



**REQUEST FOR PROPOSAL**

**MEDICAID ELIGIBILITY DATA SYSTEM  
INDEPENDENT VERIFICATION AND VALIDATION SERVICES  
(IV & V)**

**LOUISIANA MEDICAID PROGRAM**

**BUREAU OF HEALTH SERVICES FINANCING  
DEPARTMENT OF HEALTH AND HOSPITALS**

**RFP # 305PUR-DHHRFP-IV&V-DATA-MVA  
Proposal Due Date/Time: February 19, 2013  
4:00 pm CST**

**Release Date: January 16, 2013**

# MEDS IV & V RFP 2013

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## **Glossary**

**BHSF:** Bureau of Health Services Financing. The administrative operation of DHH responsible for the Medicaid program.

**Business Day:** Traditional workdays, which are Monday, Tuesday, Wednesday, Thursday and Friday from 8am - 5pm CDT. Only Louisiana state holidays are excluded.

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

**CDR:** Critical Design Review. Demonstrates that the maturity of the design is appropriate to support proceeding with full-scale fabrication, assembly, integration, and test.

**CMS:** Centers for Medicare and Medicaid Services; the federal agency charged with overseeing and approving states' implementation and administration of the Medicaid program.

**DDI:** Design, Development, and Implementation. The design, development, and implementation phases of the software life cycle.

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

**DHH:** Department of Health and Hospitals; the Louisiana state executive branch agency whose mission is to protect and promote health and to ensure access to medical, preventive, and rehabilitative services for all citizens of the State of Louisiana.

**FI:** Fiscal Intermediary. Entity responsible for processing recipient claims and making payment to providers for services rendered.

**HIPAA:** Health Insurance Portability and Accountability Act. The HIPAA Privacy Rule provides federal protections for personal health information (PHI) held by covered entities and gives patients an array of rights with respect to that information. At the same time, the Privacy Rule is balanced so that it permits the disclosure of personal health information needed for patient care and other important purposes.

**LTC:** Long Term Care. An eligibility program class in Medicaid.

**MEDS:** Medicaid Eligibility Data System. Computer system used to determine and record eligibility of recipients in Medicaid programs.

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**Monitor:** To watch, track, and/or check on data/information, and to report on the data/information as determined by the Department, including recommendations for resolutions of issues and suggestions for efficiencies.

**Must:** Denotes a mandatory requirement

**NiAS:** “Notices” system that sends automatically rendered updates to recipients regarding their case through the postal system.

**Operations:** Ongoing, recurrent activities involved in the MEDS.

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

**PDR:** Preliminary Design Review. Demonstrates that the preliminary design meets all system requirements with acceptable risk and within the cost and schedule constraints and establishes the basis for proceeding with detailed design.

**PMBOK:** Project Management Book of Knowledge. A collection of processes and knowledge areas generally accepted as best practice within the project management discipline.

**PMI:** Project Management Institute

**PMO:** Project Management Office. Sets the standards and required documentation for project planning.

**PMP:** Project Management Professional. Certification standard from the Project Management Institute regarding project management best practices.

**RA:** Requirements Analysis. Project planning phase that documents the high level business need for a particular project and translates it into concrete, measurable product features.

**Redacted Proposal:** A proposal with confidential and/or proprietary information removed from one copy for the purpose of public record.

**RTM:** Requirements Traceability Matrix. A tool to help ensure that the project’s scope, requirements, and deliverables remain “as is” when compared to the baseline.

**SDLC:** System Development Life Cycle. The industry standard software development life cycle, including planning, design, development, testing, implementation, and maintenance phases.

**Shall:** Denotes a mandatory requirement

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**Should:** Denotes a preference, but not a mandatory requirement

**SOW:** Statement of work. An itemized description of all work to be performed in response to this RFP.

**TAP:** Task Accomplishment Plan. A document submitted shortly after contract award that shows planned Contractor expenditures, by month, for the duration of the contract.

**UAT:** User Acceptance Testing. A process to obtain confirmation that a system meets mutually agreed-upon requirements.

**Will:** Denotes a mandatory requirement

## **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 the Bureau of Health Services Financing (hereinafter called "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. Within the Office of Management and Finance is the Bureau of Health Services Financing (BHSF). BHSF is the administrative operation with responsibility for the State of Louisiana's Medicaid Program; Medicaid is the public health program which provides health care services to the elderly, disabled and low-income persons. Funded by both the federal and state governments, Medicaid provides medical benefits such as physician, hospital, laboratory, x-ray, and nursing home services. Within the Bureau of Health Services Financing is the Eligibility System Section, which governs enrollment operations, including information technology systems.
5. The Eligibility Systems Section is responsible for regulating the day to day operation of the Medicaid Eligibility Data System (MEDS). MEDS is the system responsible for capturing, maintaining, and transmitting Medicaid eligibility information on an as-needed basis both internally to BHSF and to external agencies as required. MEDS is vital to DHH to ensure established Medicaid eligibility is available for confirmation to external entities as necessary; this allows clients to receive services in a timely manner. MEDS is also responsible for transmitting the Medicaid eligibility data to the Department's Fiscal Intermediary on a daily basis. This ensures that providers of Medicaid services can bill and receive payment for services performed.

**B. Purpose of RFP**

1. The purpose of this RFP is to solicit proposals from qualified and experienced proposers that provide Independent Verification & Validation (IV & V) services for enterprise Medicaid Eligibility System Replacement projects. The Louisiana Department of Health and Hospitals seeks to obtain an IV & V Contractor to perform IV & V services for the Design, Development and Implementation (DDI) of a replacement MEDS. The MEDS IT Architecture Upgrade Project DDI is intended to replace the entire current MEDS, including its NiAS (Notices), and Resources sub-systems, with a state-of-the-art, HIPAA compliant, rules-driven, on-line, real-time, web-based MEDS that is versatile in its architecture, structure, and code to support the evolving business needs of Louisiana's Medicaid program. The IV & V Contractor will verify the DHH chosen solution meets business and technical requirements in order to obtain CMS Certification for the chosen MEDS Replacement.
  
