



RFP 2023-1600-0138

Appendix B: Service Level Agreements (SLAs)

Each service level agreement (SLA) presented in this attachment established the performance standards required by the State in a particular area. SLAs found in this attachment are:

1. Member Eligibility & Relations
2. Benefit Packages
3. Provider Enrollment & Relations
4. Reference Databases
5. Service Authorization
6. Claims Processing
7. Claims Payment
8. Financial Services
9. Data Warehouse (DW)/Decision Support System (DSS)
10. Reporting
11. Management & Operational Requirements
12. Contract Management
13. Management of System Change
14. Other Requirements
15. Emergency Planning

Failure to achieve any performance standard may, at the discretion of the State, result in financial offsets applied to the monthly operating fee in which the infraction occurred.

Monthly Reporting

The offeror is wholly responsible for monitoring performance against the SLAs within this RFP. This report is due on the 10th day of each month, and must provide Monthly Reporting for the prior month's performance. The offeror must make available all reports and/or data used in the determination of SLA compliance and the calculation of performance. If necessary, the offeror may provide additional explanation around performance for the State's review and consideration. The offeror must submit a Corrective Action Plan to the State for review and approval for any performance standard missed for two consecutive months. Corrective Action Plans must be submitted within ten (10) business days of the missed SLA.

1. Service Level Agreement: Member Eligibility & Relations	
The offeror is to provide member eligibility and relations support as defined in this RFP.	
The offeror is to ensure member eligibility support meets the following performance standards:	
Performance Standard	Offset
Update the member eligibility database with electronically received data and provide DOH with update and error reports within twenty-four (24) hours of receipt of the update. (Depending on receipt from Department of Public Assistance (DPA))	0.5% reduction of the monthly operating fee
(Member eligibility database) Validate, then start the load for the eligibility file within two (2) hours of receipt. (e.g. high-level manual validation to ensure non-blank file, no obvious pre-load issues, reasonable record counts, etc.)	0.5% reduction of the monthly operating fee
Load eligibility data as received from DPA within a 99% accuracy rate on electronic eligibility file updates.	0.5% reduction of the monthly operating fee
Complete a monthly reconciliation of the eligibility data in the MMIS with the balance file from DPA extension, pharmacy point of sale processing systems, and other downstream systems. Reconciliation reports are due within forty-eight (48) hours of the extension file loads.	0.25% reduction of the monthly operating fee
Complete daily CMS buy-in processing/data exchanges in accordance with federal and State timeliness requirements. (Interoperability)	0.5% reduction of the monthly operating fee
2. Service Level Agreement: Benefit Packages	
The offeror is to provide benefit packages support as defined in this RFP.	
The offeror is to ensure benefit packages support meets the following performance standards:	
Performance Standard	Offset
Ensure that the benefit packages are loaded and available in the MMIS to allow correct claim payment within twenty-four (24) hours of receipt from BPA.	0.5% reduction of the monthly operating fee
3. Service Level Agreement: Provider Enrollment & Relations	
The offeror is to provide provider enrollment and relations support as defined in this RFP.	
The offeror is to ensure provider enrollment support meets the following performance standards:	
Performance Standard	Offset
Update provider data received electronically within one (1) business day of receipt of file.	0.25% reduction of the monthly operating fee
Identify and correct errors within one (1) business day of error detection.	0.25% reduction of the monthly operating fee
Refer to the State all licensing transactions that fail the update process and cannot be resolved by Contractor staff pursuant to edit update rules or State-approved procedures within two (2) business days of attempted error resolution.	0.25% reduction of the monthly operating fee
Provide sufficient in-bound access lines so that AVR users are connected with the AVR system within three (3) rings at least ninety-nine percent (99%) of the time.	0.25% reduction of the monthly operating fee

