

# STATE OF ALASKA REQUEST FOR PROPOSALS



## Behavioral Health Administrative Services Organization

RFP 190000012

ISSUED SEPTEMBER 28, 2018

The Alaska Department of Health and Social Services, Division of Behavioral Health, is soliciting proposals from Administrative Services Organizations (ASO) with demonstrated specialized expertise in behavioral health systems management to provide administrative support to the State for the following services:

- Service Access and Utilization
- Provider Regional Capacity Development and Support
- Participant Outreach, Communication, and Support
- Quality and Outcomes Management
- Data Management
- Claims Processing
- Systems Support
- Staffing

---

### ISSUED BY:

DEPARTMENT OF HEALTH & SOCIAL SERVICES  
DIVISION OF FINANCE & MANAGEMENT SERVICES

### PRIMARY CONTACT:

SUSAN JABAL  
PROCUREMENT OFFICER  
SUSAN.JABAL@ALASKA.GOV

OFFERORS ARE NOT REQUIRED TO RETURN THIS FORM.

**IMPORTANT NOTICE:** IF YOU RECEIVED THIS SOLICITATION FROM THE STATE OF ALASKA'S  
"ONLINE PUBLIC NOTICE" WEB SITE, YOU MUST REGISTER WITH THE PROCUREMENT  
OFFICER LISTED IN THIS DOCUMENT TO RECEIVE SUBSEQUENT AMENDMENTS.

## TABLE OF CONTENTS

<b>SECTION 1.</b>	<b>INTRODUCTION &amp; INSTRUCTIONS .....</b>	<b>4</b>
SEC. 1.01	PURPOSE OF THE RFP .....	4
SEC. 1.02	BUDGET .....	4
SEC. 1.03	DEADLINE FOR RECEIPT OF PROPOSALS .....	4
SEC. 1.04	MINIMUM QUALIFICATIONS .....	5
SEC. 1.05	REQUIRED REVIEW .....	5
SEC. 1.06	QUESTIONS PRIOR TO DEADLINE FOR RECEIPT OF PROPOSALS .....	5
SEC. 1.07	RETURN INSTRUCTIONS .....	6
SEC. 1.08	PROPOSAL CONTENTS .....	7
SEC. 1.09	ASSISTANCE TO OFFERORS WITH A DISABILITY .....	8
SEC. 1.10	AMENDMENTS TO PROPOSALS .....	8
SEC. 1.11	AMENDMENTS TO THE RFP .....	8
SEC. 1.12	RFP SCHEDULE .....	8
SEC. 1.13	PRE-PROPOSAL CONFERENCE .....	9
SEC. 1.14	ALTERNATE PROPOSALS .....	9
SEC. 1.15	NEWS RELEASES .....	9
<b>SECTION 2.</b>	<b>SCOPE OF WORK &amp; CONTRACT INFORMATION .....</b>	<b>10</b>
SEC. 2.01	BACKGROUND INFORMATION .....	10
SEC. 2.02	DEFINITIONS .....	12
SEC. 2.03	SCOPE OF WORK .....	14
SEC. 2.04	DELIVERABLES .....	16
SEC. 2.05	STAFFING REQUIREMENTS .....	46
SEC. 2.06	CONTRACT TERM AND WORK SCHEDULE .....	48
SEC. 2.07	CONTRACT TYPE .....	48
SEC. 2.08	PROPOSED PAYMENT PROCEDURES .....	48
SEC. 2.09	CONTRACT PAYMENT .....	49
SEC. 2.10	LOCATION OF WORK .....	49
SEC. 2.11	THIRD PARTY SERVICE PROVIDERS .....	49
SEC. 2.12	SUBCONTRACTORS .....	49
SEC. 2.13	RIGHT TO INSPECT PLACE OF BUSINESS .....	50
SEC. 2.14	CONTRACT PERSONNEL .....	50
SEC. 2.15	INSPECTION & MODIFICATION - REIMBURSEMENT FOR UNACCEPTABLE DELIVERABLES .....	50
SEC. 2.16	CONTRACT CHANGES - UNANTICIPATED AMENDMENTS .....	50
SEC. 2.17	NONDISCLOSURE AND CONFIDENTIALITY .....	51
SEC. 2.18	INSURANCE REQUIREMENTS .....	51
SEC. 2.19	TERMINATION FOR DEFAULT .....	52
SEC. 2.20	INFORMAL DEBRIEFING .....	52
<b>SECTION 3.</b>	<b>PROPOSAL FORMAT AND CONTENT .....</b>	<b>53</b>
SEC. 3.01	PROPOSAL FORMAT AND CONTENT .....	53
SEC. 3.02	INTRODUCTION .....	53
SEC. 3.03	UNDERSTANDING OF THE PROJECT .....	53
SEC. 3.04	METHODOLOGY USED FOR THE PROJECT .....	53
SEC. 3.05	MANAGEMENT PLAN FOR THE PROJECT .....	54
SEC. 3.06	EXPERIENCE AND QUALIFICATIONS .....	54
SEC. 3.07	COST PROPOSAL .....	55

SEC. 3.08	EVALUATION CRITERIA .....	55
SECTION 4.	EVALUATION CRITERIA AND CONTRACTOR SELECTION .....	56
SEC. 4.01	UNDERSTANDING OF THE PROJECT (15%) .....	56
SEC. 4.02	METHODOLOGY USED FOR THE PROJECT (15%) .....	56
SEC. 4.03	MANAGEMENT PLAN FOR THE PROJECT (20%) .....	56
SEC. 4.04	EXPERIENCE AND QUALIFICATIONS (20%) .....	57
SEC. 4.05	CONTRACT COST (20%) .....	57
SEC. 4.06	ALASKA OFFEROR PREFERENCE (10%) .....	57
<b>SECTION 5.</b>	<b>GENERAL PROCESS INFORMATION .....</b>	<b>58</b>
SEC. 5.01	ALASKA BUSINESS LICENSE AND OTHER REQUIRED LICENSES .....	58
SEC. 5.02	SITE INSPECTION .....	58
SEC. 5.03	CLARIFICATION OF OFFERS .....	59
SEC. 5.04	DISCUSSIONS WITH OFFERORS .....	59
SEC. 5.05	EVALUATION OF PROPOSALS .....	59
SEC. 5.06	CONTRACT NEGOTIATION .....	59
SEC. 5.07	FAILURE TO NEGOTIATE .....	60
SEC. 5.08	OFFEROR NOTIFICATION OF SELECTION .....	60
SEC. 5.09	PROTEST .....	60
SEC. 5.10	APPLICATION OF PREFERENCES .....	61
SEC. 5.11	ALASKA BIDDER PREFERENCE .....	61
SEC. 5.12	ALASKA VETERAN PREFERENCE .....	62
SEC. 5.13	ALASKA OFFEROR PREFERENCE .....	62
SEC. 5.14	FORMULA USED TO CONVERT COST TO POINTS .....	63
SEC. 5.15	EXAMPLES: CONVERTING COST TO POINTS & APPLYING PREFERENCES .....	63
<b>SECTION 6.</b>	<b>GENERAL LEGAL INFORMATION .....</b>	<b>65</b>
SEC. 6.01	STANDARD CONTRACT PROVISIONS .....	65
SEC. 6.02	PROPOSAL AS A PART OF THE CONTRACT .....	65
SEC. 6.03	ADDITIONAL TERMS AND CONDITIONS .....	65
SEC. 6.04	HUMAN TRAFFICKING .....	65
SEC. 6.05	RIGHT OF REJECTION .....	65
SEC. 6.06	STATE NOT RESPONSIBLE FOR PREPARATION COSTS .....	66
SEC. 6.07	DISCLOSURE OF PROPOSAL CONTENTS .....	66
SEC. 6.08	ASSIGNMENT .....	66
SEC. 6.09	DISPUTES .....	66
SEC. 6.10	SEVERABILITY .....	67
SEC. 6.11	SUPPLEMENTAL TERMS AND CONDITIONS .....	67
SEC. 6.12	FEDERAL REQUIREMENTS .....	67
SEC. 6.13	CONTRACT INVALIDATION .....	67
SEC. 6.14	SOLICITATION ADVERTISING .....	67
<b>SECTION 7.</b>	<b>APPENDICES AND ATTACHMENTS .....</b>	<b>68</b>
SEC. 7.01	APPENDIX 1 - COST PROPOSAL .....	69
SEC. 7.02	APPENDIX 2 - CERTIFICATION REGARDING DEBARMENT .....	70
SEC. 7.03	APPENDIX 3 - RFP CHECKLIST .....	72
SEC. 7.04	APPENDIX 4 - PROPOSAL EVALUATION FORM .....	74
SEC. 7.05	APPENDIX 5 - STANDARD AGREEMENT FORM (WITH APPENDICES) .....	78

## Section 1. Introduction & Instructions

### Sec. 1.01 Purpose of the RFP

The Alaska Department of Health and Social Services is soliciting proposals for an Administrative Services Organization (ASO) to operate as a vendor with the Department of Health and Social Services' (DHSS) Division of Behavioral Health (DBH), to assist with managing the reform of Alaska's behavioral health system of care in order to:

1. Increase access to appropriate behavioral health services,
2. Improve health outcomes for all publicly funded behavioral health service participants,
3. Support the State in reform efforts under the authority of the State to more efficiently manage the cost of behavioral health care in Alaska. The primary vehicles for this system reform are Alaska's Section 1115 Behavioral Health Waiver Demonstration Project and the Alaska Medicaid State Plan.

### Sec. 1.02 Budget

The Department of Health and Social Services, Division of Behavioral Health has a budget maximum of \$35,000,000.00 for the full five (5) years of this project. The expected budget for each year is as follows, inclusive of claims processing:

<b>Year</b>	<b>Budget</b>
1	\$ 7,000,000.00
2	\$ 7,000,000.00
3	\$ 7,000,000.00
4	\$ 7,000,000.00
5	\$ 7,000,000.00
<b>Total:</b>	<b>\$35,000,000.00</b>

Proposals received in excess of \$35,000,000.00 will be deemed non-responsive. Approval or continuation of a contract resulting from this is contingent upon legislative appropriation.

### Sec. 1.03 Deadline for Receipt of Proposals

Proposals must be received no later than 4:00 pm Alaska prevailing time on Monday, November 26, 2018.

## Sec. 1.04 Minimum Qualifications

In order for offers to be considered responsive, offerors must meet the following minimum requirements. Please ensure start and end dates (month and year) are indicated, and that experience is detailed sufficiently to ensure verification of all aspects of the minimums below:

1. At least five years experience in administering public program benefits with a similar level of integration across needs (i.e. behavioral and physical health, SUD treatment services).
2. At least five years experience administering behavioral health and SUD treatment services in rural/frontier settings.
3. At least five years experience working with Tribal organizations.
4. At least five years experience in provider recruitment, training, and contracting for behavioral health and SUD treatment services.
5. At least five years experience creating and delivering on performance indicators for quality of care, cost trends, operational performance, or any other metrics that are relevant to the goals of the Alaska waiver.
6. Demonstrated experience in implementing Medicaid delivery system reform (specifically behavioral health) changes.
7. Demonstrated experience in implementing Section 1115 Substance Use Disorder (SUD) waiver amendment requirements.

An offeror's failure to provide enough information to verify meeting the minimum requirement above will cause their proposal to be considered non-responsive and to be rejected accordingly.

## Sec. 1.05 Required Review

Offerors should carefully review this solicitation for defects and questionable or objectionable material. Comments concerning defects and objectionable material must be made in writing and received by the procurement officer at least ten days before the deadline for receipt of proposals. This will allow time for the issuance of any necessary amendments. It will also help prevent the opening of a defective solicitation and exposure of offeror's proposals upon which award could not be made. Protests based on any omission or error, or on the content of the solicitation, will be disallowed if these faults have not been brought to the attention of the procurement officer, in writing, at least ten days before the deadline for receipt of proposals.

## Sec. 1.06 Questions Prior to Deadline for Receipt of Proposals

Questions must be submitted in writing and directed to the procurement officer. The interested party must confirm telephone conversations in writing. Questions must be received no later than 4 p.m. Alaska prevailing time on October 31, 2018.

Two types of questions generally arise. One may be answered by directing the questioner to a specific section of the RFP. Other questions may be more complex and may require a written amendment to the RFP. The procurement officer will make that decision. All questions must be requested in writing to the below:

Procurement Officer: Susan Jabal  
[susan.jabal@alaska.gov](mailto:susan.jabal@alaska.gov)

## Sec. 1.07 Return Instructions

### Email Submission

The preferred method of response submission to this solicitation is via email, sent to the following address:  
[hss.procurement.proposal@alaska.gov](mailto:hss.procurement.proposal@alaska.gov)

The email submission must contain the RFP number in the subject line. In the body of the email, please indicate the Procurement Officer's name, the Offeror's name, the number of attachments, and the names of the attachments being submitted.

When submitting a proposal via email, the technical proposal and cost proposal must be saved as separate, clearly labeled PDF documents, such as "Vendor A – Technical Proposal.pdf" and "Vendor A – Cost Proposal.pdf" (Vendor A is the name of the offeror). The maximum size of a single email (including all text and attachments) that can be received by the State is 20mb (megabytes). If the email containing the proposal exceeds this size, the proposal must be sent in multiple emails that are each less than 20 megabytes; each email must comply with the requirements above. Please also include an indication of multiple email submissions (1 of 2, 2 of 2, etc).

It is the offeror's responsibility to ensure that the Procurement Officer has received the proposal in full, prior to the deadline. The Procurement Officer will respond to the email to confirm receipt. If you do not receive a confirmation, it is your responsibility to contact the Procurement Officer to confirm. The State is not responsible for lost, unreadable, or corrupt emails, or missing attachments.

An offeror's failure to submit its proposal prior to the deadline will cause the proposal to be disqualified. Late proposals or amendments will not be opened or accepted for evaluation.

### Paper Submission

If submitted a proposal by mail, Offerors must submit one hard copy of their proposal, to the procurement officer, in a sealed package. The cost proposal included with the package must be sealed separately from the rest of the proposal and must be clearly identified.

The sealed proposal package(s) must be addressed as follows:

Department of Health and Social Services  
Division of Finance and Management Services  
Attention: Susan Jabal, Procurement Officer  
RFP Number: 190000012  
RFP Title: Behavioral Health Administrative Service Organization

If mailing via US Mail, please use the following address:

PO Box 110650  
Juneau, AK 99811-0650

If utilizing a delivery service, please use the following address:

333 Willoughby – Suite 760

Juneau, AK 99801

An offeror's failure to submit its proposal prior to the deadline will cause the proposal to be disqualified. Late proposals or amendments will not be opened or accepted for evaluation.

Faxed proposals will not be accepted. Oral proposals will not be accepted.

## Sec. 1.08 Proposal Contents

The following information must be included in all proposals:

### (a) Authorized Signature

All proposals must be signed by an individual authorized to bind the offeror to the provisions of the RFP. Proposals must remain open and valid for at least 90-days from the date set as the deadline for receipt of proposals.

### (b) Offeror's Certification

By signature on the proposal, offerors certify that they comply with the following:

- a. the laws of the State of Alaska;
- b. the applicable portion of the Federal Civil Rights Act of 1964;
- c. the Equal Employment Opportunity Act and the regulations issued thereunder by the federal government;
- d. the Americans with Disabilities Act of 1990 and the regulations issued thereunder by the federal government;
- e. all terms and conditions set out in this RFP;
- f. a condition that the proposal submitted was independently arrived at, without collusion, under penalty of perjury;
- g. that the offers will remain open and valid for at least 90 days; and
- h. that programs, services, and activities provided to the general public under the resulting contract conform with the Americans with Disabilities Act of 1990, and the regulations issued thereunder by the federal government.

If any offeror fails to comply with [a] through [h] of this paragraph, the State reserves the right to disregard the proposal, terminate the contract, or consider the contractor in default.

### (c) Vendor Tax ID

A valid Vendor Tax ID must be submitted to the issuing office with the proposal or within five days of the State's request.

### (d) Conflict of Interest

Each proposal shall include a statement indicating whether or not the firm or any individuals working on the contract has a possible conflict of interest (e.g., currently employed by the State of Alaska or formerly employed by the State of Alaska within the past two years) and, if so, the nature of that

conflict. The Commissioner of the Department of Health and Social Services reserves the right to consider a proposal non-responsive and reject it or cancel the award if any interest disclosed from any source could either give the appearance of a conflict or cause speculation as to the objectivity of the program to be developed by the offeror. The Commissioner's determination regarding any questions of conflict of interest shall be final.

**(e) Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions**

Each proposal must include a signed certification form, see Section 7: Attachments.

## **Sec. 1.09 Assistance to Offerors with a Disability**

Offerors with a disability may receive accommodation regarding the means of communicating this RFP or participating in the procurement process. For more information, contact the procurement officer no later than ten days prior to the deadline for receipt of proposals.

## **Sec. 1.10 Amendments to Proposals**

Amendments to or withdrawals of proposals will only be allowed if acceptable requests are received prior to the deadline that is set for receipt of proposals. No amendments or withdrawals will be accepted after the deadline unless they are in response to the State's request in accordance with 2 AAC 12.290.

## **Sec. 1.11 Amendments to the RFP**

If an amendment is issued, it will be posted directly to the solicitation on the VSS Portal and on the Alaska Online Public Notices. All vendors who have registered with the procurement officer will receive direct notification of the amendment.

## **Sec. 1.12 RFP Schedule**

The RFP schedule set out herein represents the State of Alaska's best estimate of the schedule that will be followed. If a component of this schedule, such as the deadline for receipt of proposals, is delayed, the rest of the schedule may be shifted by the same number of days.

- Issue RFP on September 28, 2018
- Pre-Proposal Conference on October 8, 2018
- Deadline for receipt of questions on October 31, 2018
- Deadline for receipt of proposals on November 26, 2018
- Proposal Evaluation Committee complete evaluation by December 31, 2018
- State of Alaska issues Notice of Intent to Award a Contract by January 2, 2019
- Contract begins March 1, 2019



This RFP does not, by itself, obligate the State. The State's obligation will commence when the contract is approved by the Commissioner of the Department of Health and Social Services, or the Commissioner's designee. Upon written notice to the contractor, the State may set a different starting date for the contract. The State will not be responsible for any work done by the contractor, even work done in good faith, if it occurs prior to the contract start date set by the State.

### **Sec. 1.13      Pre-Proposal Conference**

A pre-proposal conference will be held on October 8, 2018 from 8 am – 10 am Alaska prevailing time. Conference line: 1-800-315-6338 (passcode 48041).

### **Sec. 1.14      Alternate Proposals**

In accordance with 2 AAC 12.830 alternate proposals (proposals that offer something different than what is asked for) will be rejected.

### **Sec. 1.15      News Releases**

News releases related to this RFP will not be made without prior approval of the project director.

## Section 2. Scope of Work & Contract Information

### Sec. 2.01 Background Information

The Alaska Department of Health and Social Services (DHSS) is currently negotiating a Section 1115 Behavioral Health Waiver Demonstration with the Centers for Medicare & Medicaid Services (CMS). The demonstration seeks to develop a data-driven, integrated behavioral health system of care for children, youth, and adults with serious mental illness, severe emotional disturbance, and/or substance use disorders. The demonstration also seeks to increase services for at-risk families in order to support the healthy development of children and adults through increased outreach and prevention and early intervention supports.

The Alaska DHSS has not used managed care to administer services on behalf of the State. All Medicaid services in the State have historically been administered through a fee-for-service system. Because of limited staff capacity, the geographical challenges in serving rural/frontier populations, and the level of expertise needed to rapidly expand access to new and additional behavioral health care services, DHSS seeks to contract with an Administrative Services Organization (ASO) to manage the enhanced behavioral health system. The ASO will be a third-party organization with specialized expertise in integrated behavioral health systems management. DHSS will contract with an ASO through this competitive bidding process to provide certain specified administrative services necessary to manage Alaska's behavioral health system of care on the department's behalf.

The ASO's care management infrastructure will ensure cost-effectiveness and accountability across all levels of care. Health outcomes will be improved through earlier interventions and better coordination of care and the system will, by the end of the demonstration, be managed based on health outcomes supported by real-time data collection and reporting.

The State's current data reporting systems do not yet provide the accountability envisioned for a transformed system of care and for that reason, the State seeks to partner with an ASO to improve data, outcomes, and cost management capacities. The ideal ASO will have established data systems that report service utilization, costs, and outcomes. The ASO will be required to work closely with Tribal Health Organizations, honoring the unique government-to-government relationship of Tribes with the State of Alaska.

Behavioral health redesign and reform is part of the larger Medicaid reform initiative aimed at improving access to behavioral health care, enhance the quality of that care, manage costs and advance the well-being of all Alaskans. These efforts will provide a new business model for comprehensive behavioral health care, including better integration with primary care in an effort to focus on whole-person wellness including the physical, mental and emotional aspects of health. The initiative is looking at how Alaska's behavioral health system is organized; what services are offered; how services are paid for; provider types; provider performance; quality of care; the comprehensive and integrated nature of that care; how to enhance prevention and early intervention services in order to reduce local community reliance on expensive and traumatic psychiatric emergency services; and positive and sustainable outcomes related to the care provided.

One of Alaska's strongest assets for improving the behavioral health of all Alaskans is the Tribal health system. There are 17 regions that comprise Alaska's Tribal health system, with behavioral health providers located in all

but two of the 17 regions. Ten of the 17 behavioral health providers are also community health centers, providing a tremendous opportunity for integration of physical and behavioral health services.

The goal of the Alaska Medicaid Section 1115 Behavioral Health Demonstration is to create a data-driven, integrated behavioral health system of care for Alaskans with serious mental illness, severe emotional disturbance, and/or substance use disorders. Because behavioral health challenges often stem from childhood trauma and other adverse experiences and have downstream effects on entire families that translate to higher costs associated with subsequent acute care and chronic health needs, this proposal also aims to establish networks of support for individuals and family members. The State will achieve these goals by creating a more robust continuum of behavioral health care services with emphasis on early interventions, community-based outpatient services, inpatient residential treatment when appropriate, and enhanced peer recovery supports. This proposal focuses on establishing an enhanced set of benefits for three target populations of Medicaid recipients: 1) Children and adolescents who are interacting or at risk of interacting with the child welfare system or the Division of Juvenile Justice system; 2) Individuals with acute mental health needs; and 3) Individuals with substance use disorders.