2. A contract is necessary to procure IV & V services which include, but are not limited to:
  - Assuring compliance of current and future business and technological needs and services of DHH's MEDS with the CMS MITS 11-01-v1.0 Enhanced Funding Requirements: Seven Conditions and Standards (hereafter, "Seven Standards"), which can be found at the following website:  
<http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Data-and-Systems/Downloads/EFR-Seven-Conditions-and-Standards.pdf>
  - Developing and presenting recommendations for the best solution(s) to achieve a cost effective and administratively efficient MEDS;
  - Providing IV & V services assisting DHH with the MEDS replacement DDI; and
  - Ensuring effective performance throughout the DDI System Development Life Cycle (SDLC) and CMS certification.

In addition, all proposers are encouraged to demonstrate added value in their proposals by recommending IV & V services not addressed in this document.

The IV & V Contractor must be able to furnish a sufficient number of full-time, on-site individuals who possess the education, skills, and experience necessary to ensure on-going contract compliance for the monitoring of the operations of the existing MEDS, and a successful completion of the MEDS replacement project. The Department requires a DDI Team with oversight by a single Project Manager, who will serve as a member of the MEDS Replacement joint PMO. The number of full-time, on-site individuals shall be pre-approved by the Department.



**C. Invitation to Propose**

DHH Bureau of Health Services Financing is inviting qualified proposers to submit proposals for services to provide Independent Verification and Validation services in accordance with the specifications and conditions set forth herein.

**D. RFP Coordinator**

Written questions or inquiries must be directed to the RFP coordinator listed below:

Robynn Schifano  
Medicaid Program Manager 4  
Department of Health and Hospitals  
BHSF/MEDS Section, 6<sup>th</sup> floor  
Bienville Building  
P. O. Box 91283  
Baton Rouge, LA 70821-9283  
Telephone Number: 225.342.9834  
Facsimile Number: 225.342.1782  
Email: [robynn.schifano@la.gov](mailto:robynn.schifano@la.gov)

1. This RFP is available in PDF at the following web links:  
<http://new.dhh.louisiana.gov/index.cfm/newsroom/category/47> and  
<http://wwwprd1.doa.louisiana.gov/OSP/LaPAC/pubMain.cfm>
2. 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 are strictly prohibited. Failure to comply with these requirements may 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 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>

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. Pre-Proposal Conference**

Not required for this RFP

**G. Schedule of Events**

DHH reserves the right to deviate from this Schedule of Events

<b>Schedule of Events</b>	<b>Tentative Schedule</b>
Public Notice of RFP	<b>01/16/2013</b>
Deadline for Receipt of Written Questions	<b>01/23/2013</b>
Response to Written Questions	<b>01/29/2013</b>
Deadline for Receipt of Written Proposals	<b>02/19/2013 4:00PM CST</b>
Proposal Evaluation Begins	<b>02/21/2013</b>
Contract Award Announced	<b>02/26/2013</b>
Contract Negotiations Begin	<b>02/27/2013</b>
<b>Contract Begins</b>	<b>05/01/2013</b>

**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 FOR DDI OF MEDS REPLACEMENT

### A. Project Overview

The IV & V Contractor selected for this project will perform extremely complex information technology performance evaluations and reviews for computer systems, interfaces, and processing functions. The IV & V Contractor will also analyze and report on the MEDS Replacement Contractor's responsibilities and performance metrics to DHH BHSF.

The IV & V Contractor must provide ongoing project management support utilizing techniques in accordance with the project management framework established by the Project Management Institute (PMI) in the Project Management Book of Knowledge (PMBOK) to ensure MEDS Replacement contract compliance, in that the comprehensive DDI project plan is developed, executed, monitored, reported and maintained.

Additional contractor project responsibilities shall include, but are not limited to, the following:

- Participate in person in all applicable meetings required by the Department, to include the meetings of the MEDS Replacement joint PMO;
- Investigate any performance improvement opportunities that may also justify cost savings and improve Contractor and state efficiency and submit an action plan to address/implement them;
- Assist DHH BHSF in assuring that all MEDS Replacement contractual requirements are met, and ensure that the Design, Development, and Implementation phase (DDI) of the Replacement Project is completed in a manner satisfactory to DHH;
- Assist DHH BHSF by ensuring that all requirements are met for CMS approval and certification of the replacement MEDS.

DHH BHSF and its MEDS Replacement joint PMO, along with the selected IV & V Contractor, will provide project management oversight for the MEDS Replacement project; the IV & V Contractor shall provide independent review of contract execution and deliverables, and apply management techniques for monitoring contract compliance.

