re-procuring licenses for J-SURS should that product be used;
* Perform complaint investigations;
* Perform forensic claims investigation;
* Attend and participate in administrative appeals hearings;
* Conduct Payment Error Rate Measurement (PERM) eligibility reviews, and assisting CMS contractors with claims data and medical reviews; creating universes of claims quarterly; providing relevant program policies, rules, regulations and provider information;
* Produce reports and analyze information captured within the Visit Verification and Management tool;
* Attend and participate in informal hearings and state and federal court proceedings; and
* Resolve errors or disagreements resulting from reviews.

An initiative to use preventive tools to eliminate provider fraud before it can occur is very important to the Department. In order to accomplish this proactive intervention, the Department requires visit verification and management functionality. This is functionality that allows for providers to report their begin and end times, services provided, and location (home based as well as identified facility visits) electronically in such a way that a HIPAA compliant claims transaction may be generated. There are many COTS products that can provide the functionality for the visit verification and management. The Department shall initially implement this program with provider types that provide personal care and waiver services and may be expanded to other provider types after implementation.

* + - * 1. Department Responsibilities

The Department shall:

Provide the Contractor with the appropriate business rules for SUR and PI;

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified; and

Provide day-to-day oversight of the SUR and PI activities.

* + - * 1. Contractor Responsibilities

The Contractor shall:

Develop, implement, and operate a SUR subsystem and PI program according to Department business rules;

Provide sufficient staff with the appropriate skill sets to meet the requirements of this SFP throughout the term of the Contract;

Provide appropriate staff to perform onsite visits for copying of records at a variety of service locations, such as provider offices, parish offices, etc.;

Provide sufficient SURS data mining analysts to support SURS/ Fraud Abuse Detection System (FADS) activity. These staff shall have at least three (3) years of SURS/FADS experience and be proficient in the tools proposed by the Contractor. They shall support the Department’s SURS/FADS functions, producing reports, assisting in the development of studies and training the Department’s staff on the SUR/FADS tools;

Provide programmer analysts or system engineers to maintain the DSS/DW and SURS/FADS to analyze, code, test, debug, and implement Department approved change requests. This staff may not be assigned other maintenance or modification task assignment, unless otherwise directed by the Department. If for any reason the staff requested in this requirement cease to be fully utilized, the Contractor shall notify the Contract monitor and request re-assignment immediately;

Contract with persons residing in Louisiana to provide consultant services. These medical professionals shall be currently licensed to practice in the State of Louisiana and meet the requirements identified in Section 2.1.4. The consultants currently utilized by the Department are:

Internal Medicine,

Psychiatry,

Pediatrics-Cardiology,

Ophthalmology,

Dentistry,

Family Practice,

Obstetrics and Gynecology,

Physical Therapist, and

Optometry;

This list of specialists in Section 2.1.2.8.2.6 is the minimum necessary. The Department shall have access to other specialists as need arises for such tasks as assisting in the development of clinical policy or providing opinions on the medical necessity for SAs;

Provide staff to support a Visit Verification and Management tool;

Provide or develop and implement a Visit Verification and Management tool and services;

Provide the staff and be able to perform claims investigation;

Provide the staff and be able to perform complaint investigations;

Provide the staff and be able to perform forensic claims investigation;

Provide the staff and be able to attend and participate in appeals (administrative and informal) hearings and court (state and federal) proceedings;

Conduct payment error rate measurement including eligibility reviews, claim processing, and medical reviews;

Conduct eligibility reviews;

Resolve errors or disagreements resulting from reviews;

Meet with the Department PI staff as determined by the Department;

Designate space for one (1) Department PI staff and provide office space, computer, phone and office supplies;

Provide a PI audit staff that is eight-five percent (85%) medical. This staff shall not be assigned to other projects unless prior approval is given by the Department;

Conduct on-site visits for thirty percent (30%) of cases;

Not to exceed fifty percent (50%) of the total of required cases to be opened with “Limited” in scope cases. “Limited” is defined as a focused review of a specific issue or problem area;

Place all cases not closed within one (1) year on a report with an explanation/request for a time extension. Only those cases over one (1) year that are a result of circumstances beyond the analysts control would not require closure;

Provide for contract audit analysts to also have access to analytical software needed to perform SURS reviews including but not limited to claim drilldown capabilities;

Provide twenty (20) licenses for the Department PI and other State staff to all data mining software and J-SURS or J-SURS like product including customer support, and technical support for the software and system equipment. The Department currently has seven (7) J-SURS licenses that the Contractor may re-procure if that product is used.

* + - * 1. System Requirements

The System shall:

Track the types of PI cases including, but not limited to, Payment Error Rate Measurement (PERM), eligibility audits for CMS, drug utilization reviews, enrollee, and provider;

Be able to use algorithms and rules in the determination of PI cases in the system. Build an algorithm library and allow for the selection of specific provider numbers to have their claims history analyzed using the algorithms that are selected;

Provide the ability to override the selected determination or disposition made by the system with the appropriate levels of written approval. The written approvals shall be tracked;

Support the ability to assign a specific case to a specific user and notify appropriate Department staff;

Allow a minimum amount of data to establish a PI case (only the required data elements to open a case);

Allow, with appropriate authorization and an audit trail, a user to override any disposition or determination set by the system on a PI case;

Provide a web-based SURS profiling system, which shall be one of the most advanced Fraud and Abuse detection systems (Best of Breed) in the Medicaid market and be kept up to date with the latest Department approved version of all software. The Contractor shall notify the Department and produce recommendations and an implementation plan once per quarter of all new updates available for the SUR products being used in the Louisiana MMIS. The Department shall pre-approve the implementation of updates;

Use algorithms or pre-defined rules to identify and create target population data, produce attachments, and mine the associated data for the previous ten (10) years;

Have the ability to automatically or manually establish an electronic case record for Program Integrity. Allow direct entry of information into the case record with scan/attach capability. Provide a case tracking system that meets the global requirements;

Support running queries of the DSS/DW and case tracking system at scheduled intervals or on request/ad hoc;

Allow authorized users to create, modify, and run the rules and algorithms with limited technical support;

Incorporate the DUR data from the DSS/DW;

Report, receive, and submit data to and from the Public Assistance Reporting Information System (PARIS) (IRS) system. Have the ability to request data for ten (10) years;

Be able to exempt individual and mass adjustments or voids from certain Department approved edits, audits, and geographical areas and SURS cases and provide audit capabilities;

Provide an electronic case record that supports investigations, outcomes, etc.;

Provide the functionality to track the case record by status, location of provider, initiation date, owner, etc.;

Provide “visit verification and management” functionality that proactively prevents provider abuse by means of collecting patient and caregiver information electronically at the beginning and end of services provided in the home and in group settings. The following functionality shall be included:

Be able to generate an 837 transaction for review and approval by appropriate personnel prior to submission,

Maintain a response time that shall be less than three (3) seconds for user submitted data for ninety-eight percent (98%) of the transactions,

Use biometric voice verification or another method approved by the Department that provides at least ninety-nine percent (99%) accuracy to assure the right caregiver is identified,

Have the capability to provide targeted trend reporting at the facility or at the home care provider level to help identify and reduce fraud, waste and abuse,

Provide real-time visibility into the home care services being provided,

Allow all stakeholders appropriate levels of viewing data, such as Providers, Case managers and the Department,

Have real-time capabilities to collect activities that have occurred at the facility or at the home and develop an electronic record that can be part of the Department health record initiatives,

Have the capability to download information into the DSS/DW so the Department has unlimited retrospective visibility into the home care program caregiver visit activities and performance metrics,

Provide an integrated solution that includes scheduling, authorization monitoring, visit verification and billing modules,

Provide the ability to assign unique worker identification numbers and maintain that information within the visit verification and management tool,

Have a web portal and an integrated system that offers multiple technologies to address recipients in all types of locations including, but not limited to the following:

* Telephony,
* Integrated GPS enabled devices to provide visit verification for those recipients that have no land line but do have cell coverage,
* A cost effective alternative device that can be fixed in a recipients home, to provide verification coverage for those recipients who have no land line and no available cell services,
* Caregiver timesheets are generated for the provider agency or FI, and
* A system that can submit billing within 24 hours of service allowing better cash flow management for the Department and providers; and

Support changes in data elements required by Federal and State legislation such as, but not limited to Section 1903(r)(1)(F) of the Social Security Act (42 U.S.C. 1396b(r)(1)(F) – Requirement to Report Expanded Set of Data Elements Under MMIS to Detect Fraud And Abuse.

* + - 1. Rate and Audit

The Rate and Audit Review section is responsible for performing rate and audit functions related to Nursing Homes, Adult Day Health Care, Hospice, all types of Hospitals, Federally Qualified Health Clinics, Rural Health Centers, Medicaid Administrative Claiming (MAC), and PACE. Functions performed by the section include rate setting, audit reviews, and authorizing reprocessing of claims via resetting of rates or audit results, claims payment, case mix reviews, MDS reviews and cost settlement.

* + - * 1. Department Responsibilities

The Department shall:

Provide the Contractor with the appropriate business rules for rate and audit business processes; and

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified.

* + - * 1. Contractor Responsibilities

The Contractor shall:

Develop, implement, and operate a rate and audit system according to Department business rules;

Develop, implement, and operate a cost reporting and rate setting process for those provider types where the rates are set by a cost reporting methodology;

Develop, implement, and operate a cost settlement process to determine the appropriate payment for those provider types where the rates are set through a cost settlement process;

Conduct Minimum Data Set Reviews;

Conduct audit review of providers to determine if they are being paid correctly;

Conduct case mix reviews;

Determine provider reimbursement rates for all appropriate provider types as defined by the Department based on the appropriate payment methodology for each type;

Perform Medicaid Administrative Claiming functions and submit results to the Department for review and written approval;

Determine disproportionate share payment rates;

Maintain a case mix reimbursement methodology for nursing facilities based on the current version of the Resource Utilization Group mandated by CMS;

Compile and maintain the cost report data used in the calculation of rates;

Calculate rates using the case mix reimbursement methodology;

Conduct on-site case mix documentation reviews at all licensed nursing facilities reimbursed under the case mix methodology according to a schedule approved by the Department. The schedule shall require that all applicable facilities are reviewed once during each three (3) year period. At least six (6) other types of review audits, as determined and assigned by the Department, shall be required each year;

Perform professional accounting review of on-site test work, analysis, and desk review of Medicaid cost reports;

Provide training on cost reporting to nursing facility, intermediate care facilities for the developmentally disabled, and adult day health care staff and other Department identified providers;

Determine uncompensated care cost calculations and payments;

Perform special and non-routine audits and studies as defined by the Department;

Participate in any provider appeals resulting from rate setting activities performed by the Contractor; and

Provide sufficient staff with the appropriate skill sets to meet the requirements of this SFP throughout the term of the Contract.

* + - * 1. System Requirements

The System shall:

Provide the functionality to support a cost reporting and rate setting business process;

Provide the functionality to support a cost settlement business process;

Provide the functionality to support a provider audit review business process;

Provide the functionality to support a case mix reimbursement methodology business process;

Provide the functionality to support a Medicaid Administrative Claiming business process;

Provide the functionality to support Medicaid Physician Supplemental Payments;

Provide the functionality to support a Minimum Data Set review business process;

Provide the functionality to support a disproportionate share business process; and

Provide the functionality to support an uncompensated care business process.

* + 1. Technical Architecture

The Contractor shall design, develop, thoroughly test, and implement a system that takes advantage of new technologies. The Department expects and requires the system to be client server, web, table driven, and rules based. The Contractor should propose their best solution (s) for providing the optimal system architecture possible to support the SFP business requirements while providing a solution with each component having the greatest degree of re-usability, flexibility, and economy. All requirements in the technical architecture apply to all components of the Louisiana Replacement MMIS unless otherwise stated.

* + - 1. Global Requirements

Global Overview

It is the intent of the Department that the Global requirements apply to all components of the Louisiana Replacement MMIS, including but not limited to the main MMIS claims engine, the DSS/DW, and POS.

* + - * 1. Department Responsibilities

The Department shall:

Approve all technical architecture designs;

Participate in the design of the Louisiana Replacement MMIS;

Have final written approval of all hardware to be used by the system;

Provide copies of the Title XIX State Plan including amendments and administrative requirements;

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified;

Assist the Contractor with the development and design of all systems;

Review, approve, or deny all testing submitted by the Contractor within ten (10) days; and

Review, approve, or deny all design or requirements documentation submitted by the Contractor within ten (10) days.

* + - * 1. Contractor Responsibilities

The Contractor shall:

Provide version update(s) at no additional cost to the Department including expanding system capacity;

Implement and maintain the system in accordance with the Patient Protection and Affordable Care Act (P.L. 111-148) as Amended by the Health Care and Education Reconciliation Act of 2010 (P.L. 111-152) including but not limited to:

Multiple benefit plans as designed by the State upon adoption,

Reporting requirements as required by the State for financial, operational, and programmatic metrics. These could comprise text only, graphs/charts, and geographic information system (GIS) formats, and

Interfaces with eligibility systems as adopted by the State;

Provide sufficient staff with the appropriate skill sets to meet the requirements of this SFP throughout the term of the Contract;

Utilize the industry standard project management and systems development methodologies;

Provide access for the Department to perform on-line user acceptance testing;

Provide all reports and documentation in electronic format with the capability to provide hard copies upon the request of the Department;

Ensure full HIPAA compliance;

Ensure adherence to MITA architecture principles;

Monitor federal and state regulations and policies and identify changes to business processes or systems that may be required to ensure compliance with all state and federal regulations. Provide the information to the Department during project status meetings and via a quarterly summary of the regulations and policies reviewed and related changes to processes or systems; and

Provide reports on responses to Recipient Explanation of Medical Benefits (REOMB) letters and investigate all disputes to resolution.

* + - * 1. System Requirements

The System shall:

Utilize table drive, rules-based, and modular components;

Be web-based;

Provide ancillary functions necessary for the operation of a Medicaid fiscal agent, including but not limited to, banking, fraud and abuse detection, actuarial rate setting, program quality monitoring and review, third party liability/coordination of benefits, estate recovery, managed care support, pharmacy benefits management (PBM), primary care case management (PCCM), various alternative service networks, and other such services as the Department may determine necessary to manage the Medicaid program;

Provide access with various levels of security as defined by the Department to the Louisiana Replacement MMIS for all designated Department staff as well as other Department designated stakeholders or Contractors. The Department’s intent is that direct access to the MMIS will be based on need. Department staff will have the widest range of access to all data/applications comprising the Replacement MMIS. Contractors performing work for the Department (for example, contractor completing prior authorizations) will have limited access (direct entry or through web portal) to parts of the system required to perform their duties. Primary access to information by providers and enrollees should be through the web portals;

Provide on-line browser-based Web capabilities for all authorized users (contractors and others), including providers, enrollees, and the Department’s staff. The web browsing should meet all provider and enrollee web portal requirements listed in 2.1.2.3.3.37 and 2.1.2.1.3.3 respectively. In addition to web capability, it shall provide the following at a minimum:

For the Department users – Provide meaningful information for the user to help with their daily work. Provide access to all electronic records and system applications/functions including reporting, data entry, and querying,

Authorized users (contractors) – Provide meaningful information for the users to help with their daily work. Provide access to the application/functions that they need for specific data entry such as PA. For example, authorized users will also need access to limited claims information for querying and verification for their application;

Employ the best of breed available tools and support open architecture software that is flexible and cost effective to modify and maintain;

Provide the ability to seamlessly integrate with installed COTS product components and maintain the most current updated version of the product(s);

Provide functionality to interface with multiple entities outside of the Louisiana Replacement MMIS for exchange of information;

Offer a design engineered with the MITA initiative in mind;

Have components that shall integrate seamlessly with one another;

Take advantage of system interoperability and interface technologies such as Application Programming Interfaces (API), messaging and web services for flexibility to interface;

Take into consideration the needs of the less technical user as well as the more sophisticated user and provide a solution to meet the informational needs of the Department at all levels;

Have automated tracking of actions, documents, and users;

Maintain a complete history of the State Plan in an electronic version, and all its modifications for the Department’s use only;

Comply with all State and Federal regulations regarding claims adjudication simplification including but not limited to timely claims, transparent claims, denial management processes, and reporting requirements;

Support optical character recognition (OCR) capabilities to populate fields using data on documents;

Have the ability to generate automated alerts with receipt acknowledgment features to specific users or user groups and keep an audit trail with dates, copies of alerts, and to whom the alerts were sent;

Track required and/or pending events and provide alerts when action is required. Provide the ability to escalate alerts when required action has not been taken timely;

Track information that shall be entered for specific documents and provide on-line edit alerts to notify appropriate parties that information is required;

Maintain a history of alerts generated by the System, by a user, or by a user group to allow viewing and/or manual updates. All alerts and notices to providers and enrollees shall be attached to their provider file or to their recipients file;

Maintain an on-line audit trail of all user or system-initiated data changes to include user name, date, time, and before and after views of the data;

The system’s fields shall be expandable and allow for alpha/numeric, alpha, and numeric values;

Provide the ability to purge and/or archive data should that need arise based on unknown circumstances such as degradations in system performance that cannot be resolved by other methods. Purging or archiving of data would be within Department defined retention guidelines. The Department desires a solution that would support the availability of all data in a real-time environment;

Have the capability to re-edit, re-price, and re-audit each adjustment, including checking for duplication against other regular and adjustment claim records, in history and in process. These adjustments include, but are not limited to, Program Integrity, Medicare and other TPL adjustments;

Request data from providers for enrollee management, provider information, and program integrity and track requests, sending an alert when received;

Provide the ability to enter, retrieve, and compile monitoring data including the results and corrective actions;

Allow inquiries of data, both current and historical, no matter where it is stored in the Louisiana Replacement MMIS;

Have multiple segments of eligibility for enrollees and providers all with from and to dates for each. Segments may only be overwritten with appropriate Department prior written approval and overrides to be tracked;

At all times, synchronize all MMIS data with the DSS/DW for any type of transaction, including payment information;

Provide the Department any payment adjustment or correction data in a format and schedule established by the Department;

Provide a separate parallel testing and a "what-if" system which mirrors production;

Support scanning paper attachments through a web portal and OCR for attachments submitted in paper. The OCR process shall include verification of key fields;

Support stakeholder profile updates via the web portal. Items that shall be updateable in the profile shall include e-mail address, phone numbers, and other Department specified items. Some updates shall be automatic through an algorithm while others shall require written approval by the Department or designated entity;

Have the ability to automatically or manually establish a case record for Program Integrity;

Be able to generate referrals in both electronic and paper format, as appropriate, for forwarding to providers or other stakeholders;

Have full automation for tracking of required actions as well as generation of tasks for provider, enrollee, Department staff and the Contractors;

Automatically generate requests for missing information from enrollee, provider, and other applications;

Electronically distribute approved treatment plans to authorized personnel through the web portal;

Adjudicate claims immediately upon entry into the System;

Provide the ability to show the edits that have failed for a specific claim to aid in the resolution of that claim;

Have the ability to show a graphical representation of the processing path for claims in general showing the hierarchical structure of the edits. From that, show the decision tree or the rules used to determine each edit;

Provide the ability to generate payment based on price established during the prior authorization process if there is a PA number on the claim;

Provide panel and field level help within custom developed software or applications;

Incorporate claims history for utilization management functions (service authorization, medical review, etc.) in addition to information supplied by providers;

Make available provider billing and/or payment data which may be required;

Be capable of handling overlapping periods of enrollee eligibility for claims payment and reporting purposes;

Have the ability to identify who initiated recoupment and to “reset” service limits for services, if applicable, when recovery takes place;

Receive provider and enrollee data from external systems for purposes of quality/outcome evaluations and payments;

Have the capability to produce an e-mail requesting information from a enrollee, provider, or group;

Maintain multiple e-mail addresses and phone numbers for all stakeholders such as providers, enrollees, contractors, etc.;

Have the capability to conduct mass e-mailing to stakeholders;

Have the capability to execute performance, quality, and outcome measures across programs and populations including disease management programs. The system must have the capability to identify recipients based on any quality measures and/or national standards such as HEDIS;

Have the capability to randomly produce a sample and/or targeted population, send or deliver Recipient Explanation of Medical Benefits (REOMB) letters electronically or through mail, and keep that information for reporting including responses, investigation of all disputes to resolution, and other follow-up information; and

Have reporting capabilities in both Excel, Comma Separated Values (CSV), and Portable Document Format (PDF) formats.

* + - 1. General Requirements

In addition to the Global requirement that shall be incorporated into all components for the Louisiana Replacement MMIS, the Department intends for the following requirements to be functions in the main MMIS and POS claims engine.

* + - * 1. Department Responsibilities

The Department shall:

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified.

* + - * 1. Contractor Responsibilities

The Contractor shall:

Provide sufficient staff with the appropriate skill sets to meet the requirements of this SFP throughout the term of the Contract;

Process Part A crossovers claims in accordance with the Department’s policy and Federal regulations;

Process Part B crossovers claims in accordance with the Department’s policy and Federal regulations;

Process all CMS data that doesn’t have a direct interface (such as, but not limited to, drug information) regardless of the media and forward the data to the Department within three (3) days of receipt of the media from the Department;

Process Part D crossovers claims in accordance with the Department’s policy and Federal regulations; and

Provide staff that shall keep up with Federal changes, provide a plan for how they shall keep up with these changes, and advise the Department of upcoming changes and proposals to address those changes.

* + - * 1. System Requirements

The System shall:

Have the capability to interface with and support statewide Health Information Exchanges (HIE);

Accept paper or electronic referrals for authorization. Paper referrals shall be scanned and processed through OCR;

Alert the provider and the appropriate Department staff when an individual’s SA units reach a specified level;

Provide view and search capability for procedure codes or number, denial codes or text, functional acknowledgements or text, and edits codes or text, on the web portal. Search parameters shall include, but not limited to, procedure code, partial layman’s description of procedure, denial code number, partial denial message, acknowledgement code, partial text and edit code number, partial edit code message;

Allow RA banner messages to be created and edited in an RA maintenance window;

Allow the user to display the real-time units and dollars that have been authorized, in process (or pending), and used towards the SA. The system shall need to capture all descriptions and maintain the information;

Allow users with proper authority to have access to claims processing on-line;

Assign a unique referral number for each referral and identify any duplicate referrals while allowing one referral number to be shared when necessary (for example, a referral to a Cardiologist and a vascular surgeon;

Automatically gather the historical information to support the opening of a recoupment case;

Be able to collect payments through EFT or by checks and make payments through EFT or system produced postal ready checks;

Be able to pay, adjust, void, suspend, and deny claims;

Be capable of importing national standards and using them to perform statistical and other analysis, then to base provider payments on that analysis;

Be capable of reading and processing all claims with overlapping periods of eligibility;

Be implemented with ICD-10 and 5010 requirements at the Federal government’s direction and timelines;

Provide an online cross-reference between ICD-9-CM to ICD-10 codes;

Be synchronized at all times with web information, swipe card actions, and Automated Voice Response System (AVRS) information;

Easily track and display in real-time the status of an Internal Control Number (ICN) from initiation to actual payment;

Electronically produce notifications to providers of settlements and the adjustments to their claims;

Electronically request and receive audited Medicare cost reports from intermediaries through the web portal or postal mail;

Generate audit trail reports for all edit and audit data sets showing before and after images of changed data, the user making the change, and the change date and time;

Have a medical review process that includes, but is not limited to, the ability to determine whether a claim requires medical review, generation of appropriate alerts to users for action, and other claims processing as needed;

Have a portal for responsible parties to apply for exemptions. (For example, estate recoveries, etc.);

Provide the functionality to send enrollee information to the enrollee provided e-mail address;

Have a web-based PA application that can be filled out and submitted with appropriate attachments through the web portal;

Have an address verification system (for example, QAS Pro);

Have an electronic workflow to monitor Buy-in information and authorizations;

Have data entry views that require completion at the end of the initial session or allow data to be saved for completion during a subsequent session;

Have data entry views with on-line, real-time edits;

Have claim edit and audit logic readily available to appropriate users for review, update, changes, and testing of changes;

Have no limits on the number of claims, when requested to mass adjust;

Have the ability to alert appropriate staff electronically if there is an unresolved issue with a Recipient Explanation of Medical Benefit;

Have the ability to allow direct entry into the MMIS via the web portal;

Have the ability to calculate, adjudicate, and update automatically Diagnosis Related Groups (DRG);

Have the ability to display on-line, a description of each edit and audit posted on a claim, the data used, and the rationale in its processing;

Have the ability to suspend service authorizations (SAs) and alert Department staff for review or secondary reviews by consultants and/or Department staff;

Have the ability to provide real-time access to data maintained in other systems as designated in the interface section 2.1.3.4 when that data is available for real-time access;

Have the ability to provide, calculate, adjudicate, and update automatically Ambulatory Patient Groups (APG);

Have the ability to electronically track financial transactions on the provider file made against a recoupment outside of the system electronically or manually. Be able to see who is recouping and be able to drill down to each payment;

Have the capability to display enrollee claim information on-line to the enrollee portal and the ability for an interactive chat between an enrollee and the Contractor’s Enrollee Call Center staff;

Have the capability to have designated Department staff enter, update, or change rates maintaining an audit trail of any action;

Have the capability to generate a “mass” change on a specified universe of data elements ( For example, provider reimbursement rates) maintaining an audit trail of any action;

Have the capability to maintain all premium invoice activities, be it enrollee or provider;

Have the capability to “marry” COBs in real-time to the original claim;

Have the capability to pay claims in real-time or batch;

Have the capability to rank or prioritize recoupments and apply the recoupment accordingly;

Have the capability to re-cycle claims on any number based on any field;

Have the capability to capture an enrollee’s response to REOMBs on-line through a portal or by mail;

Have the capability to set Department defined limits on the maximum number of re-cycles for a claim based on Department criteria;

Have the FMAP payment information with history and be able to produce an FMAP report on demand;

Identify all applicable edits and audits for claims that fail processing edits and have available for review;

Identify individuals that have been pre/post-authorized for services and allow for "Share” (CommunityCARE Gold) authorization with other related claims as defined;

Initiate and track promissory notes created by a recoupment and prepare and maintain/calculate statements. The providers shall be able to view and make payments via the web;

Suspend claims that fail edits/audits to a virtual location work queue for claims resolution by Contractor staff;

Let a Department user view on-line all pricing history by any payment methodology;

Link provider information to the recoupment. If a recoupment is set, have the ability to recoup on part or all of the provider's claims as defined by the Department. The recoupment shall clearly indicate who initiated the recoupment, for what reason, and the dollar amount or percentage set. Have the ability for multiple deductions and recoupments using multiple recoupment methodologies with a maximum balance limit for payment period deduction. The Department shall provide order of precedence for recoupment;

