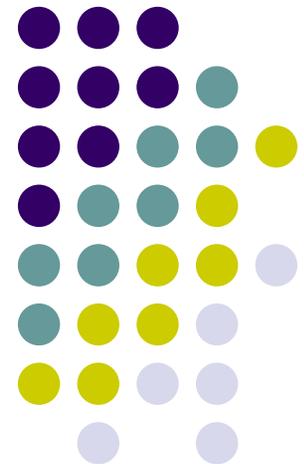


New York State Department of Health

Medicaid Disease and
Care Management
Demonstration Programs
Bidder's Conference
April 12, 2005



General Introduction to Bidder's Conference



Bidder's Conference Ground Rules

- Answers furnished during the bidder's conference are not official until confirmed in writing by DOH
- Q & As will be published on the DOH website

General Medicaid Program Information



- 2 Million Fee-For-Service (FFS) Recipients
 - FFS-traditional payment system for providers based on State-approved reimbursement rates for medically necessary care and services
- Medicaid Managed Care
 - 2 million enrolled recipients
- Family Health Plus
 - Medicaid expansion program
 - 480,000 enrollees

Disease and Care Management Demonstration Programs



80% of Total FFS Medicaid
Expenditures are Attributed to 26% of
Recipients

Current Patient Management Initiatives



- Asthma & Diabetes Quality Improvement Project (QIPs)
- Pediatric Asthma Initiatives of the Drug Utilization Review (DUR) Program
 - ✓ Linking project
- Development of partnerships & collaborations to better serve Medicaid recipients
 - ✓ CDC, ✓ DOH Public Health, ✓ Community coalitions,
 - ✓ Local Departments of Social Services (LDSS)

Disease and Care Management Demonstration Programs (CMD)



- 2004 legislation authorized DOH to establish disease management demonstrations to improve health outcomes and reduce health care cost for persons with chronic illnesses.
 - Attachment 1
- Amendments in 2005 Executive Budget

Disease and Care Management Demonstration Programs



- Demonstrations to test innovative disease management strategies and technologies
- Number of demos and funding subject to final budget

CMD Population Exclusions



- Medicaid Managed Care, Managed Long Term Care Plans, Family Health Plus,
- Persons domiciled or residing in developmental centers, mental health institutions or hospice
- Recipients diagnosed with HIV/AIDS & currently enrolled in a Special Needs Plan

CMD Inclusion of Dual Eligibles



- Due to Medicare Part D implementation, enrollment of dual eligible (Medicare & Medicaid) recipients will not occur until July 1, 2006 or thereafter
- There may be data limitations and access issues for dual eligible recipients
- Nursing home patients are not excluded

CMD

Conditions of Recipient Participation



- Recipient participation in demonstrations is voluntary
 - Free to Opt-in or Opt-out at will
- Contractors may not deny enrollees access to Medicaid approved services
- Enrollees maintain their ability to use any Medicaid participating provider
- Recipient disenrollment from CMD will occur in the event of:
 - Loss of Medicaid eligibility
 - Death, or
 - No longer FFS eligible

