

REQUEST FOR PROPOSALS

EXTERNAL QUALITY REVIEW OF STATEWIDE MANAGED CARE ORGANIZATION  
FOR THE LOUISIANA BEHAVIORAL HEALTH PARTNERSHIP

OFFICE OF BEHAVIORAL HEALTH  
DEPARTMENT OF HEALTH AND HOSPITALS

RFP # 305PUR-DHHRFP-EQRSMO-LBHP-OBH  
Proposal Due Date/Time: March 14, 2013  
4:00 p.m. CDT

Release Date: February 11, 2013

## TABLE OF CONTENTS

Section	Content	Page
	<b>Glossary</b>	2
<b>I</b>	<b>General Information</b>	16
A	Background	16
B	Purpose of RFP	22
C	Invitation to Propose	22
D	RFP Coordinator	22
E	Proposer Inquiries	23
F	Pre-Proposal Conference	23
G	Schedule of Events	23
H	RFP Addenda	23
<b>II</b>	<b>Scope of Work</b>	24
A	Project Overview	24
B	Deliverables	24
C	Liquidated Damages	30
D	Fraud and Abuse	30
E	Technical Requirements	31
F	Subcontracting	31
G	Insurance Requirements	31
H	Resources Available to Contractor	33
I	Contact Personnel	33
J	Term of Contract	33
K	Payment Terms	34
<b>III</b>	<b>Proposals</b>	34
A	General Information	34
B	Contact After Solicitation Deadlines	34
C	Code of Ethics	34
D	Rejection and Cancellation	34
E	Award Without Discussion	35
F	Assignments	35
G	Proposal Cost	35
H	Errors and Omissions	35
I	Ownership of Proposal	35
J	Procurement Library/Resources for Proposer	35
K	Proposal Submission	35
L	Proprietary and/or Confidential Information	36
M	Proposal Format	36
N	Requested Proposal Outline	36
O	Proposal Content	37
P	Evaluation Criteria	41
Q	On Site Presentation/Demonstration	42
R	Announcement of Award	42
<b>IV</b>	<b>Contractual Information</b>	42
	<b>Attachments</b>	45
	I. Veteran and Hudson Initiatives	
	II. Certification Statement	
	III. DHH Standard Contract Form (CF-1)	
	IV. HIPAA BAA	
	V. Cost Template	

## Glossary

**BHSF/DHH:** Bureau of Health Services Financing, Department of Health and Hospitals.

**Bureau of Health Services Financing (BHSF):** The agency within the Louisiana Department of Health & Hospitals, Office of Management & Finance that has been designated as Louisiana’s single state Medicaid agency to administer the Medicaid and CHIP programs.

**Business Day:** Traditional workdays include Monday, Tuesday, Wednesday, Thursday, and Friday. State holidays are excluded and traditional work hours are 8:00 a.m. – 4:30 p.m.

**Calendar Days:** All seven days of the week. Unless otherwise specified, the term “days” in this document refers to calendar days.

**CAHSD:** Capital Area Human Services District.

**Care Coordination:** Deliberate organization of Member care activities by a person or entity formally designated as primarily responsible for coordinating services furnished by providers involved in a Member’s care. This coordination may include care provided by network or non-network providers. Organizing care involves the marshaling of personnel and other resources needed to carry out all required Member care activities; it is often facilitated by the exchange of information among participants responsible for different aspects of the Member’s care.

**Centers for Medicare & Medicaid Services (CMS):** The agency within the U.S. Department of Health & Human Services that provides administration and funding for Medicare under Title XVIII, Medicaid under Title XIX, and the Children’s Health Insurance Program under Title XXI of the Social Security Act. This agency was formerly known as the Health Care Financing Administration (HCFA).

**Children’s Health Insurance Program (CHIP):** A program created by Title XXI of the Social Security Act in 1997 which provides health care coverage for uninsured children up to age 19 through a Medicaid expansion program for children at or below 200% FPL (federal poverty level) and a separate state CHIP program for the unborn prenatal option and for children with income from 200% up to and including 250% FPL. Louisiana’s name for this program is LaCHIP.

**Community Mental Health Clinic (CMHC):** Facilities providing outpatient behavioral health services throughout the Office of Behavioral Health’s geographic regions and service districts. Services include screening and assessment, emergency crisis care, individual evaluation and treatment, medication administration and management, clinical casework services, specialized services for children and adolescents, specialized

services for individuals in the criminal justice system, specialized services for the elderly, and pharmacy services.

**Co-occurring disorders (COD):** Refers to any combination of mental health and another primary disorder. Includes MH + SA; MH + DD; MH + Medical disorder.

**Coordinated Care Network (CCN):** An entity designed to improve performance and health outcomes through the creation of a cost-effective integrated health care delivery system, which provides a continuum of evidence-based, quality-driven health care services for Medicaid/CHIP eligibles.

**Coordinated Care Network–Prepaid (CCN-P):** A prepaid entity that participates in the Louisiana Medicaid Program. The entity is regulated by the Louisiana Department of Insurance, with respect to licensure and financial solvency, pursuant to Title 22 of the Louisiana Revised Statutes. With respect to its products and services offered, pursuant to the Louisiana Medicaid Program, it is regulated by the Louisiana Department of Health and Hospitals.

**Coordinated Care Program:** The program within the Louisiana Medicaid Program that provides statewide leadership to promote the health and well-being (through effective utilization of resources) of Louisianans in DHH's CommunityCARE, Shared Savings Coordinated Care Network and Prepaid Coordinated Care Network programs.

**Corrective Action Plan (CAP):** A plan that is designed to ameliorate an identified deficiency and prevent recurrence of that deficiency. The CAP outlines all steps/actions and timeframes necessary to address and resolve the deficiency.

**CSoC:** Coordinated System of Care. A group of stakeholders from across interest groups who provide leadership, strategic planning, support, sanction, and accountability to the wraparound process. Members of the community team typically include representatives of child serving systems, provider organizations, family advocacy organizations, community and business groups, and representatives of the children and families served by the system or wraparound initiative.

**CSoC Eligible:** Children and youth eligible for services under the CSoC.

**DCFS:** Department of Children and Family Services.

**Department (DHH):** Department of Health and Hospitals, referred to as DHH throughout this document.

**Department of Health and Human Services (DHHS; also HHS):** The U.S. government's principal agency for protecting the health of all Americans and providing essential human services, especially for those who are least able to help themselves. DHHS provides oversight for more than 300 programs, covering a wide spectrum of activities, including medical and social science research; preventing outbreak of

infectious disease; assuring food and drug safety; overseeing Medicare, Medicaid and CHIP; and providing financial assistance for low-income families.

**DHH:** Department of Health and Hospitals

**DOE:** Department of Education.

**EBD:** Emotional Behavioral Disorders.

**EBP:** Evidenced-Based Practices.

**Electronic Health Records (I):** A computer-based record containing health care information. This technology, when fully developed, meets provider needs for real-time data access and evaluation in medical care. Implementation of EMR increases the potential for more efficient care, speedier communication among providers, and management of SMOs.

**Encounter Data:** Records of medically-related services rendered by a provider to a SMO Member on a specified date of service. This data is inclusive of all services for which the SMO has any financial liability to a provider.

**Evidence-Based Practice:** Clinical interventions that have demonstrated positive outcomes in several research studies to assist individuals in achieving their desired goals of health and wellness.

**External Quality Review Organization (EQRO):** An organization that meets the competence and independence requirements set forth in 42 CFR 438.354, and performs EQR and/or other related activities for State's with Medicaid managed care programs.

**Family:** For the purpose of the CSoc, family is defined as the primary care giving unit and is inclusive of the wide diversity of primary care giving units in our culture. Family is a biological, adoptive or self-created unit of people residing together consisting of adult(s) and/or child(ren) with adult(s) performing duties of parenthood for the child(ren). Persons within this unit share bonds, culture, practices and a significant relationship. Biological parents, siblings and others with significant attachment to the individual living outside the home are included in the definition of family. For the purposes of the psycho-education service—, "family" is defined as the persons who live with or provide care to a person served on the waiver, and may include a parent, spouse, sibling, children, relatives, grandparents, guardians, foster parents or others with significant attachment to the individual. Services may be provided individually or in a group setting.

**Federal Financial Participation (FFP):** Also known as federal match or the percentage of federal matching dollars available to a state to provide Medicaid and CHIP services. The Federal Medical Assistance Percentage (FMAP) is calculated annually based on a formula designed to provide a higher federal matching rate to states with lower per capita income.

**Fiscal Year (FY):** Refers to budget year. The federal fiscal year (FFY) is October 1 through September 30, and the State fiscal year (SFY) is July 1 through June 30.

**Full-Time Equivalent Position (FTE):** Refers to the equivalent of one individual full-time employee who works 40 hours per week. The definition can also include a full-time primary care physician who delivers outpatient preventive and primary (routine, urgent, and acute) care for 32 hours or more per week (exclusive of travel time), during a minimum of four days per week.

**Health Care Professional:** A physician or other health care practitioner licensed, accredited, or certified to perform specified health services consistent with State law.

**Health Care Provider:** A health care professional or entity that provides health care services or goods.

**Healthcare Effectiveness Data and Information Set (HEDIS):** A set of performance measures developed by the National Committee for Quality Assurance (NCQA). The measures were designed to help health care purchasers understand the value of health care purchases and measure plan (e.g., SMO) performance.

**HIPAA: Privacy Rule (45 CFR Parts 160 & 164):** Federal regulations imposing standards for the privacy of individually-identifiable health information.

**HIPAA Security Rule (45 CFR Parts 160 & 164):** Federal regulations requiring covered entities to maintain reasonable and appropriate administrative, physical, and technical safeguards to protect the confidentiality, integrity, and availability of their electronic protected health information against any reasonably anticipated risks.

**Home and Community Based Services Waiver (HCBS):** Under Section 1915 (c) of the Social Security Act, states may request waivers of state-wideness, comparability of services, and community income and resource rules for the medically needy in order to develop Medicaid-financed community-based treatment alternatives. Non-state plan services that may be offered include case management, homemaker/home health aide services, personal care services, adult day health, habilitation, and respite care. Current HCBS waivers in Louisiana are New Opportunities Waiver (NOW), Children's Choice, Elderly and Disabled Adult Waiver, Adult Day Health Care, Supports Waiver, Adult Residential Options, and the pending Coordinated System of Care (CSoC) Severely Emotionally Disturbed (SED) Children's Waiver.

**Incurred But Not Reported (IBNR):** Services rendered for which a claim/ encounter has not been received by the SMO.

**Information Systems (IS):** A combination of computing hardware and software that is used in: (a) the capture, storage, manipulation, movement, control, display, interchange, and/or transmission of information, i.e., structured data (which may include digitized audio and video) and documents; and/or (b) the processing of such information for the purposes of enabling or facilitating a business process or related transaction.

**IT:** Information Technology.

**JPHSA:** Jefferson Parish Human Services Authority.

**LMHP:** A Licensed Mental Health Practitioner (LMHP) is an individual who is licensed in the State of Louisiana to diagnose and treat mental illness or substance abuse acting within the scope of all applicable state laws and their professional license. A LMHP includes individuals licensed to practice independently:

- Medical Psychologists
- Licensed Psychologists
- Licensed Clinical Social Workers (LCSWs)
- Licensed Professional Counselors (LPCs)
- Licensed Marriage and Family Therapists (LMFTs)
- Licensed Addiction Counselors (LACs)
- Advanced Practice Registered Nurses (must be a nurse practitioner specialist in Adult Psychiatric & Mental Health, and Family Psychiatric & Mental Health or a Certified Nurse Specialists in Psychosocial, Gerontological Psychiatric Mental Health, Adult Psychiatric and Mental Health, and Child-Adolescent Mental Health and may practice to the extent that services are within the APRN's scope of practice). In addition to licensure, service providers that offer addiction services must demonstrate competency as defined by the Department of Health and Hospitals, state law (ACT 803 of the Regular Legislative Session 2004) and regulations. Anyone providing addiction or behavioral health services must be certified by DHH, in addition to their scope of practice license. LMFTs and LACs are not permitted to diagnose under their scope of practice under state law. LPCs are limited by scope of practice under state law to diagnosing conditions or disorders requiring mental health counseling and may not use appraisal instruments, devices or procedures for the purpose of treatment planning, diagnosis, classification or description of mental and emotional disorders and disabilities, or of disorders of personality or behavior, which are outside the scope of personal problems, social concerns, educational progress and occupations and careers. Per the State's practice act and consistent with State Medicaid Regulation, Medical and Licensed Psychologists may supervise up to two Clinical Psychologists.

**LEA:** Local Education Agency.

**LGE:** Local Governing Entities.

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

**Louisiana Behavioral Health Partnership:** The behavioral health program managed by DHH-OBH that includes behavioral health services for a special target population of children eligible for the Coordinated System of Care (CSoC); adults with serious mental illness (SMI); and the SMO child/adult population (e.g., the rest of the non-institutionalized Medicaid population). The benefit package for this third population includes inpatient psychiatric care, emergency room care, substance abuse services and care by psychiatrists for all adults and children. It also includes all EPSDT behavioral health care services for all Medicaid children. This population could be referred to as a traditional behavioral health carve-out program. The Louisiana

Behavioral Health Partnership managed by DHH-OBH oversees the Behavioral Statewide Management Organization (SMO), the prepaid inpatient health plan (PIHP) that implements the 1) 1915(b) waiver; 2) the 1915(i) Adult Mental Health Rehabilitation services for the Severely Mentally Ill; and 3) the CSoC –1915(c) SED Children’s waiver. The SMO is at-risk for adult services including adults with limited mental health and substance abuse benefits and is paid on a non-risk basis for children’s services and any individual with retroactive eligibility and spend-down beneficiaries in the month they meet their spend-down. Adults are eligible under the SMO for State Plan services including care by psychiatrists, inpatient psychiatric care, emergency rooms, and substance abuse rehabilitation services. Children are eligible under the SMO for those State Plan services as well as all medically necessary EPSDT services. The SMO will also manage behavioral health services for Non-Medicaid eligible populations served by OBH, DCFS, and OJJ, and funded through state general funds and block grants, including services for individuals with co-occurring mental health and addictive conditions.

