REQUEST FOR INNOVATION RELATED TO MEDICAID MODERNIZATION PROJECT

December 6, 2013

All Interested Parties,

This Request for Innovation (RFI) is for planning purposes only and should not be construed as a Request for Proposal (RFP). This is not a solicitation for offers. This information will be reviewed and discussed by the state agency and may result in the advertisement of a formal and competitive Request for Proposal for any or all of the services included in the RFI.

BACKGROUND

The mission of the Department of Health and Hospitals is to promote health and ensure access to medical, preventive and rehabilitative services for all citizens of the State of Louisiana. The Department is dedicated to fulfilling its mission by providing quality health services through the development and stimulation of effective health management programs and the efficient utilization of available resources.

DHH is comprised of the Bureau of Health Services Financing (BHSF), which is the Louisiana State Medicaid agency), Office for Citizens with Developmental Disabilities, Office of Behavioral Health, Office of Aging and Adult Services, and the Office of Public Health. Under the general supervision of the Secretary, these principal offices perform the primary functions and duties assigned to DHH.

DHH, in addition to encompassing the program offices, has an administrative office known as the Office of the Secretary, a financial office known as the Office of Management and Finance, and various bureaus and boards. The Office of the Secretary is responsible for establishing policy and administering operations, programs, and affairs.

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.
State of Louisiana  
Department of Health and Hospitals  
Louisiana Medicaid Systems Modernization Project

The Bureau of Health Services Financing (BHSF) is the administrative agency responsible for the Medicaid program. Medicaid is the program which provides payment for health care services to qualified applicants including those who are age 65 or above, have a disability, are pregnant a child, a parent of a minor child and also have low-income and meet other eligibility factors. Funded by both Federal and State governments, Louisiana Medicaid provides reimbursement for medical benefits such as physician, hospital, laboratory, X-ray, and nursing home services; optional services for adults include services such as pharmacy and intermediate care facilities for the developmentally disabled (ICF/DD). Payments are made both directly to enrolled providers and to Managed Care Organizations (MCOs). Medicaid also provides funding for Center for Medicaid Services (CMS)-approved Home and Community-Based Services (HCBS) through a waiver or State plan services.

The Medicaid Management Information Systems (MMIS) Section within BHSF is the organizational unit responsible for day-to-day oversight and management of Louisiana’s certified MMIS and the Medicaid Fiscal Intermediary (FI) Contract.

In State Fiscal Year (SFY) 2013, approximately 42.4 million Fee-for-Service Medicaid claims were processed and approved for a total of nearly $5.6 billion in provider payments. An additional 16.2 million encounter claims were received from the three MCOs operating Bayou Health and the Prepaid Inpatient Health Plan (PIHP) operating the Louisiana Behavioral Health Partnership (In SFY 2013 Louisiana Medicaid had 1.4 million unduplicated eligible including those who received partial benefits. The MMIS maintains recipient eligibility and claims data for nearly 2.6 million open and closed individuals. The FI (currently Molina Medicaid Solutions) enrolls and the MMIS maintains data on approximately 34,661 qualified Medicaid providers, including submitters and providers who are prescribers only.

The landscape of Louisiana Medicaid has significantly changed since January 2012. Louisiana Medicaid has introduced managed care in multiple forms. The following is a snapshot in time of Medicaid as of June 30, 2013:

- Three full risk MCOs (also called Pre-paid Model)) (Amerigroup, Amerihealth Caritas, and Louisiana Healthcare Connections) that service the medical needs of approximately 437,000 individuals;
- Two Primary Care Case Management entities (also called Shared Savings Model), (Community Health Solutions and United Healthcare Community Plan) that service the prior authorization and the preprocessing of claims for approximately 460,000 individuals;
- A Prepaid Inpatient Health Plan (PIHP) and Statewide Management Organization (SMO) (Magellan) that manages behavioral health services approximately 1 million full benefit individuals.
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The Eligibility Systems Section within BHSF is responsible for assuring the day to day operation of the Medicaid Eligibility Data System (MEDS), and all other systems used by Medicaid eligibility staff to perform their tasks on a daily basis. This includes the Electronic Case Record (ECR), Online Application (OLA), Notices System (NiAS) and other ancillary applications used in the determination of eligibility. MEDS is the system responsible for capturing/maintaining/transmitting Medicaid and CHIP eligibility. The MEDS system is vital to the Department to ensure established Medicaid eligibility is available for enrollees to receive services in a timely manner. The MEDS system is also responsible for transmitting the Medicaid eligibility data to the Department’s Fiscal Intermediary on a daily basis. This ensures that providers of Medicaid services can bill and receive payment for services provided to Medicaid enrollees.