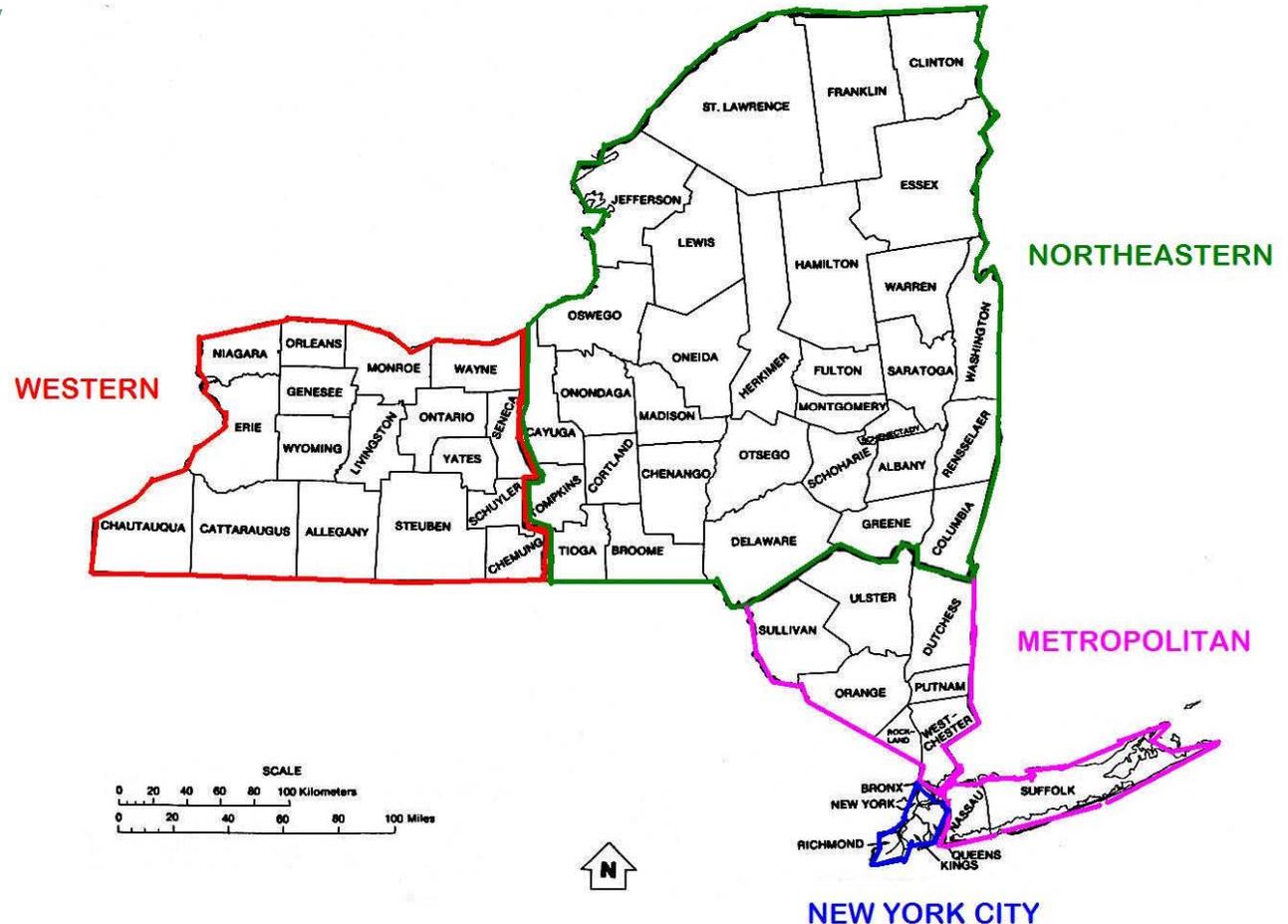
NYS - Four Regions Selected Service Areas



Geographically
Diverse
Rural & Urban

Bidder's may
only submit one
proposal for one
region or
portion thereof

5 Boroughs of
NYC are One
Social Services
District



CMD Funding



- \$6.0 million funding as of April 12, 2005
- Maximum bid of \$1.5 million per demo
- Encourage smaller bids

Term of CMD Contract & Extension



- **Contract Period** - 24 months
- DOH may extend the contract for up to two additional years, if:
 - Funding is made available
 - Evaluation recommends extension



Variety of Models



Seeking to test a wide variety of innovative approaches to Disease & Care Management

- Standard DM model
- Claims data analysis focused DM model
- Other innovative efforts to improve healthcare delivery and management

CMD

Payment Methodology

Payment on Per Member Per Month Basis

$$\frac{\text{(Total Price of CMD - Implementation Price)}}{\text{(Total Approved \# of Intervention Enrollees per month x 20 months)}} = \text{PMPM}$$

The Contractor must submit a Definition for an “Intervention Enrollee” that is actively managed for calculation of monthly payment

Please note the formula for calculation of PMPM has been corrected since the Bidder’s Conference. Please refer to Attachment 7 of the RFP.