**Louisiana Medicaid State Plan:** This is the binding written agreement between DHH and CMS that describes how the Medicaid program is administered and determines the covered services for which DHH will receive federal financial participation.

**Material Change:** Material Changes are changes affecting the delivery of care or services provided under the Provider Agreement. Material changes include, but are not limited to, changes in composition of the provider or contractor network, SMO’s complaint and grievance procedures; health care delivery systems, services, or expanded services; benefits; geographic service areas; enrollment of a new population; procedures for obtaining access to or approval for health care services; any and all policies and procedures that required DHH approval prior to implementation; and the SMO’s capacity to meet minimum enrollment levels. DHH shall make the final determination as to whether a change is material.

**Medicaid:** A means tested federal-state entitlement program enacted in 1965 by Title XIX of the Social Security Act. Medicaid offers federal matching funds to states for costs incurred in paying health care providers for serving eligible individuals.

**Medicaid/CHIP Recipient:** An individual who has been determined eligible for the Medicaid or CHIP program that may or may not be currently enrolled in the Program, and on whose behalf payment is made.

**Medicaid Eligibility Determination:** The process by which an individual may be determined eligible for Medicaid or Medicaid-expansion CHIP program.

**Medicaid FFS Provider:** An institution, facility, agency, person, corporation, partnership, or association that has signed a PE 50 provider agreement, been approved by DHH, and accepts payment in full for providing benefits to Medicaid eligibles. The amounts paid are described in approved Medicaid reimbursement provisions, regulations, and schedules.



**Medicaid Management Information System (MMIS):** Mechanized claims processing and information retrieval system, which all state Medicaid programs are required to have and must be approved by the Secretary of DHHS. This system pays claims for Medicaid services and includes information on all Medicaid providers and enrollees.

**Medical Loss Ratio:** The percentage of Per-Member-Per-Month (PMPM) payments received by SMOs from DHH used to pay Medicaid Members' medical claims.

**Medical Record:** A single complete record kept at the site of the Member's treatment(s) or care management entity, which documents all treatment plans developed, including, but not limited to, outpatient and emergency medical health care services, provided by the SMO, its contractor, or any out-of-network providers. The records may be electronic, paper, magnetic material, film or other media. In order to qualify for reimbursement, the records must be dated, legible and signed or otherwise attested to, as appropriate to the media, and meet the requirements of 42 CFR §456.111 and 42 CFR §456.211.

**Medical Vendor Administration (MVA):** The name for the budget unit specified in the Louisiana state budget that contains the administrative component of the Bureau of Health Services Financing (Louisiana's single state Medicaid agency).

**Medically Necessary Services:** Health care services that are in accordance with generally accepted evidence-based medical standards, or that are considered by most physicians (or other independent licensed practitioners) within their respective professional organizations to be the standard of care. In order to be considered medically necessary, services must be: 1) deemed reasonably necessary to diagnose, correct, cure, alleviate, or prevent the worsening of a condition or conditions that endanger life; cause suffering or pain; or have resulted or will result in a handicap, physical deformity, or malfunction; and 2) not be more costly than an alternative service or sequence of services at least as likely to produce equivalent therapeutic or diagnostic results as to the diagnosis or treatment of that patient's illness, injury, or disease. Any such services must be clinically appropriate, individualized, specific, and consistent with symptoms or confirmed diagnosis of the illness or injury under treatment, and neither more nor less than what the recipient requires at that specific point in time. Services that are experimental, non-FDA approved, investigational, or cosmetic are specifically excluded from Medicaid coverage and will be deemed —not medically necessary. The Medicaid Director, in consultation with the Medicaid Medical Director, may consider authorizing services at his discretion on a case-by-case basis.

**Medicare:** The federal medical assistance program in the United States, authorized in 1965 by Title XVIII of the Social Security Act, to address the medical needs of U.S. citizens 65 years of age and older and some people with disabilities under the age of 65.

**Member:** Persons enrolled in the SMO.

**Member Month:** A month of coverage for a Medicaid/CHIP eligible who is enrolled in the SMO.

**Mercer Government Human Services Consulting:** The consulting firm that the state has contracted with to provide expertise in specific aspects of health care management such as actuarial rate development and analysis, encounter reporting and analysis, health care reform and risk adjustment.

**MH/BH:** Mental Health/Behavioral Health.

**MHSD:** Metropolitan Human Services District.

**Monetary Penalties:** Monetary sanctions that may be assessed whenever the SMO, its providers, or its contractors fail to achieve certain performance standards and other requirements defined in the terms and conditions of the provider agreement.

**Must:** Denotes a mandatory requirement.

**National Committee for Quality Assurance (NCQA):** A not-for-profit organization that performs quality-oriented accreditation reviews on health maintenance organizations and other managed care plans.

**Network:** As used in the Contract, network may be defined as a group of participating providers linked through contractual arrangements to the SMO to supply a range of behavioral health care services. The term provider network may also be used.

**Network Adequacy:** Refers to the network of behavioral health care providers for the SMO that is sufficient in numbers and types of providers/facilities to ensure that all services are accessible to Members without unreasonable delay. Adequacy is determined by a number of factors, including, but not limited to, provider/patient ratios, geographic accessibility and travel distance, waiting times for appointments, and hours of provider operations.

**OAAS:** Office of Aging and Adult Services, Department of Health and Hospitals.

**OAD:** Office for Addictive Disorders (OAD became part of OBH on July 1, 2010). OAD and OBH may be used interchangeably in the document.

**OBH:** Office of Behavioral Health, Department of Health and Hospitals; formerly the Office of Mental Health.

**OBH-AD:** Office of Behavioral Health, Addictive Disorders may be used to identify resources for individuals with addictive disorders.

**OBH-MH:** Office of Behavioral Health, Mental Health.

**OCDD:** Office for Citizens with Developmental Disabilities, Department of Health and Hospitals.

**Office of Behavioral Health Integrated Information System (OBH-IIS):** DHH-OBH Web-based information system operating over the OBH wide-area network on a central SQL server. This system, planned to be comprehensive in scope, has undergone a series of enhancements to sequentially replace the remaining separate, non-integrated LAN-based legacy systems now operated by OBH statewide.

**OJJ:** Office of Juvenile Justice.

**OMF:** Office of Management and Finance, Department of Health and Hospitals

**OMH:** Office of Mental Health; now Office of Behavioral Health, Department of Health and Hospitals.

**OPH:** Office of Public Health, Department of Health and Hospitals.

**Original:** Denotes must be signed in ink.

**Out-of-Home Placements:** Arrangements for children and youth that have significant behavioral health challenges or co-occurring disorders that are in, or at imminent risk of, placement in: 1) detention, 2) secure care facilities, 3) psychiatric hospitals, 4) residential treatment facilities, 5) developmental disabilities facilities, 6) addiction facilities, 7) alternative schools, 8) homeless, as identified by DOE, and 9) foster care.

**Ownership Interest:** The possession of stock, equity in the capital, or any interest in the profits of the SMO. For further definition see 42 CFR §455.101 (2005).

**Performance Improvement Projects (PIPs):** Projects to improve specific quality performance measures through ongoing measurements and interventions that result in significant improvement, sustained over time, with favorable effect on health outcomes and Member satisfaction.

**Performance Measures:** Specific operationally-defined performance indicators utilizing data to track performance and quality of care and to identify opportunities for improvement dimensions of care and service.

**PIHP:** Prepaid Inpatient Health Plan is an entity that: 1) provides medical services to enrollees under contract with the State agency, on the basis of prepaid capitation payments, or other payment arrangements that do not use State plan payment rates; 2) provides, arranges for, or otherwise has responsibility for the provision of any inpatient hospital or institutional services for its enrollees; and 3) does not have a comprehensive risk contract.

**Per Member Per Month (PMPM) Rate:** The PEPM PRPM rate paid to the SMO for the provision of behavioral health services to SMO Members. PMPM refers to the amount of money paid or received on a monthly basis for each enrolled individual.

**Prepaid Model:** A method of paying the SMO in advance for the cost of predetermined benefits for a population group, through premiums, dues, or contributions.

**Proposer:** Entity or company seeking a contract to provide stated deliverables and services identified within a Request for Proposal document.

**Protected Health Information (PHI):** Individually-identifiable health information that is maintained or transmitted in any form or medium and for which conditions for disclosure are defined in the HIPAA Privacy Rule.

**PRTF:** Psychiatric Residential Treatment Facility.

**QA/QI:** Quality assurance/quality improvement.

**Quality:** As it pertains to external quality review, the degree to which the SMO increases the likelihood of desired health outcomes of its enrollees through its structural and operational characteristics and through the provision of health services that are consistent with current professional knowledge.

**Quality Management (QM):** The ongoing process of assuring that the delivery of covered services is appropriate, timely, accessible, available, medically necessary, in keeping with established guidelines and standards, and reflective of the current state of medical and behavioral health knowledge.

**Redacted Proposal:** The removal of confidential and/or proprietary information from one copy of a proposal for public records purposes.

**Related Party:** A party that has, or may have, the ability to control or significantly influence a contractor; or a party that is, or may be, controlled or significantly influenced by a contractor. Related parties include, but are not limited to, agents, management employees, persons with an ownership or controlling interest in the entity, and their immediate families, contractors, wholly-owned subsidiaries or suppliers, parent companies, sister companies, holding companies, and other entities controlled or managed by any such entities or persons.

**Relationship:** For the purposes of any business affiliations discussed in § 5, a director, officer, or partner of the SMO; a person with beneficial ownership of 5% or more of the SMO's equity; or a person with an employment, consulting or other arrangement (e.g., providers) with the SMO obligations under its contract with the State.

**Representative:** Any person who has been delegated the authority to obligate or act on behalf of another. Also known as the authorized representative.

**RFP:** Request for Proposal.

**Risk:** The chance or possibility of loss. Risk is also defined in insurance terms as the possibility of loss associated with a given population.

**Risk Adjustment:** A method for determining adjustments of the PMPM rate that accounts for variation in health risks among participating SMOs when determining per capita prepaid payment.

**SA:** Substance Abuse.

**SCLHSA:** South Central Louisiana Human Services Authority.

**Section 1915(b)(3):** Part of the Social Security Act which provides States with the authority to share (through provision of additional services) with recipients of Medical Assistance under the State Plan cost savings resulting from use by the recipient of more cost effective medical care. || 1915(b)(3) services that could be covered under the State Plan: Examples include offering optional State Plan services, such as chiropractor services, intermediate care facility services, etc., to managed care enrollees but not to Medicaid beneficiaries in the fee-for-service (FFS) program. In other words, the State Plan would not reflect these services, but they would be provided in the managed care program. States also use 1915(b)(3) authorities to reduce or eliminate limits that exist in the State Plan on the amount, duration, and scope of covered services.

**Section 1931:** Category of Medicaid eligibility for low-income parents who do not receive cash assistance, but whose income is below Louisiana's 1996 Aid to Families with Dependent Children income threshold. Louisiana's name for this program is Low Income Families with Children (LIFC).

**Secure File Transfer Protocol (SFTP):** Software protocol for transferring data files from one computer to another with added encryption.

**Shall:** Denotes a mandatory requirement.

**Should, May, Can:** Denotes a preference but not a mandatory requirement.

**SMI:** Serious Mental Illness.

**Social Security Act:** The current version of the Social Security Act of 1935 (42 U.S.C.A. § 301 et seq.) as amended, which encompasses the Medicaid Program (Title XIX) and CHIP Program (Title XXI).

**Solvency:** The minimum standard of financial health for the SMO, in which assets exceed liabilities and timely payment requirements can be met.

**State:** The State of Louisiana

**State General Fund (SGF):** Refers to funding appropriated by the State of Louisiana from non-federal sources.

**State Plan:** Refers to the Louisiana Medicaid State Plan.

**Statewide Management Organization (SMO):** Magellan Health Services of Louisiana. Manager of statewide behavioral health services.

**Timely:** Existing or taking place within a designated period; or within the time required by statute or rules and regulations, contract terms, or policy requirements.

**Title IV-E:** Section of the Social Security Act of 1935, as amended, that encompasses medical assistance for foster children and adoption assistance.

**Title V:** Section of the Social Security Act of 1935, as amended, that encompasses maternal child health services.

**Title X:** Section of the Social Security Act of 1935, as amended, that encompasses and governs family planning services.

**Title XIX:** Section of the Social Security Act of 1935, as amended, that encompasses and governs the Medicaid Program.

**Title XXI:** Section of the Social Security Act of 1935, as amended, that encompasses and governs the Children’s Health Insurance Program (CHIP).

**Utilization Management (UM):** Refers to the process of evaluation of medical necessity, appropriateness, and efficiency of health care services, procedures, and facilities. UM is inclusive of utilization review and service authorization.

**Validation:** The review of information, data, and procedures to determine the extent to which data is accurate, reliable, free from bias, and in accordance with standards for data collection and analysis.

**Waivers:** 1915(b)(3) 1915(c) 1915(i)

**Will:** Denotes a mandatory requirement.

**Wraparound Agency (WAA):** WAAs are the locus of accountability for developing a single plan of care and providing intensive care coordination for children within the CSoC needing such supports, with the goal of —one family, one plan of care, and one wraparound facilitator.