The State has three overarching goals specific to behavioral health reform:

1. Rebalance the current behavioral health system of care to reduce Alaska's over-reliance on acute, institutional care and shift to more community- or regionally-based care:
  - a. Decrease inpatient hospital and emergency department care episodes;
  - b. Decrease use of residential out-of-home placements;
  - c. Increase regionally-based capacity for a continuum of intensive outpatient, day treatment, intensive case management, community and recovery support, home-based family supports, assertive community treatment, and ambulatory withdrawal management services; and
  - d. Develop community-based, culturally appropriate behavioral health workforce capacity (i.e., implement additional Medicaid-reimbursed behavioral health provider types) to address existing workforce deficits.
2. Intervene as early as possible in the lives of Alaskans to address behavioral health symptoms before they cascade into functional impairments:
  - a. Provide universal screening to identify symptoms;
  - b. Provide brief, solution-focused interventions to prevent the need for acute care referrals; and
  - c. Provide care as close as possible to the homes or regional-hub communities of Alaskans.
3. Improve overall behavioral health system accountability by reforming the existing system of care, including:
  - a. Contracting with an Administrative Services Organization (ASO) to manage Alaska's efforts to reform its existing system of behavioral health care based on cost, utilization, and outcomes data;
  - b. Improving the consistency of screening, assessment, and service/placement decisions through use of evidence-based and evidence-informed tools;
  - c. Standardizing and streamlining documentation requirements to reduce duplication of effort and facilitate coordination of care across all providers;
  - d. Supporting provider development of infrastructures necessary to coordinate care, report and achieve performance/quality measures, report per capita behavioral health costs, and improve participant outcomes; and

- e. Integrating mental health and SUD services and systems.

The complete Section 1115 Behavioral Health Waiver Application can be found at (<http://dhss.alaska.gov/HealthyAlaska/Pages/PublicComment/1115waiverComment.aspx>).

## Sec. 2.02 Definitions

As used throughout this RFP, the following terms shall have the meanings set forth below:

Acute Services: Medical or behavioral health services needed for an illness, episode, or injury that requires intense care, and hospitalization.

Adult: Person 18 years of age or older.

Behavioral Health Services: Services that are necessary to diagnose, correct or diminish the adverse effects of a psychiatric or substance use disorder.

Centers for Medicare and Medicaid Services (CMS): The Centers for Medicare and Medicaid Services (CMS) is a division within the United States Department of Health and Human Services. CMS oversees the Medicaid and Children's Health Insurance Program (CHIP) programs.

Children: Individuals under eighteen (18) years of age.

Claim: A request for payment for medical assistance services under applicable state or federal law or regulations, whether the request is in an electronic format or paper format or both.

Contractor: An Administrative Services Organization providing service access and utilization, provider capacity development participant outreach/communication/support, data management, quality/outcomes management, and other administrative services outlined in this RFP and subsequent contract within a centralized information system framework.

Department means the Alaska Department of Health and Social Services (DHSS).

Division means the Division of Behavioral Health (DBH) within the Alaska DHSS.

Fee-For-Service: A health care payment model that pays health care providers for each individual service delivered to a patient.

Inpatient: Inpatient refers to a level of care including medical services provided in a 24-hour medically managed setting.

Medicaid Management Information System (MMIS): The Department's automated claims processing and information retrieval system.

Medicaid Provider Billing Manuals: Service-specific documents created or issued by the Department to describe policies and procedures applicable to the Medicaid program generally and that service specifically.

Medical Assistance: For the purposes of this RFP, Medical Assistance consists of several medical programs administered by the Alaska DHSS under the authority of Title XIX, Social Security Act, including but not limited to Denali KidCare, Adult Public Assistance and Family Medicaid.

Medically Necessary: Those health services required to prevent, identify, diagnose, treat, rehabilitate or ameliorate an individual's medical condition, including mental illness, or its effects, in order to attain or maintain the individual's achievable health and independent functioning provided such services are: (1) Consistent with generally-accepted standards of medical practice that are defined as standards that are based on (A) credible scientific evidence published in peer-reviewed medical literature that is generally recognized by the relevant medical community, (B) recommendations of a physician-specialty society, (C) the views of physicians practicing in relevant clinical areas, and (D) any other relevant factors; (2) clinically appropriate in terms of type, frequency, timing, site, extent and duration and considered effective for the individual's illness, injury or disease; (3) not primarily for the convenience of the individual, the individual's health care provider or other health care providers; (4) not more costly than an alternative service or sequence of services at least as likely to produce equivalent therapeutic or diagnostic results as to the diagnosis or treatment of the individual's illness, injury or disease; and (5) based on an assessment of the individual and his or her medical condition.

Mental Disorder: Per the Diagnostic and Statistical Manual of Mental Disorders (DSM-5), a mental disorder is a behavioral or psychological syndrome or pattern that occurs in an individual.

Prior Authorization: Refers to the Contractor's process for approving covered services **on behalf of the State** prior to the delivery of the service or initiation of the plan of care based on a determination by the Contractor as to whether the requested service is medically necessary.

Provider: A person or entity under an agreement with the Department to provide services to members.

Quality Management (QM): The process of reviewing, measuring and continually improving the processes and outcomes of care delivered.

Service Participant: An individual eligible for coverage under any of the Department's medical assistance programs included in the scope of this RFP and whose medical benefits are managed by the Contractor.

Substance Use Disorder (SUD): Per the Diagnostic and Statistical Manual of Mental Disorders (DSM-5), a substance use disorder is a problematic pattern of using alcohol or another substance that results in impairment in daily life or noticeable distress.

Telehealth: The practice of health care delivery, evaluation, diagnosis, consultation, or treatment, using the transfer of health care data through audio, visual, or data communications, performed over two or more locations between providers who are physically separated from the recipient or from each other or between a provider and a recipient who are physically separated from each other.

Title XIX: The provisions of 42 United States Code Section 1396 et seq., including any amendments thereto, which established the Medicaid program.

Tribal Health Entity: Tribal organizations that operate tribal health facilities under the Indian Self-Determination and Education Assistance Act (P.L. 93-638) as signatories to the Alaska Tribal Health Compact, and that qualify as

Indian Health Service or Tribal facilities under the Social Security Act Section 1905(b) requirement that the federal government match State Medicaid expenditures for covered services at 100 percent for American Indian/Alaska Native Medicaid beneficiaries.

## Sec. 2.03 Scope of Work

The Alaska Department of Health and Social Services is soliciting proposals for an Administrative Services Organization (ASO) to operate as a vendor with the Department of Health and Social Services Division of Behavioral Health (DBH) to assist with managing the reform of Alaska's behavioral health system in order to:

1. Increase access to appropriate behavioral health services,
2. Improve health outcomes for all publicly funded behavioral health service participants (Medicaid, Non-Medicaid, and other federal and grant-funded service participants),
3. Support the State in reform efforts under the authority of the State to more efficiently manage the cost of behavioral health care in Alaska. The primary vehicles for this system reform are Alaska's Section 1115 Behavioral Health Waiver Demonstration Project (hereinafter referred to as 'the Waiver') and the Alaska Medicaid State Plan.

The intent of this solicitation is to secure a contract with an ASO with demonstrated specialized expertise in behavioral health systems management to provide administrative support to the State for the following:

1. Service Access and Utilization
2. Provider Regional Capacity Development and Support
3. Participant Outreach, Communication, and Support
4. Quality and Outcomes Management
5. Data Management
6. Claims Processing
7. Systems Support
8. Staffing

This contract is not under the authority of 42 CFR 438 – Managed Care. The purpose of this solicitation is to bring on an ASO to perform administrative functions under the authority of the State. The ASO will be expected to work with any willing and qualified provider. Any proposal seeking to operate under the authority of 42 CFR 438 will be considered nonresponsive.

Under the authority of the State, the Contractor shall meet the following general requirements below and as specified in more detail in Section 2.04 Deliverables:

1. Administer behavioral health services provided to Medicaid and non-Medicaid participants;
2. Facilitate for the provision of services that promote an effective and efficient behavioral health system of care that
  - a. Coordinates/facilitates access to high-quality behavioral health services and supports, informed by evidence-based practices (EBPs) or best practices in a cost-effective manner,
  - b. Promotes recovery, resilience, community integration, and wellness for individuals with behavioral health conditions,
  - c. Focuses on the whole health of individuals with behavioral health symptoms or conditions;
3. Work with existing and any new willing and qualified providers to develop and implement new

services identified in the waiver to support a seamless continuum of care for waiver-eligible individuals;

4. Ensure that provider capacity exists in each of the nine waiver regions by working with any willing and qualified provider;
5. Work with both State staff and with stakeholders to develop and implement new provider types and new certification standards for additional job categories (e.g., Peer Support Providers and Traditional Healers) designed to expand and enhance Alaska's behavioral health workforce capacity;
6. Work with the State to ensure that behavioral health services provided are medically necessary based on State policy and guidance, provided in the least restrictive setting, and as close to the participant's home as possible;
7. Given the unique role of the Indian Health Service (IHS), including Tribal Health Organizations (THOs), ensure that whenever possible, consistent with freedom of choice, all Medicaid-eligible Alaska Native and American Indian participants are served by THO providers;
8. Maintain and review current information from the State on the qualifications for licensed, accredited, and State-approved Medicaid and non-Medicaid behavioral health providers;
9. Assist with the development of a quality improvement strategy that will include the development and implementation of health outcome measures for behavioral health service participants;
10. Collect, analyze and produce data reports on outcomes, utilization, and cost of behavioral health services and present to the State and the Alaska Legislature;
11. Assist the State in coordination of services for targeted waiver populations;
12. Ensure the State's government-to-government relationship with Tribes and THOs is preserved. Procurement of services under this RFP does not abrogate the State's requirement to consult with Tribes or for Tribal Consultation to be conducted by the State.
13. Ensure that there are robust opportunities for input from Tribes, THOs, behavioral health advocates, the Alaska Mental Health Trust Authority and the Trust's participant boards (Alaska Mental Health Board, Alaska Board of Alcohol and Drug Abuse, Statewide Suicide Prevention Council, Alaska Children of Alcoholics, and Governor's Council on Disabilities and Special Education), including participants and families who use behavioral health services, are considered in the ongoing development, administration, and implementation of behavioral health services and the reform and management of the behavioral health system of care; and
14. Assure compliance with Federal law, including but not limited to:
  - a. Title XIX of the Social Security Act (Medical Assistance Program), Sections 901-1935. 42 USC Section 1396 and concomitant Federal regulations;
  - b. Title XXI of the Social Security Act (State Children's Health Insurance Program), Sections 2101-2110. 42 USC Sections 1397aa-1397jj and concomitant Federal regulations;
  - c. 2 CFR Part 200 Uniform Guidance;
  - d. 45 CFR Part 95;
  - e. 42 CFR Part 2, Confidentiality as it relates to Drug and Alcohol Records;
  - f. 42 CFR Part 456;
  - g. 34 CFR Part 99;
  - h. 42 USC 132, Health Insurance Portability and Accountability Act (HIPAA) and concomitant Federal regulations;
  - i. 45 CFR Sections 160-164; and
  - j. Americans with Disabilities Act of 1990, 42 U.S.C. §12101 et seq.
15. As it relates to the provision of behavioral health services funded by the State, assure compliance with State law, including but not limited to:

- a. AS 08, Business and Professions, including AS.64 (Medicine), AS 08.68 (Nursing), AS 08.84 (Physical Therapists and Occupational Therapists), AS.86 (Psychologists and Psychological Associates), AS 08.95 (Clinical Social Workers)
- b. AS 12.47, Insanity and Competency to Stand Trial
- c. AS 18.20, Hospitals and Nursing Facilities
- d. AS 18.23.300 Creation of Health Information Exchange System
- e. AS 18.65.400 – 490, Security Guards
- f. AS 18.70, Fire Protection
- g. AS 28.35.030 (pertaining to State’s Alcohol Safety Action Program)
- h. AS 44.29.020, Duties of the Department of Health & Social Services, including the Advisory Board on Alcoholism and Drug Abuse (AS 44.29.100 – 140), the Alcoholism and Drug Abuse Revolving Fund (AS 44.29.210 – 230)
- i. AS 44.29.300 – 390, the Statewide Suicide Prevention Council
- j. AS 47, Welfare, Social Services, and Institutions, including AS 47.05.010, Duties of the Department:
  - 1. AS 47.07, Medical Assistance for Need Persons, including AS 47.07.030 (Medical Services to be Provided), AS 47.07.040 (State plan for provision of medical assistance), AS 47.07.073 (Uniform accounting, budgeting and reporting)
  - 2. AS 47.10, Children in Need of Aid
  - 3. AS 47.17, Child Protection
  - 4. AS 47.40, Purchase of Services
  - 5. AS 47.30, Mental Health
  - 6. AS 47.31, Mental Health Treatment Assistance Program
  - 7. AS 47.37, Uniform Alcoholism and Intoxication Act

## Sec. 2.04 Deliverables

In accordance with 2.03 Scope of Work above, the awarded contractor will be required to provide the following deliverables:

### **1. Administer and Coordinate Service Participant Eligibility**

Under the authority of the State, the Contractor shall administer and coordinate participant eligibility for all behavioral health services funded by the State including waiver-funded Medicaid services and non-Medicaid funded services based on the individual’s age, functional, diagnostic, and financial eligibility criteria applicable to the respective funding sources or programs. The activities described below pertaining to participant eligibility shall be pursuant to State policy for behavioral health services that reserve State funding as a last payment option based on federal and state law and administrative regulations.

#### **A. Administration of Eligibility for Medicaid Participants.**

The Contractor shall maintain a methodology populated with data provided by the State to verify active Medicaid Program eligibility prior to authorizing any waiver-funded behavioral health services.

- 1. Develop an interface with State to electronically accept on a daily basis all appropriate Medicaid eligibility files either from Alaska’s legacy Eligibility Information System (EIS) or Alaska’s Resource for Integrated Eligibility Services (ARIES);



2. Determine whether a person requesting assistance, or for whom service authorization is requested, is eligible for a specific behavioral health service, pursuant to Medicaid policy or the Medicaid State Plan;
3. Where appropriate, refer individuals who have lost Medicaid eligibility to the Division of Public Assistance for assistance and possible re-enrollment; and
4. [If the vendor processes claims, the vendor shall] Verify during claims adjudication that the participant was eligible for behavioral health services on the date of service;
5. Identify members whom the State has placed into the Care Management Lock-in Program; and
6. On behalf of the State, produce Explanations of Benefits (EOBs) for participants.

**B. Administration of Eligibility for Non-Medicaid Participants.**

The Contractor shall conduct a preliminary assessment and registration over a web-based application, or by telephone, to establish if an individual meets the requirements specified by the State for other behavioral health-funded services.

1. Determine whether the uninsured participant has applied for health insurance through any other resource and, if not, explain to the individual how to apply for Medicaid or subsidized insurance through the federal facilitated marketplace;
2. Assign and maintain all eligibility approvals for such individuals in its system; and
3. In the event that the individual does not meet the State criteria for other behavioral health-funded services, inform the individual requesting services that a review of the determination for non-Medicaid funded services may be requested to the State.

**2. Operate Service Access and Utilization Process**

The Contractor shall operate a State-created and approved service access and utilization process that fulfills all Federal requirements contained in 42 CFR Part 456, 1902(c)(31), as well as the requirements of the State as set forth in the waiver Special Terms and Conditions (STCs), State regulations and policies. The Service Access and Utilization Strategy (SAUS) will include all necessary processes and procedures for service authorization, and will have the capacity to monitor, assess, and promote effective service access and utilization in a cost-effective manner pursuant to State policy. Contractor is to operate the SAUS to support:

- A. Strategies that promote community tenure and cultural continuity, reduce the need for higher levels of care for which there is limited capacity, and improve access for at-risk individual participants most in need;
- B. Identify utilization patterns that may indicate problems related to under-utilization as compared to authorized services or whose utilization of crisis services, emergency room, inpatient services, or residential services is high while under-utilizing approved community support services;
- C. Consultation and technical assistance with providers for which utilization patterns deviate from norms or practice guidelines or from recommended type, frequency, and/or intensity of services per participant's treatment plan;
- D. Linkages to service authorizations, data analytics, eligibility verification, ASAM Level of Care transitions, and outlier management of community and recovery support services; and
- E. Decreased administrative burden regarding provider reporting requirements.

The SAUS shall be used for Medicaid and non-Medicaid behavioral health services and supports and shall include the following components:

**1. Authorization of Services:**

- a. The Contractor shall conduct a process that executes State policy to ensure that all authorized services are 1) Medically necessary as defined in State statute, the Medicaid State Plan (and amendments thereof), and State regulations, 2) Meet quality standards as defined in the Medicaid State Plan, State policy, and waiver STCs, and 3) Are provided in a cost-effective manner;
- b. As the primary conduit for executing State policy, the Contractor shall develop and implement operational procedures for authorization of appropriate behavioral health services based on provider type, participant eligibility, and any other business rules, including ASAM level of care placement criteria; and
- c. In order to execute the State's policies regarding service authorizations, the Contractor shall:
  1. Utilize a secure web-based authorization and registration database with a fully electronic service platform approved by the State to authorize appropriate behavioral health services based on provider type, participant eligibility, and any other business rules, including ASAM level of care placement criteria;
  2. Determine whether a participant is eligible for services, respond to requests for service authorization, and notify providers within required timeframes whether authorization is granted;
  3. Allow provider query for whether a participant is eligible for services;
  4. Create data fields specified by the State;
  5. Disallow duplicate or overlapping authorization requests for the same service type or for services which should not be offered at the same time;
  6. Interface with Medicaid pharmacy information used by behavioral health providers in an easily accessible and printable format, as well as into an accessible and printable records for physical health care providers who are Medicaid providers;
  7. Interface with Alaska's Prescription Drug Monitoring Program to address the State's opioid crisis;
  8. Operate a toll-free authorization telephone number accessible to providers 24 hours per day, 7 days per week;
  9. Have the capacity to process and respond to any service authorization request 24 hours per day, 7 days per week;
  10. Incorporate a function to save and download authorization information and data from individual treatment plans into providers' electronic health records using national data standards;
  11. Incorporate functions designed to streamline and decrease time-intensive administrative burdens regarding provider reporting;
  12. Using timeframes and protocols approved by the State, and pursuant to State service authorization policy, approve or deny a request to initiate services, extend the duration of current services, or change existing services in type, frequency, or level of intensity in a manner which is consistent with expected results and is cost effective;
  13. Employ a psychiatrist who is Alaska-licensed and certified by the American Board of Psychiatry and Neurology, and has appropriate expertise, to review and approve or deny services based on medical necessity criteria;
  14. If a service is not deemed to be medically necessary, have the psychiatrist discuss with

- the requesting participant, or provider on behalf of the participant, whether there is an alternative service or a service of alternative duration, which both the Contractor and requesting participant/provider believe will satisfy the medical necessity criteria;
15. If authorization of treatment is denied per State policy, notify the participant and provider of that fact and the procedures to appeal the denial;
  16. Prior to determination of denial of State-defined medical necessity for individuals with Serious Mental Illness (SMI), Severely Emotionally Disturbed (SED), or Substance Use Disorder (SUD) who are receiving long-term rehabilitation services, or who are a child or youth in the Office of Children's Services (OCS) custody or under Division of Juvenile Justice (DJJ) supervision:
    - a. Consult with the referring provider to link participant with other services and supports that promote long-term wellness; and
    - b. Work with the provider to develop a transition plan to minimize abrupt changes in living situation or other changes that may cause severe disruption to the participant.
  17. Maintain a confidential record of any individual referred for behavioral health services. This record must include an electronic tracking system of contacts between the Contractor and providers regarding service authorizations, as well as a record of any significant clinical issues referenced in the referral.

## **2. Service Authorization Determinations.**

Providers are required to submit a service authorization request and receive approval prior to the provision of services. Under authority and guidance from the State, the Contractor will operate a service authorization process. This shall include a toll-free authorization number or electronic request process available 24 hours a day, 7 days a week. State policy requires that the following services shall not be provided without prior authorization:

- a. Inpatient Hospital services (Inpatient Psychiatric Hospital/Alaska Psychiatric Institute (API), Inpatient Psychiatric Hospital—All Other, Inpatient Withdrawal Management, and Inpatient General Hospital—Mental Health/Substance Abuse);
- b. Children's Residential Treatment services (Children's Residential Treatment-1, Children's Residential Treatment-2, and Out-of-State Residential Treatment);
- c. Substance Abuse Residential Treatment services;
- d. Therapeutic Foster Care services;
- e. Autism Services;
- f. Any Medicaid-reimbursable behavioral health service that requires emergency transportation services, including but not limited to secure patient transportation for court-ordered treatment; and
- g. For Years 1 and 2 of the waiver, Recipient Support Services, Therapeutic Behavioral Health Services, Behavioral Rehabilitation Services, and Comprehensive Community Support Services;

For the above-listed services, claims submitted for services provided without prior authorization will be denied payment. For routine service authorization requests, Contractor will render a decision within five (5) calendar days; for expedited service authorization requests, Contractor will render a decision within two (2) calendar days. Components of Contractor's service authorization process will include:

1. Verification of the eligibility of the intended participant for services;

2. Verification that the provider to whom payment would be made is qualified to provide the service and able to receive payment;
3. Application of criteria that permits consideration of the presence of co-occurring disorders, culturally relevant factors, and the availability of appropriate existing or potential community services and supports to meet the participant's needs.

Contractor shall work with local community psychiatric emergency services professionals and hospital emergency departments to evaluate the possible diversion of participants from inpatient admission to community-based care, if it seems likely that such an intervention is available and will succeed and the emergency room or facility agrees and report actions on a weekly basis to the State. For any behavioral health services listed in (a)-(g) above which are provided to Alaska Native/American Indian participants, Contractor shall ensure that 1) the appropriate tribal behavioral health provider is engaged as a requirement for prior authorization of the service, and 2) a care coordination agreement is in place.

### **3. Services Requiring Concurrent and Retrospective Review.**

The Contractor will conduct concurrent reviews on behalf of the State for the following services:

- a. Inpatient General Hospital for individuals with behavioral health diagnoses (includes Inpatient Medical/Surgical/Non-Delivery, Inpatient Maternity Delivery, and Other Inpatient);
- b. Outpatient Hospital Emergency Room services; and
- c. Assertive Community Treatment, SUD Intensive Outpatient Treatment, Intensive Case Management, Home-based Family Treatment (all levels), Crisis Residential Stabilization, Ambulatory Withdrawal Management, and Therapeutic Foster Care services.

