

Addendum #7
Revisions to the NEMT RFP
RFP #305PUR-DHHRFP-NEMT-2014-MVA

1. Page 17, in response to Question #24:

Records/Reporting

- A. The Contractor shall record the authorization data in a computerized format, including PA number, name of recipient, Medicaid ID number, date of birth, pick-up address and phone number, date of request, name and phone number of person requesting transportation, procedure code, reimbursement rate, date and time of appointment, name and address of medical provider to which transportation is requested.
- B. The procedure code is the code that the NEMT providers use to bill for payment for services rendered through the fiscal intermediary. DHH provides the procedure codes.
- C. The Contractor shall maintain a daily log of all calls received and trips scheduled. The log shall be in a computerized format and shall be available both electronically and in hard copy. Approved transportation requests shall be logged by PA number; denied requests shall be logged in chronological order (with no PA number). (Refer to Sample Trip Logs in Attachment V. **Appendix I.**)

2. To clarify Cost Template and cost proposal methodology. Add language in **red**:

10. Cost and Pricing Analysis

- a. Proposer shall specify costs for performance of tasks. Proposal shall include all anticipated costs of successful implementation of all deliverables outlined. An item by item breakdown of costs shall be included in the proposal.
- b. Proposers shall submit the breakdown in a similar format to the attached sample cost template form (See Attachment V) for each year of the contract to demonstrate how cost was determined..
- c. **Total Contract Cost should be calculated as a product of the Per Member Per Month (PMPM) rate. The PMPM amounts in Section 2 should include all expenses shown in Section 1 for each phase of the contract. Payment for each month of the contract will be based on the number of Medicaid recipients eligible for services. (e.g. If 500,000 are eligible for full services for the month and you have a \$.10 PMPM rate, you would receive \$50,000 for that month.**

Remove and replace tables in Attachment V:

Attachment V

Cost Template

Payment for this contract will be based on the number of Medicaid recipients served under the contract. Proposers must complete a cost proposal to include per member per month (PMPM) rates as shown in Section 2 of the tables below. This section must be completed for consideration of this proposal.

Proposers shall submit a PMPM unit rate for two distinct service groups:

Service Population 1 includes all members of legacy fee-for-service Medicaid and all members of Bayou Health Shared Savings Plans. All NEMT services needed for this population and covered under Medicaid shall be in the purview of this contract.

Service Population 2 includes all members of Bayou Health Prepaid plans. The contractor shall be responsible for authorizing and scheduling transportation to dental and behavioral health service ONLY. Transportation to all other covered medical services are the responsibility of the managed care organizations.

Cost and Pricing Year 1

Proposer Name:		
Year 1 Section 1		
-	-	Total Proposed Cost (\$)
1	Direct Labor Cost (Salary and Wages)	-
2	Direct Labor Overhead (Employer Related Expenses)	-
3	Administrative Labor Cost	-
4	Administrative Labor ERE	-
5	Contracted/Subcontracted/Consulting Staff	-
6	Indirect Program Supplies	-
7	Other Direct Cost	-
7a	-	-
7b	-	-
7c	-	-
7d	-	-
8	Travel	-
9	Occupancy Expenditures	-
10	Total	-
Year 1 Section 2		
11	Projected Service Population 1	-841,000
12	PMPM, Service Population 1	\$
13	Contract Cost, Service Population 1	\$
14	Projected Service Population 2	412,000
15	PMPM, Service Population 2	\$
16	Contract Cost, Service Population 2	\$
17	Total Contract Cost, Year 1	

Cost and Pricing Year 2

Proposer Name:		
Year 2 Section 1		
-	-	Total Proposed Cost (\$)
1	Direct Labor Cost (Salary and Wages)	-
2	Direct Labor Overhead (Employer Related Expenses)	-
3	Administrative Labor Cost	-
4	Administrative Labor ERE	-
5	Contracted/Subcontracted/Consulting Staff	-
6	Indirect Program Supplies	-
7	Other Direct Cost	-
7a	-	-
7b	-	-
7c	-	-
7d	-	-
8	Travel	-
9	Occupancy Expenditures	-
10	Total	-
Year 2 Section 2		
11	Projected Service Population 1	357,000
12	PMPM, Service Population 1	\$
13	Contract Cost, Service Population 1	\$
14	Projected Service Population 2	896,000
15	PMPM, Service Population 2	\$
16	Contract Cost, Service Population 2	\$
17	Total Contract Cost, Year 2	\$