## Glossary of Acronyms

AAHSA – Acadiana Human Services District

ACT – Assertive Community Treatment

AD – Addictive Disorders

BBA - Balanced Budget Act

BH – Behavioral Health

BHSF/MVA – Bureau of Health Services Financing/Medical Vendor Administration,  
Department of Health and Hospitals

BESE – State Board of Elementary and Secondary Education

CAHSD – Capital Area Human Services District  
CANS – Child and Adolescent Needs and Strengths assessment tool  
CFR – Code of Federal Regulations  
CLHSD – Central Louisiana Human Services District  
CLSH – Central Louisiana State Hospital  
CMS – Centers for Medicare & Medicaid Services  
COB – Close of Business  
COD – Co-occurring Disorders of Mental and Addictive Disorders as well as other combinations  
CSoC – Coordinated System of Care  
DCFS – Department of Children and Family Services  
DHH – Department of Health and Hospitals  
DHH-OBH – Department of Health and Hospitals-Office of Behavioral Health  
DHH-OBH-AD – Department of Health and Hospitals-Office of Behavioral Health-Addictive Disorders  
DHH-OBH-MH – Department of Health and Hospitals-Office of Behavioral Health-Mental Health  
DHH-OPH – Department of Health and Hospitals-Office of Public Health  
DOE – Department of Education  
EBD – Emotional Behavioral Disorders  
EBP – Evidenced-Based Practices  
ELMHS – Eastern Louisiana Mental Health System  
EQR – External Quality Review  
EQRO – External Quality Review Organization  
FPHSA – Florida Parishes Human Services Authority  
HEDIS – Healthcare Effectiveness Data and Information Set  
HIPAA – Health Insurance Portability and Accountability Act  
HMO – Health Maintenance Organization  
ImCaHSA – Imperial Calcasieu Human Services Authority  
IMD – Institutions for Mental Disease  
IT – Information Technology  
JPHSA – Jefferson Parish Human Services Authority  
LBHP – Louisiana Behavioral Health Partnership  
LEA – Local Education Agency  
LGE – Local Governing Entities  
LMMIS – Louisiana Medicaid Management Information System  
MH – Mental Health  
MH/BH – Mental Health/Behavioral Health  
MHSD – Metropolitan Human Services District  
MST – Multisystemic Therapy  
NDSHS – Northeast Delta Human Services Authority  
NLHSD – Northwest Louisiana Human Services District  
OAD – Office for Addictive Disorders  
OBH – Office of Behavioral Health  
OAAS – Office of Aging and Adult Services  
OCDD – Office for Citizens with Developmental Disabilities  
OJJ – Office of Juvenile Justice  
OMF – Office of Management and Finance

OMH – Office of Mental Health  
PHI – Protected Health Information  
PIHP – Prepaid Inpatient Health Plan  
PIP – Performance Improvement Plan  
PM – Performance Measure  
PRTF – Psychiatric Residential Treatment Facility  
QM – Quality Management  
QA/QI – Quality Assurance/Quality Improvement  
RFP – Request for Proposal  
SCLHSA – South Central Louisiana Human Services Authority  
SDM - Services Definition Manual  
SED – Serious Emotional Disturbance  
SMO – Statewide Management Organization  
SPOE – Single Point of Entry  
TFC – Therapeutic Foster Care  
TGH – Therapeutic Group Home  
WAA – Wraparound Agency

## **I. GENERAL INFORMATION**

### **A. Background**

1. The mission of the Department of Health and Hospitals (DHH) is to protect and promote health and to ensure access to medical, preventive, and rehabilitative services for all citizens of the State of Louisiana. The Department of Health and Hospitals is dedicated to fulfilling its mission through direct provision of quality services, the development and stimulation of services of others, and the utilization of available resources in the most effective manner.
2. DHH is comprised of Medical Vendor Administration (Medicaid), 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.
3. 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.
4. DHH has designated the DHH-Office of Behavioral Health (DHH-OBH) as the issuing agency for this request for proposal (RFP) and oversight of the Louisiana Behavioral Health Partnership. The mission of DHH-OBH is to promote recovery and resiliency in the community through services and supports that are preventive, accessible, comprehensive, and dynamic. The former Office of Mental Health (OMH) and the Office for Addictive Disorders



(OAD) have recently been statutorily merged into the DHH-OBH, under the leadership of an Assistant Secretary within DHH. DHH-OBH and BHSF/MVA have been collaborating to restructure Medicaid behavioral health services. DHH-OBH serves adults with a severe mental illness, children and adolescents with a serious emotional/behavioral disorder, and all people experiencing an acute mental illness, as well as individuals of all ages with addictive disorders (AD). DHH-OBH is responsible for planning, developing, operating, and evaluating public mental health (MH) and AD services for the citizens of the State through 10 geographic areas. Legislation has mandated that the administration of the Louisiana behavioral health (BH) care system transition from inter-related geographic regions to a system of independent health care districts or authorities (also referred to as local governing entities or LGEs) under the general administration of DHH-OBH. As of January 1, 2012, there are five districts in full operation and five that are in transition to becoming LGEs. The DHH-OBH Regions, LGE Districts/Authorities are listed in Table 1 below.

**Table 1. DHH-OBH Regions, LGE Districts/Authorities**

Region 1: Metropolitan Human Services District (MHSD)
Region 2: Capital Area Human Services District (CAHSD)
Region 3: South Central Louisiana Human Services Authority (SCLHSA)
Region 4: Lafayette: Acadiana Human Services District (AAHSA)*
Region 5: Lake Charles: Imperial Calcasieu Human Services Authority (ImCaHSA)*
Region 6: Alexandria: Central Louisiana Human Services District (CLHSD)*
Region 7: Shreveport: Northwest Louisiana Human Services District (NLHSD)*
Region 8: Monroe: Northeast Delta Human Services Authority (NDHSA)*
Region 9: Florida Parishes Human Services Authority (FPHSA)
Region 10: Jefferson Parish Human Services Authority (JPHSA)

\* Indicates current OBH regions in process of becoming LGEs.

5. DHH-OBH is responsible for setting policy, establishing standards for the operation of the Louisiana Behavioral Health Partnership (LBHP), establishing expectations for service utilization and outcomes, and measuring outcomes.
6. The BHSF/MVA has oversight responsibilities for all Medicaid programs. DHH-OBH, as the designated purchaser of managed behavioral health services for the LBHP, including children and adults, works under the oversight of BHSF/MVA to assure compliance with federal programmatic and financing requirements.
7. The Louisiana Behavioral Health Partnership serves: 1) a special target population of children eligible for the Coordinated System of Care (CSoc); 2) adults with serious mental illness (SMI) and addictive disorders (AD) and children with Serious Emotional Disorder (SED) and/or AD without Medicaid,

- and 3) the Medicaid Child/Adult population (e.g., the rest of the non-institutionalized Medicaid population).
8. The CSoC is a new initiative for the state of Louisiana, designed for a target population of Louisiana's children and youth with significant behavioral health (BH) challenges or co-occurring disorders in, or at imminent risk of, out-of-home placement. Out-of-home placements are defined as the following: addiction facilities, alternative schools, detention, developmental disabilities facilities, foster care, and homeless, as identified by the Department of Education (DOE), psychiatric hospitals, residential treatment facilities, and secure care facilities. The CSoC is an evidence-based approach that is part of a national movement to develop family and youth-driven care to keep children at home, in school, and out of the child welfare and juvenile justice systems. The goals of CSoC implementation include:
    - a. Reduction in the number of targeted children and youth in detention and residential settings.
    - b. Reduction of the State's cost of providing services by leveraging Medicaid and other funding sources.
    - c. Improving the overall outcomes of these children and their caregivers being served by the CSoC.
  9. Louisiana's CSoC is innovative because it integrates resources from all the State's child-serving agencies to establish a coordinated system of care, while assuring payment from the appropriate funding source through the Statewide Management Organization (SMO) Magellan Health Services of Louisiana. While some States have implemented systems of care for children, with one or more child-serving agencies as pilot programs or phases in several regions of a state, Louisiana is in the forefront of implementing a statewide coordinated system of care across all child-serving State agencies. Planning for the CSoC was initiated in 2009, and included extensive stakeholder involvement in its design.
  10. In addition to DHH-OBH, the State child-serving agencies participating in the CSoC include: the Department of Children and Family Services (DCFS); DOE, including the local education agencies (LEA); OCDD; and the Office of Juvenile Justice (OJJ).
  11. The Louisiana DCFS is one of the administrative departments within the Executive Branch of State government in Louisiana. The administrative head of the Department is the Secretary, who is appointed by the Governor. DCFS provides for the public child welfare functions of the State, delivering services through a State-administered system of nine regional offices and 64 parishes. The vision of DCFS is to provide services that will assist individuals, children, and families to achieve self-sufficiency and promote their well-being. DCFS funds the following types of MH services: intensive home-based services; Multisystemic Therapy (MST); and other outpatient services, such as

psychiatric evaluations and services, residential treatment, and respite services.

12. As part of child welfare's recovery from the hurricanes of 2005, Louisiana collaborated with the Annie E. Casey Foundation and began a self-assessment of its use of residential care within the foster care program. This work resulted in a reduction of the agency's reliance on residential care over a three-year period. Through these efforts, DCFS also determined that children with behavioral health challenges were too often placed in foster care or residential settings due to the lack of BH services available to families in homes, schools, and communities. As a result, when the CSoC planning was initiated in 2009, DCFS identified children with BH challenges in, or at risk of, residential placements, including foster care, as a priority population for the CSoC.
13. The SMO has been working with DCFS to subcontract with network providers that can deliver a continuum of services ranging from Therapeutic Foster Care and Group Home treatment, as well as certain specialized and/or restrictive treatment settings such as Psychiatric Residential Treatment Facilities (PRTFs), using evidence-informed models that support the department's permanency goals for children and their families. In addition, in-home services will be necessary for children as they transition to the home of birth family, relative care takers or other placement resources. All services are to be offered within the geographic region from which the children entered the state's custody and in close proximity to their family's home when possible, in the most appropriate, least restrictive settings, consistent with their needs.
14. Continuum of care is defined as a comprehensive spectrum of services organized into a coordinated and integrated network to meet the multiple and changing needs of emotionally, medically, and behaviorally challenged children, youth and their families. It is essential that all providers support and are connected with local community partners, including family-run organizations, youth support groups, and natural helpers such as faith-based organizations to ensure continuity of services and appropriate aftercare supports.
15. To the extent that the child is eligible for a Therapeutic Group Home (TGH) or PRTF level of care as defined by the DHH-OBH Services Definitions Manual (see procurement library), the child should be placed in that level of care. If the child does not meet those requirements, the child may be placed in a group home level of care. All group homes must meet and abide by federal Institutions for Mental Disease (IMD) limitations on payment. Services provided in a group home setting must be provided by a community practitioner certified and credentialed by the SMO to provide those services.
16. The DOE operates under the administrative lead of the State Superintendent of Education, whose function is to execute and implement public educational policy in accordance with the Louisiana Constitution, legislation, and

regulations under the control and supervision of the State Board of Elementary and Secondary Education (BESE). The mission of the DOE is to ensure higher academic achievement for all students, eliminate achievement gaps, and prepare students to be effective citizens in a global marketplace. Educating the whole child, one who is healthy, safe, engaged, supported, and challenged, is a prerequisite to creating a world-class educational system. Students learn best when their academic, emotional, physical, and social needs are met. The DOE target population for the CSoC includes children and youth with BH challenges who are in, or at risk for, alternative school placement or homelessness, as defined by DOE. A strong comprehensive system of learning supports that addresses barriers to learning and teaching must be at the center of the State's education strategy. The successful implementation of CSoC will help to eliminate many barriers for these children and assist DOE in providing an equal opportunity for success in local schools.

17. The DHH-OCDD within DHH serves as the single point of entry (SPOE) into the developmental disabilities (DD) Services System. DHH-OCDD conducts an assessment of individuals who request services to determine the person's eligibility for system entry. Eligibility is based on the definition of developmental disability contained in Louisiana R.S. 28:451.1-455.2. The Community Services regional offices, and Human Services authorities/districts serve as the points of entry for individuals to receive services from both the regional offices/human services authorities/districts and the supports and services centers. DHH-OCDD Community Services regional offices and Human Services authorities/districts offer a broad range of services, including individual and family supports (i.e., personal care, assistance, cash subsidy, respite, crisis intervention, and supported living services). The DHH-OCDD target population for the CSoC includes children and youth with co-occurring DD and mental illness/serious emotional disturbance (SED) residing in intermediate care facilities (ICFs) or nursing facilities, or individuals in imminent danger of placement, who need additional support to maintain community living.
18. The DHH-OBH target population for the CSoC is youth, up to age 21, with SED in, or at risk of, admission to a psychiatric hospital or residential treatment facility.
19. OJJ is a cabinet-level agency under the direction of the Deputy Secretary of the Department of Public Safety and Corrections that reports to the Governor and has policy oversight and support responsibilities for State programs for youth who are adjudicated delinquent, as well as any youth and their families found in need of services by courts of juvenile jurisdiction (Families in Need of Services [FINS]). OJJ is responsible for youth assigned to care by the court system, either for supervision or custody in residential placement or secure care. OJJ also provides services to youth under local court supervision. Staff supports the Administrative Remedy Procedure disciplinary appeal process for juveniles. Seven programs are administered by OJJ: 1) Administration, 2) Swanson Center for Youth, 3) Jetson Center for Youth, 4) Bridge City Center

- for Youth, 5) Field (Community) Services, 6) Contract Services, and 7) Auxiliary Louisiana Housing for Juvenile Offenders. The Community Services program provides probation and parole supervision, and coordinates both residential and non-residential treatment services for delinquent youth, as well as FINS. OJJ MH services consist of residential services, including secure care, contracted residential services, community treatment, including day treatment, and prevention/diversion services. The OJJ target population for the CSoC is youth with serious BH challenges and: 1) on probation or parole supervision, or 2) with a status offense, and 3) at risk of residential placement or leaving residential placements.
20. The CSoC State Governance Body (CSoC SGB) will provide policy direction to DHH-OBH for BH services to children eligible for the CSoC provided through the SMO-Magellan Health Services. The CSoC SGB is composed of the highest level executives from DHH-OBH, DCFS, OJJ, DOE, a youth representative, two family Members, an advocate, and representation from the Governor's Office.
  21. In addition to the CSoC initiative, the state's goal is to improve access to services, quality of care, and efficiency in the delivery system for all children, youth, and adults eligible for BH care services.
  22. DHH-OBH is providing policy direction and oversight of BH services for children and youth not involved in the CSoC, and for adults with SMI and/or AD.
  23. The SMO has the responsibility for determining eligibility for the CSoC based upon the priority populations described in this section and telephonic screening utilizing the Child and Adolescent Needs Assessment (CANS) – Brief (screening tool for CSOC eligibility).
  24. The SMO has the responsibility for determining eligibility for other state Medicaid waiver services for adults (like the 1915i) and is responsible for managing and authorizing services for all Medicaid eligible adults and children within the LBHP. Services include mental health, substance abuse, inpatient, outpatient, and residential services. These services are listed in the state's Service Definition Manual (SDM) posted in the Procurement Library and have an associated service rate schedule (indicating the Medicaid rate for children receiving services). The SMO sets reimbursement rates for adult services and inpatient and residential services.
  25. Federal law requires State Medicaid programs using prepaid inpatient health plans (PIHPs), such as the SMO, to have a quality strategy that is regularly assessed and includes standards for access to care, health plan structure and operations, and quality measurement and improvement (42 CFR Part §438 Subpart D). CMS recommends that states contract with an independent external quality review organization (EQRO) to review their quality management plan and outcomes. CMS provides states with matching federal

funds to pay EQR services to encourage contracting an EQRO which will be the purpose of this RFP.