**B. Deliverables for IV & V of MEDS Replacement DDI**

**1. General Requirements**

The IV & V Contractor shall:

- a. Assist DHH BHSF with the Design, Development, and Implementation (DDI) phase of the MEDS Replacement;
- b. Participate in the walk-through of deliverables provided by the MEDS replacement Contractor;
- c. Perform contracted services/tasks and produce the required IV & V deliverables by the due dates presented in the IV & V work plan and schedule for the management of the MEDS Replacement Project;
- d. Obtain written approval from DHH BHSF for all deliverables, for each activity, before the activity in question is considered complete;
- e. Submit all deliverables and reports to DHH BHSF in a format approved by the Department. The IV & V Contractor shall provide one (1) copy of the materials on a CD, one (1) electronic copy stored on a network/shared drive, and one (1) original paper copy as determined by DHH BHSF at the start of the project, unless otherwise noted by the Department;
- f. Serve as a technical resource and participate with the selected MEDS Replacement Contractor and the MEDS Replacement joint PMO in all phases of the project, including post implementation monitoring and CMS certification;
- g. Maintain all “Seven Standards” business process changes and updates resulting from DDI, including tracking and documentation for submittal to CMS;
- h. Provide all hardware and software needed to create all deliverables in this RFP. This includes all necessary supplies, equipment, and staff support required to generate these deliverables;
- i. Provide quality assurance and support services for the duration of the contract;
- j. Attend all meetings, face to face, with the MEDS Replacement joint PMO and provide meeting minutes to the Department for review within three (3) business days, review meeting minutes submitted by the MEDS Replacement Contractor,

and provide comments to the DHH BHSF Project Director within two (2) business days of the meeting.

**2. Programmatic Requirements**

The IV & V Contractor shall:

- a. Prepare and obtain DHH approval of the procedures to be used in the IV & V review of project plans, schedules, activities, project quality assurance plans and deliverables of the selected MEDS Replacement Contractor prior to implementation.
- b. Utilize document tracking tool(s) approved or specified by DHH and develop the document control procedures to be used for all project reviews and reports. These procedures are to ensure that all project tasks and deliverables are documented, tracked, and delivered timely. Upon DHH approval and implementation of the MEDS Replacement Contractor's Document Management tool, the IV&V shall utilize that tool to review the progress of the project and identify any risks, issues, or deficiencies that might affect a successful, efficiently completed project;
- c. Review the Medicaid Eligibility Data Systems IT Architecture Upgrade RFP located in the Procurement Library;
- d. Assist in facilitating design requirements analysis (RA) sessions, and provide staff to validate documentation provided by the MEDS Replacement Contractor;
- e. Participate with the MEDS Replacement joint PMO to perform validation of system integration testing, participate in interface testing, pilot operations, operational readiness assessment, and participate in the preparation and management of the user acceptance test plans, including test criteria and procedures for DDI. The IV & V Contractor shall conduct reviews of testing to ensure that critical elements of the system, as delivered by the MEDS Replacement Contractor, are stable and comply with State requirements as detailed in the RFP. These reviews are independent of the MEDS Replacement Contractor's testing and the focus is on areas identified as a priority for IV & V testing;
- f. Validate user acceptance test results from the MEDS Replacement Contractor and the MEDS Replacement joint PMO prior to implementation and on an ongoing basis as changes are made to the system;

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- g. Perform random sampling of test results documents and execute the test scenario during the testing phases to verify that the system performs according to the documented results;
- h. Attend deliverable walk-throughs to enhance understanding and facilitate the written approval process, and also to provide the MEDS Replacement joint PMO a written assessment of the project deliverables that were reviewed. This assessment shall cover areas of strengths and weaknesses that might affect a successful, efficiently completed project;
- i. Validate and make corrections/recommendations to DHH BHSF regarding DDI deliverables;
- j. Attend all project meetings, status meetings, and walk-throughs in order to have a full understanding of all processes. The goal is to perform an objective and ongoing review and analysis of the development and implementation of the MEDS and its associated systems and business processes; and
- k. Evaluate feedback from stakeholders and recommend changes in how the Department implements a new system or new components. The IV & V Contractor shall assist the MEDS Replacement joint PMO in managing the identification, resolution and tracking of stakeholder concerns.

### 3. Operations Requirements

This section identifies the operational deliverables the selected IV & V Contractor will perform during the MEDS replacement project

Each deliverable below must have an associated Task Accomplishment Plan (TAP) that identifies the approach, resources, schedule, and deliverables required to successfully complete the task. The selected IV& V Contactor must deliver each TAP to the DHH Contract Monitor for approval prior to beginning work on the corresponding deliverable.

**Planning/Pre-Implementation for the MEDS Replacement- Project Management Support**

The IV & V Contractor shall:

- a. *Evaluate MEDS Replacement Contractor's DDI Project Work Plan:***  
Assist DHH in review of the MEDS Replacement Contractor's DDI Project Work Plan to verify that all key functions have been addressed to increase the likelihood for a successfully completed project within the time frames identified in the MEDS Replacement RFP.
  
- b. *Provide Quality Assurance (QA) of MEDS Replacement Contractor's DDI System Development Life Cycle (SDLC) process.***  
Provide quality assurance analysis of the MEDS Replacement Contractor's DDI SDLC processes to verify that all key functions have been addressed to increase the likelihood for a successfully completed project.
  
- c. *Establish Project Risk/Issues Tracking:***  
Produce a Risk Management Plan for this task which reviews the progress of the project and identifies any risks, issues, or deficiencies that might affect a successful, efficiently completed project using a project tracking tool approved by DHH BHSF. The IV & V Contractor shall utilize the electronic tracking tool to be developed by the MEDS Replacement Contractor upon its completion and approval by DHH
  
- d. *Monitor MEDS Replacement Contractor's DDI Progress:***  
Monitor the performance of the selected MEDS Replacement Contractor along with DHH and the requirements set forth in the MEDS Replacement Contractor contract, including the MEDS procurement RFP and the selected MEDS Replacement Contractor's proposal.

Monitor and evaluate the project progress and identify and report any deficiencies or issues needing to be resolved along with the recommended solutions in the form of bi-weekly project status reporting.

Meet with DHH on a regular basis, as determined by mutual agreement between the MEDS Project Director and the IV & V Contractor.

Continuously monitor all facets of the project including, but not limited to, work plans, implementation plans, general system design, detail system



design, system testing, system interfaces, conversion, acceptance testing phase, pilot operations and a statewide implementation plan.