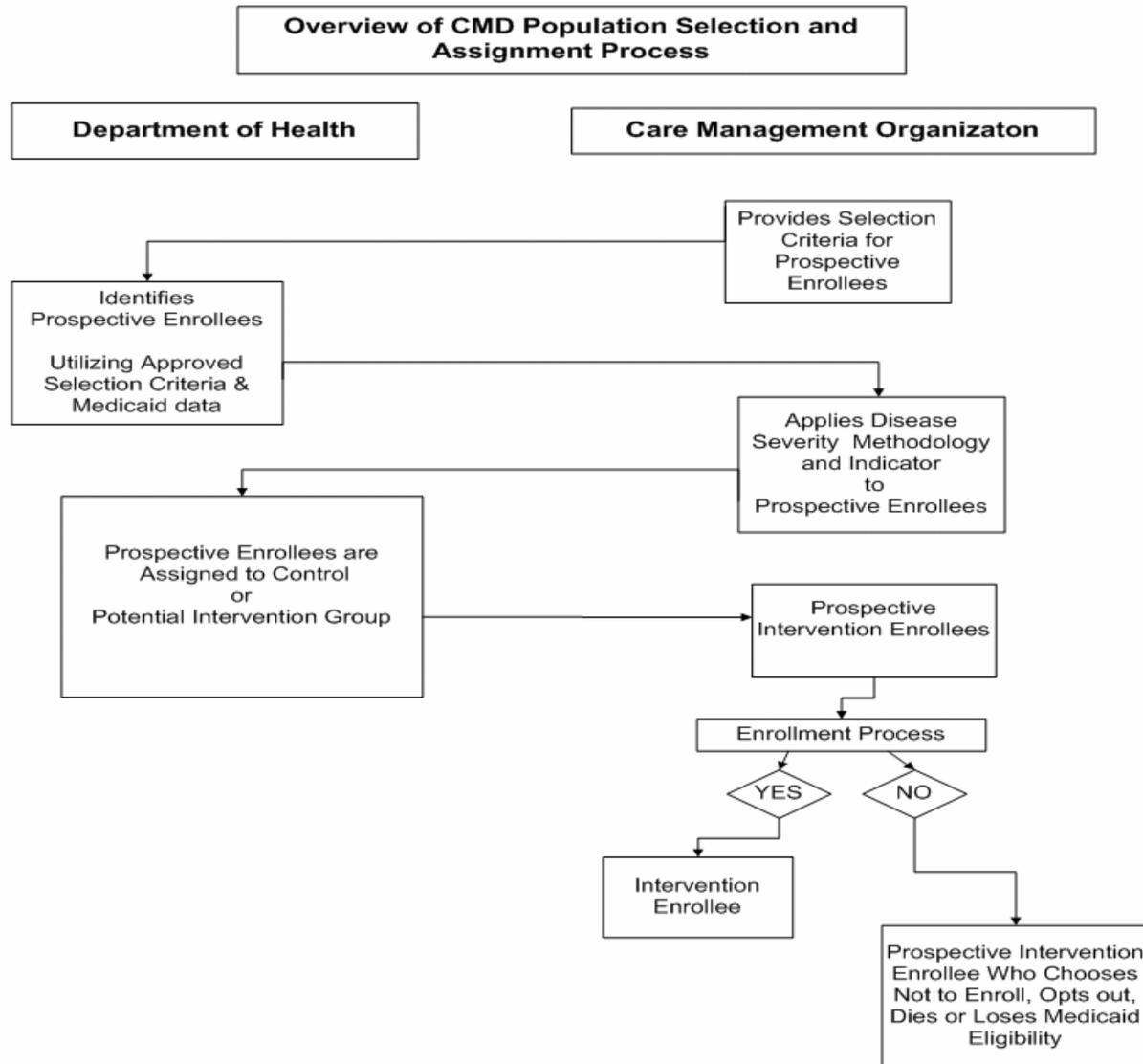
CMD Evaluation

Key Aspects



- Utilize a control group methodology
- Four Key Areas of Evaluation
 - 95% cost savings achieved- Vendor not at Risk
 - CMD Cost + Medicaid Services = 95% of Expected Medicaid Costs of Enrollees in Control Group
 - Changes in health care utilization of services
 - Improved health outcomes- Clinical Performance Measures
 - Quality and effectiveness of intervention services
- DOH may perform or select independent contractor

Key Function Intervention Population Selection



CMD Potential Bidders



Bidders may include organizations that are:

- For-Profit
- Not-for-Profit
- Local Government Agencies

CMD Bidders-Technical Proposal Qualifications & Experience



Bidders Respond to Only One Track

- Corporate Organization Qualifications
 - Corporate & Business Bidders
 - Including For-Profits and Not-for Profit Entities
- OR
- Local Government Qualifications
 - Bidders that are Governmental Entities
 - Including State, County or Municipal Governments

References - include all Medicaid Experience

- EO-127- “Contractor Disclosure of Contacts”

CMD

Technical Approach Proposed



All bidders must provide:

- Management Summary
- Proposed Service Area
 - Complete Form TP-2 (Attachment 8)
- Target Population
- Scalability

CMD-Key Functions

Technical Approach Proposed

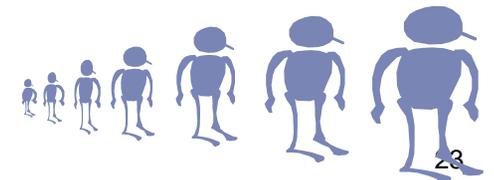


Bidders are requested to address all applicable requirements, and to notate in their proposal when a particular requirement is not applicable to their proposal.



CMD - Key Functions (cont.)

