



**Solicitation Information
9 Nov 11**

REQUEST FOR PROPOSALS # 7449222

Title: Health Insurance Exchange Establishment Technical Assistance

SUBMISSION DEADLINE: 6 DEC 11 @ 11:00 AM (EASTERN TIME)

Pre-Submission Conference: No

Questions concerning this solicitation must be received by the Division of Purchases at questions@purchasing.ri.gov no later than **22 Nov 11 @ 12:00 Noon (ET)**. Questions should be submitted in a *Microsoft Word attachment*. Please reference the RFP # on all correspondence. Questions received, if any, will be posted on the Internet as an addendum to this solicitation. It is the responsibility of all interested parties to download this information.

SURETY REQUIRED: No

BOND REQUIRED: No

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Vendors must register on-line at the State Purchasing Website at www.purchasing.ri.gov

Note to Vendors:

Offers received without the entire completed three-page Rhode Island Vendor Information Program (RIVIP) Generated Bidder Certification Form attached may result in disqualification.

THIS PAGE IS NOT A BIDDER CERTIFICATION FORM

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SECTION I. INTRODUCTION

The Rhode Island Department of Administration/Division of Purchases, on behalf of the Office of the Health Insurance Commissioner (OHIC), is soliciting proposals from qualified firms to provide technical assistance services to continue establishing key elements of the state's Health Insurance Exchange ("Exchange"), as described elsewhere herein, and in accordance with the terms and of the Request of the State's General Conditions of Purchase available at www.purchasing.ri.gov

This is a request for Request for Proposals (RFP); responses will be evaluated on the basis of the relative merits of the proposals received in addition to value. There will be no public opening and reading of the responses received by the Division of Purchases pursuant to this request, other than to name those vendors who have submitted requests for proposals.

INSTRUCTIONS AND NOTIFICATIONS TO VENDORS:

1. Potential vendors are advised to review all sections of this Request carefully and to follow instructions completely, as failure to make a complete submission as described elsewhere herein may result in rejection of the proposal.
2. Alternative approaches and/or methodologies to accomplish the desired or intended results of this procurement are solicited. However, proposals which depart from or materially alter the terms, requirements, or scope of work defined by this Request will be rejected as being non-responsive.
3. All costs associated with developing or submitting a proposal in response to this Request, or to provide oral or written clarification of its content shall be borne by the vendor. The State assumes no responsibility for these costs.
4. Proposals are considered to be irrevocable for a period of not less than sixty (60) days following the opening date, and may not be withdrawn, except with the express written permission of the State Purchasing Agent.
5. All pricing submitted will be considered to be firm and fixed unless otherwise indicated herein.
6. Proposals misdirected to other state locations, or which are otherwise not present in the Division of Purchases at the time of opening for any cause will be determined to be late and will not be considered. For the purposes of this requirement, the official time and date shall be that of the time clock in the reception area of the Division of Purchases.
7. It is intended that an award pursuant to this Request will be made to a prime Vendor, who will assume responsibility for all aspects of work. Joint venture and cooperative proposals will not be considered. Subcontracts are permitted, provided that their use is clearly indicated in the vendor's proposal and the subcontractor(s) to be used is identified in the proposal.
8. All proposals must include the vendor's FEIN or Social Security number as evidenced by a W9, downloadable from the Division of Purchases website at www.purchasing.ri.gov
9. The purchase of services under an award made pursuant to this Request will be contingent on the availability of funds.
10. Vendors are advised that all materials submitted to the State for consideration in response to this Request for Proposals will be considered to be Public Records as defined in Title

38 Chapter 2 of the Rhode Island General Laws, without exception, and will be released for inspection immediately upon request once an award has been made.

11. Interested parties are instructed to peruse the Division of Purchases website on a regular basis, as additional information relating to this solicitation may be released in the form of an addendum to this RFP.
12. Equal Employment Opportunity (RIGL 28-5.1) – 28-5.1-1 Declaration of policy – (a) Equal opportunity and affirmative action toward its achievement is the policy of all units of Rhode Island state government, including all public and quasi-public agencies, commissions, boards and authorities, and in the classified, unclassified, and non-classified services of state employment. This policy applies to all areas where State dollars are spent, in employment, public services, grants and financial assistance, and in state licensing and regulation. For further information, contact the Rhode Island Equal Opportunity Office at (401) 222-3090 or via email raymond1@gw.doa.state.ri.us
13. In accordance with Title 7, Chapter 1.1 of the General Laws of Rhode Island, no foreign corporation, a corporation without a Rhode Island business address, shall have the right to transact business in the State until it shall have procured a Certificate of Authority to do so from the Rhode Island Secretary of State (401-222-3040). *This is a requirement only of the successful Vendor.*
14. The state reserves the right to contract with an Independent Verification and Validation vendor to provide the state with independent advice concerning all or parts of the contract resulting from this RFP.
15. The vendor should be aware of the State's Minority Business Enterprise (MBE) requirements, which address the State's goal of ten percent (10%) participation by MBE's in all State procurements. For further information, contact the MBE Administrator at (401) 574-8253 or visit the website www.mbe.ri.gov or contact dorinda.keene@doa.ri.gov.

SECTION II. BACKGROUND

The Office of the Health Insurance Commissioner (OHIC) was established by legislation in 2004 to broaden the accountability of health insurers operating in the state of Rhode Island. Under this legislation, OHIC is dedicated to:

1. Protecting consumers
2. Encouraging fair treatment of medical service providers
3. Ensuring solvency of health insurers
4. Improving the health care system's quality, accessibility and affordability

OHIC sets and enforces standards for health insurers in each of these four areas.

In pursuit of this mission, OHIC applied for grant funds from the United States Department of Health and Human Services, Center of Information and Insurance Oversight (CCIIO). OHIC first received an "Exchange Planning Grant" in 2010 to plan, design, and conduct feasibility analyses of key components of a state Health Insurance Exchange, as authorized by the Patient Protection and Affordable Care Act (ACA). Subsequent to the state's progress made in planning for an Exchange, OHIC applied for and received funding under a federal Exchange "Establishment One" grant to begin the design and development of four key elements of Exchange components. Rhode Island has made significant progress on its Establishment One grant, and on Sept 29, 2011, submitted an application to CCIIO for an Establishment Two grant, the purpose of which is to further development, implement and launch the four key Exchange components in the Establishment One grant, and to design, develop, implement and launch five remaining core components of an Exchange in accordance with federal requirements.

Through this RFP, the state is seeking technical assistance to establish Rhode Island's Exchange.

On September 19, 2011, Governor Chafee signed an Executive Order providing the state legal authority to establish the Rhode Island Health Benefit Exchange (Exchange). The executive order notes that the goal of RI's Exchange is to provide consumers with the best combination of choice, value, quality, and service for health insurance. Additionally, the Exchange will help individuals and employers choose the plans most suitable to them. The executive order also includes a requirement that the Exchange address payment reforms and benefit designs that promote quality and efficiency.

RI's Exchange board, which will guide the establishment of the Exchange, is composed of 13 members appointed by the governor. Four members are government officials: the Director of the Department of Administration, the Secretary of the Executive Office of Health and Human Services (EOHHS), the Health Insurance Commissioner, and the Director of the Department of Health. Nine gubernatorial appointees will serve as public members. Board members cannot be practicing providers or in any way connected to a provider, an insurer, an insurance broker or agent, or a health facility. On September 19, in tandem with issuing the executive order, Governor Chafee appointed the nine public members of the exchange board.

RI has actively participated as part of the New England States Consortium Insurance Exchange Systems (NESCIES) to engage in Early Innovator Exchange Grant activities. A technical lead, a business lead, and the Medicaid Director from each New England state comprise NESCIES' steering committee. The consortium has worked toward identifying methods to maximize collaboration and reuse among members in order to reduce the overall work effort and cost of building and eventually operating an exchange. Rhode Island will continue to collaborate with the participating states through the development of the detailed design requirements and procurement of system components for shared solutions among the NESCIES' states.

Additional background information about the status of Rhode Island's Exchange planning efforts, health insurance markets, and the state's uninsured population may be found within the text of OHIC's Exchange Planning and Establishment proposals. A link to the grant proposals' project narratives has been included in Section VIII of this RFP.

SECTION III. SCOPE OF WORK

OBJECTIVE

The Office of the Health Insurance Commissioner (OHIC) seeks to contract with a health policy firm to provide technical assistance services to the Exchange, to design and implement Rhode Island's Exchange, in collaboration with the Executive Office of Health and Human Services (EOHHS), the Office of Lieutenant Governor Elizabeth Roberts, and the Department of Health (HEALTH), and as authorized by the Patient Protection and Affordable Care Act (ACA). The tasks in this RFP will initially begin under the direct supervision of OHIC, supported by Rhode Island's interagency leadership team (OHIC, EOHHS, and the Office of Lieutenant Governor Elizabeth Roberts); however, as key leadership staff of the Exchange authority is hired, the vendor will be expected to work closely with the staff of the Exchange to transition much of the vendor's technical assistance services for these tasks to directly to the Exchange.

The objective of this RFP is to competitively procure technical assistance (TA) from a qualified health policy firm with extensive experience in federal and state health insurance program planning, health care policy, health care financing and payment, IT systems design, and project management. This firm will provide technical assistance services to RI in the design, development, and establishment of RI's Exchange. The successful vendor must demonstrate significant expertise with creative approaches to public and private sector health insurance program design, implementation and operations. The vendor must also meet the minimum requirements described in Section 4.1 of this RFP.

The state expects that this contract will result in a fully functional, successful, financially viable state Exchange, operated by a cohesive on-site team with little or no ongoing assistance beyond 2014 from the successful technical assistance vendor procured through this RFP. The state expects that the effort required for this scope of work will be largely in the first two contract years (2012-2013), transitioning responsibilities and knowledge to the Exchange team throughout 2014.

Through this RFP, the State is seeking technical assistance to further progress and/or refine the design, development, and establishment of nine key Exchange establishment tasks, in accordance with federal requirements:

1. Exchange business processes, roles, and supporting technology infrastructure
2. Customer/partner/stakeholder support,
3. Reporting and evaluation,
4. Governance and staffing,
5. Health plan certification and qualification,
6. Financial sustainability,
7. Oversight and financial integrity,
8. Commercial market analysis,
9. Development of an All Payor Claims Database needed to support reinsurance, risk adjustment, health plan quality and efficiency comparisons and other exchange-related activities, and

Additionally, the successful vendor may be asked to conduct Special Projects (Task 10) in response to the State's changing needs and requirements, and as funding allows.