Cost and Pricing Year 3

Proposer Name:		
Year 3 Section 1		
-	-	Total Proposed Cost (\$)
1	Direct Labor Cost (Salary and Wages)	-
2	Direct Labor Overhead (Employer Related Expenses)	-
3	Administrative Labor Cost	-
4	Administrative Labor ERE	-
5	Contracted/Subcontracted/Consulting Staff	-
6	Indirect Program Supplies	-
7	Other Direct Cost	-
7a	-	-
7b	-	-
7c	-	-
7d	-	-
8	Travel	-
9	Occupancy Expenditures	-
10	Total	-
Year 3 Section 2		
11	Projected Service Population 1	357,000
12	PMPM, Service Population 1	\$
13	Contract Cost, Service Population 1	\$
14	Projected Service Population 2	896,000
15	PMPM, Service Population 2	\$
16	Contract Cost, Service Population 2	\$
17	Total Contract Cost, Year 3	\$

Replace with:

**Cost and Pricing
Phase 1
October 1, 2014 through January 31, 2015***

Proposer Name:		
Phase 1 Section 1		
		Total Proposed Cost (\$)
1	Direct Labor Cost (Salary and Wages)	
2	Direct Labor Overhead (Employer Related Expenses)	
3	Administrative Labor Cost	
4	Administrative Labor ERE	
5	Contracted/Subcontracted/Consulting Staff	
6	Indirect Program Supplies	
7	Other Direct Cost	
7a		
7b		
7c		
7d		
8	Travel	
9	Occupancy Expenditures	
10	Total	
Phase 1 Section 2		
11	Projected Service Population 1	841,000
12	PMPM, Service Population 1	
13	Contract Cost, Service Population 1	
14	Projected Service Population 2	412,000
15	PMPM, Service Population 2	
16	Contract Cost, Service Population 2	
17	Total Contract Cost, Phase 1	

*DHH reserves the right to extend Phase 1. Phase 2 will be a 12 month period beginning with the end of Phase 1. (E.g. If Phase 1 is extended through February, Phase 2 will include twelve months beginning March 1 and so on.)

**Cost and Pricing
Phase 2**

March 1, 2015 through February 28, 2016*

Proposer Name:		
Phase 2 Section 1		
		Total Proposed Cost (\$)
1	Direct Labor Cost (Salary and Wages)	
2	Direct Labor Overhead (Employer Related Expenses)	
3	Administrative Labor Cost	
4	Administrative Labor ERE	
5	Contracted/Subcontracted/Consulting Staff	
6	Indirect Program Supplies	
7	Other Direct Cost	
7a		
7b		
7c		
7d		
8	Travel	
9	Occupancy Expenditures	
10	Total	
Phase 2 Section 2		
11	Projected Service Population 1	357,000
12	PMPM, Service Population 1	
13	Contract Cost, Service Population 1	
14	Projected Service Population 2	0
15	PMPM, Service Population 2	n/a
16	Contract Cost, Service Population 2	n/a
17	Total Contract Cost, Phase 2	

Cost and Pricing

Phase 3

February 1, 2016 through January 31, 2017*

Proposer Name:		
Phase 3 Section 1		
		Total Proposed Cost (\$)
1	Direct Labor Cost (Salary and Wages)	
2	Direct Labor Overhead (Employer Related Expenses)	
3	Administrative Labor Cost	
4	Administrative Labor ERE	
5	Contracted/Subcontracted/Consulting Staff	
6	Indirect Program Supplies	
7	Other Direct Cost	
7a		
7b		
7c		
7d		
8	Travel	
9	Occupancy Expenditures	
10	Total	
Phase 3 Section 2		
11	Projected Service Population 1	357,000
12	PMPM, Service Population 1	
13	Contract Cost, Service Population 1	
14	Projected Service Population 2	0
15	PMPM, Service Population 2	<i>n/a</i>
16	Contract Cost, Service Population 2	<i>n/a</i>
17	Total Contract Cost, Phase 3	

**Cost and Pricing
Phase 4**

February 1, 2017 through September 30, 2017*

Proposer Name:		
Phase 4 Section 1		
		Total Proposed Cost (\$)
1	Direct Labor Cost (Salary and Wages)	
2	Direct Labor Overhead (Employer Related Expenses)	
3	Administrative Labor Cost	
4	Administrative Labor ERE	
5	Contracted/Subcontracted/Consulting Staff	
6	Indirect Program Supplies	
7	Other Direct Cost	
7a		
7b		
7c		
7d		
8	Travel	
9	Occupancy Expenditures	
10	Total	
Phase 4 Section 2		
11	Projected Service Population 1	357,000
12	PMPM, Service Population 1	
13	Contract Cost, Service Population 1	
14	Projected Service Population 2	0
15	PMPM, Service Population 2	<i>n/a</i>
16	Contract Cost, Service Population 2	<i>n/a</i>
17	Total Contract Cost, Phase 4	

