

State of Arkansas  
**OFFICE OF STATE PROCUREMENT**  
 1509 West Seventh Street, Room 300  
 Little Rock, Arkansas 72201-4222

## ADDENDUM 3

TO: Vendors Addressed  
 FROM: Jessica Lowder, Buyer  
 DATE: 03/4/2015  
 SUBJECT: **SP-15-0062 Population Health Management**

The following change(s) to the above-referenced RFP have been made as designated below:

☒ **Change of specification(s)**  
☒ **Additional specification(s)**  
☐ Change of bid opening time and date  
☐ Cancellation of bid  
☐ Other

### CHANGE OF SPECIFICATIONS

**Delete 1.1(A) and replace with the following:**

- A. This Request for Proposal (RFP) is issued by the Office of State Procurement (OSP) on behalf of the Department of Finance and Administration/Employee Benefits Division (EBD) to obtain pricing and a contract for a Population Health Management (PHM) Vendor for both the Arkansas State Employee (ASE) and Public School Employee (PSE) Health Insurance Plans (Plans).

The overall goal is to make sure the member receives the best care and services possible to ensure they will be healthier and more productive, resulting in a reduction in claims and thereby reducing costs to the plan and to the member.

**Delete 1.1(E) and replace with the following:**

- E. Currently the Utilization, Case and Disease Management Services as well as the Predictive Modeling for the ASE and PSE plans are provided for on two (2) separate contracts. To increase efficiency as well as to incorporate the additional components that comprise Population Health Management, EBD has decided to combine all of the services together onto one contract. The ASE and PSE plans utilize two Third Party Administrators to manage the medical claims and one vendor to manage the pharmacy claims. Both plans are however managed independently.

**Delete 1.1(G) and replace with the following:**

- G. The ASE and PSE Health Plans combined have on average 120,000 enrolled employees and 127,000 total members enrolled. This includes Active Employees, Non-Medicare retirees and dependents. Currently, 149,000 members (active and beneficiaries) for the ASE and PSE plans participate in the PHM. There are approximately 16,000 Medicare members included in the covered population.

Any active or non-Medicare retired member is eligible for the programs provided they meet the qualifications for the specific program. There are approximately 2600 total members in the programs. Several of these program overlap and members may be in more than one program during any specific timeframe.

**Delete 1.1(H) and replace with the following:**

- H. Full implementation of the vendor's services for the PHM program **shall** be no later than June 30, 2015 or on a date agreed upon between the vendor and EBD. EBD retains the right for final determination of the implementation date.

**Delete 1.1(I) and replace with the following:**

- I. The PHM program will be offered as a voluntary service to State and Public School employees and members covered on the plan.

**Delete 1.9(A) and replace with the following:**

- A. All charges for required services **must** be included on the Official Bid Price Sheet(s) and **shall** be included in the costing calculations.

**Delete 1.1(B) and replace with the following:**

- B. All pricing **shall** reflect a per-member-per-month (PMPM) rate for the Total Identified PHM.

**Delete 2.1(A) and replace with the following:**

- A. The Successful vendor **shall** be required to provide Population Health Management Services to EBD. At a minimum, these services **shall** be comprised of the following components:
1. Behavioral Management. (BH)
  2. Case Management. (CM)
  3. Disease or Condition Management. (DM)
  4. Care Coordination and Management. (CM)
  5. Health Coaching. (HC)
  6. Maternity Management. (MM)
  7. Member Outreach and Engagement.
  8. Utilization Management. (UM)
  9. Predictive Modeling through the use of Advanced Claims Analytics Software.

**Delete 2.1(D) and replace with the following:**

- D. Vendor **must** have an Advanced Claims Analytics/Predictive Modeling software platform. An “Advanced Claims Analytics/Predictive Modeling software platform” is designed to query and explore the plans health care related data, (i.e., health care claims and utilization data, pharmacy claims and utilization data, biometric data, health risk appraisal data, etc.). This gives the user the ability to do in-depth queries and combine data sets which will identify risk mitigation opportunities within the data while statistically validating the outcome efficacy of the chosen solutions. It also allows for the plan to use an epidemiological approach to forecast future trend and costs to the plan.

**Delete 2.1(K) and replace with the following:**

- K. Vendor **will** abide by the data transmission requirements of EBD and/or its Third Party Medical and Pharmacy Administrators. Currently, the Third Party administrators are Health Advantage and QCA Health Plan. Catamaran (SXC Healthcare) is the administrator for Pharmacy claims

**Delete 2.1(L) and replace with the following:**

- L. Vendor acknowledges the trigger list will be provided and maintained by EBD. EBD has final determination of the trigger list and its contents and reserves the right to change the trigger list.
1. “Trigger list” refers to those diagnosed conditions which would activate case management services. Final determination applies to all trigger lists.
  2. The EBD trigger list is updated on an as needed basis determined by EBD.
  3. EBD will work with the vendor to establish a time frame for the implementation of any changes to the trigger list.