Receive AVR response within ten (10) seconds of entry of required information at least ninety-nine (99%) of the time, except during approved maintenance windows.	0.25% reduction of the monthly operating fee
Provide sufficient in-bound access lines so that AVR users receive a busy signal less than five percent (5%) of the time.	0.25% reduction of the monthly operating fee
Alert appropriate department, Fiscal Agent, and System vendor staff within thirty (30) minutes of becoming aware of an event causing AVR system failure.	0.25% reduction of the monthly operating fee
4. Service Level Agreement: Reference Databases	
The offeror is to provide reference databases support, which includes those functions necessary to provide accurate coding and pricing information for use by the claims processing system.	
The offeror is to ensure reference databases support meets the following performance standards:	
Performance Standard	Offset
Update the drug compendium database on a weekly basis.	0.5% reduction of the monthly operating fee
(Reference Databases) Identify and correct errors within one (1) business day of error detection.	0.25% reduction of the monthly operating fee
5. Service Level Agreement: Service Authorization	
The offeror is to provide service authorization support as defined in this RFP.	
The offeror must ensure service authorization support meets the following performance standards:	
Performance Standard	Offset
Complete all service authorization interface updates within one (1) business day of receipt of a file if there are no critical errors.	0.5% reduction of the monthly operating fee
Generate all error reports within one (1) business day of the service authorization interface or file update.	0.25% reduction of the monthly operating fee
6. Service Level Agreement: Claims Processing	
The offeror is to provide claims processing as defined in this RFP.	
The offeror must ensure the claims processing function meets the following performance standards:	
Performance Standard	Offset
Ninety-nine-point nine percent (99.9%) of all clean electronic claims must be adjudicated for payment, denial, or budget relief within 72 hours of receipt.	0.5% reduction of the monthly operating fee
For claims submitted via the Internet, return an electronic receipt and/or notification within the HIPAA Operating Rule standards. (HIPAA Operating Rules define the percentages and criteria)	0.5% reduction of the monthly operating fee
One hundred percent (100%) of claims processed in error must be reprocessed within ten (10) business days of identification of the error or upon a schedule approved by the State.	0.5% reduction of the monthly operating fee
Respond within HIPAA Operating Rule standards to provide a HIPAA-compliant acknowledgement transaction response approved by the State when errors occur in the interchange envelope of HIPAA-compliant electronic transaction batch transmissions.	0.5% reduction of the monthly operating fee
Upon receipt of HIPAA-compliant electronic transaction set batch transmissions, respond within HIPAA Operating Rule standards to provide	0.5% reduction of the monthly operating fee

positive and negative acknowledgement response for each segment within the HIPAA transaction.	
Upon receipt of all other electronic batch transmissions, respond within HIPAA Operating Rule standards to provide positive or negative acknowledgement response.	0.5% reduction of the monthly operating fee
7. Service Level Agreement: Claims Payment	
The offeror is to provide claims payment support as defined in this RFP. The offeror must ensure claims payment support meets the following performance standards:	
Performance Standard	Offset
Ensure that system payment cycle reports are available for use by 8:00 a.m. on the day following the final payment processing cycle.	1% reduction of the monthly operating fee
Transmit the warrant file and accounting interface file to DOA by 2:00 p.m. on the day following the final payment processing cycle.	1% reduction of the monthly operating fee
Transmit EFT transaction file to Treasury by close of business on the day following the final payment cycle processing.	1% reduction of the monthly operating fee
8. Service Level Agreement: Financial Services	
The offeror is to provide financial services support as defined in the RFP. The offeror must ensure financial services support meets the following performance standards:	
Performance Standard	Offset
Produce and transmit to the Department of Administration (DOA) a warrant/EFT file and an accounting interface file in the format specified by DOA after each payment cycle for processing in the State accounting system (IRIS). This accounting interface must be bidirectional to allow for receipt of information regarding the status of warrants which supports the bank account reconciliation process.	0.5% reduction of the monthly operating fee
Maintain the automated system for follow-up on outstanding warrants, including receipt and processing of the redeemed warrant file from DOA, capability to delete, adjust, and correct transactions entered in error, and automatic production of letters to providers for warrants which have not been redeemed after 30 and 60 days.	0.25% reduction of the monthly operating fee
9. Service Level Agreement: Data Warehouse (DW)/Decision Support System (DSS)	
The offeror is to provide a DW/DSS function which provides analytical and decision-making capabilities to data users and the tools to extract and analyze data as defined in the RFP. The offeror must ensure DW/DSS support meets the following performance standards:	
Performance Standard	Offset
Updates to the DW/DSS must occur by 8:00 am of the following day. No more than two late occurrences per month are allowed. This includes ETL processing.	0.5% reduction of the monthly operating fee
Balancing and validation reports must be prepared and submitted to DOH to demonstrate the DW/DSS update was successful on a daily basis.	0.25% reduction of the monthly operating fee
10. Service Level Agreement: Reporting	