The scope of this RFP will include technical assistance for the successful implementation of RI's Exchange **as a change initiative, addressing one or more of three change management areas, as appropriate for each of the nine core tasks.** The following describes the three major change management areas and examples of activities within each area:

- business policy, practices and processes within the Exchange and across multiple enterprises:
 - establishing new business policies, practices, practices and procedures inside and outside the Exchange through business partnerships/contracting arrangements with other government or private enterprises;
- the people, roles, responsibilities, and organizational structures within the Exchange and across these multiple enterprises:
 - organizational capabilities inside the exchange (staffing, training); business partnerships with other government agencies; contracting arrangements with public or private entities for ongoing services;
- the information systems and technology solutions that support the new policies and practices:
 - planning, architecture, design, contracting and implementation of information systems and technology required to support the Exchange.

To facilitate successful planning and implementation of changes in business practice, organization, and system (IT) supports above, the contractor will also provide technical assistance and cross agency facilitation to support the overall transformation management functions themselves required to manage and coordinate all aspects of the transformation. The state realizes that technical assistance in the nine key exchange components coupled with the breadth of the technical assistance needed in the areas which will change (policy, people, and technology, as described above) will require many different backgrounds and skills; one firm may not have all of the skills needed in-house to perform an excellent job under the contract. For this reason, **the state is seeking one primary contractor**, but will expect the bidder to conduct an analysis of their skill set and capacity for this contract, **and, as needed, bring additional expertise and capacity through subcontracts with firms or individuals with expertise and capacity which complement the contractor's expertise and capacity.** When appropriate, the state encourages bidders who may subcontract for certain specific areas of expertise with local RI firms and/or universities when such expertise is available in RI. In addition, the state encourages contracts/ subcontracts with MBE firms.

To be clear about the technical assistance services the state is seeking to procure, it may be useful to paint a picture of the anticipated result of the technical assistance the state expects to receive under this successful three-year technical assistance contract:

By December 2014, RI's Exchange will have been fully operational for one year. The Exchange will be fully staffed through a combination of state employees and contracts with local, on-site staff with specific expertise needed to operate the Exchange. This team of individuals will operate the Exchange as a cohesive,

mutually supportive co-located team. They will be committed to maintaining a customer-centered, efficient insurance exchange, and will measure and review indicators of the Exchange's progress and performance routinely. They will solicit input and welcome criticism so that they can make mid course corrections and improve service to their customers – individuals and businesses. Their performance will be excellent due to documented business policies, practices and procedures for exchange operations, detailed job descriptions appropriate to meet the needs of exchange operations, training and cross-training, and a supportive workplace environment to pursue further training and advancement. The team will work under the direction of a Director, who will be guided by an involved, knowledgeable, well-prepared Board of Directors. The Board, Director, and staff will be guided by a strategic plan for the exchange, which has incorporated review and input from Board, Advisory Councils, stakeholders, and other community members, and is fully understood and used to establish Exchange priorities and workplans by the Exchange by the Director, staff and partner agencies. The daily work of the Exchange staff will be consistent and efficient, guided by written and well-used operational policies and procedures, job descriptions, and staff training modules in exchange-specific areas. The Board would have participated in board training on exchanges. The exchange, in partnership with Medicaid and other state agencies, will have an excellent, established customer service operation and an ongoing stakeholder/consumer input and feedback process.

Successful partnerships will exist between the Exchange and other government entities. These partnerships will support the successful operation of the Exchange, and in many cases, will also support the successful operation of related programs in public agencies, such as Medicaid, OHIC, and HEALTH. Successful partnerships/contracts will also exist with national, federal and other state agencies which will serve as a ready source of up-to-date information needed for Exchange decisions, evaluation, and reports, including individual subsidy eligibility (data hubs), and health plan certification (e.g. NAIC and NCQA), etc. Contractual arrangements will be in place for “specialized technical services” which are needed on a routine but not daily operational basis. These might include actuarial services to support exchange premium rates and/or exchange related commercial insurance activities (risk adjustment, reinsurance), financial auditing (exchange and all payor claims database (APCD)), operational auditing, systems/IT support for exchange operations and all payor claims database maintenance, analytics and reporting for exchange and APCD, etc.

Exchange planning, design, development and implementation work will have been successfully supported by the Establishment Technical Assistance Vendor, in partnership with the state (OHIC, Exchange), completing most of this work in the first two years of the contract, and providing technical assistance as the Exchange moved into operations in year three. This includes assistance with business process development and documentation; design, drafting of IT specifications, and oversight of implementation of IT systems for both the Exchange and APCD; staff training; drafting specifications for ongoing off-site

specialized technical services, partnership agreements with state and federal government agencies, information business needs analyses and corresponding analytic plans, operational policies and procedures for both the Exchange and the APCD, and other agreements and contracts necessary with partner agencies and vendors to operate the exchange.

The technical assistance contractor will have facilitated a successful process to support the overall transformation of management functions required to manage and coordinate all aspects of the exchange, including changes in state government roles and responsibilities across multiple state agencies. Finally, the technical assistance vendor will have completed the objective of this technical assistance contract – supporting the startup of RI’s exchange in a manner such that the Exchange is able to function successfully, and in a financially viable manner, with little or no ongoing assistance from the technical assistance vendor.

Until recently, Rhode Island had been pursuing two parallel business operations and technology planning paths: one focused on developing a plan for phasing in a new eligibility determination system to support both Medicaid and the Exchange and a second focused separately on all of the other systems, technology, business processes, staff, and external specialty contracts required to support a fully functioning Exchange. In accordance with the vision outlined above, Rhode Island is reevaluating all Exchange, Medicaid, and OHIC functions to identify and agree upon areas of potential efficiency to be gained by sharing/integrating business functions, policies and procedures staff, contracts, and IT systems support for the business functions. At the beginning of the contract resulting from this RFP, the state expects to have a document outlining an *Integrated Exchange Solution*: the state agencies’ agreement on leveraging/sharing functions, resources, and/or infrastructure. This will include documentation, for all Exchange components, of high-level agreements to share, integrate, or separate business functions, components, staff roles and responsibilities, and supporting IT systems architecture. **All activities conducted under this RFP must be coordinated with Medicaid, and when appropriate, integrate with Medicaid, including coordination with existing Medicaid vendors where appropriate.**

The following nine tasks will provide an outline for the bidders response. Following the list of Tasks is a description of specific activities to be included, at minimum, in the response for each task. However, **the bidder should use expert knowledge of federal exchange requirements, operational requirements of an exchange, and knowledge of RI’s current environment and the status of RI’s Exchange development to propose enhancements TA activities under each task or even additional TA tasks for the state’s consideration, to ensure successful accomplishment of the objective of this contract.** The bidder may refer to descriptions of RI Exchange Establishment work described in RI’s previously submitted grant applications (links included in Section VIII: Procurement Library).

For each of the nine Exchange tasks described below, bidders are asked to **provide a proposed plan of specific technical assistance (TA) activities, timeline, and resources to accomplish the proposed TA activities.** This should include an analysis of each of the nine tasks, and for each, a proposed plan of work that may include technical assistance services to support design, development, implementation and establishment of the exchange. The plan should consider the

current status of RI's accomplishments to date (described in the links included in Section VIII, Procurement Library). The plan should also **consider, for each task, the three major change management areas** described above: business practice, organizational roles and responsibilities, and information technology systems. The plan should **identify key milestones** that the vendor will work with the state to prepare and implement, including the Exchange Life Cycle gate review requirements, federal assessment of Exchange readiness (i.e. an Exchange Plan, per proposed federal regulation), and any additional milestones identified by the vendor. One additional task, Special Projects, requires the vendor to provide the State with additional project management and technical assistance services, as needed, in response to the State's changing needs and requirements, and as funding allows.

Because of the complexity of this project, combined with the aggressive time constraint of successful Exchange implementation, it is critical that the technical assistance provided by the primary vendor and any subcontractors be supported by strong, dedicated project management capacity. The vendor's Project Management capacity is expected to ensure a close, on-site working partnership with the state, coordinating, organizing and tracking the work of the various subject-matter technical assistance experts and subcontractors on the project team, and assuring effective communication with the state's Exchange staff (state employees and on-site local contractors) as well as other state and community partners. **The TA vendor will be expected to provide local, on-site project management.** The state anticipates that more than one on-site project manager may be required to accomplish these tasks, and requests that bidders **propose a project management plan** (name proposed individuals, skill sets, and proposed role/responsibilities) sufficient to the scope of work and skill sets required to complete it. The state will provide space for these project managers to be co-located with Exchange staff. The time and cost of project management should be distributed across the nine tasks, as appropriate.

Nine key RI Exchange establishment tasks requiring technical assistance are described as follows:

TASK ONE: EXCHANGE BUSINESS PROCESSES, ROLES, AND SUPPORTING TECHNOLOGY INFRASTRUCTURE

The vendor shall provide expert technical expertise for the following activities at a minimum, and may propose other activities in this area to successfully accomplish the objectives of the contract. All activities must be coordinated with Medicaid, and when appropriate, integrate with Medicaid, including coordination with existing Medicaid vendors where appropriate.

Activity 1.1 Refine plan and develop detailed specifications for Exchange business process, staffing and systems, in concert with the Integrated Exchange Solution

Rhode Island seeks assistance of the vendor under this current RFP to design, develop and document detailed business function, staffing, and technical requirements for each technical component of Rhode Island's Exchange, including those to be implemented as a separate Exchange function and those to be implemented as a component of the Integrated Exchange Solution. This will include defining business processes, staffing, and IT infrastructure design specifications for all new Exchange functions to support the full scope of Exchange's business needs. This will also necessitate designing the business

functions and IT specifications using a collaborative approach in partnership with Medicaid and their contractors, so that the operational and technical architecture can:

1. perform MAGI-based eligibility determination,
2. integrate components that RI may choose to leverage from the NESCIES collaboration,
3. accommodate Medicaid eligibility determination for aged and disabled, and other non-MAGI Medicaid eligibility determination, in accordance with specifications to be established by Medicaid and their contractors, and
4. accommodate eligibility functions for other human service programs, such as TANF, SNAP and child care subsidies, in accordance with specifications to be established by the Department of Human Services and their contractors

The TA Vendor may be required to define particular Exchange business functions or technical components to align with existing Medicaid or OHIC business functions or technical components to leverage interagency strengths and capacities, as is referenced throughout this RFP. This integration may impact the business and system design work under all Tasks in this contract, including Tasks focused on developing detailed business process mapping, design, and documentation; defining staffing functions; and conducting IT infrastructure design and specification. The TA vendor will assist the Exchange to develop options regarding leveraging existing Medicaid functions, leveraging existing OHIC functions, leveraging NESCIES components, and providing eligibility functions for Medicaid and other Human Service Programs.