## **B. Purpose of RFP**

1. The purpose of this RFP is to solicit proposals from qualified proposers that provide External Quality Review (EQR) services. Proposers must demonstrate sufficient experience performing such reviews. The current RFP seeks qualified proposers to perform an annual external quality review of the recently implemented contract for the Statewide Management Organization (SMO). This external quality review is required by the Centers for Medicare and Medicaid Services (CMS) under the Medicaid waivers that authorize the SMO and as required by §1932(c)(2) of the Social Security Act and 42 CFR Part 438, Subpart E.
2. A contract is necessary to fulfill the CMS requirements for an external review of the performance of the SMO as required by the CMS approved Medicaid waivers and the contract between the SMO and OBH.

## **C. Invitation to Propose**

DHH Office of Behavioral Health is inviting qualified proposers to submit proposals for services to provide professional external quality review of the Statewide Management Organization in accordance with the specifications and conditions set forth herein.

## **D. RFP Coordinator**

1. Requests for copies of the RFP and written questions or inquiries must be directed to the RFP coordinator listed below:

Margaret Hubbard  
Project Coordinator  
Development Section  
Office of Behavioral Health  
Department of Health and Hospitals  
P.O. Box 4049 (Bin 12)  
628 N. Fourth St.  
Baton Rouge, LA, 70821-4049  
Telephone Number: 225.342.8543  
Facsimile Number: 225.389.4472  
Email: BHMANAGE@LA.GOV

2. This RFP is available in pdf at the following weblinks:  
<http://new.dhh.louisiana.gov/index.cfm/newsroom/category/47> and  
<http://wwwprd1.doa.louisiana.gov/OSP/LaPAC/pubMain.cfm>
3. All communications relating to this RFP must be directed to the DHH RFP contact person named above. All communications between Proposers and

other DHH staff members concerning this RFP shall be strictly prohibited. Failure to comply with these requirements shall result in proposal disqualification.

**E. Proposer Inquiries**

1. The Department will consider written inquiries regarding the requirements of the RFP or Scope of Services to be provided before the date specified in the Schedule of Events. To be considered, written inquiries and requests for clarification of the content of this RFP must be received at the above address or via the above fax number or email address by the date specified in the Schedule of Events. Any and all questions directed to the RFP coordinator will be deemed to require an official response and a copy of all questions and answers will be posted by the date specified in the Schedule of Events to the following web link:

<http://wwwprd1.doa.louisiana.gov/OSP/LaPAC/pubMain.cfm>

and may also be posted at:

<http://new.dhh.louisiana.gov/index.cfm/newsroom/category/47>

2. Action taken as a result of verbal discussion shall not be binding on the Department. Only written communication and clarification from the RFP Coordinator shall be considered binding.

**F. Non-Mandatory Pre-Proposal Conference**

Not required for this RFP.

**G. Schedule of Events**

DHH reserves the right to deviate from this Schedule of Events

Schedule of Events	
Public Notice of RFP	February 11, 2013
Deadline for Receipt of Written Questions	February 20, 2013
Response to Written Questions	February 27, 2013
Deadline for Receipt of Written Proposals	March 14, 2013 4:00 PM CDT
Proposal Evaluation Begins	March 18, 2013
Contract Award Announced	March 25, 2013
Contract Negotiations Begin	March 26, 2013
Contract Begins	April 1, 2013

**H. RFP Addenda**

In the event it becomes necessary to revise any portion of the RFP for any reason, the Department shall post addenda, supplements, and/or amendments to

all potential proposers known to have received the RFP. Additionally, all such supplements shall be posted at the following web address:

<http://wwwprd1.doa.louisiana.gov/OSP/LaPAC/pubMain.cfm>

and may also be posted at:

<http://new.dhh.louisiana.gov/index.cfm/newsroom/category/47>

It is the responsibility of the proposer to check the DOA website for addenda to the RFP, if any.

## II. SCOPE OF WORK

### A. Project Overview

The contractor selected for this project will provide expert external quality review (EQR) services. The contractor shall verify and certify the quality assessment performed by Mercer Government Human Services Consulting (Mercer) which includes conducting the BBA compliance desk review and onsite review every three (3) years, and on an on-going basis work with the State to develop any required Corrective Action Plans related to the onsite review and the quality strategy. Mercer will prepare reports of the BBA compliance desk review and onsite review for OBH, which shall then be reviewed by the EQR contractor. The EQR Contractor will complete all other required evaluations and documentation identified by CMS as part of the 1915(i) and 1915(b)(3) waivers awarded to the state. The contractor will perform validation of the SMO's performance improvement projects; validation of SMO performance measures; validation of compliance with Balanced Budget Act (BBA) compliance review conducted by Mercer; validation of SMO encounter data; and validation of provider and consumer surveys on quality of care.

The contractor must be able to work in cooperation with Mercer who in collaboration with the State will perform the following sections of the quality review: review of accreditation reports; conducting the BBA compliance desk review; development of any required corrective action plans; and evaluation of information systems capabilities.

### B. Deliverables

#### General Requirements

The contractor shall:

- a. Conduct an external quality review according to the requirements of sections 1932(c)(2), 1903(a)(3)(C)(ii), and 1902(a)(4) of the Social Security Act.
- b. Meet the requirements in 42 CFR Part 438, Subpart E in the external quality review.
- c. Perform the analysis and evaluation of aggregated information on quality, timeliness, and access to the health care services that the SMO or its contractors furnish to Medicaid recipients.



## 2. Programmatic Requirements

The Contractor shall

- a. Meet the requirements of 42 CFR 438.320, i.e., External quality review organization means an organization that meets the competence and independence requirements set forth in §438.354, and performs external quality review, other EQR-related activities as set forth in §438.358, or both.

## 3. Operations Requirements

a. For the SMO, the contractor shall:

- i. Within twelve months, validate one process and one clinical performance improvement project (PIP) required by the State to comply with requirements set forth in §438.240(b)(1) and that were underway during the preceding 12 months. In subsequent years, the contractor shall validate additional PIPs not to exceed a total of four PIPs validated in a twelve month period.
- ii. Validate up to four PIHP performance measures (PMs) reported (as required by the State) or PIHP PMs calculated by the State during the preceding 12 months to comply with requirements set forth in §438.240(b)(2). At present time, the SMO is applying for URAC accreditation and does not have HEDIS certified software.
- iii. Perform a review, conducted within the previous 3-year period, to determine the SMO's compliance with standards (except with respect to standards under §§438.240(b)(1) and (2), for the conduct of performance improvement projects and calculation of performance measures respectively) established by the State to comply with the requirements of §438.204(g).

b. The contractor shall review other mandatory activities performed by Mercer and OBH. Mercer and OBH shall review the SMO's operations, including conducting the BBA compliance desk review and onsite review every three (3) years, and on an on-going basis work with the State to develop any required Corrective Action Plans related to the onsite review and the quality strategy. Mercer shall prepare reports of these activities:

- i. Review of accreditation reports and determination if non-duplication of review is possible.
- ii. Consistent with the BBA protocol:
  1. Conduct a desk review of all policies and procedures, program descriptions, committee minutes, manuals, handbooks and quality data.
  2. Conduct an onsite visit in the SMO office to review credentialing files, care management records, interview staff and provide feedback on clinical operations.

3. Validate the SMO's compliance with State's standards for access to care, structure and operations and quality measurement and improvement.
4. Validate compliance with federal Medicaid managed care regulations.
- iii. Assess systems information capabilities of the SMO every three (3) years.
- c. Optional activities. At the request of DHH, the contractor shall also use information derived during the preceding 12 months from the following optional activities:
  - i. Validation of encounter data reported by the SMO.
  - ii. Validation of consumer or provider surveys of quality of care.

#### 4. Staffing Requirements/Qualifications

The contractor shall meet the following requirements:

- a. Competence: The Contractor shall provide:
  - i. Staff with demonstrated experience and knowledge of:
    1. Medicaid recipients, policies, data systems, and processes;
    2. Medicaid regulations and waiver requirements;
    3. Managed care delivery systems, organizations, and financing;
    4. Quality assessment and improvement methods; and
    5. Research design and methodology, including statistical analysis.
  - ii. Sufficient physical, technological, and financial resources to conduct EQR or EQR-related activities.
  - iii. Other clinical and nonclinical skills necessary to carry out EQR or EQR-related activities and to oversee the work of any subcontractors.
- b. Independence. The contractor and its subcontractors must be independent from the State Medicaid agency and from the SMO. To qualify as "independent", the Contractor shall not be:
  - i. A State agency, department, university, or other State entity that has Medicaid purchasing or managed care licensing authority; and
  - ii. A State agency, department, university, or other State entity that is governed by a Board or similar body the majority of whose members are not government employees.
  - iii. The contractor shall not:
    1. Review the SMO if either the contractor or the SMO exerts control over the other (as used in this paragraph, "control" has the meaning given the term in 48 §CFR 19.101) through:
      - a. Stock ownership;
      - b. Stock options and convertible debentures;
      - c. Voting trusts;

- d. Common management, including interlocking management; and
      - e. Contractual relationships.
    2. Deliver any health care services to Medicaid recipients;
    3. Conduct, on the State's behalf, ongoing Medicaid managed care program operations related to oversight of the quality of SMO services, except for the related activities specified in §438.358; or
    4. Have a present or known future, direct or indirect financial relationship with the SMO. Financial relationship shall mean a direct or indirect ownership or investment interest (including an option or non-vested interest) in any entity. This direct or indirect interest shall be defined as in the form of equity, debt, or other means and shall include any indirect ownership or investment no matter how many levels removed from a direct interest; or a compensation arrangement with an entity.
5. Record keeping requirements:  
The contractor shall:
  - a. Provide, as required by § 438.352 for each protocol:
    - i. The data to be gathered;
    - ii. The sources of the data;
    - iii. The activities and steps to be followed in collecting the data to promote its accuracy, validity, and reliability;
    - iv. The proposed method or methods for validly analyzing and interpreting the data once obtained; and
    - v. Instructions, guidelines, worksheets, and other documents or tools necessary for implementing the protocol.
  - b. All information that meets the definition of PHI shall be protected in a manner that complies with applicable requirements of the HIPAA Privacy and Security Rules. Any use/disclosure of such information shall be approved by OBH and shall be in compliance with all HIPAA requirements.
6. Reporting Requirements:  
The contractor shall:
  - a. As required under § 438.364, produce the following information:
    - i. A detailed technical report that describes the manner in which the data from all mandatory and optional activities conducted in accordance with § 438.358 were aggregated and analyzed, and conclusions were drawn as to the quality, timeliness, and access to the care furnished by the SMO. The report must also include the following for each activity conducted in accordance with § 438.358:
      1. Objectives.

2. Technical methods of data collection and analysis.
  3. Description of data obtained.
  4. Conclusions drawn from the data.
- ii. An assessment of the SMO's strengths and weaknesses with respect to the quality, timeliness, and access to health care services furnished to Medicaid recipients.
  - iii. Recommendations for improving the quality of health care services furnished by the SMO.
  - iv. An assessment of the degree to which the SMO has addressed effectively the recommendations for quality improvement made by the EQRO during the previous year's EQR.
- b. Availability of information. The State must provide copies of the information specified in paragraph (a) of this section, upon request, through print or electronic media, to interested parties such as participating health care providers, enrollees and potential enrollees of the SMO, recipient advocacy groups, and members of the general public. The State must make this information available in alternative formats for persons with sensory impairments, when requested.
- c. Safeguarding patient identity. The information released under paragraph (b) of this section shall not disclose the identity of any patient.

Transition Plan:

The Contractor shall comply with the transition/takeover plan which outlines the procedures and timelines to ensure continuity of services in the event of contract termination or subsequent contract award to a different vendor. DHH-OBH may recover any reasonable excess costs resulting from contract cancellation or termination from the Contractor by:

- i. Deduction from an unpaid balance.
- ii. Any other remedies as provided by law.

The contractor shall:

- a. Cooperate with the DHH-OBH during the planning and transition of contract responsibilities from the Contractor to a replacement Contractor. The Contractor shall:
  - i. Designate the program manager for the contract as the transition coordinator. The transition coordinator shall interact closely with the DHH-OBH and the staff from the new Contractor to ensure a safe and orderly transition and shall participate in all transition meetings.
  - ii. Upon DHH-OBH request, submit for approval a detailed plan for the transition of its activities, including the name of the transition coordinator.
  - iii. Provide all reports set forth in this contract and necessary for the transition process.
  - iv. Notify stakeholders of the contract termination, as directed by DHH-OBH.