Maintain a full accessible history that shall not be overwritten of all rates with an explanation field, the beginning date, and ending date;

Maintain a web portal through which all service referral communications and written approvals shall be recorded and on-line edits may be performed;

Maintain all amounts, including but not limited to, original, calculated allowed amount, requested amount, manually priced amount, TPL amounts, and the actual payment amount on the claims history record;

Maintain all data, queries, and other decision-making material for a mass adjustment and provide access to authorized users;

Maintain capitation rates with effective dates for each provider, enrollee, and program. The rates shall not be overridden;

Maintain professional reviews that are entered through the treatment plan portal;

Maintain the original claim as submitted and linked to all other transactions;

Maintain the status of the provider as an electronic biller and/or EFT provider, and whether provider chooses paper or electronic remittance advice (RA) on provider file for viewing;

Pay providers, or groups of providers, using criteria as directed by the Department;

Post an alert to the provider portal that a claims payment has been made;

Process all Louisiana health insurance premium payments as directed by the Department;

Process the claim for a SA automatically using saved business rules as soon as the SA is entered into the system via the web or other systems;

Provide a full audit trail to payment methodology;

Provide a syntactical editor for claims that are entered into the web portal. If the claim does not pass the edits, it shall reject instantly and shall not be passed for adjudication. If the claim passes the edits, it shall be passed for real-time adjudication;

Provide input windows to data-entered paper attachments that cannot be interpreted through OCR. The windows shall include syntax editing and verification of required fields;

Provide inquiry to claims based on any individual data field or on multiple data fields as defined by the Department;

Provide on-line access to RA through a web-based browser. Providers shall be able to view their own RA through the browser. The Department’s staff shall also be able to view any data providers would have access to within the system. RAs shall be available on-line indefinitely or until directed otherwise by the Department, both HIPAA and Department generated;

Provide real-time on-line suspend resolution capability for designated staff;

Provide the capability to view and deduct either the provider-reported or enrollee database liability amounts from all claims, track remaining balances, and invoice enrollees for the remaining monthly amount due;

Provide the functionality for a worker to input selection parameters that shall generate an on-line report of cases for utilization review;

Provide web-based access to claims for claims corrections, resubmitted, adjustments or roster billing. Providers, or their designated representative, shall be able to search by multiple claim data elements. The claims shall have the error message displayed in user friendly, non-technical language;

Email REOMB on-line;

Retain five (5) years of claims data in the claims engine and all lifetime and periodic claims limits information;

Review claims processing and payment information to determine if providers are being reimbursed without unnecessary delay and provide the appropriate monitoring reports;

Send an electronic alert to the provider and the Department’s staff, which informs them claims were adjusted, and the total of adjustments when mass adjustments are preformed and why;

Send an electronic alert to the provider when an attachment, paper or electronic, is received and what claim or SA it was married to. The attachment and claim shall be viewable by the provider and Department staff;

Send electronic notices to the appropriate parties when the treatment plan needs to be updated or authorizations need to be renewed;

Show all payment information including detail line information on claims and have the capability to edit the detail data prior to paying the claim;

Support, including providing help desk support, for a provider to be able to query and retrieve on-line claims and remittance advices based on defined selection criteria;

Support accessing claims, based on the claim search criteria, status, or location in a non-technical format that is easily understood by non-technical staff;

Support and allow Department staff and providers to inquire on-line and retrieve a remittance advice based on defined selection criteria;

Support entry and/or updates of authorizations of treatment plans from the Department’s staff and other entities through a web-based portal. Calculations of all service totals and costs shall be generated by the system;

Support entry and association of attachments to applicable claims using pre-defined forms through a web-based portal, EDI, or paper;

Support exchanging of Medicare data with the Department and CMS. Have the capability to electronically submit payment to CMS;

Support NPI, State assigned IDs, multiple taxonomies and specialties, including sub specialties code sets including the validation, research, and reporting of any problems with identifying addresses, providers, etc. from the NPI files;

Support provider specialties and multiple sub specialties and utilize in claims processing;

Support, maintain, and provide on-line access to the cross-reference files that connect standard codes, rates, and COB information used by claims processing, encounter reporting, research, analysis, and benefit packages;

Timestamp a provider referral once it is entered into the system and automated actions based on rules;

Track all communication, including verbal and written activity, of the Enrollee Call Center and Provider Call Center for a minimum of five (5) years;

Track and display the linkage of enrollee to providers and program, with the number of enrollees and the ability to drilldown;

Track the number of recoupments per provider and set a flag on the provider for the Program Integrity unit to investigate;

Update payment information automatically for viewing when payment is made; and

Have the capability to generate payments based on Department rules to enrollees for enrollee reimbursement including EFT, postal ready checks, or other methods that may be available using the proposed solution.

* + - 1. HIPAA Compliance

The Department expects and requires the Contractor to ensure that they and their subcontractors meet all Federal regulations regarding standards for privacy, security, and individually identifiable health information as identified in the Health Insurance Portability and Accountability Act (HIPAA) of 1996. The Contractor shall deliver, maintain, and operate Louisiana Replacement MMIS in full compliance with the HIPAA regulations including, but not limited to, the transaction and code set standards, privacy and security standards, and the identifier standards. The Contractor shall keep the Louisiana Replacement MMIS up to date with new HIPAA requirements as they are issued. The Contractor shall send and receive all electronic transactions covered under HIPAA in the approved electronic format.

* + - * 1. Department Responsibilities

The Department shall:

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified; and

Approve the Contractors proposed HIPAA privacy/security officer described in Section 2.1.4.

* + - * 1. Contractor Responsibilities

The Contractor shall:

Provide sufficient staff with the appropriate skill sets to meet the requirements of this SFP throughout the term of the Contract;

Deliver, maintain, and operate Louisiana Replacement MMIS in full compliance with the Health Insurance Portability and Accountability Act (HIPAA);

Be responsible for HIPAA compliance of Louisiana Replacement MMIS and the fiscal operations regardless of its status as a covered entity or business associate of the Department;

Provide secure HIPAA-compliant software and documentation for use by providers to submit electronic claims;

Comply with all requirements documented in the Department’s Business Associate Agreement and contract; and

Comply with the Department’s requirements that all computer applications operate in a secure manner by complying with security standards and regulations including the HIPAA Security, the Department’s Information Technology Security Policy, and the Department’s privacy policies.

* + - * 1. System Requirements

The System shall:

Accept, maintain, process, and transmit all current and future HIPAA-mandated transactions or other transactions as specified by the Department;

Accept and send all required NCPDP transactions and all other federally mandated transactions at the time of implementation and for the duration of the Contract. These transactions include, but are not limited to:

NCPDP D.0 – Health Care Claims – Retail Pharmacy Drug,

NCPDP D.0 – Coordination of Benefits – Retail Pharmacy Drug,

837 P and NCPDP D.0 – Health Care Claims – Retail Pharmacy Supplies and Professional Services,

NCPDP D.0 – Eligibility Inquiry and Response – Retail Pharmacy Drugs,

NCPDP D.0 – Referral Certification and Authorization – Retail Pharmacy Drugs,

NCPDP 5.1 and NCPDP D.0 – Retail Pharmacy Drug Claim, and

NCPDP 3.0 – Medicaid Pharmacy Subrogation;

Ensure compliance with the National Council for Prescription Drug Programs (NCPDP) standards that are mandated by the Health Insurance Portability and Accountability Act (HIPAA);

Accept and send all current X12 Version 5010 transactions at the time of implementation;

Support the implementation of other upcoming X12 transactions should they be adopted by HIPAA;

Provide real-time capture and adjudication of pharmacy claims submitted by providers via POS devices, a switch, or through the Internet;

Provide real-time access to provider eligibility and authority for electronic submission of claims;

Provide the information and processing capabilities necessary for the Department to be compliant with all Federal and State Medicaid regulations;

Provide information and processing capabilities necessary for the Department to be compliant with all current and future mandate and regulations under HIPAA, including accepting and sending all EDI formats both mandated and those identified by the Department;

Allow for the flexibility of accepting the X12 – 275 Transactions – Patient Information (275) when adopted;

Maintain and update reference file data for HIPAA-mandated code sets not otherwise specified in this SFP;

Ensure that all electronic data transfers and access complies with all applicable Federal HIPAA Privacy and Security requirements at all times;

Provide the capability to accept and manage all external code sets required by HIPAA and the Department (for example, ICD-10, NDC, and HCPCS);

Update code sets electronically when received using HIPAA Related Code Sets, send alerts to the appropriate Department staff, and generate reports of changes as directed by the Department;

For all HIPAA transactions, include compliance verification at the front-end processing and conduct syntax edits of required fields prior to accepting transactions for input. Reject or deny transactions that do not pass minimum compliance levels as defined by the Department;

Employ an electronic tracking mechanism to locate archived source documents or to purge source documents in accordance with HIPAA security provisions;

Provide a prompt response to inquiries regarding the status of any claim through a variety of appropriate technologies including the ability to track and monitor the inquiry and responses to the inquiries;

Provide the capability to verify that suspended transactions have valid error/exception codes;

Provide the capability to verify that all coded data items consist of valid codes (for example, procedure codes, diagnosis codes, service codes, modifiers, place of service, etc.) that are within the valid code set of HIPAA Transactions and Code Sets (TCS), and are covered by the State Plan. Provide the capability to create and use State-assigned codes, if needed, by the Department;

Provide the capability to seek recovery of claims previously paid when TPL coverage is identified, by billing the third parties using the X12N 837 Coordination of Benefits transaction and any other latest national standard version and re-set service limits appropriately when recovery takes place; and

Verify that all coded data items consist of valid code checks including, but not limited, to Service Authorization request.

* + - 1. Interfaces

This section provides a table listing interfaces utilized by the legacy system. The interfaces utilized by the legacy system are marked in the Existing Interface column with a “YES”. Those marked with a “NO” in the Existing Interface column are interfaces that the Department wishes to be established with the Louisiana Replacement MMIS. The flow of the interface data shall either come directly from or to the MMIS data tables, the Medicaid DSS/DW or from the Medicaid eligibility determination suite of applications including the Medicaid Eligibility Data System (MEDS) data tables.

The Contractor shall be responsible for all interfaces that are required for the Louisiana Replacement MMIS to function, perform, and process correctly as required by the Department. The Contractor shall be responsible for establishing and maintaining all interfaces that are required for the Louisiana Replacement MMIS. Interfaces that are manual or require human intervention shall be automated to the fullest extent.

For the purposes of this SFP, an interface is an exchange of electronic data between two systems. This can be accomplished between systems using direct reads, transaction processing, electronic file transfers, or by exchange of a physical medium (for example, tape, CD, etc.). The following explains each methodology:

Direct Read – This system directly reads from table to table within the MMIS. This assumes the data shall flow in real-time to and from the sources.

Transaction Processing – This is information processing that is divided into individual, indivisible operations, called *transactions.* Each transaction shall succeed or fail as a complete unit; it cannot remain in an intermediate state.

Electronic File Transfers – Electronic File Transfers or File Transfer Protocol (FTP) is a network protocol used to transfer data from one computer to another through a network such as the Internet.

Physical Medium - This is information processing that is carried on a physical medium such as reel to reel tape, tape cartridge, Compact Disk, or memory chip, etc.

These interfaces require formatting of data and development of transfer programs. Direct data entry into one system or another is not defined as a system interface, but is defined instead as standard data entry through a user interface.

| **Interface Title** | **Interface Description** | **Existing Interface** | **Current/ Future Direction of Data Flow** |
| --- | --- | --- | --- |
| **Adjustment Reason Code Interface** | Adjustment Reason Code Text interface from Washington Publishing Company. | Yes | Incoming to MMIS |
| **Attorney General Website** | This website provides up to date information with Medicaid fraud. [www.ag.state.la.us](http://www.ag.state.la.us) | Yes | Website look-ups from Internet to direct entry into MMIS |
| **Automated Voice Response System Interface** | An interface used to populate the AVRS with MMIS data. | Yes | Outgoing from MMIS |
| **Bank Automated Clearing House (ACH) Transactions** | Automated Clearing House (ACH) is an electronic network for financial transactions in the United States, ACH processes large volumes of both credit and debit transactions, which are originated in batches | Yes | Both Incoming and Outgoing from MMIS |
| **Clinical Laboratory Improvement Amendments (CLIA)** | This is an interface that loads a file from CMS to update clinical laboratory information. | Yes | Incoming to MMIS |
| **CMS Drug Rebate Data** | An interface which the Centers for Medicare & Medicaid Services' Medicaid Drug Rebate (MDR) system performs the URA calculation using the labeler's reported pricing. | Yes | Both Incoming and Outgoing from MMIS |
| **CMS Modifier** | Modifier codes interface from CMS. | Yes | Incoming to MMIS |
| **CMS NDC Procedure Code Crosswalk** | NDC Procedure Code Crosswalk Interface from CMS. | Yes, but not to the current MMIS | Incoming to MMIS |
| **CMS Physician Fee Schedule Relative Value.** | The CMS Physician Fee Schedule Relative Value interface file contains rate updates for procedure codes. | Yes | Incoming to MMIS |
| **Decision Support System/ Data Warehouse (DSS/DW) Interface** | This interface carries Department defined data between the MMIS and the DSS/DW | Yes | Both Incoming and Outgoing from MMIS |
| **Department of Insurance** | This interface will be used to validate insurance information for various entities and individuals participating in and/or seeking participation in the Medicaid program. | No | Both Incoming and Outgoing from MMIS |
| **Eligibility Periods**  **MMIS Recipient Extract File** | The MMIS Recipient file contains a record of all current and past eligibility periods including, but not limited to, the category of assistance, the current Card Control Number used on the Medicaid Eligibility Card and date of issue, the beginning and ending date of the most recent certification period and the CommunityCARE provider. | Yes | Both Incoming to and Outgoing from MMIS |
| **External Entity Interfaces** | Interfaces between external entities performing work for MEDICAID or when work is performed outside of the MMIS. | Yes | Incoming to MMIS |
| **Health**  **Information Exchange (HIE)** | A HIE is defined as the mobilization of healthcare information electronically across organizations within a region or community.  HIE provides the capability to electronically move clinical information among disparate health care information systems while maintaining the meaning of the information being exchanged. The goal of HIE is to facilitate access to and retrieval of clinical data to provide safer, more timely, efficient, effective, equitable, patient-centered care.  The use of Electronic Medical Records shall be a part of the HIE network. EMR’s display member’s demographics and admission information, clinical notes on prior and current problems, a charge collection application to ensure correct billing, and multiple ancillary systems to request an order. | No | Both Incoming and Outgoing from MMIS |
| **Healthcare Common Procedure Coding system (HCPCS)/Current Procedural Terminology (CPT) Procedure Code:** | HCPCS/CPT Procedure Code Interface from CMS. | Yes | Incoming to MMIS |
| **Implementation And Support of Statewide Administrative System**  **(ISIS)** | The Office of Information Services (OIS) is responsible for the development, implementation and support of statewide administrative system (ISIS) or its successor applications The various ISIS applications utilize commercial software packages designed for governmental entities.  Current ISIS applications are: Advantage Financial System (AFS), Advanced Government Purchasing System (AGPS), Contract Financial Management System (CFMS), and Human Resource systems (HR). | Yes | Both Incoming to and Outgoing from MMIS |
| **International Classification of Diseases 9th and 10th Edition Clinical Modification (ICD-9-CM, ICD-10-CM) Surgical Procedure Code:** | ICD-9-CM and ICD-10-CM Surgical Procedure Code Interface from CMS.  ICD-10-CM diagnosis codes have three to seven alphanumeric characters (whereas ICD-9-CM diagnosis codes have three to five alphanumeric characters). ICD-10-PCS codes have seven alphanumeric characters (ICD-9-CM procedure codes have three to four numeric characters). Field expansion shall be necessary. | Yes for the ICD-9, No for the ICD-10 | Incoming to MMIS |
| **IRS 1099 Interface** | This interface contains 1099 information to be sent to the IRS. | Yes | Outgoing from MMIS |
| **Licensing Board websites - medical board, nursing board, dental board, Health Standards** | Links to all the websites for all medical review boards. There should also be an interface with the licensing board for provider licensing verification at enrollment and re-enrollment. | No | MMIS shall display data via the internet and interface |
| **Lock-In**  **MMIS Recipient Extract File** | The Pharmacy-Only Lock-In program shall allow only one pharmacy provider in the MMIS Recipient file. The Physician and Pharmacy Lock-In Program can accept data for one primary care physician and up to three specialist physician providers when appropriate. One primary care physician is allowed for each Physician/Pharmacy Lock-In recipient. If needed, up to three (3) different physician specialists can be added to the Recipient file. One full-service pharmacy provider is allowed. However a specialty IV pharmacy can be added to the file if the recipient needs intravenous (IV) medications | Yes | Outgoing from MMIS |
| **Louisiana Health Insurance Premium Payment (LaHIPP)** | The MEDS/LaHIPP interface provides MEDS referrals to LaHIPP, when applicable. A case meets the criteria for referral to LaHIPP if the case is active, and someone in the household has access to Employer Sponsored Insurance (ESI). The MEDS/LaHIPP interface also allows MEDS to send "Required Attentions" on LaHIPP cases such as address changes, case type changes, case closures, etc. The LaHIPP/TPL-Subsystem interface provides insurance information (policy #, carrier, scope, and effective date of coverage) on the Medicaid recipients included in the LaHIPP certification. | Yes | Both Incoming to and Outgoing from MMIS |
| **LTC/Waivers MEDS extract file** | LTC/Waiver Services information is stored on the MEDS file, transmitted to MMIS in segments on a nightly basis, and is used to control payment to providers. Retroactive segment changes are only allowed if written approval is received from the MEDS or MMIS Unit. | Yes | Both Incoming to and Outgoing from MMIS |
| **Medicaid Eligibility Data System** | The BHSF uses a suite of applications to input eligibility for benefits through the Medicaid programs. One key application is the Medicaid Eligibility Data System (MEDS) that exchanges information with many of the systems mentioned in this document. | Yes | Both Incoming and outgoing from MEDS |
| **Medicaid Management Information System (MMIS)** | The Medicaid Management Information System (MMIS) provides payments to enrolled providers for services rendered to eligible Medicaid recipients.  MMIS stores the recipient eligibility data provided by the Agency on the MMIS Recipient File. This Recipient File provides the basis for every decision made concerning payment or denial of payment to providers | Yes | Outgoing from MMIS |
| **Medicare Durable Medical Equipment (DME) Fee Schedule** | The Medicare DME Fee Schedule interface file contains Medicare DME rate updates for procedure codes. | Yes | Incoming to MMIS |
| **Medicare Part A Fee Schedule:** | The Medicare Part A Fee Schedule interface file contains Medicare part A rate updates for procedure codes. | Yes | Incoming to MMIS |
| **Medicare Part B Fee Schedule.** | The Medicare Part B Fee Schedule interface file contains Medicare part B rate updates for procedure codes | Yes | Incoming to MMIS |
| **Medicare Prescription Drug Improvement and Modernization Act (MMA)** | This is a response file containing Medicare Part D information which is then sent back to the Department from Baltimore | Yes | Incoming to MMIS |
| **Minimum Data Set (MDS)** | This interface shall receive Minimum Data Set (MDS) recipient information from the various nursing facilities. | No | Incoming to MMIS |
| **National Drug Code Interface.** | National Drug Code interface from First Databank (FDB) and/or Medispan. | Yes | Incoming to MMIS |
| **National Provider Identifier** | This is an interface to verify that the provider’s NPI number is valid. | No | Incoming to MMIS |
| **Office of Group Benefits (OGB)** | A daily file from MMIS of newly enrolled eligibles, closed certifications, and changes in identifying information or eligibility status is sent to OGB. | Yes | Outgoing from MMIS |
| **Operational Reporting Repository Interface** | This interface carries DHH defined reporting data between the MMIS and the document repository. | No | Both Incoming and Outgoing from MMIS |
| **Optical Character Recognition (OCR) Application Interface** | The OCR Application Interface identifies and captures claim data fields from scanned paper claim forms and interfaces with MMIS to submit the data to adjudication. | Yes | Incoming to MMIS |
| **Optional State Supplement (OSS)** | MEDS sends a file to MMIS each month at cutoff of all active Medicaid eligibles receiving an OSS payment. | Yes | Incoming to MMIS |
| **Remark Codes Interface** | Remark Code Text interface from The Washington Publishing Company. | Yes | Incoming to MMIS |
| **Secretary of State on-line business database** | The Secretary of State on-line business database gives the ability to look up:  Name Availability - A preliminary check for name availability accounts, etc.  Certificates of Good Standing  - A certificate of good standing is a document issued by a Louisiana official as conclusive evidence that a corporation or LLC is in existence or authorized to transact business in the State of Louisiana, and that the company is in compliance with all State-required formalities | No | Incoming to MMIS |
| **Third Party Liability** | The MMIS resource file contains a record of all current and past TPL including Medicare information. MMIS obtains this information from the TPL-Subsystem, provider billing records and various other sources. | Yes | Outgoing from MMIS |
| **TPL Validate File** | TPL validate data interface is a way of receiving from many different Health Plans. The referrals are processed through a validation process and we receive updates to the referrals that either verify TPL data or invalidate referrals. In addition to the TPL verifications, Medicare data is also provided on the file. | No | Both Incoming and Outgoing from MMIS |
| **TRICARE Defense Enrollment Eligibility Reporting System (DEERS)** | DEERS is a worldwide, computerized database of uniformed services members (sponsors), their family members, and others who are eligible for military benefits, including TRICARE. | Yes | Incoming to MMIS |
| **Vital Records Interfaces** | Vital records usually contain the full name of the individual involved in the event, the date of the event, and the county, state, or town where the event took place (for example, birth records, marriage records, divorce records, and death certificates) | No | Incoming to MMIS |
| **Web-based User Interface** | Web-based user interfaces or web user interfaces (WUI) accept input and provide output by generating web pages which are transmitted via the Internet and viewed by the user using a web browser program. Newer implementations provide real-time control in a separate program, eliminating the need to refresh a traditional HTML based web browser. Administrative web interfaces for web-servers, servers and networked computers are called Control panel. | Yes | Both Incoming and Outgoing from MMIS |
| **Work Flow Application System** | A Workflow Application system is a software application which automates, at least to some degree, a process or processes. The processes are usually business-related, but it may be any process that requires a series of steps that can be automated via software. Some steps of the process may require human intervention, such as an approval or the development of custom text, but functions that can be automated should be handled by the application. Advanced applications allow users to introduce new components into the operation. | No | Both Incoming and Outgoing from MMIS |
| **X12 Electronic Data Interface (EDI) Transactions** | Electronic Data Interchange (EDI) refers to the structured transmission of data between organizations by electronic means. It refers specifically to a family of X12 standards including the [X12](http://en.wikipedia.org/wiki/X12) series. The key [EDI](http://en.wikipedia.org/wiki/Electronic_data_interchange) transactions used for HIPAA compliance are:  EDI Health Care Claim Transaction set (837)  EDI Retail Pharmacy Claim Transaction ([NCPDP](http://en.wikipedia.org/wiki/NCPDP))  EDI Health Care Claim Payment/Advice Transaction Set (835)  EDI Benefit Enrollment and Maintenance Set (834)  EDI Payroll Deducted and other group Premium Payment for Insurance Products (820)  EDI Health Care Eligibility/Benefit Inquiry (270)  EDI Health Care Eligibility/Benefit Response (271)  EDI Health Care Claim Status Request (276)  EDI Health Care Claim Status Notification (277)  EDI Health Care Service Review Information (278)  EDI Functional Acknowledgement Transaction Set (997) | Yes | Incoming to MMIS |

Figure 4 Interface Table

* + - * 1. Department Responsibilities

The Department shall:

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified; Approve all interfaces before implementation; and

Provide IT staff to assist in securing the link between the Department and contractor networks.

* + - * 1. Contractor Responsibilities

The Contractor shall:

Provide sufficient staff with the appropriate skill sets to meet the requirements of this SFP throughout the term of the Contract;

Establish and maintain all interfaces that are required for the Louisiana Replacement MMIS based on the table provided in this section and further defined during the Detailed System Design task of the project; and

Have responsibility for reconciling all issues related to the importing of data from any of the identified interfaces.

* + - * 1. System Requirements

The System shall:

Support interfaces from and/or to the entities listed in Figure 4 – Interface Table provided in this section. The table is not meant to be an all inclusive list, but to provide the Proposer with the legacy interfaces; and

Support interfaces from any other entities as identified during the Detailed System Design task of the project.

* + - 1. Privacy/Security

All of the activity covered by this SFP shall be fully secured and protected by satisfactory privacy/security procedures and arrangements. The Department and the Contractor shall establish joint privacy/security management protocols. The Contractor’s privacy/security system shall allow only authorized access by designated stakeholders and shall comply fully with all Federal, State, and Departmental rules and regulations. The Contractor shall treat all information obtained through its performance under the Contract as confidential information and shall not use or divulge any information so obtained in any manner except as necessary for the proper discharge of its obligations and securing of its rights, or as otherwise provided herein. State or Federal officials, or representatives of these parties as authorized by Federal law or regulations, shall have access to all confidential information in accordance with the requirements of State and Federal laws and regulations. The Department shall have absolute authority to determine if and when any other party is allowed to access to Louisiana Replacement MMIS/DSS confidential information.

* + - * 1. Department Responsibilities

The Department shall:

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified;

Review and approve the Contractor’s initial and annual privacy/security plan before implementation;

Provide the scope and privacy/security requirements for each Department employee or who should have access;

Provide the scope and privacy/security profiles for each group of stakeholders who should have access;

Provide timely notification when a Department employee has a change in privacy/security requirements, is terminated, resigns or retires; and

Provide timely notification to the Contractor of any changes in State, or agency rules or regulations, which could influence performance of either the Department or the Contractor.