Based on criteria approved by the State, the Contractor will also conduct concurrent reviews to determine continued medical necessity and effectiveness of the services provided and refer requests for services that are deemed ineffective to the State for adjudication and/or propose other medically necessary services that are more effective. Components of Contractor's Concurrent Review process will include:

1. Periodic reviews of authorized behavioral health services for timely and coordinated discharge and transition planning as part of concurrent review and report on the percentage of cases with adequate and timely coordinated discharge and transition plans;
2. Verification of the eligibility of the intended service participant;
3. Verification that the provider to whom payment would be made is qualified to provide the authorized service and eligible for payment; and
4. Application of criteria that permits consideration of the presence of co-occurring disorders, culturally relevant factors, and the quality and availability of existing or potential community services and supports.

The Contractor shall conduct retrospective reviews for:

1. Individuals whose eligibility for Medicaid was retroactively approved after services have been provided through providers who participate in Medicaid; and
2. Appropriate claims reports that include comparison to prior authorization of services to track the rate of service de-authorization by service, provider, and individual outliers.

**4. Timeframes for Authorization Decisions.**

The Contractor shall develop procedures to align with the following timeframes as required by State policy:

- a. Render a routine service authorization decision within five (5) calendar days of receipt of a web-based or telephonic request when the Contractor determines that the Individual meets Level of Care (LOC) and admission criteria;
- b. Render an expedited service authorization decision within two (2) calendar days of receipt of a web-based or telephonic request when the Contractor determines that the Individual meets LOC and admission criteria;
- c. Initiate a peer review process in consultation with the State immediately upon an assessment by the Contractor that the person does not appear to meet LOC and/or admission criteria;
- d. For those requests requiring a peer review, conduct the review and render a decision within one hundred and twenty (120) minutes of the initiation of the process (times are measured from the time the Contractor receives all information deemed reasonably necessary and sufficient to render a decision, or for cases referred for peer review, from the time of the initiation to the completion);
- e. For behavioral health and SUD residential services requiring authorization before service provision, render authorization decisions within two (2) business days of receiving a web-based request, including the time for peer review; and
- f. For all other services requiring service authorization prior to service provision, render decisions within five (5) business days of receiving a web-based request, including the time for peer review.

**5. Appeals for Services Authorization Denials.**

Providers and participants have the right to appeal service authorization denials to the State once the peer review process is complete. The Contractor shall comply with all State and federal laws, regulations, and policies regarding the content and timeframes for appeal summaries. Failure to submit appeals summaries within the required timeframe and according to the applicable regulatory requirements shall result in the Contractor being liable for any costs that the State incurs due to the Contractor's noncompliance, including but not limited to the amount in dispute in costs and legal fees. Participants and providers who wish to appeal service authorization will be referred to the State Fair Hearing and Appeals process.

**3. Develop Regional Provider Capacity and Support**

The State of Alaska requires that any willing and qualified provider may enroll to provide Medicaid covered services. Participant access to behavioral health services is highly dependent on reliable provider capacity. The Contractor shall develop and maintain an effective and efficient program for growing regional provider capacity and support with any willing and qualified providers throughout the Alaska behavioral health statewide regional and hub system. The Contractor's capacity development and support program shall include strategies to address barriers to provider participation throughout Alaska and should also reflect targeted efforts for the rural and remote areas of the State, including telemedicine. The Contractor shall report the provider capacity development and support activities with all willing and qualified providers (including what, when, where, and how) to the State on a monthly

basis and must include a capacity and service analysis (e.g., GeoAccess study) reflecting totals in each of the nine overarching regions listed in the waiver. Service analysis shall include service gaps and areas in which there is provider saturation in each of the nine waiver regions. The Contractor shall coordinate efforts with both Tribal and non-Tribal behavioral health provider communities in these regions, in addition to coordinating with other health care, social, and educational systems involved in participant service provision.

At a minimum, the Contractor shall ensure provider capacity with any willing and qualified provider in each of the nine regions of the State outlined in the waiver. The purposes of developing regional provider capacities are to:

1. promote rapid access to willing and qualified providers, peer supports, and other community-based resources that offer effective services and supports,
2. support providers in the integration of participants into their communities, utilizing community supports and resources, consistent with the participant's needs, preferences, choices, and informed consent, and
3. improve provider performance through streamlined administrative requirements, data descriptions of provider services, and outcomes data collection and management.

**A. Provider Types.**

The State shall create and maintain a roster of Medicaid-eligible and enrolled behavioral health providers and share real-time provider enrollment information with Contractor. Under authority of the State, the Contractor shall seek out and identify additional providers across the State with the appropriate license and qualifications. For Medicaid behavioral health services, the following provider types, at a minimum, are recognized in the waiver and shall be enrolled by the State:

1. Individual licensed providers who bill as independent providers, such as physicians, licensed psychologists, licensed psychological associates, licensed clinical social workers, registered nurses, advanced nurse practitioners, licensed marriage and family therapists, licensed professional counselors, certified behavioral health aides, certified peers, Certified Chemical Dependency Counselors, or any other rendering providers, Board Certified Behavior Analysts, Board Certified Assistant Behavior Analysts, Registered Behavior Technicians;
2. Community behavioral health programs, such as Outpatient Mental Health Clinics (OMHCs), Federally Qualified Health Centers (FQHCs), Psychiatric Rehabilitation Programs (PRPs), Opioid Treatment Programs, intensive outpatient (IOP) SUD programs, Mental Health Physician Clinics, ambulatory withdrawal management programs, and mental health day treatment programs;
3. Psychiatric Hospitals;
4. Inpatient Hospitals; and
5. Residential Psychiatric or Substance Abuse Treatment Centers (RPTCs and SATCs).

For the provision of services to non-Medicaid-eligible individuals (those receiving services funded from State and federal grant funds), the following provider types shall be recognized:

1. Residential Treatment Centers;
2. Respite care providers;
3. Vocational rehabilitation providers;
4. Psychosocial rehabilitation providers;
5. Peer providers;

6. Traditional healers; and
7. Any other providers as determined by the Contractor and the State.

**B. Provider Engagement and Recruitment.**

The Contractor shall immediately engage in systematic efforts to ensure an adequate number of willing and qualified behavioral health providers for the nine waiver regions. The Contractor shall immediately engage in systematic efforts to identify and recruit linguistically and culturally appropriate behavioral health providers, particularly for regions that have insufficient numbers of willing and qualified behavioral health providers. These efforts shall include the following:

1. Development and submission of action plans, as specified by the State, to address any regional provider capacity issues, whether geographic or specialty driven (e.g., prevention community coalitions);
2. Analysis of existing data of complaints regarding access to care and data which compares services authorized to services delivered, authorization and claims filed;
3. Submission of monthly reports on provider engagement and recruitment activities, including the type of provider, location (e.g., telehealth), date and type of engagement/recruitment activity;
4. Submission of quarterly reports of all providers whose participation status was terminated during the preceding quarter, including the provider's name, address, specialty, and reason for termination; and
5. Maintenance of provider capacity data in the State's Medicaid eligibility system.

Should the Contractor's capacity development efforts recommend behavioral health service providers from states other than Alaska to address Alaska's behavioral health network deficiencies, the Contractor shall demonstrate that recommended service providers are licensed in the state in which they practice, have licensure to provide services that are similar to Alaska's licensing requirements for those services, and receive written State approval. No non-accredited organization or provider will be considered.

**C. Administrative Support for Enrolled Medicaid Providers.**

The Contractor shall develop an interface with the State's MMIS to ensure compatibility between provider enrollment, licensure, credentialing, and other enrollment information and to facilitate claims payment. This interface shall execute State policy regarding Medicaid provider enrollment through the following activities:

1. Assist the State in ensuring that all Medicaid behavioral health providers are licensed, accredited, and credentialed to render services under applicable Federal and State law and/or regulations;
2. Provide support to assist the State in determining and monitoring whether a provider is qualified for payment of a specific service, pursuant to State Medicaid policy;
3. Verify during claims adjudication that the provider was enrolled and qualified for payment of a behavioral health service on the date of service;
4. Verify and advise the State that the provider meets the appropriate qualifications, credentials, and assurances required for the type of service applied for;
5. Review sanction history verified through the National Practitioner Data Bank or other appropriate entity and not enroll sanctioned providers;
6. Require providers to submit data as specified by the State, while reducing the administrative reporting requirements by a total of xx% incrementally during the first three years of operation;

7. Enter Medicaid-eligible behavioral health providers into Conduent State Healthcare, LLC Medicaid Management Information System (MMIS) database (the Alaska Medicaid Fiscal Agent), within three business days;
8. For behavioral health providers requiring site visits, enroll provider into MMIS within three business days with a pending status and forward the application to the State to perform the site visit (the State will complete enrollment process);
9. Ensure that only appropriately enrolled Medicaid providers receive Medicaid claims payments;
10. Maintain a website specifically for Medicaid behavioral health providers which will explain how to update their address and contact information, including email address and website information, and instructions regarding procedures, and additional requirements for program participation; and
11. Enter provider changes to contact information into MMIS so that Contractor and MMIS files will be consistent.

**D. Provider Education and Training.**

One month prior to the date of commencing ASO services, the Contractor shall submit a training plan that will indicate how the Contractor will conduct an initial statewide provider orientation initiative. The schedule and specific locations for the orientation sessions shall be submitted to and approved in advance by the State.

1. The Contractor shall work with representatives of the provider community and the State to develop the agenda;
2. The Contractor shall alert providers to the various meetings through direct mailings, coordination with professional organizations, notices posted to the Contractor's website and through personal invitations issued by Contractor staff;
3. The Contractor shall, following the initial statewide and local provider orientation sessions, determine in conjunction with the State, whether the initial orientation sessions should be repeated at one or more locations to further encourage provider participation;
4. The Contractor shall also submit a training plan that will describe semiannual training for participating behavioral health providers throughout Alaska and must include methods offered toward helping providers to interface their system with the Contractor's system;
5. At a minimum, training shall address behavioral health service eligibility criteria and level of care service intensity, definitions and documentation requirements, evidence-based screening instruments, service authorization, outcomes measures, utilization, billing procedures, preventing waste, fraud and abuse; and other pertinent topics relating to the provision of evidence based behavioral health services;
6. The Contractor may hold on-site, video, or web-based provider training with the State's approval of schedule, content and training materials (e.g., teleconferencing, web-based training, etc.);
7. Updated training materials shall be available on the Contractor's website within two weeks of the initiation of provider training;
8. The Contractor shall submit all training material to the State for approval prior to the training session. the State will have fifteen (15) calendar days to review and request changes, if necessary. If changes are requested, the Contractor must resubmit the training material within ten (10) calendar days of receipt of the State's comments;
9. The Contractor shall also have the ability to provide individual training and targeted technical assistance as needed and as requested by providers using both clinical and administrative staff;



10. The Contractor shall have systems capability to educate and update providers through e-mail blasts and text messaging; and
11. The Contractor shall provide documentation of all formal training activities and individualized corrective action assistance to the State on a quarterly basis.

**E. Provider Manuals and Provider Directory.**

In conjunction with the State, the Contractor shall develop and regularly maintain electronic behavioral health provider manuals (with the ability to print copies upon request), in a format subject to the State approval, which shall include information about provider application and credentialing, participant referral and authorization processes, service delivery requirements, service documentation, claims/billing requirements, and the following:

1. Definition of the waiver target populations and each population's benefit package, including limitations and exclusions;
2. Service access and utilization specifications and service authorization procedures and requirements (including medical necessity criteria);
3. Documentation requirements for treatment of participants;
4. A detailed description of the provider and participant grievance and appeal processes to the State available to providers for service authorization denials;
5. A detailed description of billing requirements and a copy of the Contractor's HIPAA and 42 CFR Part 2 compliant paper billing forms and electronic billing format; and
6. Instructions for all electronic claim submissions and information on its direct data entry method for entering claims through a web portal.

The provider manual shall be updated as frequently as directed by the State, but no less than annually. Contractor shall submit the manual and any revisions to the State for approval at least thirty (30) working days prior to implementation.

The Contractor shall also provide an online directory of providers and services, with a provider listing, sorted by region and specialty, listing all office locations and including:

1. Provider name;
2. Address;
3. Telephone numbers;
4. Website Address;
5. Office hours;
6. Languages spoken;
7. Provider Type;
8. Practice limitations or age restrictions;
9. Disability accessibility;
10. Description of provider services data as appropriate;
11. The payment types the provider accepts; and
12. A participant feedback dashboard.

The Contractor shall propose a method to establish and update the provider directory and expertise, including cultural and linguistic competencies. The Contractor shall review the listing monthly and update to keep the information accurate and current.

**F. Data Description of Provider Services.**

The Contractor shall collect and analyze utilization, outcomes, quality, and cost data by provider and compile it into a Data Description of Provider Services (DDPS). Where providers participate in both Medicaid and non-Medicaid service delivery, the DDPS shall reflect service data by type and/or fund source. The profile will compare performance to normative data or national benchmarks, when applicable. Portions of the DDPS will be included in the online provider directory.

The Contractor shall provide DDPS Reports to the State on a quarterly basis.

DDPS data elements will include, but are not limited to:

1. Provider demographic information;
2. Populations served by provider, including volume; and
3. Utilization measures across by Level of Care or service, as applicable, which may include:
  - a. Average length of stay/average number of services;
  - b. Average cost of services per participant;
  - c. Denial rate/unsuccessful appeal rate;
  - d. Percentage utilization of authorized services;
  - e. Number of admissions;
  - f. Number of admissions refused;
  - g. Number of discharges;
  - h. Readmissions within seven (7) and thirty (30) days;
  - i. If residential, percentage of time a bed is available;
  - j. Planning list and/or wait list length;
  - k. Compliance with access requirements; and
  - l. Verified Coordinated Care agreements for THO referrals.

**G. Provider Audits.** The Contractor shall conduct audits and any other reviews of provider medical and billing records necessary to ensure that only medically necessary authorized services are funded. Taking into consideration the requirement that existing data reporting requirements must be streamlined and eliminated where duplicative, redundant, or not applicable to minimize the impact on providers, the Contractor shall develop and implement State-approved audit tools, protocols, and systems and State audit reports which:

1. Evaluate the quality of the assessment, diagnosis, treatment/service planning, and service delivery and highlight practices that promote recovery, resiliency, and self-determination of participants;
2. Identify and monitor providers identified in previous audits as being at financial risk;
3. Identify and monitor providers with insufficient supporting documentation;
4. Review required encounter data against payment;
5. Identify false claims, fraud or abuse by providers or participants, including abuses of referrals, overutilization;
6. Identify overpayments;
7. Identify high utilizers, unusual service patterns, and billing outliers, and assist in developing alternative treatment plans for these participants, as needed;
8. Develop, analyze, and provide reports to identify suspicious provider billing activity;
9. Provide for a random sample of all services rendered by providers after services have been

- appropriately authorized, in order to determine whether the medical necessity continued and was documented as required throughout the course of treatment/service provision;
10. Audit any new provider for the 1115 behavioral health Waiver Demonstration Project;
  11. Recover payments, at the instruction of the State, from the providers when there is no documentation to substantiate payment and implement procedures to retract payments through the Medicaid Eligibility System so that CMS receives its lawful share of Federal Financial Participation for overpayments; and
  12. Maintain documentation of all audits.

#### **H. Provider Communication and Website.**

The Contractor shall create and maintain a communication system (alert system) for providers, to include the following:

1. Telephone, electronic transmission, mail, internet, and all other forms of communication deemed necessary by the State for information exchange between the Contractor, providers, participants, and general public;
2. Ability to target messages to specific provider types and about specific participants;
3. Use of emerging technologies, including telemedicine, social media, smartphones, and Internet, for prevention services, service provision, and reminders about services and treatment;
4. Updates to the provider directory with each provider's online behavioral health information;
5. Updates of relevant federal and State guidelines for current announcements and transmittals (e.g., Office of Inspector General (OIG) Transmittals, State transmittals, guidance from CMS and SAMHSA); and
6. Encourage providers, through the provider communication system, the website, and written materials, to call the provider Call Center if they need immediate assistance and are unable to reach their provider relations representative.

The State requires that the Contractor have sufficient provider relations staff to respond to provider inquiries on behalf of the State within one business day. This staff shall provide individual technical assistance as needed and as requested by providers. Provider relations staff shall inform providers of the Contractor's availability and processes to:

1. Assist participants or their primary care provider with finding behavioral health specialists;
2. Help behavioral health providers navigate the service authorization and claims payment processes;
3. Answer claims and billing questions; and
4. Explain the grievance and appeals processes for providers and participants; and
5. Assist providers in completing and understanding State contractual requirements.

The Contractor shall create and maintain a user-friendly website for participants and providers containing information as specified below that shall be updated monthly in a format to be approved by the State. The site shall contain the following:

1. A link to the Contractor's current provider directory and the capability to search for providers, by provider name, geographic location, type of practice, age group served, and panel restrictions (e.g., accepting or not accepting new participants);
2. A description of covered services;
3. A provider manual;
4. The participant handbook;

5. Contractor contact names, telephone numbers, and addresses for individuals to contact with respect to services covered in this RFP;
6. Information regarding how to submit grievances and appeals;
7. A link to the State's website and relevant agency websites;
8. A link to the Contractor's secure electronic claims submission portal;
9. Information to assist providers with issues such as service authorization issues, access to the provider manual, frequently asked questions, and provider alerts;
10. A bulletin board or similar type of communication for providers who request information, ask questions and receive answers that are viewable or accessible to all providers in the system of care; and
11. Information about how to become a provider, the service types for which providers may apply to participate and requirements for participation, and the reimbursement rates for the services (must be approved by the State).

The site shall be updated monthly and when requested by the State.

**I. Appeals.**

Medicaid providers have the right to appeal Contractor adverse actions to the State, once the Contractor has conducted an internal reconsideration process as defined in State policy. The Contractor shall comply with all state and federal laws, regulations, and policies regarding the content and timeframes for appeal summaries. Failure to submit appeals summaries within the required timeframe and according to the applicable regulatory requirements shall result in the Contractor being liable for any costs that the State incurs as a result of the Contractor's noncompliance, including but not limited to the amount in dispute with costs and legal fees.

**4. Conduct Participant Outreach, Communication, and Support**

The Contractor shall use a variety of mechanisms to assist participants in obtaining behavioral health services, using technological methods whenever appropriate, including outreach for appointment assistance, utilization of a website, development of written materials, and operation of a call center to facilitate participant access to behavioral health services.

**A. Participant Appointments.**

The Contractor shall make reasonable efforts to directly assist Participants in obtaining appointments for covered services, including facilitating contact with a participating behavioral health (BH) provider to establish an appointment. The Contractor shall make reasonable efforts to identify causes of participant noncompliance with recommended services and assist in the provision of appropriate services. Contractor shall provide special assistance to individuals calling to express their difficulty in accessing an appointment with a provider. This special assistance includes following-up with the participant (and when necessary the behavioral health provider) to make sure that the participant receives an appointment for the needed services. Given existing referral patterns and care coordination systems in place for tribal participants, the Contractor shall adjust procedures to accommodate those patterns and systems.

Where there is not a participating provider within the regional hub, the Contractor must assist the participant in accessing timely services from the nearest participating provider available, including coordinating/calling transportation services when needed. Additionally, the Contractor must notify

the State of any service access deficiencies and must provide a detailed, written plan for corrective action with a timeline that addresses provider access issues.

The Contractor shall track and report to the State monthly the number of requests for assistance to obtain an appointment, including location, percentage of requests per region, and the average length of time required to assist the participant(s).

**B. Website.**

The Contractor shall include both participant and provider information on its website. The website will be tested and approved by the State, demonstrate functionality at varying bandwidths, be user-friendly and contain separate pages of information for participants updated monthly including a section for providers (the format to be approved by the State). The site shall contain the following:

1. For non-English speaking participants, information on how to obtain program information in a variety of Alaska-appropriate languages;
2. Information on how to obtain program information for participants who are vision or hearing impaired; and
3. Information regarding how participants and providers can submit grievances and appeals.

**C. Participant Handbook.**

The Contractor shall develop a participant handbook that facilitates access to covered services.

The handbook shall:

1. Be placed on both the Contractor and the State's websites;
2. Explain how to access behavioral health services through the Contractor, including how to use the online provider directory;
3. Explain how to access behavioral health services provided by Tribal and non-Tribal organizations;
4. List the toll-free telephone number for the Contractor's call center with a statement that the participant may contact the Contractor call center to locate a behavioral health provider, obtain appointment assistance, or answer any other questions;
5. Explain the importance of behavioral health care in promoting recovery for individuals with behavioral health disorders;
6. Describe the array of behavioral health services and the importance of receiving treatment at the appropriate intensity level and duration;
7. Explain how to apply for Medicaid;
8. Explain participants' rights and responsibilities;
9. Explain the grievance and fair hearing processes;
10. Include information on how to obtain program information in a variety of Alaska-appropriate languages;
11. Include information on how to obtain program information for participants who are vision or hearing impaired; and
12. Encourage participants to maintain relationships with primary care providers even while receiving care from behavioral health providers.

The Contractor shall submit the participant handbook for approval to the State thirty (30) working days prior to implementation of waiver services, resubmit to the State for approval when revisions

are made, and provide, as directed by the State or upon participant request, participant handbooks in hard copy.

**D. Standards for Participant Written Materials.**

The Contractor shall create participant materials that meet the following standards:

1. Be worded at a 5th grade reading level, unless otherwise approved by the State;
2. Be culturally and linguistically appropriate to the needs of the Alaska populations to be served;
3. Comply with standards in the Americans with Disabilities Act of 1990, 42 U.S.C. §12101 et seq.;
4. Be clearly legible with a minimum font size of 12 pt. unless otherwise approved by the State;
5. Be made available in alternative formats, including large print, upon request, for persons with physical, sensory, and/or cognitive disabilities;
6. Be approved by the State;
7. The Seal of Alaska or any State logo, trademark or copyrighted material shall not be used on communication material without the written approval of the State;
8. The Contractor is responsible for the cost of design, printing, and distribution (including postage) of all participant materials. The Contractor shall comply with all Federal postal regulations and requirements for mailing of all materials. the State will not be responsible for any postal fees assessed on mailings sent by the Contractor in relation to activities required by this RFP due to failure by the Contractor to comply with Federal postal regulations. Such fees shall be borne by the Contractor;
9. All education and outreach materials shall be publicly available for download at no charge; and
10. The Contractor shall update all education and outreach materials and obtain State approval to ensure information is current and accurate.

**E. Call Center for Participants and Providers.**

As specified below, the Contractor shall install, operate, monitor, and support a toll-free participant and provider call center to provide accurate and timely assistance, including appointment assistance and grievance and appeal information, for both participants and providers. The call center shall respond to eligibility inquiries, have an automated voice response system, and a web portal.