- v. Cooperate fully with a successor Contractor and DHH-OBH during Transition Period including, at a minimum, sharing and transferring behavioral health information and records, as required by the DHH-OBH.
- b. The detailed plan for transition shall ensure an orderly transfer of responsibility and/or the continuity of those services required under the terms of the contract to a new Contractor or the DHH-OBH and shall include the following:
  - i. A realistic schedule and timeline to hand-off responsibilities to the replacement Contractor or the DHH-OBH.
  - ii. The staff that shall be utilized during the hand-off of duties and their responsibilities such that there shall be clear lines of responsibility between the Contractor, the replacement Contractor and/or the DHH-OBH.
  - iii. The actions that shall be taken by the Contractor to cooperate with the replacement Contractor and/or the DHH-OBH to assure a smooth and timely transition.
  - iv. A matrix listing each transition task, the functional unit or the person, agency or Contractor responsible for the task, the start and deadline dates to complete the planned task, and a place to record completion of the task.
- c. The Contractor shall report, in writing, to the State Contract Monitor and within 48 hours, any problems and corrective actions taken regarding the plan for transition.
- d. The Contractor shall participate in a transition planning team as established by the DHH-OBH.
- e. The Contractor shall complete all work in progress and all tasks called for by the plan for transition prior to final payment to the Contractor. If it is not possible to resolve all issues during the end-of-contract transition period, the Contractor shall list all unidentified or held items that could not be resolved, including reasons why they could not be resolved, prior to termination of the contract and provide an inventory of open items along with all supporting documentation. To the extent there are unresolved items, the cost to complete these items will be deducted from the final payment. The Contractor shall specify a process to brief the DHH-OBH or replacement Contractor on issues before the hand-off of responsibilities.
- f. The expiration or termination or suspension shall not affect the obligation of the Contractor to indemnify the DHH-OBH for any claim by any third party against the State or the DHH-OBH arising from the Contractor's performance of this contract and for which the Contractor would otherwise be liable under this contract.
- g. The Contractor shall stop all work as of the effective date contained in the Notice of Termination and shall immediately notify all management subcontracts, in writing, to stop all work as of the effective date of the Notice of Termination. Upon receipt of the Notice of Termination, and until the effective date of the Notice of Termination, the Contractor shall perform work consistent with the requirements of

this contract and in accordance with a written plan approved by the DHH-OBH for the orderly transition of activities / tasks to another Contractor.

### **C. Liquidated Damages**

1. In the event the Contractor fails to meet the performance standards specified within the contract, the liquidated damages defined below may be assessed. If assessed, the liquidated damages will be used to reduce the Department's payments to the Contractor or if the liquidated damages exceed amounts due from the Department, the Contractor will be required to make cash payments for the amount in excess.
  - a. Late submission of any required report - \$50 per working day, per report.
  - b. Failure to fill vacant contractually required key staff positions within 90 days - \$500 per working day from 91st day of vacancy until filled with an employee approved by the Department.
  - c. Late submission of invoices beginning 10 business days after the stated due date - \$50 per working day per invoice.
  - d. For each day that each deliverable is late, incorrect or deficient, the Contractor shall be liable to DHH for liquidated damages in an amount not to exceed \$1500 per business day per deliverable.
2. The decision to impose liquidated damages may include consideration of some or all of the following factors:
  - a. The duration of the violation;
  - b. Whether the violation (or one that is substantially similar) has previously occurred;
  - c. The Contractor's history of compliance;
  - d. The severity of the violation and whether it imposes an immediate threat to the health or safety of the consumers;
  - e. The "good faith" exercised by the Contractor in attempting to stay in compliance.

### **D. Fraud and Abuse**

1. The Contractor shall have internal controls and policies and procedures in place that are designed to prevent, detect, and report known or suspected fraud and abuse activities.
2. Such policies and procedures must be in accordance with state and federal regulations. Contractor shall have adequate staffing and resources to investigate unusual incidents and develop and implement corrective action plans to assist the Contractor in preventing and detecting potential fraud and abuse activities.

### **E. Technical Requirements**

The Contractor must maintain hardware and software compatible with current DHH requirements which are as follows:

- IBM compatible PC
- Intel Core i5 or equivalent (or compatible successors)
- 4 Gig of RAM memory (minimum)
- Enough spare USB ports to accommodate thumb drives, etc.
- 250GB Hard Drive (minimum)
- Ethernet LAN interface for laptop and desktop PCs
- 19" WXGA Digital Flat Panel LCD monitor with DVI (minimum)
- Printer compatible with hardware and software required
- High speed internet with email
- DVD\CD ROM
- Windows XP, SP3 or later version of operating system (minimum)
- Windows Internet Explorer 8.0 (or later)
- Microsoft Office 2007 or later
- Appropriate firewalls for internet security
- Compliant with industry-standard physical and procedural safeguards for confidential information (NIST 800-53A, ISO 17788, etc.).

In addition, all reports submitted to the OBH shall be in formats compatible with existing OBH applications/programs or other OBH approved formats.

#### **F. Subcontracting**

The contractor shall not contract with any other party for furnishing any of the work and professional services required by the contract without the express prior written approval of the Department. The contractor shall not substitute any subcontractor without the prior written approval of the Department. For subcontractor(s), before commencing work, the contractor will provide letters of agreement, contracts or other forms of commitment which demonstrates that all requirements pertaining to the contractor will be satisfied by all subcontractors through the following:

1. The subcontractor(s) will provide a written commitment to accept all contract provisions.
2. The subcontractor(s) will provide a written commitment to adhere to an established system of accounting and financial controls adequate to permit the effective administration of the contract.

#### **G. Insurance Requirements**

Insurance shall be placed with insurers with an A.M. Best's rating of no less than A-: VI. This rating requirement shall be waived for Worker's Compensation coverage only.

1. Contractor's Insurance

The Contractor shall not commence work under this contract until it has obtained all insurance required herein. Certificates of Insurance, fully executed by officers of the Insurance Company shall be filed with the Department for approval. The Contractor shall not allow any subcontractor to commence work on subcontract until all similar insurance required for the subcontractor has been obtained and approved. If so requested, the Contractor shall also submit copies of insurance policies for inspection and approval of the Department before work is commenced. Said policies shall not be canceled, permitted to expire, or be changed without thirty (30) days notice in advance to the Department and consented to by the Department in writing and the policies shall so provide.

2. Compensation Insurance

Before any work is commenced, the Contractor shall obtain and maintain during the life of the contract, Workers' Compensation Insurance for all of the Contractor's employees employed to provide services under the contract. In case any work is sublet, the Contractor shall require the subcontractor similarly to provide Workers' Compensation Insurance for all the latter's employees, unless such employees are covered by the protection afforded by the Contractor. In case any class of employees engaged in work under the contract at the site of the project is not protected under the Workers' Compensation Statute, the Contractor shall provide for any such employees, and shall further provide or cause any and all subcontractors to provide Employer's Liability Insurance for the protection of such employees not protected by the Workers' Compensation Statute.

3. Commercial General Liability Insurance

The Contractor shall maintain during the life of the contract such Commercial General Liability Insurance which shall protect Contractor, the Department, and any subcontractor during the performance of work covered by the contract from claims or damages for personal injury, including accidental death, as well as for claims for property damages, which may arise from operations under the contract, whether such operations be by the Contractor or by a subcontractor, or by anyone directly or indirectly employed by either of them, or in such a manner as to impose liability to the Department. Such insurance shall name the Department as additional insured for claims arising from or as the result of the operations of the Contractor or its subcontractors. In the absence of specific regulations, the amount of coverage shall be as follows: Commercial General Liability Insurance, including bodily injury, property damage and contractual liability, with combined single limits of \$1,000,000.

4. Insurance Covering Special Hazards

Special hazards as determined by the Department shall be covered by rider or riders in the Commercial General Liability Insurance Policy or policies herein elsewhere required to be furnished by the Contractor, or by separate policies of insurance in the amounts as defined in any Special Conditions of the contract included therewith.



5. Licensed and Non-Licensed Motor Vehicles

The Contractor shall maintain during the life of the contract, Automobile Liability Insurance in an amount not less than combined single limits of \$1,000,000 per occurrence for bodily injury/property damage. Such insurance shall cover the use of any non-licensed motor vehicles engaged in operations within the terms of the contract on the site of the work to be performed thereunder, unless such coverage is included in insurance elsewhere specified.

6. Subcontractor's Insurance

The Contractor shall require that any and all subcontractors, which are not protected under the Contractor's own insurance policies, take and maintain insurance of the same nature and in the same amounts as required of the Contractor.

**H. Resources Available to Contractor**

The DHH / OBH will have an assigned staff member who will be responsible for primary oversight of the contract. This individual will schedule meetings to discuss progress of activities and problems identified.

**I. Contact Personnel**

All work performed by the contract will be monitored by the contract monitor:

Margaret Hubbard  
Project Coordinator  
Development Section  
Office of Behavioral Health  
Department of Health and Hospitals  
P.O. Box 4049 (Bin 12)  
628 N. Fourth St.  
Baton Rouge, LA, 70821-4049  
Phone: 225.342.8543  
Email: margaret.hubbard@la.gov

**J. Term of Contract**

The contract shall commence on or near the date approximated in the Schedule of Events. The term of this contract is for a twelve month period from the start date with an option to extend the contract twice for two additional twelve month periods, up to a maximum of 36 months. The rate and terms of the contract for the subsequent two years will remain the same. The continuation of this contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of the contract.

**K. Payment**

The contractor shall submit deliverables in accordance with established timelines and shall submit itemized invoices monthly or as defined in the contract terms. Payment of invoices is subject to approval of OBH.

### **III. PROPOSALS**

#### **A. General Information**

This section outlines the provisions which govern determination of compliance of each proposer's response to the RFP. The Department shall determine, at its sole discretion, whether or not the requirements have been reasonably met. Omissions of required information shall be grounds for rejection of the proposal by the Department.

#### **B. Contact After Solicitation Deadline**

After the date for receipt of proposals, no proposer-initiated contact relative to the solicitation will be allowed between the proposers and DHH until an award is made.

#### **C. Code of Ethics**

Proposers are responsible for determining that there will be no conflict or violation of the Ethics Code if their company is awarded the contract. The Louisiana Board of Ethics is the only entity which can officially rule on ethics issues.

#### **D. Rejection and Cancellation**

Issuance of this solicitation does not constitute a commitment by DHH to award a contract or contracts. The Department reserves the right to reject all proposals received in response to this solicitation.

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.

#### **E. Award Without Discussion**

The Secretary of DHH reserves the right to make an award without presentations by proposers or further discussion of proposals received.

#### **F. Assignments**

Any assignment, pledge, joint venture, hypothecation of right or responsibility to any person, firm or corporation should be fully explained and detailed in the proposal. Information as to the experience and qualifications of proposed subcontractors or joint ventures should be included in the proposal. In addition, written commitments from any subcontractors or joint ventures should be included as part of the proposal.

#### **G. Proposal Cost**

The proposer assumes sole responsibility for any and all costs associated with the preparation and reproduction of any proposal submitted in response to this RFP, and shall not include this cost or any portion thereof in the proposed contract price

#### **H. Errors and Omissions**

The State reserves the right to make corrections due to minor errors of proposer identified in proposals by State or the proposer. The State, at its option, has the right to request clarification or additional information from proposer.

#### **I. Ownership of Proposal**

All proposals become the property of the Department and will not be returned to the proposer. The Department retains the right to use any and all ideas or adaptations of ideas contained in any proposal received in response to this solicitation. Selection or rejection of the offer will not affect this right. Once a contract is awarded, all proposals will become subject to the Louisiana Public Records Act.

#### **J. Procurement Library/Resources Available To Proposer**

Relevant material related to this RFP will be posted at the following web address: <http://new.dhh.louisiana.gov/index.cfm/newsroom/detail/1939>. It is the responsibility of the proposer to check this website for updates to existing materials or additions to the library.

#### **K. Proposal Submission**

1. All proposals must be received by the due date and time indicated on the Schedule of Events. Proposals received after the due date and time will not be considered. It is the sole responsibility of each proposer to assure that its proposal is delivered at the specified location prior to the deadline. Proposals which, for any reason, are not so delivered will not be considered.

2. Proposer **shall** submit one (1) original hard copy (the Certification Statement must have original signature signed in ink) and should submit one (1) electronic copy (cd or flash drive) of the entire proposal and six (6) hard copies of the proposal. Proposer may provide one electronic copy of the Redacted (cd or flash drive). No facsimile or emailed proposals will be accepted. The cost proposal and financial statements should be submitted separately from the technical proposal; however, for mailing purposes, all packages may be shipped in one container.
  
3. Proposals must be submitted via U.S. mail, courier or hand delivered to:

If courier mail or hand delivered:

Mary Fuentes  
Department of Health and Hospitals  
Division of Contracts and Procurement Support  
628 N 4<sup>th</sup> Street, 5th Floor  
Baton Rouge, LA 70802

If delivered via US Mail:

Mary Fuentes  
Department of Health and Hospitals  
Division of Contracts and Procurement Support  
P.O. Box 1526  
Baton Rouge, LA 70821-1526

#### **L. Proprietary and/or Confidential Information**

1. Pursuant to the Louisiana Public Records Act (La. R.S. 44.1 et. seq.), all public proceedings, records, contracts, and other public documents relating to this RFP shall be open to public inspection. Proposers should refer to the Louisiana Public Records Act for further clarification.

#### **M. Proposal Format**

1. An item-by-item response to the Request for Proposals is requested.
  
2. There is no intent to limit the content of the proposals, and proposers may include any additional information deemed pertinent. Emphasis should be on simple, straightforward and concise statements of the proposer's ability to satisfy the requirements of the RFP.

