

New York State Department of Health

Medicaid Administrative Services (MAS) and Fiscal Agent Services

Request for Proposals # 1211260917

AMENDMENT #4

- 1) Section V., A. of Attachment N, State of New York Agreement, is hereby replaced in its entirety to read as follows:

A. Contractor shall be fully liable for the actions of its agents, employees, partners, or subcontractors, and shall fully indemnify and save harmless the Department from suits, actions, damages, and costs of every name and description relating to personal injury and damage to real or personal tangible property caused by any intentional act or negligence of Contractor, its agents, employees, partners, or subcontractors, without limitation; provided, however, that Contractor shall not indemnify for that portion of any claim, loss, or damage arising hereunder due to the negligent act or failure to act of the Department.

- 2) A new section V., C. shall be added to Attachment N, State of New York Agreement as follows:

C. Contractor's liability for any claim, loss, or liability arising out of, or connected with the products or services provided, and whether based upon default or other liability such as breach of contract or warranty, negligence, misrepresentation, or otherwise, shall, unless otherwise set forth in the contract as being without limitation, in no case exceed damages in an amount equal to fifty percent (50%) of the contract value, excluding any amendments or extensions. Notwithstanding the foregoing, the Contractor remains liable, without monetary limitation, for direct damages for personal injury, death or damage to real property or tangible personal property or intellectual property attributable to the negligence or other tort of the Contractor, its officers, employees or agents.

- 3) Section I.A page I-7 is amended to insert "Call center (for Release 1 components)" under Release 1 Components and to replace "Member call center" with "Call Center (for Release 2 components)" under Release 2 Components.

- 4) Attachment H, Pricing Schedule, Tab B, is amended to replace "Provider call center (partial operations until claims also serviced by contractor) with "Call center (for program components that go live in Release 1)" in Release 1 and to replace "Beneficiary call center" with "Remaining call center functions to achieve full operations" in Release 2.

- 5) Attachment H, Pricing Schedule, Tab C, is amended to replace Contract Year 2 Annual Proposed Price with Monthly Proposed Price. The Operations base Fee instructions are replaced in their entirety as follows:

In Pricing Schedule C, vendors must specify the cost to operate the solution for each of the five contract years. For contract years 1 and 2, a fixed price to operate the solution on a monthly basis shall be provided since the first 18 months will be primarily devoted to DDI and experience phased-in operations. For contract year 2, vendors must provide a monthly fixed price for full operations beginning in month 7. For contract years 3, 4 and 5, vendors need to provide an annual fixed price for the base operation components listed. Vendors need only complete the pricing in the shaded cells. Vendors must enter the dollar amount in a currency format. Values entered will display as whole dollars. Equal monthly base operations payments will be made to the contractor over the scheduled four years of contract for full operations. As with other pricing schedules, bidding vendors must fill in all grey shaded cells.

- 6) Section VI.15 (5) is replaced in its entirety to read:

Except as otherwise provided in this Contract, the Contractor will not be obligated to provide source code (the un-compiled operating instructions for the software) for commercial software unless it is readily available from the licensor. When source code is provided, it must be provided in the language in which it was written and will include commentary that will allow a competent programmer proficient in the source language to readily interpret the source code and understand the purpose of all routines and subroutines contained within the source code. If the source code of such third-party is not otherwise provided or freely available, the Contractor will be obliged to ensure that the source code and associated documentation is subject to an escrow agreement meeting the requirements of subsection 15, Paragraph 1 of Section VI.

- 7) Section 15 (5) of Attachment N Appendix I – Contract Requirements is replaced in its entirety to read:

Except as otherwise provided in this Contract, the Contractor will not be obligated to provide source code (the un-compiled operating instructions for the software) for commercial software unless it is readily available from the licensor. When source code is provided, it must be provided in the language in which it was written and will include commentary that will allow a competent programmer proficient in the source language to readily interpret the source code and understand the purpose of all routines and subroutines contained within the source code. If the source code of such third-party is not otherwise provided or freely available, the Contractor will be obliged to ensure that the source code and associated documentation is subject to an escrow agreement meeting the requirements of subsection 15, Paragraph 1 of this attachment.