The Contractor shall equip the call center with the following general features:

1. A toll-free, HIPAA compliant, automated call distribution call center for participants and providers, either separately or combined;
2. Ability to respond to questions regarding available behavioral health services, requirements to become a provider, procedures for filing a complaint or grievance, and billing information in an accurate and timely manner;
3. Ability to respond to clinical calls;
4. Ability to provide appointment assistance to participants as needed;
5. Ability to accommodate all calls, including those requiring the use of TTY (teleprinter, teletypewriter or teletype) or appropriate services for the hearing impaired or interpreter for callers that have limited English proficiency (the State prefers use of language line), for which the participant may not be charged a fee;
6. Ensure a sufficient number of adequately trained staff to operate the call center from 8:00 am to 6:00 pm Alaska Time five days a week Monday - Friday;
7. Ensure all call center staff are responsive, courteous, and accurate when responding to calls;
8. Have a system for referral for services and authorization for services;
9. Have the technological capability to allow for monitoring and recording of calls, both by the

- Contractor and by the State, for quality, accuracy, and professionalism;
10. Have an electronic system that allows call center staff to document calls in sufficient detail for reference, tracking, and analysis;
  11. Have a documentation system, developed in conjunction with the State, able to accommodate production and ad-hoc reports;
  12. Have reportable fields to accurately capture the type (all calls), date, subject, and resolution of each call;
  13. Have a plan approved by the State for providing call center services and system access in the event the primary call center facilities are unable to function in their normal capacity;
  14. Relinquish ownership of the toll-free numbers upon contract termination, at which time the State shall take title to these telephone numbers; and
  15. Design and staff the system to ensure that participants who call with an emergency, or perceived emergency, are never put on hold and are immediately transferred to an appropriately trained behavioral health professional.

Call center staff shall have access to clinically-competent behavioral health professionals who:

1. Are licensed in Alaska;
2. Have treatment or rehabilitation experience and knowledge of the Alaska behavioral health system, Medicaid, its policies and procedures regarding eligibility and access, and available behavioral health resources;
3. Are trained to screen crisis or emergency calls and to address specific treatment and rehabilitation issues which vary by age, diagnosis and particular need; and
4. Have the capability to directly handle calls in Alaska-appropriate languages or to immediately access interpreter service to address the needs of the participant.

## **5. Support and Facilitate Provider Quality and Outcomes Efforts**

The Contractor shall develop and implement an effective quality management (QM) program that executes State policy supporting health outcomes for Medicaid and non-Medicaid participants (QM is inclusive of QM, quality improvement, and quality assurance activities). The QM Program will consist of a QM plan, provider monitoring, complaint management, incident reporting system, system performance and outcome measures, general QM reporting requirements, and ad hoc reporting.

### **A. Contractor's Quality Management Plan.**

The Contractor shall develop a QM plan. The QM plan will comply with all applicable State QM requirements, which may change over time as the State makes system changes in response to QM findings, audits, or stakeholder feedback. Where possible, the QM plan shall align with accreditation process and make use of quality data already available. Components of the QM plan shall include:

1. Integration of QM processes across all areas of the Contractor's organization;
2. The differing QM requirements for each waiver target population served;
3. A sufficient number of qualified and trained behavioral health staff members to competently implement all QM Program requirements on a timely basis;
4. Processes to assess, plan, implement, measure, evaluate, monitor and report on QM activities directed toward improving the services provided to Individuals and family members, including, but not limited to: call center activities, dispatch of mobile crisis response teams, incident reporting, use of EBPs, and claims payment;

5. Processes to assess, plan, implement, measure, evaluate, monitor, and report on QM activities directed toward improving the performance of community Providers, including UM, care coordination, provider audits, clinical/administrative/billing record reviews, technical assistance and training, and data management exchange and reporting;
6. Implementation of an industry-recognized model for continuous improvement (i.e., Plan, Do, Study, Act);
7. Processes to assess, evaluate, monitor, report on, and ensure integrity of data used in the QM Program, including data produced by the Contractor, and data received, managed, and utilized by the Contractor from other sources;
8. Processes to ensure data received from other sources is accurate, timely, and complete;
9. Identification of systemic quality concerns or issues, strategies for improvement, and correction recommendations;
10. Education of stakeholders about QM activities and national trends, emerging best practices or recommendations regarding QM (e.g., Substance Abuse and Mental Health Services Administration's (SAMHSA's) National Quality Framework for behavioral health and CMS Quality Framework);
11. Systematic surveys with feedback from stakeholders, including individuals, family members/caretakers, providers, statewide organizations, and advocacy organizations; and
12. Aggregating and analyzing information from State, providers, and Contractor QM activities.

**B. Provider Monitoring.**

The Contractor shall monitor, aggregate, and present information regarding provider performance relative to applicable practice guidelines, EBPs, appointment access standards, and identified performance indicators in a Data Description of Provider Services (DDPS) format that encourages self-correction and includes, but is not limited to:

1. Provider utilization information (see Sections B and C above);
2. Participant outcomes;
3. Complaints—number and resolution;
4. Provider use of EBPs;
5. Participant Satisfaction survey results;
6. Relevant information from provider Medicaid audit reports, clinical/administrative/billing records, reviews, corrective action plans (CAPs), quality improvement plans, and accreditation reports; and
7. Information collected from other sources (e.g. State, NCIS, provider specific performance data, etc.).

**a. Performance and Quality Indicators.**

The Contractor shall evaluate the behavioral health service delivery system by measuring performance including, but not limited to, utilization of the following indicators:

1. Outcome measurement for the delivery system as a whole (e.g., attainment of clinical and functional outcomes by service line and system goals—access, use of less acute levels of care, reduction in inpatient and residential days, fewer children in foster care, etc.);
2. Call center performance;
3. Mobile crisis response team effectiveness in assisting in safely resolving crisis situations with individuals in the community and diverting them from unnecessary, higher levels of



care;

4. Speed of response to crisis calls and by mobile crisis and ACT teams for Medicaid and non-Medicaid funded Individuals;
5. Timeliness of service access to all levels of care;
6. Service utilization and cost for each level of care--identifying trends, outliers, and length of stay, as appropriate;
7. Community-based outpatient follow-up appointment attendance at seven (7) and thirty (30) days post-discharge from residential and acute care;
8. Readmissions to inpatient facilities, institutions, residential facilities, and crisis stabilization units;
9. Repeated calls to crisis line and/or repeated mobile crisis dispatches;
10. Racial and ethnic disparities (e.g., under-utilization of services by particular racial/ethnic groups);
11. Network sufficiency by waiver region and waiver implementation plan;
12. Participant satisfaction;
13. National Core Indicator Survey;
14. Selected NQF measures (e.g., SUD engagement and MH primary care); and
15. The National Outcome Measures (NOMS) and Treatment Episode Data Set (TEDS) required for SAMHSA block grants and any federal discretionary grants in which the State may participate; and
16. Use of Evidence-Based Practices (EBPs).

**b. Complaint Management Procedures.**

The Contractor shall implement State policy by executing on procedures for processing, investigating, resolving and tracking complaints received electronically, telephonically, or in written form. Complaint management procedures will include the following:

1. Capacity to manage complaints on all aspects of the BH's service delivery system, including complaints related to the functioning of integrated services and access to care;
2. Capacity to track and manage all complaints submitted to the Contractor by participants, providers, and others;
3. Capacity to monitor complaint trends and establish an appropriate response;
4. Review and analyze complaints on a systematic basis, weekly at a minimum;
5. For unresolved complaints involving billing, conduct an analysis of the provider's billing and service record and present this information to the participant and the State;
6. Have sufficient staff to receive, track, and monitor complaints; and
7. Communicate with the complainant and to appropriate licensing boards about the status of the complaint investigation.

**c. Evidence-Based Practice (EBP) Implementation and Monitoring.**

The Contractor shall work closely with the State to implement State policy that mandates an EBP development, implementation, and monitoring system that demonstrates improved health outcomes for service participants.

The EBP Implementation System will have the following components:

1. Creation of an EBP Committee, co-chaired with the State, to oversee the development, implementation, and monitoring of EBP across the State;

2. Research of emerging, culturally and linguistically appropriate practices that may be considered by the EBP Committee for implementation;
3. Identification of training and fidelity monitoring requirements necessary for implementation;
4. Quarterly reporting on implementation of EBPs; and
5. Use of both a Level of Care tool and a Level of Service Intensity tool.

**d. Quality Management Reporting Requirements.**

For the first two years of waiver implementation, Contractor will submit statewide QM reports on a monthly basis. For years three-five, QM reports shall be submitted on a quarterly basis. The reports will include the following information, at a minimum:

1. Significant review activity that occurred during the month/quarter;
2. Accomplishments;
3. Aggregate findings of the information required in Sections 3.2.5.1-3.2.5.3 above;
4. Analysis of significant findings;
5. Progress toward meeting QI performance and outcome indicators;
6. Identification of patterns and trends, with rationale for trends;
7. Identification of quality issues, with rationale for issues;
8. Conclusions addressing areas of deficiencies and opportunities for QI;
9. Graphical presentation of data to allow for easy communication of results;
10. Recommendations which include, but are not limited to, possible policy and procedure changes, EBP, training needs, and educational seminars; and
11. Regional network development.

Contractor shall also submit a statewide annual QM report which will include, but not be limited to the following information:

1. An executive summary;
2. Major accomplishments;
3. Significant organizational changes within the network;
4. Provider training curricula, evaluation results, and attendance records;
5. Dates of site visits and record selection;
6. Special reviews;
7. Provider concerns;
8. Participant concerns;
9. Recommendations to improve instruments and processes;
10. Progress toward meeting performance and outcome measures;
11. Summary of patterns and trends, quarterly and cumulative, with rationale;
12. Analysis and description of the data;
13. Aggregate findings from site visits by program type, aggregate findings of quality reviews and audits;
14. Conclusions addressing areas of deficiencies and opportunities for QI;
15. Graphical presentation of data to allow for easy communication of results;
16. Assessment of the impact of the QM system on the service delivery system, and associated outcomes;
17. Identification of EBPs that demonstrate improvement in quality of services or generate high satisfaction with Individuals receiving those services;

18. Recommendations for policy modifications and improvements to the QM process; and
19. Recommendations for possible ad hoc QI studies.

## **6. Provide Data Management Services**

### **A. General Requirements.**

The Contractor shall have an Information System capable of storing and analyzing data and creating reports and a data schema necessary for the efficient and effective administration of the State Medicaid and non-Medicaid programs and services, including, but not limited to the following types of data:

1. Administrative services;
2. Compliance;
3. Eligibility and enrollment;
4. Screening and Assessment;
5. Target population demographics;
6. Covered benefits;
7. Service access and utilization;
8. Care Coordination;
9. QM;
10. Performance measurement;
11. Network management, including provider performance profiles;
12. Complaints, grievances, appeals, and fair hearings;
13. Participant records;
14. Financial information;
15. Claims and encounter management; and
16. Claims customer service

### **B. Required Data Elements.**

The Contractor will include all data elements that the State determines are necessary to effectively perform the functions and requirements associated with this Contract, including the following:

1. Individual and recipient demographic data (i.e.: socio-demographic and contact information; unique client ID, etc.);
2. Screening and assessment data (i.e.: diagnoses, level of functioning scores, assessments, LOC assessments, service intensity assessments, mental health and substance use screening results, etc.);
3. UM/UR data (eligibility data, denials, appeals, NOAAs, authorizations, profiles);
4. Service encounter data (i.e.: date, type, duration, recipient, provider);
5. Episode data (i.e.: service program, unique episode identification, date of first contact, date of admission, date of last contact, date of discharge, etc.);
6. Programmatic data (i.e.: target population and eligibility criteria, payer source, fee schedules, etc.);
7. Provider data (i.e., name, credentials, type, profile, performance, open authorizations, agency, unique provider identification number, approved services);
8. Provider directory data;
9. QM data (i.e., QI, data elements for measuring performance and outcomes, training offered, competency testing, and attendance);
10. OCS and DJJ data; and

11. Claims data (i.e., participant, provider, date, type duration, fee, etc.)

**C. Interfaces and the State Access.**

The Contractor's data management system shall be capable of interfacing with the State's MMIS, EIS, ARIES, IRIS, AKAIMS, and any other relevant data warehouses for the purpose of creating reports. The Contractor will provide a systems diagram. As directed by the State, specific data files, formats, and schedules will be determined. At a minimum, data will include demographics, authorizations, claims and encounters, assessments, and other programmatic information. The Contractor will support the State in all current and future federal reporting requirements.

The Contractor will develop and maintain a secure internet-based portal or application available to identify the State 'power users' who may have direct access to query data, generate reports, and/or data files. This may be accomplished through a decision support or business intelligence tool.

Interface requirements must include the following:

1. MMIS
2. EIS
3. ARIES
4. Harmony
5. IRIS
6. State of Alaska HIE
7. Occupational Licensing
8. Clinical Laboratory Improvement (CLIA)
9. DEA Interface
10. OIG Interface
11. NPI Interface
12. DSS Interface
13. Magellan Interface for the purpose of drug rebasing
14. AKAIMS
15. DHSS Master Client Index
16. DHSS Enterprise Service Bus
17. OCS databases
18. DJJ databases
19. CJIS

**D. Reporting Requirements.**

The Contractor will support the State in complying with the following reporting requirements:

1. Assist in developing standard reports on a monthly, quarterly, and annual basis with all elements listed in Sections 1 and 2 above; in formats to be prescribed by the State (Excel, CSV, PDF, data file, etc.) including CMS 64 and EPSDT CMS 416, 1095 B filings, T-MSIS, and Drug Rebate;
2. Provide visual reports containing graphs, charts, or dashboards are preferred when possible;
3. Upon request by the State, export data to Excel or CSV files with appropriate rights to allow sorting and filtering based on the data values in the report;
4. Whenever the due date for a report falls on a day other than a business day, such due date will be the next business day;

5. All reports listed in Attachment 1, Required Reports Matrix;
6. Automated Data Processing System Security Reviews, including any SOC 1 Type 2 review following the Statement on Standards for Attestation Engagements (AT) Section 801, US OMB Federal Compliance Supplement for the Medicaid Program;
7. The State, through designated positions or identified persons, will have the right to create additional reporting requirements when required by business need or applicable federal or State laws and regulations, without additional compensation to Contractor, unless the Contractor demonstrates that to meet such requirements, there must be a modification to the functional design of the IS, which will result in additional and substantial costs to the Contractor;
8. Reports provided by the Contractor will include national, regional, or other benchmarks to provide context for the results reported, when applicable;
9. Performance history and budget projections will be provided using the previous twelve (12) months in an annual, quarterly, or monthly format, as required by the State;
10. For each report provided to the State, results will be aggregated to represent statewide, regional, provider-specific, funding source, or other data breakouts, as applicable and as requested by the State; and
11. Reports provided by contractor will have accurate, timely and comprehensive data.

**E. Data Integrity.**

The Contractor will have policies and procedures that implement State policy regarding integrity of the data maintained within its Information System, to ensure the quality and integrity of the reports produced:

1. The Contractor will complete periodic data integrity audits as determined by the State, but no less than quarterly; and
2. The Contractor will perform periodic random audits of information/data submitted by Providers to the Contractor and as requested by the State, but not less than quarterly.

**F. Performance and Programmatic Dashboards.**

The Contractor will develop interactive internet-based dashboard(s) on a quarterly basis that provide visual displays of the data required in Sections A and B above. The dashboards will be compatible with modern mobile technology (smart phones, tablets, iPads, etc.) so that they are accessible 24 hours per day 7 days a week via mobile technology for identified State staff. The dashboards will include security features such as passwords and user level viewing restrictions. Dashboards may be made available to the public or have limited access, depending on specific information depicted (State executive management, programmatic staff, etc.) as determined by the State. Dashboards shall include, at a minimum:

1. Key Contractor and system performance measures relative to goals and benchmarks; and
2. Key programmatic information (individuals served, expenditures, provider capacity, etc).

**7. Provide Claims Processing Functions**

Note: A final decision has not been made on whether to include claims processing within the resultant contract. However, offeror's must include it within their response in order for the State to evaluate the service. The State reserves the right to exclude claims processing from the deliverables in the resultant contract.

The Contractor shall have in place an automated claims processing system capable of accepting and processing paper claims and claims submitted electronically pursuant to State policy. As part of their proposal submission, each Offeror must describe its claim processing system and how the Offeror will reimburse providers through Electronic Funds Transfer.

The Contractor shall ensure compliance with all State service authorization, remittance advice process and claims processing rules. Final claim processing requirements must be approved by the State prior to implementation and upon any revision. The Contractor shall process, as described herein, the provider's claims for covered behavioral health benefits provided to participants consistent with the State's applicable policies and procedures and the terms of this RFP. The Contractor shall have a system in place that any functionality requiring an ICD must be ICD-10 compliant.

**A. Electronic Billing System.**

The State requires that the Contractor maintain and promote an electronic data processing system for claims payment and processing and an electronic billing system for interested participating behavioral health providers in HIPAA X12 837 compliant transaction formats.

1. The Contractor must make available to providers an electronic means of submitting claims. In addition, the Contractor shall make every effort to assure at least ninety (90%) percent of claims received from providers are submitted electronically by waiver Year 2;
2. All participating behavioral health providers shall be provided the training necessary to submit their claims electronically and the Contractor shall submit a strategy to ensure the use of electronic billing systems which rely on technology;
3. The Contractor or any entities acting on behalf of the Contractor shall not charge providers for filing claims electronically;
4. Providers may engage in electronic billing services from their Practice Management Service or through a Value Added Network (VAN) at their own cost; however, this provision shall not be construed to imply that providers may not be responsible for payment of applicable line fees and/or charges;
5. The Contractor shall comply at all times with all recognized standardized paper billing forms/format. The Contractor shall not revise or modify the standardized form or format itself.
6. The Contractor agrees to adopt national standards and standardized instructions and definitions that are consistent with industry norms for the forms identified above when developed by the State.

**B. HIPAA and Industry Recommendations.**

The Contractor shall comply with HIPAA and applicable State privacy law requirements. Further, the Contractor agrees that the State may present recommendations concerning claims billing and processing that are consistent with industry norms. The Contractor shall comply with said recommendations within sixty (60) calendar days from receipt of notice by the State and at no additional charge to the State.

**C. Medicaid Claims Processing, Payment, and Adjudication.**

1. The Contractor agrees to comply with prompt pay claims processing requirements in accordance with 42 C.F.R. § 447.45;
2. The Contractor shall ensure that ninety percent (90%) of clean claims for payment of services delivered to participants (for which no further written information or substantiation is required in order to make payment) are paid within thirty (30) calendar days of receipt of such claims;

3. The Contractor shall process, and, if appropriate pay, within sixty (60) calendar days ninety-nine-point five percent (99.5%) of all provider claims for services delivered;
4. As used herein, "pay" means that the Contractor shall either send the provider cash or cash equivalent in full satisfaction of the allowed portion of the claim, or give the provider a credit against any outstanding balance owed by that provider to Contractor; "process" means the Contractor must send the provider a written remittance advice or other appropriate written notice evidencing either that the claim has been paid or informing the provider that a claim has been either partially or totally "denied" and specify all known reasons for denial;
5. With the implementation of HIPAA requirements, this process must be electronic, resulting in the submission of an X12 835 transaction remittance advice to the provider;
6. If a claim is partially or totally denied on the basis that the provider did not submit any required information or documentation with the claim, then the remittance advice or other appropriate written notice must specifically identify all such information and documentation;
7. Resubmission of a denied claim with further information and/or documentation shall constitute a new claim for purposes of establishing the time frame for claims processing;
8. Link system authorizations to claims processing to ensure that only authorized services are approved for claims payment:
  - a. By way of a secure environment which interfaces with the State of Alaska's Integrated Resources Information System (IRIS) and the State's Medicaid Eligibility System, at a minimum;
  - b. Verify participant eligibility and information on all claim transactions submitted;
  - c. Verify provider eligibility and information on all claim transactions submitted;
  - d. Maintain clear billing instructions for providers;
  - e. Verify any and all third-party insurance billing information;
  - f. Verify authorization of claims as required by the State;
  - g. Have the ability to process claims using the Alaska Medicaid provider number and the National Provider Identifier (NPI) number;
  - h. Implement system edits to ensure compliance with IRIS and all State policies and requirements;
  - i. Have the ability to classify source of payment by participant eligibility;
  - j. Have the ability to pay multiple rates for the same procedure code based on provider type and modifier codes, e.g., payment of enhanced rates for the provision of Evidence Based Practices (EBP) services for approved providers or differential rates for providers based on provider qualifications (psychiatrists versus other licensed professionals versus outpatient mental health centers);
  - k. Have the ability to collect data regarding physician administered or dispensed drugs; (i.e. National Drug Code (NDC) Directory) and interface with Magellan and Prescription Drug Monitoring Program;
  - l. Provide the State with online access to information regarding the Contractor's claims processing system edits and criteria;
  - m. Allocate administrative cost in order to claim FFP for all Contractor functions related to the management of Medicaid;
  - n. Develop a web portal to accept direct data entry of claims at no additional cost to the providers;
  - o. Accept claims file in a format that is to be defined by the State;
  - p. (TBD) Accept encounter file (for certain services) in a format that is to be defined by the

- State;
- q. Provide safeguards against unnecessary and inappropriate submission of duplicate claims;
  - r. Within five (5) working days of receipt of an electronic claim lacking sufficient information to process, return the claim to the provider that submitted it with an explanation of the reason the claim was returned;
  - s. Receive and utilize the eligibility decision date in the adjudication of claims for retroactively- eligible participants so that a claim meets the timely filing limits if the claim is submitted within 12 months of the decision date or notice of eligibility;
  - t. File all Medicaid services electronically;
  - u. Assign to each claim a unique transaction identifier that indicates the date the claim was received by the Contractor and the input source (electronic media, web portal);
  - v. Make payments to providers consistent with requirements of the State, including receipt of EFT payments;
  - w. Have the capacity to perform automated electronic mass adjustments processed in a batch format whereby a retroactive rate change, eligibility change, or any other change can be reprocessed ensuring correct provider payment or other adjustments in the claims payment format designated by the State;
  - x. Electronically submit paid claims to the State's Medicaid Eligibility system within seven (7) working days of the date the claim was paid by the Contractor;
  - y. Submit paid behavioral health claims weekly to State using the 837 I or P formats;
  - z. Submit data which corresponds to participant eligibility and provider eligibility data in the State's Medicaid Eligibility system;
  - aa. If necessary, translate procedure codes prior to submission to the State's Medicaid Eligibility system;
  - bb. Provide safeguards to prohibit unnecessary and inappropriate submission of duplicate claims; electronically retrieve and process a weekly payment advice file from State and report any differences between claims submitted for payment by the Contractor to IRIS and to the State's Eligibility system and claims paid within 5 business days from the time the 835 file is made available;
  - cc. Retract payments from providers when it is subsequently found that the Contractor processed a claim in error or there was no documentation to substantiate the claims;
  - dd. Void and resubmit claims to IRIS and to the State's Eligibility system when appropriate;
  - ee. Cost avoid and prevent payment of services when the Program provides information on third party insurance coverage;
  - ff. Immediately notify the State and providers of any connectivity problems that cause interference with normal business practice;
  - gg. Issue IRS 1099 Forms annually to providers;
  - hh. Provide the State with remote access to the Contractor systems for up to 10 State staff for on-line, real time access to the claims and authorization system; and
  - ii. Adjudicate all claims in an electronic (97 %) format a minimum of three (3) million claims annually.
  - jj. Failure to comply with the aforementioned claims processing requirements shall result in the Contractor being required to implement a corrective action plan and shall result in the application of liquidated damages and/or immediate liquidated remedies.