#### **N. Requested Proposal Outline:**

- Introduction/Administrative Data
- Work Plan/Project Execution

- Relevant Corporate Experience
  - Include documentation of CMS certification or acceptance as EQRO
- Personnel Qualifications
- Additional Information
- Corporate Financial Condition
- Cost and Pricing Analysis

## **O. Proposal Content**

1. Proposals should include information that will assist the Department in determining the level of quality and timeliness that may be expected. The Department shall determine, at its sole discretion, whether or not the RFP provisions have been reasonably met. The proposal should describe the background and capabilities of the proposer, give details on how the services will be provided, and shall include a breakdown of proposed costs. Work samples may be included as part of the proposal.
2. Proposals should address how the proposer intends to assume complete responsibility for timely performance of all contractual responsibilities in accordance with federal and state laws, regulations, policies, and procedures.
3. Proposals should define proposer's functional approach in providing services and identify the tasks necessary to meet the RFP requirements of the provision of services, as outlined in Section II.
4. Introduction/Administrative Data
  - a. The introductory section should contain summary information about the proposer's organization. This section should state proposer's knowledge and understanding of the needs and objectives of DHH / OBH as related to the scope of this RFP. It should further cite its ability to satisfy provisions of the Request for Proposal.
  - b. This introductory section should include a description of how the proposer's organizational components communicate and work together in both an administrative and functional capacity from the top down. This section should contain a brief summary setting out the proposer's management philosophy including, but not limited to, the role of Quality Control, Professional Practices, Supervision, Distribution of Work and Communication Systems. This section should include an organizational chart displaying the proposer's overall structure.
  - c. This section should also include the following information:
    - i. Location of Administrative Office with Full Time Personnel, include all office locations (address) with full time personnel.
    - ii. Name and address of principal officer;
    - iii. Name and address for purpose of issuing checks and/or drafts;

- iv. For corporations, a statement listing name(s) and address(es) of principal owners who hold five percent interest or more in the corporation.
- v. If out-of-state proposer, give name and address of local representative; if none, so state;
- vi. If any of the proposer's personnel named is a current or former Louisiana state employee, indicate the Agency where employed, position, title, termination date, and social security number;
- vii. If the proposer was engaged by DHH within the past twenty-four (24) months, indicate the contract number and/or any other information available to identify the engagement; if not, so state; and
- viii. Proposer's state and federal tax identification numbers..
- ix. Veteran/Hudson Initiative: Proposer should demonstrate participation in Veteran Initiative and Hudson Initiative Small Entrepreneurships or explanation if not applicable. (See Attachment I)

d. The following information **must** be included in the proposal:

- i. Certification Statement: The proposer must sign and submit an original Certification Statement (See Attachment II).

## 5. Work Plan/Project Execution

The proposer should articulate an understanding of, and ability to effectively implement services as outlined within Section II of the RFP. In this section the proposer should state the approach it intends to use in achieving each objective of the project as outlined, including a project work plan and schedule for implementation. In particular, the proposer should:

- a. Provide a written explanation of the organizational structures of both operations and program administration, and how those structures will support service implementation. Individual components should include plans for supervision, training, technical assistance, as well as collaboration as appropriate.
- b. Provide a strategic overview including all elements to be provided.
- c. Demonstrate an ability to hire staff with the necessary experience and skill set that will enable them to effectively meet the needs of consumers served.
- d. Demonstrate an understanding of, and ability to implement, the various types of organizational strategies to be integrated within the day to day operations, which are critical in organizing their functioning and maximizing productivity.

- e. Demonstrate knowledge of services to be provided and effective strategies to achieve objectives and effective service delivery.
  - f. Describe approach and strategy for project oversight and management` .
  - g. Articulate the need for, and the ability to implement, a plan for continuous quality improvement; this includes (but is not limited to) reviewing the quality of services provided and staff productivity.
  - h. Demonstrate an understanding of and ability to implement data collection as needed.
  - i. Explain processes that will be implemented in order to complete all tasks and phases of the project in a timely manner, as outlined within Section II.
  - j. Articulate the ability to develop and implement an All Hazards Response plan in the event of an emergency event.
  - k. Refer to specific documents and reports that can be produced as a result of completing tasks, to achieve the requested deliverables.
  - l. Identify all assumptions or constraints on tasks.
  - m. Discuss what flexibility exists within the work plan to address unanticipated problems which might develop during the contract period.
  - n. If the proposer intends to subcontract for portions of the work, include specific designations of the tasks to be performed by the subcontractor.
  - o. Document procedures to protect the confidentiality of records in DHH databases, including records in databases that may be transmitted electronically via e-mail or the Internet.
6. Relevant Corporate Experience
- a. The proposal should indicate the proposer's firm has a record of prior successful experience in the implementation of the services sought through this RFP. Proposers should include statements specifying the extent of responsibility on prior projects and a description of the projects scope and similarity to the projects outlined in this RFP. All experience under this section should be in sufficient detail to allow an adequate evaluation by the Department. The proposer should have, within the last 24 months implemented a similar type project. Proposers should give at least two customer references for projects implemented in at least the last 24 months. References shall include the name, email address and telephone number of each contact person.

- b. In this section, a statement of the proposer's involvement in litigation that could affect this work should be included. If no such litigation exists, proposer should so state.

## 7. Personnel Qualifications

- a. The purpose of this section is to evaluate the relevant experience, resources, and qualifications of the proposed staff to be assigned to this project. The experience of proposer's personnel in implementing similar services to those to be provided under this RFP will be evaluated. The adequacy of personnel for the proposed project team will be evaluated on the basis of project tasks assigned, allocation of staff, professional skill mix, and level of involvement of personnel.
- b. Proposers should state job responsibilities, workload and lines of supervision. An organizational chart identifying individuals and their job titles and major job duties should be included. The organizational chart should show lines of responsibility and authority.
- c. Job descriptions, including the percentage of time allocated to the project and the number of personnel should be included and should indicate minimum education, training, experience, special skills and other qualifications for each staff position as well as specific job duties identified in the proposal. Job descriptions should indicate if the position will be filled by a sub-contractor.
- d. Key personnel and the percentage of time directly assigned to the project should be identified.
- e. Résumés of all known personnel should be included. Resumes of proposed personnel should include, but not be limited to:
  - Experience with proposer,
  - Previous experience in projects of similar scope and size.
  - Educational background, certifications, licenses, special skills, etc.
- f. If subcontractor personnel will be used, the proposer should clearly identify these persons, if known, and provide the same information requested for the proposer's personnel.

## 8. Additional Information

As an appendix to its proposal, if available, proposers should provide copies of any policies and procedures manuals applicable to this contract, inclusive of organizational standards or ethical standards. This appendix should also include a copy of proposer's All Hazards Response Plan, if available.

## 9. Corporate Financial Condition



- a. The organization's financial solvency will be evaluated. The proposer's ability to demonstrate adequate financial resources for performance of the contract or the ability to obtain such resources as required during performance under this contract will be considered.
- b. Proposal should include for each of the last three (3) years, copies of financial statements, preferably audited, including at least a balance sheet and profit and loss statement, or other appropriate documentation which would demonstrate to the Department the proposer's financial resources sufficient to conduct the project.

#### 10. Cost and Pricing Analysis

- a. Proposer shall specify costs for performance of tasks. Proposal shall include all anticipated costs of successful implementation of all deliverables outlined. An item by item breakdown of costs shall be included in the proposal.

Proposers shall submit the breakdown in a similar format to the attached sample cost template form (See Attachment V) for each year of the contract to demonstrate how cost was determined.

#### **P. Evaluation Criteria**

The following criteria will be used to evaluate proposals:

1. Evaluations will be conducted by a Proposal Review Committee.
2. Evaluations of the financial statements will be conducted by a member of the DHH Fiscal Division.
3. Scoring will be based on a possible total of 100 points, and the proposal with the highest total score will be recommended for award.
4. Cost Evaluation:
  - a. The proposer with the lowest total cost for the first year shall receive 25 points. Other proposers shall receive points for cost based upon the following formula:

$$\text{CPS} = (\text{LPC}/\text{PC}) * 25$$

CPS = Cost Proposal Score

LPC = Lowest Proposal Cost of all proposers

PC = Individual Proposal Cost

- b. The assignment of the 25 points based on the above formula will be calculated by a member of the DHH Contracts Office staff.

5. Evaluation Criteria and Assigned Weights:

Evaluation Criteria	Assigned Weight
Introduction/Understanding of RFP	5
Work Plan/Project Execution	20
Corporate Experience	15
Qualification of Personnel	20
Financial Statements	5
Cost	25
Veteran and Hudson Initiatives	10
Total	100

**Q. On-Site Presentations/Demonstrations**

Not required for this RFP.

**R. Announcement of Award**

The Department will award the contract to the proposer with the highest graded proposal and deemed to be in the best interest of the Department. All proposers will be notified of the contract award. The Department will notify the successful proposer and proceed to negotiate contract terms.

**IV. CONTRACTUAL INFORMATION**

- A. The contract between DHH and the Contractor shall include the standard DHH contract form (CF-1/attached) including a negotiated scope of work, the RFP and its amendments and addenda, and the Contractor’s proposal. The attached CF-1 contains basic information and general terms and conditions of the contract to be awarded.
- B. Mutual Obligations and Responsibilities: The state requires that the mutual obligations and responsibilities of DHH and the successful proposer be recorded in a written contract. While final wording will be resolved at contract time, the intent of the provisions will not be altered and will include all provisions as specified in the attached CF-1 (Attachment III).
- C. Retainage - the Department shall secure a retainage of 10% from all billings under the contract as surety for performance. On successful completion of contract deliverables, the retainage amount may be released on an annual basis. Within ninety (90) days of the termination of the contract, if the contractor has performed the contract services to the satisfaction of the Department and all invoices appear to be correct, DHH shall release all retained amounts to the contractor.

D. In addition, to terms of the CF-1 and supplements, the following will be incorporated into the contract awarded through this RFP:

1. Personnel Assignments:

- a. The Contractor must identify Key Personnel.
- b. Key personnel for these purposes will be determined during contract negotiation.
- c. Key Personnel shall be subject to the DHH Project Director's approval.
- d. The Contractor's Key Personnel assigned to this contract shall not be replaced without the prior written consent of the Department. Such consent shall not be unreasonably withheld or delayed provided an equally qualified replacement is offered.
- e. The Contractor must identify and update the List of Key Personnel, as approved by DHH, throughout the term of this Contract as requested by the DHH Contract Monitor.
- f. Key Personnel positions or Key Personnel identified by name in the List of Key Personnel must not be modified or removed except upon the prior express written approval of the DHH Project Director.
- g. The Contractor must provide DHH with a résumé of any member of its Staff or a Subcontractor's Staff assigned or proposed to be assigned to any aspect of the performance of this Contract prior to commencing any Services.
- h. The Contractor must make available to DHH a list of all staff providing services under this Contract and to timely update the list to reflect changes. This list must include all full or part-time staff names, working Project titles, a brief description of each position, and the monthly hours worked.
- i. During the term of this Contract, DHH reserves the right to approve or disapprove any member of Contractor's Staff, to approve or disapprove any proposed changes in such Staff, or to require the removal or reassignment of any Staff found unacceptable by DHH.
- j. The Contractor must not remove from the Project the Key Personnel, nor temporarily reassign or reduce the time of the Key Personnel to the Project or divide the time of the Key Personnel between the Project and any other project or task, event or activity unrelated to the Project, except in the event of: illness; retirement; disability; termination of employment, or completion of assignments as defined in the Work Plan, or by mutual agreement of the parties.
- k. All Staff proposed by the Contractor as replacements for other Staff must have comparable or greater skills to perform the Project activities as were performed by the Staff being replaced. Staff replacements shall be made within 21 days.
- l. The Contractor must not rehire any such removed personnel as a consultant or sub-contractor to perform services under the Contract without the express written approval of DHH.

2. Force Majeure: The contractor and the Department are excused from performance under contract for any period they may be prevented from performance by an Act of God, strike, war, civil disturbance, epidemic or court order.
3. Order of Precedence: The contract shall, to the extent possible, be construed to give effect to all provisions contained therein; however, where provisions conflict, the intent of the parties shall be determined by giving a first priority to provisions of the contract excluding the RFP and the proposal; second priority to the provisions of the RFP; and third priority to the provisions of the proposal.
4. Entire Agreement: This contract, together with the RFP and addenda issued thereto by the Department, the proposal submitted by the contractor in response to the Department's RFP, and any exhibits specifically incorporated herein by reference constitute the entire agreement between the parties with respect to the subject matter.
5. Board Resolution/Signature Authority: The contractor, if a corporation, shall secure and attach to the contract a formal Board Resolution indicating the signatory to the contract is a corporate representative and authorized to sign said contract.
6. Warranty to Comply with State and Federal Regulations: The contractor shall warrant that it shall comply with all state and federal regulations as they exist at the time of the contract or as subsequently amended.
7. Warranty of Removal of Conflict of Interest: The contractor shall warrant that it, its officers, and employees have no interest and shall not acquire any interest, direct or indirect, which conflicts in any manner or degree with the performance of services hereunder. The contractor shall periodically inquire of its officers and employees concerning such conflicts, and shall inform the Department promptly of any potential conflict. The contractor shall warrant that it shall remove any conflict of interest prior to signing the contract.
8. If the contractor is a corporation, the following requirement must be met prior to execution of the contract:
  - a. If a for-profit corporation whose stock is not publicly traded-the contractor must file a Disclosure of Ownership form with the Louisiana Secretary of State.
  - b. If the contractor is a corporation not incorporated under the laws of the State of Louisiana-the contractor must obtain a Certificate of Authority pursuant to R.S. 12:301-302 from the Louisiana Secretary of State.
  - c. The contractor must provide written assurance to the agency from contractor's legal counsel that the contractor is not prohibited by its articles of incorporation, bylaws or the laws under which it is incorporated from performing the services required under the contract.