Assess each deliverable and recommend corrective action when activities or deliverables fail to achieve the standards or timelines established in the MEDS RFP, the MEDS Replacement Contractor's proposal, and the MEDS Replacement contract.

**Design and Development- Design and Development QA**

The IV & V Contractor shall:

**a. *Define Design Milestones:***

Assist DHH BHSF in defining the design milestones to be met.

**b. *Provide Quality Assurance of Design Document and Artifacts:***

Verify that the system documentation is being generated, maintained, and is complete, accurate, and compliant with the requirements of the contract.

**c. *Participate in Preliminary Design Review (PDR):***

Assist the MEDS Replacement joint PMO in PDRs. The PDR is conducted after preliminary design efforts, but before the start of detailed design. This review is the first opportunity for the joint PMO to closely observe the MEDS Replacement Contractor's hardware and software design. This review shall include the MEDS Replacement Contractor's description of all design changes made, with respect to the original design disclosed in the technical proposal and to provide the rationale for the changes.

**d. *Participate in Critical Design Review (CDR):***

Assist the MEDS Replacement joint PMO and DHH BHSF in incremental reviews, leading up to an overall system CDR, and provide recommendations for moving forward or exercising project controls, each with a respective rationale. CDR is an interdisciplinary product and process assessment to ensure that the system under review can proceed into the system fabrication, demonstration, and test phases, and can meet the stated performance requirements within the cost (project budget), schedule (project schedule), risk, and other system constraints as defined by the MEDS Replacement joint PMO. Generally, this review assesses the system's final design as captured in the product's business process and technical specifications for each configuration item in the system (product baseline), and ensures that each product in the product baseline has been captured in the detailed design documentation.

MEDS is a complex system; the CDR shall be conducted for each subsystem or configuration item.

**e. *Monitor Change Requests:***

Implement a change request process to monitor the project scope. The objective of the change request process is to ensure that:

- Requests for changes to the scope, schedule, or budget of the project are documented and approved by the DHH BHSF Executive Steering Committee.
- Requests for change are effectively tracked and managed from initiation through resolution.
- The impact of a proposed change is thoroughly analyzed and documented before the decision to approve or deny is made.
- The project adheres to DHH BHSF's rules governing changes to approved information technology projects.

Change requests shall be required whenever there is a request for a significant change to the project scope, schedule, budget, or requirements as listed in the RFP, and/or baseline versions of the project schedule. Using this policy as a guideline, the MEDS Project Director shall be responsible for determining which requested changes require a formal change request.

**f. *Manage Requirements Traceability Matrix:***

Conduct an initial assessment of requirements and associated business processes and manage a Requirements Traceability Matrix (RTM) for managing the requirements and processes throughout the project life cycle. This task will verify that design modules trace back to the requirements and vice versa.

**g. *Evaluate Unit test Results:***

Verify and validate unit test results of all program modules and processes, including code review as necessary, before they are integrated and system tested and ensure results of the unit tests are fully documented. The MEDS Replacement Contractor is required to conduct system development, including quality assurance, in accordance with the approved system design deliverables.

**h. *Evaluate Integration/System Test Environment:***

Certify and demonstrate, as required, that the system is free from defects, that it functions per the approved system design, has validated requirements, and is ready for user acceptance testing prior to the

completion of the integration and system testing. Testing of the system is a critical step in the overall development of any system. In many development projects, system testing is coupled with the development tasks. The State of Louisiana is placing major emphasis on the testing of the system prior to acceptance testing and implementation activities and, for this reason, has broken out testing to be conducted by the IV & V Contractor.

In-depth, process-driven, and fully documented testing is required for the MEDS Replacement project.

**i. *Assess Data Conversion Plan:***

Conduct an initial assessment of data conversion plans, procedures, and software including:

- Relevant data conversion deliverables, giving particular attention to parallel
- Procedures for reviewing converted data for completeness and accuracy
- Monitoring errors
- Contingency plans

**Testing & Implementation- Independent Verification and Validation of MEDS**

The IV & V Contractor shall:

**a. *Analyze Data Conversion Results:***

Analyze all data conversion results documentation to ensure concerns, issues, risks, and recommendations have met the requirements of the data conversion plan and to ensure data integrity is maintained.

**b. *Analyze Integration/System Test Results:***

Analyze all integration/system results documentation to ensure concerns, issues, risks, and recommendations have met the requirements of integration/system test plan. Assess the validity of system stress/load testing conducted by the implementation vendor.

**c. *Assess Readiness for UAT:***

Document and report concerns, issues, and risks and recommendations as to the readiness for user acceptance testing. The intent of this task is to verify that the test plan was followed and the criteria used to test the scenarios for each deliverable has been reviewed and documented according to the processes developed.

**d. *Prepare UAT Plan:***

Prepare a user acceptance test validation strategy to ensure that the new technology meets the current and planned business needs of Louisiana MEDS.

**e. *Participate in the Execution of UAT:***

Participate in the implementation process and execution of the UAT test artifacts.

**Post Implementation - Preparation for CMS Certification**

The IV & V Contractor shall:

**a. *Participate in Post Implementation Review:***

Prepare a post implementation report that provides information regarding the benefit and success of the system and suggestions for improvement in areas that can be applied directly to the ongoing program.

**b. *Participate in CMS Certification:***

Be knowledgeable of the new CMS certification protocol and propose a System Development Life Cycle (SDLC) methodology from conception through certification. The IV & V Contractor shall provide a work plan outlining tools, information gathering processes and documentation protocols throughout the project life cycle for the CMS observation visit. The IV & V Contractor shall participate in the certification process and the certification visit. The IV & V Contractor shall assist the Department in managing the certification process to assure the MEDS Replacement Contractor's compliance with the RFP requirements.