* + - * 1. Contractor Responsibilities

The Contractor shall:

Provide timely notification to the Department of any changes in Federal or State rules or regulations which could influence performance of either the Department or the Contractor;

Provide sufficient staff with the appropriate skill sets to meet the requirements of this SFP throughout the term of the Contract;

Ensure that all systems, procedures, practices, and facilities are fully secured and protected;

Ensure that there are no breeches either to the system or to the physical location;

Present an initial privacy/security plan with the proposal. The Contractor shall submit an updated plan to the Department for review at the end of GSD;

Provide an updated plan annually on the anniversary of the signing of the initial contract;

Conduct a privacy/security review once every twelve months in the anniversary month of the Contract signing date and provide the Department with an updated privacy/security plan highlighting any recommended changes. The report shall be provided to the Department within fourteen (14) calendar days of the review. The Contractor shall submit the report and changes for Departmental written approval;

Provide a secure climate controlled area for storage of large volumes of paper files (including takeover of currently archived documents) such as medical records in close proximity to the Contractor’s Baton Rouge facility. The Contractor is responsible for providing shredding/burn capabilities according to the Department’s defined retention guidelines. There are ten (10) years of paper files to be archived;

Maintain a secure link between the Department’s website, web portal and the Contractor’s website and other interfaces;

Provide a complete control and accounting of all data received, stored, used, or transmitted by the Contractor for the Department to assure administrative, physical, and technical privacy/security of the data;

Have a privacy/security software product, which is fully functional in the operational Louisiana Replacement MMIS environment, including that portion controlled by the Contractor and that portion controlled by the Department. In managing this feature, the Contractor shall log and report to the Department all privacy and security activity as requested;

Establish a means of identifying unsuccessful attempts to access the Louisiana Replacement MMIS/DSS. Disconnect any user for whom a limit has been reached. Provide automatic logoff of a user if a key is not depressed within the time established by the Department;

Provide the ability to automatically re-set and revoke passwords;

Ensure the privacy/security of all Department documents and data. The Contractor shall provide complete segregation of the Departments data and files from the data and files of other Contractor customers;

Provide system and other applicable access to all new Department and Contractor staff within two (2) days of prior written approval by the Department;

Terminate system and other applicable access for all terminated Contractor employees by the end of their last day, and within one (1) day of notification by the Department for Department-designated staff;

In the event of an emergency or hostile termination, system and other applicable access shall be terminated within one hour of notification;

Conduct a quarterly physical privacy/ audit of selected requirements to ensure compliance with HIPAA. The Contractor shall provide a report of the audit findings identifying areas reviewed, results, and corrective actions. The Department shall review and approve the report;

Provide a list of users that have not accessed the system in a specified number of days and then have the system automatically terminate their permissions with begin and end dates for all the users on the list unless otherwise directed by the Department;

Employ traffic and network monitoring software and tools on a regular basis to identify obstacles to optimum performance;

Identify e-mail and Internet spam and scams and restrict or track user access to inappropriate websites;

Detect and prevent hacking, intrusion, and other unauthorized use of Contractor resources;

Prevent adware or spyware from deteriorating system performance;

Update virus blocking software daily and aggressively monitor for and protect against viruses;

Monitor bandwidth usage identifying and correcting bottlenecks that impede performance;

Provide methods to flag enrollee data to exclude PHI from data exchanges as approved by the Department and to comply with enrollee rights under the HIPAA privacy laws including:

Requests for restriction of the uses and disclosures on PHI (45 CFR164.522 (a));

Requests for confidential communications (45 CFR 164.522(b)); and

Requests for amendment of PHI (45 CFR 164.526);

Maintain the Contractor's facilities in a secure area and protected by a defined security perimeter, with appropriate security barriers and entry controls to include, but not limited to:

Control Physical access to the facility;

Record, supervise, and track access by visitors or non–co-located Department staff individually approved by the Department to the facility;

Review and update access rights upon staff departure but no less then quarterly;

Allow access to authorized Department staff and authorized representatives to any Louisiana MMIS facility, equipment, and related materials covered in this contract without prior notice by the Department;

Insure that communication switches and network components outside the central computer room shall receive the level of physical protection necessary to prevent unauthorized access;

Designate one or more persons responsible for the privacy/security of each of the Contractor facilities;

Provide administrative control (i.e. primary physical access) over wiring, communications, and service closets/rooms. The Contractor shall ensure that they are properly secure to protect information resources and restrict unauthorized access to sensitive information;

Ensure proper environmental control, equipment, and response procedures in case of emergencies or equipment problems are in place, reviewed, and updated annually. These procedures should include but are not limited to:

Temperature, humidity, air movement, and cleanliness are monitored and regulated;

Surge protection devices are in use;

Uninterruptible power supply (UPS) for equipment is installed and operable;

Orderly shutdown and restart procedures exist;

Back-up generators and fuel in the event of power outages are available, are installed; and

Multiple feeds to avoid a single point of power supply failure;

Provide for the physical privacy/security of staff, including but not limited to, the following:

A safe and secure work site with electronic entry, outside security cameras, and adequate lighting monitored by security personnel;

A smoke free environment following the Department’s no-smoking guidelines;

A secure dedicated space for Department staff at the Contractor’s worksite; and

A secure banking area with additional security for storage and processing of checks and other highly sensitive documents.

* + - * 1. System Requirements

The System shall:

Allow security parameters to be easily manageable and adjustable;

Have the capability of a single sign on (SSO) for access to all components of the MMIS and document images process with appropriate security. The user shall only have to log in one time to access all parts of the system and may have multiple sessions open at one time for which they have been approved;

Require a unique log-on and password for each user with automatic log-offs if there are no transactions at designated intervals as defined by the Department;

Be password protected with maintenance of all passwords, required annual security updates, and resetting of passwords;

Provide secure access based on roles, profiles, and business needs;

Allow the user to add, change, and update a record based on roles and maintain an audit trail of the actions;

Allow authorized users to be able to update, add, modify, and inquire on a case record, and initiate determination of the status of a case;

Allow users, with appropriate levels of security and audit trail, to override standard edit and audit dispositions to force a claim to pay or deny regardless of the normal disposition;

Maintain an audit trail of information changed or viewed, who changed or viewed the data, and when the data was changed or viewed including the type of change and the data before the change;

Maintain an audit trail of data requests for information including the person requesting the data and the data requested;

Have an audit trail for all correspondence activities. This trail shall be searchable and include the document sent, to whom it was sent, by whom it was sent, when it was sent, and to where;

Provide the ability to exchange information (incoming and outgoing) through secure web portals. This applies to all types of users with appropriate security access (for example, enrollees, providers, other stakeholders);

Provide a web portal that shall allow providers to have additional sign on access for their staff to be controlled by the provider with an audit trail;

Provide secure transmission of batch, on-line, and all other claim documents;

Provide both column- and row-level security accesses for enhanced HIPAA security on a need-to-know basis; and

Provide secure e-mail for all Contractor staff including mail services to determine when e-mail shall be encrypted and then executing that encryption.

* + - 1. Documentation

Contractor shall be responsible for all documentation including user system, operating and provider manuals. The Contractor shall store, update, and track all updates and alert users when an update has been made to the documentation. The Department shall approve all changes made to documentation before it is placed on-line for viewing.

* + - * 1. Department Responsibilities

The Department shall:

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified; and

Review and approve documentation changes according to deliverable review guidelines in Section 2.4.1.

* + - * 1. Contractor Responsibilities

The Contractor shall:

Provide sufficient staff with the appropriate skill sets to meet the requirements of this SFP throughout the term of the Contract;

Provide the Department with one (1) complete, updated electronic copy of all Louisiana MMIS source programs and software interfaces required to operate the Louisiana MMIS upon request by the Department;

Develop and maintain the Louisiana Replacement MMIS documentation;

Update all systems manuals when system changes are made. Both the changes and manuals shall go into production at the same time. All system changes shall have an audit trail with the programmer making the changes, date, and who authorized the changes;

Maintain all documentation electronically with viewing capabilities via the web portal or Louisiana Replacement MMIS screens; and

Structure all documentation so that information is easily searched and accessible.

Prepare system documentation with the following standards:

The documentation shall be prepared in a format that is easily maintained and user friendly;

System and module narratives shall be written in clear, effective, nontechnical language so that all users shall understand the narratives;

The documentation shall contain an overview of the Louisiana Replacement MMIS, including general system narrative, general system flow, and a description of the operational environment, and

The documentation shall use the same classifications in narratives and modules so that the documentation is consistent across all module;

Maintain module level documentation with the following information:

Name and numeric identification,

Narrative,

Flow, identifying each program, input, output and file,

Job streams within each module, identifying programs, inputs and outputs, control, job stream flow, operating procedures, and error and recovery procedures,

Name and description of input documents, example of documents, and description of fields or data elements on the document,

Listing of the edits and audits applied to each input item and the corresponding error messages,

Narrative and process specifications for each program,

Screen layouts, report layouts, and other output definitions, including examples and content definitions,

Listing and description of all control reports,

File descriptions, and record layouts, with reference to data element numbers, for all files, including intermediate and work files,

Listing of all files by identifying name, showing input and output with cross-reference to program identifications,

Facsimiles or reproductions of all reports generated by the modules,

Instructions for requesting reports shall be presented with samples of input documents and/or screens,

Narrative descriptions of each of the reports and an explanation of their use shall be presented, and

Definition of all fields in reports, including a detailed explanation of all report item calculation;

Desk level procedures:

Maintain a data element dictionary that includes, for each data element:

Unique data element number,

Standard data element name,

Narrative description of the data element,

List of aliases or technical names used to describe the data element,

Cross-reference to the corresponding Louisiana Replacement MMIS entry in the Detailed System Design (DSD) document,

Listing of programs using the data element, describing the use as input, internal, or output,

Table of values for each data element,

Data element source, and

List of files containing the data elements;

Documentation of Louisiana Replacement MMIS shall include data structures, entity relationship diagrams (ERD), user manuals, business rules, and all other documentation appropriate to the Louisiana Replacement MMIS and DSS/DW platforms, operating systems, and programming languages;

Prepare all user documentation according to the following requirements:

Update the user manuals for each system component and update user documentation as needed throughout the Contract period,

Update all user documentation when any modifications, corrections, or an enhancement to the system occurs. The updates to the manuals and DED shall go into production at the same time. All user documentation changes shall have an audit trail with the programmer making the changes, date, and who authorized the changes,

Be responsible for providing to the State complete, accurate, and timely user documentation of the operational Louisiana Replacement MMIS. Two (2) hard copies of such documentation shall be provided to the Department in final form within sixty (60) calendar days prior to the beginning of the Operations Phase. In addition to the hard copies, all systems documentation shall be maintained on-line with access by designated Department staff. The electronic version of the system documentation shall be posted to the Website within one (1) day of notification of prior written approval. State personnel shall have the capability to print pages, selections, or entire user manuals, and

Any changes made to Louisiana Replacement MMIS during the Contractor’s contract period shall be documented according to the standards described below. Updated user documentation shall be provided to Medicaid Contract Management within fifteen (15) calendar days of the Department’s prior written approval of the system change for implementation;

Prepare user documentation with the following standards:

Write and organize user manuals in clear effective nontechnical language so that all users can learn to access and interpret on-line screens,

Provide a base document upon which user training materials may be built,

Contain a table of contents and indices,

Be organized into logical segments and presented in a logical format. All on-line inquiry functions shall be presented separately from updating instructions,

Consolidate all functions and supporting materials for file maintenance (for example, coding values for fields) by module and by file within the business functional area,

Include both descriptions of code values and data element numbers for reference to the data element dictionary,

The user manual for each business functional area shall contain illustrations of screens and input forms used in that business functional area with all data elements on the screens and input forms identified by the name and number,

Instructions for entering on-line updates shall clearly specify the screen to be used,

Descriptions of on-line error messages for all fields incurring edits shall be presented with the corresponding resolution of the edit,

Definition of codes presented in various sections of a user manual shall be consistent, and

Clues or hints on screens, reports, instructions, and the data element dictionary shall be consistent and identified;

Software Development Documentation:

Provide documentation at the various stages of development for all changes to Louisiana Replacement MMIS, and

Provide all documents for proper Project Management and information technology development described in the project management section;

Provider Manuals:

The Contractor shall produce all provider manuals by the user manual standards and in the time frames mandated in the other sections of this SFP;

Maintain and keep current all documentation for the Louisiana Replacement System; and

Keep the most up-to-date version of documentation published on the web portal.

* + - * 1. System Requirements:

Maintain an audit trail on all documentation showing what changes were made, to what it was changed to, by whom it was changed and when. The audit trail shall not be overwritten;

Send out automatic alerts for user, provider, and system manual updates when items are modified;

All documentation is to be searchable according to the global standards; and

Have all documentation accessible on-line from the web portal and within the MMIS for authorized users.

* + - 1. System Availability

The system shall be available twenty-four (24) hours a day, seven (7) days a week except for scheduled maintenance. The Contractor shall present the maintenance plan for the system and all its components to the Department. The Department shall approve the maintenance plan and that plan shall be followed unless the Department gives prior written permission for deviation.

* + - * 1. Department Responsibilities

The Department shall:

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified; and

Review and approve the Contractor’s maintenance plan.

* + - * 1. Contractor Responsibilities

The Contractor shall:

Provide sufficient staff with the appropriate skill sets to meet the requirements of this SFP throughout the term of the Contract;

Provide the State with a maintenance plan including internal communication processes for reporting problems, etc.;

Review, update, and submit a maintenance plan annually for written approval; and

Notify the Department within fifteen (15) minutes of identifying any part of the System that is down. Notify the Department via telephone and then e-mail a specified group according to procedures approved by the Department.

* + - * 1. System Requirements

The System shall:

Unless specified elsewhere in this document, be available twenty-four (24) hours per day, seven (7) calendar days per week other than for scheduled maintenance. This shall include all components of the system including but not limited to the main MMIS, DSS/DW, POS, Web portal and SURS; and

All components of the MMIS application shall be available for user access ninety-nine point ninety-nine percent (99.99%) of the planned operational timelines. Availability refers to the ability of the user community to access the system to submit data, update, or alter existing data, or inquire data. Unavailability is defined as the time during which any part of the MMIS application is not functioning due to issues, such as hardware, operating system, or application program failures.

* + - 1. System Response Time and Performance

It is the intent of the Department that the System response time be swift and consistent. The Department also intends that the performance of the system shall be acceptable to the staff and management of the Department.

* + - * 1. Department Responsibilities

The Department shall:

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified.

* + - * 1. Contractor Responsibilities

The Contractor shall:

Provide sufficient staff with the appropriate skill sets to meet the requirements of this SFP throughout the term of the Contract;

Provide equipment (servers, routers, and etc.) to maintain performance at a level acceptable to the Department. If at any time during the Contract the performance of such equipment is unacceptable to the Department, the Contractor shall upgrade equipment to the Department acceptable performance level at no expense to Department; and

Perform all system maintenance to ensure the Louisiana Replacement MMIS remains current and one hundred percent (100%) functional.

* + - * 1. System Requirements

The System shall:

Have a screen response time of no more than four (4) seconds for both inquiries and updates for ninety-eight percent (98%) of the transactions;

Perform and complete any and all jobs, processing, or cycles that might occur in a manner that will not affect the performance or response time of the system except during scheduled maintenance.

* + - 1. Access, Display and Navigation

The Louisiana Replacement MMIS shall be user friendly, professional in appearance, and easy to navigate. This is especially true of the web portal that providers and enrollees shall be using. The Contractors solution shall consider these factors and remember the system screens and reports need to be friendly for both technical and non-technical personnel. Audit trails shall be generated for all downloads identifying what was downloaded, date, time, and user name.

* + - * 1. Department Responsibilities

The Department shall:

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified;

* + - * 1. Contractor Responsibilities

The Contractor shall:

Provide sufficient staff with the appropriate skill sets to meet the requirements of this SFP throughout the term of the Contract;

Design/configure all screens with input from the Department users during the Design and Development Phase of the Contract;

Create update and maintain all reports;

Produce, validate, and distribute all required reports within timelines established by the Department at the time each report is given final prior written approval by the Department; and

Produce all Department required reports and files in the format approved by the Department.

* + - * 1. System Requirements

The System shall:

Provide web-based access to the Louisiana Replacement MMIS that requires no desktop software except the Departments standard version of Windows™ Internet Explorer;

Provide system screens that are easy to read, user-friendly, and display all data elements necessary for a user to perform his/her job function;

Ensure that document images are quickly available to users at their desktop;

Provide on-line functionality including:

On-line, context-sensitive help,

Hovering,

Drop down lists and menus,

Point and click, and

Cut and paste;

Provide search capability based on wild cards or any combination of fields;

For the web portal, provide site-wide search capabilities for all documents within the web portal;

Provide a “Screen Print” function button that shall create a user friendly formatted print of screens applicable to their specific business area (for example, enrollee, provider, benefits, reference data claim type, service authorization, change management, TPL, and financial). The layout for these formatted screen prints shall be determined during the Design and Development Phase subject to prior written approval by the Department;

Have the capability to search and sort all windows and reports by keyword, key fields, and other items defined by the Department;

Have a searchable, user-friendly web portal for items like the State plans, policies, manuals, and other Departmental designated items;

Be streamlined and free of redundancies especially in entering search criteria;

Provide the functionality for a worker to make on-line queries, without the need to enter the query key more than once (for example, go from one enrollee screen to another for the same enrollee without the need to enter the enrollee id again). This functionality shall not have a limit on the number of screens that may be accessed by a single entry;

Provide a drill down capability (for example, if user selects procedure code on a claim record, the procedure code information shall be displayed). The user shall then be able to drill down on the procedure code for more information;

Allow the user to drill down to a claim line item and view the application associated with each item such as claims, SA, 1099, attachments and others;

Provide standard and ad hoc reporting capabilities from the MMIS or DSS/DW. Provide the capability to generate automated reports based on a pre-determined schedule or upon request;

Have an on-line report repository that is searchable by many fields to be defined by the Department;

Produce reports with Department specifications including, but not limited to, standard claim reports, Federal reporting reports, unique reports, and standard monitoring reports (dashboards). Unique reports could include statistics for budget preparation, special request for information, etc;

Generate reports documenting the results of all system and Department reviews;

Provide the capability to save the query and results of "What-if" jobs as backup documentation to actions taken by the Department’s staff, including free text comments;

Provide for single entry to change the same date in multiple locations with proper authorization and validation;

Produce all reports with a cover page that contains the parameters used to create the reports and other pertinent information about the report. The parameters shall be in user-friendly text; and

Store all report criteria with the report.

* + - 1. Software and Hardware Compatibility

The Department has based the requirements for the Louisiana Replacement MMIS on the Louisiana MITA State Self Assessment (SSA) and our “To-Be” vision. While any hardware platform may be proposed that meets these requirements, the Department requires a software/hardware configuration that can accommodate future changes in the Medicaid program, changes in standards and transactions, and increased transaction volumes. The Department also intends for the Contractor to utilize commercial off-the-shelf (COTS) products.

* + - * 1. Department Responsibilities

The Department shall:

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified; and

Notify the Contractor of any changes to Department technology that could impact the MMIS.

* + - * 1. Contractor Responsibilities

The Contractor shall:

Provide sufficient staff with the appropriate skill sets to meet the performance standards and requirements of the SFP consistently throughout the term of the Contract;

Provide software and hardware solution that is upgradeable and expandable;

Perform regular maintenance to ensure optimum performance;

Perform software and hardware resource capacity utilization analysis and planning;

Implement needed expansions at the Contractor’s own expense before ninety percent (90%) of maximum capacity is reached;

Ensure all hardware, software or communications components installed for use by Department staff are compatible with the Department. We currently are supported by versions of the Microsoft Operating System, Microsoft Office Suite and Internet Explorer;

Install version upgrades in a controlled manner to prevent disruption to users;

Test and implement operating system patches and upgrades according to Department policies;

Support current technologies for data interchange;

Recommend what COTS products the Contractor shall be using on all solutions, for prior approval by the Department;

Provide a quarterly COTS implementation plan of all commercial off-the-shelf (COTS) products used in the system identifying the version in use; any updates issued by the COTS vendor; analysis of those updates including pros and cons, and the Contractor’s recommendation for implementing those updates. The Contractor shall implement the COTS updates upon prior written approval by the Department of the COTS implementation;

Provide sufficient licenses to allow staff access and use of any tool that requires usage licenses;

Keep all COTS products current with the latest version approved by the Department; and

Employ a state-of-the-art business rules engine or business process management software to record business rules for many business functions, including but not limited to, provider enrollment, claims processing, and service authorizations.

* + - * 1. System Requirements

The System shall:

Have a graphical user interface (GUI) front-end, database, middleware, and communications software written in languages prior-approved by the Department and compatible with the Department’s computing environment. The Department shall approve industry standard languages appropriate to the task that operate without additional add-on licenses. Alternate languages may be proposed with the understanding that they shall be prior approved by the Department;

Allow integration of commercial off-the-shelf (COTS) products to make the Louisiana Replacement MMIS one of the most advanced systems in the Medicaid market and be kept up to date with the latest Department approved version of all software; and

The Systems rules engine shall:

Allow for rules to be implemented in a real-time enterprise environment and applied immediately, if desired,

Provide a graphical front-end to the rules engine enabling users to easily connect and apply rules,

Be structured in a module concept so the same rules engine can be used by different services or be called as a service itself,

Provide a debugging process that automatically analyzes and identifies logical errors (i.e., conflict, redundancy, and incompleteness) across business rules,

Allow for rules to be tested against production data prior to installation,

Contain a built-in process for rule review and written approval process that shall identify any conflicts in business rules as they are being developed,

Allow for tracking and reporting of rules usage,

Produce documentation regarding all business rules, and

Integrate with other components in the system.

* + - 1. Table and Files

The Louisiana Replacement MMIS shall be table driven. The Contractor shall maintain all tables and files with all changes prior approved by the Department. However, the Department in some cases may wish to make changes to rate or code tables directly in the system. The design shall provide the flexibility to accommodate changes being made by authorized Department Staff.

* + - * 1. Department Responsibilities

The Department shall:

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified; and

Approve all file and table changes to be made by the Contractor prior to the changes being implemented.

* + - * 1. Contractor Responsibilities

The Contractor shall:

Provide sufficient staff with the appropriate skill sets to meet the requirements of this SFP throughout the term of the Contract;

The Contractor shall maintain data sets approved by the Department for all tables, including but not limited to, provider, enrollee, claims, encounters, and reference; and

The Contractor shall implement a data model that is flexible and allows for the addition of new data elements with minimal effort.

* + - * 1. System Requirements

The System shall:

Be table driven with an edit/approval window for the Department to make overrides, modifications, and give final written approval; and

Provide rule-based edits and audit tables to define claims processing rules. The tables shall be updateable by designated Department or FI staff with secured access, an audit trail, and need for limited technical staff intervention. If the FI’s staff makes updates, the updates shall be reviewed and approved by the Department prior to implementation.

* + - 1. Consistency of Data

The Contractor shall apply professional principles of data management and data quality control. The Contractor shall describe the methods and tools for maintaining data quality control and data consistency.

* + - * 1. Department Responsibilities

The Department shall:

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified.

* + - * 1. Contractor Responsibilities

The Contractor shall:

Provide sufficient staff with the appropriate skill sets to meet the requirements of this SFP throughout the term of the Contract;

Properly normalize or denormalized all tables for efficient operation;

Properly set and control relations among tables within databases;

Provide a database integrity tool which shall be used to enforce field and relationship requirements;

Provide controls which shall be in place to prevent duplicate or orphan records;

Provide for error recovery if the entire transaction does not process completely or the entire transaction is reversed;

Provide communication routines which shall assure accuracy of the file before it is processed;

Test and validate HIPAA transaction processing according to guidelines developed by the Strategic National Implementation Process:

Test for integrity and syntax,

Test for adherence to national implementation guide,

Test for balancing,

Test for situational elements,

Test for code set conformance, and

Test for each specialty, line of business, or provider specialty and type and other applicable data/processes.

* + - * 1. System Requirements

There are no System Requirements for Consistency of Data

* + - 1. Document Management and Templates

Document Management

The Document Management system shall be a state-of-the-art, robust, sophisticated tool that supports the Department staff in all aspects of document management. The tool shall include the following: storage, retrieval, filing, security, archival, retention, distribution, workflow, and creation.

Templates

It is the intent of the Department that the Contractor shall help to create, maintain, and store document templates that shall be used throughout the Louisiana Replacement MMIS.

* + - * 1. Department Responsibilities

The Department shall:

Provide the Contractor with the appropriate business rules for document management;

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified; and

Approve all templates before they are released for use in production.

* + - * 1. Contractor Responsibilities

The Contractor shall:

Develop implement, and operate a document management system according to Department business rules;

Develop, implement, and operate a work flow management system in coordination with the document management system according to Department business rules;

Provide sufficient staff with the appropriate skill sets to meet the requirements of this SFP throughout the term of the Contract;

Develop, implement, and operate templates according to Department business rules;

Produce monthly document management reports; and

Use a document management system or similar Department approved tool to track items including, but not limited to, correspondence, contracts and change requests.