EXAMPLE

October 1, 2014 through January 31, 2015*

Proposer Name:		
Phase 1 Section 1		
	Total Proposed Cost (\$)	
1	Direct Labor Cost (Salary and Wages)	100000
2	Direct Labor Overhead (Employer Related Expenses)	50000
3	Administrative Labor Cost	100000
4	Administrative Labor ERE	50000
5	Contracted/Subcontracted/Consulting Staff	20000
6	Indirect Program Supplies	10000
7	Other Direct Cost	90000
7a		
7b		
7c		
7d		
8	Travel	11760
9	Occupancy Expenditures	20000
10	Total	451,760
Phase 1 Section 2		
11	Projected Service Population 1	841,000
12	PMPM, Service Population 1	\$0.10
13	Contract Cost, Service Population 1	\$336,400
14	Projected Service Population 2	412,000
15	PMPM, Service Population 2	\$0.07
16	Contract Cost, Service Population 2	\$115,360
17	Total Contract Cost, Year 1	\$451,760

3 . Remove mention of Ride-a-long requirements, on page 7:

A. Deliverables

The contractor will perform the daily functions of scheduling for the NEMT Program. . This includes all non-emergency non-ambulance transportation for Medicaid recipients to services that are covered by Fee-for-Service Medicaid when those NEMT services are not the responsibility of a Bayou Health Managed Care Organization. Primary tasks include: (1) receipt of incoming calls requesting services; (2) verification of client eligibility; (3) interview and/or discussion with recipient/caller to determine validity and appropriateness of request (i.e., confirming that the trip is for non-emergency services which are covered by Medicaid, within reasonable proximity to recipient's home, and no other sources of transportation are available (at no cost) to the recipient); (4) authorization of payment for least costly means of transportation available; (5) generation of reports; **and** (6) attending monthly contractor performance meetings with DHH Program Manager; ~~and (7) performing quarterly ride-a-longs with DHH Staff throughout the State at the contractor's expense. The contractor only authorizes payments to providers; it is Molina that actually pays the providers.~~

and page 8:

~~q.—— Perform quarterly ride-a-longs, and training meetings with DHH Staff throughout the State at the contractor's expense.~~

4 Page 11, inaccurate statement:

Attendants and Other Passengers

A. The Contractor shall determine, by asking the recipient or other person calling to schedule transportation, whether the recipient will be accompanied by a child (or children) and whether an attendant is needed, and advise the transportation provider. The Contractor shall inform the transportation provider that (1) Medicaid will not pay for the transportation of persons accompanying the recipient, and (2) the provider may not charge the recipient or anyone else for transporting persons accompanying the recipient. The provider may refuse to transport the recipient, or may refuse to transport more than one attendant per recipient.

- ~~• There are no restrictions or limits on how many times a transportation provider can refuse to take a trip but DHH monitors the number of refusals and takes further actions in these cases. If the provider refuses to take a trip as a result of a client's repeated offenses of causing dry runs or cancelled trip, the provider has the option of not transporting the client and the Contractor will not assign the trip to the provider.~~

5. Page 16:

A. Recipient Surveys

1. The Contractor shall conduct periodic surveys of recipients for whom NEMT services were authorized. DHH, at its discretion, may specify the distribution and size of the sample.

2. Sample size shall be approximately 100 per ~~week~~ **quarter** by telephone. Surveys shall be performed by the Contractor either on a cold call basis or during the actual scheduling of transportation for a recipient who is known to the Contractor as a regular requestor of services.

3. Surveys shall address the following:

§ Confirmation of scheduled trip

§ Courtesy of driver

§ Driver assistance when required

§ Overall behavior of driver

§ Safe operation of vehicle by driver

§ Condition, comfort, and convenience of vehicle

§ Punctuality of service

B. Medical Provider Surveys

1. The Contractor shall conduct periodic surveys of recipients and medical providers to whom recipients were transported to determine whether appointments were actually scheduled, whether the recipient was seen at the designated time, and whether the appointment was medically necessary. Sample size shall be a minimum of ~~60~~ **100** per ~~day~~ **quarter** by telephone, as follows: at least ~~30~~ **50** calls prior to recipients' appointments, to confirm that appointments were scheduled, and at least ~~30~~ **50** calls after recipients' appointments, to confirm that the services were actually provided.

2. For each operation ~~month~~ **quarter**, the Contractor shall submit to the Medicaid Transportation Manager a ~~monthly~~ **quarterly** summary report of recipient and provider surveys, by the tenth day of the following month. Format of the report is to be prior approved by the Department.

3. Failure to complete these surveys or provide the reports may result in liquidated damages as detailed in Attachment VI.