The business, staffing, and IT infrastructure specifications should include at least the following core Exchange technology components, as well as any additional components identified by the vendor:

- Web portal (including the ability of the portal to accommodate Medicaid eligibility portal functions)
- Eligibility determination/redetermination/changes for individuals/families eligible for Exchange premium subsidy, individuals/ families eligible to purchase insurance through the Exchange without subsidy, and determining eligibility for small business and their employees. In addition, the Exchange IT system must be designed to accommodate Medicaid and Human Service program eligibility, recertification, changes, and noticing functions, as requested and specified by those programs.
- Cost sharing determination and options
- Individual responsibility determinations/waivers
- Notices (including the ability of the Exchange's IT system eligibility system to accommodate Medicaid and Human Service program noticing functions)
- Plan comparison and selection (including the ability of the Exchange's IT system to accommodate Medicaid plan comparison and selection, as well as plan comparisons by any Rhode Islander)
- Plan enrollment/disenrollment
- Premium assistance/individual tax credit
- SHOP, including employer eligibility and enrollment, employee enrollment, premium billing, premium collection, premium payment, and premium reconciliation
- Navigator/broker payment

- Other activities not otherwise specified in this list that the bidder determines is needed for the successful design, implementation and operation of RI's Integrated Exchange Solution.
- Customer Service/call center: The vendor will assist the state to implement the consumer assistance plan developed throughout the fall of 2011 through an existing vendor contract with OHIC. This will include the ability to serve or transfer customers calling for information about other programs, such as Medicaid, using a seamless system from the customer's point of view.
- Other core components as defined by the successful vendor

The products of the detailed design process and content should meet all of the requirements and deliverables necessary for the detailed design gate of CMS' Systems Development Lifecycle for the Exchange.

Activity 1.2 - Develop Implementation Strategy

The vendor will develop a detailed implementation strategy, workplan, and timeline for the specifications for Exchange business process, staffing and systems. The implementation strategy will include a procurement plan and development of draft RFP(s), contracts and/or agreements to support the Exchange operations and technical infrastructure, including the Integrated Exchange Solution, and NESCIES components as appropriate (see Activity 1.1 and 1.3).

The Technical Assistance Vendor contracted through this RFP will be responsible for Exchange IT infrastructure specifications, RFP writing, and oversight and monitoring of the selected IT vendor(s) and/or system integrator's build, installation and testing of the Exchange IT system. The Technical Assistance Vendor contracted through this RFP will NOT be responsible for actually providing the application, IT system components, or system integrator functions.

As a component of Activity 1.2, the implementation strategy requires an additional layer of financial sustainability analysis: Rhode Island requires a sensitivity analysis of the construction and ongoing costs of the various technical components and business functions of an Exchange. This analysis will allow Rhode Island to consider the need to phase key functions or components in over time and/or modify or reject the inclusion of specific functions or components if financial sustainability cannot be assured.

Activity 1.3 – Refine strategy for leveraging components from NESCIES

Rhode Island is committed to leveraging as much as technically and practically possible from the NESCIES collaboration. To do so, Rhode Island must actively participate in a collaborative detailed design process with NESCIES to ensure common components will work for Rhode Island. The vendor will need to provide key technical, business, and project management leads on-site in Massachusetts as frequently as required to participate in the collaboration on Rhode Island's behalf. The vendor must use the detailed design elements created through Activities 1.1 and 1.2 to inform the NESCIES collaboration, identify options as well as risks and benefits of each option for key components that Rhode Island can leverage, and define the plan for each option by which

these components could functionally and technically be integrated into Rhode Island's Exchange solution. The vendor will also need to develop and refine cost estimates for leveraging NESCIES components and quantify the difference in cost for development and operations of this collaboration as compared to Rhode Island developing and implementing an independent solution. The vendor will present risks, benefits, cost differences, and time estimates for each option, and will then integrate the state's decision on the NESCIES strategy into RI's procurement plan. The successful vendor will develop RFP(s) for Rhode Island's Exchange, including the integration of RFP components provided by Medicaid or their contractors to support the Integrated Exchange Solution architecture, as described in Activity 1.2.

Activity 1.4 – Alignment of Business and Policy Decisions with Systems Implementation

A key principle of Rhode Island's Exchange establishment is that policy and business strategy shall inform IT design and implementation. The vendor shall ensure that all business and policy issues identified and analyzed as part of this engagement are appropriately cross-walked and coordinated with the systems implementation.

Activity 1.5 – Quality Assurance/Oversight and Monitoring of IT Infrastructure development and implementation

The vendor shall provide quality assurance monitoring and contractor oversight for the systems build and implementation, which includes the deliverable review and approval process, and oversight of extensive testing of the solution components by the IT systems contractor(s) to ensure stability and interoperability. Any work required by Activity 1.5 should be closely coordinated with the work described in Activity 7.3.

TASK TWO: CONSUMER/PARTNER/STAKEHOLDER SUPPORT

The vendor shall provide ongoing technical expertise and assistance to design and document policies, procedures, integrated business processes, roles and responsibilities, and partnerships with other state agencies to provide effective, user-friendly and efficient consumer and customer support services. The vendor is expected to provide technical assistance in this area utilizing staff with specific expertise in development of marketing strategies, customer service functions, interagency facilitation, and change management. The vendor will work closely with support provided through OHIC's Establishment One Services vendor as well as implement recommendations developed by OHIC's Consumer Assistance Expert vendor. The bidder must provide assistance for the activities described below, and may propose additional activities as needed to meet the objectives of the contract.

Activity 2.1 – Marketing and Outreach Strategy

Rhode Island seeks assistance in developing and implementing a strategy for marketing and outreach related to the Exchange. Informed by the consumer assistance planning and development work to be conducted during the Fall of 2011 under existing contracts, the successful vendor must create a plan to market the exchange to individuals (Exchange, Medicaid), small employers, potentially participating plans, and to the general public (for the role of the Exchange in providing information about health insurance options for all

Rhode Islanders). The vendor must also develop training materials for outreach and information; establish performance metrics for outreach, navigator, and brokers; develop a media strategy (inclusive of message & media relations); develop brand and graphical identity for the exchange; test materials and messaging with public through focus groups; and conduct on-going stakeholder engagement. The vendor may propose additional outreach activities as appropriate.

Activity 2.2 Customer Service

The vendor will work with RI to assist in the implementation of any consumer assistance plans developed by Rhode Island through existing vendors in contract with OHIC under Establishment One (Establishment One Services and Consumer Assistance Expert). All work done to support this activity should be in accordance with industry best practices.

Activity 2.3 – Complaints/Appeals/Grievance process

Rhode Island seeks assistance developing and documenting a statewide plan for receiving, complaints, appeals and grievances regarding private and public health insurance. This includes assistance in conducting an initial assessment of current functions and capacity across state agencies and health plans, in consultation with those agencies. In partnership with state agencies that conduct or oversee these function in health plans, develop options of organizational models which integrate new exchange functions with current functions, leveraging current strengths and capacities, with a focus on a clear, timely, effective path for consumers. The successful vendor must identify risks and benefits of each option, and assist the state in determining an appropriate pathway. Based on the state's decision, the vendor will document the plan for health insurance complaints, appeals, and grievance functions, with roles and responsibilities delineated across state agencies and health plans; develop and document business processes and procedures; develop and assist in the implementation of an operational plan for the Health Benefits Exchange customer service functions; develop and assist in implementing processes to track, monitor, and report on all Health Benefits Exchange consumer complaints; and map a consumer-friendly referral process if the complaint or appeal should be handled by another agency.

Activity 2.4 – Developing strategy and plan for Navigators and Brokers

Rhode Island seeks assistance in developing and implementing a strategy for working with Navigators and brokers. The vendor will assess current navigator roles; identify Exchange navigator needs; develop selection criteria; develop navigator recruitment plan; identify potential Exchange navigators (leveraging current navigator roles and/or developing new roles); develop financial model for navigator compensation – including budget impacts. The vendor will partner with OHIC to develop options and strategy to work with brokers. The vendor will draft specifications for navigator and broker specific modules on the Exchange web portal.

Activity 2.5 – Health Plan and Employer Relations

Rhode Island seeks assistance in developing staffing plan, processes, and procedures to provide ongoing communication with both employers and health plans regarding operational issues such as payment reconciliation, enrollment reconciliation, clarifications, complaints, etc.

Activity 2.6– Change Management

The vendor is expected to work in partnership with Medicaid and Exchange staff, as well as state and community-based stakeholders, to develop a coordinated process to help transition the existing consumer support/customer assistance infrastructure as may be needed, from current practices to integrating/leveraging exchange specific systems and processes. Such systems and processes include marketing, customer service, complaints and appeals, the web portal, navigators, decision support tools, and online eligibility & enrollment. The change management proposal should address how the vendor will work with current state employees who conduct Medicaid eligibility to understand their existing business processes and develop a roadmap to transition to new systems and processes.

TASK THREE: REPORTING

Activity 3.1 – Health plan reports

The vendor will develop health plan reporting requirements to comply with federal requirements for certification, federal reporting, Exchange management, Exchange evaluation, etc. The vendor will conduct an environmental scan of current evaluation and reporting (e.g. state agency, NAIC, NCQA, customer surveys, HEDIS measures, other state and national reporting, etc.) and develop options to leverage existing reports/data. The vendor will develop a plan and procedure (including specific data, timing, source, submission method, etc.) with advice and input from health plans, for primary and secondary data collection and analysis to meet Exchange health plan reporting requirements.

Activity 3.2 Exchange operational and management reports

The vendor will develop a comprehensive plan for data and reports need to effectively operate the Exchange. These operational and management reports will be needed to effectively operate all areas of the Exchange. This management reporting plan will include, for all functional areas of the Exchange: report templates, frequency, and data source. The vendor will also provide a template for an Exchange “dashboard” report to include all operational areas. The vendor will provide technical assistance to develop the technical/structural capacity to create these reports on a routine basis.

Activity 3.3 Exchange public reporting

The vendor will develop a plan and suggested templates for monthly and annual public reports on Exchange operations. These reports will be used to keep the following groups updated and informed on the exchange’s ongoing progress and operations: Exchange Board, stakeholder groups, other state agencies, Health Reform Executive Committee, etc. The vendor shall work with the Exchange team to develop and implement key reports throughout 2014.

Activity 3.4 – Exchange evaluation plan

The vendor will refine RI’s Exchange Evaluation plan developed under the Exchange Planning Grant. This will include facilitating a process across state agencies,

stakeholders, and the Exchange Board to create a tight set of goals and realistic, measurable objectives for the Exchange. The plan will include measurement of Exchange objectives using existing data first, then supplementing with primary data collection if needed, so as to create a cost-effective and sustainable plan. The vendor will draft a plan using the following basic process:

- Conduct an environmental scan of current state, health plan, and national data collection efforts/surveys/ etc. which the Exchange can utilize to measure progress in achieving its goals and objectives. This will include Exchange administrative data and the all-payor claims database.
- Detail any goals and objectives/measures for which new primary data collection would be necessary to complement existing data sources to evaluate the Exchange's progress in achieving its goals and objectives.
- Propose a plan for such primary data collection, with estimated costs of the components of the primary data collection plan, and an analysis of cost effectiveness /necessity of primary data collection.
- The vendor will develop specifications for an RFP to result in a contract(s) to conduct analysis and reports on Exchange Evaluation.