**Delete 2.4(C) and replace with the following**

- C. Vendor **affirms** it **will** provide members with toll-free access to trained customer service representatives:
1. At minimum, service **must** be from 8:00 a.m. – 6:00 p.m. Central Time, Monday through Friday, excluding State holidays. A current listing of State holidays may be found on the Arkansas Secretary of State’s website at <http://www.sos.arkansas.gov/aboutOffice/Pages/stateHolidayCalendar.aspx>

2. Call Center **must** have the ability to record all calls, retrieve, and archive telephone calls, including calls regarding enrollment in their programs.
3. Call Center representatives **must** speak English.

**Delete 3.1(L) and replace with the following:**

- L. For each of the positions listed below, do you currently have staff to fill these positions? If so, provide the following information: Name, Title, Location, Experience with the Private and Public Sector, amount of time the team member will be committed to the implementation, and the amount of time committed to this account.

If you do not currently have staff committed to these positions, how would you anticipate the provision of staff if awarded the contract?

*Maximum score available = 5 points*

1. Account Manager.
2. Compliance Contact.
3. Clinical Contact.
4. Implementation Coordinator.
5. Technical Contact.
6. Accounting Contact.

**Delete 3.2(N) and replace with the following:**

- N. Describe any patient advocacy services (i.e., helping members access and manage their quality of care) provided by your organization.

*Maximum score available = 5 points*

**Delete 3.3 (C) and replace with the following:**

- C. What tools/strategies do you utilize to assist in the Care Management process?

*Maximum score available = 5 points*

**Delete 3.10(F) and replace with the following:**

- F. Describe in detail your definition of member engagement as it pertains to enrollment, participation and complicity within a program.

*Maximum score available = 5 points*

**Delete 3.12(H) and replace with the following:**

- H. Does your company provide physician profiling reporting (i.e. practice patterns, prescribing and outcomes data as well as other items which would assist the plan and provider in rendering the best care to the member)? If so, how often are they produced and do you share these reports with the provider?

*Maximum score available = 5 points*

## ADDITIONAL SPECIFICATIONS

Add the following to **Section 1.1 INTRODUCTION:**

- L. Vendors **shall** report all information pertaining to ASE and PSE plans separately.

Add the following to **Section 2.1 MINIMUM REQUIREMENTS:**

- M. Vendors will receive data on a weekly basis via FTP website. EBD shall require a number of data feeds including but not limited to:

- Eligibility
- Medical/Pharmacy claims
- Notification of ER referrals from 24/7 nurse line

- Members in the bariatric pilot program
- Pre-certifications

Add the following to **Section 2 MINIMUM REQUIREMENTS:**

**2.14 REPORTING**

1. Contractor **must** provide EBD with quarterly reports which accurately reflect the activity of the Plan in a format recommended by the Contractor, but approved by EBD.
2. Contractor **must** provide quarterly performance reports no later than forty-five (45) days after the end of the quarter.
3. Contractor **must** acknowledge receipt and provide timeline for answers to all requests from EBD for additional information within a 24-hour period.
4. Vendor **must** provide some form of on-line ad hoc reporting capability with full description of the tools available.
5. Vendor **must** provide reporting based on the divisions defined by EBD (e.g., ASE/PSE, Group Numbers, etc).
6. Vendor **must** negotiate with EBD to develop mutually agreeable reporting formats and deadlines. EBD shall reserve the right to establish formats and deadlines.

Add the following to Section 2 **MINIMUM REQUIREMENTS:**

**2.15 NURSING HOTLINE**

1. Vendor **must** provide a Nurse Line service which covered persons can contact for medical-related questions and concerns.
2. These services **must** be accessible on a 24/7 schedule.
3. Staff assigned to handle the Nurse Line **must** be trained registered nurses.

Add the following attachment to the RFP.

Attachment C – Performance Standards

The specifications by virtue of this addendum become a permanent addition to the above referenced RFP. FAILURE TO RETURN THIS SIGNED ADDENDUM MAY RESULT IN REJECTION OF YOUR PROPOSAL.

PROPOSALS WILL BE ACCEPTED UNTIL THE TIME AND DATE SPECIFIED. THE PROPOSAL ENVELOPE MUST BE SEALED AND SHOULD BE PROPERLY MARKED WITH THE PROPOSAL NUMBER, DATE AND HOUR OF BID OPENING AND BIDDER'S RETURN ADDRESS. IT IS NOT NECESSARY TO RETURN "NO BIDS" TO THE OFFICE OF STATE PROCUREMENT.

If you have any questions please contact Jessica Lowder at [jessica.lowder@dfa.arkansas.gov](mailto:jessica.lowder@dfa.arkansas.gov) or (501) 324-9316.

Company: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_