

New York State Department of Health  
Medicaid Administrative Services (MAS) and Fiscal Agent Services  
**Request for Proposals # 1211260917**

**AMENDMENT #2**

- 1) Section I.A, page I-7 first paragraph is replaced in its entirety with:

*The DDI Phase includes the tasks required for a contractor to successfully design, develop, and implement the staffing, processes, and technology that support the provision of administrative services for the Department. As part of design and development, the contractor will configure its existing infrastructure to adopt the Medicaid plan and convert the Department's data to function in the contractor's infrastructure, as well as develop any infrastructure needed to supplement existing systems. Implementation refers to the structural changes necessary for the contractor's solution to meet the requirements of the RFP and go into production. Implementation for this project will occur in a staggered approach with provider services being implemented in the first release nine months after contract start. The remaining functionality will be implemented in the second stage, eighteen months after contract start.*

All subsequent references to the DDI period are amended to encompass 18 months (9 months for Release 1 remains unchanged; Release 2 is now 18 months from contract start date). Proposals submitted with DDI periods greater than 18 months will be disqualified.

- 2) Attachment E: Requirements Traceability Matrix requirement CON166 is hereby replaced in its entirety to read:

*Conduct a series of joint development sessions with Department staff and other stakeholders, beginning within 15 business days of the project kick-off meeting, the purpose of which is to:*

- Confirm a common understanding of each requirement to ensure that the proposed solution includes all required functionality*
- Validate the "To Be" Business Processes*
- Identify any new requirements and explore these requirements in sufficient detail to adequately support system design activities.*

*Where commercial software (already designed and developed) is proposed, sessions to review functional expectations and establish configuration will take place in lieu of joint development sessions.*

- 3) Attachment E: Requirements Traceability Matrix requirement OPS155 is amended to remove the Corresponding MECT Checklist reference "PI3.9." The remainder of requirement OPS155 remains unchanged.
- 4) Attachment E: Requirements Traceability Matrix requirements PLN052 and PLN059 are hereby deleted.
- 5) Attachment E: Requirements Traceability Matrix requirement PLN160 is hereby replaced in its entirety to read:

*Maintain drug pricing data necessary to support Program pricing methodology, process claims with the State-defined brand/generic classification and subject the claims to pass through pricing. The Program will continue to utilize AWP as the basis of pricing until such time as it is determined by the Department to be obsolete, unavailable and/or NYS legislation changes the basis of reimbursement from AWP to an alternative benchmark. In the event the statutorily mandated methodology of reimbursement changes during the term of the agreement, or other significant changes occur affecting reimbursement, the Department reserves the right to require the contractor to adjust the fixed discounts and/or utilize alternative pricing benchmark(s) in order to maintain an equivalent level of discount to the Program at no additional cost to the State.*

- 6) Attachment E: Requirements Traceability Matrix requirement FIN006 is amended to replace the Business Process reference "FM01 Manage Provider Recoupment" with "FM08 Prepare Member Premium Invoice". The remainder of requirement FIN006 remains unchanged.
- 7) Section III.D (3) is amended to remove Transition Manager from named staff and to add the following at the end of the list of named Key Staff:  
  
*The Key Staff position of Transition Manager does not require a name and resume in the proposal.*

- 8) Attachment J: Staffing Requirements, page J-7, is amended as add the following:  
  
*The Department will accept at least four (4) years' experience in the role of the key staff position in lieu of a bachelor's degree for Account Manager, DDI/ Configuration Manager, Operations Manager, Transition Manager, Compliance Manager, Information Security Officer, Quality Assurance Manager, and Customer Service Manager key staff positions. For the key staff position MEIPASS Operations Manager, the Department will accept at least two (2) years' experience in an operations manager role within government or healthcare.*

- 9) The description to Pricing Element "Project Planning/ DDI/ Certification (Schedule B)" within Section IV.G.3 of the RFP is replaced in its entirety to read:

*Includes all planning, development/configuration, implementation, User Acceptance Testing (UAT), and certification pricing for the MAS procurement expressed as a fixed price. Project Planning, DDI, and Certification price must be less than or equal to 25% of the proposed Total Price.*

- 10) Section I.A, page I-7, third paragraph is replaced in its entirety to read:

*The System and Operational Enhancements Phase commences with the start of the contract and includes enhancement tasks that must be performed throughout the life of the contract to modify the contractor's infrastructure in accordance with new State and federal mandates, program policy changes, program growth, and emerging technologies. It is expected that any and all system and operational enhancements that are applicable to multiple customers of the contractor will be executed at no additional cost to the State. Maintenance tasks are not considered enhancements and should not be included in Attachment H: Pricing Schedule Tab E-Systems and Operational Enhancements.*

The remainder of Section I remains unchanged except where otherwise specified.