**4. Staffing Requirements/Qualifications**

The IV & V Contractor shall:

**a.** Provide staff that meets the DHH approved skill sets and experience to address the requirements in this RFP;

**b.** Provide key personnel that have the ability to commit full-time for the full term of the contract. The adequacy of personnel for the proposed project team will be evaluated on the basis of project tasks, allocation of staff, professional skills, and level of involvement of personnel;

- c.** Provide staff that shall, at a minimum :
  - i)** Be proficient in spelling, sentence structure, and grammar of the English language;
  - ii)** Be proficient in spoken English;
  - iii)** Have extensive knowledge of federal Medicaid rules and regulations;
  - iv)** Include management staff with PMP certification, a minimum of seven (7) years of large scale (multimillion dollar) project management experience with at least four (4) of those seven (7) years in project management of a Medicaid eligibility processing system or other health care claims processing system project. Management staff shall include one Project Manager for oversight of the full contract who will serve as a member of the MEDS Replacement joint PMO.
  - v)** Have extensive experience in the implementation, operations, and maintenance of a Medicaid eligibility processing system or similar large health care claims processing system;
  - vi)** Be flexible and adaptable in dealing with ambiguous situations on a consistent basis;
  - vii)** Be knowledgeable in system requirements definition and analysis, test plan definition and execution, and performance measurement;
  - viii)** Be knowledgeable of the MEDS Replacement enterprise-wide, and its network communications and automation infrastructure development and interoperability;
  - ix)** Be able to work independently and lead specific tasks;
    - x)** Be available outside of normal work hours on an as-needed basis. Normal work hours are Monday thru Friday, 8:00 am – 5:00 pm. Staff members assigned to this project are required to work a full 40 hour, Monday thru Friday, 8:00 am – 5:00 pm work week. Travel is only allowed outside of this time frame for Departmental approved off-site commuting staff.
- d.** Disclose other projects, in addition to this project, to which personnel are assigned and indicate the time allocated for each project. It is DHH BHSF's intent that the same individuals be available for the duration of this project;
- e.** Provide a presence throughout the MEDS replacement project in Baton Rouge, Louisiana in order to provide effective research, analysis, and development services as well as participate face to face in all applicable meetings required by the Department. The IV & V Contractor shall have limited access to the state's facilities for research and meeting purposes;

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DHH BHSF shall:

- a. Have the right to approve or disapprove all assignments of individuals to this project by the Contractor and any proposed changes in staff by the Contractor, including proposed reassignments or substitutions of personnel. No changes in staff may be made without DHH BHSF's prior written approval. DHH BHSF agrees to reasonably review requests from the Contractor for changes in staff, which must include a justification of why the requested change would be beneficial to DHH BHSF.
- b. Require the substitution or replacement of any key personnel assigned to the project by the Contractor if DHH BHSF determines that the person is not suitable or does not possess the skills necessary to satisfactorily complete the tasks assigned.
- c. Have the right to require the removal or reassignment of any Contractor employee that it finds to be unacceptable. Removal of a Contractor employee shall mean that the individual may no longer work on any MEDS project, either on-site or remotely. DHH BHSF is not required to give a reason for demanding an employee's removal or reassignment, and there shall be no negotiation relative to such a demand.
- d. Provide on-site workspace at the DHH building in Baton Rouge, LA for a maximum of three (3) IV & V Contractor staff for the total contract. Although workspace will only be provided for three (3) Contractor staff, the Department expects the IV & V Contractor to provide sufficient staff to meet or exceed the requirements of this RFP. The IV & V Project Manager is to work on-site, in Baton Rouge, LA, for the duration of the contract. In the absence of any Project Manager during work hours from eight (8) a.m. to five (5) p.m. Monday through Friday, the Contractor shall identify who shall be responsible to make decisions and act on his or her behalf during such absence.

### 5. Record Keeping Requirements

The IV & V Contractor shall:

- a. Be responsible for providing minutes for all meetings the IV & V is involved in, as specified by the Department, to the Department within three (3) business days of the meeting.

- b.** Post meeting minutes onto the MEDS IV & V SharePoint website. Copies shall be made available per Department request, at no additional cost to the Department.

## **6. Reporting Requirements**

For reporting on the operations of the existing MEDS, the IV & V Contractor shall submit monthly monitoring reports, including any discrepancies found on reports submitted by the MEDS Replacement Contractor, including, but not limited to:

- i)** Monthly staffing reports;
- ii)** Monthly invoices;
- iii)** Statistical reports, such as Medicaid applications and enrollment.

Monthly reports shall be due by the tenth (10th) calendar day of every month or as determined by the MEDS Section Chief.

For reporting on the DDI, the IV & V Contractor shall:

- a.** Provide the MEDS Project Manager bi-weekly and monthly status reports. These reports shall include, but not be limited to:
  - i)** Any and all significant or serious deficiencies, risks, or concerns with the MEDS Replacement or its quality, design, development, or implementation;
  - ii)** Any other circumstances which, if not remedied, will have a negative impact on MEDS and its operations, design, development, implementation, efficiency, cost and/or time for completion.
  - iii)** Each monthly status report shall contain, at a minimum, the following:
    - Project schedule – the Contractor shall provide a written assessment of the progress of the replacement project against planned tasks, duration, resources, completion dates, milestones, and issues impacting the schedule. The Contractor shall include recommendations specifying what can be done immediately and in the long term to remediate variations and deviations from the schedule.
    - Risk assessment – the Contractor shall report on the identified risks to the successful implementation of the replacement MEDS and the potential level of severity of said risks. The Contractor shall recommend mitigation and/or resolution strategies to manage and/or eliminate the identified risks.