* + - * 1. System Requirements

The System shall:

Allow authorized users to view the workload/caseload assignments for particular users, user groups, or sections (for example, examples of cases, enrollee cases, PI cases, etc.);

Allow electronic collaboration, with tracking, during the review of documents providing the ability to make and/or recommend changes and save drafts;

Allow electronic signature/written approval of documents or actions at multiple levels;

Allow for decision tree maintenance with an audit trail to be performed on an edit screen or overwrite screen;

Allow free text notes/comments to and from users (including, but not limited to, providers and enrollees) from the web portal(s);

Automatically send notices to entities for information needed to satisfy a decision;

Maintain the data entered for each decision tree and the path it followed;

Have a document management system with version control which allows updates by multiple users in multiple locations for this business process;

Have a tracking system for system requests (currently known as LFT & System Project Tracking (SPT));

Have an automated workflow or driver for each activity with ability to generate alerts. An expert user shall have the option of overriding the workflow;

Have a workflow management system component that shall include, but is not limited to, defining status, document approvals, and lists the specific documentation used in a settlement or appeal;

Support a workflow system that conducts professional reviews automatically of service authorizations based on algorithms and then shows the results (for example, approved, denied, requires further review) to the professional upon entry ;

Support an automated workflow for care management;

Have on-line budget forms with instructions;

Have the ability to automatically or manually establish a case record for programs such as Program Integrity. Allow direct entry of information into the case record with scan/attach capability. Provide a case tracking system;

Have the ability to generate and produce standard and customized (free-form text) letters, notices, and common documents automatically and manually with an audit trail;

Have the ability to include a per-page document copy fee via an automated invoice. The Contractor shall collect the payment before release of the documents;

Have the ability to link any change request to a specific business relationship;

Have the ability to maintain, recall, and view in real-time all call logs, electronic correspondence, and paper correspondence from both the Enrollee Call Center and Provider Call Centers for use by the Contractor and the Department;

Have the ability to produce all communications in English, Spanish and Vietnamese formats;

Have the ability to produce electronic and postal-ready notices and letters including attachments;

Have the ability to send a notice and other correspondence to a single address or multiple addresses for the same stakeholder. (For example, send a letter to a enrollee at two different addresses);

Have the ability to share document management information with outside entities with appropriate written approval via the web portal or other means;

Have the ability to upload and attach documents/images in various formats including but not limited to jpeg, txt, doc, .xls, and other digital images such as x-rays;

Have the capability of providing a fully automated grievance and appeal process for applicants/enrollees, providers, and contractors;

Maintain and report the history of the business relationship between the Department and outside entities as it pertains to contracts;

Produce document management reports based on user-entered parameters such as contractor status, deliverable status, or contracting unit within the Department;

Provide a complete record of a specific contract regardless of data sources. The record shall be searchable by contractor name, Federal Employer Identification Number (FEIN), or other key words;

Provide an interactive workflow between the Contractor and contract monitor. Provide an integrated tool that shall alert and track the status of deliverables and other user identified documents;

Provide an on-line, context-sensitive help;

Provide the ability to capture and store, in electronic format, all Medicaid-related documents, both incoming and outgoing, as designated by the Department. This shall include, but is not limited to, claims, claim attachments, data entry forms, medical records; correspondence, incoming and outgoing fax documents, system-generated reports, and contractor directives. All documents shall be linked to the appropriate activity file, be printable, and have an audit trail of activities;

An address in Louisiana shall be used as the return address for all outgoing and incoming mail;

Provide the ability to capture notes and maintain a history of all notes. Protect the notes from changes after a period defined by the Department;

Provide the ability to close out a contract prior to the official end date at either the Contractor or the Department’s request with proper written approval;

Provide the ability to generate standard or ad hoc communications as well as maintain a historical full image of all generated communications. The communications shall be stored for a minimum of ten (10) years, the Federal required timeframe, or other length specified by the Department;

Provide the ability to scan and/or upload documents and allow them to be attached to a specific record or records;

Provide the Department the functionality to create and update on-line user messages;

Provide the functionality to add new deliverables or other contract related documents to an existing contract without the need to add a new contract keeping the original contract intact, with the amendments indicated as such;

Require all mass communications to go through a multiple level review and prior written approval process by the Department before public viewing;

Schedule hearings, appointments, etc for contract management;

Store documents/images in a manner to allow immediate retrieval of documents. If the document has been archived, the image shall be provided within twenty-four (24) hours of the request. The image shall be stored for a minimum of ten (10) years, the Federal required timeframe, or other length specified by the Department;

Provide the functionality to add new deliverables or other contract related documents to an existing contract without the need to add a new contract;

Provide the ability to track all system generated communications sent from the Department to providers, enrollees and other stakeholders. The tracking information, including a copy of the communication, shall be stored in a database accessible by all users authorized by the Department;

Provide the ability to document verbal communications with enrollees, providers, or other stakeholders for which data is maintained for tracking purposes. This data, like system generated communications, should be stored in a database accessible by all users authorized by the Department;

Track the need for approvals at various levels and generate alerts to appropriate parties that prior written approval is required. Maintain a historical record of those prior written approvals;

Use decision trees in the determination of the need for the development of procurement and funding documents such as APD, SFP, RFP, and IT-10, etc;

Provide and maintain common document templates;

Provide a maintenance window/screen for the user’s creation and editing of templates;

Generate common document templates that can be stored. Examples include, but are not limited to, contracts, contract amendments, procurement documents (for example RFI, APD, IT-10, SFP), memorandums of understanding, from Department defined tools and templates;

Provide a driver to guide the user in completing templates;

Support the ability to develop and maintain templates of documents used within the various processes;

Have standard templates for rule-making with on-line instructions. The templates shall support a decision tree and required data;

Create and automatically send notices and e-mails based on pre-defined templates or Department established criteria and maintain an audit trail;

Have the ability to generate both certified and non-certified mailings;

Use assessment decision trees and templates to support the management of a case for care management and automatically file in the appropriate ECR or provider file;

Have the ability to produce and mail out certification cards. If the cards are returned, scan and attach the card into the provider file or the electronic case record automatically for tracking purposes; and

Have the ability to populate a template from uploaded data.

* + - 1. Disaster Recovery and Business Continuity

The Contractor shall be well prepared in the event of a disaster. As it is well known, Louisiana has been hit with several disasters in recent years. Maintain a Department approved disaster recovery and back-up plan at all times. The disaster plan shall take in to consideration all disasters, both natural and man-made, that impact the processing of the Louisiana Replacement MMIS whether it occurs in Louisiana or some other location. The disaster plan shall also address an efficient turnkey process for specific edits, as well as, special processes such as emergency provider applications. With these factors in mind, the Contractor shall create a disaster recovery and business continuity plan appropriate to the Department and Louisiana’s needs. In addition, the Contractor shall provide an alternate business site in the event the primary business site becomes unsafe or inoperable. Back up of all system files shall occur on a daily basis to preserve the data integrity of both historical and current data. It is the sole responsibility of the Contractor to maintain adequate back-up to ensure continued automated and manual processing. This plan shall be approved by and available to the Department and the State auditors at all times.

* + - * 1. Department Responsibilities

The Department shall:

Review and approve all disaster plans, alternate locations and actions taken in planning for, and as a result of, a disaster; and

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified.

* + - * 1. Contractor Responsibilities

The Contractor shall:

Provide sufficient staff with the appropriate skill sets and experience to meet the requirements of this SFP throughout the term of the Contract;

Provide an example of disaster recovery plans that the Contractor has or has executed in another state with the proposal response;

Test, update, and obtain written approval for the Contractor’s disaster recovery procedures during User Acceptance Testing (UAT);

Update and obtain Department written approval for the disaster recovery plan once every twelve (12) months on a schedule approved by the Department for the life of the Contract. The plan and procedures shall be tested by the Contractor with Departmental participation and written approval. A report on the test shall be provided to the Department within ten (10) days after the test is completed and shall be reviewed according to procedures identified in deliverables;

Establish and maintain daily back-ups for all computer software and operating programs, major files, systems, operations, and user documentation (in electronic format) at two (2) secure off-site locations, one local and one out of the area. The frequency of updates shall be agreed upon during design, but shall not be less than weekly;

Keep off-site backups and have the capability to retrieve the backups in the event of a disaster with seamless switch over processes to the backup in the event of local downtime;

Provide an alternate Louisiana business site (not the site required in requirement 2.1.3.14.2.6) if the primary business site becomes unsafe or inoperable. The business site shall be fully operational within five (5) days of the primary business site becoming unsafe;

Have resumption of all critical operations performed at the Contractor’s Louisiana based site (for example, provider locator, prior authorizations, hospital pre-certifications, provider enrollments) within three (3) calendar days. Other functions maintained and operated from the Contractor’s Louisiana based site shall be fully operational within five (5) calendar days following an unexpected disaster. All functions performed at sites other than the Contractor’s Louisiana based site (for example claims processing and adjudication) shall remain operational with no down time. All operation functions shall be clearly defined in the Contractor’s Department approved disaster recovery plan;

Be prepared to switch over to a backup site and maintain all functionality and processing in the event of a disaster;

Perform an annual review of the disaster recovery back-up site, procedures for all off-site storage, and validation of security procedures. A report of the back-up site review shall be submitted within thirty (30) calendar days of the review. The Department reserves the right to inspect the disaster recovery vault back-up site and procedures at any time with twenty-four hour notification;

Maintain the disaster recovery plan on-line and in hard copy;

Develop and maintain a disaster plan that shall, at a minimum, cover the disaster responsibilities and requirements and the following items:

Check point/restart capabilities,

Retention and storage of back-up files and software,

Hardware back-up for the main processor,

Contractor–provided telecommunications equipment,

Maintenance of current system documentation, user documentation, and all program libraries maintenance,

The back-up procedures and support to accommodate the loss of on-line communications between the Contractor’s processing site and the Department. These procedures shall specify the alternate location for the Department to utilize the Louisiana Replacement MMIS on-line system in the event the Louisiana Replacement MMIS is down in excess of two (2) days,

A detailed file back-up plan and procedure including the off-site storage of all critical transaction and master files. The plan shall also include a schedule for their generation and rotation to the off-site facility,

Detailed procedures that shall be followed in the event of a disaster,

Maintenance of an alternate operations site for use during immediate disaster recovery for Louisiana Replacement MMIS, and

Back-up of all files daily on a media and in a format approved by the Department. The Louisiana Replacement MMIS back up files shall be stored in a secure off site location.

* + - * 1. System Requirements

The System shall:

Have turnkey edits, provider notification, and emergency provider application processes for disasters;

Be capable, in the event of a disaster, to process claims in a limited or full capacity at an off-site location; and

Allow multiple information fields for enrollees and providers, regarding multiple disasters and emergencies, that provides such information such as alternate addresses and disaster designations, all associated by date.

* + 1. Staffing - Key and Non Key Personnel

These are the general requirements for Key and non Key Personnel. For each position there are specific minimum requirements that shall be met.

All key personnel shall be devoted to the MMIS full-time, on-site in Baton Rouge during the period of their assignment and shall not be replaced without first obtaining Department written approval. Individuals may reside elsewhere but must be at the Baton Rouge site from eight (8) a.m. to five (5) p.m. Monday through Friday. Any travel to the Baton Rouge site must occur outside these hours.

In the absence of any key personnel, the Contractor shall identify who shall be responsible to make decisions and act in the absence during work hours from eight (8) a.m. to five (5) p.m. Monday through Friday. That individual shall be available to the Department and shall have knowledge or access to the knowledge that the Department requires. The names of key persons on duty shall be provided to the Department on a monthly basis on the first day of the month and updated with any changes immediately. All notifications shall be in writing to the Contract monitor and in a format agreed upon by the Department.

* + - 1. Vacancy and Leave

Any vacancy among key personnel shall be filled by a candidate that meets or exceeds the qualifications for the position as described in 2.1.4. The Contractor shall obtain written approval from the Medicaid Director prior to filling a key personnel vacancy. The position shall be filled within thirty (30) calendar days of the first day of the vacancy or as otherwise approved by the Department. The Contractor shall obtain the approval of all Key staff replacements prior to the individual joining the project.

The Department shall be notified within one (1) day of the Contractor’s receipt of resignation, reassignment, etc., of a key person;

Within three (3) days the Contractor shall submit a written request to the Department for written approval for a staff to be acting during the thirty (30) day replacement period. Only responses in writing from the Medicaid Director or designee shall be considered valid;

The Contractor shall maintain all Key Personnel for the DDI phase based on their assignment to the project. Prior to the beginning of operations, the Contractor shall reaffirm the members and assignments of the Operations Team;

The Contractor shall comply with the requirements of 2.1.4 for each Contractor team member. It is the Department’s preference to maintain as many of the DDI staff for the first year of Operations. Should the Contractor propose a different staffing model or different individuals, the Contractor shall obtain written approval from the Contract Monitor;

Only after the first year of operations shall the Contractor be allowed to request the replacement of any Key Personnel subject to prior written approval of the Department. The Contractor may not reassign key personnel during DDI or the first year of operations without prior written approval of the Medicaid Director or designee (this only applies to individuals the Contractor is assigning to another account, not individuals who leave the Contractor’s employ);

All personnel vacancies must be reported in writing to the Department within five (5) days of the FI obtaining knowledge;

One hundred percent (100%) of staff that the Department requests be removed from the account shall be removed as of the date the department requested;

There are peak times during the year when it is especially critical for the Department to have the capability to request and receive ad hoc and other special reports. The Contractor shall have sufficient and appropriate staff, key, and non-key, available to support the Department’s needs. Preparing for legislative hearings and closing out the State Fiscal Year are examples of these times; and

The Contractor shall obtain written prior approval before hiring any previous State employee or any staff that is working or has worked for the current FI. This requirement shall also apply to subcontractor staff.

* + - 1. Responsibilities and Qualifications

The specific responsibilities and minimum qualifications of personnel are described below. These are not necessarily to be their only duties, but there shall be a person available during work hours that shall contact and be responsible to get the job done. All personnel, whether key or non-key, shall have excellent verbal and written communications skills. For purposes of the SFP, proof of licensing compliance shall require a response from the appropriate Louisiana State licensing agency citing receipt of an application and intent to process. Full-time staff working on this contract shall not work on any other contract.

* + - * 1. Abilities Required:

Oral Comprehension -the ability to listen to and understand information and ideas presented through spoken words and sentences;

Oral Expression — the ability to communicate information and ideas in speaking so others shall understand;

Speech Clarity — the ability to speak clearly so others can understand you;

Speech Recognition — the ability to identify and understand the speech of another person;

Problem Sensitivity — the ability to tell when something is wrong or is likely to go wrong. It does not involve solving the problem, only recognizing there is a problem;

Near Vision — the ability to see details at close range (within a few feet of the observer);

Written Comprehension — the ability to read and understand information and ideas presented in writing;

Deductive Reasoning — the ability to apply general rules to specific problems to produce answers that make sense;

Inductive Reasoning — the ability to combine pieces of information to form general rules or conclusions (includes finding a relationship among seemingly unrelated events);

Written Expression — the ability to communicate information and ideas in writing so others shall understand; and

Ability to communicate in English - Knowledge of the structure and content of the English language including the meaning and spelling of words, rules of composition, and grammar.

* + - * 1. Work activities:

Getting Information — observing, receiving, and otherwise obtaining information from all relevant sources;

Communicating with Supervisors, Peers, or Subordinates — providing information to supervisors, co-workers, and subordinates by telephone, in written form, e-mail, or in person;

Establishing and Maintaining Interpersonal Relationships — developing constructive and cooperative working relationships with others, and maintaining them over time;

Interacting with Computers — Using computers and computer systems (including hardware and software) to program, write software, set up functions, enter data, or process information;

Guiding, Directing, and Motivating Subordinates — Providing guidance and direction to subordinates, including setting performance standards and monitoring performance;

Making Decisions and Solving Problems — analyzing information and evaluating results to choose the best solution and solve problems;

Developing and Building Teams — Encouraging and building mutual trust, respect, and cooperation among team members;

Organizing, Planning, and Prioritizing Work — Developing specific goals and plans to prioritize, organize, and accomplish your work;

Communicating with Persons outside Organization — communicating with people outside the organization, representing the organization to customers, the public, government, and other external sources. This information can be exchanged in person, in writing, by telephone, or e-mail; and

Coordinating the Work and Activities of Others — getting members of a group to work together to accomplish tasks;

* + - 1. Experience Documentation

Experience for all positions shall be sufficient as documented through letters of reference from any of the organizations used to meet the experience requirement. Submit two (2) letters of reference for each proposed key individual. The letters of reference must be from organization(s) used to meet the experience requirement for each proposed key individual. Letters of reference shall include dates of service (month, day, and year).

* + - 1. Criminal Record Background Check

All temporary, permanent, subcontracted, part-time, and full-time Fiscal Intermediary (FI) staff working on the Louisiana MMIS contract shall have a national criminal background check prior to starting work on the Louisiana MMIS contract. The background check must encompass the last seven (7) years of addresses for each individual. The results shall include all felony convictions and shall be submitted to the Department for review prior to the start of work on the Contract. Any employee with a background unacceptable to the Department shall be prohibited from working on the Louisiana MMIS contract or immediately removed from the Louisiana project by the Contractor. Examples of felony convictions that are unacceptable include, but are not limited, to those convictions that represent a potential risk to the security of the system and/or data, potential for healthcare fraud, or pose a risk to the safety of Department employees. The national criminal background checks shall also be performed every two (2) years for all temporary, permanent, subcontracted, part-time and full-time FI staff working on the Louisiana MMIS contract beginning with the twenty-fifth (25th) month following contract award. The Contractor shall be responsible for all costs to conduct the criminal background checks. The Contractor shall provide the results of the background checks to the Department in a report. The format of the report shall be approved by the Department and shall include all background checks as an appendix to the report.

The Contractor shall ensure that all entities or individuals whether defined as “Key Personnel” or not, performing services under the contract are not “Ineligible Persons” to participate in the Federal health care programs or in Federal procurement or non-procurement programs or have been convicted of a criminal offense that falls within the ambit of 42 U.S.C 1320a-7(a), but has not yet been excluded, debarred, suspended, or otherwise declared ineligible. Exclusion lists include the HHS/OIG List of Excluded Individuals/Entities (available through the internet at <http://www.oig.hhs.gov>) and the General Services Administration‘s List of Parties Excluded from Federal Programs (available through the Internet at <http://www.epls.gov>).

All temporary, permanent, subcontract, part-time and full-time FI staff working on the Louisiana MMIS contract shall complete an annual statement that includes an acknowledgement of confidentiality requirements and a declaration as to whether the individual has been convicted of a felony crime or has been determined an “Ineligible Person” to participate in Federal Health care programs or in Federal procurement or non-procurement programs. If the individual has been convicted of a felony crime or identified as an “Ineligible Person”, the FI Contractor shall notify the Department on the same date the notice of a conviction or ineligibility is received. The FI Contractor shall keep the individual statements on file and submit a comprehensive list of all current staff in an annual statement to the Department, indicating if the staff stated they were free of convictions or ineligibility referenced above.

If the Contractor has actual notice that any temporary, permanent, subcontract, part-time, or full-time FI staff has become an “Ineligible Person” or is proposed to become ineligible based on pending charges, the Contractor shall remove said personnel immediately from any work related to this procurement and notify the Department within five (5) days. For felony convictions, the Department shall determine if the individual should be removed from the contract project.

* + - 1. Key Personnel

Individuals holding the following positions are identified as Key personnel.

* Project Manager/Executive Account Manager;
* Deputy Project Manager/Deputy Account Manager;
* Systems Manager;
* Implementation Task Manager;
* Operations Manager;
* Quality Assurance Manager;
* Work plan Manager;
* Physical Medicine Manager;
* Pharmacy Manager;
* Hospital Manager;
* Behavioral Health Manager;
* Provider Enrollment Manager;
* Provider Relations Manager;
* Enrollee Relations Manager;
* Claims Manager;
* Financial Processing Manager;
* Program Integrity/SURS Manager;
* Data Manager; and
* Conversion Task Manager.

The Department understands that different Contractors assign staff and titles in a variety of ways. The Department’s goal with Key Personnel in the DDI phase is to have the individual with the correct skill set and experience working on the project at the right time. The following sections provide the specific requirements for responsibilities and qualifications for the staff.

* + - 1. Project Manager/Executive Account Manager

Responsibilities shall include but not be limited to:

Be assigned full time to the Louisiana MMIS Project as Project Manager/Account Manager only;

Have primary responsibility for the contract in the Contractor's organization;

Manage the overall relationship between Contractor and the Department;

Act as chief liaison between Contractor and Department management;

Administer all Contractor resources dedicated to the Louisiana MMIS; and

In the absence of the Deputy Account Manager from the project site for more than one (1) day, be on-site and able to respond to inquiries or requests of the Department in a timely manner.

**Qualifications:**

Bachelor's degree from a four-year accredited college or university;

Seven (7) years of full-time experience in general management at least four (4) of those seven years of experience shall be in a management position of a Medicare or Medicaid program or other medical insurance management position; and

Project Management Professional (PMP)—Project Management Institute or equivalent certification.

* + - 1. Deputy Project Manager/Deputy Account Manager

**Responsibilities shall include but not be limited to:**

Be assigned full-time to the Louisiana MMIS Project as Deputy Project /Deputy Account Manager only;

Assist in managing the MMIS contract;

Act as liaison between Contractor and Department management;

In the absence of Executive Account Manager from the project site for more than one day, the Deputy Account Manager shall be on-site and be able to respond to inquiries or requests of the Department in a timely manner. The Executive or Deputy Account Manager shall be available during all work hours;

Coordinate, monitor, and manage oversight of all quality control and quality assurance activities; and

Coordinate, monitor, and manage all performance reporting.

**Qualifications:**

Bachelor's degree from a four-year accredited college or university;

Three (3) years of experience in general management in a Medicaid, Medicare or medical claims processing program; and

Project Management Professional (PMP)—Project Management Institute or equivalent certification.

* + - 1. Systems Manager

**Responsibilities shall include but not be limited to:**

Be assigned full time to the Louisiana MMIS Project as System Manager only;

Manage all systems maintenance and modifications;

Implement and manage detailed activities relating to the disaster recovery plans and compliance with Administration Simplification Standard Transactions and Codes Sets and Privacy and Security mandated by compliance with Health Insurance Portability and Accountability Act of 1996 (HIPAA);

Represent systems-related topics and assess scope, system impact, and priority during steering committee meetings and upon request;

Oversee and manage the coordination, design, testing, first level quality assurance and implementation of system changes;

Supervision of system staff;

Coordinate, monitor, and manage resolution of maintenance activities for all MMIS application programs when production is interrupted; and

Troubleshoot hardware and systems software as problems arise.

**Qualifications:**

Bachelor's degree from a four-year accredited college or university and three (3) years of full-time experience as a systems analyst, programmer analyst or programmer or seven (7) years of full-time experience as a systems analyst, programmer analyst, or programmer; and

Three (3) years of full-time systems supervisor/management experience in a Medicaid program or comparable experiences with a Medicare system(s), medical claims system(s), or other system(s) of similar complexity.

* + - 1. Implementation Task Manager

**Responsibilities shall include but not be limited to:**

Plan, manage, coordinate, approve all aspects of the design, development, and implementation phase;

Attend management meetings to report on status of project, resolve issues, and control changes; and

Transfer knowledge to appropriate operations staff.

**Qualifications:**

At least three (3) years of experience in managing an MMIS design, development, and implementation effort or comparable experiences with a Medicare system(s), medical claims system(s), or other system(s) of similar complexity;

Previous experience with the implementation of a MMIS or components of a MMIS or comparable experiences with a Medicare system(s), medical claims system(s), or other system(s) of similar complexity;

B.A /B.S. degree from an accredited college or university is required; and

Project Management Professional (PMP)—Project Management Institute; or equivalent certification.

* + - 1. Operations Manager

**Responsibilities shall include but not be limited to:**

Manage Operations staff;

Plan, manage, and coordinate the operational phase of the Contract; and

Attend management meetings to report on status of project, resolve issues, and control changes.

**Qualifications:**

At least three (3) years of experience in managing the operations of a MMIS or comparable experiences with a Medicare system(s), medical claims system(s), or other system(s) of similar complexity; and

B.A./B.S. degree from an accredited college or university is required.

* + - 1. Quality Assurance Manager

**Responsibilities shall include but not be limited to:**

Define, implement, and validate the Department-approved quality assurance plans;

Develop, implement and maintain a comprehensive Quality Assurance plan for the DDI and Operations functions;

Monitor performance to ensure compliance with contract and report errors or deviations to the process, workflow, or deliverables in an aggregated monthly report to the Department;

Recommend process improvements to improve quality of DDI components;

Conduct internal audits, as required in the quality plan, for DDI processes, such as system testing, development methodologies;

Report quality program activities associated with performance standards to the Department on a monthly basis;

HIPAA Privacy/Security Officer designation and accompanying responsibilities as defined in the security regulations section of the Health Insurance Portability and Accountability Act of 1996, located at 45 Code of Federal Regulations Parts 160, 162, and 164;

HIPAA Privacy/Security Officer designation and accompanying responsibilities as defined in the privacy regulations section of the Health Insurance Portability and Accountability Act of 1996, located at 45 Code of Federal Regulations Parts 160, 162, and 164;

Conduct user acceptance testing functions for all programming changes to the MMIS Replacement System (including all COTS products); and

Preferably reports to Executive/Account Manager. The QA Manager shall not report to any individual who has responsibilities for operations.

**Qualifications:**

Graduation from a four-year accredited college or university with coursework in business administration or a related field. Year for year combination of related training and experience may be substituted for education requirements; and

Certification from American Society for Quality (Quality Auditor, Quality Engineer, Quality Assurance Manager, or Six Sigma Black Belt); Project Management Professional (PMP)—Project Management Institute; or equivalent certification.

* + - 1. Work Plan Manager

**Responsibilities shall include but not be limited to:**

Development, management, and coordination of work plan;

Report on work plan for weekly, monthly, and any ad hoc status reports;

Develops and maintains the DDI project work schedule, including maintaining schedules, resource allocation, cost controls and task predecessor/dependency relationship management;

Works closely with the implementation task manager, systems manager, conversion task manager, deputy account manager, and quality assurance manager to make sure all tasks are in the work plan and status is accurately reflected;

Identifies and monitors the project’s critical path; and

Provides project status reports and metrics as required by the Contract and other additional reports as requested by the project manager/account manager and implementation task manager.

**Qualifications:**

Bachelor's degree from a four-year accredited college or university;

Three (3) years of experience in a Medicaid, Medicare or medical claims processing program;

Three years experience with Microsoft Project;

Project Management Professional (PMP)—Project Management Institute; or

Equivalent certification.

* + - 1. Physical Medicine Manager

**Responsibilities shall include but not be limited to:**

Maintain and recommend detailed medical policy (clinical policy for Medicaid reimbursement requirements in line with Medicare and other large payors);

Develop prior authorization program and manage staff;

Develop hospital pre-admission certification/length of stay program;

Develop medical review functions in conjunction with claims adjudication;

Review and develop proposed policy for the Department's position relating to challenges by medical providers and enrollees;

Assist and advise the Department concerning all issues involving medical policy;

Provide recommendations concerning suggested modifications to medical policy for enhanced efficiency and effectiveness; and

Design and develop disease and outcome management reports.

**Qualifications:**

Doctor of Medicine or Osteopathy degree from an accredited United States medical school and:

Licensed to practice in Louisiana as a medical doctor or doctor of osteopathy, or proof of application for reciprocity as of the transmittal date of the Proposer's Technical Proposal with license to practice in Louisiana subsequently granted by the Louisiana State Board of Medical Examiners,

Board-certified in his/her medical specialty, and

No previous sanctions from the State of Louisiana or Office of the Inspector General, Medicare, Medicaid or any state granting licenses to medical doctors;

Continuing education to remain current in medical and/or management areas; and

Two (2) years full-time experience as a medical consultant to, or an administrator or supervisor in, a Medicare or Medicaid program, Health Maintenance Organization (HMO), Preferred Provider Organization (PPO), large health care organization, or four (4) years experience in a hospital setting or four (4) years experience in medical management or any combination thereof.