- 11) Section V.I.3, page V-9, last paragraph is replaced in its entirety to read:

*The System and Operational Enhancements Phase commences with the start of the contract and includes enhancement tasks that must be performed throughout the life of the contract to modify the contractor's infrastructure in accordance with new State and federal mandates, program policy changes, program growth, and emerging technologies.*

The remainder of Section V.I.3 remains unchanged unless otherwise specified.

- 12) Section V.I.2, page V-9, first three paragraphs are replaced in their entirety as follows:

#### *I.2 OPERATIONS PHASE PAYMENTS*

*The contractor shall be paid a monthly base fee to provide the specified administrative services for the FFS and managed care population. To guide their Price Proposals, Vendors should reference the projected monthly transaction volume provided in the Procurement Library "Transaction Volume".*

*The Department has created boundaries above the projected transaction volumes in the Procurement Library for which the planned payment schedule applies. Should transaction monthly volumes be higher than this boundary, contractor reimbursement shall be adjusted based on the contractor's proposed per transaction rates.*

*For each month, monthly payments will be adjusted per the following formula should the volume extend outside the specified boundaries:*

The remainder of Section V.I.2 remains unchanged unless otherwise specified.

- 13) IV.D.2 (12) is replaced in its entirety to read:

*A statement which complies with the six conflict of interest requirements set forth in RFP Section IV.B.6, Conflict of Interest. Where any potential or actual conflict is disclosed, a description should also be included as to how a potential or actual conflict and/or disclosure of confidential information relating to the contract will be avoided. If there is no conflict of interest a statement so indicating should be included.*

- 14) Section I.A, page I-4, first paragraph is replaced in its entirety to read:

*Regardless of whether the Department owns or licenses particular components of the system, it must have access to and oversight of all systems and records procured as part of the MAS procurement to ensure its ability to determine and enforce compliance with the requirements of this RFP. A project facility must be secured by the vendor to house key project management and oversight personnel, both for the vendor and the State, and located within 10 miles of the New York State Capitol building in Albany, NY. The project facility must be at least twenty-two thousand (22,000) total usable square feet of secured office space and provide at a minimum:*

- Separate staff areas for DOH, OSC and OMIG, with separate controlled access;*
- A secure and adequately sized kitchen area with refrigerator(s)/ freezer(s), microwave(s), coffee maker, sink with running water and adequate cabinetry, counter space, table(s) and seating;*
- Approximately 100 flexible, integrated cubicles approximately sixty-four (64) square feet each; each cubical shall have a minimum twenty (20) sq. ft. of workspace to accommodate a desktop PC, phone, laptop and printer (if necessary);*
- Nine (9) offices of a minimum 170 square feet each, with one data drop on each of three walls, a manager's desk, appropriate size table and chairs and a 4'x 6' white board;*
- Four (4) conference rooms approximately 224 square feet each with table seating for ten (10) staff with overflow seating for a minimum of five (5). The main conference table will be wired so that four (4) PC's can have secure connectivity to the MAS, MDW, OHIP Data Mart, the Internet, and the Department and Contractor LANs. Each room will be equipped with audio visual (AV) projection equipment, a 72" monitor, digital speaker phone with conference call capability, a 4'x 6' white board and appropriate digital presentation screen. At least one of the rooms must be large enough to seat 30 (two smaller conference rooms that have a common retractable wall may be used to satisfy this requirement).*

*Other facilities, such as call centers and systems facilities, may be located elsewhere, but in conformance with relevant requirements in Attachment E.*

- 15) Section V.F.1 on page V-6, #5, is replaced in its entirety with the following:

*The Department will conduct a timely review of all materials submitted to the Department by the contractor, returning comments within ten (10) business days unless otherwise agreed upon by the Department and the contractor, followed by a subsequent 5 business day update/re-review period. For large deliverables, additional time may be requested by the Department.*

- 16) Attachment E: Requirements Traceability Matrix requirement MEM066 and MEM098 are hereby deleted.