- Project phase assessments – the Contractor shall provide an assessment of the activities and progress of unit, system, parallel, conversion, integration, user acceptance, and operational readiness testing, and implementation phases of the project.
- Provide recommendations, as necessary, for addressing any issues relative to the successful completion of the project phases, including detailed recommendations in each area of the project phases specifying what can be done immediately and in the long term to improve in said area.

**iv)** This and all other status reports shall be further determined by DHH BHSF. Each bi-weekly/monthly report shall be reviewed and, if acceptable, shall be approved by DHH BHSF in writing. The Contractor shall not rely on any verbal commitment from the State regarding report approval. No report shall be considered to be final or eligible for payment until the report has received written DHH BHSF approval.

- b.** Prepare a post-implementation report that provides information in areas that can be applied directly to the ongoing program, on a schedule determined by the MEDS Project Director.
- c.** Identify and track the completion of all requirements necessary for the CMS certification review and provide a report to the MEDS Project Director weekly.
- d.** Propose and present a method of soliciting and documenting concerns and reactions of stakeholders, as well as a means of analyzing and responding to those concerns up to and after statewide implementation.
- e.** Submit all deliverables and reports to DHH BHSF, in a format approved by DHH BHSF. The IV & V Contractor shall provide to DHH BHSF one copy of the materials on a CD, one electronic copy stored on a SharePoint website, and one original paper copy as determined by DHH BHSF at the start of the project.
- f.** All reports and other deliverables shall be due on a schedule as agreed upon by the MEDS Replacement joint PMO.

## **7. Transition Plan**

This section outlines the requirements with which the IV & V Contractor shall comply during the hand-off to a successor IV & V Contractor at the end of the IV & V contract term or in the event of contract termination.

The Contractor shall submit, at no extra charge, a transition/takeover plan which outlines the procedures and timelines to ensure continuity of IV & V services for the MEDS Replacement DDI, in the event of contract termination or award of the IV & V



contract to another Contractor. The transition/takeover plan must include procedures that shall, at a minimum, comply with the following stipulations:

- a. Upon completion of the contract or upon termination of the contract before completion, all records, reports, worksheets, or any other pertinent materials related to the execution of the contract shall become the property of the Department.
- b. In the event of contract termination, the Contractor shall transfer all data to the Department or new vendor within thirty (30) days of written notification from the Department unless other appropriate timeframes have been approved by the Department;
- c. The Department approved transition/takeover plan must be adhered to within thirty (30) calendar days of written contract termination notification from the Department unless other appropriate timeframes have been approved by the Department.

An initial transition plan shall be submitted with the proposal, and an updated plan provided to the Department upon Departmental request.

**C. Liquidated Damages**

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.

Liquidated damages may be assessed as follows:

1. \$500 per business day for any deliverable that is in error, not acceptable, incomplete, and/or not submitted according to approved, identified timeframes. Penalties will be assessed for each business day that it is overdue or submitted incomplete as determined by the MEDS Project Director.
2. \$500 per business day for any deliverable that has already been approved by the Department but has been found to be incorrect at a later date due to Contractor's error.
3. \$500 per business day for not having required staff onsite.
4. \$500 per business day for not having staff available to DHH BHSF to perform duties in the contract.
5. \$1000 per calendar day for failure to fill vacant contractually required key staff positions within 60 calendar days of the vacancy, to be assessed until filled with an individual approved by the Department.

The decision to impose liquidated damages may include consideration of some or all of the following factors:

1. The duration of the violation;
2. Whether the violation (or one that is substantially similar) has previously occurred;
3. The Contractor's history of compliance;
4. The severity of the violation and whether it imposes an immediate threat to the health or safety of the consumers;
5. The "good faith" exercised by the Contractor in attempting to stay in compliance.

In addition, should decertification of the MEDS, or any component of it, occur prior to contract termination or the ending date of any subsequent contract extension, the Contractor shall be liable for any actual damages that result from the Contractor's wrongful action or failure to act consistent with its obligations under the contract.

**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**

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- **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.).**

The IV & V Contractor must maintain hardware and software compatible with DHH requirements throughout the contract. The Contractor shall provide all supplies and equipment for Contractor staff.

### **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 sub-Contractor without the prior written approval of the Department. For sub-Contractor(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 sub-Contractors through the following:

1. The sub-Contractor(s) will provide a written commitment to accept all contract provisions.
2. The sub-Contractor(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 sub-Contractor to commence work on subcontract until all similar insurance required for the sub-Contractor 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. Workers' 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 sub-Contractor 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 sub-Contractors 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 sub-Contractor 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 sub-Contractor, 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 sub-Contractors. 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. 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.

**5. Sub-Contractor's Insurance**

The Contractor shall require that any and all sub-Contractors, which are not protected under the Contractor's own insurance policies, take and maintain

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insurance of the same nature and in the same amounts as required of the Contractor.

### **H. Resources Available to Contractor**

The DHH BHSF/MEDS 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 Contractor will be monitored by the contract monitor:

Robynn Schifano  
Medicaid Program Manager 4  
Department of Health and Hospitals  
BHSF/ MEDS Section, 6<sup>th</sup> floor  
Bienville Building  
P. O. Box 91283  
Baton Rouge, LA 70821-9238  
Telephone Number: 225.342.9834  
Facsimile Number: 225.342.1782  
Email: [robynn.schifano@la.gov](mailto:robynn.schifano@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 period of 36 months. The continuation of this contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of the contract. DHH reserves the right to amend the terms of the contract as necessary to meet state or federal requirements.

### **K. Payment for IV & V of the MEDS Replacement DDI; Retainage**

The IV & V Contractor shall submit deliverables in accordance with established timelines and shall submit itemized invoices monthly or as defined in the contract terms. Payment of DDI invoices is subject to approval of the MEDS Project Director.