* + - 1. Pharmacy Manager

**Responsibilities shall include but not be limited to:**

Develop and manage the Pharmacy Benefits Management System which includes DUR/POS processing;

Serve as liaison between the Department or their designee and the Contractor;

Develop, manage and monitor the POS/ DUR System;

Serve as primary PBMS liaison to the Department;

Coordinate the activities of the DUR Board, serving as Secretary;

Supervise pharmacists, pharmacy specialist clerks and pharmacy administrative assistants;

Develop and monitor the pharmacoeconomics reports as directed by the Department;

Track cost savings of the PBMS;

Development of the Drug Utilization Review Annual Report that includes:

Budget and Expenditure Data as relates to the Medicaid Budget,

Population and DUR initiatives,

Educational initiatives and copies of Provider Update Drug Utilization Review articles,

Prospective DUR criteria,

Impact on Medicaid Program,

Cost savings,

Cost avoidance,

Retrospective DUR criteria,

Sample of provider responses,

Retrospective DUR Interventions and Analysis including Outcomes Measures,

Drug Utilization Review Board Composition and members, and

Future Plans;

The completed documentation required by CMS;

Preparation of drug information for pharmacy and therapeutics committee review;

Development of clinical criteria for drug utilization evaluation;

Review of patient’s medication records as part of a clinical drug evaluation; and

Manage pharmacy and therapeutics committee meetings, develop agendas, invitations, minutes, and provide initial follow-up to action items.

**Qualifications:**

Doctorate in Pharmacy from an accredited College of Pharmacy in the U.S;

Licensed to practice in Louisiana as a pharmacist, or proof of application for reciprocity with license to practice in Louisiana subsequently granted by Louisiana Board of Pharmacy;

Two (2) years full-time experience as a consultant or medical review staff in a Medicare, Medicaid, large health care or pharmacy benefit management organization;

Two (2) years full-time experience as a practicing pharmacist;

Two (2) years full-time experience developing or administering a POS/DUR system at a Medicaid program or for a large health care organization;

Two (2) years full-time experience analyzing and interpreting pharmacy claim data in a Medicare, Medicaid program, large health care or pharmacy benefits management organization;

Two years experience a) preparing drug information for pharmacy and therapeutics committee review, or b) developing clinical criteria for drug utilization evaluation or c) reviewing patient’s medication records as part of a clinical drug evaluation or d) implemented clinical practice guidelines in a clinical setting, or was on clinical faculty in an accredited College of Pharmacy;

Continuing education to remain current in medical and/or management areas;

Not excluded from participation in Medicaid or Medicare;

One (1) year experience directing a state-wide committee of medical professionals; and

Excellent communication and computer skills including proficiency with Microsoft Office Suite.

* + - 1. Hospital Manager

**Responsibilities shall include but not be limited to:**

Ensure that the Utilization Management Program is available on a twenty-four (24) hour basis to respond to authorization requests for emergency and urgent services and is available, at a minimum, during normal working hours for inquiries and authorization requests for non-urgent health care services;

Support pre-admission review, utilization management, and concurrent and retrospective review process;

Achieve and maintain benchmarked utilization and cost management (UM) goals and clinical quality improvement (QI) objectives;

Responsible to address policy questions, discuss and interpret DSH rules and regulations in meetings with Hospital Administrators, other contractors and Executive Staff; and

Provide guidance to the Department relative to overall hospital coverage and payment policies especially disproportionate share hospitals, precertification, outlier policy and payments, hospital cost reporting, out-of-state care, and medical necessity.

**Qualifications:**

Masters in Public Health, Business Administration or Medical Management preferred;

Continuing education to remain current in medical and/or management areas;

Three to five years of management and/or clinical experience in a managed care environment;

Any equivalent combination of education and experience;

Experience with disproportionate share (DSH), hospital claims and policy;

If the candidate is a physician then these qualifications shall also be met;

Doctor of Medicine or Osteopathy degree from an accredited United States medical school,

Five (5) years of clinical experience in the practice of medicine, four (4) of which have been in medical and/or health administration,

Licensed to practice in Louisiana as a medical doctor or doctor of osteopathy, or proof of application for reciprocity as of the transmittal date of the Proposer's Technical Proposal with license to practice in Louisiana subsequently granted by Louisiana Board of Medical Examiners,

Board-certified in his/her medical specialty,

No previous sanctions from the State of Louisiana or Office of the Inspector General, Medicare, Medicaid, or any state granting licenses to medical doctors, and

Two (2) years full-time experience as a medical consultant to, or an administrator or supervisor in, a Medicare or Medicaid program, Health Maintenance Organization (HMO), Preferred Provider Organization (PPO), large health care organization, or four (4) years experience in a hospital setting or four (4) years experience in medical management or any combination thereof; and

Certification by the American Board of Quality Assurance and Utilization Review Physicians or the American Board of Medical Management is desired but not required.

* + - 1. Behavioral Health Manager

**Responsibilities shall include but not be limited to:**

Serve as advisor to the Medicaid Behavioral Health Section Medical Director, Medicaid Behavioral Health Section Chief, and/or BHS MHR Program Manager with responsibility for evaluating and analyzing a wide variety of diverse and complex behavioral health services and programs;

Assist BHS administration with oversight of operations to meet State’s goal of improving health care services that improve the health status and outcomes of recipients, through the review of clinical outcomes, utilization tracking, claims, decision support, and client level data;

Supervise the development of reports and dissemination of quality improvement initiatives, based on accumulated and analyzed program, client, and service data;

Design and conducts regular systems needs assessment activities, identifying high risk, high cost and problem prone areas;

Oversee the development of data analysis and reports; Monitors and audits internal procedures to ensure high quality delivery system; Initiates and performs clinical outcomes research, data-gathering, analysis;

Work with Administrative Service Organization (ASO) and compliance staff to develop behavioral treatment protocols and new needed service offerings; and

Work with compliance staff and ASO managers to design benefits to address clinical and access to service gaps.

**Qualifications: (if Psychologist)**

A license in Louisiana to practice psychology; and

Plus three years of professional experience in psychological research, planning, testing, or therapy. This experience shall have been gained after licensure as a psychologist.

**Qualifications: (if not a Psychologist)**

A master’s level mental health professional with six (6) years of professional level experience in social services, planning, research or program evaluation.

* + - 1. Provider Enrollment Manager

**Responsibilities shall include but not be limited to:**

Develop enrollment system and business processes;

Supervision of provider enrollment representatives and clerks;

Develop and coordinate all provider enrollment activities including application processing, provider file changes, provider inquiry calls, and miscellaneous enrollment activities;

Develop and maintain provider enrollment data on the provider file;

Develop and maintain detailed provider enrollment policy and procedures manual;

Develop, update, and maintain provider enrollment forms and information packets;

Develop and maintain the provider enrollment tracking and imaging system; and

Develop and maintain and store physical provider enrollment records.

**Qualifications:**

Bachelor's degree from an accredited four-year college or university;

Four (4) years full-time experience in provider relations or claims resolution in a Medicare, Medicaid or medical claims program and one (1) year full-time experience in a supervisory or management position in a Medicare or Medicaid program; and

If the candidate has no bachelor's degree as defined above, a minimum of ten (10) years full-time experience in a Medicare, Medicaid or medical claims program with four (4) years of the ten (10) years full-time experience in a supervisory or management position in a Medicare, Medicaid or medical claims program. Experience is only acceptable if the most recent experience occurred in the past five (5) years.

* + - 1. Provider Relations Manager

**Responsibilities shall include but not be limited to:**

Develop, coordinate, monitor and manage all provider relations activities including call center, training, website, newsletters and manual production;

Manage call center staff;

Develop, update and manage newsletters and manual production;

Develop, update, and manage all internal training materials; and

Oversight and maintenance of provider website.

**Qualifications:**

Bachelor's degree from an accredited four-year college or university;

Four (4) years full-time experience in provider relations or claims resolution in a Medicare, Medicaid or medical claims program and one (1) year full-time experience in a supervisory or management position in a Medicare or Medicaid program; and

If the candidate has no bachelor's degree as defined above, a minimum of ten (10) years full-time experience in a Medicare, Medicaid or medical claims program with four (4) years of the ten (10) years full-time experience in a supervisory or management position in a Medicare, Medicaid or medical claims program. Experience is only acceptable if the most recent experience occurred in the past five (5) years.

* + - 1. Enrollee Relations Manager

**Responsibilities shall include but not be limited to:**

Develop, coordinate, monitor and manage all enrollee relations activities including enrollee reimbursement, enrollee claims resolutions, call center and website;

Develop, update, and manage all internal training materials;

Develop, perform and record periodic (in a time frame determined by the Department) quality control and quality assurance assessment measures for all staff;

Oversight and maintenance of enrollee website;

Supervision of enrollee relations representatives and clerks;

Develop and maintain enrollee enrollment data on the enrollee records. These enrollment records are for Medicaid enrollees who enroll in programs after becoming eligible for Medicaid. These programs can include Health Maintenance Organizations, Managed Care Organizations, Preferred Provider Organizations, and a Hospice program etc.;

Develop and maintain detailed enrollee enrollment policy and procedures manual;

Develop, update and maintain enrollee enrollment forms and information packets;

Develop and maintain the enrollee enrollment tracking and imaging system; and

Develop and maintain and store physical enrollee enrollment records.

**Qualifications:**

Bachelor's degree from an accredited four-year college or university;

Four (4) years full-time experience in enrollee relations in a Medicare, Medicaid or medical claims program and one (1) year full-time experience in a supervisory or management position in a Medicare or Medicaid program; and

If the candidate has no bachelor's degree as defined above, a minimum of ten (10) years full-time experience in a Medicare, Medicaid or medical claims program with four (4) years of the ten (10) years full-time experience in a supervisory or management position in a Medicare, Medicaid or medical claims program. Experience is only acceptable if the most recent experience occurred in the past five (5) years.

* + - 1. Claims Manager

**Responsibilities shall include but not be limited to:**

Develop and oversee claims processing operations and all associated manual processes;

Develop and coordinate changes and enhancements and identify the impact these modifications shall have on the claims processing subsystem; and

Manage all claims processing staff.

**Qualifications:**

Bachelor's degree from a four-year accredited college or university in accounting or business related field; and

Two (2) or more years of experience in a claims processing environment such as Medicaid, Medicare or other health care related organization.

* + - 1. Financial Processing Manager

**Responsibilities shall include but not be limited to:**

Develop and oversee financial processing operations and all associated manual processes;

Develop and coordinate changes and enhancements and identify the impact these modifications shall have on the MMIS interface with the State's financial accounting system; and

Manage financial staff.

**Qualifications:**

Bachelor's degree from a four-year accredited college or university in accounting or business related field with a minimum of eighteen (18) hours of accounting; and

Two (2) or more years of experience in a claims processing environment such as Medicaid, Medicare or other health care related organization.

* + - 1. Program Integrity (PI)/Surveillance and Utilization Review System (SURS) Manager

**Responsibilities shall include but not be limited to:**

Oversee a J-SURS like product subsystem operations and manual processes;

Coordinate changes and enhancements applied to PI/SURS while identifying the impact these modifications shall have on reports generated in other subsystems, as required;

Coordinate and perform training sessions with Department and designees such as Federal Bureau of Investigation, Office of Inspections and Office of the Attorney General, Contractor staff and consultants;

Identify managerial areas that could be better addressed by expanding or improving the reporting capabilities of Program Integrity and SURS;

Ensure that data mining requests from the Department’s PI/SURS staff are fulfilled correctly and in a timely manner;

Assist Department staff in defining parameters for queries;

Develop and update training material;

**Qualifications:**

Bachelor's degree from a four-year accredited college or university;

Two (2) years full-time experience managing a Medicare or Medicaid fraud and abuse function or health care compliance function;

Three (3) years full-time experience as a program integrity analyst in a Medicare or Medicaid environment or health care compliance environment; and

B.A./B.S. degree from an accredited college or university is required.

* + - 1. Data Manager

**Responsibilities shall include but not be limited to:**

Coordinate changes and enhancements applied to MARS while identifying the impact these modifications shall have on reports generated in other subsystems;

Ensure that all MARS reports are accurate and balance;

Coordinate and perform training sessions with Department and Contractor staff;

Respond to Department inquiries pertaining to MARS;

Identify managerial areas that could be better addressed by expanding or improving the reporting capabilities of MARS;

Respond to data mining requests from the Department correctly and in a timely manner;

Assist Department staff in defining parameters for queries; and

Respond to the Department's special reporting requests by utilizing a report writer.

**Qualifications:**

Bachelor's degree from a four-year accredited college or university or year for year full-time experience in a Medicare or Medicaid environment can be substituted;

Three (3) years experience in data mining; and

Three (3) years full-time experience as a MARS programmer/analyst in a Medicare or Medicaid environment or two (2) years full-time experience managing a MMIS MARS.

* + - 1. Conversion Task Manager

**Responsibilities shall include but not be limited to:**

Overall responsibility for converting data from the current MMIS into the replacement MMIS;

Assist the Department in developing business rules for situations where a straight conversion is not feasible;

Convert all data from the existing MMIS necessary to operate the replacement MMIS and produce comparative reports for previous periods of operation; and

Crosswalk data to allow continued application of all edits, audits, service authorizations, drug exception requests, rebates, and calculations, and to meet all other system processing requirements.

**Qualifications:**

At least three (3) years of experience, at least one (1) of which must have been in a management capacity, with conversion efforts on an MMIS or other large-scale system implementation project;

At least one (1) year of systems related experience with the MMIS proposed in response to this SFP; and

B.A. /B.S. degree from an accredited college or university is required.

* + - 1. Functional Leads

**Responsibilities shall include but not be limited to:**

Acting as the lead for each business area by providing business and technical expertise and direction.

**Qualifications:**

Bachelor's degree from a four-year accredited college or university and three (3) years of full-time experience as a business analyst, systems analyst, programmer analyst or programmer or five (5) years of full-time experience as a systems analyst, programmer analyst, or programmer; and

Three (3) years of full-time supervisor/management experience in a Medicare or Medicaid program or medical claims processing system for the specific business area.

* 1. Period of Agreement

The term of this contract is ninety-six (96) months, which shall be divided into one period of sixty (60) months for DDI and Operations, immediately followed by three (3) successive twelve (12) month periods.

The contract life is from the effective date of the Contract until the date the Contract expires or is terminated, except as otherwise expressed. The Contractor shall begin with the DDI Phase as described in Section 2.1.1.1 of the SFP on the effective date of the Contract. After the DDI Phase ends, the Contractor shall perform all other requirements of the SFP for the term of the Contract. This is referred to as the Operations Phase.

At the end of the first period of the Contract (sixty (60) months) the Department shall have the option to separately renew such contract for each of three (3), twelve (12) month periods.

The option to renew shall be based on the Contractor's satisfactory performance (as determined by the Department) during the first period of the Contract (sixty (60) months) and the convenience of the Department. At the option of the Department, the Contractor shall be required to accept one (1) year renewals of the Contract for no more than three (3) successive years after the end of the sixty (60) month period, as provided in the Articles of the Contract.

The Department's decision regarding its option to renew the Contract shall be made in accordance with the provisions of Louisiana R.S. 39:198(D).

* 1. Cost Schedule

Payments, Reimbursements, and Deductions Overview

The Department shall use various methodologies for payment for services under the contract. These methodologies shall take into consideration the differences of services purchased through the contract, that is, Design, Development, and Implementation Phase activities, Operations Phase activities, and additional optional system modification activities.

The Proposer shall provide a realistic cost schedule for the services purchased through the contract. For the Design, Development, and Implementation phase activities, the Department has estimated the budget to be sixty-six million dollars ($66,000,000) using federal and state funding sources.

* + 1. MMIS Design, Development and Implementation Phase

The following are the payment methodologies for the DDI Phase.

The Department shall require payment retention (retainage) in an amount equal to ten percent (10%) of the invoice for the cost of each DDI deliverable required for each of the following tasks:

* Project Management;
* Design;
* Development/Testing;
* User Acceptance Testing;
* Conversion;
* Implementation; and
* Certification.

The Contractor may invoice for the ten percent (10%) retainage from the DDI deliverable once official notice of CMS certification of the Louisiana Replacement MMIS, retroactive to the first day of DDI, has been received by the Department. The Department reserves the right to waive repayment of the retainage until the end of the Contract if there is consistent failure to meet performance-related service level agreements at the time of invoicing for the retainage. At contract termination, repayment of any remaining retainage held by the Department may be retained if the overall performance of the Contractor does not meet performance standards.

The total fixed price for each deliverable of the DDI Phase shall be the amount proposed by the Contractor in Cost Schedule 1, Part 1 (see Appendix B) or as may be amended by contract negotiations between the Proposer and the Department.

* + - 1. The Contractor shall be paid for performance of DDI Phase activities as follows:

Ninety percent (90%) of the monthly fixed price for the following Project Management Tasks:

* Bi-weekly Update and submission of the Detailed Project Work Plan;
* Weekly, monthly, and quarterly project status reports;
* Weekly and ad hoc project status meetings;
* Monthly or ad hoc Executive Steering Committee meetings;
* Monthly Quality Monitoring and Control Reports;
* Implement and manage, on an ongoing basis, the Privacy/Security Management Plan;
* Implement and manage, on an ongoing basis, the Risk and Issues Management Plan; and
* Implement and manage, on an ongoing basis, the Change Control Plan.

To arrive at the monthly fixed price, the Proposer shall divide the total costs for the above activities by the total number of months for DDI. The result minus the 10% retainage is the monthly fixed-price that can be invoiced.

* + - 1. Ninety percent (90%) of the fixed price for each Project Management deliverables shall be paid for:
* Department written approval of the Detailed Project Work Plan;
* Department written approval of the Staff Management Plan;
* Department written approval of the Quality Management Plan;
* Department written approval of the Communications Management Plan;
* Department written approval of the Risk Management Plan;
* Department written approval of the Configuration Management Plan;
* Department written approval of the Privacy/Security Management Plan; and
* Department written approval of the Disaster Recovery and Business Continuity Plan.
  + - 1. Ninety percent (90%) of the fixed price for Design Task deliverables shall be paid for:
* Department written approval of the Requirement Specifications Document;
* Department written approval of the General System Design;
* Department written approval of the Detailed System Design; and
* Department written approval of the Requirements Traceability Matrix following final written approval of the General System Design Deliverable.
  + - 1. Ninety percent (90%) of the fixed price for Development and Testing deliverables shall be paid for:
* Department written approval of System Test Plan;
* Department written approval of Unit Test Results;
* Department written approval of System Test Results;
* Department written approval of Parallel Test Results;
* Department written approval of Performance Test Results;
* Department written approval of User Acceptance Test Plan;
* Department written approval of the Louisiana Replacement MMIS user manual(s);
* Department written approval of the Louisiana Replacement MMIS provider manual(s);
* Department written approval of the Louisiana Replacement MMIS operations manual(s);
* Department written approval of Contractor’s Certification of Readiness for User Acceptance Testing;
* Department written approval of Revised Detailed System Design; and
* Department written approval of Revised Requirements Traceability Matrix.
  + - 1. Ninety percent (90%) of the fixed price for Conversion deliverables shall be paid for:
* Department written approval of Conversion Plan;
* Department written approval of Conversion Test Results; and
* Department written approval of all preliminary converted files submitted.
  + - 1. Ninety percent (90%) of fixed price for User Acceptance Testing Task deliverables shall be paid for:
* Department written approval of the User Acceptance Test Results document;
* Department written approval of the updated Louisiana Replacement MMIS user manual(s);
* Department written approval of the updated Louisiana Replacement MMIS provider manual(s);
* Department written approval of the updated Louisiana Replacement MMIS operations manual(s);
* Department written approval of Contractor’s Certification of Operational Readiness; and
* Department written approval of revised RTM.
  + - 1. Ninety percent (90%) of fixed price for Implementation Task deliverables shall be paid for:
* Department written approval of the Strategic Contingency Plan;
* Department written approval of the Implementation Plan;
* Department written approval of Department Training Plan;
* Department written approval of Provider Training Plan;
* Department written approval of Department Training Materials;
* Department written approval of Provider Training Materials;
* Department written approval of System Documentation for the fully implemented Louisiana Replacement MMIS;
* Department written approval of Contractor’s Certification of Training Completion, and
* Department written approval of revised Requirements Traceability Matrix.
  + - 1. Ninety percent (90%) of fixed price for the Certification Task shall be paid for:
* MMIS certification written approval from CMS.
  + - 1. Optional Modification Hours during the Design, Development, and Implementation Phase

If it becomes necessary to modify the MMIS during the Design, Development, and Implementation Phase, the Department shall inform the Contractor of the details of the modification. The Contractor shall present the Department with detailed documentation of the modification staff hours needed to complete the modification.

A modification is defined as a change request to enhance or modify functionality that is determined to be beyond the scope of the SFP and the approved contract. Maintenance is defined as the ongoing work required to maintain the functionality of the system based on the SFP and the contract, and includes any work required to correct defects in the system. Optional modification hours shall not be used for maintenance activities.

The Proposer shall include 25,000 hours within their cost schedule to accommodate modifications required during the DDI phase. The Department shall determine how these modification hours are to be used and shall approve the use of all staff and hours for the approved work. Payment for optional DDI modification hours shall be based upon the number of hours authorized by the Department using the all-inclusive hourly rate proposed by the Contractor in Cost Schedule 4 (see Appendix B) or as negotiated in contract negotiations between the Proposer and the Department.

* + 1. Replacement MMIS Operations Phase

The following are the payment methodologies for the Operations Phase.

Definition of a Claim

For the purpose of claim volume accounting and reconciliation of changes in Contractor reimbursement, the following definitions of a claim, subject to the qualifiers also noted, shall apply to claims processing adjudication counts tracked and reported by the Contractor. All claim volumes shall be counted at the claims header level (for example, one claim header regardless of how many individual claim lines are billed for that enrollee, provider, and that day of service).

Institutional (UB-04, ANSI X12N 837 I) - A claim is a paper document(s) or an electronic HIPAA compliant transaction requesting payment for services rendered during a statement period or date range for which there are one (1) or more accommodations, HCPCS, Revenue Center Codes, and/or ancillary codes. Each claim is identified by a unique Internal Control Number (ICN). This includes Part A Medicare crossover claims. Adjustments to paid claims are not countable as claims regardless of the number of adjustments filed to a paid claim or the reason for the adjustments.

Professional/Dental (CMS 1500, ANSI X12N 837 P/D) - A claim is a paper document or an electronic HIPAA compliant transaction requesting payment of each specific procedure code, or codes for services rendered to a client by the billing provider. Each claim is identified by a unique Internal Control Number (ICN). This includes Medicare Part B crossover claims. Adjustments to paid claims are not countable as claims regardless of the number of adjustments filed to a paid claim or the reason for the adjustments.

Pharmacy Claims (NCPDP 5.1/1.1) - A claim is an electronic HIPAA compliant transaction requesting payment of each specific NDC code rendered to a client by the billing provider. However, a compound drug claim can include multiple details, but shall be counted as a single claim. Each claim is identified by a unique Internal Control Number (ICN). Adjustments to paid claims are not countable as claims regardless of the number of adjustments filed to a paid claim or the reason for the adjustments.

**Encounter Claims (CMS 1500, ANSI 12N 837)** A claim is a paper document or an electronic HIPAA compliant transaction requesting payment for services rendered to a client by the billing provider. Encounter codes are used to indicate the type of encounter with the details of services provided by HCPCS codes. Each claim is identified by a unique Internal Control Number (ICN).

All procedure codes associated with an encounter shall be captured. All claims that require reprocessing are not chargeable to claim volume accounting during each fiscal year and shall be identified and reported separately on all contract administrative reports. The Contractor shall produce a report showing all claims, itemizing those that are chargeable and those that are not chargeable. This report shall be provided to the Department upon request.

No transaction shall be counted as a claim that does not meet the specific criteria stated above. Only claims adjudicated by the system for payment shall be counted.

* + - 1. Operations Phase Payment

The monthly invoice for the Operations Phase during the Contract shall have the following line items:

* Claims
  + Non-Pharmacy
  + Pharmacy
  + Encounters
  + Total Claims
* Call Centers
  + Enrollee Calls
  + Provider Calls
* Total Calls
* Postage Pass Through
* Total Invoiced Amount

The monthly payment for the Operations Phase during the Contract shall be the volume of countable claims for the previous month multiplied by the Fixed Price Per Claim for the specific volume range on Cost Schedules 2a through 2c in Appendix B for each of the Contract years or as negotiated in contract negotiations between the Proposer and the Department.

The number of countable claims for State Fiscal Year 2009 was the following:

* Non-Pharmacy (Institution, Professional/Dental) – 25,305,720
* Pharmacy – 12,589,801
* Encounters –1,469,832

The monthly payment for the Provider and Enrollee Call Centers for the Operations Phase during the Contract shall be the volume of countable calls for the previous month multiplied by the Fixed Price Per Call for the specific volume range on Cost Schedules 2d for the Provider Calls and 2e for Enrollee Calls in Appendix B for each of the Contract years or as negotiated in contract negotiations between the Proposer and the Department. A countable call is an incoming call that is answered by an Enrollee Call Center representative, not a call that is solely handled by an automated call system.

Actual postage costs incurred by the Contractor while performing Department approved operational responsibilities will be reimbursed as documented in the monthly invoice.

Actual cost of devices required by providers or enrollees to use the Visit Verification and Management tool shall be the responsibility of the provides or enrollees. The costs for these devices shall not be included in the costs invoiced to the Department.

The invoice shall be submitted by the tenth (10th) calendar day of the month and shall break out costs by claim and call categories (for example, Non-Pharmacy, Pharmacy, and Encounter claims and Provider calls and Enrollee calls).

The Department shall require payment retention (retainage) in an amount equal to ten percent (10%) of the monthly invoice. The Contractor may invoice for the ten percent (10%) retainage from the monthly Operations invoice at the end of each contract year. The Department reserves the right to waive repayment of the retainage for any given year until the end of the Contract if there is consistent failure to meet performance-related service level agreements at the time of invoicing for the retainage. At contract termination, repayment of any remaining retainage held by the Department may be retained if the overall performance of the Contractor does not meet performance standards.

* + - 1. Optional Modification Hours during Operations

If it becomes necessary to modify the MMIS during the Operations Phase, the Department shall inform the Contractor of the details of the modification. The Contractor shall present the Department with detailed documentation of the modification staff hours needed to complete the modification.

The Department requires sixteen thousand (16,000) hours annually to perform modification tasks. The Department shall determine how these modification hours are to be used and shall approve the use of all staff and hours for the approved work. At the end of each base year of the Contract, should there be a balance remaining of the 16,000 hours that have not been used in support of Department approved modification tasks, these balance hours shall be rolled forward to the next, and/or all, remaining years of the base contract. Any extensions to the base contract shall, in the same manner, also provide for rollover of any balance hours to the years, or pro-rated months, of the Contract extension years. Any modification hours that are unused at the term of the Contract shall be forfeited by the Department.

Requests by the Department for additional full-time modification support beyond the annual 16,000 hours shall be at the rates established through the all-inclusive hourly rates indicated in Cost Schedule 5: Operations Modifications outside Scope of SFP in Appendix B or as negotiated in contract negotiations between the Proposer and the Department.