**D. Non-Medicaid Activities Processing and Payment.**

Contractor will work with State to re-distribute grant funds to non-Medicaid activities and providers.

1. The Contractor shall process payments for non-Medicaid services funded by any funding source other than Medicaid (e.g., state general funds, state and federal grant funds);
2. Accept and process paper and electronic claims submitted on HIPAA-compliant forms;
3. Include the same secure verification procedures as specified in Section xxx above; and
4. Remit payments to non-Medicaid providers on a monthly basis.

**E. Weekly and Monthly Reporting.**

1. Contractor shall submit weekly to the State an electronic file containing a listing of the expenditures made to the providers broken out by Medicaid and non-Medicaid covered expenditures, as well as reports summarizing the weekly claims paid by service category and fiscal year of service and by Waiver Region and fiscal year of service;
2. Contractor shall reconcile the net totals on the claims reports to the electronic fund transfer register for each weekly claim submission and provide reconciliation documentation to the State weekly; and
3. Contractor shall provide to the State a detailed claim processing report on a monthly basis. The report shall capture the Contractor's performance with timely claims processing requirements and claim adjudication status (paid, denied, etc.).

**8. Provide Necessary Health Information System Requirements**

The Contractor shall not connect any of its own equipment to the State's LAN/WAN without prior written approval by the State. The Contractor shall maintain the system and apply all patches and updates to keep the system up-to-date pursuant to State direction and policy. The Contractor's Information Technology (IT) System shall comply with all State of Alaska IT requirements, a part of this contract, as specified below:

- Attachment A: IT Response Matrix—complete and send with response to this RFP;
- Attachment B: DHSS IT Standards—ensure that response to this RFP confirms compliance with these standards;
- Attachment C: Person Service WSDL;
- Attachment D: Federal Data Destruction Requirements—ensure that response to this RFP confirms compliance with these requirements; and
- Attachment E: NIST Controls Template—review and address.

**A. Contractor Database and Processing System Requirements for Claims Processing.**

In order to meet information system requirements and to support the timely provision of State services, the Contractor shall operate a database maintained with the highest level of privacy and security as defined in HIPAA regulations. The database shall be capable of maintaining and recording member protected health information (PHI). Data stored in the database shall be kept current, based on updates received from the State's fiscal agent and the Contractor's claims processing system. The Contractor's database and processing system shall ensure the timeliness and accuracy of data used in the business processes for final claims payment determination based on the State's rules and regulations (see attachments listed above). This system shall be capable of allowing for future growth and flexibility in behavioral health services coverage at no additional cost to the State. Although the Contractor will maintain the database and processing system at their facility, the State

and the State's authorized agents must have access to the Contractor's database to support Alaska Medicaid BH. The State requires access/licenses as needed to the database and the various applications used by the Contractor at no additional cost to the State. All data and other information used to maintain all Alaska behavioral health services is the property of the State.

**B. Data Validation Edits and Audits.**

The Contractor's claims processing system shall perform the following validation edits and audits at a minimum but may not be limited to the following:

1. Service Authorization/Pre-Payment Approval - The system shall determine whether a covered service requires service authorization, and if so, whether the Contractor granted approval.
2. Valid Dates of Service - The system shall assure that dates of services are valid dates and not in the future.
3. Duplicate Claims - The system shall automatically inform the provider that the current claim is an exact or possible duplicate and deny that claim as appropriate and have override capability.
4. Covered Service - The system shall verify that a service is a valid covered service and is eligible for payment under the State's behavioral health benefit for that eligibility group.
5. Provider Validation - The system shall approve for payment only those claims received from providers that would have been paid in the absence of other primary insurance coverage for Title XIX and Title XXI covered services.
6. Eligibility Validation – The system shall confirm the member for whom a service was provided was eligible on the date the service was incurred.
7. Quantity of Service - The system shall validate claims to assure that the quantity of services is consistent with State rules and policy.
8. Rejected Claims - The system shall determine whether a claim is acceptable for adjudication and reject claims that are not.
9. Other Insurance Coverage – The system shall reject claims that should rightly be processed by a Participant's other health insurance and work with contracted entity (HMS) for TPL recovery.
10. Service Limits – The system shall verify that a service is not covered outside of the State's established service limits, including but not limited to once-in-a-lifetime procedures.
11. Correct Payment Amounts – The system shall pay the claim at the lesser of the billed amount or the State's allowable amount, other third-party payer coverage, etc.
12. Claims History - The Contractor shall accept 24 months of paid health claims history in an agreeable format to be used for duplicate claims payment verification purposes.

**C. System Readiness and Access.**

The Contractor will work with the State to ensure that the Contractor's processing system satisfies the functional and informational requirements of Alaska's program requirements (see Attachments listed above). The Contractor shall assist the State in the analysis and testing of information systems, claims processing and reporting requirements. The State expects to test and validate the system through user acceptance testing with ample time prior to production. The Contractor must provide and maintain a test environment and provide access/licenses as needed to State staff allowing access to test the Contractor's system from State user workstations. State users must be able to access the Contractor's test and production environments through the life of the contract. The

Contractor will provide any software or additional communications network required or special equipment and training for access at the Contractor's expense. The Contractor shall notify the State of available hours and any scheduled downtime prior to its occurrence. When on the Contractor's site, State users must be granted access to system applications when auditing the Contractor's work. The Contractor agrees to actively send and receive test data transmissions prior to implementation until approved and throughout the contract as changes are deemed necessary by federal or State policy.

**D. Security and Security Access.**

The Contractor shall follow State security policy, standards and requirements for the disposal of confidential data (Attachment D—Data Destruction Requirements), including the shredding of paper records and the destruction of magnetic and other storage media.

The Contractor shall provide for physical and electronic security of all protected health information generated or acquired by the Contractor in implementation of the contract, in compliance with HIPAA, as set forth in Part IV, paragraph 44, 42 CFR Part 2, and consistent with the business associate agreement executed between the parties.

In addition to and in congruence with #8, Attachments A-E as listed above, the following specific security measures shall be required:

1. Computer hardware controls that ensure acceptance of data from authorized networks only;
2. At the Contractor's central facility, placement of software controls that establish separate files for lists of authorized user access and identification codes;
3. Manual procedures that provide secure access to the system with minimal risk;
4. Multilevel passwords, identification codes or other security procedures that must be used by State agency or Contractor personnel;
5. All Contractor database software changes related to the program may be subject to the State's approval prior to implementation;
6. System operation functions must be segregated from systems development duties;
7. To the extent any Contractor or Subcontractor employees are required to provide services on site at any State facility, the Contractor shall provide and complete all necessary paperwork for security access to sign on at the State's site, including conduct and provision to the State of State and Federal criminal background checks, fingerprinting, for each individual performing service on site at a State facility;
8. The Contractor shall conduct and provide the results of annual criminal background checks to the State, upon the State's request;
9. The Contractor acknowledges that the State may refuse to allow any individual employee to work on State premises, based upon information provided in a background check; and
10. The Contractor shall ensure that its personnel adhere to State site requirements;
11. The Contractor shall acknowledge that any employee or agent of the Contractor or any Subcontractor who enters the premises of a facility under the jurisdiction of the State may be searched, fingerprinted (for the purpose of a criminal history background check), photographed and required to wear an identification card issued by the State;
12. The Contractor, its employees and agents and Subcontractor employees and agents shall not violate Alaska Statutes and such other security regulations of the State about which they

may be informed from time to time; and

13. The Contractor acknowledges that the failure of any of the Contractor's or Subcontractor's employees or agents to comply with any security provision of the Contract that results from award of this solicitation is sufficient grounds for the State to immediately terminate for default.

**E. System Maintenance.**

The Contractor shall perform software maintenance and system changes for the component parts of the Contractor's Information System, as specified in Attachment B—DHSS IT Standards required by the State--as follows:

The various types of maintenance support shall include:

1. Conversion of historical records;
2. Activities necessary to provide for continuous effective and efficient operation of the Contractor's IS to keep it ready and fit to perform at the standard and condition for which it was approved;
3. Activities necessary to ensure that all data, files, and programs are current and that errors are minimal;
4. Activities related to file growth and partitioning, with no archiving of records;
5. LAN administration and maintenance to ensure performance standards are met.
6. Maintenance of current, approved versions of licensed software, and accommodation of reasonable changes in numbers of users;
7. Maintenance of the integrity and confidentiality of all Personal Health Information in accordance with State of Alaska and Federal laws and regulations, and the highest State data security standards;
8. File maintenance activities for updates to all files;
9. Scheduling, during hours least disruptive to users accessing the system, ongoing tasks to ensure system tuning, performance, response time, database stability, and processing;
10. Adherence to system parameters, including the frequency, number, and media of reports;
11. Changing edit disposition parameters for established edit or audit criteria;
12. Addition of new values and changes to existing system tables;

The Contractor shall make software changes, as directed by the State, when the State determines that additional requirements need to be met or that a change to existing file structures or current processing is needed:

1. Implementation of capabilities not specified in this RFP or agreed to during the transition;
2. Implementation of edits and audits not defined in the operational system accepted by the State;
3. Changes to established reports, screens, or tape formats, such as sort sequence, new data elements, or report items; and
4. Acceptance of a new input form.

**F. Disaster Recovery and Continuity of Operations Plans (COOPs).**

As part of its response to the requirements in Attachments E--NIST Controls Template, the Contractor shall provide a Disaster Recovery Plan for the claim processing system, which shall include backup, and recovery procedures, which shall:

1. Allow recovery of the system and all adjudicated claims data up to the moment of a disaster;
2. Successfully resume data collection within 24 hours of any disaster;
3. Include Plan Objectives;
4. Include what situations and conditions are covered by the plan;
5. Identify technical considerations;
6. Describe roles and responsibilities of Contractor staff;
7. Describe how and when to notify the State;
8. Describe Recovery procedures; and
9. Procedures for deactivating the plan.

The Contractor shall ensure the secure protection, backup and disaster recovery measures are in place and operational within 15 days prior to the claim processing system start-up date and for the duration of the contract and shall ensure the integrity of the data and availability to the State.

The Contractor shall also be required to provide a COOP as it relates to the services or functions provided by them under this contract. Key information to be included in the Contractor's COOP include the following:

1. Essential Functions – The critical activities performed by the Contractor, especially after a disruption of normal activities;
2. Orders of Succession – Provisions for the assumption of senior Contractor staff duties during an emergency in the event that any of those senior Contractor officials are unavailable to execute their duties;
3. Delegations of Authority – Identification, by position, of the authorities for making policy determinations and decisions;
4. Continuity Facilities – Locations, other than the primary facility, used to carry out essential functions, particularly in a continuity event. Continuity Facilities, or “Alternate facilities”, refers to not only other locations, but also nontraditional options such as working at home (“teleworking”), telecommuting, and mobile-office concepts;
5. Continuity Communications – Communications that provide the capability to perform essential functions, in conjunction with the State and its providers, under all conditions;
6. Vital Records Management – Records restoration procedures, and the identification, protection and ready availability of electronic and hard copy documents, references, records, information systems, data management software and equipment needed to support essential functions during a continuity situation;
7. Human Capital – During a continuity event, emergency employees and other special categories of employees who are activated by Contractor to perform assigned response duties;
8. Tests, Training, and Exercises (TT&E) – Measures to ensure that the Contractor's continuity plan is capable of supporting the continued execution of the Contractor's essential functions throughout the duration of a continuity event;

9. Devolution of Control and Direction – Capability to transfer authority and responsibility for essential functions from Contractor’s primary operating staff and facilities to other Contractor employees and facilities; and
10. Reconstitution – The process by which surviving and/or replacement Contractor personnel resume normal operations from the original or replacement primary operating facility.

The COOP shall be delivered to the State 30 days before implementation.

#### **9. Reporting Functionality**

A robust reporting system is required to provide complex and flexible data and documentation regarding each of the eight deliverables listed above. The complete reports matrix, including frequency of reporting requirements, is available in Attachment 1, The Reports Matrix and will be finalized and included as part of the resultant Contract.

### **Sec. 2.05 STAFFING REQUIREMENTS**

The Contractor shall employ and maintain a sufficient number of qualified staff (all leadership positions must submit resumes to the State for review and approval) who have at least a provisional approval through the State to access Protected Health Information (PHI), and with appropriate experience with preference for experience in Alaska, located in Alaska and knowledgeable about the publicly-funded behavioral health system of care, to perform all the terms and functions of this RFP in the time periods prescribed by this RFP or by State regulations as follows (key personnel is identified in parentheses):

- A. (Key) One full-time Chief Executive Officer (CEO) with a minimum of five years’ experience in Medicaid and with managing behavioral health services, including mental health and substance use disorders, who shall have responsibility for all functions of this contract;
- B. (Key) One full-time Chief Financial Officer (CFO) with a minimum of five years’ experience with managing the financial operations of a corporation, being responsible for financial planning, tracking expenditures, claims processing, and managing financial systems;
- C. (Key) One full-time Medical Director who is an Alaska licensed physician, certified by the American Board of Psychiatry and Neurology, and who is responsible for oversight of clinical decision-making, and has a minimum of five years’ experience in managing behavioral health services, including mental health and substance use disorders;
- D. (Key) At least one full-time designated staff person with experience working with Alaska Native/American Indian populations, to work with participant, family, and advocacy organizations;
- E. One full-time Director of Quality Improvement with a minimum of three years’ experience in quality improvement and evaluation of health care service utilization;
- F. (Key) One full-time Director of Clinical Operations who is a licensed behavioral health professional with a minimum of five years’ experience in behavioral health ASO management, including mental health and substance use disorders, and who has experience in supervising behavioral health professionals, experience implementing EBPs and knowledge of implementation science;
- G. (Key) One full-time Chief of Information Management with a minimum of a master’s degree in computer science, three years of IS management experience, and three years of experience in information technology, who will be responsible for hardware, software, data analytics and

reporting;

- H. One full-time Qualified Peer Specialist—defined herein as a person who uses his or her lived experience of recovery from mental illness and/or addiction, with skills learned in formal training, to deliver services in the Alaska behavioral health system;
- I. One full-time Clinical Psychologist, with working knowledge and experience with serving children, adolescents, and adult Waiver target populations, and who is capable of reviewing authorization, utilization services, and psychological testing requests;
- J. One full-time Claims Manager, with a bachelor's degree, and with five years of experience with Medicaid claims;
- K. One full-time Director of Provider Relations, who must include recent experience with behavioral health in Alaska;
- L. A minimum of two full-time staff to perform data system development and data analysis, who will be dedicated to this contract, with expertise in system, data analysis, and reporting, and who will have access to national or central company resources;
- M. One full-time designated staff person with Child Welfare experience;
- N. The following positions need to be included in the proposed staffing plan, providing the State a quantifiable and qualitative proposal for staffing:
  - 1. Psychiatrists (in addition to the staff mentioned above, certified by the American Board of Psychiatry and Neurology, on contract, in consulting capacity or as an employee of the Contractor with expertise in child and adolescent psychiatry and with expertise in addiction medicine, who are available 24 hours per day, seven days per week for consultation and decision making;
  - 2. Licensed clinical staff (in addition to the staff mentioned above) with a minimum of three years of clinical experience, to serve as care managers, with experience and training in subspecialty areas (understanding and experience in child welfare preferred) to ensure adequate review and treatment planning including waiver target populations--children and adolescents involved in the child welfare system, children using residential services, adults with mental disorder over-utilizing IP and emergency room services, and adolescents/adults with a SUD;
  - 3. Dedicated clinical staff to work with Regions and hospitals to monitor high utilization and at-risk users, for children, adolescents, and adults;
  - 4. Provider relations staff capable and available to respond to provider inquiries within one business day;
  - 5. Staff in addition to the staff mentioned above to perform evaluation activities, including those related to participants and provider surveys, OMS, and other proposed evaluation activities;
  - 6. Claims staff qualified to perform the duties required; and
  - 7. Other staff deemed necessary by Contractor and approved by State.

Each Offeror shall provide a proposed staffing plan in conformance with the requirements of this RFP.

The Contractor shall make available to the State reasonable access to its staff, including liaisons who shall be available to attend scheduled meetings with the State and periodic meetings with participant/advocacy groups, or providers.

The Contractor shall make available its CEO or representative approved by the State for attendance at, and testimony before, legislative proceedings (can be telephonic).

The Contractor shall make available Management Staff with decision-making authority (CEO, CFO, Medical Director, Clinical Director, Quality Improvement Director, and Chief of Information Management, as appropriate) to attend meetings with State staff, within 24 hours of notice.

The Contractor shall assure that all clinical staff shall have sufficient training in and understanding of the Alaska BH system of care, the services available, and the criteria for receiving such services. The contractor shall also assure that all clinical staff including care managers have training in Alaska Native Culture, historical trauma and the significance of the Adverse Childhood Experiences Survey scores for Alaskans.

Any change of the project team members named in the proposal must be approved, in advance and in writing, by the project director. Personnel changes that are not approved by the State may be grounds for the State to terminate the contract.

## **Sec. 2.06 Contract Term and Work Schedule**

The length of the contract will be from the date of award until completion of the first five (5) year term of the Demonstration Project.

## **Sec. 2.07 Contract Type**

This contract will be a fixed price plus incentives contract.

### **Fixed Price**

The resultant contract will identify hourly rates to be billed in performance of the Deliverables as specified in Section 2.04.

### **Performance Incentives**

The State shall withhold 5% of the total contract amount for each year of the contract, to be paid to the Contractor, in whole or in part, upon measurement of the Contractor's success in meeting the Performance Incentive Targets identified in Attachment 2. The Performance Incentive Targets will be finalized by both parties during the contracting process; achievement of these targets will be determined by the State based on reports and/or data submitted by the Contractor. Performance Incentive Targets may change from year to year, and will be mutually negotiated as necessary.

Further detail regarding the Incentive Payment Plan can be found in Attachment 2.

## **Sec. 2.08 Proposed Payment Procedures**

The State will make payments based on a negotiated payment schedule, which will be indicated in the resultant contract.



## Sec. 2.09 Contract Payment

No payment will be made until the contract is approved by the Commissioner of the Department of Health and Social Services or the Commissioner's designee. Under no conditions will the State be liable for the payment of any interest charges associated with the cost of the contract. The State is not responsible for and will not pay local, state, or federal taxes. All costs associated with the contract must be stated in U.S. currency.

## Sec. 2.10 Location of Work

The State will not provide workspace for the successful offeror. The successful offeror must provide its own workspace.

## Sec. 2.11 Third Party Service Providers

The contractor must provide, on an annual basis, a Type 2 Statement on Standards for Attestation Engagements (SSAE) SOC 1 TYPE 2 report(s). Failure to provide this reports may be treated as a material breach and may be a basis for a finding of default.

## Sec. 2.12 Subcontractors

Subcontractors may be used to perform work under this contract. If an offeror intends to use subcontractors, the offeror must identify in the proposal the names of the subcontractors and the portions of the work the subcontractors will perform.

Subcontractor experience shall be considered in determining whether the offeror meets the requirements set forth in Section 1.04: Minimum Qualifications.

If a proposal with subcontractors is selected, the offeror must provide the following information concerning each prospective subcontractor within five working days from the date of the State's request:

- complete name of the subcontractor;
- complete address of the subcontractor;
- type of work the subcontractor will be performing;
- percentage of work the subcontractor will be providing;
- evidence that the subcontractor holds a valid Alaska business license; and
- a written statement, signed by each proposed subcontractor that clearly verifies that the subcontractor is committed to render the services required by the contract.

An offeror's failure to provide this information, within the time set, may cause the State to consider their proposal non-responsive and reject it. The substitution of one subcontractor for another may be made only at the discretion and prior written approval of the project director.

### Sec. 2.13 Right to Inspect Place of Business

At reasonable times, the State may inspect those areas of the contractor's place of business that are related to the performance of a contract. If the State makes such an inspection, the contractor must provide reasonable assistance.

### Sec. 2.14 Contract Personnel

Any change of the Key Personnel identified for this project, or any change of subcontractors named in the proposal must be approved, in advance and in writing, by the Project Director. Personnel changes that are not approved by the State may be grounds for the State to terminate the contract.

Key Personnel (described in Section 2.05 Staffing Requirements) for the purposes of this procurement include:

- The Chief Executive Officer
- The Chief Financial Officer
- The Medical Director
- The Designated Professional with Alaska Native/American Indian Expertise
- Director of Clinical Operations
- The Chief of Information Management

### Sec. 2.15 Inspection & Modification - Reimbursement for Unacceptable Deliverables

The contractor is responsible for the completion of all work set out in the contract. All work is subject to inspection, evaluation, and approval by the project director. The State may employ all reasonable means to ensure that the work is progressing and being performed in compliance with the contract. The project director may instruct the contractor to make corrections or modifications if needed in order to accomplish the contract's intent. The contractor will not unreasonably withhold such changes.

Substantial failure of the contractor to perform the contract may cause the State to terminate the contract. In this event, the State may require the contractor to reimburse monies paid (based on the identified portion of unacceptable work received) and may seek associated damages.

### Sec. 2.16 Contract Changes - Unanticipated Amendments

During the course of this contract, the contractor may be required to perform additional work. That work will be within the general scope of the initial contract. When additional work is required, the project director will provide the contractor a written description of the additional work and request the contractor to submit a firm time schedule for accomplishing the additional work and a firm price for the additional work. Cost and pricing data must be provided to justify the cost of such amendments per AS 36.30.400.