Attachments:

- I. Veteran and Hudson Initiatives
- II. Certification Statement
- III. DHH Standard Contract Form (CF-1)
- IV. HIPAA BAA
- V. Sample Cost Breakdown Template
- VI. Regional Map

**Minimum Required Language - Request For Proposal (RFP)  
Veteran-Owned and Service-Connected Small Entrepreneurships (Veteran  
Initiative) and Louisiana Initiative for Small Entrepreneurships (Hudson  
Initiative) Programs**

***Participation of Veteran Initiative and Hudson Initiative small entrepreneurships will be scored as part of the technical evaluation.***

The State of Louisiana Veteran and Hudson Initiatives are designed to provide additional opportunities for Louisiana-based small entrepreneurships (sometimes referred to as LaVet's and SE's respectively) to participate in contracting and procurement with the state. A certified Veteran-Owned and Service-Connected Disabled Veteran-Owned small entrepreneurship (LaVet) and a Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) small entrepreneurship are businesses that have been certified by the Louisiana Department of Economic Development. All eligible vendors are encouraged to become certified. Qualification requirements and online certification are available at [https://smallbiz.louisianaforward.com/index\\_2.asp](https://smallbiz.louisianaforward.com/index_2.asp).

Ten percent (10%) of the total evaluation points on this RFP are reserved for proposers who are themselves a certified Veteran or Hudson Initiative small entrepreneurship or who will engage the participation of one or more certified Veteran or Hudson Initiatives small entrepreneurships as subcontractors.

Reserved points shall be added to the applicable proposers' evaluation score as follows:

Proposer Status and Reserved Points

- Proposer is a certified small entrepreneurship: Full amount of the reserved points
- Proposer is not a certified small entrepreneurship but has engaged one or more certified small entrepreneurships to participate as subcontractors or distributors. Points will be allocated based on the following criteria:
  - the number of certified small entrepreneurships to be utilized
  - the experience and qualifications of the certified small entrepreneurship(s)
  - the anticipated earnings to accrue to the certified small entrepreneurship(s)

If a proposer is not a certified small entrepreneurship as described herein, but plans to use certified small entrepreneurship(s), proposer shall include in their proposal the names of their certified Veteran Initiative or Hudson Initiative small entrepreneurship subcontractor(s), a description of the work each will perform, and the dollar value of each subcontract.

During the term of the contract and at expiration, the Contractor will also be required to report Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship subcontractor or distributor participation and the dollar amount of each.

The statutes (R.S 39:2171 *et. seq.*) concerning the Veteran Initiative may be viewed at

<http://legis.la.gov/lss/lss.asp?doc=671504>; and the statutes (R.S 39:2001 *et. seq.*) concerning the Hudson Initiative may be viewed <http://legis.la.gov/lss/lss.asp?doc=96265>. The rules for the Veteran Initiative (LAC 19:VII. Chapters 11 and 15) and for the Hudson Initiative (LAC 19:VIII Chapters 11 and 13) may be viewed at <http://www.doa.louisiana.gov/osp/se/se.htm>.

A current list of certified Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship may be obtained from the Louisiana Economic Development Certification System at [https://smallbiz.louisianaforward.com/index\\_2.asp](https://smallbiz.louisianaforward.com/index_2.asp). Additionally, a list of Hudson and Veteran Initiative small entrepreneurship, which have been certified by the Louisiana Department of Economic Development and who have opted to register in the State of Louisiana LaGov Supplier Portal [https://lagoverpvendor.doa.louisiana.gov/irj/portal/anonymous?guest\\_user=self\\_req](https://lagoverpvendor.doa.louisiana.gov/irj/portal/anonymous?guest_user=self_req) may be accessed from the State of Louisiana Procurement and Contract (LaPAC) Network <http://wwwprd.doa.louisiana.gov/osp/lapac/vendor/srchven.asp>. When using this site, determine the search criteria (i.e. alphabetized list of all certified vendors, by commodities, etc.) and select SmallE, VSE, or DVSE.

Rev. 12/1/11

**CERTIFICATION STATEMENT**

**ATTACHMENT II**

The undersigned hereby acknowledges she/he has read and understands all requirements and specifications of the Request for Proposals (RFP), including attachments.

**OFFICIAL CONTACT.** The State requests that the Proposer designate one person to receive all documents and the method in which the documents are best delivered. Identify the Contact name and fill in the information below: (Print Clearly)

Date	
Official Contact Name	
Email Address	
Fax Number with Area Code	
Telephone Number	
Street Address	
City, State, and Zip	

Proposer certifies that the above information is true and grants permission to the Department to contact the above named person or otherwise verify the information I have provided.

By its submission of this proposal and authorized signature below, proposer certifies that:

1. The information contained in its response to this RFP is accurate;
2. Proposer accepts the procedures, evaluation criteria, contract terms and conditions, and all other administrative requirements set forth in this RFP.
3. Proposer accepts the procedures, evaluation criteria, mandatory contract terms and conditions, and all other administrative requirements set forth in this RFP.
4. Proposer's technical and cost proposals are valid for at least 120 days from the date of proposer's signature below;
5. Proposer understands that if selected as the successful Proposer, he/she will have ten (10) business days from the date of delivery of initial contract in which to complete contract negotiations, if any, and execute the final contract document. The Department has the option to waive this deadline if actions or inactions by the Department cause the delay.
6. Proposer certifies, by signing and submitting a proposal for \$25,000 or more, 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 [www.epls.gov](http://www.epls.gov)).

Authorized Signature: \_\_\_\_\_  
(Original signature only. No electronic or photocopy accepted.)

Typed or Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_



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

<b>CFMS:</b> <b>DHH:</b> <b>AGENCY #</b>
------------------------------------------------

Attachment III  
DHH - CF - 1

**CONTRACT BETWEEN STATE OF LOUISIANA  
DEPARTMENT OF HEALTH AND HOSPITALS**

AND

FOR

Personal Services    Professional Services    Consulting Services    Social Services

1) <b>Contractor (Legal Name if Corporation)</b>	5) <b>Federal Employer Tax ID# or Social Security #</b> (11 digits)
2) <b>Street Address</b>	6) <b>Parish(es) Served</b>
<b>City and State</b>	<b>Zip Code</b>
7) <b>License or Certification #</b>	
3) <b>Telephone Number</b>	8) <b>Contractor Status</b>
4) <b>Mailing Address (if different)</b>	Subrecipient: <input type="checkbox"/> Yes <input type="checkbox"/> No
	Corporation: <input type="checkbox"/> Yes <input type="checkbox"/> No
	For Profit: <input type="checkbox"/> Yes <input type="checkbox"/> No
	Publicly Traded: <input type="checkbox"/> Yes <input type="checkbox"/> No
<b>City and State</b>	<b>Zip Code</b>
	8a) <b>CFDA#(Federal Grant #)</b>

9) **Brief Description Of Services To Be Provided:**

Include description of work to be performed and objectives to be met; description of reports or other deliverables and dates to be received (when applicable). In a consulting service, a resume of key contract personnel performing duties under the terms of the contract and amount of effort each will provide under terms of contract should be attached.

10) <b>Effective Date</b>	11) <b>Termination Date</b>
---------------------------	-----------------------------

12) This contract may be terminated by either party upon giving thirty (30) days advance written notice to the other party with or without cause but in no case shall continue beyond the specified termination date.

13) **Maximum Contract Amount**

14) **Terms of Payment**

If progress and/or completion of services are provided to the satisfaction of the initiating Office/Facility, payments are to be made as follows: (stipulate rate or standard of payment, billing intervals, invoicing provisions, etc.). Contractor obligated to submit final invoices to Agency within fifteen (15) days after termination of contract.

<b>PAYMENT WILL BE MADE ONLY UPON APPROVAL OF:</b>	<b>Name</b>	
	<table border="1"> <tr> <td><b>Title</b></td> <td><b>Phone Number</b></td> </tr> </table>	<b>Title</b>
<b>Title</b>	<b>Phone Number</b>	

15) **Special or Additional Provisions which are incorporated herein, if any (IF NECESSARY, ATTACH SEPARATE SHEET AND REFERENCE):**

**During the performance of this agreement, the Contractor hereby agrees to the following terms and conditions:**

1. Contractor hereby agrees to adhere as applicable to the mandates dictated by Titles VI and VII of the Civil Rights Act of 1964, as amended; the Vietnam Era Veterans' Readjustment Assistance Act of 1974; Americans with Disabilities Act of 1990 as amended; the Rehabilitation Act of 1973 as amended; Sec. 202 of Executive Order 11246 as amended, and all applicable requirements imposed by or pursuant to the regulations of the U. S. Department of Health and Human Services. Contractor agrees not to discriminate in the rendering of services to and/or employment of individuals because of race, color, religion, sex, age, national origin, handicap, political beliefs, disabled veteran, veteran status, or any other non-merit factor.
2. Contractor shall abide by the laws and regulations concerning confidentiality which safeguard information and the patient/client confidentiality. Information obtained shall not be used in any manner except as necessary for the proper discharge of Contractor's obligations. (The Contractor shall establish, subject to review and approval of the Department, confidentiality rules and facility access procedures.)
3. The State Legislative Auditor, Office of the Governor, Division of Administration, and Department Auditors or those designated by the Department shall have the option of auditing all accounts pertaining to this contract during the contract and for a three year period following final payment. Contractor grants to the State of Louisiana, through the Office of the Legislative Auditor, Department of Health and Hospitals, and Inspector General's Office, Federal Government and/or other such officially designated body the right to inspect and review all books and records pertaining to services rendered under this contract, and further agrees to guidelines for fiscal administration as may be promulgated by the Department. Records will be made available during normal working hours.

Contractor shall comply with federal and state laws and/or DHH Policy requiring an audit of the Contractor's operation as a whole or of specific program activities. Audit reports shall be sent within thirty (30) days after the completion of the audit, but no later than six (6) months after the end of the audit period. If an audit is performed within the contract period, for any period, four (4) copies of the audit report shall be sent to the Department of Health and Hospitals, Attention: **Division of Fiscal Management, P.O. Box 91117, Baton Rouge, LA 70821-3797** and one (1) copy of the audit shall be sent to the **originating DHH Office.**

4. Contractor agrees to retain all books, records and other documents relevant to the contract and funds expended thereunder for at least four (4) years after final payment or as prescribed in 45 CFR 74:53 (b) whichever is longer. Contractor shall make available to the Department such records within thirty (30) days of the Department's written request and shall deliver such records to the Department's central office in Baton Rouge, Louisiana, all without expense to the Department. Contractor shall allow the Department to inspect, audit or copy records at the contractor's site, without expense to the Department.
5. Contractor shall not assign any interest in this contract and shall not transfer any interest in the same (whether by assignment or novation), without written consent of the Department thereto, provided, however, that claims for money due or to become due to Contractor from the Department under this contract may be assigned to a bank, trust company or other financial institution without advanced approval. Notice of any such assignment or transfer shall be promptly furnished to the Department and the Division of Administration, Office of Contractual Review.
6. Contractor hereby agrees that the responsibility for payment of taxes from the funds received under this contract shall be Contractor's. The contractor assumes responsibility for its personnel providing services hereunder and shall make all deductions for withholding taxes, and contributions for unemployment compensation funds, and shall maintain, at Contractor's expense, all necessary insurance for its employees, including but not limited to automobile insurance, workers' compensation and general liability insurance.

7. Contractor shall obtain and maintain during the contract term all necessary insurance including automobile insurance, workers' compensation insurance, and general liability insurance. The required insurances shall protect the Contractor, the Department of Health and Hospitals, and the State of Louisiana from all claims related to Contractor's performance of this contract. Certificates of Insurance shall be filed with the Department for approval. Said policies shall not be canceled, permitted to expire, or be changed without thirty (30) days advance written notice to the Department. Commercial General Liability Insurance shall provide protection during the performance of work covered by the contract from claims or damages for personal injury, including accidental death, as well as claims for property damages, with combined single limits prescribed by the Department.
8. In cases where travel and related expenses are required to be identified separate from the fee for services, such costs shall be in accordance with State Travel Regulations. The contract contains a maximum compensation which shall be inclusive of all charges including fees and travel expenses.
9. No funds provided herein shall be used to urge any elector to vote for or against any candidate or proposition on an election ballot nor shall such funds be used to lobby for or against any proposition or matter having the effect of law being considered by the legislature or any local governing authority. This provision shall not prevent the normal dissemination of factual information relative to a proposition or any election ballot or a proposition or matter having the effect of law being considered by the legislature or any local governing authority. Contracts with individuals shall be exempt from this provision.
10. Should contractor become an employee of the classified or unclassified service of the State of Louisiana during the effective period of the contract, Contractor must notify his/her appointing authority of any existing contract with State of Louisiana and notify the contracting office of any additional state employment. This is applicable only to contracts with individuals.
11. All non-third party software and source code, records, reports, documents and other material delivered or transmitted to Contractor by State shall remain the property of State, and shall be returned by Contractor to State, at Contractor's expense, at termination or expiration of this contract. All non-third party software and source code, records, reports, documents, or other material related to this contract and/or obtained or prepared by Contractor in connection with the performance of the services contracted for herein shall become the property of State, and shall be returned by Contractor to State, at Contractor's expense, at termination or expiration of this contract.
12. Contractor shall not enter into any subcontract for work or services contemplated under this contract without obtaining prior written approval of the Department. Any subcontracts approved by the Department shall be subject to conditions and provisions as the Department may deem necessary; provided, however, that notwithstanding the foregoing, unless otherwise provided in this contract, such prior written approval shall not be required for the purchase by the contractor of supplies and services which are incidental but necessary for the performance of the work required under this contract. No subcontract shall relieve the Contractor of the responsibility for the performance of contractual obligations described herein.
13. No person and no entity providing services pursuant to this contract on behalf of contractor or any subcontractor is prohibited from providing such services by the provisions of R.S. 42:1113 as amended in the 2008 Regular Session of the Louisiana Legislature.
14. No claim for services furnished or requested for reimbursement by Contractor, not provided for in this contract, shall be allowed by the Department. In the event the Department determines that certain costs which have been reimbursed to Contractor pursuant to this or previous contracts are not allowable, the Department shall have the right to set off and withhold said amounts from any amount due the Contractor under this contract for costs that are allowable.
15. This contract is subject to and conditioned upon the availability and appropriation of Federal and/or State funds; and no liability or obligation for payment will develop between the parties until the contract has been approved by required authorities of the Department; and, if contract exceeds

\$20,000, the Director of the Office of Contractual Review, Division of Administration in accordance with La. R.S. 39:1502.