6. Page 7. Remove incorrect implementation date for ICD10:

c. Maintain communication with DHH relative to specified contractual responsibilities; attend periodic meetings with DHH; submit requests to DHH for data or information from the Fiscal Intermediary; Provide a web portal at no cost to approximately 160 transportation providers, which is capable of receiving authorizations and processing claims using 5010 837-P Electronic Billing (or any future replacement). The Contractor must be capable of using the ICD-10 Diagnosis Codes that will be required for 5010 837-P Electronic billing ~~which is to be implemented on October 1, 2014~~. The Contractor will interface with the fiscal intermediary using SFTP protocol to upload the claim file. The contractor will also download all responses and provide them to the respective submitter.

7. Remove Office Location Requirement specifics.

Office Location

DHH will allow only one site for a Contractor. The Contractor must have an office located in **Louisiana**, one of the following metropolitan cities within the State of Louisiana: Alexandria, Baton Rouge, Lafayette, Lake Charles, Monroe, New Orleans or Shreveport.

8. pg 15. Recipient Education Plan

Recipient Education Plan

- A. The Contractor shall develop and implement a plan for informing and educating recipients about the NEMT ~~Broker~~ Program. Contractor shall also provide written and oral information to adequately educate recipients, long-term care facilities, local human service agencies, NEMT providers, and providers in the State.
- B. The education plan shall emphasize the availability of NEMT Services, eligibility for these services, Standing Orders (Capitated Trips), medical documentation of need, and how to request and use NEMT Services. At least thirty (30) days prior to the Recipient Education Plan implementation date, Contractor shall mail, by first class mail and at Contractor's expense, written materials to inform and educate recipients about the NEMT ~~Broker~~ Program. All written materials developed by the Contractor shall require BHSF prior approval.

9. pg 32. Remove Independent Assurances from Proposals Section

R. Independent Assurances

- ~~1. The State of Louisiana, DHH/MVA will also require the Contractor and /or subcontractors, if performing a key internal control, to submit to an independent SSAE 16 SOC 1 and/or type II audit of its internal controls and other financial and performance audits from outside companies to assure both the financial viability of the (outsourced) program and the operational viability, including the policies and procedures placed into operation. The audit firm will conduct tests and render an independent opinion on the operating effectiveness of the controls and procedures. When required by the state the contractor shall be required to provide a quality control plan, such as third party Quality Assurance (QA), Independent Verification and Validation (IV&V), and other internal project/program reviews and audits.~~
- ~~2. These audits will require the Contractor to provide any assistance, records access, information system access, staff access, and space access to the party selected to perform the independent audit. The audit firm will submit to the State Agency and/or Contractor a final report on controls placed in operations for the project and includes a detailed description of the audit firm's tests of the operating effectiveness of controls.~~
- ~~3. The Contractor shall supply the Department with an exact copy of the report within thirty (30) calendar days of completion. When required by Office of Public Health, such audits may be performed annually during the term of the contract. The Contractor shall agree to implement recommendations as suggested by the audits within three months of report issuance at no cost to the State. If cost of the audit is to be borne by the Contractor, it was included in the response to the RFP.~~

~~S.~~ R. Waiver of Administrative Informalities

The Department of Health and Hospitals reserves the right, at its sole discretion, to waive minor administrative informalities contained in any proposal.

~~T.~~ S. Withdrawal of Proposal

A proposer may withdraw a proposal that has been submitted at any time up to the date and time the proposal is due. To accomplish this, a written request signed by the authorized representative of the proposer must be submitted to the RFP Coordinator

10. p. 40 Added Independent Assurances Language under section

VII. CONTRACTUAL INFORMATION

F. Independent Assurances

1. The State of Louisiana, DHH/MVA will also require the Contractor and /or subcontractors, if performing a key internal control, to submit to an independent SSAE 16 SOC 1 and/or type II audit of its internal controls and other financial and performance audits from outside companies to assure both the financial viability of the (outsourced) program and the operational viability, including the policies and procedures placed into operation. The audit firm will conduct tests and render an independent opinion on the operating effectiveness of the controls and procedures. When required by the state the contractor shall be required to provide a quality control plan, such as third party Quality Assurance (QA), Independent Verification and Validation (IV&V), and other internal project/program reviews and audits.
2. These audits will require the Contractor to provide any assistance, records access, information system access, staff access, and space access to the party selected to perform the independent audit. The audit firm will submit to the State Agency and/or Contractor a final report on controls placed in operations for the project and includes a detailed description of the audit firm's tests of the operating effectiveness of controls.
3. The Contractor shall supply the Department with an exact copy of the report within thirty (30) calendar days of completion. When required by Office of Public Health, such audits may be performed annually during the term of the contract. The Contractor shall agree to implement recommendations as suggested by the audits within three months of report issuance at no cost to the State. If cost of the audit is to be borne by the Contractor, it was included in the response to the RFP.