The contractor will not commence additional work until the project director has secured any required State approvals necessary for the amendment and issued a written contract amendment, approved by the Commissioner of the Department of Health and Social Services or the Commissioner's designee.

## Sec. 2.17 Nondisclosure and Confidentiality

Contractor agrees that all confidential information shall be used only for purposes of providing the deliverables and performing the services specified herein and shall not disseminate or allow dissemination of confidential information except as provided for in this section. The contractor shall hold as confidential and will use reasonable care (including both facility physical security and electronic security) to prevent unauthorized access by, storage, disclosure, publication, dissemination to and/or use by third parties of, the confidential information. “Reasonable care” means compliance by the contractor with all applicable federal and state law, including the Social Security Act and HIPAA. See Appendix E of the Standard Agreement Template, in Section 7: Attachments, for the State’s HIPAA Business Associate Agreement (BAA). The contractor must promptly notify the State in writing if it becomes aware of any storage, disclosure, loss, unauthorized access to or use of the confidential information.

Confidential information, as used herein, means any data, files, software, information or materials (whether prepared by the State or its agents or advisors) in oral, electronic, tangible or intangible form and however stored, compiled or memorialized that is classified confidential as defined by State of Alaska classification and categorization guidelines provided by the State to the contractor or a contractor agent or otherwise made available to the contractor or a contractor agent in connection with this contract, or acquired, obtained or learned by the contractor or a contractor agent in the performance of this contract. Examples of confidential information include, but are not limited to: technology infrastructure, architecture, financial data, trade secrets, equipment specifications, user lists, passwords, research data, and technology data (infrastructure, architecture, operating systems, security tools, IP addresses, etc).

If confidential information is requested to be disclosed by the contractor pursuant to a request received by a third party and such disclosure of the confidential information is required under applicable State or federal law, regulation, governmental or regulatory authority, the contractor may disclose the confidential information after providing the State with written notice of the requested disclosure (to the extent such notice to the State is permitted by applicable law) and giving the State opportunity to review the request. If the contractor receives no objection from the State, it may release the confidential information within 30 days. Notice of the requested disclosure of confidential information by the contractor must be provided to the State within a reasonable time after the contractor’s receipt of notice of the requested disclosure and, upon request of the State, shall seek to obtain legal protection from the release of the confidential information.

The following information shall not be considered confidential information: information previously known to be public information when received from the other party; information freely available to the general public; information which now is or hereafter becomes publicly known by other than a breach of confidentiality hereof; or information which is disclosed by a party pursuant to subpoena or other legal process and which as a result becomes lawfully obtainable by the general public.

## Sec. 2.18 Insurance Requirements

The successful offeror must provide proof of workers' compensation insurance prior to contract approval.

The successful offeror must secure the insurance coverage required by the State. The coverage must be satisfactory to the Department of Administration Division of Risk Management. An offeror's failure to provide evidence of such insurance coverage is a material breach and grounds for withdrawal of the award or termination of the contract.

Offerors must review form Appendix B in the Standard Agreement Template (Section 7.06), for details on required coverage. No alteration of these requirements will be permitted without prior written approval from the Department of Administration, Division of Risk Management. Objections to any of the requirements in Appendix B must be set out in the offeror's proposal.

### **Sec. 2.19 Termination For Default**

If the project director determines that the contractor has refused to perform the work or has failed to perform the work with such diligence as to ensure its timely and accurate completion, the State may, by providing written notice to the contractor, terminate the contractor's right to proceed with part or all of the remaining work. This clause does not restrict the State's termination rights under the contract provisions (Appendix A of the Standard Agreement Template), attached in Section 7.05.

### **Sec. 2.20 Informal Debriefing**

When the contract is completed, an informal debriefing may be performed at the discretion of the project director. If performed, the scope of the debriefing will be limited to the work performed by the contractor.

## Section 3. Proposal Format and Content

### Sec. 3.01 Proposal Format and Content

In preparing a proposal response, all narrative portions should be straightforward, detailed, and precise. Do not simply restate or paraphrase information in this RFP. The Department of Health and Social Services will determine the responsiveness of a proposal by its quality, not its volume or packaging.

### Sec. 3.02 Introduction

Proposals must include the complete name and address of offeror's firm and the name, email address, and telephone number of the person the State should contact regarding the proposal.

Proposals must confirm that the offeror will comply with all provisions in this RFP; and, if applicable, provide notice that the firm qualifies as an Alaskan bidder. Proposals must be signed by a company officer empowered to bind the company. An offeror's failure to include these items in the proposals may cause the proposal to be determined to be non-responsive and the proposal may be rejected.

### Sec. 3.03 Understanding of the Project

Offerors must provide a comprehensive narrative that illustrate understanding of the requirements of the project, including specific understanding of the following:

- Medicaid and behavioral health delivery system reform
- Administration of public program benefits
- The behavioral health system in Alaska
- The Tribal behavioral system in Alaska
- The importance of unique approaches to rural/frontier areas of Alaska
- Provider recruitment, training, and contracting for behavioral health and SUD services
- Performance indicators for quality of care, cost trends, operational performance, and other metrics relevant to the goals of the Alaska waiver.
- The use of technology and required system interfaces (as described in Section 2.03 Scope of Work and 2.04 Deliverables)
- The project schedule, and phased implementation approach
- Section 1115 SUD waiver requirements

### Sec. 3.04 Methodology Used For The Project

Offerors must provide a comprehensive narrative that sets out the methodology they intend to employ and illustrate how the methodology will serve to accomplish the Deliverables as described in Section 2.04.

Offerors should ensure the proposal clearly and specifically describes:

- Approach for implementing Medicaid delivery system reform (specifically behavioral health) changes, and specifically the approach for integrating behavioral and physical health and SUD treatment services

- Approach for administering behavioral health and SUD treatment services in rural/frontier settings
- Approach for working with Tribal organizations
- Approach for provider recruitment, training, and contracting for behavioral health and SUD treatment services
- Approach for creating and delivering on performance indicators for quality of care, cost trends, operational performance, and any other metrics that are relevant to the goals of the Alaska waiver
- Approach for implementing Section 1115 Substance Use Disorder (SUD) waiver amendment requirements
- Methods to achieve optimal information system functionality and interoperability
- Approach to disaster recovery planning
- Approach for phased-in implementation strategy
- Methods to identify issues and challenges and approach to issue resolution
- Approach to working with the State, Tribal entities, and stakeholders

### Sec. 3.05 Management Plan for the Project

Offerors must provide comprehensive narrative statements that set out the management plan they intend to follow and illustrate how the plan will serve to accomplish the work and meet the State's project schedule related to the timeline for implementation, including the phase-in implementation approach. This management plan will become the blueprint for Contractor activities during the term of this Contract.

Offerors should ensure their proposal clearly and specifically describes:

- A high-level work plan and timeline for implementation of the Deliverables set forth in Section 2.04
- Oversight, compliance, and quality assurance process
- Problem identification and resolution process

### Sec. 3.06 Experience and Qualifications

Offerors must provide a narrative description of its experience with other State Medicaid and non-Medicaid projects of similar size and scope. Experience should specifically address the minimum qualifications identified in Section 1.04, and describe:

- Experience in administering public program benefits with a similar level of integration across needs (i.e. behavioral and physical health, SUD treatment services)
- Experience administering behavioral health and SUD treatment services in rural/frontier settings
- Experience working with Tribal organizations;
- Experience in provider recruitment, training, and contracting for behavioral health and SUD treatment services;
- Experience creating and delivering on performance indicators for quality of care, cost trends, operational performance, and any other metrics that are relevant to the goals of the Alaska waiver;
- Experience in implementing Medicaid delivery system reform (specifically behavioral health) changes; and
- Experience in implementing Section 1115 Substance Use Disorder (SUD) waiver amendment requirements.

Offerors must provide reference names and phone numbers for similar projects the Offeror's firm has completed.

Offerors must provide an organizational chart specific to the personnel assigned to accomplish the work called for in this RFP; illustrate the lines of authority; designate the individual responsible and accountable for the completion of each component and deliverable of the RFP.

Offerors must provide a narrative description of the organization of the project team and a personnel roster that identifies the Key Personnel (as identified in Section 2.05) who will actually work on the contract.

Provide the following information for each Key Personnel:

- Title and location where work will be performed.
- Biographies highlighting direct experience and involvement in activities described in Section 1.04 Minimum Qualifications.
- Resumes for all Key Personnel.
- Itemization of full-time equivalency (FTE) for each individual named as Key Personnel above, the role each would have in execution of Deliverables identified in Section 2.04, and what type/number of staff they would supervise. Lines of authority should be clearly indicated.

### Sec. 3.07 Cost Proposal

Please complete the Cost Proposal template provided in Section 7: Attachments.

**The completed cost proposal, including the proposed budget, along with any reference to pricing, is to be excluded from the body of the offeror's proposal.** Instead, it should accompany the proposal in a separate, sealed envelope if mailing proposal, or as a separate PDF if submitting via email. Failure to comply with this requirement may result in a proposal being rejected as non-responsive.

### Sec. 3.08 Evaluation Criteria

All proposals will be reviewed to determine if they are responsive. Proposals determined to be responsive will be evaluated using the criterion that is set out in Section 4: Evaluation Criteria and Contractor Selection.

An evaluation may not be based on discrimination due to the race, religion, color, national origin, sex, age, marital status, pregnancy, parenthood, disability, or political affiliation of the offeror.

## SECTION 4. EVALUATION CRITERIA AND CONTRACTOR SELECTION

The total number of points used to score this proposal will be 1,000.

### Sec. 4.01 Understanding of the Project (15%)

**Proposals will be evaluated against the questions set out below:**

- 1) How well has the offeror demonstrated a thorough understanding of the purpose and scope of the project?
- 2) How well has the offeror identified pertinent issues and potential problems related to the project?
- 3) To what degree has the offeror demonstrated an understanding of the deliverables the State expects it to provide?
- 4) Has the offeror demonstrated an understanding of the State's time schedule and their ability to meet it?

### Sec. 4.02 Methodology Used for the Project (15%)

**Proposals will be evaluated against the questions set out below:**

- 1) How comprehensive is the methodology and does it depict a logical approach to fulfilling the requirements of the RFP?
- 2) How well does the methodology match and achieve the objectives set out in the RFP?
- 3) Does the methodology interface with the time schedule in the RFP?

### Sec. 4.03 Management Plan for the Project (20%)

**Proposals will be evaluated against the questions set out below:**

- 1) How well does the management plan support all of the project requirements and logically lead to the deliverables required in the RFP?
- 2) Is the organization of the project team clear, and does it illustrate the lines of authority and communication?
- 3) Does it appear that the offeror can meet the schedule set out in the RFP?
- 4) To what degree is the proposal practical and feasible?
- 5) To what extent has the offeror identified potential problems?



#### **Sec. 4.04 Experience and Qualifications (20%)**

**Proposals will be evaluated against the questions set out below:**

- a) How successful is the general history of the firm regarding timely and successful completion of projects?
- b) How extensive is the applicable education and experience of the personnel designated to work on the project?
- c) How well has the offeror described examples and methodology of previous, related work?
- d) How applicable and rounded is the offeror's additional preferred experience, as indicated in Section 1.04? (community development, architectural/engineering, mental health public agencies, business needs within Municipality of Anchorage, planning goals of DOC & DHSS)
- e) If a subcontractor will perform work on the contract, how well do they measure up to the evaluation used for the offeror?

#### **Sec. 4.05 Contract Cost (20%)**

Overall, 20% of the total evaluation points will be assigned to cost. The cost amount used for evaluation may be affected by one or more of the preferences referenced under Section 5.10.

##### **Converting Cost to Points**

The lowest cost proposal will receive the maximum number of points allocated to cost. The point allocations for cost on the other proposals will be determined through the method set out in Section 5.14.

#### **Sec. 4.06 Alaska Offeror Preference (10%)**

If an offeror qualifies for the Alaska Bidder Preference, the offeror will receive an Alaska Offeror Preference. The preference will be 10% of the total available points. This amount will be added to the overall evaluation score of each Alaskan offeror.

## Section 5. General Process Information

### Sec. 5.01 Alaska Business License and Other Required Licenses

Prior to the award of a contract, an offeror must hold a valid Alaska business license. However, in order to receive the Alaska Bidder Preference and other related preferences, such as the Alaska Veteran and Alaska Offeror Preference, an offeror must hold a valid Alaska business license prior to the deadline for receipt of proposals. Offerors should contact the Department of Commerce, Community and Economic Development, Division of Corporations, Business, and Professional Licensing, PO Box 110806, Juneau, Alaska 99811-0806, for information on these licenses. Website: <https://www.commerce.alaska.gov/web/cbpl/BusinessLicensing.aspx>.

Acceptable evidence that the offeror possesses an Alaska business license may consist of any one of the following:

- copy of a valid Alaska business license;
- certification on the proposal that the offeror has a valid Alaska business license and has included the license number in the proposal;
- a canceled check for the Alaska business license fee;
- a copy of the Alaska business license application with a receipt stamp from the State's occupational licensing office; or
- a sworn and notarized statement that the offeror has applied and paid for the Alaska business license.

You are not required to hold a valid Alaska business license at the time proposals are opened if you possess one of the following licenses and are offering services or supplies under that specific line of business:

- fisheries business licenses issued by Alaska Dept. of Revenue or Alaska Dept. of Fish and Game,
- liquor licenses issued by Alaska Dept. of Revenue for alcohol sales only,
- insurance licenses issued by Alaska Dept. of Commerce, Community and Economic Development - Division of Insurance, or
- Mining licenses issued by Alaska Dept. of Revenue.

Prior the deadline for receipt of proposals, all offerors must hold any other necessary applicable professional licenses required by Alaska Statute.

### Sec. 5.02 Site Inspection

The State may conduct on-site visits to evaluate the offeror's capacity to perform the contract. An offeror must agree, at risk of being found non-responsive and having its proposal rejected, to provide the State reasonable access to relevant portions of its work sites. Individuals designated by the procurement officer, at the State's expense, will perform the site inspections.

### **Sec. 5.03 Clarification of Offers**

In order to determine if a proposal is reasonably susceptible for award, communications by the procurement officer or the proposal evaluation committee (PEC) are permitted with an offeror to clarify uncertainties or eliminate confusion concerning the contents of a proposal. Clarifications may not result in a material or substantive change to the proposal. The evaluation by the procurement officer or the PEC may be adjusted as a result of a clarification under this section.

### **Sec. 5.04 Discussions with Offerors**

The State may conduct discussions with offerors in accordance with AS 36.30.240 and 2 AAC 12.290. The purpose of these discussions will be to ensure full understanding of the requirements of the RFP and proposal. Discussions will be limited to specific sections of the RFP or proposal identified by the procurement officer. Discussions will only be held with offerors who have submitted a proposal deemed reasonably susceptible for award by the procurement officer. Discussions, if held, will be after initial evaluation of proposals by the procurement officer or the PEC. If modifications are made as a result of these discussions they will be put in writing. Following discussions, the procurement officer may set a time for best and final proposal submissions from those offerors with whom discussions were held. Proposals may be reevaluated after receipt of best and final proposal submissions.

If an offeror does not submit a best and final proposal or a notice of withdrawal, the offeror's immediate previous proposal is considered the offeror's best and final proposal.

Offerors with a disability needing accommodation should contact the procurement officer prior to the date set for discussions so that reasonable accommodation can be made. Any oral modification of a proposal must be reduced to writing by the offeror.

### **Sec. 5.05 Evaluation of Proposals**

The procurement officer, or an evaluation committee made up of at least three State employees or public officials, will evaluate proposals. The evaluation will be based solely on the evaluation factors set out in Section 4: Evaluation Criteria and Contractor Selection.

After receipt of proposals, if there is a need for any substantial clarification or material change in the RFP, an amendment will be issued. The amendment will incorporate the clarification or change, and a new date and time established for new or amended proposals. Evaluations may be adjusted as a result of receiving new or amended proposals.

### **Sec. 5.06 Contract Negotiation**

After final evaluation, the procurement officer may negotiate with the offeror of the highest-ranked proposal. Negotiations, if held, shall be within the scope of the request for proposals and limited to those items which would not have an effect on the ranking of proposals. If the highest-ranked offeror fails to provide necessary information for negotiations in a timely manner, or fails to negotiate in good faith, the State may terminate

negotiations and negotiate with the offeror of the next highest-ranked proposal. If contract negotiations are commenced, they may be held telephonically or via video conference.

## Sec. 5.07 Failure to Negotiate

If the selected offeror:

- fails to provide the information required to begin negotiations in a timely manner; or
- fails to negotiate in good faith; or
- indicates they cannot perform the contract within the budgeted funds available for the project; or
- if the offeror and the State, after a good faith effort, simply cannot come to terms,

the State may terminate negotiations with the offeror initially selected and commence negotiations with the next highest ranked offeror.

## Sec. 5.08 Offeror Notification of Selection

After the completion of contract negotiation the procurement officer will issue a written Notice of Intent to Award (NOIA) and send copies to all offerors. The NOIA will set out the names of all offerors and identify the proposal selected for award.

## Sec. 5.09 Protest

AS 36.30.560 provides that an interested party may protest the content of the RFP.

An interested party is defined in 2 AAC 12.990(a) (7) as "an actual or prospective bidder or offeror whose economic interest might be affected substantially and directly by the issuance of a contract solicitation, the award of a contract, or the failure to award a contract."

If an interested party wishes to protest the content of a solicitation, the protest must be received, in writing, by the procurement officer at least ten days prior to the deadline for receipt of proposals.

AS 36.30.560 also provides that an interested party may protest the award of a contract or the proposed award of a contract.

If an offeror wishes to protest the award of a contract or the proposed award of a contract, the protest must be received, in writing, by the procurement officer within ten days after the date the Notice of Intent to Award the contract is issued.

A protester must have submitted a proposal in order to have sufficient standing to protest the proposed award of a contract. Protests must include the following information:

- the name, address, and telephone number of the protester;
- the signature of the protester or the protester's representative;
- identification of the contracting agency and the solicitation or contract at issue;
- a detailed statement of the legal and factual grounds of the protest including copies of relevant documents; and the form of relief requested.

Protests filed by telex or telegram are not acceptable because they do not contain a signature.

Fax copies containing a signature are acceptable.

The procurement officer will issue a written response to the protest. The response will set out the procurement officer's decision and contain the basis of the decision within the statutory time limit in AS 36.30.580. A copy of the decision will be furnished to the protester by certified mail, fax or another method that provides evidence of receipt.

All offerors will be notified of any protest. The review of protests, decisions of the procurement officer, appeals, and hearings, will be conducted in accordance with the State Procurement Code (AS 36.30), Article 8 "Legal and Contractual Remedies."

## Sec. 5.10 Application of Preferences

Certain preferences apply to all contracts for professional services, regardless of their dollar value. The Alaska Bidder, Alaska Veteran, and Alaska Offeror preferences are the most common preferences involved in the RFP process. Additional preferences that may apply to this procurement are listed below:

- Alaska Products Preference - AS 36.30.332
- Recycled Products Preference - AS 36.30.337
- Local Agriculture and Fisheries Products Preference - AS 36.15.050
- Employment Program Preference - AS 36.30.321(b)
- Alaskans with Disabilities Preference - AS 36.30.321(d)
- Alaska Veteran's Preference - AS 36.30.321(f)

The Division of Vocational Rehabilitation in the Department of Labor and Workforce Development keeps a list of qualified employment programs and individuals who qualify as persons with a disability. As evidence of a business' or an individual's right to the Employment Program or Alaskans with Disabilities preferences, the Division of Vocational Rehabilitation will issue a certification letter. To take advantage of these preferences, a business or individual must be on the appropriate Division of Vocational Rehabilitation list prior to the time designated for receipt of proposals. Offerors must attach a copy of their certification letter to the proposal. An offeror's failure to provide this certification letter with their proposal will cause the State to disallow the preference.

Guides that contain excerpts from the relevant statutes and codes, explain when the preferences apply and provide examples of how to calculate the preferences are available at the Department of Administration, Division of General Service's web site: <http://doa.alaska.gov/dgs/pdf/pref1.pdf>.

## Sec. 5.11 Alaska Bidder Preference

An Alaska Bidder Preference of 10% will be applied to the price in the proposal. The preference will be given to an offeror who:

- 1) holds a current Alaska business license prior to the deadline for receipt of proposals;

- 2) submits a proposal for goods or services under the name appearing on the offeror's current Alaska business license;
- 3) has maintained a place of business within the State staffed by the offeror, or an employee of the offeror, for a period of six months immediately preceding the date of the proposal;
- 4) is incorporated or qualified to do business under the laws of the State, is a sole proprietorship and the proprietor is a resident of the State, is a limited liability company (LLC) organized under AS 10.50 and all members are residents of the State, or is a partnership under AS 32.06 or AS 32.11 and all partners are residents of the State; and
- 5) if a joint venture, is composed entirely of ventures that qualify under (1)-(4) of this subsection.

**Alaska Bidder Preference Statement**

In order to receive the Alaska Bidder Preference, the proposal must include a statement certifying that the offeror is eligible to receive the Alaska Bidder Preference.

If the offeror is a LLC or partnership as identified in (4) of this subsection, the statement must also identify each member or partner and include a statement certifying that all members or partners are residents of the State.

If the offeror is a joint venture which includes a LLC or partnership as identified in (4) of this subsection, the statement must also identify each member or partner of each LLC or partnership that is included in the joint venture and include a statement certifying that all of those members or partners are residents of the State.

**Sec. 5.12 Alaska Veteran Preference**

An Alaska Veteran Preference of 5%, not to exceed \$5,000, will be applied to the price in the proposal.

The preference will be given to an offeror who qualifies under AS 36.30.990(2) as an Alaska bidder and is a:

- A. sole proprietorship owned by an Alaska veteran;
- B. partnership under AS 32.06 or AS 32.11 if a majority of the partners are Alaska veterans;
- C. limited liability company organized under AS 10.50 if a majority of the members are Alaska veterans; or
- D. corporation that is wholly owned by individuals, and a majority of the individuals are Alaska veterans.

**Alaska Veteran Preference Statement**

In order to receive the Alaska Veteran Preference, the proposal must include a statement certifying that the offeror is eligible to receive the Alaska Veteran Preference.

**Sec. 5.13 Alaska Offeror Preference**

2 AAC 12.260(e) provides Alaska offerors a 10% overall evaluation point preference. Alaska bidders, as defined in AS 36.30.990(2), are eligible for the preference. An Alaska offeror will receive 10% of the total available points added to their overall evaluation score as a preference.