16. The continuation of this contract is contingent upon the appropriation of funds from the legislature to fulfill the requirements of the contract. 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 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.
17. Any alteration, variation, modification, or waiver of provisions of this contract shall be valid only when reduced to writing, as an amendment duly signed, and approved by required authorities of the Department; and, if contract exceeds \$20,000, approved by the Director of the Office of Contractual Review, Division of Administration. Budget revisions approved by both parties in cost reimbursement contracts do not require an amendment if the revision only involves the realignment of monies between originally approved cost categories.
18. Any contract disputes will be interpreted under applicable Louisiana laws and regulations in Louisiana administrative tribunals or district courts as appropriate.
19. Contractor will warrant all materials, products and/or services produced hereunder will not infringe upon or violate any patent, copyright, trade secret, or other proprietary right of any third party. In the event of any such claim by any third party against DHH, the Department shall promptly notify Contractor in writing and Contractor shall defend such claim in DHH's name, but at Contractor's expense and shall indemnify and hold harmless DHH against any loss, expense or liability arising out of such claim, whether or not such claim is successful. This provision is not applicable to contracts with physicians, psychiatrists, psychologists or other allied health providers solely for medical services.
20. Any equipment purchased under this contract remains the property of the Contractor for the period of this contract and future continuing contracts for the provision of the same services. Contractor must submit vendor invoice with reimbursement request. For the purpose of this contract, equipment is defined as any tangible, durable property having a useful life of at least (1) year and acquisition cost of \$1000.00 or more. The contractor has the responsibility to submit to the Contract Monitor an inventory list of DHH equipment items when acquired under the contract and any additions to the listing as they occur. Contractor will submit an updated, complete inventory list on a quarterly basis to the Contract Monitor. Contractor agrees that upon termination of contracted services, the equipment purchased under this contract reverts to the Department. Contractor agrees to deliver any such equipment to the Department within 30 days of termination of services.
21. Contractor agrees to protect, indemnify and hold harmless the State of Louisiana, DHH, from all claims for damages, costs, expenses and attorney fees arising in contract or tort from this contract or from any acts or omissions of Contractor's agents, employees, officers or clients, including premises liability and including any claim based on any theory of strict liability. This provision does not apply to actions or omissions for which LA R.S. 40:1299.39 provides malpractice coverage to the contractor, nor claims related to treatment and performance of evaluations of persons when such persons cause harm to third parties (R.S. 13:5108.1(E)). Further it does not apply to premises liability when the services are being performed on premises owned and operated by DHH.
22. Any provision of this contract is severable if that provision is in violation of the laws of the State of Louisiana or the United States, or becomes inoperative due to changes in State and Federal law, or applicable State or Federal regulations.
23. Contractor agrees that the current contract supersedes all previous contracts, negotiations, and all other communications between the parties with respect to the subject matter of the current contract.

THIS CONTRACT CONTAINS OR HAS ATTACHED HERETO ALL THE TERMS AND CONDITIONS AGREED UPON BY THE CONTRACTING PARTIES. IN WITNESS THEREOF, THIS CONTRACT IS SIGNED ON THE DATE INDICATED BELOW.

	<b>STATE OF LOUISIANA DEPARTMENT OF HEALTH AND HOSPITALS</b>
--	------------------------------------------------------------------

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
NAME

\_\_\_\_\_  
NAME

\_\_\_\_\_  
*Secretary, Department of Health and Hospitals or Designee*

\_\_\_\_\_  
TITLE

\_\_\_\_\_  
TITLE

--	--

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
NAME

\_\_\_\_\_  
NAME

\_\_\_\_\_  
TITLE

\_\_\_\_\_  
TITLE

**HIPAA Business Associate Addendum:**

This Business Associate Addendum is hereby made a part of this contract in its entirety as Appendix \_\_\_ to the contract.

1. The U. S. Department of Health and Human Services has issued final regulations, pursuant to the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), governing the privacy of individually identifiable health information. See 45 CFR Parts 160 and 164 (the “HIPAA Privacy Rule”). The Department of Health and Hospitals, (“DHH”), as a “Covered Entity” as defined by HIPAA, is a provider of health care, a health plan, or otherwise has possession, custody or control of health care information or records.

2. “*Protected health information*” (“PHI”) means individually identifiable health information including all information, data, documentation and records, including but not limited to demographic, medical and financial information that relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual or payment for health care provided to an individual; and that identifies the individual or which DHH believes could be used to identify the individual.

“*Electronic protected health information*” means PHI that is transmitted by electronic media or maintained in electronic media.

“*Security incident*” means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system.

3. Contractor is considered a Business Associate of DHH, as contractor either: (A) performs certain functions on behalf of or for DHH involving the use or disclosure of protected individually identifiable health information by DHH to contractor, or the creation or receipt of PHI by contractor on behalf of DHH; or (B) provides legal, actuarial, accounting, consulting, data aggregation, management, administrative, accreditation, financial or social services for DHH involving the disclosure of PHI.

4. Contractor agrees that all PHI obtained as a result of this contractual agreement shall be kept confidential by contractor, its agents, employees, successors and assigns as required by HIPAA law and regulations and by this contract and addendum.

5. Contractor agrees to use or disclose PHI solely (A) for meeting its obligations under this contract, or (B) as required by law, rule or regulation or as otherwise permitted under this contract or the HIPAA Privacy Rule.

6. Contractor agrees that at termination of the contract, or upon request of DHH, whichever occurs first, contractor will return or destroy (at the option of DHH) all PHI received or created by contractor that contractor still maintains in any form and retain no copies of such information; or if such return or destruction is not feasible, contractor will extend the confidentiality protections of the contract to the information and limit further uses and disclosure to those purposes that make the return or destruction of the information infeasible.

7. Contractor will ensure that its agents, employees, subcontractors or others to whom it provides PHI received by or created by contractor on behalf of DHH agree to the same restrictions and conditions that apply to contractor with respect to such information. Contractor also agrees to take all reasonable steps to ensure that its employees', agents' or subcontractors' actions or omissions do not cause contractor to breach the terms of this Addendum. Contractor will use all appropriate safeguards to prevent the use or disclosure of PHI other than pursuant to the terms and conditions of this contract and Addendum.
8. Contractor shall, within 3 days of becoming aware of any use or disclosure of PHI, other than as permitted by this contract and Addendum, report such disclosure in writing to the person(s) named in section 14 (Terms of Payment), page 1 of the CF-1.
9. Contractor shall make available such information in its possession which is required for DHH to provide an accounting of disclosures in accordance with 45 CFR 164.528. In the event that a request for accounting is made directly to contractor, contractor shall forward such request to DHH within two (2) days of such receipt. Contractor shall implement an appropriate record keeping process to enable it to comply with the requirements of this provision. Contractor shall maintain data on all disclosures of PHI for which accounting is required by 45 CFR 164.528 for at least six (6) years after the date of the last such disclosure.
10. Contractor shall make PHI available to DHH upon request in accordance with 45 CFR 164.524.
11. Contractor shall make PHI available to DHH upon request for amendment and shall incorporate any amendments to PHI in accordance with 45 CFR 164.526.
12. Contractor shall make its internal practices, books, and records relating to the use and disclosure of PHI received from or created or received by contractor on behalf of DHH available to the Secretary of the U. S. DHHS for purposes of determining DHH's compliance with the HIPAA Privacy Rule.
13. Compliance with Security Regulations:  
In addition to the other provisions of this Addendum, if Contractor creates, receives, maintains, or transmits electronic PHI on DHH's behalf, Contractor shall, no later than April 20, 2005:
  - (A) Implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic protected health information that it creates, receives, maintains, or transmits on behalf of DHH;
  - (B) Ensure that any agent, including a subcontractor, to whom it provides such information agrees to implement reasonable and appropriate safeguards to protect it; and
  - (C) Report to DHH any security incident of which it becomes aware.
14. Contractor agrees to indemnify and hold DHH harmless from and against all liability and costs, including attorneys' fees, created by a breach of this Addendum by contractor, its agents, employees or subcontractors, without regard to any limitation or exclusion of damages provision otherwise set forth in the contract.
15. Notwithstanding any other provision of the contract, DHH shall have the right to terminate the contract immediately if DHH determines that contractor has violated any material term of this Addendum.

Attachment V  
Cost and Pricing Template

**Cost and Pricing Template**

Proposer:
Address:
City, State, Zip Code:

**Proposal shall include all anticipated costs of successful implementation of deliverables for the SMO review. Proposer shall provide an all-inclusive price for each deliverable listed below.**

Year 1 Requirements

	Desk Review and On-site Visit
	Review of Compliance with Federal Managed Care Regulations
	Validation of SMO information systems capabilities
	Encounter Data Validation
	Performance Measure Validation
	Validation of Consumer and Provider Surveys
	Technical Assistance
	Determination of MLR Quality Activities
	PIP Validation (price per PIP)

Total Year 1 Costs: \$ \_\_\_\_\_

Year 2 Requirements

	Desk Review and On-site Visit
	Review of Compliance with Federal Managed Care Regulations
	Validation of SMO information systems capabilities
	Encounter Data Validation
	Performance Measure Validation
	Validation of Consumer and Provider Surveys
	Technical Assistance
	Determination of MLR Quality Activities
	PIP Validation (price per PIP)

Total Year 2 Costs: \$ \_\_\_\_\_

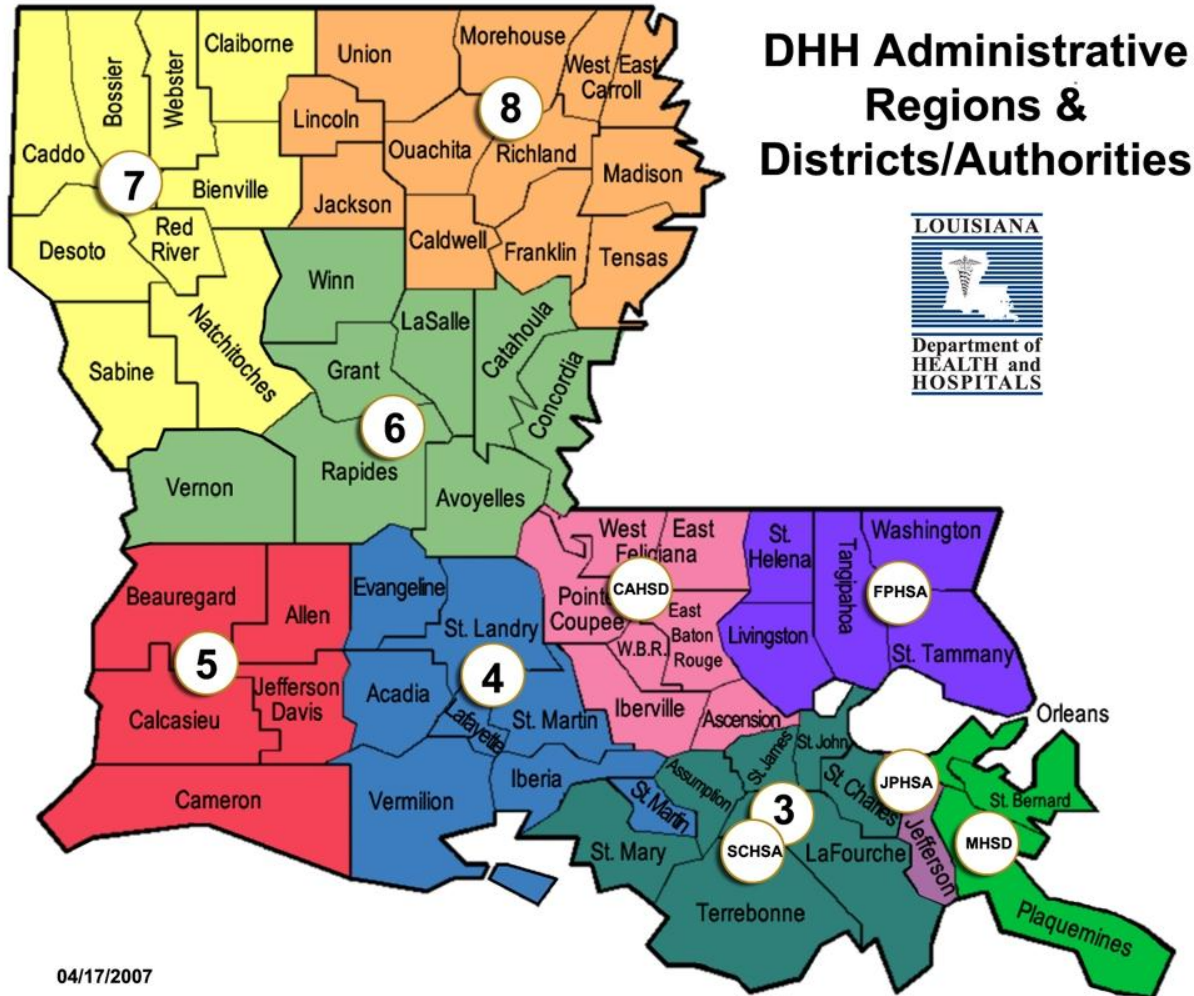


Year 3 Requirements

	Desk Review and On-site Visit
	Review of Compliance with Federal Managed Care Regulations
	Validation of SMO information systems capabilities
	Encounter Data Validation
	Performance Measure Validation
	Validation of Consumer and Provider Surveys
	Technical Assistance
	Determination of MLR Quality Activities
	PIP Validation (price per PIP)

Total Year 3 Costs: \$\_\_\_\_\_

Total Costs (Years 1-3): \$\_\_\_\_\_



- CAHSD Capital Area Human Services District
- FPHSA Florida Parishes Human Services District
- JPHSA Jefferson Parish Human Services Authority
- MHSD Metropolitan Human Services District
- SCHSA South Central Louisiana Human Services Authority