The state's preference is to use existing data sources and administrative data whenever possible to conduct an ongoing evaluation of the Exchange. The evaluation will be used to conduct mid-course corrections and public reports.

Activity 3.5 Reports and documents to maintain federal and state authority

The vendor will develop a comprehensive plan for data and reports need to maintain federal and state authority to operate the exchange, including a schedule and contents of CMS federal exchange reporting requirements, official document submissions/reports required by state or federal agencies, interagency agreements, etc.

TASK FOUR: GOVERNANCE, STAFFING, AGREEMENTS AND CONTRACTS

The vendor shall provide ongoing expertise and technical assistance in the following areas at a minimum:

Activity 4.1 – Board -

- Support Exchange Director in developing an effective working structure for the Board, including delineating main board and subcommittee structure and roles, and a staffing plan to support the Board.
- Develop a plan for and provide Board training in areas that will prepare Board members to make informed recommendations.
- Develop materials and protocol for ongoing Board development
- Provide written and/or in-person report to the Board as appropriate on results of policy and financial analyses and options development activities

Activity 4.2 Staffing plan –

- Provide ongoing refinements to initial staffing plan and phased approach, building toward a sustainable exchange by 2014 that leverages a combination of state staff and local contracted support.

- Draft detailed job descriptions appropriate to meet the needs of exchange operations
- Conduct staff training and cross-training
- Develop an ongoing staff training protocol

Activity 4.3 – Partnership agreements and contracts

- Draft specifications for partnership agreements with state and federal government agencies delineating roles and responsibilities related to the Exchange
- Draft agreements and contracts necessary with non-government partner agencies to support exchange operations and responsibilities, including brokers, navigators, etc.
- Facilitate a cross-agency process to support and document the overall transformation of staff, management and operational functions required to operate the exchange, with a focus on changes in state government roles and responsibilities across multiple state agencies.
- Draft bid specifications for ongoing off-site specialized technical services which will be required to complement Exchange staff skills and capacity to operate the exchange on an ongoing basis (e.g. actuarial, legal, etc.)

TASK FIVE: HEALTH PLAN CERTIFICATION AND QUALIFICATION -

The vendor shall provide ongoing technical expertise and assistance to design, document and implement a health plan certification and qualification plan, which will include policies, procedures, integrated business processes, roles and responsibilities, and partnerships with state, national or other contracted entities (eg NAIC, NCQA) to support initial and ongoing Exchange Health Plan Certification and Qualification. The vendor shall provide technical assistance in identifying and leveraging existing state, federal, and national public and private resources whenever possible to avoid duplication of data collection, criteria/standards development, review processes, reporting, etc. Plan certification standards and reporting requirements should be informed by and coordinated with Medicaid and OHIC.

The areas of Health Plan certification and Qualification to be covered in the plan may include the following, as appropriate:

- Product specification/minimum standards
- Quality rating system design
- Quality rating tools/Reporting development (Technical)
- Qualified health plan certification strategic planning
- RFP development and review
- Standards development
- Qualified Health Plans - IT development, management, and readiness testing
- Actuarial support

The vendor will develop and implement a plan for Health Plan oversight and monitoring, leveraging existing State functions.

TASK 6: FINANCIAL SUSTAINABILITY

The vendor shall provide expert technical assistance to the State of Rhode Island to refine the business plan for the Exchange. At a minimum, the vendor shall include the following activities:

Activity 6.1. Exchange value proposition

The vendor will work with the state to narrow and refine options for business models that are appropriate for the state and will add value to the populations affected, including individuals, small business, and the RI population as a whole. Examples of key ongoing issues for consideration and refinement by the vendor:

- RI is actively testing different models of the SHOP exchange with small business owners and representatives from the small business community. The vendor will use this market analysis as a starting point to identify options for the best mechanisms for Rhode Island's Exchange to add value for small employers in Rhode Island. The bidder may propose to design, conduct, and utilize additional market research to refine the SHOP exchange model, and test key elements of the value proposition.
- Rhode Island has been avidly considering a Basic Health Plan to serve its 133%-200% FPL population. The vendor will utilize data and analyses completed to date, along with forthcoming federal guidance, to refine Basic Health Plan population and take-up estimates, as well as population and take-up estimates for individual and small business. The vendor will use this information to develop options and identify risks and benefits of each option for Rhode Island to consider regarding the Basic Health Plan.
- The bidder may propose to collect additional information and/or conduct additional analyses which may assist in the refinement of the value propositions and Exchange business model options that will add value to the Exchange populations.

Activity 6.2: Financial Sustainability Analysis and Plan

Rhode Island's small scale presents an important and concrete challenge in ensuring the financial sustainability of the design and implementation of its exchange. Analyses, projections, and technical review to be conducted by the vendor shall include, but not be limited to, the following:

- Changes in population estimates over time
- Refinements in revenue structures, user fee structures
- Changes in technical and operational requirements, anticipated vendor or partnership strategies
- Scope of legislative authority
- Federal guidance
- Refined assumptions regarding take-up of coverage
- Impact of single integrated technology project on other impacted departmental budgets (especially Medicaid)
- Impact of exchange implementation and ACA required Medicaid coverage expansion on Medicaid enrollment, costs, and state budget

The vendor will develop options, including an assessment of risks and benefits of each option, for the financial sustainability model for RI's Exchange. The vendor will assist in communicating these options to Exchange leaders, state agencies, and stakeholders for

consideration, recommendations, and decision. The vendor will provide the state with technical assistance to implement the final financial sustainability model. The vendor will include ongoing monitoring of financial sustainability and projections in the Exchange management reporting plan structure (Task 3). The vendor will work with state staff to translate these models into exchange budget projections, and support the development of an ongoing capacity for financial analysis within the exchange staff.

Activity 6.3: Survey Analysis Rhode Island anticipates designing and implementing a state population survey in the Spring of 2012 that will provide baseline data to inform financial modeling. The vendor will analyze the impact of the results of this survey, and utilize other publicly available data (e.g. CPS, ACS, BRFSS) as appropriate to further inform financial modeling and/or verify the survey data. The analyses will be used to refine population/cost projections and refine the plan for financial sustainability of the Exchange and the impact of the associated Medicaid expansion on state costs. The bidder will propose analytic methods /data sources to refine population and cost projections for the Exchange, Medicaid expansion, and the population potentially eligible for the Basic Health Plan. The methods could include refined analysis of population projections by various analytic method(s) recommended by the vendor, including but not limited to micro-simulation modeling.

TASK SEVEN: FINANCIAL MANAGEMENT AND OVERSIGHT

Activity 7.1 Financial Management

The vendor shall provide technical expertise and assistance to design and document financial management policies, procedures, integrated business processes, roles and responsibilities, and financial agreements with state and federal agencies, health plans, small businesses, contractors, etc.

- Develop and assist in implementing the financial management infrastructure for the Exchange, including staffing, reports, and definitions of connections with outside entities (state accounting, federal government agencies, Medicaid, banks, tax department, etc.)
- Develop and assist in implementing financial controls, policies and procedures, including cost allocation and federal drawdowns.

All financial management activities should be consistent with the Exchange Reference Architecture related to Financial Management per CMS's guidelines.

Activity 7.2 Financial Integrity

The vendor shall provide technical expertise and assistance to design and document oversight and financial integrity policies, procedures, integrated business processes, roles and responsibilities, and partnerships with state, national or other contracted entities. This may include the following areas, as appropriate:

- Develop specification for an External Financial Auditor
- Develop and assist in implementing operational controls, policies and procedures
- Develop specification for an External Operations Auditor
- Develop specifications for additional reports/agreements/contracts necessary to assure Exchange Oversight and Financial Integrity.

Activity 7.3 Independent Verification and Validation

- The vendor shall develop recommendations for areas of Exchange design and implementation for which an outside independent verification and validation (IV&V) contract is warranted. Should the state agree that an IV &V contract is warranted, the TA vendor will draft specifications for the state's use in an RFP to contract for IV& V services.

TASK EIGHT: COMMERCIAL MARKET ACTIVITIES TO SUPPORT THE VIABILITY OF THE EXCHANGE.

At a minimum, this task will include analysis of small group and individual market reform/merger, establishing a reinsurance program (in the individual market) and establishing a risk adjustment program (across individual and small group market inside and outside the Exchange).

The vendor shall provide technical expertise for at least the following policy development and refinement activities:

Activity 8.1 Analysis of small group and individual market reform/merger

The vendor must update existing actuarial analysis and options development of key commercial market reforms and other policies as needed to support the successful development and implementation of the Exchange. Examples of such analyses and options development include:

- Consideration of the decision to merge RI's individual and small group markets
- Consideration of the decision to change RI's definition of small employer from 50 to 100 prior to 2016
- Options/strategies to protect RI's small group market from adverse selection with the introduction of the Exchange
- Options/strategies to protect RI's Exchange from adverse selection
- Impact of RI's existing benefit mandates on the cost of insurance premiums; development of related options.
- Benefit alignment between Medicaid, Basic Health Plan, and the Exchange

Additionally, the state requires the vendor to staff the organization and facilitation of an iterative process involving public stakeholders, the Exchange Board, health plans, etc. to review these analyses and options, and provide input to recommendations and decision-making. The vendor will also need to work closely in partnership with health plans to align analyses and ensure consistent assumptions and anticipated outcomes.

Activity 8.2 Draft changes/comments to laws, regulation, etc

Given the results of any analyses and public discussions conducted under Activity 8.1, the vendor will work with the Exchange team through a facilitated, iterative

public process to present options, considerations, and assessments of statutory and regulatory changes. The vendor will need to work with the state to:

- Draft changes to RI laws and regulations needed to make changes in RI's small group/individual market to support the Exchange
- Analyze the implications of forthcoming exchange regulations and other legal changes on policy analysis and business modeling for RI's Exchange
- Draft comments to federal draft regulations that would directly impact RI's Exchange implementation and sustainability.

Activity 8.3 Reinsurance Program

The vendor must work with the state to:

- Work with stakeholders to define a process and timeline for developing a state reinsurance program as required under the ACA, including key decision points and milestones.
- Define information needed and develop a plan to obtain this information. Specify the data needed and develop a plan to operate the reinsurance program in accordance with federal guidelines, utilizing data from the all payor claims database.
- Work in partnership with the health plan(s) affected by the reinsurance program to develop the policies and procedures for the program.
- Conduct needed analyses and draft methodology, policies and procedures for operating the reinsurance program (in the individual market) in accordance with federal requirements
- Draft any specifications for ongoing "specialized technical services" that may be needed on an ongoing basis to operate this program, such as analytic and actuarial services.
- Assist the state to implement the reinsurance program, including document operations protocols.