A modification is defined as a change request to enhance or modify functionality that is determined to be beyond the scope of the SFP and approved contract. Maintenance is defined as the ongoing work required to maintain the current functionality of the system based on the SFP and the contract, and includes any work required to correct defects in the system. Optional modification hour shall not be used for maintenance activities.

* 1. Deliverables
     1. Deliverables Standards

The Contractor shall meet specific requirements for all deliverables in all phases of the contract. Deliverables are itemized in Section 2.1 for all phases of the Contract. Minimum standards for certain deliverables are summarized in Section 2.4.1.2. All deliverables shall use media, formats, and contents approved by the Department.

The Department encourages the use of iterative development in a cooperative and participatory environment in which the Department may give immediate feedback on prototypes, design concepts, and early document drafts. The Department hopes to speed development and minimize misunderstandings concerning the business and technical requirements.

Prior to the start of work for each deliverable, the Contractor shall submit a Deliverables Expectation Document providing the proposed outline and content of the deliverable. The Department reserves the right to reject any deliverable that is not in the proper format or does not appear to completely address the purpose of the deliverable requirement.

* + - 1. Department Responsibilities

The Department shall be responsible for the following during all phases of the Contract:

Monitor the Contractor to determine if the established performance standards are met and initiate follow-up if substandard performance is identified;

Provide support to the Contractor in identifying appropriate stakeholders to attend meetings for deliverable preparation as well as finding meeting space at the Department when meetings at the Contractor’s site are not feasible as agreed upon by the Department;

Provide appropriate staff to attend and participate in facilitated meetings conducted by the Contractor; and

Review draft documents and/or deliverables and provide written approval decisions or comments within the timelines defined within the SFP or other mutually agreed upon timelines.

* + - 1. Contractor Responsibilities

The Contractor shall comply with the following requirements for all deliverables for all phases of the Contract:

Prior to the development of each deliverable, provide a Deliverables Expectation Document that provides the proposed outline and format for each deliverable for Department review and comment. The Deliverables Expectation Document shall provide a sample table of contents, proposed format, description of the contents, and recommended written approval and acceptance criteria at a minimum;

Conduct facilitated meetings with Department staff as documents are drafted and business and system requirements are ascertained. This includes concept discussions, design prototyping, Joint Application Design (JAD) sessions, and meeting for requirements gathering and to receive Department feedback on design and documents;

Provide document drafts and allow Department review of programs, screens, and design concepts at any stage of development at the Department’s request;

Provide all designs and deliverables in writing for formal written approval in a format and media agreed upon by the Department as a part of the Project Management Process;

Provide professional deliverables with proper spelling, punctuation, grammar, tables of contents, indices, where appropriate, and other formatting as deemed appropriate by the Department. Documents shall be easily readable and written in language understandable by Department staff knowledgeable in the area covered by the deliverable. The Department reserves the right to reject any deliverable that does not meet these standards. The Contractor may not consider any deliverable complete before it is accepted formally in writing by the Department;

Provide deliverables and correspondence produced in the execution of this SFP that shall be clearly labeled with, at a minimum, project name, deliverable title, deliverable tracking or reference number, version number and date with revisions noted;

Provide walk-throughs of deliverables at various stages during the development of documents and systems. Final walk-throughs shall be conducted at the delivery of final deliverables;

Provide one (1) master and three (3) additional hard copies of each deliverable to the Department’s Project Manager as identified in the Contract. In addition, the deliverable shall be provided in electronic format. The electronic copy shall be provided in software currently utilized by the Department. This requirement applies to draft and final deliverables;

Provide, at a minimum, ten (10) days for the review of all draft deliverables. The Department reserves the right to require additional days for larger more complex documents such as the General System Design and Detailed System Design deliverables. The Department also reserves the right to extend review periods of multiple deliverables when the deliverable review process occurs concurrently or review periods overlap except for concurrent delivery approved in writing by the Department;

Provide, at a minimum, five (5) days for review and written approval of all final deliverables upon the receipt of the deliverable. The Department reserves the right to require additional days for larger more complex documents such as the General System Design and Detailed System Design deliverables;

With each submission of a deliverable, provide a deliverable written approval form in a format approved by the Department that is signed by the Account Manager and the Quality Assurance Manager that the deliverable has been reviewed for compliance with the Deliverables Expectation Document and requirements, and that quality assurance has been completed. The form should include space for the Department’s Project Manager or designee to enter the written approval acceptance decision and signature. Acceptance decisions shall be approved, revise and resubmit, or reject; and

Deliverables shall be submitted no later than 3:00 PM central standard time per the approved contract deliverable schedule to be considered delivered on that date. The Department’s review time begins on the next day following receipt of the deliverable. If the deliverable date falls on a weekend or holiday, the due date is the next day. This also applies to due dates for all other documents.

* 1. Location
     1. Location of Contractor DDI and Operations

Location of Contractor DDI and Operations Overview

The Contractor shall establish and maintain a facility within a seven (7) mile radius of 628 N. 4th Street, Baton Rouge, Louisiana, throughout the term of the contract. Consideration of potential expansion of operations should be given in choosing a site for the facility. Exceptions to this requirement may be considered only if space is not available within the seven (7) mile radius. Supporting documentation from a minimum of two (2) accredited realtors must be included for justification to be validated by the Department.

* + - 1. Department Responsibilities

The Department shall:

Monitor the Contractor(s) performance in accordance to the defined performance standards; and

Approve the location of functions.

* + - 1. Contractor Responsibilities

The Contractor shall:

Establish and maintain a facility within a seven (7) mile radius of 628 N.4th Street, Baton Rouge, Louisiana throughout the term of the Contract. The site shall be readily accessible by highway. Exceptions to this requirement may be considered only if space is not available within the seven (7) mile radius. Supporting documentation from a minimum of two (2) accredited realtors must be included for justification to be validated by the Department;

Be responsible for all costs associated with any Contractor or subcontractor provided facilities used in relation to the Contract;

Be responsible for, the node fees and for the use of any specialized server(s) needed to connect to the Departments LAN;

Provide at a minimum three (3) private secure offices of at least one hundred twenty square feet (120sf) each, for State staff, fully furnished with office equipment and access to telephones, facsimile machines, printers, personal computers and network access with the telephonic capability of monitoring call center staff;

Provide a training area able to hold a minimum of twenty-five (25) persons and equipped with computers, overhead, video conferencing, and other equipment for training. The cost of the training area is solely the responsibility of the Contractor;

Provide hands on training for Department staff and provide a computer lab (as described in requirement 2.5.1.2) to be used during training;

Provide all hardware to be used by Department staff at the Contractor’s location which shall meet the Department’s standards;

Maintain a facility to house contractor staff and ten (10) State project management team members in addition to the three (3) private secure offices;

Provide the Department with access to a conference room that accommodates at least fifteen (15) persons;

Provide meeting rooms to conduct DDI sessions. The Department cannot specify the number of individuals who will be needed for the requirement and other DDI activities, but based on the number of participants in some MITA sessions; attendance could exceed fifty (50) individuals. Scheduling for these sessions shall take into consideration the schedules of the participants. The participants will most likely need to attend more than one business area’s sessions. This space does not need to be at the contractor’s site, but should be within a seven (7) mile radius of 628 N. 4th Street, Baton Rouge, LA; Exceptions to this requirement may be considered only if space is not available within the seven (7) mile radius. Supporting documentation from a minimum of two (2) accredited realtors must be included for justification to be validated by the Department;

Provide dedicated parking accommodations for (3) vehicles for use by the project management team at the Contractor’s facility;

Provide sufficient room and equipment at the Contractor’s facility to house State staff conducting User Acceptance Testing based on the Contractor’s testing plan during both the DDI phase and the operations phase;

Provide a conference room for meetings with Department staff;

The Contractor shall identify where (location) each MMIS related Contractor function shall be performed and obtain approval from the Department;

Perform the following functions (and house the staff to perform the functions) at the Baton Rouge area facility:

Contractor administration and project management (includes housing all key personnel and the staff performing required on-site tasks - all location requirements apply to both the prime and subcontractor personnel),

DDI tasks with the exception of programming and actual conversion of data. Key and lead staff responsible for programming and actual conversion of data must be on-site in Baton Rouge,

Claims receipt, prescreening, and imaging of all claims and other related documents,

Claims data entry and claims correction,

Business operations (check requests, accounts receivable, cash activities, and check/remittance advice handling),

Provider Relations and Provider Enrollment,

Enrollee Call Center and Provider Call Centers,

Auditing with the exception of audits performed at provider sites,

SURS, MARS and DSS/DW support,

Development and collaborative writing of documents that are the responsibility of the Contractors. Examples include, but are not limited to, bulletins, provider manuals, and outreach material,

Report printing, and

Mail operations (receipt and sending of mail);

The Contractor shall have the option to perform other MMIS functions not specifically listed in 2.5.1.2.15, including computer processing, outside of the Baton Rouge, Louisiana area but within the continental United States. Prior Department approval shall be required to perform functions outside Baton Rouge, Louisiana. The Department wants to have as many jobs as possible in Louisiana; and

The Contractor shall ensure that all staff, whether on or off-site be available for face-to-face meetings. The Department’s Project Manager shall determine when Contractor staff must be on-site for meetings with the Department. Video conferencing may be acceptable in some instances, but must be approved by the Department Project Manager prior to scheduling the meeting.

* + - 1. System Requirements

Connect to the Department’s LAN. The Department shall approve the Contractor’s choice for connections and the Contractor shall maintain the required response time for the System.

* 1. Proposal Elements

This section outlines proposal provisions that determine compliance of each Proposer's response to the SFP. Failure to comply with any mandatory requirements shall result in the rejection of the proposal. The Department shall determine, at its sole discretion, whether or not the SFP provisions have been reasonably met.

An item-by-item response to the SFP is required. There is no intent to limit the content of the proposals and Proposers may include any additional information deemed pertinent. However, emphasis should be on providing simple, straightforward, concise discussions of how the Proposer shall satisfy the requirements of the SFP.

The Department expects the Proposer to include only value added information in the Proposal. The Technical Proposal shall not contain reference to cost but should contain resource information such as labor hours, materials, and equipment so that the Proposer understands the scope of work which may be evaluated. Each Proposer is allowed to submit only one Technical Proposal, and no alternate proposals shall be considered.

* + 1. Technical Proposals

Proposals shall be prepared using the following headings and in the order, they are presented below:

* Cover Letter;
* Table of Contents;
* Administrative and Mandatory Requirements;
* Executive Summary;
* Proposer Qualifications and Experience;
* Proposed Solution/Technical Response:
  + Proposed Transfer System Overview,
  + Approach and Methodologies,
  + Functional Requirements,
  + Technical Architecture Requirements,
  + Staffing – Key Personnel; and
* Period of Agreement;
* Deliverables;
* Location; and
* Detailed Project Work Plan;

The Department intends for Proposers to have adequate opportunity in their responses to this SFP to present their respective capabilities and technical approaches in a full and comprehensive manner. However, Proposers should strive for clarity and brevity in their responses.

* + - 1. Cover Letter

The cover letter should exhibit the Proposer’s understanding and approach to the project. It should contain a summary of the Proposer’s ability to perform the services described in the SFP and confirm the Proposer is willing to perform those services and enter into a contract with the State.

By signing the letter and/or the proposal, the Contractor certifies compliance with the signature authority required in accordance with L.R.S.39:1594 (Act 121). The person signing the proposal shall be:

* A current corporate officer, partnership member, or other individual specifically authorized to submit a proposal as reflected in the appropriate records on file with the Secretary of State; or
* An individual authorized to bind the company as reflected by a corporate resolution, certificate or affidavit included with the proposal; or
* Other documents indicating authority which are acceptable to the public entity.

The cover letter should also:

Identify the submitting Proposer and provide their federal tax identification number,

Identify the name, title, address, telephone number, fax number, and e-mail address of any person or persons authorized by the Proposer to contractually obligate the Proposer, and

Identify the name, address, telephone number, fax number, and e-mail address of the contact person for technical and contractual clarifications throughout the evaluation period.

* + - 1. Table of Contents

The Table of Contents shall be organized in the order cited in the format contained herein.

* + - 1. Administrative and Mandatory Requirements

The following mandatory requirements exist for this proposal and shall be addressed within the Administrative and Mandatory Requirements section of the SFP. The Proposer shall either provide the information requested within this section of the Proposal or acknowledge the information has been provided elsewhere citing the specific location where the information can be found.

The Administrative and Mandatory Requirements are:

A properly signed Letter of Intent shall be received by the Office of State Purchasing no later than the date and time shown in the Schedule of Events;

Proposal shall be received by the Office of State Purchasing no later than the date and time shown in the Schedule of Events;

Proposal shall not be copyrighted or marked as confidential or proprietary in its entirety;

The costs proposals shall be packaged and sealed separately from the Technical Proposals and be clearly marked as “COST PROPOSALS”;

Proposal guarantee shall accompany the proposal in the form of a bond or a certified or cashier’s check or money order made payable to the Treasurer of the State of Louisiana, in the amount of Two hundred, fifty thousand dollars ($250,000). If a certified or cashier’s check is submitted, place check in an envelope marked, “Proposal Guarantee” and place in a clear vinyl page protector within this section;

A Statement of Agreement to Accept All Requirements and Conditions shall be submitted in this section of the Proposal with the following:

I (we) have read, acknowledge, understand, and agree to:

Perform all Contractor responsibilities and provide all service levels/deliverables defined in Part II of the SFP,

Accept the basis of payment for contractual services defined in Part II of the SFP,

Accept the evaluation methodology approach defined in Part III of the SFP,

Abide by all terms of performance reviews and standards defined in Part IV of the SFP, and

Further, I (we) have read, acknowledge, understand, and agree to accept and abide by all other terms and conditions as specified in this SFP.

Statement of Agreement to Accept All Requirements and Conditions shall be signed by a person(s) authorized to bind the Proposer to the requirements including the, title of authorized person(s), and date signed;

Period of Agreement shall be submitted as defined in Sections 2.2 and 2.6.1.7 of the SFP.

* + - 1. Executive Summary

The Executive Summary shall contain the following:

A brief statement of understanding of the procurement objectives; and

A summary statement of the overall technical approach to DDI and operations.

* + - 1. Proposer Qualifications and Experience

To demonstrate the required proposer qualifications and experience the Proposer shall submit the following as a part of the proposal:

Describe the Proposer’s corporate organization structure that shall allow the Proposer to execute all contractual duties and to maintain the service levels defined throughout Section 4 and how the Louisiana Replacement MMIS account shall fit into the corporate organizational structure during the LA MMIS DDI and Operations phases;

Provide a corporate organizational chart(s) that details the corporate organizations structure and placement of the Louisiana Replacement MMIS account;

Describe who in the organization has ownership and/or oversight of the performance outcomes for the Louisiana Replacement MMIS and how this oversight is managed and monitored;

Describe the Proposer’s experience in Medicare or Medicaid claims processing as a fiscal agent or intermediary or successful experience in health care claims processing of at least twenty-five (25) million claim lines per year for at least three (3) years in the last five (5) years;

Describe the Proposer’s relevant corporate experience that establishes the Proposer’s ability to successfully complete the SFP requirements;

Provide a summary list in table format of the Proposer’s Corporate Relevant Experience. The listing shall include all MMIS contracts and/or other healthcare claims processing related systems for the last five (5) years. Appendix D contains the prescribed table format to use for Listing of Proposer’s Corporate Relevant Experience;

Describe Proposer’s experience with the proposed transfer MMIS. If the Proposer has no experience with the transfer system, indicate that here and explain how the Proposer plans to mitigate the lack of experience with the proposed transfer system;

Provide the name and contact information for three (3) corporate references for contracts used in the proposal to demonstrate required corporate experience. The information shall include: Client Name, Title, Client’s Corporation, Address, Telephone, Email Address, Fax Number, and dates (start and end) work was performed;

Facilitate submission of completed and signed Corporate Reference Letter from the three (3) named corporate references. Appendix C contains the required reference letter that shall be completed and signed by each corporate reference;

Completed and signed Corporate Reference Letters shall be faxed to the Office of State Purchasing, ATTN: Felicia Sonnier, fax number 225-342-8688 or emailed to felicia.sonnier@la.gov directly from the reference. The reference letters shall not be submitted by the Proposer. Should no Corporate Reference Letters be received by the proposal due date, the Department reserves the right to disqualify the proposal from further consideration;

If the Proposer is a subsidiary company, submit a written guarantee from the parent organization to provide financial resources sufficient to meet all financial obligations and perform all functions pursuant to this SFP and ensuing contract;

If the Proposer is a publicly held corporation, enclose a copy of the corporation's most recent three years of audited financial reports and financial statements (including all notes, appendices, and so forth related to the financial statements), a recent Dun and Bradstreet credit report, and the name, address, and telephone number of a responsible representative of the Proposer's principle financial or banking organization; include this information with the copy of the Technical Proposal and reference the enclosure as the response to this subsection;

If the Proposer is not a publicly held corporation, the Proposer may either comply with the preceding paragraph or describe the proposing organization, including size, longevity, customer base, areas of specialization and expertise, a recent Dun and Bradstreet credit report, and any other pertinent information in such a manner that the proposal evaluator may reasonably formulate a determination about the stability and financial strength of the proposing organization;

Submit a written statement that the Proposer is in compliance with all debt covenants and not undergoing reorganization pursuant to the United States Bankruptcy Code;

Disclosure of all publicly disclosed judgments, pending litigation, or other real or disclosable financial reversals which might materially affect the viability or stability of the proposing organization to meet obligations under the Contract or warrant that no such condition exists. The Proposer shall list the name of the plaintiff, date suit filed, reason, and report the status of the litigation;

Acknowledgement by the Proposer of the requirement to submit financial statements audited by an independent Certified Public Accountant to the Department annually throughout the term of the Contract; and

Provide, for any proposed subcontractor, the following information:

Describe the subcontractor’s relevant corporate experience that establishes the subcontractor’s ability to contribute to the successful completion of the SFP requirements;

Provide the name and contact information for two (2) corporate references for current or prior contracts that demonstrate the subcontractor’s ability to provide the work proposed by the Proposer. The information shall include: Client Name, Title, Client’s Corporation, Address, Telephone, Email Address, Fax Number, and dates (start and end) work was performed;

Facilitate submission of two (2) completed and signed Corporate Reference Letters. The letters must be from organizations used to demonstrate the subcontractor’s corporate qualifications. Appendix C contains the required Corporate Reference Letter that shall be completed and signed by each corporate reference;

Completed and signed Corporate Reference Letters shall be faxed to the Office of State Purchasing, ATTN: Felicia Sonnier, fax number 225-342-8688 or emailed to felicia.sonnier@la.gov directly from the reference. The reference letters shall not be submitted by the Proposer. Should no Corporate Reference Letter be received by the proposal due date, the Department reserves the right to disqualify the proposal from further consideration;

Submit a written statement that the subcontractor is in compliance with all debt covenants and not undergoing reorganization pursuant to the United States Bankruptcy Code; and

Disclosure of all publicly disclosed judgments, pending litigation, or other real or disclosable financial reversals which might materially affect the viability or stability of the subcontractor to meet obligations under the Contract or warrant that no such condition exists. The subcontractor shall list the name of the plaintiff, date suit filed, reason, and report the status of the litigation.

* + - 1. Proposed Solution/Technical Response

The Proposer shall illustrate and describe the proposed technical solution and compliance with the SFP requirements.

* + - * 1. Proposed Transfer System Overview

Proposer shall provide a high-level overview of the proposed transfer solution of the Louisiana Replacement MMIS addressing the system, application, and COTS (with pros and cons) that are part of the proposed solution.

The overview shall discuss;

Technical and business capabilities of the proposed transfer solution;

How the proposed transfer system supports the overall requirements of the SFP;

Where the proposed transfer system would be modified or enhanced to meet the SFP requirements. For this part of the proposal, the Proposer is encouraged to provide high-level technical schematics of the proposed transfer solution;

Any innovative concepts demonstrated by the proposed solution or approach and methodologies and their impact to costs, time, or strategic alignment with future changes in healthcare and healthcare maintenance. Do not include specific cost amounts in the Technical Proposal;

For each COTS product, include information relative to licensing and patents allowing use of the COTS in Louisiana, ownership of licenses, frequency of updates, cost of updates, and any issues or risks associated with use of the COTS product. Of specific importance are any restrictions or limitations that would prevent modification of the COTS products for use. Include the specific version number proposed for implementation; and

Use of COTS shall require prior approval from the Department as documented during contract negotiations.

* + - * 1. Approach and Methodology

Requirements for Approach and Methodology tasks can be found in Section 2.1.1. Proposers shall provide information regarding the approaches and methodologies that shall be used by the Proposer for work under the contract for each phase of the project. The Proposer shall include in its response to this SFP, a description of its application development and maintenance methodology, and identify the approach to:

Demonstrate the advantages of additional processes or approaches that the Proposer uses on similar projects for consideration by the Department. The Department encourages Proposers to explain not only how their processes or approaches meet the Department’s requirements, but also to exceed them. Any areas where the process or approach differs because it exceeds the Department’s requirements shall be clearly marked as such. The Proposer shall also submit examples of deliverables produced for other projects of similar scope to the Louisiana Replacement MMIS.

For each Approach and Methodology tasks found in Section 2.1.1, the Department has provided a narrative description of that task and then lists requirements for that task in the following order:

Department Responsibilities,

Contractor Responsibilities,

Deliverables, and

Milestones.

The Proposer is required to provide the following for each Approach and Methodology task or subsection (the Proposer shall insert the SFP section number(s) and associated SFP text in bold within the proposal followed by the Proposer’s narrative discussion):

A narrative discussion of the Proposer’s overall understanding of the scope of work as described in the narrative from the SFP;

A narrative discussion of the Proposer’s overall understanding of the Department’s responsibilities. Proposer shall discuss their expectations regarding Department staff resources needed to support the proposed approach and methodologies for the Louisiana Replacement MMIS Project;

A narrative discussion of the Proposer’s overall understanding of the Contractor Responsibilities;

A table providing a specific response to each of the Contractor’s responsibilities detailing how the Proposer will meet or exceed the specific requirement. Any deviation from the requirement shall be identified in the response. The format for this table can be found in Appendix E (Table 1): Approach and Methodology - Contractor Responsibilities;

A narrative discussion of the Proposer’s understanding of the requirements for each deliverable;

For each of the required deliverables for DDI, provide examples of deliverables developed for similar projects that document the format, content, or place special emphasis on information provided. Complete copies of deliverables are not required. The name, short description of the example including reasons why the example is applicable to the Louisiana Replacement MMIS project and the location of the deliverable should be referenced in the narrative text of the proposal. The examples should be included as an appendix to the proposal; and

While the Proposer may use their own numbering scheme for the Approach and Methodology part of the proposal, the title of sections shall reference the Section number and Title as stated in the SFP.

* + - * 1. Functional Requirements

Functional Requirements can be found in Sections 2.1.2 of the SFP. For each Business Area or subsection, the Department has provided a narrative description of that Business Area or process and then lists responsibilities or requirements for that task in the following order:

* Department Responsibilities,
* Contractor Responsibilities, and
* System Requirements.

While the Proposer may use their own numbering scheme for this part of the proposal, the title of sections shall reference the Section Number and title as stated in the SFP.

The Proposer is required to provide the following for each Business Area or subsection (the Proposer shall insert the SFP section number(s) and associated SFP text in bold within the proposal followed by the Proposer’s narrative discussion):

A narrative discussion of the Proposer’s overall understanding of the Business Area as described in the narrative from the SFP,

A narrative discussion of the Proposer’s overall understanding of the Department’s responsibilities,

A narrative discussion of the Proposer’s overall understanding of the Contractor’s responsibilities,

A table providing a specific response to each of the Contractor’s responsibilities detailing how the Proposer will meet or exceed the specific requirement. Any deviation from the requirement shall be identified in the response. The format for this table can be found in Appendix E (Table 2): Functional Requirements - Contractor Responsibilities,

A narrative discussion of the Proposer’s proposed solution for the Business Area and how that solution meets, exceeds, or deviates from the Department’s needs. Include examples of screens, pages, reports and the like which are relevant to this requirement, and

A table providing a specific response to each of the system requirements detailing how the Proposer will meet or exceed the specific requirement. Any deviation from the requirement shall be identified in the response. The Proposer shall also discuss the system capability of the proposed solution to be used to meet the specific requirement. The format and the legend for defining the level of system capability are included in Appendix E (Table 3): Functional Requirements – System Requirements.

* + - * 1. Technical Architecture Requirements

Technical Architecture Requirements can be found in Section 2.1.3 of this SFP. For each Technical Architecture component, the Department has provided a narrative description of that Technical Architecture component and then lists responsibilities or requirements for that component in the following order:

* Department Responsibilities,
* Contractor Responsibilities, and
* System Requirements.

The Proposer is required to provide the following for each Technical Architecture component or subsection (the Proposer shall insert the SFP section number(s) and associated SFP text in bold within the proposal followed by the Proposer’s narrative discussion):

A narrative discussion of the Proposer’s overall understanding of the Technical Architecture component as described in the narrative of the SFP,

A narrative discussion of the Proposer’s overall understanding of the Department’s responsibilities,

A narrative discussion of the Proposer’s overall understanding of the Contractor’s responsibilities,

A table providing a specific response to each of the Contractor’s responsibilities detailing how the Proposer will meet or exceed the specific requirement. Any deviation from the requirement shall be identified in the response. The format for this table can be found in Appendix E (Table 4): Technical Architecture - Contractor Responsibilities,

A narrative discussion of the Proposer’s proposed solution for the Business Area and how that solution meets, exceeds, or deviates from the Department’s needs. Include examples of screens, pages, reports and the like which are relevant to this requirement,

A table providing a specific response to each of the system requirements detailing how the Proposer’s solution will meet or exceed the specific requirement. Any deviation from the requirement shall be identified in the response. The Proposer shall also discuss the system capability of the proposed solution to be used to meet the specific requirement. The format and the legend for defining the level of system capability are included in Appendix E (Table 5): Technical Architecture – System Requirements, and

Draft data attribute list for the proposed DSS/DW solution.

* + - * 1. Staffing – Key Personnel

Key Personnel Requirements can be found in Section 2.1.4 of this SFP.

The Proposer is required to provide the following for each Staffing Key Personnel subsection (the Proposer shall insert the SFP section number(s) and associated SFP text in bold within the proposal followed by the Proposer’s narrative discussion):

Provide the Proposer’s response to each specific general requirement addressing how the Proposer shall meet or exceed the requirement.