## Sec. 5.14 Formula Used to Convert Cost to Points

The distribution of points based on cost will be determined as set out in 2 AAC 12.260(c). The lowest cost proposal will receive the maximum number of points allocated to cost. The point allocations for cost on the other proposals will be determined using the formula:

$$[(\text{Price of Lowest Cost Proposal}) \times (\text{Maximum Points for Cost})] \div (\text{Cost of Each Higher Priced Proposal})$$

## Sec. 5.15 Examples: Converting Cost to Points & Applying Preferences

### (a) Formula Used to Convert Cost to Points

#### **STEP 1**

List all proposal prices, adjusted where appropriate by the application of applicable preferences.

Offeror #1	\$40,000
Offeror #2	\$42,750
Offeror #3	\$47,500

#### **STEP 2**

In this example, the RFP allotted 40% of the available 100 points to cost. This means that the lowest cost will receive the maximum number of points.

**Offeror #1 receives 40 points.**

The reason they receive that amount is because the lowest cost proposal, in this case \$40,000, receives the maximum number of points allocated to cost, 40 points.

**Offeror #2 receives 37.4 points.**

$\$40,000 \text{ lowest cost} \times 40 \text{ maximum points for cost} = 1,600,000 \div \$42,750 \text{ cost of proposal} = 37.4$

**Offeror #3 receives 33.7 points.**

$\$40,000 \text{ lowest cost} \times 40 \text{ maximum points for cost} = 1,600,000 \div \$47,500 \text{ cost of proposal} = 33.7$

### (b) Alaska Offeror Preference

#### **STEP 1**

Determine the number of points available to qualifying offerors under this preference.

$100 \text{ (total points available in the RFP)} \times 10\% \text{ Alaska offerors preference} = 10 \text{ points for the preference}$

#### **STEP 2**

Determine which offerors qualify as Alaska bidders and thus, are eligible for the Alaska offerors preference.

For the purpose of this example, presume that all of the proposals have been completely evaluated based on the evaluation criteria in the RFP. The scores at this point are:

Offeror #1	83 points	No Preference	0	points
Offeror #2	74 points	Alaska Offerors Preference	10	points
Offeror #3	80 points	Alaska Offerors Preference	10	points

**STEP 3**

Add the applicable Alaska offerors preference amounts to the offeror's scores:

Offeror #1	83 points
Offeror #2	84 points (74 points + 10 points)
<b>Offeror #3</b>	<b>90 points (80 points +10 points)</b>

**STEP 4**

**Offeror #3** is the highest scoring offeror and would get the award, provided their proposal is responsible and responsive.



## Section 6. General Legal Information

### Sec. 6.01 Standard Contract Provisions

The contractor will be required to sign and submit the State's Standard Agreement Form for Professional Services Contracts (including all associated appendices). This form is attached in Section 8: Exhibits, for your review. The contractor must comply with all contract provisions set out in this attachment. No alteration of these provisions will be permitted without prior written approval from the Department of Law. Objections to any of the provisions in the Standard Agreement Form for Professional Services must be set out in the offeror's proposal.

### Sec. 6.02 Proposal as a Part of the Contract

Part or all of this RFP and the successful proposal may be incorporated into the contract.

### Sec. 6.03 Additional Terms and Conditions

The State reserves the right to add terms and conditions during contract negotiations. These terms and conditions will be within the scope of the RFP and will not affect the proposal evaluations.

### Sec. 6.04 Human Trafficking

By signature on their proposal, the offeror certifies that the offeror is not established and headquartered or incorporated and headquartered in a country recognized as Tier 3 in the most recent United States Department of State's Trafficking in Persons Report.

The most recent United States Department of State's Trafficking in Persons Report can be found at the following website: <http://www.state.gov/j/tip/>.

Failure to comply with this requirement will cause the State to reject the proposal as non-responsive, or cancel the contract.

### Sec. 6.05 Right of Rejection

Offerors must comply with all of the terms of the RFP, the State Procurement Code (AS 36.30), and all applicable local, state, and federal laws, codes, and regulations. The procurement officer may reject any proposal that does not comply with all of the material and substantial terms, conditions, and performance requirements of the RFP.

Offerors may not qualify the proposal nor restrict the rights of the State. If an offeror does so, the procurement officer may determine the proposal to be a non-responsive counter-offer and the proposal may be rejected.

Minor informalities may be waived by the procurement officer. These may include informalities that:

- do not affect responsiveness;

- are merely a matter of form or format;
- do not change the relative standing or otherwise prejudice other offers;
- do not change the meaning or scope of the RFP;
- are trivial, negligible, or immaterial in nature;
- do not reflect a material change in the work; or
- do not constitute a substantial reservation against a requirement or provision.

The State reserves the right to refrain from making an award if it determines that to be in its best interest.

**A proposal from a debarred or suspended offeror shall be rejected.**

## Sec. 6.06 State not Responsible for Preparation Costs

The State will not pay any cost associated with the preparation, submittal, presentation, or evaluation of any proposal.

## Sec. 6.07 Disclosure of Proposal Contents

All proposals and other material submitted become the property of the State of Alaska and may be returned only at the State's option. AS 40.25.110 requires public records to be open to reasonable inspection. All proposal information, including detailed price and cost information, will be held in confidence during the evaluation process and prior to the time a Notice of Intent to Award is issued. Thereafter, proposals will become public information.

Trade secrets and other proprietary data contained in proposals may be held confidential if the offeror requests, in writing, that the procurement officer does so, and if the procurement officer agrees, in writing, to do so. The offeror's request must be included with the proposal, must clearly identify the information they wish to be held confidential, and include a statement that sets out the reasons for confidentiality. Unless the procurement officer agrees in writing to hold the requested information confidential, that information will also become public after the Notice of Intent to Award is issued.

## Sec. 6.08 Assignment

Per 2 AAC 12.480, the contractor may not transfer or assign any portion of the contract without prior written approval from the procurement officer.

## Sec. 6.09 Disputes

A contract resulting from this RFP is governed by the laws of the State of Alaska. If the contractor has a claim arising in connection with the agreement that it cannot resolve with the State by mutual agreement, it shall pursue the claim, if at all, in accordance with the provisions of AS 36.30.620 – AS 36.30.632. To the extent not otherwise governed by the preceding, the claim shall be brought only in the Superior Court of the State of Alaska and not elsewhere.

## Sec. 6.10 Severability

If any provision of the contract or agreement is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected; and, the rights and obligations of the parties will be construed and enforced as if the contract did not contain the particular provision held to be invalid.

## Sec. 6.11 Supplemental Terms and Conditions

Proposals must comply with Section 6.05: Right of Rejection. However, if the State fails to identify or detect supplemental terms or conditions that conflict with those contained in this RFP or that diminish the State's rights under any contract resulting from the RFP, the term(s) or condition(s) will be considered null and void. After award of contract:

- if conflict arises between a supplemental term or condition included in the proposal and a term or condition of the RFP, the term or condition of the RFP will prevail; and
- if the State's rights would be diminished as a result of application of a supplemental term or condition included in the proposal, the supplemental term or condition will be considered null and void.

## Sec. 6.12 Federal Requirements

The US Department of Labor requires all state agencies that are expending federal funds to have a certification filed in the proposal (by the offeror) that they have not been debarred or suspended from doing business with the federal government. Certification regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions, included as Attachment 5, must be completed and submitted with your proposal.

## Sec. 6.13 Contract Invalidation

If any provision of this contract is found to be invalid, such invalidation will not be construed to invalidate the entire contract.

## Sec. 6.14 Solicitation Advertising

Public notice has been provided in accordance with 2 AAC 12.220.

## Section 7. Appendices and Attachments

### **Appendices (included within this document):**

- 1) Cost Proposal
- 2) Certification Regarding Debarment
- 3) RFP Checklist
- 4) Proposal Evaluation Form
- 5) Standard Agreement Form - Appendices A - E

### **Attachments (included as separate documents):**

- 1) Reports Matrix
- 2) Performance Incentive Targets
- A) DHSS IT Response Matrix
- B) DHSS Information Technology Standards
- C) Person Service WSDL
- D) Data Destruction Information and References
- E) DHSS NIST Controls Template

## Sec. 7.01 Appendix 1 - Cost Proposal

### Cost Proposal

The purpose of the cost proposal format below is to allow offerors to submit pricing in a consistent manner that the State can evaluate and score. The cost proposal will be used to establish a billing/payment plan in the resultant contract.

Offerors are to complete the following template for each of the deliverables. Please list all roles required to fulfill the requirements as set forth in Section 2.04.

Deliverable	Role(s)/ Position(s)	Hourly Rate	Estimated Hours per Year	Annual Estimated Cost	Total Project Cost for Five Years
1. Administer & Coordinate Service Participant Eligibility				\$	\$
2. Operate Service Access & Utilization Process				\$	\$
3. Develop Regional Provider Capacity & Support				\$	\$
4. Conduct Participant Outreach, Communication, & Support				\$	\$
5. Support & Facilitate Provider Quality & Outcome Efforts				\$	\$
6. Provide Data Management Services				\$	\$
7. Provide Claims Processing Functions				\$	\$
8. Provide Necessary Health Information System Requirements				\$	\$
9. Reporting Functionality				\$	\$
<b>Total project for all five years</b>					\$

**Sec. 7.02 Appendix 2 - Certification Regarding Debarment****Certification Regarding Debarment, Suspension, Ineligibility  
and Voluntary Exclusion Lower Tier Covered Transactions**

Expenditures from this contract may involve federal funds. The U.S. Department of Labor requires all state agencies that are expending federal funds to have a certification filed by the contractor that they have not been debarred or suspended from doing business with the federal government. Certification regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions must be signed along with the contract documents.

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98, Section 98.510, Participant's responsibilities. The regulations were published as Part VII of the May 26, 1988 Federal Register (pages 19160-19211).

**Before completing this certification, read the instructions on the following page,  
which are an integral part of the certification.**

1. The prospective recipient of Federal assistance funds certifies, by submission of this bid, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
2. Where the prospective recipient of Federal assistance funds is unable to certify to any of the Statements in this certification, such prospective participant shall attach an explanation to this Proposal.

---

Name and Title of Authorized Representative

---

Signature

---

Date

**Instructions for Certification**

1. By signing and submitting this Proposal, the prospective recipient of Federal assistance funds is providing the certification as set out below.
2. The certification in this class is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective recipient of Federal assistance funds knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the Department of Labor (DOL) may pursue available remedies, including suspension and/or debarment.
3. The prospective recipient of Federal assistance funds shall provide immediate written notice to the person to whom this Proposal is submitted if at any time the prospective recipient of Federal assistance funds learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "Proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this Proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective recipient of Federal assistance funds agrees by submitting this Proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the DOL.
6. The prospective recipient of Federal assistance funds further agrees by submitting this Proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may but is not required to check the List of Parties Excluded from Procurement or Non-procurement Programs.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the DOL may pursue available remedies, including suspension and/or debarment.

## Sec. 7.03 Appendix 3 - RFP Checklist

**Important note to offerors:** This checklist is provided to assist offerors and the Procurement Officer in addressing and/or locating specific requirements identified in this solicitation.

**Offerors must complete and return this form.**

Completion of this form does not guarantee a declaration of responsiveness.

**Offeror's Name:** \_\_\_\_\_

### 1. Contact Information

Proposals must include complete contact information (legal name, dba, address, telephone, email, and website) of the firm submitting the proposal.

Proposals must also include the name and full contact information of the person the State should contact regarding the proposal.

**Evidence is provided on page # \_\_\_\_\_.**

### 2. Offeror's Certification

All proposals must be signed by an individual authorized to bind the offeror to the provisions of this solicitation. Certification must include a statement of compliance with all of the following:

- i. the laws of the State of Alaska;
- j. the applicable portion of the Federal Civil Rights Act of 1964;
- k. the Equal Employment Opportunity Act and the regulations issued thereunder by the federal government;
- l. all terms and conditions set out in this solicitation;
- m. a condition that the proposal submitted was independently arrived at, without collusion, under penalty of perjury;
- n. that the offers will remain open and valid for at least 90 days; and
- o. that programs, services, and activities provided to the general public under the resulting contract conform with the Americans with Disabilities Act of 1990, and the regulations issued thereunder by the federal government.

If any offeror fails to comply with a - h of this paragraph, the State reserves the right to disregard the proposal, terminate the contract, or consider the contractor in default.

**Evidence is provided on page # \_\_\_\_\_.**

### 3. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions

Each proposal must include a signed debarment certification form, included in Section 7.02.

**Evidence is provided on page # \_\_\_\_\_.**

### 4. Minimum Qualifications

The offeror, and any subcontractors, must provide verifiable proof of meeting the minimum prior experience requirements described in Section 1.04. Dates/timelines must be included.



**Evidence is provided on page #\_\_\_\_\_.**

**5. Vendor Tax ID**

A valid Vendor Tax ID must be submitted with the proposal or within five days of the State's request.

**Evidence is provided on page #\_\_\_\_\_.**

**6. Alaska Business License**

The offeror, and any subcontractors, hold a valid Alaska business license, or will obtain one. (Proof of business license is required prior to contract award if any of the services will take place in Alaska).

**Evidence is provided on page #\_\_\_\_\_.**

**7. Statement requesting application of any eligible preferences.**

Certain preferences apply to all contracts for professional services, including the Alaska Bidder, Alaska Veteran, and Alaska Offeror preferences. In order to receive a qualified preference, a statement indicating which preferences are applicable must be included in the proposal. The State may request evidence in support of the preference.

Information regarding available preferences and the required qualifications is located at the State of Alaska Division of General Service's website: <http://doa.alaska.gov/dgs/pdf/pref1.pdf>

**Evidence is provided on page #\_\_\_\_\_.**

**8. Cost Proposal Submitted Separately**

The cost proposal must be submitted separately from the narrative proposal, either as a separate PDF if submitted via email, or in a separate, sealed envelope if submitted via mail/in person.

No portion of the cost proposal may be included within the body of the narrative proposal.

The Cost Proposal must be completed and submitted at the same time as the proposal, and both must be received by the State prior to the submission deadline.

**Did the offeror submit the cost proposal separately?    yes / no**

## Sec. 7.04 Appendix 4 - Proposal Evaluation Form

All proposals will be reviewed for responsiveness and then evaluated using the criteria set out herein.

The total number of points used to score each proposal is 1,000.

Person or Firm Name: \_\_\_\_\_

Initials of Proposal Evaluation (PEC) Member: \_\_\_\_\_

Date of Review: \_\_\_\_\_

RFP Number: 190000012

### **Evaluation Criteria and Scoring**

The total number of points used to score this proposal is 1,000

#### **4.01 Understanding of the Project – 15% (150 points)**

1) How well has the offeror demonstrated an understanding of the purpose and scope of the project?

**Evaluator's Notes:** \_\_\_\_\_

\_\_\_\_\_

2) How well has the offeror identified pertinent issues and potential problems related to the project?

**Evaluator's Notes:** \_\_\_\_\_

\_\_\_\_\_

3) To what degree has the offeror demonstrated an understanding of the deliverables the State expects it to provide?

**Evaluator's Notes:** \_\_\_\_\_

\_\_\_\_\_

4) Has the offeror demonstrated an understanding of the State's time schedule and can they meet it?

Evaluator's Notes: \_\_\_\_\_  
\_\_\_\_\_

Evaluator's Point Total for 4.01: \_\_\_\_\_

#### 4.02 Methodology – 15% (150 points)

- 1) How comprehensive is the methodology and does it depict a logical and achievable approach to fulfilling the requirements of the RFP?

Evaluator's Notes: \_\_\_\_\_  
\_\_\_\_\_

- 2) How well does the methodology match and achieve the objectives set out in the RFP?

Evaluator's Notes: \_\_\_\_\_  
\_\_\_\_\_

- 3) Does the methodology interface with the time schedule in the RFP?

Evaluator's Notes: \_\_\_\_\_  
\_\_\_\_\_

Evaluator's Point Total for 4.02: \_\_\_\_\_

#### 4.03 Management Plan – 20% (200 points)

- 1) How well does the management plan support all of the project requirements and logically lead to the deliverables required in the RFP?

Evaluator's Notes: \_\_\_\_\_  
\_\_\_\_\_

- 2) Is the organization of the project team clear, and does it illustrate the lines of authority and communication?

**Evaluator's Notes:** \_\_\_\_\_

\_\_\_\_\_

- 3) Does it appear that the offeror can meet the schedule set out in the RFP?

**Evaluator's Notes:** \_\_\_\_\_

\_\_\_\_\_

- 4) To what degree is the proposal practical and feasible?

**Evaluator's Notes:** \_\_\_\_\_

\_\_\_\_\_

- 5) To what extent has the offeror identified potential problems?

**Evaluator's Notes:** \_\_\_\_\_

\_\_\_\_\_

**Evaluator's Point Total for 4.03:** \_\_\_\_\_

#### **4.04 Experience and Qualifications – 20% (200 points)**

- 1) How successful is the general history of the firm regarding timely and successful completion of projects?

**Evaluator's Notes:** \_\_\_\_\_

\_\_\_\_\_

- 2) How extensive is the applicable education and experience of the personnel designated to work on the project?

**Evaluator's Notes:** \_\_\_\_\_

\_\_\_\_\_

3) How well has the offeror described examples and methodology of previous, related work?

**Evaluator's Notes:** \_\_\_\_\_

\_\_\_\_\_

4) How applicable and rounded is the offeror's additional preferred experience, as indicated in Section 1.04? (community development, architectural/engineering, mental health public agencies, business needs within Municipality of Anchorage, planning goals of DOC & DHSS).

**Evaluator's Notes:** \_\_\_\_\_

\_\_\_\_\_

5) If a subcontractor will perform work on the contract, how well do they measure up to the evaluation used for the offeror?

**Evaluator's Notes:** \_\_\_\_\_

\_\_\_\_\_

**Evaluator's Point Total for 4.04:** \_\_\_\_\_

**Evaluator's Combined Point Total for Sections 4.01 - 4.04:** \_\_\_\_\_

The total points possible for the combined sections 4.01 – 4.04 are 700.

The remaining 300 points are allocated to cost (200), and the Alaska Offeror Preference (100).

## Sec. 7.05 Appendix 5 - Standard Agreement Form (with Appendices)

**STANDARD AGREEMENT FORM FOR PROFESSIONAL SERVICES**

The parties' contract comprises this Standard Agreement Form, as well as its referenced Articles and their associated Appendices

1. Agency Contract Number		2. Contract Title	
3. Vendor Number		4. IRIS CT Number	5. Alaska Business License Number
This contract is between the State of Alaska,			
6. Department of Health & Social Services		Division	hereafter the State, and
7. Contractor  hereafter the contractor			
Mailing Address	Street or P.O. Box	City	State ZIP+4
<p>8. <b>ARTICLE 1. Appendices:</b> Appendices referred to in this contract and attached to it are considered part of it.</p> <p><b>ARTICLE 2. Performance of Service:</b></p> <p>2.1 Appendix A governs the performance of services under this contract.</p> <p>2.2 Appendix B sets forth the liability and insurance provisions of this contract.</p> <p>2.3 Appendix C sets forth the services to be performed by the contractor.</p> <p>2.4 Appendix D sets forth the provision for payment.</p> <p>2.5 Appendix E governs the use of Protected Health Information under this contract.</p> <p>2.6 Appendix F confirms the contractor is in good legal standing with the federal government.</p> <p><b>ARTICLE 3. Period of Performance:</b> The period of performance for this contract begins _____, and ends _____.</p> <p><b>ARTICLE 4. Considerations:</b></p> <p>4.1 In full consideration of the contractor's performance under this contract, the State shall pay the contractor a sum not to exceed \$_____ in accordance with the provisions of Appendix D.</p>			
9. Department of Health & Social Services		Attention: Division of Finance & Management Services	
Mailing Address P.O. Box 110650, Juneau, Alaska 99811-0650		Attention: Grants & Contracts Support Team	
<b>10. CONTRACTOR</b>		<p>12. <b>CERTIFICATION:</b> I certify that the facts herein and on supporting documents are correct, that this voucher constitutes a legal charge against funds and appropriations cited, that sufficient funds are encumbered to pay this obligation, or that there is a sufficient balance in the appropriation cited to cover this obligation. I am aware that to knowingly make or allow false entries or alternations on a public record, or knowingly destroy, mutilate, suppress, conceal, remove or otherwise impair the verity, legibility or availability of a public record constitutes tampering with public records punishable under AS 11.56.815-.820. Other disciplinary action may be taken up to and including dismissal.</p>	
Name of Firm			
Signature of Authorized Representative	Date		
Typed or Printed Name of Authorized Representative			
Title			
<b>11. CONTRACTING AGENCY</b>		Signature of Head of Contracting Agency or Designee	
Department/Division Health & Social Services	Date	Date	
Signature of Project Director		Typed or Printed Name	
Typed or Printed Name of Project Director		Title	
Title			

NOTICE: This contract has no effect until signed by the head of contracting agency or designee.

## **Appendix A**

### **General Provisions**

**Article 1. Definitions.**

- 1.1 In this contract and appendices, "Project Director" or "Agency Head" or "Procurement Officer" means the person who signs this contract on behalf of the Requesting Agency and includes a successor or authorized representative.
- 1.2 "State Contracting Agency" means the department for which this contract is to be performed and for which the Commissioner or Authorized Designee acted in signing this contract.

**Article 2. Inspections and Reports.**

- 2.1 The department may inspect, in the manner and at reasonable times it considers appropriate, all the contractor's facilities and activities under this contract.
- 2.2 The contractor shall make progress and other reports in the manner and at the times the department reasonably requires.

**Article 3. Disputes.**

- 3.1 If the contractor has a claim arising in connection with the contract that it cannot resolve with the State by mutual agreement, it shall pursue the claim, if at all, in accordance with the provisions of AS 36.30.620 – 632.