Activity 8.4 Draft the policies and procedures for the establishment and operation of a risk adjustment program (in the small group and individual market) in accordance with federal requirements

The vendor must:

- Work with stakeholders to define a process and timeline for developing a state risk adjustment program as required under the ACA, including key decision points and milestones
- Specify data and analyses needed to establish and operate a risk adjustment program in accordance with federal requirements, utilizing the All Payor Claims database (APCD) and other data sources if necessary.
- Work in partnership with the health plans affected by the risk adjustment program to develop the policies and procedures for the program.
- Conduct analyses and develop options (with an impact analysis of the risk adjustment methods/options) for RI to select a risk adjustment methodology that meets federal guidelines and utilizes available data including from the APCD.
- Draft policies and procedures for operating the risk adjustment program.

- Draft any specification for ongoing “specialized technical services” which may be needed on an ongoing basis to operate this program, such as analytic and actuarial services.
- Draft specifications for risk adjustment data collection and analysis, including data acceptability, risk adjustment software, analyses to be conducted utilizing the APCD, etc.
- Draft policies and procedures for conducting risk adjustment across plans.
- Assist the state to implement the risk adjustment program, including documenting operations protocols.

TASK NINE: DEVELOPMENT OF AN ALL PAYOR CLAIMS DATABASE NEEDED TO SUPPORT REINSURANCE, RISK ADJUSTMENT AND OTHER EXCHANGE-RELATED ACTIVITIES

Under a RI law enacted in 2008, Chapter 23-17.17-9 Health Care Quality and Value Database, the Rhode Island Department of Health (HEALTH) was directed to establish and maintain an All Payor Claims Database (APCD). The law directs private and public payors to submit claims for health services paid on behalf of enrollees. The APCD must be implemented by January 1, 2013 in order to meet federal proposed requirements for states to conduct commercial market risk adjustment.¹ (Activity 8.4) The APCD will also be used to implement and operate RI’s reinsurance program (Activity 8.3). In addition, the APCD will provide the Exchange with information to: offer efficient and affordable health insurance products, provide information on the Exchange’s web portal to inform Rhode Islanders in making the best decisions when choosing their health insurance plan, and evaluate the impact of the Exchange on access, quality, utilization, and cost of care. The APCD is being developed as a necessary infrastructure component of RI’s Exchange.

HEALTH has the authority and responsibility under the statute for the APCD. HEALTH will partner with OHIC, the Exchange and Medicaid in the development of the APCD, and will establish and chair an internal state APCD advisory committee composed of HEALTH, OHIC, Medicaid, and the Exchange. The advisory committee will be responsible for partnering with HEALTH on budget and funding plans, jointly monitoring functions of each state agency to operate the APCD under an interagency MOU, and establishing priorities for APCD operational, hosting, and analytic functions and resources. An MOU between HEALTH/EOHHS and OHIC will provide OHIC with the authority to contract for APCD functions listed below. OHIC, as the primary funding agency, will enter into and serve as the contract manager for resulting contracts with APCD vendors.

Background on RI’s overall purchasing strategy for the APCD:

There are four basic functions to design, implement and maintain the APCD. The state will contract for these four functions with one or more vendors, through a series of RFPs.

¹ In July 2011, CMS (CCIO) issued draft regulation for Health Insurance Exchanges. Contained in these regulations were the state requirements for risk adjustment across the commercial market. This will adjust profits/losses across health plans that are found to be due to adverse risk selection. The regulations further specify that states with operational APCDs by January 1, 2013 may use their APCD to meet the data requirements for risk adjustment.

1. Project Management Vendor: Manage APCD development and implementation.
2. Data Aggregator Vendor: Front- end data collection and aggregation
3. Host Vendor: Receive clean data and store in a well-optimized data warehouse
4. Analytic vendor: Analysis and reports

This RFP seeks to procure the services of a Project Management Vendor (#1 above) to provide technical assistance and project management services for the development and implementation of RI's APCD. The vendor is expected to provide technical assistance in this area utilizing staff with specific expertise in the development/operations of an All Payor Claims database, business needs analysis, and development of analysis/reporting plans. As described in the activities below, the successful TA vendor will develop the specifications for the host and analytic vendors (#3 & 4 above). An additional RFP, issued separately from this RFP, will concurrently procure the services of a data aggregator vendor (#2 above). The successful TA vendor must complete the following activities:

Activity 9.1 Project Management: Manage APCD development and implementation.

- Work in partnership with Exchange and other state agency staff by providing project management and technical expertise to develop and implement the APCD,
- Organize and staff an internal state APCD advisory committee composed of HEALTH, OHIC, Medicaid, and the Health Insurance Exchange,
- Draft detailed business needs analysis for the APCD to meet the needs of the Health Benefits Exchange, Risk Adjustment, Reinsurance, Rate Review, Medicaid, and HEALTH, including public access, analysis, and reporting. This will include requirements for data collection, aggregation, hosting, data organization, software, various methods/means to access the public data files, analysis and reports,
- Draft an analytic plan based on the business needs analysis above, including extract files, rolled-up data extracts, analyses and reports,
- Draft a plan for APCD public data access/transparency (within the limitations or data release regulations), including software and other detailed specifications,
- Work with the state to finalize regulations by assisting the state to review and incorporate public comment, as well as ensuring that regulations contain minimum data collections requirements to meet business needs above. (Regulations have been internally drafted and include a list of data elements and data release standards. Regulations are expected to be released for public comment in October 2011.)
- Assist with Stakeholder Management: provide public communication around project, ensure/facilitate ongoing communication with the state's APCD partners – Medicaid and private payors,
- Oversee and monitor performance of Data Aggregator Vendor, which will work directly in partnership with the private payors and Medicaid to define and conduct front- end data collection and aggregation. An RFP for the Data Aggregator will be issued in October 2011.

Activity 9.2 Define Specifications for APCD Hosting function

- Based on business needs analysis (in Activity 9.1), define detailed specifications for a well-optimized data warehouse host vendor.

- Specifications will include requirements for operating the risk adjustment program, including data, software, and analyses to be conducted utilizing the APCD for risk adjustment (from Activity 9.4)
- Specifications will include requirements for operating the reinsurance program, including data, software, and analyses to be conducted utilizing the APCD for the reinsurance program (from Activity 9.3)
- Based on the specifications, the state will issue an RFP. The vendor will assist the state in the review of proposals.
- Oversee and monitor host vendor to implement the IT and analytic infrastructure for the APCD, as well as methods to promote public access to the data and information.

Activity 9.3 Define specifications for APCD analysis

- Based on both the business needs analysis and the analytic plan for the APCD (in Activity 10.1), define specifications for an analytic vendor to implement the analytic plan by providing extract files, roll-ups, conducting routine analyses and policy reports, and responding to ad hoc data requests.
- To leverage contracting efficiencies, the state may consider a joint procurement of an analytic vendor to conduct analysis and reporting functions for the APCD (Activity 10.3), the Health Insurance Exchange (Activities 3.2, 3.3, and 3.4) and for the Medicaid Program.
- Based on the specifications above, the state will issue an RFP. The successful TA vendor will assist the state in the review of proposals.
- Oversee and monitor analytic vendor to implement analytic plan for the APCD, the Exchange, and Medicaid.

TASK TEN: SPECIAL PROJECTS

The vendor will have available additional resources for special projects / enhancement activities as needed.

In addition to the activities described under Tasks 1-9, the State reserves the option to direct the vendor to conduct additional task(s) to support health care delivery system reform in RI, and to support the successful implementation of the ACA. It is critical that the state has the flexibility to bring on additional technical assistance and expertise in a timely manner to implement, evaluate, and make mid-course corrections to components of the state’s Exchange. In addition, the state may have the need for technical assistance in the planning, development, and implementation of new health programs, initiatives, business methods, and analyses in response to changes in federal law and regulation, state legislation, and best practice advances in health policy and health care delivery systems.

The Vendor must be able to demonstrate the capacity, capability, flexibility and responsiveness in response to the State’s need for additional technical assistance resources to perform additional tasks that require similar expertise and work functions as required for Tasks 1-9. The State will specify a contractual allowance to be included in the contract for this purpose, and to be used at the state’s option.

It is the State's intent to utilize these additional resources/enhanced activities as needed in response to the State's changing needs and requirements and as funding allows. This may include the use of new project funding through federal or foundation grants or other sources.

The decision to utilize contract services under Task 10 will be at the State's request for specific enhancement activities, not already included under Tasks 1-9, to be defined and agreed to in writing, by both OHIC/Exchange and the vendor, before the enhancement work begins. There is no commitment on the part of the State to specifically utilize any or all of the special projects/enhancement activities.

THIS TASK WILL BE BID AND PAID ON A FULLY LOADED TIME AND MATERIALS BASIS.

SECTION IV. MINIMUM CONTRACT REQUIREMENTS

4.1 VENDOR REQUIREMENTS

The Vendor must have at least 10 years of state health policy and/or industry experience, and should have experience specific to Rhode Island publicly funded health insurance programs, Rhode Island commercial insurance regulation, and Rhode Island's Exchange planning and establishment efforts to date.

The Vendor selected as a result of this RFP will be required to have the following minimum credentials:

- Successful track record at managing complex multi-process projects.
- Deep knowledge of health insurance underwriting, pricing and marketing in general and as developed in Rhode Island.
- Deep knowledge of the health information technology components required supporting both commercial and public (Medicaid) health insurance operations.
- Understanding of the provisions in the ACA and any associated federal guidance/regulations, as well as other federal provisions for state health insurance exchanges, Medicaid reform, and publicly funded health insurance program coordination and integration.
- Deep knowledge of the health insurance marketplace and industry stakeholders in Rhode Island.
- Deep knowledge of health insurance Exchanges, preferably with specific knowledge and experience in the Exchange planning and establishment effort in Rhode Island

The selected Vendor will demonstrate sufficient experience and capacity necessary to successfully complete all tasks.

4.2 VENDOR RESPONSIBILITIES

4.2.1 Single Award - One contract will be awarded for the work.

4.2.2 Conditions Governing Subcontracting - If the Vendor intends to use any subcontractors, the Vendor must clearly identify the subcontractor in the response to the RFP. The Vendor retains responsibility for the completion and quality of

any work assigned to subcontractors. The Vendor is expected to supervise the activities of subcontractors and employees in order to ensure quality.