- Enrollment of Recipients/Providers
 - ✓ Process ✓ Buy-in ✓ Tracking system
- Enrollee Assessment
 - ✓ Initial & ongoing
 - ✓ Evidence-based clinical guidelines
- Care Plan Development & Intervention Implementation
 - ✓ CP Process & enrollee factors incorporated
 - ✓ Types of interventions - enrollee &/or provider
 - ✓ Buy-in & compliance ✓ Monitoring & Tracking
 - ✓ CMD personnel



CMD – Key Functions (cont.)



- Outreach & Awareness
 - ✓ Nature and extent
 - ✓ Utilization of Community Resources
- Communications
 - ✓ Types ✓ Access to CMO ✓ Languages
- Quality Assurance
 - ✓ Monitor quality of operations & ensure ongoing QI

CMD – Key Functions (cont.)



- Outcomes Measurement & Clinical Effectiveness
 - ✓ Clinical Performance Measures
 - ✓ Changes in service utilization
 - ✓ Enrollee &/or provider behavior changes
- Reporting Requirements
 - ✓ All report formats must be approved by DOH
 - ✓ Monthly report essential for payment
- Contractor Performance Standards
 - ✓ Meet DOH PS ✓ Propose 4 additional PS

General Operations



- **Work Plan & Schedule of Deliverables**
 - ✓ Key activities- to design, implement & operate CMD
 - ✓ Milestones & Deliverables ✓ Assumptions
- **Organizational Chart**
 - ✓ Proposed structure ✓ Key positions ✓ Reporting lines
- **Proposed Key Personnel & Staffing**
 - ✓ EO-127 Form- Contractor Disclosure of Contacts
 - ✓ TP-3- Key Personnel Form
- **Communication with DOH**
- **Prime Contractor**
 - ✓ Subcontractor Management



General Operations



- HIPAA Compliance/Confidentiality
 - ✓ Appendix H & Appendix N- Data Exchange Agreement
- Disaster Recovery
 - ✓ Back-up Plan
- NYS-DOH Institutional Review Board
 - Appendix G
- Phase Down Plan
- Evaluation of Demonstrations
 - Provide data & reports
 - Provide clinical performance criteria & outcomes

NYS Medicaid Responsibilities



- Management of Contract
- Program Policies and Regulations
- Fraud & Abuse Activities
- Administration of Fair Hearings
- Evaluation of CMD

Financial Proposal



- Volume II
- Submit separately from Technical Proposal (Volume I)
- Financial Proposal information must not be included in the Technical Proposal
- Proposals must be based on the Implementation and Operations Schedule
- Financial Proposal Form (Attachment 8)

Financial Proposal (cont.)



Actual Price

- Bid price submitted may not include any offsets or donations, etc.
- No FFP offset
- Bidder is not at risk
- No contingency terms

Financial Proposal (cont.)



Volume II – Financial Proposal Form

- Bidder Name
- Service Area/Region Identification
- Price Categories
 - ✓ Implementation Price
 - ✓ Operations Price
- Calculations



Financial Proposal (cont.)



Volume II – Financial Proposal Form

- Implementation Price

- ✓ One time expense in Year 1
- ✓ Limited to the first four months
- ✓ May not be greater than 25% of the total price in Year 1



Financial Proposal (cont.)



Volume II – Financial Proposal Form

- Operations Price
 - ✓ Year 1 – 8 months
 - ✓ Year 2 – 12 months (includes the phase down period as described in Part II, General Operations)



Financial Proposal (cont.)



Volume II – Financial Proposal Form



$$\begin{aligned} &\text{Implementation Price} + \\ &\text{Operations Price} \\ &= \\ &\text{Financial Proposal Total Price} \end{aligned}$$



Financial Proposal Form

Bidder Name:

Region (choose only one)

Western _____

Northeastern _____

Metropolitan _____

NYC _____

Are you proposing a CMD for the entire region?

Yes

No

If not, list the county name(s):

Year 1

(Month Year - Month Year)

Year 2

(Month Year - Month Year)

Total

(Month Year - Month Year)

Implementation Price¹

Operation Price²

Total Price

¹ One time expense, limited to the first four (4) months in Year 1. May not be greater than twenty five percent (25%) of the Total Price in Year 1.

² In Year 1, based on the last eight (8) months on the contract year.

Procurement Process

Next Steps (cont.)