Include a statement that acknowledges Proposer’s requirement to complete a national criminal background on all staff prior to the start of any work on this contract as required by the SFP;

Include a statement that, to the best of the Proposer’s knowledge, no person proposed as key personnel is an “Ineligible Person” to participate in the Federal health care programs or in Federal procurement or non-procurement programs or have been convicted of a criminal offense that falls within the ambit of 42 U.S.C 1320a-7(a), but has not yet been excluded, debarred, suspended, or otherwise declared ineligible. Exclusion lists include the HHS/OIG List of Excluded Individuals/Entities (available through the internet at <http://www.oig.hhs.gov>) and the General Services Administration‘s List of Parties Excluded from Federal Programs (available through the Internet at <http://www.epls.gov>).

Provide a summary list in table format of the Proposer’s Key Personnel being proposed and indicate the person’s relevant experience as it relates to the requirements of this SFP;

Provide, for each Key Personnel type, a narrative discussion of how the proposed Key Personnel meets or exceeds the specific requirement for Responsibilities and Qualifications;

A table providing a specific response to each of the Contractor’s responsibilities detailing how the Proposer will meet or exceed the specific requirement for each Key Personnel type. Any deviation from the requirement shall be identified in the response. The format for this table can be found in Appendix E (Table 6): Staffing – Key Personnel Responsibilities and Qualifications;

Provide a resume for each Proposed Key Staff clearly marked with the person’s name and proposed title with the following data in the order shown:

**Years:** Enter number of years with Proposer,

All experience shall use the format MM/DD/YYYY for begin and end dates,

**MMIS Experience**: List the individual's experience with any MMIS programs, beginning with the most recent. Identify part-time experience as such, and identify the specific start and stop dates. Use the two-digit post office abbreviation to designate the state. If the MMIS experience also involved use of the proposed transfer solution, describe the persons experience with the proposed transfer solution,

**Other Related Processing Experience**: List the individual's experience with any non-MMIS Medicaid program or other related health care claims processing experience (for example, Medicare, Blue Cross/Blue Shield, and Private Insurance including processing self-insurance claims), beginning with the most recent. Identify part-time experience as such,

**Other Related Experience**: List any other related experience (for example, government contracts, multi-processor computer installations, large manual operations),

**Education And Certification**: List the individual's education, including school(s), dates attended, degrees, honors, and/or certification (for example, CPA, CDP, etc.), and

**Technical Experience**: List the individual's technical experience, including (as appropriate):

Computer hardware (mainframe and manufacturer),

Operating system software,

Software language(s),

Database software,

Telecommunications software, and

Other;

Each resume shall provide names and contact information for three (3) references;

For two (2) references of the three (3) references, Proposer shall facilitate submission of the Key Personnel Reference Questionnaires (included in the SFP as Appendix F) by providing the questionnaire to the named reference and asking the reference to:

Complete the questionnaire,

Sign the questionnaire, and

Forward the questionnaire no later than the proposal submission deadline;

Completed and signed Key Personnel Reference Letters shall be faxed to the Office of State Purchasing, ATTN: Felicia Sonnier, fax number 225-342-8688 or emailed to felicia.sonnier@la.gov by the reference. The Proposer shall not submit the references directly; and

Each resume shall provide the name and contact information for one (1) additional reference who may be contacted if the Department determines additional reference information is necessary for an individual.

* + - 1. Period of Agreement

Period of Agreement Requirements can be found in Sections 2.2 and 2.6.1.7 of this SFP. The Proposer is required to provide a response to the narrative description as follows:

Provide a statement acknowledging the term of the Contract as stated in the SFP;

Provide a statement acknowledging the Contract is subject to the Department written approval, the availability of State and/or Federal funds, and appropriations by the Louisiana Legislature;

Provide a statement acknowledging contract life of the project as defined by the SFP; and

Provide a statement acknowledging option to renew as defined by the SFP.

* + - 1. Deliverables

General requirements for Deliverables can be found in Sections 2.4 of the SFP. The Department has provided a narrative overview of the deliverable requirements and then lists requirements for that task in the following order:

* Department Responsibilities, and
* Contractor Responsibilities.

The Proposer shall provide the following for Deliverables:

Proposer’s overall understanding of the Department’s responsibilities.

A narrative discussion of the Proposer’s overall understanding of the Contractor responsibilities;

A table providing a specific response to each of the Contractor’s responsibilities detailing how the Proposer will meet or exceed the specific requirement for deliverables. Any deviation from the requirement shall be identified in the response. The format for this table can be found in Appendix E (Table 7): Deliverables – Contractor Responsibilities;

While the Proposer may use their own numbering scheme for this part of the proposal, the title of sections shall reference the Section Number and Title as stated in the SFP.

* + - 1. Location

General requirements for Location can be found in Section 2.5 of this SFP. The Department has provided a narrative overview of the Location requirements and then lists requirements for that task in the following order:

* Department Responsibilities, and
* Contractor Responsibilities;

The Proposer is required to provide the following for each location requirement or subsections (the Proposer shall insert the SFP section number(s) and associated SFP text in bold within the proposal followed by the Proposer’s narrative discussion):

A narrative discussion of the Proposer’s overall understanding of the location overview as described in the narrative from the SFP,

A narrative discussion of the Proposer’s overall understanding of the Department’s responsibilities,

A narrative discussion of the Proposer’s overall understanding of the Contractor Responsibilities, and

A table providing a specific response to each of the Contractor’s responsibilities detailing how the Proposer will meet or exceed the specific requirement for deliverables. Any deviation from the requirement shall be identified in the response. The format for this table can be found in Appendix E (Table 8): Location – Contractor Responsibilities; and

While the Proposer may use their own numbering scheme for this part of the proposal, the title of sections shall reference the Section number and Title as stated in the SFP.

* + - 1. Detailed Project Work Plan

A draft Detailed Project Work Plan shall be submitted as part of the response to this SFP. The Proposer shall submit the Detailed Project Work Plan as follows:

Include a Work Plan developed and printed, using Microsoft Project, that includes the following:

Work Breakdown Structure (WBS), using a breakdown of tasks and subtask, within each of the Louisiana Replacement MMIS Design, Development, and Implementation Tasks,

Start and Finish dates for each task and subtask including deliverable submissions and milestones,

Duration of tasks and subtasks,

Predecessors,

Contractor Resources assigned to each task and subtask. Contractor key staff resources are to be assigned by name with the work plan. Contractor non-key staff resources may be applied by category or position name (for example, business analyst 1, business analyst 2, developer 1, developer 2)and level of effort, in hours,

Gantt chart, and

Program, Evaluation, and Review Technique (PERT) or dependence chart;

Provide narrative descriptions at the Task and subtask level (first level following Task) which includes the following information:

Description: Provide narrative discussion of what shall be completed during the subtask,

Proposed Location: Identify the proposed location for the subtask to be performed,

Work Products: Identify and describe the work products that shall be produced during the subtask,

Contractor Personnel: Identify the Contractor resources applied by name and level of effort, in hours,

Department Resource Requirements: Identify types of Department resources that shall be required to complete the subtask and level of effort by hours,

Dependencies: List dependent subtasks for the subtask being described,

Risks and Assumption: Discuss any risks and assumptions that would impact the completion of the subtask, and

Contingency and Recovery Procedures: Discuss any contingency and recovery procedures that would be used at the activity level; and

Provide a resource (personnel and other) matrix by subtask, summarized by total hours by person, per month.

* + 1. Cost Proposal

Pricing requirements for both the DDI and Operations Phase can be found in Section 2.3 of the SFP. This Cost Proposal shall include any and all costs the Proposer wishes to have considered in the contractual arrangement with the State. Prices proposed shall be firm for the duration of the Contract (unless there is some provision in the SFP for price escalation).

The cost proposals shall be packaged and sealed separately from the Technical Proposals and be clearly marked as “**COST PROPOSALS**”. Failure to comply with this requirement shall cause the proposal to be rejected. There shall be no mention of price in the technical proposal. The Proposer shall submit the following information as the Cost Proposal:

Cost Summary: Provide a narrative summary of the costs provided for DDI and Operations Phases and how those costs were calculated placing emphasis on any factor that makes the Proposer’s cost unique;

Cost Assumptions: Provide a list of assumptions that have been used to develop the cost proposals for DDI and Operations;

Cost Schedules: Complete the following Cost Schedules that can be found in Appendix B for both DDI and Operations Phase:

Cost Schedule 1: Design, Development, and Implementation:

Line 1: Enter the firm fixed deliverable cost for all recurring Project Management Tasks for DDI on Line 1, Column C – Firm Fixed Deliverable Cost,

Line 2 – 9: Enter the firm fixed deliverable cost for each of the Project Management Task deliverables listed in Column B on Lines 2 – 9, Column C – Firm Fixed Deliverable Cost,

Line 10: Enter the Total Costs for the Project Management Task (sum of amounts entered on Lines 1 – 9, Column C) on Line 10, Column D – Firm Fixed Cost by Task,

Lines 11 – 14: Enter the firm fixed deliverable cost for each of the Design Task deliverables listed in Column B on Lines 11 – 14, Column C – Firm Fixed Deliverable Cost,

Line 15: Enter the Total Costs for Design Task (sum of amounts entered on Lines 11 – 14, Column C) on Line 15, Column D – Firm Fixed Cost by Task,

Lines 16 – 26: Enter the firm fixed deliverable cost for each of the Development and Testing Task deliverables listed in Column B on Lines 16 – 26, Column C – Firm Fixed Deliverable Cost,

Line 27: Enter the Total Costs for Development and Testing Task (sum of amounts entered on Lines 16 – 26, Column C) on Line 27, Column D – Firm Fixed Cost by Task,

Lines 28 – 30: Enter the firm fixed deliverable cost for each of the Conversion Task deliverables listed in Column B on Lines 28 – 30, Column C – Firm Fixed Deliverable Cost,

Line 31: Enter the Total Costs for Conversion Task (sum of amounts entered on Lines 28 – 30, Column C) on Line 31, Column D – Firm Fixed Cost by Task,

Lines 32 – 37: Enter the firm fixed deliverable cost for each of the User Acceptance Testing Task deliverables listed in Column B on Lines 32 – 37, Column C – Firm Fixed Deliverable Cost,

Line 38: Enter the Total Costs for User Acceptance Testing Task (sum of amounts entered on Lines 31 – 37, Column C) on Line 38, Column D – Firm Fixed Cost by Task,

Lines 39 – 47: Enter the firm fixed deliverable cost for each of the Implementation Task deliverables listed in Column B on Lines 39 – 47, Column C – Firm Fixed Deliverable Cost,

Line 48: Enter the Total Costs for Implementation Task (sum of amounts entered on Lines 39 – 47, Column C) on Line 48, Column D – Firm Fixed Cost by Task,

Line 49: Enter the firm fixed deliverable cost for the Certification Task deliverables listed in Column B on Line 49, Column C – Firm Fixed Deliverable Cost,

Line 50: Enter the Total Costs for Certification Task (sum of amounts entered on Line 49) on Line 50, Column D – Firm Fixed Cost by Task, and

Line 51: Enter the Total Firm Fixed Costs for DDI (sum of amounts on Lines 10, 15, 27, 31, 38, 48, and 50) on Line 51, Column D – Firm Fixed Cost by Task;

Cost Schedule 2a: Operations - Non-Pharmacy (Institutional, Professional/Dental) Fixed Price Per Claim:

The Anticipated Volume Range found on Line 11 of Cost Schedules a, b, and c are based on an average of paid claims for SFY 2009 (July 1, 2008 through June 30, 2009),

The Department is specifying an assumed annual claims volume range for purposes of assuring a comparable basis for proposing the per claim price. The Proposer should recognize that the actual contractor reimbursement shall be subject to the provisions of Section 2.3 of the SFP,

The proposed price per paid claim shall be carried five (5) places to the right of the decimal point,

Lines 1 – 10: Enter the firm fixed price per claim for the specified volume range (Columns A.1 and A.2) in Columns C. 1 through C. 5 for each Operation/Optional Year. Claims Volume Range on Lines 1 – 10, Columns A.1 and B.2 reflect a five (5) to fifty percent (50%) decrease in claim volume from the Anticipated Volume Range on Line 11,

Line 11: Enter the firm fixed price per claim for specified volume range (found on Line 11, Columns A.1 and A.2) in Columns C. 1 through C. 5 for each Operation/Optional Year,

Lines 12 – 21: Enter the firm fixed price per claim for the specified volume range (Columns A.1 and A.2) in Columns C. 1 through C. 5 for each Operation/Optional Year. Claims Volume Range on Lines 12 – 21, Columns A.1 and A.2 reflect a five (5) to fifty percent (50%) increase in claim volume from the Anticipated Volume Range on Line 11,

Line 22: Enter the Anticipated Cost Per Operational/Optional Year on Line 22, Columns E. 1 through E.5, and

Line 23: Enter the sum of all Anticipated Cost per Operational/Optional Year values in Columns E.1 through E.5 on Line 23;

Schedule 2b – Operations – Pharmacy Fixed Price Per Claim:

See instructions for Cost Schedule 2a;

Cost Schedule 2c – Operations – Encounters Fixed Price Per Claim:

See instructions for Cost Schedule 2a;

Cost Schedule 2d – Operations – Provider Call Center Services:

The Anticipated Volume Range found on Line 5 of Cost Schedule 2d is based on an average of countable provider calls for calendar year 2009,

The Department is specifying an assumed annual provider calls volume range for purposes of assuring a comparable basis for proposing the call price. The Proposer should recognize that the actual contractor reimbursement shall be subject to the provisions of Section 2.3 of the SFP, and

Lines 1 - 9: Enter the firm fixed price per completed call for the specified volume range (Columns A.1 and A.2) in Columns C. 1 through C. 5 for each Operation/Optional Year. Calls Volume Range on Lines 1 – 4 reflect a twenty-five (25) to one hundred percent (100%) decrease in call volume. Lines 6 - 9, Columns A.1 and A.2 reflect a twenty-five (25) to one hundred percent (100%) increase in call volume from the Anticipated Volume Range on Line 5,

Line 10: Enter the Anticipated Cost Per Operational/Optional Year on Line 10, Columns E. 1 through E.5, and

Line 11: Enter the sum of all Anticipated Cost per Operational/Optional Year values on Line 10 - Columns E.1 through E.5 on Line 11;

Cost Schedule 2e – Operations – Enrollee Call Center Services:

The Anticipated Volume Range found on Line 5 of Cost Schedule 2e is based on an average of countable enrollee calls for calendar year 2009,

The Department is specifying an assumed annual enrollee calls volume range for purposes of assuring a comparable basis for proposing the call price. The Proposer should recognize that the actual contractor reimbursement shall be subject to the provisions of Section 2.3 of the SFP, and

See instructions for Cost Schedule 2d;

Cost Schedule 3: Cost Documentation to Support Schedules 2a – 2e, provided in Cost Schedule 3 shall not be used in the evaluation of the Cost Proposal. This information shall be used to assess the Proposer's understanding of the scope of work required by the Department. The purpose of the review is to assure the Department that the Proposer is intending to provide adequate resources to meet the Department's requirements. The Department is interested in a cost efficient proposal for the services proposed:

Line 1: Enter the budgeted Project Management costs in Columns C through G for each of the operational/optional years,

Line 2: Enter the Subtotal Costs for Project Management Costs for each of the operational/optional years from Line 1 in Columns C through G,

Lines 3 – 12: Enter the budgeted Operations Management costs for each of the cost subcategories (Column B) in Columns C through G for each of the operational/optional years,

Line 13: Enter the Subtotal Cost for Operations Management (sum of Lines 3 – 12) in Columns C through G for each of the operational/optional years,

Line 14: Enter the budgeted Quality Monitoring and Control cost in Columns C through G for each of the operational/optional years,

Line 15: Enter the Subtotal Cost for Quality Monitoring and Control for each of the operational/optional years from Line 14 in Columns C through G is,

Lines 16 - 30: Enter the budgeted Medical Management costs for each of the cost subcategories (Column B) in Columns C through G for each of the operational/optional years,

Line 31: Enter the Subtotal Cost for Medical Management (sum of Lines 16 – 30) in Columns C through G for each of the operational/optional years,

Lines 32 - 34: Enter the budgeted Pharmacy Management costs for each of the cost subcategories (Column B) in Columns C through G for each of the operational/optional years,

Line 35: Enter the Subtotal Cost for Pharmacy Management (sum of Lines 32 - 34) in Columns C through G for each of the operational/optional years,

Lines 36 - 39: Enter the budgeted Provider Services costs for each of the cost subcategories (Column B) in Columns C through G for each of the operational/optional years,

Line 40 Enter the Subtotal Cost for Provider Services (sum of Lines 36 – 39) in Columns C through G for each of the operational/optional years,

Lines 41 - 43: Enter the budgeted Enrollee Services costs for each of the cost subcategories (Column B) in Columns C through G for each of the operational/optional years,

Line 44: Enter the Subtotal Cost for Enrollee Services (sum of Lines 41 – 43) in Columns C through G for each of the operational/optional years,

Lines 45 - 49: Enter the budgeted Program Integrity costs for each of the cost subcategories (Column B) in Columns C through G for each of the operational/optional years, Costs entered on Line 49 – Visit Verification should exclude the cost of devices or optional functionality included on Cost Schedule 6,

Line 50: Enter the Subtotal Program Integrity (sum of Lines 45 – 49) in Columns C through G for each of the operational/optional years,

Lines 51 – 52: Enter the budgeted Management and Administrative Reporting costs for each of the cost subcategories (Column B) in Columns C through G for each of the operational/optional years,

Line 53: Enter the Subtotal Cost for Management and Administrative Reporting (sum of Lines 51 – 52) in Columns C through G for each of the operational/optional years,

Lines 54 - 55: Enter the budgeted Third Party Liability costs for each of the cost subcategories (Column B) in Columns C through G for each of the operational/optional years,

Line 56: The Subtotal Cost for Third Party Liability (sum of Lines 54 – 55) in Columns C through G for each of the operational/optional years is displayed,

Lines 57 - 58: Enter the budgeted Training costs for each of the cost subcategories (Column B) in Columns C through G for each of the operational/optional years,

Line 59: Enter the Subtotal Cost for Training (sum of Lines 57 – 58) in Columns C through G for each of the operational/optional years,

Lines 60 – 63: Enter the budgeted Software Licenses for COTS Applications costs for each of the cost subcategories (Column B) in Columns C through G for each of the operational/optional years,

Line 64: Enter the Subtotal Cost for Enrollee Services (sum of Lines 60 – 63) in Columns C through G for each of the operational/optional years,

Lines 65 - 67: Enter the budgeted Other costs for each of the cost subcategories (Column B) in Columns C through G for each of the operational/optional years,

Line 68: Enter the Subtotal Cost for Other (sum of Lines 65 – 67) in Columns C through G for each of the operational/optional years, and

Line 69: Enter the Total Cost for each operational/optional years (sum of Lines 2, 13, 15, 31, 35, 40, 44, 50, 53, 56, 59, 64, and 68) in Columns C through G;

Cost Schedule 4: DDI Modifications Outside Scope of SFP and Contract:

A modification is defined as a change request to enhance or modify functionality outside the scope of the SFP and the most current contract. Maintenance is defined as the ongoing work required to maintain the current functionality of the system based on the SFP and the contract, and includes any work required to correct defects in the system. Optional modification hours shall not be used for maintenance activities, and

Lines 1: Enter the all-inclusive hourly rate for each of the staff categories listed in Columns B.1 through B.4 for DDI. Payment shall be based upon the number of hours authorized by the Department using the all-inclusive hourly rate proposed by the Proposer for each of the staff categories listed in Columns B.1 through B.4;

Cost Schedule 5: Operations Modifications Outside Scope of SFP and Contract:

A modification is defined as a change request to enhance or modify functionality outside the scope of the SFP and the most current contract. Maintenance is defined as the ongoing work required to maintain the current functionality of the system and includes any work required to correct defects in the system. Optional modification hours shall not be used for maintenance activities,

Lines 1 – 5: Enter the all-inclusive hourly rate for each of the staff categories listed in Columns B.1 through B.4 for each of the operation/option years. Payment shall be based upon the number of hours authorized by the Department using the all-inclusive hourly rate proposed by the Proposer for each of the staff categories listed in Columns B.1 through B.4,

Line 6 : The total of the Actual All-Inclusive Hourly Rate for Modifications (Columns B.1, through B. 4) for each Staff Category is displayed at the bottom of Columns B.1 through B.4; and

Line 7: The total of the Total by Staff Category (Line 6, Columns B.1 through B.4) is displayed in Column B.4.

Cost Schedule 6: Visit Verification and Management Devices and Optional Functions

Lines 1 – 5: Enter the cost of the device or optional functionality (per unit price) in Columns B.1 through B.4 for each of the operation/option years. The cost of the devices or optional functionality may be paid for by providers, enrollees, the Department, or a combination of those mentioned;

Lines 6: The total by category of the device or optional functionality (Columns B.1, through B. 4) for each Category is displayed at the bottom of Columns B.1 through B.4;

Line 7: The Total for All Categories (Line 6, Columns B.1 through B.4) is displayed in Column B.4.

Cost Schedule 7: Cost Summary:

Lines 1 – 9: Enter the Total Costs from the Specified Cost Schedules (listed in Column B) in Column C:

Column A lists the costs that shall be used for evaluation purposes, and

Column B identifies where the values are in Cost Schedules 1 through 6;

Line 10: Enter the sum of all values entered in Column C, Lines 1 – 9 on Line 10. This Total Costs for DDI and Operations shall be used for evaluation purposes; and

The cost proposal submitted on Cost Schedule 7 should include all services to the Medicaid Program as defined in this SFP. The Cost Proposal shall be valid for acceptance until such time an award is made.

1. Part III Louisiana Replacement MMIS Proposal Evaluation Plan
   1. Evaluation Plan

The State of Louisiana shall conduct a comprehensive, fair, and impartial evaluation of proposals received in response to this SFP. This section describes the proposal evaluation methodology in general, the planned organization of the effort, and the specific procedures to be followed.

Eleven (11) evaluation teams shall be used to control the evaluation workload, ensure that individuals focus their evaluation efforts on their respective areas of expertise, and provide for consistency with individual evaluation teams reviewing the same areas for all Proposers. The sole objective of the evaluation teams is to recommend the Proposer whose proposal is most responsive to the Department’s needs, price, and other evaluation factors set forth in the SFP.

The objectives of the proposal evaluation methodology for this procurement are to:

* Obtain quality fiscal intermediary services at a fair and competitive price
* Ensure that the successful Proposer meets all of the Department's requirements
* Provide a well documented and defensible basis for the decisions reached during the proposal evaluation process

The Cost Proposal shall not be available to the Technical Evaluation Teams, except for the team responsible for evaluating costs, during scoring of the Technical Proposals. Weighting factors for evaluation criterion shall be not available to the Technical Evaluation Teams during the evaluation process. Weighting factors shall be applied to scores after all technical evaluations have been completed and evaluation scoring sheets have been submitted to the Evaluation Management Team.

It should be emphasized that a firm's incumbency shall not result in special consideration in the evaluation of its Technical Proposal.

* + 1. Maximum Evaluation Points

A maximum of 5000 points is possible for the evaluation: 4000 points for the Technical Proposal and 1000 for the Cost Proposal. For a Proposer to proceed to the Cost Proposal evaluation, the Proposer shall achieve a minimum of 3000 points. The maximum number of Technical Proposal points to be assigned by category is:

| **Category** | **Points** |
| --- | --- |
| Proposer Qualifications and Experience | 492 |
| Approach and Methodology | 615 |
| Functional Requirements | 1231 |
| Technical Architecture Requirements | 1231 |
| Staffing | 431 |
| **TOTAL POINTS** | **4000** |

A maximum of 1,000 points shall be awarded for the Cost Proposal meeting all Cost Proposal requirements and having the lowest costs submitted on Cost Schedule 6. Other proposals shall receive proportionately fewer points based on the following formula:

* C x A/B = points awarded

Where: A = lowest cost proposed and

B = the price being evaluated and

C = highest possible points

* + 1. Organization and Structure of the Evaluation Teams

The Department shall be responsible for performing the proposal evaluation and selection. The Department reserves the right to alter the composition of the committees and/or teams; designate other staff to assist in the process; or use the Independent Verification and Validation vendor (MAXIMUS) for the Louisiana Replacement MMIS Project to assist in the evaluation support activities as determined by the Department.

An evaluation team of staff from the Department and Other Contracted Personnel shall conduct the evaluation. The evaluation team shall be made up of the following three (3) groups:

* Evaluation Management Team – This team shall be responsible for the Mandatory Proposal Requirements compliance screening, overall conduct of the technical and cost evaluations, quality review, compilation of total scores, and development of final recommendations. It shall review the work and findings of the Technical and Cost Evaluation Teams. The Evaluation Management Team shall also be responsible for resolving conflicts of fact encountered in all areas of the evaluation as well as any other conflicts that may develop.
* Technical Evaluation Teams - Each Technical Evaluation Team may evaluate several of the technical requirement areas in the proposal and shall consist of experienced personnel. The technical teams shall review their areas; identify strengths and weaknesses in proposals; participate in interviews or oral presentations; participate in team meetings to assign scores based upon consensus; and make recommendations to the Evaluation Management Team.
* Cost Evaluation Team - The Cost Evaluation Team shall be responsible for review of Cost Proposals and identify any deficiencies or areas of concern and make recommendations to the Evaluation Management Team. This review shall also include the evaluation of cost documentation submitted by Proposers to assess the Proposer’s understanding of the scope of work required by the Department. The purpose of the review is to assure the Department that the Proposer is intending to provide adequate resources to meet the Department's requirements. The Department is interested in a cost efficient proposal for the services proposed.

The Secretary of the Department of Health and Hospitals is responsible for the approval of the award recommendation.

* + 1. Evaluation Procedures

The Department has developed a proposal evaluation approach under which proposals shall first meet all mandatory requirements. If all mandatory requirements are met, each Proposer's ability to comply with the defined requirements shall be evaluated and scored based on the proposals submitted. Only Proposers having met all mandatory requirements shall have their proposal evaluated. The evaluation shall be performed and documented through predefined forms and procedures.