VISION

Louisiana’s ultimate objective is to be compliant with the CMS Seven Conditions and Standards (http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Data-and-Systems/Downloads/EFR-Seven-Conditions-and-Standards.pdf) so as to preserve federal funding such that meaningful quality services can be delivered to Louisiana’s Medicaid and CHIP recipients. The long-term vision is to cultivate a healthcare economy that promotes health outcomes and where business and information technology (IT) assets and resources are cost-effectively managed across the Medicaid Enterprise.

A key tenet of DHH’s strategy is the implementation of a centralized architectural strategy. Such architecture is the prerequisite to implement systems which can communicate effectively, reduce the time and cost required for system changes, minimize the cost of service delivery and maintenance and provide consolidated analytics for informed decision making. Central to this point is not only development of each of the technical components depicted below, but also the policies, procedures, and standards (governance) around those technologies which will allow them to be effective.
The focus of this RFI is to learn about innovative ways of managing all aspects Medicaid from business processes to the systems that support our efforts. Currently, the fiscal intermediary manages both the core functions of claims processing as well as a whole host of clinical management aspects. DHH is interested in modernizing these functions, organizational approach, and evaluating the ways in which they can be executed including whether they can and should be done by separate entities.

Louisiana Medicaid is issuing this Request for Innovation (RFI) for the purpose of gathering solutions from interested parties including but not limited to the following:

- Asset Verification
- Business rules engine
- Call center
  - Provider
  - Member
- Case management
- Clinical program integrity
- Clinical quality assurance and management
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- Configuration management/rules engine
- Data warehouse
- Document management
- Electronic Health Record
- Enrollment Broker
- Enterprise Service Bus
- Fiscal/financial management
- Identity and access management/SSO portals
- Managed care encounter data
- Master Data Management
  - Client
  - Patient
  - Provider
- Medicaid eligibility
- Non-Emergency Medical Transportation Brokerage
- Notice generation solution
- Pharmacy Point of Sale
- PMPM payment process/system for managed care plans
- Hospital pre-certification
- Prior authorization
  - Pharmacy
  - Durable Medical Equipment, Prosthetics, and Supplies
  - Home Health, Pediatric Day Health Care
  - Transplants
  - Therapies
- Provider enrollment
- Reporting
- Special Needs Trust Surveillance Utilization Review System
- Third Party Claims Administrator
- Third Party Liability cost avoidance – claims preprocessing approach
- Unified Communications
- Utilization review and management
- Visit verification

Responses should include the method, process, resources needed, and timeline for design/customization, acquiring appropriate data sharing agreements, and implementation; process for interfacing with other programs including the existing and future Medicaid Enterprise. The process should include the time frame 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)). The system should meet Medicaid Information Technology Architecture (MITA 3.0) principles and guidelines (http://medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Data-and-Systems/MITA/Medicaid-Information-Technology-Architecture-MITA-30.html). In addition the requirements for the CMS Seven Conditions and Standards must be met as well as the use of service oriented architecture.
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If your organization is interested in providing information on how Louisiana Medicaid can successfully meet these goals with a solution that meets Department standards, CMS requirements and MITA 3.0 principles and guidelines, please submit an electronic (Word document preferred) copy, that is as succinct as possible with an explanation of each Medicaid business and/or system solution not to exceed (10) pages per solution and 10 pt. Font or larger.

Please include the following in your response:
- Corporate Background and Experience
- Approach and Methodology
- Cost estimate of solution
  - Development
  - Operations
- Implementation timeframe of solution
- Discuss the pros and cons of the approach submitted

Please submit your responses to:

State of Louisiana  
DHH/BHSF  
Bill Perkins, Project Director  
Medicaid Modernization  
628 North 4th Street, 7th Floor  
Baton Rouge, LA 70802

Please note all responses are subject to Louisiana’s public records law. Only information which is in the nature of legitimate trade secrets or non-published financial data may be deemed proprietary or confidential. Any material within a response to this RFI identified as such must be clearly marked and will be handled in accordance with the Louisiana Public Records Act, R.S. 44:1-44 and applicable rules and regulations. Any response marked as confidential or proprietary in its entirety may be rejected without further consideration or recourse.

All interested Vendors are encouraged to respond no later than COB on January 31, 2014. If you would like to schedule a meeting with the Department to discuss and/or present your solution following electronic submission, please provide the information requested on the next page.
REQUEST FOR MEETING WITH BHSF TO DISCUSS INNOVATION

Date: ____________________

Organization: __________________________________________________________

Proposed Solution: ______________________________________________________

Address: ______________________________________________________________

Name of Authorized Contact: ____________________________________________

Title of Authorized Contact: _____________________________________________

Email: _____________________________

Telephone # (w/area code): ___________ Fax #: _____________________

Scheduling Contact Name: ________________________________

Email Address: ________________________________

Phone Number: ________________________________

Contact person day of the meeting: ________________________________

Contact’s cellular phone number: ________________________________

Attendee’s Name, Organization, Title:

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