- 4.2.3 Compliance with Statutory, Regulatory and Other Standards** - The Vendor must comply with all applicable State and Federal regulations and statutes.
- 4.2.4 Confidentiality and Protection of Public Health Information and Related Data** - OHIC does not anticipate providing any protected health information to the successful vendor. However, in the event that protected health information or other confidential data must be shared by OHIC with the vendor, the vendor shall be required to execute a Business Associate Agreement Data Use Agreement, among other requirements, shall require the successful vendor to comply with 45 C.F.R 164.502(e), 164.504(e), 164.410, governing Protected Health Information (“PHI”) and Business Associates under the Health Insurance Portability and Accountability Act of 1996 (P.L. 104-191), 42 U.S.C. Section 1320d, et seq., and regulations promulgated thereunder, and as amended from time to time, the Health Information Technology for Economic and Clinical Health Act (HITECH) and its implementing regulations, and regulations promulgated thereunder, and as amended from time to time, and the Rhode Island Confidentiality of Health Care Information Act, R.I. General Laws, Section 5-37.3 et seq. The successful Vendor shall be required to ensure, in writing, that any agent, including a subcontractor to whom it provides Protected Health Information received from or created or received by and/or through this contract, agrees to the same restrictions and conditions that apply through the above-described Agreements with respect to such information. Any information provided by OHIC or DHS to the Vendor for the completion of the project may not be sold, given or otherwise shared with outside parties.
- 4.2.5 Computers** – Computer hardware, software, and other such technology required to complete the work of the contract are the sole responsibility of the Vendor.
- 4.2.6 Data and Reports** - Data, information, and reports collected or prepared by the Vendor as well as equipment purchased by the Vendor in the course of performing its duties and obligations and paid by the State under this contract shall be deemed to be owned by the State of Rhode Island. This provision is made in consideration of the Vendor’s use of public funds in collecting and preparing such data, information, and reports, and in purchasing equipment.
- 4.2.7 Office Space and Equipment** – Office space and equipment required to complete the work of the contract are the sole responsibility of the Vendor, with the exception of any on-site Project Managers.
- 4.2.8 Travel** - All travel costs for Vendor staff, including in-state and out of state travel necessary to carry out the tasks within the contract, shall be included in the vendor’s cost proposal.

4.3 CONTRACT TERM

Services under the contract are subject to approval of the State's Chief Purchasing Officer and the Health Insurance Commissioner or his or her designee. Services shall commence upon completion of the award, contract, and the issuance of a state Purchase Order, and will run through three years. The contract shall include the possibility of two one-year extensions, to be exercised at the option of the State.

SECTION V. PROPOSAL SUBMISSION

The Rhode Island Office of the Health Insurance Commissioner (OHIC) is issuing this Request for Proposals. **The Division of Purchases within the Department of Administration shall be the primary point of contact for all vendors from the date of release of the RFP until the contract is fully executed and signed.** Any attempt by a vendor to contact any State employees regarding this procurement, other than those named above, may cause rejection of a bid submitted by that party.

Questions concerning this Request for Proposals may be emailed to the Division of Purchases at questions@purchasing.ri.gov no later than the date & time indicated on page one of this solicitation. Questions should be submitted in a *Microsoft Word attachment*. Please reference the RFP number of all correspondence. Questions received, if any, will be posted on the Division of Purchases website as an addendum to this Request for Proposals. It is the responsibility of all interested parties to download this information. For computer technical assistance, call the Help Desk at (401) 574-8100.

Vendors should recognize that the only official answers to any questions are those made in writing and issued by the Division of Purchases to prospective vendors. This information will be posted as an addendum to the solicitation.

Interested vendors may submit proposals to provide the services covered by this Request on or before the date & time indicated on page one of this solicitation. Proposals received after this time and date will not be considered.

Responses (**one original plus 6 copies**) and two electronic copies on CDs or flash drives should be mailed or hand-delivered in a sealed envelope marked “**RFP# 7449222: Health Insurance Exchange Establishment Technical Assistance**” to:

RHODE ISLAND DEPARTMENT OF ADMINISTRATION

Division of Purchases, 2nd Floor
One Capitol Hill
Providence, RI 02908-5855

NOTE: Proposals received after the above-referenced due date and time will not be considered. Proposals misdirected to other State locations or which are otherwise not presented in the Division of Purchases by the scheduled due date and time will be determined to be late and will not be considered. Proposals faxed, or emailed to the Division of Purchases will not be considered. The official time clock is located in the reception area of the Division of Purchases.

Proposals should include the following:

- A signed and completed three-page RIVIP Vendor Certification Form with a letter of transmittal signed by an owner, officer or authorized agent of the firm or organization, acknowledging and accepting the terms and conditions of this Request, and tendering an offer to the Office of the Health Insurance Commissioner. The signature of the official

with legal authority to bind an organization into a contractual agreement should also be included. This form is downloadable at www.purchasing.ri.gov

- A Technical Proposal describing the Vendor's relevant experience and expertise, subcontracts, and experience with similar programs, as well as the workplan or approach proposed, including completion of Attachment A. The technical proposal should include preliminary project timeline, including a description of the schedule, tasks, deliverables, and milestones of the work associated with this contract. The technical proposal shall be limited to 40 pages using a Times New Roman font not smaller than 12 point **not** including attachments. Please submit all paper copies of the technical proposal double-sided.
- A separate Cost Proposal reflecting the hourly rates and other fee structures proposed for this scope of services, including completion of Attachment B enclosed. The cost proposal shall be limited to 10 pages using a Times New Roman font not smaller than 12 point **not** including attachments. Please submit all paper copies of the cost proposal double-sided.
- In addition to the original and 6 hard copies of the proposals required, vendors are requested to provide their proposal in electronic format (CD ROM, Flash Drive). Microsoft Word, Excel, or PDF format is preferable. Two electronic copies are requested. The CDs or flash drives shall be included in the proposal marked "original."

The Technical Proposal and Cost Proposal shall be separately sealed and clearly marked. There shall be no reference to price(s) in the Technical Proposal.

5.1 TECHNICAL PROPOSAL

The Technical Proposal must contain the following sections:

5.1.1 Executive Summary

The Executive Summary is intended to highlight the contents of the Technical Proposal and to provide the State evaluators with a broad understanding of the vendor's technical approach and ability. The executive summary should include the following:

- A clear and concise summary of the vendor's understanding of the project and the State's needs.
- A clear and concise summary of the proposed approach.
- A brief summary of the vendor's experience and ability to perform this project.
- A general description of the capabilities and role of any subcontractors.

5.1.2 Relevant Experience and Expertise

This section shall include the following information:

- **Qualifications:** Provide a summary within the technical proposal. In an attachment to the technical proposal, please include resume(s) for the applicant's staff to be assigned to the project team, and also for consultants or subcontractor staff to be assigned to the project

team. These resumes should be included *in addition to* (not within) the 40 page limit for the technical proposal.

- Relevant experience: Describe experience with prior or current projects related to the scope of work in this RFP.
- A brief description of the vendor's financial position and solvency
- The vendor's status as a Minority Business Enterprise (MBE), certified by the Rhode Island Department of Economic Development, and or a subcontracting plan which addresses the State's goal of ten percent participation by MBE's in all State procurements. Further questions may be directed to the State's MBE officer at (401) 574-8253 or www.mbe.ri.gov
- The vendor shall provide at least three (3) references for projects that are of comparable size and complexity. For each reference the vendor should include the following information:
 - Name of the organization
 - Relevance to this proposal
 - Brief summary of project
 - Timeframe for the project
 - Original contract amount

5.1.3 Work plan/Proposed Approach

This section shall describe:

1. the vendor's understanding of the State's requirements, including the result(s) intended and desired the approach and/or methodology to be employed within the scope of work, and
2. a work plan for accomplishing each task, and the results proposed. The work plan description shall include a list of activities and/or milestones that will be employed to successfully administer the project. Within the 40 page limit, the vendor should include a high-level timeline/workplan for achieving key milestones associated with this RFP. A detailed timeline/workplan may be included as an attachment that will NOT be included in the 40-page limit for the technical proposal.

5.1.4 Capacity To Accomplish Tasks

This section should include:

- **Level of Effort**

This section will indicate the amount of time the vendor anticipates dedicating to each task. Please list staff as well as any subcontractors, indicating level of effort as well as duties and responsibilities in relation to the scope of work. Attachment A should be completed in support of this section.

- **Organization**

This section should include a description of how any Vendor staff or subcontractors will be organized and supervised. Please include an organizational chart.

5.2 COST PROPOSAL

The vendor must prepare a cost proposal reflecting the proposed cost for each Task 1 - 9 using the Cost Proposal Form in Attachment B. Tasks 1-9 will be scored on value (balance of price and quality), and the resulting contract will be capped at amount mutually agreed to by OHIC and the vendor.

Task 10 will be paid on a time and materials basis in accordance with the annual and/or hourly rates provided in Attachment B, if/when the State elects to commission special projects. The vendor should provide a list of positions, fully loaded hourly rates and staff qualifications for staff/contractors that could be brought on for special projects/ enhanced program improvement activities.

The contract will specify a contractual allowance for special projects for each year of the contract, including each option year.

The state expects to issue an initial Purchase Order that reflects funding only for Years 1-3, and only for Tasks 1-9. The vendor should be aware that special projects and utilization of option years are not being committed to by the state, and will be at the state's option, depending on the state's need and funding.

SECTION VI. EVALUATION AND AWARD

The State will commission a review committee to evaluate and score all proposals that are complete and minimally responsive using the criteria described below. The evaluation of any item may incorporate input from sources other than the vendor's response and supplementary materials submitted by the vendor. Those other sources could include assessments made by evaluators based on findings recorded from reference checks (including but not limited to those supplied by the Vendor), prior experience with or knowledge of Vendor's work, responses to follow-up questions posed by the State and/or oral presentations by the vendors if requested by the state. The State may elect to use any or all of these evaluation tools.

EVALUATION CRITERIA

1. Relevant Experience and Expertise 30 Points

The Vendor must have at least 10 years of health policy and/or industry experience, with preferably at least 5 of which are specific to Rhode Island publicly funded health insurance programs, commercial insurance regulation, and/or Exchange planning/establishment. Evaluators will consider prior experience and expertise in the tasks described and the extent to which the vendor meets the minimum criteria defined in Section 4.1 of this RFP. Level of expertise,

experience and qualifications of proposed positions, proposed key staff, and proposed subcontractors will be considered significantly. Evaluators will strongly consider recommendations from other clients utilizing the vendor for similar work to be performed under the contract. Negative feedback from other clients will be cause for significant point deductions. Vendor or subcontractor status as an MBE will also be considered.