<p>The offeror is to provide reports as defined in this RFP. Reporting is to be defined as the processes, activities, and deliverables associated with regular reporting.</p> <p>The offeror must ensure reporting meets the following performance standards:</p>	
Performance Standard	Offset
Balancing reports are to be provided to DOH within two (2) business days after completion of the MARS production run.	0.5% reduction of the monthly operating fee
Ninety-eight percent (98%) accuracy is required on all MMIS reports. The offeror is expected to identify and correct any errors on reports.	0.5% reduction of the monthly operating fee
(Reporting) For report errors identified by DOH, the offeror has ten (10) business days to correct the error.	0.5% reduction of the monthly operating fee
(Reporting) Meet all required CMS deadlines for submission of required federal reports, such as T-MSIS, PERM, etc.	1% reduction of the monthly operating fee
11. Service Level Agreement: Management & Operational Requirements	
<p>The offeror is to provide management functions and operational tasks that the Contractor will be responsible for performing during on-going operations of the contract as defined in this RFP.</p> <p>The offeror is to ensure management and operational tasks meet the following performance standards:</p>	
Performance Standard	Offset
For any performance service level standard falling below the State-specified level for two (2) consecutive months, investigate and audit identified problems in a timely manner and propose an acceptable solution to DOH (corrective action plan) within 10 business days of notice of the problem or the time frame negotiated with the State.	0.5% reduction of the monthly operating fee
Identify any other operational or system deficiencies and provide the State with a 1) report of the problem within one business day of discovery, and 2) corrective action plan within ten (10) business days of discovery of a problem.	0.5% reduction of the monthly operating fee
DOH may request a corrective action plan at any time. Provide the State with a 1) report of the problem within one business day of request, and 2) corrective action plan within ten (10) business days of request.	0.5% reduction of the monthly operating fee
12. Service Level Agreement: Contract Management	
<p>The offeror is to provide contract management which encompasses functions necessary to manage the system operations and to report to DOH on the status of these operational activities.</p> <p>The offeror is to ensure contract management meets the following performance standards:</p>	
Performance Standard	Offset
Notify the State within two (2) business days of becoming aware of any contractual obligations not being met. Provide the State with 1) a report of the problem within one business day, and 2) a corrective action plan within ten (10) business days.	0.5% reduction of the monthly operating fee
13. Service Level Agreement: Management of System Change	
<p>The offeror is to provide management of change support as defined in the RFP.</p>	

The offeror is to ensure management of change support meets the following performance standards:	
Performance Standard	Offset
Based on receipt of system enhancements requests approved by DOH staff, prepare the project SOW according to the above listed specifications. Respond to enhancement requests within fifteen (15) working days of receipt.	0.5% reduction of the monthly operating fee
Notify DOH of system problems identified by the Contractor within twenty-four (24) hours of identification of the problem.	0.5% reduction of the monthly operating fee
Respond to system maintenance modification requests within ten (10) working days except for emergency requests for which a response is due within twenty-four (24) hours of receipt of the request. For more complex requests this response will be an acknowledgement and a detailed analysis of the scope of the request at the programmer level with an initial research and analysis findings report, including the level of effort and schedule for completion.	0.5% reduction of the monthly operating fee
For system enhancements, present the State with an SOW for approval within fifteen (15) working days of receipt except for emergency system change requests for which a response is due within twenty-four (24) hours of receipt. The Contractor may request an extension if the request requires major system redesign.	0.5% reduction of the monthly operating fee
Provide training to State, Fiscal Agent, and offeror staff on system changes, upgrades, and or other enhancements within two (2) weeks of the upgrade.	0.5% reduction of the monthly operating fee
Ninety percent (90%) of schedule and cost estimates for system enhancements must be submitted within 10 business days after receiving request, and 100% must be submitted within 30 business days.	0.5% reduction of the monthly operating fee
Maintain a ninety percent (90%) compliance rate in providing complete acceptance testing packages that meet the standards described under Contractor responsibilities.	0.5% reduction of the monthly operating fee
Maintain a ninety-five percent (95%) accuracy rate on documentation updates. Accuracy is defined as documentation that correctly and completely describes the system processing and any associated manual operations.	0.5% reduction of the monthly operating fee
Provide monthly reports on the status of system maintenance and modification activities by the fifth calendar day of the month for activity completed in the previous month.	0.5% reduction of the monthly operating fee
Provide VeraCode code scanning items. System modification and enhancement code scans must show proof of no medium, high or very high risks. VeraCode scanning must be done monthly to capture new risks and be reported by the fifth calendar day of the following month.	0.5% reduction of the monthly operating fee
14. Service Level Agreement: Other Requirements	
The offeror is to provide other requirements support which include data processing activities, standards, procedures, and other supporting functions as defined in the RFP.	
The offeror is to ensure other requirements support meets the following performance standards:	
Performance Standard	Offset
(System Reliability) Communicate planned downtime due to upgrades or routine maintenance to DOH thirty (30) calendar days prior to downtime.	0.5% reduction of the monthly operating fee