The Evaluation Committee shall conduct the evaluation in five (5) phases including:

* Evaluation of Mandatory Proposal Requirements,
* Detailed Evaluation of Technical Proposals,
* Consensus Scoring of Technical Proposals,
* Evaluation of Cost Proposal, and
* Computation of Final Scores, Ranking of Proposals, and Recommendation of Contractor;
  + 1. Evaluation of Mandatory Proposal Requirements

The purpose of the evaluation of mandatory proposal requirements is to identify any obvious omissions and to screen out any clearly unqualified proposals from the detailed technical evaluation. The Office of State Purchasing shall conduct an initial review of the proposal prior to forwarding to the Department for review. Once received by the Department, the Department shall conduct an initial review of each Technical Proposal for compliance with the mandatory proposal requirements and make a recommendation regarding compliance with those mandatory requirements. The results of the review shall be reviewed with the Evaluation Management Team Lead and others of the management team for concurrence regarding compliance with the mandatory requirements. ***Proposers not meeting all mandatory requirements shall be judged unresponsive and disqualified from further participation in the procurement.***

Each Technical Proposal shall be evaluated for compliance with the following mandatory requirements:

* + - 1. A. The Technical Proposal

The Technical Proposal shall be complete, addressing all response requirements outlined in Sections 2.1, 2.2, 2.4, and 2.5 of the SFP. In the event of minor or inadvertent omissions, the Department may allow the Proposer the opportunity to remedy the deficiency or, at the Department’s sole discretion, waive any informality.

* + - 1. B. Technical Requirements

In addition, the following specific technical requirement areas shall be met in the Technical Proposal before the Proposal is accepted for full evaluation:

The Proposer shall either provide the information requested within this Section of the Proposal or acknowledge the information has been provided elsewhere citing the specific location where the information can be found. The Administrative and Mandatory Requirements are:

* Proposal shall be received by the Office of State Purchasing no later than the date and time shown in the Schedule of Events;
* Proposal shall not be copyrighted or marked as confidential or proprietary in its entirety;
* The costs proposals shall be packaged and sealed separately from the Technical Proposals and be clearly marked as “COST PROPOSALS”.
* Proposal guarantee shall accompany the proposal in the form of a bond or a certified or cashier’s check or money order made payable to the Treasurer of the State of Louisiana, in the amount of Two hundred, fifty thousand dollars ($250,000). If a certified or cashier’s check is submitted, place check in an envelope marked “Proposal Guarantee” and place in a clear vinyl page protector within this section;
* Period of Agreement shall be submitted as defined in Section 2.2 and 2.6.1.7 of the SFP; and
* A Statement of Agreement to Accept All Requirements and Conditions shall be submitted in this section of the Proposal with the following:

I (we) have read, acknowledge, understand, and agree to:

* Perform all Contractor responsibilities and provide all service levels/deliverables defined in Part II of the SFP,
* Accept the basis of payment for contractual services defined in Part II of the SFP,
* Accept the evaluation methodology approach defined in Part III of the SFP,
* Abide by all terms of performance reviews and standards defined in Part IV of the SFP,
* Furthermore, I (we) have read, acknowledge, understand, and agree to accept and abide by all other terms and conditions as specified in this SFP, and

Statement of Agreement to Accept All Requirements and Conditions shall be signed by a person(s) authorized to bind the Proposer to the requirements including the, title of authorized person(s), and date signed.

The Department does reserve the right to request corrections or clarifications of information provided or waive any administrative informality. It should be recognized that mandatory requirements may receive additional consideration in the detailed technical evaluation.

* + 1. Detailed Evaluation of Technical Proposals

The technical evaluation includes a detailed proposal review and reference checks. No consideration shall be given in this part of the evaluation process to cost factors. The Department reserves the right to waive a technical requirement area in the event that no Proposer passes the requirements at the end of this step.

The purpose of the detailed proposal review is to determine if the proposal meets the standards and technical requirements outlined in this SFP. The Technical Evaluation Teams shall evaluate the proposal based on responses to the technical requirement areas Part II of the SFP. At this time, no scores shall be assigned for each of the technical requirements. Evaluators shall only identify strengths and weaknesses of the responses. Each Evaluation Team shall have the ability to submit requests for clarifications or recommendations for topics to be addressed at oral presentations to the Evaluation Management Team.

Each technical requirement area shall be reviewed by members of the Technical Evaluation Team familiar with that area. These groups shall determine whether the Technical Proposal satisfies the requirements contained in the SFP and identify areas potentially requiring clarification and further review.

* + - 1. Clarifications

Clarifications shall take place prior to scoring of the technical proposal. Clarifications are:

* Generally of an administrative nature; and
* Provided to resolve inadequate proposal content or contradictory statements in a Proposer’s proposal.

The Evaluation Management Team Lead shall forward appropriate requests for clarifications to OSP who is responsible for obtaining the required information from the Proposers and returning the Proposer responses to the Evaluation Management Team. Clarification responses should reflect an understanding of the Department’s need for clarification; provide information that sufficiently clarifies the proposal; and does not reveal and correct a previous unknown deficiency.

Deficiencies are any part of a Proposer’s proposal that, when compared to a pertinent standard, fails to meet the State’s level of compliance.

* + - 1. Oral Discussions/Presentation

Oral presentations are used to provide the Proposer an opportunity to provide clarification and ensure a mutual understanding of the Proposer’s offer PRIOR to consensus scoring. Oral presentations shall be taped and/or recorded. The Evaluation Management Team Lead and OSP representatives shall lead the meetings.

The Department, through the Office of State Purchasing, shall request Proposers who are determined to be reasonably susceptible of being selected for award to present an oral presentation to members of the Evaluation Management Team, Technical Evaluation Team, and Cost Evaluation Team. The Evaluation Management Team shall determine the information to be presented including but not limited to on-line demonstration and overview of the proposed system and functionality, corporate capabilities, plans and approaches, staffing resources, and other non-cost information.

Proposers shall be required to use proposed key staff as presenters and shall be asked to avoid sales presentations.

* + - 1. Interviews of Key Personnel

Proposers shall make all proposed Key Personnel available for interviews in Baton Rouge, Louisiana. The purpose of these interviews is to determine if specific requirements of the SFP are met and verify experience represented in the Technical Proposal. Interviews may be conducted with the any of the following individuals:

* Project Manager/Executive Account Manager,
* Deputy Project Manager/Deputy Account Manager,
* Systems Manager,
* Implementation Task Manager,
* Operations Manager,
* Quality Assurance Manager,
* Work plan Manager,
* Physical Medicine Manager,
* Pharmacy Manager,
* Hospital Manager,
* Behavioral Health Manager,
* Provider Relations Manager,
* Provider Enrollment Manager,
* Enrollee Relations Manager,
* Claims Manager,
* Financial Processing Manager,
* Program Integrity/SURS Manager,
* MARS/Data Warehouse/Decision Support System Manager, and
* Conversion Manager.

When possible, interviews shall be scheduled for the same day of the oral presentations. Preliminary evaluation of proposed key staff experience and references shall be performed prior to the scheduled interview.

* + - 1. Reference Checks

The Proposer shall facilitate submission of completed and signed Corporate Reference Letters. Three (3) corporate references shall be submitted for the prime Contractor and two (2) corporate references for each subcontractor. The letters must be from organizations used to demonstrate the Proposer’s corporate qualifications. The Office of State Purchasing (OSP) shall receive the letters by fax no later than the proposal submission deadline. Should no Corporate Reference Letters be received timely, the Department reserves the right to disqualify the Proposal from further consideration.

The Proposer shall also be required to facilitate submission of two (2) Key Personnel Reference Letters for each proposed Key Personnel. The letters must be from any two (2) of the three (3) named references from organizations used to demonstrate the required experience. The Office of State Purchasing (OSP) shall receive the letters by fax no later than the proposal submission deadline. The third named reference may be contacted by the Department if additional reference information is necessary for an individual. The reference letters are included as an appendix to the SFP.

* + 1. Consensus Scoring of Technical Proposals

Once all members have completed their detailed evaluation of technical proposals, the team lead for a specific evaluation group shall schedule a closed session to discuss the individual team member findings and to form consensus scoring of the technical proposals. It is at this meeting that the team shall:

* Discuss the strengths and weaknesses of responses for each requirement reference
* Review responsiveness to the SFP and associated risks with proposal, if any
* Assign a score for each SFP reference response
  + - 1. Computation of Technical Proposal Scores

Following the consensus scoring by all Technical Evaluation Teams, the Department shall record the scores assigned by each of the technical evaluation teams for each of the SFP Requirements. Once the scores for a Proposer have been entered, the Department shall apply previously approved weight factors for each of the SFP References and calculate a total weighted score for each SFP Reference; the total weighted technical score for each SFP Reference Category (for example, Corporate Capability); and a total weighted technical score for the proposal.

* + 1. Evaluation of Cost Proposal

The Cost Proposal shall be submitted in accordance with the proposal instructions contained in Section 2.6 of the SFP. The Cost Evaluation Team shall be responsible for evaluating the Cost Proposal for both DDI and Operations. Pricing requirements for both the DDI and Operations Phase can be found in Section 2.3 of the SFP. The Cost Proposal shall include any and all costs the Proposer wishes to have considered in the contractual arrangement with the State. Prices proposed shall be firm for the duration of the Contract (unless there is some provision in the SFP for price escalation). The Cost Proposal shall be valid for acceptance until such time an award is made.

The cost proposals shall be packaged and sealed separately from the Technical Proposals and be clearly marked as “COST PROPOSALS”. Failure to comply with this requirement shall cause the proposal to be rejected. There shall be no mention of price in the technical proposal.

* + 1. Computation of Final Scores, Ranking of Proposals and Recommendation of Contractor

Once all Technical Proposal evaluations activity has been completed and all Evaluation team Review Forms have been submitted and accepted by the Evaluation Management Team, the Department shall combine scores for the Technical Proposal and the Cost Proposal to compute the proposal’s total score.

The final ranking shall be determined after all proposals' total scores have been determined. The Evaluation Management Team shall prepare a summary report of its findings and its recommendation. The report shall include the Ranking of Proposals reviewed in the evaluation process based on scores assigned for both Technical and Cost Proposals. The report shall be submitted to the appropriate State official(s) for written approval.

1. Part IV Performance Management
   1. Performance Requirements

The Department shall evaluate the Contractor’s performance. In areas of particular importance, the Department has included in the SFP, specific Performance Measures. Failure to meet the performance measure may result in the imposition of the penalty. For each service/task listed there is a measure and a penalty. All days are business days unless specified differently in the specific Performance Measure. Penalties shall continue until a resolution is achieved to the satisfaction of the Department unless otherwise specified. For the purposes of this section of the SFP the following definitions apply:

Business day – Monday through Friday from 7:00 AM to 6:00 PM Central Time except for LA State holidays;

The Contractor shall be required to implement measurement and monitoring tools and produce metrics and reports necessary to measure its performance. The Contractor shall develop the tools, metrics, and reports and deliver them to the Department at least one hundred and twenty (120) days prior to the implementation of the replacement MMIS. All tools, metrics, and reports shall be approved by Department and be in place to begin monitoring the Contractor's performance on the first day of operations.

All metrics and reports are subject to audit by the Department. Upon request, the Contractor, at no additional cost to the Department, shall provide the Department with information and access to tools and procedures used to produce such metrics and reports.

The Contractor shall report its performance against the Performance Measures monthly. The reports shall be provided no later than seven (7) days after the end of the report month. As part of the monthly report, the Contractor shall include a separate section entitled, “Performance Measure Failure”. A notification made in the monthly report does not exempt the Contractor from any other reporting requirements.

In the instance where the same target is not met for the second review period in a row, the penalty may increase one hundred fifty percent (150%). In the instance where the same target is not met for the third review period in a row, the penalty may increase two hundred percent (200%). The exceptions to this process are identified in specific service level agreements. The penalties are payments the Contractor shall make to the Department separate from other financial transactions.

In addition to the escalating penalties, a third consecutive failure for the same Performance Measures shall necessitate a meeting between the Contractor’s Corporate Executive and the Medicaid Director.

The Contractor acknowledges and agrees that the Performance Penalties shall not be deemed or construed to be liquidated damages or a sole and exclusive remedy or in lieu of any other rights and remedies the Department has under the Agreement, at law or in equity.

* 1. Performance Measures

|  | Business Area | Service/Task | Performance Measure | Penalty |
| --- | --- | --- | --- | --- |
| 1. 2 | Call Centers  (includes Provider and Enrollee Call Centers) | Operate and staff call centers for providers and enrollees | The call center hours of operation are Monday through Friday, 7:00 AM to 6:00 PM. | The penalty is one thousand dollars ($1,000) per hour that either of the call centers is not available during scheduled hours. The penalty is per hour for each call center. |
| 1. 3 | Call Centers (includes Provider and Enrollee Call) | Call Abandonment Rate | Maintain the call abandonment percentage between three percent (3%) and five percent (5%) | The penalty is five hundred dollars ($500) for each percentage point below three percent (3%) or over five percent (5%) per calendar day the call center was scheduled to be available. |
| 1. 3 | Call Centers (includes Provider and Enrollee Call Centers) | Call Hold Time | Hold time for ninety-five percent (95%) of call is one (1) minute or less | The penalty is five hundred dollars ($500) for each percentage point below ninety-five percent (95%) per calendar day the call center was scheduled to be available. |
| 1. 4 | Call Centers (includes Provider and Enrollee Call Centers) | Call Responses | Ninety-five percent (95%) of calls are brought to a “closed” status within three (3) days of initial call | The penalty is five hundred dollars ($500) for each percentage point below ninety-five percent (95%) per calendar day the call center was scheduled to be available. |
| 1. 5 | Call Centers (includes Provider and Enrollee Call Centers) | Correspondence Responses | Ninety-five percent (95%) of correspondence is responded to within five (5) days of receipt | The penalty is five hundred dollars ($500) for each percentage point below ninety-five percent (95%) per calendar day the call center was scheduled to be available. |
| 1. 6 | Call Centers (includes Provider and Enrollee Call Centers) | Call Response Time | Ninety percent (90%) of calls answered within fifteen (15) second | The penalty is five hundred dollars ($500) for each percentage point below ninety percent (90%) per calendar day the call center was scheduled to be available |
|  | Certification | The Contractor shall ensure that Federal certification for the maximum allowable enhanced FFP for the planned MMIS is obtained retroactively to the day the system becomes operational and is maintained throughout the term of the contract. Should decertification of the MMIS, or any component of it, occur prior to contract termination or the ending date of any subsequent contract extension, the Contractor shall be liable for resulting damages that result from the Contractor’s wrongful action or failure to act consistent with its obligation under the contract. | Section 1903(a) (b) (d) of Title XIX provides seventy-five percent (75%) Federal financial participation (FFP) for operation of mechanized claims payment and information retrieval systems approved by CMS. Up to ninety percent (90%) FFP is available for MMIS-related development costs prior approved by CMS in the Department's IAPD and at contract signing. The planned MMIS shall, throughout the contract period, meet all certification and recertification requirements established by CMS. The Contractor shall ensure that Federal certification prior written approval for the maximum allowable enhanced FFP for the planned MMIS is obtained retroactively to the day the system becomes operational and is maintained throughout the term of the contract. Should decertification of the MMIS, or any component of it, occur prior to contract termination or the ending date of any subsequent contract extension, the Contractor shall be liable for resulting damages that result from the Contractor’s wrongful action or failure to act consistent with its obligation under the contract. | All FFP penalty claims assessed by CMS shall be withheld from monies payable to the Contractor until all such damages are satisfied. Damage assessments shall not be made by the Department until CMS has completed its certification prior written approval process and notified the Department of its decision in writing. |
| 1. 7 | Claims | Claims submitted via HIPAA Transaction files | Adjudicate ninety-eight per cent (98%) of claims submitted via transaction files within forty-eight (48) hours of receipt | The penalty is two thousand dollars ($2,000) per calendar day for each calendar day where less than ninety-eight per cent (98%) of transactions files were adjudicated within forty-eight (48) hours of receipt |
| 1. 8 | Claims | Claims submitted individually via Direct Data Entry(DDE) or Electronic Data Interchange (EDI) | Adjudicate ninety-eight percent (98%) of individual claims submitted by DDE or EDI within five (5) seconds of receipt | The penalty is two thousand dollars ($2,000) per calendar day for each calendar day where less than ninety-eight per cent (98%) of transactions files were adjudicated within forty-eight (48) hours of receipt |
| 1. 9 | Claims | Claims submitted on paper | Adjudicate ninety-five percent (95%) of claims within thirty (30) calendar days of receipt | The penalty is two thousand dollars ($2,000) per calendar day for each calendar day where less than ninety-five percent (95%) of paper claims are adjudicated within thirty (30) calendar days of receipt |
| 1. 10 | Claims | Claims in suspense | Correct reason for suspension, release and re-adjudicate ninety-five (95)% of claims in suspense within thirty (30) calendar days of suspense date | The penalty is two thousand dollars ($2,000) per day for each calendar day where less than ninety-five percent (95%) of suspended claims are corrected, released from suspense, and re-adjudicated within thirty (30) calendar days of suspense date. |
| 1. 11 | Claims | Incorrectly paid claims due to Contractor error | Pay one hundred per cent (100%) of claims correctly without any incorrect payments caused by Contractor error | The penalty is ten thousand dollars $10,000 per occurrence plus one hundred percent (100%) of the incorrect claims payment not recouped within two consecutive months of the error identification occurrence and any related penalties imposed by CMS or a legitimate court order. |
| 1. 12 | Claims | Claims submitted via Point of Sale (POS) | Adjudicate ninety-eight percent (98%) of claims submitted by POS within two (2) seconds of receipt | The penalty is two thousand dollars ($2,000) for each percentage point below ninety percent (98%) per calendar day. |
| 1. 13 | Claims | Claims Adjudication | Ninety percent (90%) of “clean” claims must be paid within thirty (30) calendar days of receipt. | The penalty is two thousand dollars ($2,000) per day for each day where less than ninety percent (90%) of “clean” claims have been paid within thirty (30) calendar days of receipt. |
|  | Claims | Claims Adjudication | Ninety-nine percent (99%) of “clean” claims must be paid within forty-five (45) calendar days of receipt. | The penalty is two thousand dollars ($2,000) per calendar day for each day where less than ninety-nine percent (99%) of “clean” claims have been paid within forty-five (45) calendar days of receipt. |
| 1. 27 | Claims | Provide pharmacy POS /DUR response. | Provide pharmacy POS /DUR response, measured from the time of receipt into the MMIS to the time a response is sent from the MMIS to the pharmacy. The time shall be less than five (5) seconds ninety-eight percent (98%) of the time. | The penalty is two thousand dollars ($2,000) per calendar day for each day where less than ninety-eight percent (98%) of the responses take more than 5 seconds. |
|  | Data Entry | Perform on-line data entry of all forms that are not entered directly into the MMIS. These are any paper documents that must be entered into a computer system such as paper claims, requests for prior authorization, provider enrollment/re-enrollment documents. | All forms must be keyed accurately within three (3) days | The penalty is two thousand dollars ($2,000) per business day for every day over the target plus any penalties imposed by the Department.  The penalty shall end when the forms are keyed correctly. |
| 1. 14 | Disaster Recovery and Business Continuity | Alternative business site | The Contractor shall provide an alternate Louisiana business site if the primary business site becomes unsafe or inoperable. The business site shall be fully operational within five (5) days of the primary business becoming unsafe or inoperable. The definition of “fully operational” will be included in the approved Business Continuity Plan. See Section 2.1.1.1.1.2.19 for requirements for disaster recovery and back up. | The penalty for failure to provide the backup site shall be one hundred and fifty thousand dollars ($150,000) per day for each day that the backup site is not fully operational. If after ten (10) days the site is still not operational, the penalty increases to five hundred thousand dollars ($500,000) per day until the site is fully operational. |
| 1. 16 | Provider Enrollment | Provider Re-enrollment | One hundred percent (100%) of current Medicaid providers shall be offered the opportunity to re-enroll using the expanded data set required by SEC 1758. Non-responsive providers shall be disenrolled after Department written approval.  One hundred percent (100%) of current providers shall be re-enrolled or disenrolled by at least twenty (20) days prior to the start of UAT in the DDI phase. | The penalty is two thousand, five hundred dollars ($2,500) for each provider not re-enrolled or disenrolled at least twenty (20) days prior to the start of UAT in the DDI phase. |
|  | Quality Assurance | Delivery of Formal DDI and Operations Phase Deliverables | One hundred percent (100%) of deliverables identified in most current approved work plan delivered on or before the due date. The Contractor shall not be held accountable if the late delivery is no fault of the Contractor. The work plan shall be updated and the delay documented and reviewed for Department prior written approval. | The penalty is ten percent (10%) of the cost of the deliverable. For deliverables delivered five (5) business days or more after the approved due date, the penalty is ten percent (10%) of the cost of the deliverable plus five hundred dollars ($500) per day beginning with the initial delivery date until an acceptable report is received by the Department. |
| 1. 17 | Security | Maintain security of physical location and data according to approved security plan. | No breaches | One hundred thousand dollars ($100,000) per occurrence plus any remediation costs of the injured parties and penalties imposed on the Department. |
| 1. 18 | Service Authorizations | Service Authorizations (exceptions are Pharmacy, Home and Community Based waiver services, targeted case management, and long term care personal care services) | All service authorizations that are the responsibility of the Contractor shall be reviewed and either approved, denied and if required, approvable alternatives and/or options provided within two (2) days of receipt | The penalty is one thousand dollars ($1,000) per service authorization that is not finalized within two (2) days of receipt and each day there after as well as any cost of services due to untimely/incorrect decisions. |
|  | Staffing | Personnel Vacancies | All personnel vacancies must be reported in writing to DHH within one (1) day for Key Personnel. Personnel vacancies for persons who are not Key Personnel but have supervisory/lead positions within the FI’s organizational structure for the project must be reported within five (5) days of the FI obtaining knowledge. | The penalty for failure to report a personnel vacancy for Key Personnel is one thousand dollars ($1,000) per day for each day over the required notification timelines that the FI does not report the upcoming vacancy in writing to the Department. The penalty for failure to report a personnel vacancy for Non-Key Personnel supervisory/lead positions is five hundred dollars ($500) per day for each day over the required notification timelines that the FI does not report the upcoming vacancy in writing to the Department. |
| 1. 20 | Staffing | Key Personnel Vacancies | A vacancy in a Key Personnel position or a supervisory/lead position with the FI's project organizational structure must be filled with a permanent replacement within thirty (30) days of the vacancy. Individuals assigned in an “acting” capacity may not be required to perform the duties of their regular position and the “acting” position. | For each instance, the penalty is one thousand dollars ($1,000) for each day over thirty (30) days a Key Personnel position is vacant. The penalty is five hundred dollars ($500) for each day over thirty (30) days a supervisory/lead position is vacant. |
|  | Staffing | Hiring former state or contractor staff | The Contractor shall obtain written prior approval before hiring any previous State employee or any staff that is working or has worked for the current FI. This requirement shall also apply to subcontractor staff. | If a former state employee or former FI contractor employee on the LMMIS account is hired without the Contractor obtaining written approval from the Medicaid Director or designee; a penalty of one thousand dollars ($1,000) per calendar day from the date of the offer to the employee until the date a written approval is given. If the Contractor is not able to obtain the written approval from the Department for the employee, the penalty is discharge of the employee in addition to the one thousand dollars ($1,000) per calendar day until an acceptable replacement is on duty. In the event that this situation occurs, the thirty (30) calendar days to hire a replacement does not begin again. The thirty (30) calendar days continue from the original vacancy date. |
| 1. 22 | Staffing | Removing staff upon state written request | One hundred percent (100%) of staff that the Department requests be removed from the account shall be removed as of the date the department requested. | The penalty is seven-hundred fifty dollars ($750) per day until the individual is removed from the LA MMIS account |
| 1. 23 | Staffing | Maintaining Key Personnel during DDI and first year of operations | Failure to adhere to requirement 2.1.4.1.4 for maintaining all Key Personnel for the DDI phase and first year of operations based on their assignment to the project. | The penalty is five thousand dollars ($5,000) per occurrence in addition to one thousand dollars ($1,000) for each calendar day over thirty (30) calendar days until the position is permanently filled with a Department approved replacement. |
| 1. 24 | Staffing | Criminal Record Background Check | Failure to comply with requirement 2.1.4.4 Criminal Record Background Check. | The penalty is five thousand dollars ($5,000) per individual per occurrence for failure to conduct a criminal background check prior to employment, five hundred dollars ($500) per individual per occurrence that annual attestations are not provided and one thousand ($1,000) dollars per individual per occurrence for each biennial background check not received. |
|  | Succession | Provide all the files and data requested to the successor FI | Files and data are provided according to Department instructions and timeline. | The penalty is two thousand dollars ($2,000) per day for each occurrence. The penalty shall continue until the files and data are provided to the succession FI. |
| 1. 25 | System Availability | All components of MMIS are available for end users | The system shall be available twenty-four (24) hours a day, seven (7) calendar days a week except for scheduled maintenance at least ninety-eight percent (98%) of the time. This shall include all components of the system including but not limited to the main MMIS, DSS/DW, POS, AVRS, MEVS, websites, and SURS. | The penalty is one thousand dollars ($1,000) per hour not available. Portions over an hour are rounded to the next higher full hour. |
| 1. 29 | System Availability | Notification of System Outage | The Department shall be notified of a system outage (as defined in the requirement) within fifteen (15) minutes of discovery. | The penalty is five thousand dollars ($5000) for each instance where the notification to the Department of a system outage takes more than fifteen (15) minutes. |
| 1. 28 | System Response Time   |  |  |  |  | | --- | --- | --- | --- | |  | In less than three (3) seconds | 100% | The penalty is ten thousand dollars ($10,000) per calendar day for every day over the performance standard. | | Maintain Visit Verification and Management Tool response time | The response time is less than three (3) seconds from the time the user submits data until a response is returned from the system. At least ninety-eight percent (98%) of the transactions submitted must meet this response time. | The penalty is two thousand dollars ($2,000) per calendar day for each day where less than ninety-eight percent (98%) of the responses take more than three (3) seconds. |
| 1. 30 | System Response Time   |  |  |  |  | | --- | --- | --- | --- | |  | In less than three (3) seconds | 100% | The penalty is ten thousand dollars ($10,000) per calendar day for every day over the performance standard. | | Process all update transactions to MMIS, whether direct data entry or via a web interface, within the required response times. | The response time is less than four (4) seconds from the time the user submits the data to the time the system is updated. At least ninety-eight percent (98%) of the transactions submitted must meet this response time. . | The penalty is two thousand dollars ($2,000) per calendar day for each day where less than ninety-eight percent (98%) of the responses take more than three (3) seconds. |

2. Appendices

Appendix A Letter of Intent

Appendix B Cost Schedules

Appendix C Corporate Reference Letter

Appendix D Relevant Corporate Experience

Appendix E Requirements Table

Appendix F Key Personnel Reference Letter

Appendix G Written Inquiry Template

Appendix H Sample Contract