**Article 4. Equal Employment Opportunity.**

- 4.1 The contractor may not discriminate against any employee or applicant for employment because of race, religion, color, national origin, or because of age, disability, sex, marital status, changes in marital status, pregnancy or parenthood when the reasonable demands of the position(s) do not require distinction on the basis of age, disability, sex, marital status, changes in marital status, pregnancy, or parenthood. The contractor shall take affirmative action to insure that the applicants are considered for employment and that employees are treated during employment without unlawful regard to their race, color, religion, national origin, ancestry, disability, age, sex, marital status, changes in marital status, pregnancy or parenthood. This action must include, but need not be limited to, the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship. The contractor shall post in conspicuous places, available to employees and applicants for employment, notices setting out the provisions of this paragraph.
- 4.2 The contractor shall state, in all solicitations or advertisements for employees to work on State of Alaska contract jobs, that it is an equal opportunity employer and that all qualified applicants will receive consideration for employment without regard to race, religion, color, national origin, age, disability, sex, marital status, changes in marital status, pregnancy or parenthood.
- 4.3 The contractor shall send to each labor union or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding a notice advising the labor union or workers' compensation representative of the contractor's commitments under this article and post copies of the notice in conspicuous places available to all employees and applicants for employment.
- 4.4 The contractor shall include the provisions of this article in every contract, and shall require the inclusion of these provisions in every contract entered into by any of its subcontractors, so that those provisions will be binding upon each subcontractor. For the purpose of including those provisions in any contract or subcontract, as required by this contract, "contractor" and "subcontractor" may be changed to reflect appropriately the name or designation of the parties of the contract or subcontract.
- 4.5 The contractor shall cooperate fully with State efforts which seek to deal with the problem of unlawful discrimination, and with all other State efforts to guarantee fair employment practices under this contract, and promptly comply with all requests and directions from the State Commission for Human Rights or any of its officers or agents relating to prevention of discriminatory employment practices.
- 4.6 Full cooperation in paragraph 4.5 includes, but is not limited to, being a witness in any proceeding involving questions of unlawful discrimination if that is requested by any official or agency of the State of Alaska; permitting employees of the contractor to be witnesses or complainants in any proceeding involving questions of unlawful discrimination, if that is requested by any official or agency of the State of Alaska; participating in meetings; submitting periodic reports on the equal employment aspects of present and future employment; assisting inspection of the contractor's facilities; and promptly complying with all State directives considered essential by any office or agency of the State of Alaska to insure compliance with all federal and State laws, regulations, and policies pertaining to the prevention of discriminatory employment practices.
- 4.7 Failure to perform under this article constitutes a material breach of contract.

**Article 5. Termination.**

The Project Director, by written notice, may terminate this contract, in whole or in part, when it is in the best interest of the State. In the absence of a breach of contract by the contractor, the State is liable only for payment in accordance with the payment provisions of this contract for services rendered before the effective date of termination.

**Article 6. No Assignment or Delegation.**

The contractor may not assign or delegate this contract, or any part of it, or any right to any of the money to be paid under it, except with the written consent of the Project Director and the Agency Head.

**Article 7. No Additional Work or Material.**

No claim for additional services, not specifically provided in this contract, performed or furnished by the contractor, will be allowed, nor may the contractor do any work or furnish any material not covered by the contract unless the work or material is ordered in writing by the Project Director and approved by the Agency Head.

**Article 8. Independent Contractor.**

The contractor and any agents and employees of the contractor act in an independent capacity and are not officers or employees or agents of the State in the performance of this contract.

**Article 9. Payment of Taxes.**

As a condition of performance of this contract, the contractor shall pay all federal, State, and local taxes incurred by the contractor and shall require their payment by any Subcontractor or any other persons in the performance of this contract. Satisfactory performance of this paragraph is a condition precedent to payment by the State under this contract.

**Article 10. Ownership of Documents.**

All designs, drawings, specifications, notes, artwork, and other work developed in the performance of this agreement are produced for hire and remain the sole property of the State of Alaska and may be used by the State for any other purpose without additional compensation to the contractor. The contractor agrees not to assert any rights and not to establish any claim under the design patent or copyright laws. Nevertheless, if the contractor does mark such documents with a statement suggesting they are trademarked, copyrighted, or otherwise protected against the State's unencumbered use or distribution, the contractor agrees that this paragraph supersedes any such statement and renders it void. The contractor, for a period of three years after final payment under this contract, agrees to furnish and provide access to all retained materials at the request of the Project Director. Unless otherwise directed by the Project Director, the contractor may retain copies of all the materials.

**Article 11. Governing Law; Forum Selection**

This contract is governed by the laws of the State of Alaska. To the extent not otherwise governed by Article 3 of this Appendix, any claim concerning this contract shall be brought only in the Superior Court of the State of Alaska and not elsewhere.

**Article 12. Conflicting Provisions.**

Unless specifically amended and approved by the Department of Law, the terms of this contract supersede any provisions the contractor may seek to add. The contractor may not add additional or different terms to this contract; AS 45.02.207(b)(1). The contractor specifically acknowledges and agrees that, among other things, provisions in any documents it seeks to append hereto that purport to (1) waive the State of Alaska's sovereign immunity, (2) impose indemnification obligations on the State of Alaska, or (3) limit liability of the contractor for acts of contractor negligence, are expressly superseded by this contract and are void.

**Article 13. Officials Not to Benefit.**

Contractor must comply with all applicable federal or State laws regulating ethical conduct of public officers and employees.

**Article 14. Covenant Against Contingent Fees.**

The contractor warrants that no person or agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee except employees or agencies maintained by the contractor for the purpose of securing business. For the breach or violation of this warranty, the State may terminate this contract without liability or in its discretion deduct from the contract price or consideration the full amount of the commission, percentage, brokerage or contingent fee.

**Article 15. Compliance.**

In the performance of this contract, the contractor must comply with all applicable federal, state, and borough regulations, codes, and laws, and be liable for all required insurance, licenses, permits and bonds.

**Article 16. Force Majeure:**

The parties to this contract are not liable for the consequences of any failure to perform, or default in performing, any of their obligations under this Agreement, if that failure or default is caused by any unforeseeable Force Majeure, beyond the control of, and without the fault or negligence of, the respective party. For the purposes of this Agreement, Force Majeure will mean war (whether declared or not); revolution; invasion; insurrection; riot; civil commotion; sabotage; military or usurped power; lightning; explosion; fire; storm; drought; flood; earthquake; epidemic; quarantine; strikes; acts or restraints of governmental authorities affecting the project or directly or indirectly prohibiting or restricting the furnishing or use of materials or labor required; inability to secure materials, machinery, equipment or labor because of priority, allocation or other regulations of any governmental authorities.



## Appendix B<sup>2</sup>

### Indemnity and Insurance

#### Article 1. Indemnification

The Contractor shall indemnify, hold harmless, and defend the contracting agency from and against any claim of, or liability for error, omission or negligent act of the Contractor under this agreement. The Contractor shall not be required to indemnify the contracting agency for a claim of, or liability for, the independent negligence of the contracting agency. If there is a claim of, or liability for, the joint negligent error or omission of the Contractor and the independent negligence of the Contracting agency, the indemnification and hold harmless obligation shall be apportioned on a comparative fault basis. “Contractor” and “Contracting agency”, as used within this and the following article, include the employees, agents and other contractors who are directly responsible, respectively, to each. The term “independent negligence” is negligence other than in the Contracting agency’s selection, administration, monitoring, or controlling of the Contractor and in approving or accepting the Contractor’s work.

#### Article 2. Insurance

Without limiting contractor's indemnification, it is agreed that contractor shall purchase at its own expense and maintain in force at all times during the performance of services under this agreement the following policies of insurance. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. If the contractor's policy contains higher limits, the state shall be entitled to coverage to the extent of such higher limits. Certificates of Insurance must be furnished to the contracting officer prior to beginning work and must provide for a notice of cancellation, non-renewal, or material change of conditions in accordance with policy provisions. Failure to furnish satisfactory evidence of insurance or lapse of the policy is a material breach of this contract and shall be grounds for termination of the contractor's services. All insurance policies shall comply with and be issued by insurers licensed to transact the business of insurance under AS 21.

**2.1 Workers' Compensation Insurance:** The Contractor will provide a letter stating that they work independently; therefore have no need to carry Workers Compensation coverage.

**2.2 Commercial General Liability Insurance:** covering all business premises and operations used by the Contractor in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per claim.

**2.3 Commercial Automobile Liability Insurance:** covering all vehicles used by the Contractor in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per claim.

**2.4 Professional Liability Insurance:** covering all errors, omissions or negligent acts in the performance of professional services under this agreement.

Limits required per the following schedule:

Contract Amount	Minimum Required Limits
Under \$100,000	\$ 300,000 per Claim / Annual Aggregate
\$ 100,000 - \$499,999	\$ 500,000 per Claim / Annual Aggregate
\$ 500,000 - \$999,999	\$1,000,000 per Claim / Annual Aggregate
\$ 1,000,000 or over	Refer to Risk Management

**Appendix E**  
**State of Alaska Department of Health & Social Services**  
**Health Insurance Portability and Accountability Act of 1996 ("HIPAA")**  
**Business Associate Agreement**

This HIPAA Business Associate Agreement is between the State of Alaska, Department of Health and Social Services (“Covered Entity” or “CE”) and \_\_\_\_\_ (“Business Associate” or “BA”).

**RECITALS**

Whereas,

- A. CE wishes to disclose certain information to BA, some of which may constitute Protected Health Information ("PHI");
- B. It is the goal of CE and BA to protect the privacy and provide for the security of PHI owned by CE that is disclosed to BA or accessed, received, stored, maintained, modified or retained by BA in compliance with HIPAA (42 U.S.C. 1320d – 3120d-8) and its implementing regulations at 45 C.F.R. 160 and 45 C.F.R. 164 (the “Privacy and Security Rule”), the Health Information Technology for Economic and Clinical Health Act of 2009 (P.L. 111-5) (the “HITECH Act”), and with other applicable laws;
- C. The purpose and goal of the HIPAA Business Associate Agreement ("BAA") is to satisfy certain standards and requirements of HIPAA, HITECH Act, and the Privacy and Security Rule, including but not limited to 45 C.F.R. 164.502(e) and 45 C.F.R. 164.504(e), as may be amended from time to time;

**Therefore**, in consideration of mutual promises below and the exchange of information pursuant to the BAA, CE and BA agree as follows:

1. Definitions.

- a. General: As used in this BAA, the terms "Protected Health Information," "Health Care Operations," and other capitalized terms have the same meaning given to those terms by HIPAA, the HITECH Act and the Privacy and Security Rule. In the event of any conflict between the mandatory provisions of HIPAA, the HITECH Act or the Privacy and Security Rule, and the provisions of this BAA, HIPAA, the HITECH Act or the Privacy and Security Rule shall control. Where the provisions of this BAA differ from those mandated by HIPAA, the HITECH Act or the Privacy and Security Rule but are nonetheless permitted by HIPAA, the HITECH Act or the Privacy and Security Rule, the provisions of the BAA shall control.
- b. Specific:
  - 1) Business Associate: “Business Associate” or “BA” shall generally have the same meaning as the term “business associate” at 45 C.F.R. 160.103.
  - 2) Covered Entity: “Covered Entity” or “CE” shall have the same meaning as the term “covered entity” at 45 C.F.R. 160.103.
  - 3) Privacy and Security Rule: “Privacy and Security Rule” shall mean the Privacy, Security, Breach Notification, and Enforcement Rules at 45 C.F.R. Part 160 and Part 164.

2. Permitted Uses and Disclosures by Business Associate.

- a. BA may only use or disclose PHI for the following purposes: in the rendering of services as described in Appendix C of this document.
- b. BA may use or disclose PHI as required by law.
- c. BA agrees to make uses and disclosures and requests for PHI consistent with CE's minimum necessary policies and procedures.
- d. BA may not use or disclose PHI in a manner that would violate Subpart E of 45 C.F.R. Part 164 if done by CE, except for the specific uses and disclosures set out below.
- e. BA may disclose PHI for the proper management and administration of BA or to carry out the legal responsibilities of BA, provided the disclosures are required by law, or BA obtains reasonable assurances from the person to whom the information is disclosed that the information will remain confidential and used or further disclosed only as required by law or for the purposes for which it was disclosed to the person, and the person notified BA of any instances of which it is aware in which the confidentiality of the information has been breached.
- f. BA may provide data aggregation services related to the health care operations of CE.

3. Obligations of Business Associate.

- a. Permitted uses and disclosures: BA may only use and disclose PHI owned by the CE that it creates, receives, maintains, or transmits if the use or disclosure is in compliance with each applicable requirement of 45 C.F.R. 164.504(e) of the Privacy Rule or this BAA. The additional requirements of Subtitle D of the HITECH Act contained in Public Law 111-5 that relate to privacy and that are made applicable with respect to Covered Entities shall also be applicable to BA and are incorporated into this BAA.

To the extent that BA discloses CE's PHI to a subcontractor, BA must obtain, prior to making any such disclosure: (1) reasonable assurances from the subcontractor that it will agree to the same restrictions, conditions, and requirements that apply to the BA with respect to such information; and (2) an agreement from the subcontractor to notify BA of any Breach of confidentiality, or security incident, within two business days of when it becomes aware of such Breach or incident.

- b. Safeguards: 45 C.F.R. 164.308 (administrative safeguards), 164.310 (physical safeguards), 164.312 (technical safeguards), and 164.316 (policies, procedures and documentation requirements) shall apply to BA in the same manner that such sections apply to CE, and shall be implemented in accordance with HIPAA, the HITECH Act, and the Privacy and Security Rule. The additional requirements of Title XIII of the HITECH Act contained in Public Law 111-5 that relate to security and that are made applicable to Covered Entities shall also apply to BA and are incorporated into this BAA.

Unless CE agrees in writing that this requirement is infeasible with respect to certain data, BA shall secure all paper and electronic PHI by encryption or destruction such that the PHI is rendered unusable, unreadable or indecipherable to unauthorized individuals; or secure paper, film and electronic PHI in a manner that is consistent with guidance issued by the Secretary of the United States Department of Health and Human Services specifying the technologies and methodologies that render PHI unusable, unreadable or indecipherable to unauthorized individuals, including the use of standards developed under Section 3002(b)(2)(B)(vi) of the Public Health Service Act, as added by Section 13101 of the HITECH Act contained in Public Law 111-5.

BA shall patch its operating system and all applications within two weeks of the release of any patch. BA shall keep its antivirus and antimalware installed and active. BA shall limit its use of administrative accounts for IT operations only.

- c. Reporting Unauthorized Disclosures and Breaches: During the term of this BAA, BA shall notify CE within 24 hours of discovering a Breach of security; intrusion; or unauthorized acquisition, access, use or disclosure of CE's PHI in violation of any applicable federal or state law, including security incidents. BA shall identify for the CE the individuals whose unsecured PHI has been, or is reasonably believed to have been, Breached so that CE can comply with any notification requirements if necessary. BA shall also indicate whether the PHI subject to the Breach; intrusion; or unauthorized acquisition, access, use or disclosure was encrypted or destroyed at the time. BA shall take prompt corrective action to cure any deficiencies that result in Breaches of security; intrusion; or unauthorized acquisition, access, use, and disclosure. BA shall fulfill all breach notice requirements unless CE notifies BA that CE will take over the notice requirements. BA shall reimburse CE for all costs incurred by CE that are associated with any mitigation, investigation and notice of Breach CE undertakes or provides under HIPAA, HITECH Act, and the Privacy and Security Rule as a result of a Breach of CE's PHI caused by BA or BA's subcontractor or agent.

If the unauthorized acquisition, access, use or disclosure of CE's PHI involves only Secured PHI, BA shall notify CE within 10 days of discovering the Breach but is not required to notify CE of the names of the individuals affected.

- d. BA is not an agent of CE.
- e. BA's Agents: If BA uses a subcontractor or agent to provide services under this BAA, and the subcontractor or agent creates, receives, maintains, or transmits CE's PHI, the subcontractor or agent shall sign an agreement with BA containing substantially the same provisions as this BAA and further identifying CE as a third-party beneficiary with rights of enforcement and indemnification from the subcontractor or agent in the event of any violation of the subcontractor or agent agreement. BA shall mitigate the effects of any violation of that agreement.
- f. Availability of Information to CE: Within 15 days after the date of a written request by CE, BA shall provide any information necessary to fulfill CE's obligations to provide access to PHI under HIPAA, the HITECH Act, or the Privacy and Security Rule.
- g. Accountability of Disclosures: If BA is required by HIPAA, the HITECH Act, or the Privacy or Security Rule to document a disclosure of PHI, BA shall make that documentation. If CE is required to document a disclosure of PHI made by BA, BA shall assist CE in documenting disclosures of PHI made by BA so that CE may respond to a request for an accounting in accordance with HIPAA, the HITECH Act, and the Privacy and Security Rule. Accounting records shall include the date of the disclosure, the name and if known, the address of the recipient of the PHI, the name of the individual who is subject of the PHI, a brief description of the PHI disclosed and the purpose of the disclosure. Within 15 days of a written request by CE, BA shall make the accounting record available to CE.
- h. Amendment of PHI: Within 30 days of a written request by CE or an individual, BA shall amend PHI maintained, transmitted, created or received by BA on behalf of CE as directed by CE or the individual when required by HIPAA, the HITECH Act or the Privacy and Security Rule, or take other measures as necessary to satisfy CE's obligations under 45 C.F.R. 164.526.
- i. Internal Practices: BA shall make its internal practices, books and records relating to the use and disclosure of CE's PHI available to CE and all appropriate federal agencies to determine CE's and BA's compliance with HIPAA, the HITECH Act and the Privacy and Security Rule.

- j. Risk Assessment: BA shall biennially conduct a thorough assessment of the potential risks to and vulnerabilities of the confidentiality, integrity, and availability of CE's PHI that BA receives, stores, transmits, or has access to, and shall provide CE with a written report detailing the results of the assessment within 60 days of completing it.
- k. To the extent BA is to carry out one or more of CE's obligations under Subpart E of 45 C.F.R. Part 164, BA must comply with the requirements of that Subpart that apply to CE in the performance of such obligations.
- l. Audits, Inspection and Enforcement: CE may, after providing reasonable notice to the BA, conduct an inspection of the facilities, systems, books, logs and records of BA that relate to BA's use of CE's PHI, including inspecting logs showing the creation, modification, viewing, and deleting of PHI at BA's level. Failure by CE to inspect does not waive any rights of the CE or relieve BA of its responsibility to comply with this BAA. CE's failure to detect or failure to require remediation does not constitute acceptance of any practice or waive any rights of CE to enforce this BAA.

Notwithstanding BA's obligation to report under paragraph 3.c of this BAA, BA shall provide a monthly report to CE detailing the unauthorized, or reasonable belief of unauthorized, acquisition, access, use, or disclosure of CE's PHI, including any unauthorized creation, modification, or destruction of PHI and unauthorized login attempts. BA shall include privileged and nonprivileged accounts in its audit and report, indicating the unique individual using the privileged account. BA shall also indicate whether CE's PHI subject to unauthorized activity was encrypted or destroyed at the time of the unauthorized activity.

BA shall provide a yearly report to CE that lists the names of all individuals with technical or physical access to CE's PHI and the scope of that access.

- m. Restrictions and Confidential Communications: Within 10 business days of notice by CE of a restriction upon use or disclosure or request for confidential communications pursuant to 45 C.F.R. 164.522, BA shall restrict the use or disclosure of an individual's PHI. BA may not respond directly to an individual's request to restrict the use or disclosure of PHI or to send all communication of PHI to an alternate address. BA shall refer such requests to the CE so that the CE can coordinate and prepare a timely response to the requesting individual and provide direction to the BA.
  - n. Indemnification: BA shall indemnify and hold harmless CE for any civil or criminal monetary penalty imposed on CE or monetary settlement reached by CE for acts or omissions in violation of HIPAA, the HITECH Act, or the Privacy or Security Rule that are committed by BA, a member of its workforce, its agent, or its subcontractor.
4. Obligations of CE. CE will be responsible for using legally appropriate safeguards to maintain and ensure the confidentiality, privacy and security of PHI transmitted to BA under the BAA until the PHI is received by BA. CE will not request BA to use or disclose PHI in any manner that would not be permissible under HIPAA, the HITECH Act or the Privacy and Security Rule if done by CE.
5. Termination.
- a. Breach: A breach of a material term of the BAA by BA that is not cured within a reasonable period of time will provide grounds for the immediate termination of the contract.
  - b. Reasonable Steps to Cure: In accordance with 45 C.F.R. 164.504(e)(1)(ii), CE and BA agree that, if it knows of a pattern of activity or practice of the other party that constitutes a material breach or violation of the other party's obligation under the BAA, the nonbreaching party will take reasonable steps to get the breaching party to cure

the breach or end the violation and, if the steps taken are unsuccessful, terminate the BAA if feasible, and if not feasible, report the problem to the Secretary of the U.S. Department of Health and Human Services.

- c. Effect of Termination: Upon termination of the contract, BA will, at the direction of the CE, either return or destroy all PHI received from CE or created, maintained, or transmitted on CE's behalf by BA in any form. Unless otherwise directed, BA is prohibited from retaining any copies of PHI received from CE or created, maintained, or transmitted by BA on behalf of CE. If destruction or return of PHI is not feasible, BA must continue to extend the protections of this BAA to PHI and limit the further use and disclosure of the PHI. The obligations in this BAA shall continue until all of the PHI provided by CE to BA is either destroyed or returned to CE.
6. Amendment. The parties acknowledge that state and federal laws relating to electronic data security and privacy are evolving, and that the parties may be required to further amend this BAA to ensure compliance with applicable changes in law. Upon receipt of a notification from CE that an applicable change in law affecting this BAA has occurred, BA will promptly agree to enter into negotiations with CE to amend this BAA to ensure compliance with changes in law.
7. Ownership of PHI. For purposes of this BAA, CE owns the data that contains the PHI it transmits to BA or that BA receives, creates, maintains or transmits on behalf of CE.
8. Litigation Assistance. Except when it would constitute a direct conflict of interest for BA, BA will make itself available to assist CE in any administrative or judicial proceeding by testifying as witness as to an alleged violation of HIPAA, the HITECH Act, the Privacy or Security Rule, or other law relating to security or privacy.
9. Regulatory References. Any reference in this BAA to federal or state law means the section that is in effect or as amended.
10. Interpretation. This BAA shall be interpreted as broadly as necessary to implement and comply with HIPAA, the HITECH Act, the Privacy and Security Rule and applicable state and federal laws. The parties agree that any ambiguity in BAA will be resolved in favor of a meaning that permits the CE to comply with and be consistent with HIPAA, the HITECH Act, and the Privacy and Security Rule. The parties further agree that where this BAA conflicts with a contemporaneously executed confidentiality agreement between the parties, this BAA controls.
11. No Private Right of Action Created. This BAA does not create any right of action or benefits for individuals whose PHI is disclosed in violation of HIPAA, the HITECH Act, the Privacy and Security Rule or other law relating to security or privacy.

**In witness thereof**, the parties hereto have duly executed this BAA as of the effective date.