- 8) Attachment E: Requirements Traceability Matrix requirement TEC175 is hereby replaced in its entirety to read:

Ensure capacity to interface with claims data from the Office of Mental Health (OMH).

- 9) Section VI.24 (3) is replaced in its entirety to read:

By written notice, this Contract may be terminated at any time by the Department for convenience upon thirty (30) calendar days' written notice or other specified period without penalty or other early termination charges due. Such notice of termination of the Contract shall not affect any project or purchase order that has been issued under the Contract, prior to the date of such termination. The Contractor shall use due diligence and provide any outstanding deliverables. In the event of cancellation for convenience by the State, the State agrees to negotiate a payment based on time, materials and other documented expenses directly attributable to the Contract actually expended by the contractor.

- 10) Section 24 (3) of Attachment N Appendix I – Contract Requirements is replaced in its entirety to read:

By written notice, this Contract may be terminated at any time by the Department for convenience upon thirty (30) calendar days' written notice or other specified period without penalty or other early termination charges due. Such notice of termination of the Contract shall not affect any project or purchase order that has been issued under the Contract, prior to the date of such termination. The Contractor shall use due diligence and provide any outstanding deliverables. In the event of cancellation for convenience by the State, the State agrees to negotiate a payment based on time, materials and other documented expenses directly attributable to the Contract actually expended by the contractor.

- 11) Section VI.2 (2) is replaced in its entirety to read:

The Department reserves the right to stop the work covered by the Contract at any time that the Department deems the Contractor to be unable or incapable of performing the work to the satisfaction of the Department. In the event of such cessation of work, the Department shall have the right to arrange for the completion of the work in such manner as the Department may deem advisable. If the cost thereof exceeds the amount of the proposal, the Contractor shall be liable to the State of New York for any excess cost on account thereof.

- 12) Section 2 (2) of Attachment N Appendix I – Contract Requirements is replaced in its entirety to read:

The Department reserves the right to stop the work covered by the Contract at any time that the Department deems the Contractor to be unable or incapable of performing the work to the satisfaction of the Department. In the event of such cessation of work, the Department shall have the right to arrange for the completion of the work in such manner as the Department may deem advisable. If the cost thereof exceeds the amount of the proposal, the Contractor shall be liable to the State of New York for any excess cost on account thereof.

13) Attachments E & H are hereby replaced to reflect alterations set forth through the Medicaid Administrative Services (MAS) and Fiscal Agent Services Request for Proposals Amendments 1-4. Please use the new Attachments E and H when submitting a proposal.

14) Section I.A of the RFP, page I-7 final paragraph, and Amendment #2 (1) are replaced in their 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 selected provider and pharmacy 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.

15) Section III.E.3.4, The Electronic Claims Adjudication service level agreement is replaced in its entirety with:

<i>Electronic Claims Adjudication Part 1:</i>	<i>At a minimum, ninety-eight percent (98%) of the claims batch files must be processed within twenty four (24) hours of receipt. The remaining two percent (2%) must be processed by the next business day.</i>	<i>\$.05 per claim above the threshold (98%) per hour or any part thereof that it is not processed within twenty four (24) hours of receipt and \$.05 per claim above the threshold (2%) per hour that it is not processed by the next business day.</i>
<i>Electronic Claims Adjudication Part 2:</i>	<i>At a minimum, ninety-eight percent (98%) of eligible real time claims transactions must be processed within one (1) minute of receipt. The remaining two percent (2%) must be processed within 24 hours of receipt.</i>	<i>\$.05 per claim above the threshold (98%) per hour or any part thereof that it is not processed within one (1) minute of receipt and \$.05 per claim above the threshold (2%) per hour that it is not processed within 24 hours of receipt.</i>