If the deliverable and/or work products are not acceptable, DHH BHSF will identify said deficiencies, which the IV & V Contractor must resolve or have a written plan for resolving to DHH BHSF, within ten (10) business days after receipt of the DHH BHSF notification.

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.

DHH BHSF shall have thirty (30) calendar days to process all approved payments.

### **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 BHSF 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

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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 sub-Contractors or joint ventures should be included in the proposal. In addition, written commitments from any sub-Contractors 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**

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As guidance related to this RFP, the proposer will have access to the MEDS Replacement project RFP and corresponding documents. The PDF files will be posted in the Document Library at the following web address:

<http://new.dhh.louisiana.gov/index.cfm/page/1189>

### 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 proposal (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



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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
- 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 agency 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. It should also include information that will assist the Department in determining the level of quality and timeliness that may be expected. 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 the DHH BHSF MEDS 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, including 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 For Operations**

The proposer should articulate an understanding of, and ability to effectively implement services as outlined within Sections II and III 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. The proposer should state the approach it intends to use to achieve each objective of the project, including major activities and methodologies utilized for each work statement, as well as Department involvement. The proposal should state how each objective of the project will be accomplished.
- c.** Address all of the following in the work plan:
  - Provide a written discussion of the work plan addressing process flow, time frames for each component, how findings will be addressed in the process, and the ability to maintain the work plan schedule.
  - Provide a strategic overview including all elements to be provided.
  - Breakdown into logical tasks and time frames all work to be performed, accompanied by an assessment of relative difficulty for each task.
  - Identify critical tasks.
  - Estimate time involved in completion of tasks
  - Identify all assumptions or constraints used in preparing the proposal
  - Refer to specific documents and reports that are to be produced as a result of completing tasks

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- Contain a summary, at the activity level, to show completion schedules relative to deliverables.
  - Include charts and graphs which reflect the work plan in detail.
  - Describe the approach to project management, oversight, and quality assurance.
  - Discuss what flexibility exists within the work plan to address unanticipated problems which might develop during the contract period.
  - If the proposer intends to subcontract for portions of the work, the proposer should include specific designations of the tasks to be performed by the sub-Contractor.
  - Document procedures to protect the confidentiality, privacy and security of records in DHH databases, including records in databases that may be transmitted electronically via email or the internet.
  - A schedule for all deliverables providing the Department sufficient review time, revision time if needed, and additional subsequent review time.
- d.** Demonstrate an ability to hire staff with the necessary experience and skill set that will enable them to effectively meet the RFP requirements.
- e.** Demonstrate knowledge of services to be provided and effective strategies to achieve objectives.
- f.** 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.
- g.** Demonstrate an understanding of and ability to implement data collection as needed.
- h.** Explain processes that will be implemented in order to complete all tasks and phases of the project in a timely manner, as outlined within Sections II and III.
- i.** Articulate the ability to develop and implement an All Hazards Response plan in the event of an emergency event.

- j. Refer to specific documents and reports that can be produced as a result of completing tasks, to achieve the requested deliverables.
- k. Identify all assumptions or constraints on tasks.

**6. Relevant Corporate Experience**

- a. The proposal should indicate the firm has a record of prior successful experience in the design and 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 completed a similar type project. Proposers should give at least two customer references for projects completed in at least the last 24 months. References should 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.
- c. Responses to each of the following questions should be provided in the proposal:
  - What type of legal entity (business corporation, partnership, etc.) is the proposer (referred to hereinafter as "the entity")?
  - What year was the entity established?
  - What is the business of the entity?
  - What previous Medicaid eligibility system replacement planning or implementation projects has the entity been involved with? Please include the state the replacement work was performed and the degree of involvement of the entity.
  - Describe Medicaid eligibility system replacement planning or implementation projects the entity is currently involved with.
  - Has the entity ever done business with the State of Louisiana? If so, please provide references.
  - Has the entity ever done business with other governmental agencies? If so, please provide references.
  - What is the total number of employees in the entity?

- What are the total annual revenues of the entity?
- How many employees of the entity have the skill sets to support this project?
- How many of those employees would be accessible to the Department for support of this project?
- Has the entity ever done business under a different name and, if so, what was the name?
- How many employees of the entity are, or have been, involved in this type of project?
- How many of those employees are involved in on-site project work?
- Indicate the entity's website.

If the proposer is a subsidiary of another entity, the proposer should provide the same information for the parent entity along with a statement as to what percentage of the parent entity's revenue is produced by the proposer

## **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 shall state job responsibilities, workload and lines of supervision. An organizational chart identifying individuals and their job titles and major job duties shall be included. The organizational chart shall show lines of responsibility and authority. The proposal should clearly show how the organizational structure is designed to carry out the responsibilities within each of the major components.
- c. Job descriptions, including the percentage of time allocated to the project and the number of personnel shall be included and shall 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 shall indicate whether the position will be filled by a sub-Contractor.
- d. Key personnel and the percentage of time directly assigned to the project shall be identified.

- e. If subcontractor personnel will be used, the proposer shall clearly identify these persons, if known, and provide the same information requested for the proposer's personnel.
- f. The proposer shall identify the personnel who will work directly on the MEDS replacement project. The percentage of time, work-hours committed or other identification of the proposed level of effort should be submitted in the proposal.
- g. The proposer shall specify staffing levels which ensure effective independent verification and validation processes, quality assurance, and monitoring activities. The proposed staff should possess the necessary experience, skills, and certifications for the roles they are filling.
- h. The proposer shall certify that personnel identified in the proposal shall be assigned to duties as stipulated in the proposal.
- i. Resumes for all individuals proposed for this project must be included. Resumes shall include relevant experience in providing IV & V services for Medicaid projects. Information provided shall include:
  - i) Experience in monitoring and managing Medicaid Eligibility services and contracts;
  - ii) Experience relating to Medicaid or similar health care claims processing projects and Medicaid eligibility system replacement projects;
  - iii) Names, positions, and current telephone numbers of persons who can provide information on individuals' experience and competence;
  - iv) Listing of relevant Medicaid or similar health claims processing projects with customer names, time periods, and brief description of project scope;
  - v) Educational background, certifications, licenses, special skills, etc. (Note: education will not be considered as equivalent to experience.); Listings of current Medicaid or similar health care claims processing projects with customer names, time periods, and brief description of project scope;
  - vi) Where personnel have previously worked as a team on similar projects, resume' data should include responsibility and position within the team;
  - vii) Knowledge regarding "Seven Standards" business processes.