2. Technical Approach and Understanding of Work 30 Points

The State will evaluate the vendor's written proposal describing how it intends to organize and accomplish the tasks and activities in the Scope of Work. The State will score vendors highly who demonstrate a clear, complete understanding of each task and activity and who present an effective work plan for accomplishing them.

3. Capacity, Resources, and Level of Effort To Accomplish Tasks 20 Points

The State will score highly, vendors who present a plan for resources and level of effort that, in the State's best judgment, will accomplish each task effectively and efficiently.

4. Value 20 Points

Cost proposals will be evaluated for each vendor, fully considering the value of proposed staff for the fully loaded price. The cost proposal will be scored by comparing across bids the fully loaded rates for each position/subcontract to the qualifications and experience of staff/positions/subcontractors proposed. The value the State will receive in qualified experienced staff for the labor rates indicated will be considered and scored. Value may be scored on a scale of 0-20.

AWARD

The Review Committee will provide a written recommendation, including the results of all evaluations, to the Rhode Island Department of Administration, Division of Purchases who will award this RFP.

Because the cost evaluation will be conducted on the basis on value, not simply cost, the lowest price vendor may not necessarily be awarded the contract.

The State also reserves the right to accept or reject any or all options, bids, or proposals and to act in its own best interest.

Proposals found to be technically and substantively non-responsive at any point in the evaluation process may be rejected and not considered further.

FEDERAL AND STATE APPROVALS

Final contract approval is contingent upon Federal and State approvals. Every effort will be made by the State to facilitate rapid approval upon award.

SECTION VII. GOVERNING TERMS AND CONDITIONS

The State's General Conditions of Purchase contain the specific contract terms, stipulations and affirmations to be utilized for the contract awarded to the RFP. The State's General Conditions of Purchases/General Terms and Conditions can be found at the following website:

www.purchasing.ri.gov

Click on Vendor Information (left column)

Click on General Information

Click on Rules and Regulations

Click on Attachment A – General Terms and Conditions

SECTION VIII. PROCUREMENT LIBRARY

Office of the Health Insurance Commissioner: www.ohic.ri.gov

Project Narrative for Rhode Island's Establishment One Application:

http://www.ohic.ri.gov/documents/Grants/3_RI%20Exchange%20Establishment%20One%20Project%20Narrative.pdf

Project Narrative for RI's Exchange Planning Grant:

http://www.ohic.ri.gov/documents/Health%20Reform%20Exchanges%20/2_RI%20Health%20Insurance%20Exchange%20Project%20Narrative.pdf

Project Narrative for RI's Exchange Establishment One Application:

http://www.ohic.ri.gov/documents/Grants/3_Rhode%20Island%20Exchange%20Establishment%20One%20Project%20Narrative.pdf

Project Narrative for RI's Exchange Establishment Two Application:

http://www.ohic.ri.gov/documents/Grants/3_RI%20Project%20Narrative%20Level%20Two.pdf

Study of Rhode Island's Uninsured: Current Costs and Future Opportunities

http://www.ohic.ri.gov/documents/Insurers/Reports/2010%20Uninsured%20Study%20Report/1_Mathematica%20Final%20Report.pdf

Healthy Rhode Island Task Force Report.

<http://www.lt.gov.ri.gov/taskforce/Healthy%20RI%20Task%20Force%20Report%2009.23.10.pdf>

Governor Lincoln Chafee's Executive Order Establishing RI's Health Care Reform Commission, 1/13/11:

http://www.governor.ri.gov/documents/executiveorders/Executive_Order_11-04.pdf

Governor Lincoln Chafee's Executive Order Establishing RI's Health Benefits Exchange, 9/19/11:

http://www.governor.ri.gov/documents/executiveorders/2011/Executive_Order_11-09.pdf

Legal Basis for Establishing APCD – Chapter 23-17.17-9 Health Care Quality and Value Database:

<http://www.rilin.state.ri.us/Statutes/TITLE23/23-17.17/23-17.17-9.HTM>

Rhode Island's APCD Timeline and Issue Brief – See Appendices I and II of this RFP

Attachment A – Technical Proposal: level of effort

List Proposed Staff for Tasks 1-9

% FTE Staffing Proposed for Tasks 1-9
 Please define # of hours for 1 Full-time
 Equivalent (FTE)

FTE= _____

Task	1	2	3	4	5	6	7	8	9	Total
Staff position titles (and names if applicable)										
Example Only John Doe, Data Analyst	20%	60%	0%	0%	20%	0%	0%	0%	0%	100%
Total FTEs proposed										

List Proposed Subcontractors for Tasks 1-6

Estimated Level of Effort: # of Hours by Task

Task	1	2	3	4	5	6	7	8	9	Total
Subcontractors (Type of business or name of business)										
Example Only Jane Doe, Policy Specialist	60 hrs	0 hrs	10 hrs	20 hrs	0 hrs	10 hrs	0 hrs	0 hrs	0 hrs	100 hours
Total Subcontractor level of effort proposed (hours)										

ATTACHMENT B – COST PROPOSAL

Please provide a cost proposal for each task by the timeframe specified in left-hand column. Please also estimate any additional direct costs associated with this RFP (i.e. travel) and provide estimates by Task and by Year.

Tasks	Task 1	Task 2	Task 3	Task 4	Task 5	Task 6	Task 7	Task 8	Task 9	Total
January 2012										
February 2012										
March 2012										
April 2012										
May 2012										
June 2012										
July 2012										
August 2012										
September 2012										
November 2012										
December 2012										
2012 Subtotal										
Jan – Mar 2013										
Apr – Jun 2013										
Jul – Sept 2013										
Oct – Dec 2013										
2013 Subtotal										
Jan – Mar 2014										
Apr – Jun 2014										
Jul – Sept 2014										
Oct – Dec 2014										
2014 Subtotal										
3 year total										
Other Direct Costs (please break down by category and year)										
(i.e. Travel)										
Other										
Total										

Please provide a separate list of positions, fully loaded hourly rates and staff qualifications for positions (staff/contractors) that could be brought on for Task 10 (Special Projects) if requested by the state.

ATTACHMENT C - TECHNICAL PROPOSAL CHECKLIST SUMMARY

Technical Proposal Elements	Proposal Page Number(s) (to be completed by Vendor)
Staff and consultant qualifications	
Relevant Experience	
Description of financial position and solvency	
Vendor's status as MBE	
Project References	
Project Management Approach	
Approach to Coordination/Integration between Medicaid & Exchange	
Task 1 – Exchange Business Processes, Roles, and Supporting Technology Infrastructure	
Task 2 – Consumer Partner/Stakeholder Support	
Task 3 – Reporting	
Task 4 - Governance, Staffing, Agreements, and Contracts	
Task 5 – Health Plan Certification and Qualification	
Task 6 – Financial Sustainability	
Task 7 – Financial Management and Oversight	
Task 8 – Commercial Market Activities to Support the Viability of the Exchange	
Task 9 – Developing of an All Payor Claims Database Needed to Support Reinsurance, Risk Adjustment, and Other Exchange-Related Activities	
Task 10 – Special Projects/Enhancement Activities	
Timeline/Workplan	
Level of effort	
Organization	
Organization Chart	
Attachment A	
Resumes/bios of key staff	
Other attachments	

**APPENDIX 1: PROPOSED TIMELINE , ROLES, AND
RESPONSIBILITIES FOR IMPLEMENTATION OF RHODE ISLAND'S
APCD
UPDATED OCTOBER 2011**

October 2011

Issue Draft Regulations;

Issue RFPs for Data Aggregator and Project Management

- HEALTH will Issue Draft Regulations for Review and Comment
- OHIC will issue and RFP for APCD Data Aggregator, under an MOU with the Department of Health. The Data Aggregator will be an experienced vendor with an existing APCD database infrastructure to conduct front-end APCD data collection, processing, and organization
- OHIC will issue an RFP for Exchange Establishment Technical Assistance, of which APCD Project Management Services will be a Task.

November – December 2011

Finalize Data Aggregator Contract;

Finalize Exchange Establishment Technical Assistance Contract, of which APCD Project Management Services will be a Task;

Finalize Regulations

- HEALTH will solicit input and advice from community stakeholders on the regulations
- HEALTH will issue final regulations, considering public comment received
- OHIC will contract for APCD Data Aggregator Services
- OHIC will contract for Exchange Establishment Technical Assistance Contract, of which APCD Project Management Services will be a Task
- OHIC, EOHHS and HEALTH will amend the existing interagency agreement to include the interagency cooperative initiative to build, maintain and utilize the APCD.

December - January 2012

Finalize payor submission guidelines

Begin Business Needs Analysis

- APCD Data Aggregator Vendor will draft and finalize Payor submission technical specification guideline document, using the data elements listed in the regulations. The Data Aggregator Vendor will work actively and directly in partnership with health plans and Medicaid.
- The Data Aggregator Vendor will provide the mechanism to exchange data with the payors, working in close direct partnership with the health plans and Medicaid. This will include secure file transfer methods and the provision of a unique ID algorithm for member data submission. This algorithm will allow the APCD Data Aggregator Vendor to

receive, create and maintain an unduplicated, linked member file with unidentified but unique IDs.

- APCD Project Management Services vendor will begin to draft a detailed business needs analysis for the APCD to meet the needs of OHIC, the Health Benefits Exchange, Medicaid, and HEALTH. The OHIC/Exchange analysis will include a detailed business needs analysis to conduct new requirements under the ACA including Risk Adjustment, Reinsurance, Rate Review, and Exchange-specific activities and reporting requirements. The business needs analysis will include data access, analysis, and reporting needs.

January to April 2012

Finalize database infrastructure

Begin Business Needs Analysis

Develop analytic plan

- APCD Data Aggregator Vendor will prepare their existing APCD IT infrastructure to receive, process, organize, update, and maintain RI's APCD for commercial and public (Medicaid and Medicare) members, including medical and pharmacy claims and provider network lists.
- The APCD Data Aggregator Vendor will make necessary modifications to their existing database for any new RI data elements if necessary. (This is expected to be modest because RI is building on other states' data elements and submission requirements.)
- The APCD Data Aggregator Vendor will continue to provide technical assistance to the public and private payors to assist them in building their data submission requirements (claims, member, and provider files)
- Medicaid's Technology Vendor will receive, edit, organize, and maintain all Medicare Fee for Service Claims data. This will be done by Medicaid's Technology Vendor under an agreement with CMS and OHIC, for RI's Medicare multi-payor medical home demonstration.
- Medicaid's Technology Vendor will organize all fee for service Medicaid members and claims and organize them in the APCD format. Medicaid's Technology Vendor will also organize the Medicaid provider directory for submission.
- Medicaid's Technology Vendor will organize all fee for service Medicare members and claims and organize them in the APCD format.
- APCD Project Management Services vendor will, based on the final detailed business needs analysis for the APCD (above):
 - Create an APCD hosting and analytic plan.
 - Draft recommendations and a plan, if necessary, to make any modifications to the APCD documents to date, including any modifications to regulations, data elements, data submission guide/methods, APCD Data Aggregator contract, etc. These changes are expected to be minimal and limited to any changes absolutely needed to meet new federal requirements for the Exchange, Risk Adjustment, Reinsurance, Rate Review, etc. (Federal regulations on these new requirements are not expected to be finalized until winter 2012).