<p>(System Reliability) The system must be available for processing to meet all production schedules, and for user inquiry, update, and ad-hoc queries twenty-four (24) hours per day, seven days a week except for regularly scheduled maintenance.</p> <p>If the system is anticipated to be down for more than twenty-four (24) hours, DOH will expect the Contractor to employ the procedural steps necessary to switch to a backup system. Migration to the backup system shall begin no later than 24 hours after an unplanned outage begins, unless mutually agreed-up with DOH.</p>	<p>The following offsets shall apply:</p> <p>\$5,000 per hour after the first 4 hours of outage through 72 hours.</p> <p>\$6,000 per hour from 72 hours through 168 hours</p> <p>\$7,000 per hour from beyond/169 hours</p>
<p>DOH and the offeror will mutually develop no less than five (5) representative operational queries and performance expectations during the Clarification Period that the offeror will run and report on automatically each day to verify/validate that the system response times are acceptable for end-users (queries, screen to screen, data entry, file transmissions, etc.)</p>	<p>1% reduction of the monthly operating fee</p>
<p>(System Reliability) Production of the warrant file must not be delayed for more than twenty-four (24) hours from the normal schedule.</p>	<p>1% reduction of the monthly operating fee</p>
<p>(Software Version Control) All critical security patches must be applied within 72 hours of critical patch availability.</p>	<p>1% reduction of the monthly operating fee</p>
<p>15. Service Level Agreement: Emergency Planning</p>	
<p>The offeror is to provide emergency planning support as defined in the RFP.</p> <p>The offeror is to ensure emergency planning support meets the following performance standards:</p>	
<p>Performance Standard</p>	<p>Offset</p>
<p>Weekly Back-up: The offeror must establish and maintain on a weekly basis an adequate and secure back-up for all computer software and operating programs, databases and systems, operations, and user documentation in a secure and accessible manner.</p>	<p>1% reduction of the monthly operating fee</p>
<p>Daily Back-up: The offeror must establish and maintain on a daily basis an adequate and secure back-up for all computer software and operating programs, databases and systems, operations, and user documentation that can be changed daily. The backups must be maintained at a secure off-site location in an organized and controlled manner.</p>	<p>1% reduction of the monthly operating fee</p>
<p>16. Service Level Agreement: Priority Tracking Log</p>	
<p>The offeror is to resolve the top specific performance issues (up to three) identified by the State each month in a timely manner.</p> <p>The offeror is to ensure the named Critical Personnel will work to resolve priority issues identified by the State regardless of whether the issue is related solely to the scope herein, or the offeror's larger book of business.</p>	
<p>Performance Standard</p>	<p>Offset</p>
<p>The State will identify up to 3 top issues for resolution. Each issue will be tracked until resolved, or until the State removes the item from the priority list.</p>	<p>0.5% reduction of the monthly operating fee for each priority issue unresolved after 90 days</p>