**8. Additional Information**

As an appendix to its proposal, if available, proposers shall provide copies of any policies and procedures manuals applicable to this contract, inclusive of organizational standards or ethical standards. This appendix shall 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.**

- 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) 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 and the proposal with the highest total score will be recommended for award.
- 4. Cost Evaluation:
  - a. The proposer with the lowest total hourly rate shall receive 25 points. Other proposers shall receive points for cost based upon the following formula:



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$$CPS = (LPC/PC) * 25$$

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:**

<b>Evaluation Criteria</b>	<b>Assigned Weight</b>
Introduction/Understanding of RFP	10
Work Plan/Project Execution	25
Corporate Experience	10
Qualification of Personnel	15
Financial Statements	5
Cost	25
Hudson Veterans Initiative	10
<b>Total</b>	<b>100</b>

**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 BHSF 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.
- 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 the terms of the CF-1 and supplements, the following will be incorporated into the contract awarded through this RFP:

  - 1.** Personnel Assignments: The Contractor’s key personnel assigned to this contract may not be replaced without the written consent of the Department. Such consent shall not be unreasonably withheld or delayed provided an equally qualified replacement is offered. Key personnel for these purposes will be determined during contract negotiation.
  - 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

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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 Business Associate Addendum**
- V. Sample Cost Breakdown Template**

ATTACHMENT I- Veteran and Hudson Initiatives

**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 sub-Contractors.

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 sub-Contractors 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 sub-Contractor(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 sub-Contractor 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>.

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A current list of certified Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small businesses 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 businesses, 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/iri/portal/anonymous?guest\\_user=self\\_reg](https://lagoverpvendor.doa.louisiana.gov/iri/portal/anonymous?guest_user=self_reg) 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.

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**ATTACHMENT II- Certification Statement**

**CERTIFICATION STATEMENT**

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's quote is valid for at least 120 days from the date of proposal's signature below;
4. Proposer understands that if selected as the successful Proposer, he/she will have 14 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.
5. Proposer certifies, by signing and submitting a proposal for \$25,000 or more, that their company, any sub-Contractors, 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: \_\_\_\_\_

**CFMS:  
DHH:  
AGENCY #**

**ATTACHMENT III- DHH Standard Contract Form (CF-1)**

DHH - CF - 1

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

**AND**

**FOR**

Personal Services    Professional Services    Consulting Services    Social Services

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.

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.

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

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### 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 confidentially 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.



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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 sub-Contractor is prohibited from providing such services by the provisions of R.S. 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.

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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.

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- 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>
--	--

_____	_____
<b>SIGNATURE</b>	<b>SIGNATURE</b>
<b>DATE</b>	<b>DATE</b>

_____	_____
<b>NAME</b>	<b>NAME</b>

Secretary, Department of Health and Hospitals or Designee

_____	_____
<b>TITLE</b>	<b>TITLE</b>

--	--

_____	_____
<b>SIGNATURE</b>	<b>SIGNATURE</b>
<b>DATE</b>	<b>DATE</b>

_____	_____
<b>NAME</b>	<b>NAME</b>

_____	_____
<b>TITLE</b>	<b>TITLE</b>

(Rev. 1/04)

**HIPAA Business Associate Addendum:**

This Business Associate Addendum is hereby made a part of this contract in its entirety as Attachment \_\_\_ 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, sub-Contractors 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 sub-Contractors’ 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

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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 sub-Contractor, 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 sub-Contractors, 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.

Use this sample template to prepare a cost breakdown of the contract. Note costs can be ongoing or on a one time basis. Enter the appropriate amount in the applicable column according to deliverable.

<b>Deliverables:</b>		
	<b>Contract Period Cost (Monthly fee x 36 months)</b>	<b>One Time Cost</b>
<b>General Requirements</b>		
Assist in DDI		
Participate in Walkthroughs		
Serve as Technical Resource		
Provide QA		
Facilitate RA sessions		
Validation of Testing		
Random Sampling		
<b>Project Management Operations</b>		
<b>Project Mgmt Support</b>		
Evaluate DDI work plan		
Provide QA of DDI SDLC		
Establish Risk/Issue Tracking		
Monitor DDI progress		
<b>Design and Development</b>		
Define Design Milestones		
QA Design Document & Artifacts		
Participate in PDR		
Participate in CDR		
Monitor Change Requests		
Manage RTM		
Evaluate Unit Test Results		
Evaluate Integration/System Test Environment		
Assess Data Conversion Plan		
<b>Testing and Implementation</b>		
Analyze Data Conversion Results		
Analyze Integration/System Test Results		

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Assess Readiness for UAT		
Prepare UAT Plan		
Participate in Execution of UAT		
<b>Post Implementation – Preparation for CMS Certification</b>		
Participate in Post Implementation Review		
Participate in CMS Certification		
<b>Reporting</b>		
Biweekly and Monthly status reports		
Post implementation report		
CMS certification review report		
Concerns Reporting		
<b>Total Contract Cost</b>		