- Draft an RFP for an APCD hosting vendor
- Draft an RFP for an analytic vendor

May – June 2012

Receive and Process Test files

- The APCD Data Aggregator Vendor will begin to receive and process test files, including member, medical and pharmacy claims and provider files from all private (4 health plans) and public payors (Medicaid and Medicare – both to come from RI Medicaid). Dental claims will not be included in the initial build of the APCD.
 - Private health plan claims, member and provider file, including members in: individual market, commercial at risk, commercial non-risk (TPA), Medicare managed care, and Medicaid managed care, in APCD specified format.
 - Medicaid submission will include Medicaid Fee for Service member, claims, and provider file, and Medicare FFS member and claims file, in APCD specified format. The APCD Data Aggregator is expected to access the Medicare national provider file for Medicare providers. If Medicaid has performed the match to identify duals, this match identification will also be provided to the APCD Data Aggregator.
- APCD Data Aggregator Vendor will process test files, conduct edits, testing and quality checks for member, claims and provider files.
- APCD Data Aggregator Vendor will provide direct, active feedback and technical assistance to payors on data completeness and quality, including error edit reports, processing resubmitted data files, etc
- OHIC or Exchange will issue an RFP for APCD hosting services
- OHIC or Exchange will issue an RFP for APCD analytic services. This RFP may also include other non-APCD analytic needs of the Exchange, OHIC, and Medicaid.

July /August 2012

Receive and Process Member, Claims, and Provider Historical Data Files

- The APCD Data Aggregator Vendor will receive and process historical member, medical and pharmacy claims and provider files from all private (4 health plans) and public payors (Medicaid and Medicare).
 - Private health plan claims include members in: individual market, commercial at risk, commercial non-risk (TPA), Medicare managed care, and Medicaid managed care, in APCD specified format. This is expected to include 2 to3 year member and claims history.
 - Medicaid submission will include a complete 2 to3 year Medicaid Fee for Service member and claims file, and a complete 2 year Medicare FFS member and claims file, in APCD specified format. If Medicaid has performed the match to identify duals, this match identification may also be provided to the APCD.
- Medicaid's Technology Vendor will send all fee for service Medicaid members, claims and provider files from the MMIS, organized in the APCD format, to the APCD.

- Medicaid's Technology Vendor will send all fee for service Medicare members, claims and provider files, organized in the APCD format, to the APCD.
- APCD Data Aggregator Vendor will process all submissions, edit, conduct testing and quality checks for member, claims and provider files.
- APCD Data Aggregator Vendor will provide direct, active feedback and technical assistance to payors on data completeness and quality, including error edit reports, instructions to resubmit data files, etc

August 2012

Receive and process monthly claims files

- The APCD Data Aggregator Vendor will begin to receive and process MONTHLY member, medical and pharmacy claims from all private (4 health plans) and public payors (Medicaid and Medicare).
- The APCD Data Aggregator Vendor will begin to receive and process QUARTERLY provider files from all private (4 health plans) and Medicaid).
- The APCD Data Aggregator Vendor will access the Medicare national provider directory to create and maintain a RI Medicare member file.
- APCD Data Aggregator Vendor will continue to process edits, conduct testing and quality checks for member, claims and provider files.
- APCD Data Aggregator Vendor will continue to provide direct, active feedback and technical assistance to payors on data completeness and quality, including error edit reports, processing resubmitted data files, etc
- OHIC/Exchange will contract with a hosting vendor.
- OHIC/Exchange will contract with an analytic vendor.

September 2012

Organize dataset into linked member file; create integrated provider file

- APCD Data Aggregator Vendor will organize all public and commercial members into an unduplicated, linked member file with unidentified but unique IDs. All claims will be linked to each unique ID.
- APCD Data Aggregator Vendor will develop a linked provider file across commercial and public payors (receiving, matching and organizing commercial payors, Medicaid, and Medicare provider files)
- APCD Data Aggregator and hosting vendor will work cooperatively to define data transfer requirements.

October 2012

Provide internal access to database

- Data Aggregator Vendor will organize data into a format conducive for transfer routinely to the hosting vendor, and will provide access to the database for internal program review and monitoring (by OHIC/ Exchange/ HEALTH or their vendors).
- Hosting vendor will develop functionality needed to provide an analytic environment for analytic vendor, public access, extracts, etc, to meet the business needs requirements

and hosting/analytic plan for the APCD, including adding software and functionality to conduct risk adjustment and reinsurance.

November – December 2012

Public access to the data; beginning of analytic reports

- As appropriate to the Vendor contract, vendors will construct necessary components for public and program access, analysis and reporting in accordance with the business needs analysis and the hosting and analytic plan

January 2013 and beyond

Ongoing database maintenance; ongoing access, analysis and reporting

- APCD Data Aggregator Vendor receives monthly member and claims files, conducts edits/quality checks; provides feedback and technical assistance to payors as needed; incorporates new data into APCD database.
- APCD Data Aggregator Vendor receives quarterly provider files from payors, and incorporate periodic provider file updates into integrated provider file
- APCD Data Aggregator Vendor maintains unduplicated member, claim and provider files
- Hosting vendor provides an ongoing well-optimized host environment for the APCD database.
- Data Aggregator, Hosting, and Analytic Vendors release maintain confidentiality, security and back-up data plan in accordance with data release standards defined in regulations and their contractual agreements with the state.
- Analytic Vendor begins to analyze and provide data roll-up reports, using templates previously developed and reviewed.
- Analytic vendor completes and disseminates APCD analyses and reports as specified in the APCD analytic plan, including routine data rollup reports, policy analysis/evaluation reports, ad hoc data requests, etc.
- Analytic vendor completes APCD analyses and reports for Exchange, OHIC, Medicaid, and HEALTH as specified in the APCD analytic plan

APPENDIX TWO: RHODE ISLAND'S ALL PAYOR CLAIMS DATABASE (APCD) UPDATE OCTOBER 2011

All Payor Data Bases (APCDs) are large, statewide databases that systematically collect health care claims data from both private and public payers. Under a RI law enacted in 2008, the Rhode Island Department of Health was directed to establish and maintain an APCD. The law directs private and public payors to submit claims for health services paid on behalf of enrollees. States with APCDs are in a much stronger position to make informed, effective decisions regarding the implementation of the Affordable Care Act.

What is the overall Mission of the APCD?

To inform statewide health care policy and state health care purchasing decisions.

What will the APCD do?

The purpose of the APCD will be to provide information about health care use, quality and costs, which will inform statewide health care discussions and decisions. The APCD will improve our understanding of the quality, efficiency and costs of health care in Rhode Island, including:

- Use of health care services by Rhode Island's insured population;
- Performance of RI's health care delivery system;
- Efficiency of Rhode Island's health care system and providers;
- Major drivers of RI's health care cost trends;

The APCD will also provide the necessary information to:

- Measure the impact of Patient-Centered Medical Home initiatives in Rhode Island, including the Chronic Care Sustainability Initiative (CSI) and the Beacon Community Program;
- Compare the performance and efficiency of Rhode Island's health care delivery system compared to other states, and
- Identify successes, opportunities, and challenges in Rhode Island's health care delivery system.

How will the APCD work?

Private health insurers will provide all claims paid on behalf of their members, including fully insured and self-insured commercial enrollees; the individual market; Medicaid managed care enrollees; and Medicare managed care enrollees. Medicare and Medicaid will provide claims paid on behalf of their Fee for Service enrollees. The database will also include information for members enrolled in health insurance through the state's Health Insurance Exchange when it is implemented in 2014.

The APCD will not collect information about health services received by uninsured individuals, nor will personal identifiers be collected, although individual enrollees will be linked across payors and providers and tracked over time through a consistent but non-identifiable ID.

How will the APCD be funded?

From January through August 2011, Rhode Island Quality Institute's Beacon grant provided support for a technical assistance contract with Freedman Healthcare for the initial planning and development of the APCD. The Beacon Program plans to use the public components of the APCD to meet reporting requirements of the Beacon grant.

After August 2011, the initial APCD development and implementation through 2014 will be supported by new federal grants received by several state agencies which need the APCD to meet new requirements under the ACA. After 2014, these programs will continue to support the APCD as a component of program operations. These agencies include:

- The Office of the Health Insurance Commissioner (to meet new ACA Risk Adjustment and Rate Review requirements)
- The Health Insurance Exchange
- The Medicaid Program

These agencies will work collaboratively, in partnership with the Dept of Health, to support and operate the APCD under Memorandums of Understanding.

When will Rhode Island's APCD be implemented?

The APCD must be operational by January 2013, in order to meet the federal deadline for the state to administer Health Plan risk adjustment in the small group and individual markets.

What are the next steps to implement the APCD?

Fall 2011

- Draft Regulations will be issued soon for public comment and then finalized by November. These will include the data elements to be collected as well as data release standards.
- An RFP will be issued and contract in place with a claims aggregator vendor..
- Initial statewide system performance measures are being defined so they can be reported as soon as the APCD is available:

2012

- Claims aggregator vendor will work with commercial and public payors to:
 - Define the technical requirements for data submission, regarding submission requirements; begin to accept, test, and edit data from payors;
 - Organize historical and monthly data submissions into an unduplicated, longitudinal member file, with claims paid to providers attached to each member.

- APCD IT Infrastructure specifications will be drafted, an RFP issued, and a contract in place with a Host Vendor, which will organize the database, and add software for analysis and risk adjustment.
- A detailed business needs analysis and analytic plan will be developed for the APCD, which will result in an RFP and contract with an analytic vendor.

2013

- The public components of the APCD database will be made publicly available for analysis;
- The analytic vendor will develop and disseminate summary and policy reports for public review and discussion
- The analytic vendor will provide the data to state agencies needed to meet ACA requirements.

How are getting ready to use the APCD as soon as it is available?

The Dept of Health has contracted with Brown University to support HEALTH's statewide performance measure harmonization workgroup:

- By Oct 2011: Specific methodology will be drafted, to measure avoidable ED visits, preventable hospitalization, and readmissions
- By November 2011: Draft measurement methodology will be tested by Brown and RIQ. Specifications for routine reports will be drafted
- By December 2011: Workgroup review of draft measures and templates; Prepare First Annual "RI Health Care Compare" – a report of the performance of RI's health care system, using Hospital Discharge Data. The report will include annual trends and benchmark comparisons to other states.