- Restrictions on communication with State personnel
- E-Mail Questions:
ppno@health.state.ny.us
(Reference line to read: CMD RFP)

Procurement Timetable



Important Dates

- 4/19/05 Official Answers to Pre-Bid Questions
- 4/26/05 Letter of Intent to Bid Due
- 5/17/05 Additional Questions Due
- 5/24/05 Final Official Answers
- 5/31/05 Closing Date for Receipt of Proposals
- 8/17/05 Bidders Selection

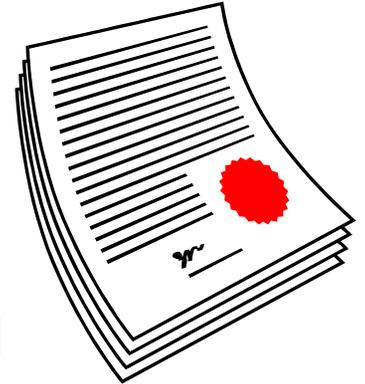


Proposal Specifications



Required Format & Content

- Economy of Presentation
- Complete Proposal
- **Bidder's Checklist**- Important to Use
 - ✓ Executive Order #127 forms for bidder & all subcontractors
 - ✓ Responsibility Questionnaire- Corporate bidders & subcontractors over \$100,000
 - ✓ Letter of Transmittal
 - ✓ Subcontractor Letter of Commitment
 - ✓ Separate Technical & Financial Proposals
- 2 originals, 10 copies & 1 CD- ROM



Submission of Proposals



- **Contact Office**

New York State Department of Health
Office of Medicaid Management

ATTN: Carol A. Lindley

99 Washington Ave., Suite 720

Albany, NY 12210

Telephone: (518) 473-7735

Fax: (518) 473-4400

E-mail: ppno@health.state.ny.us

(Reference line to read: CMD RFP)

Evaluation & Selection Overview



- Prescreen
- Technical Evaluation
 - ✓ Preliminary Qualifications
 - ✓ Quality, responsiveness and completeness
 - ✓ Potential site visits
- Financial Proposal
 - ✓ Total Price

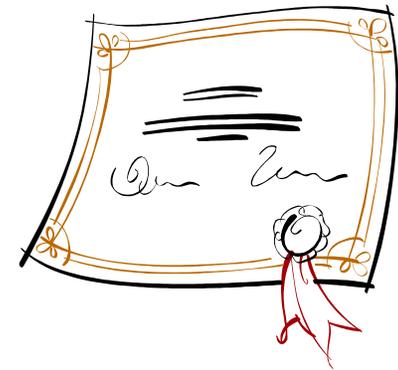


Vendor Selection



Method of Award

- Best Value
- Scoring - Normalized
 - ✓ 70 Points Technical
 - ✓ 30 Points Financial
- Total Combined Score
- Selection Process



Vendor Selection (cont.)



Selection Process-Selection Committee

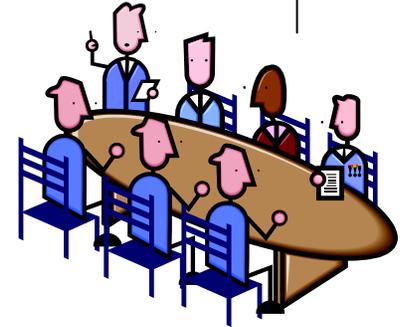
- Regional Assignment
- Initial Selection
 - ✓ Up to 4 bids
 - ✓ One from each region
- Further Selection(s) based on funds



Vendor Selection (cont.)



Selection Committee



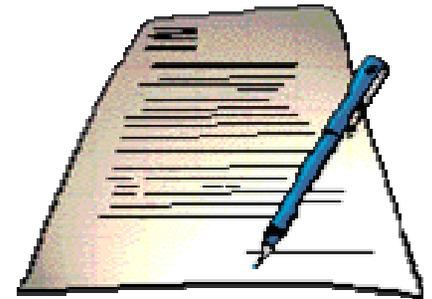
- Reserves the right to:
 - ✓ Bypass a proposal that duplicates a service of a prior selection
 - ✓ Bypass a proposal based on insufficient funds to support the full proposal
 - ✓ Limit the number of programs which serve one local social services district

Vendor Selection (cont.)



Final Contract Approval:

- Department of Health
- Attorney General
- Office of the State Comptroller





RFP Information

- **Complete RFP, Forms and Q & A available on-line**
 - www.health.state.ny.us
 - “Grants/Funding Opportunities”, “RFP...”, “Medicaid Disease and Care Management Demonstration Programs”
- **Questions**

E-mail: ppno@health.state.ny.us

(Reference line to read: CMD RFP)
- Questions raised must cite - RFP section, page number & paragraph

Questions & Answers



Answers furnished during the bidder's conference will not be official until confirmed in writing by the Department of Health