

# STATE OF ALASKA REQUEST FOR PROPOSALS



## MEDICAID PAYMENT METHODOLOGY EVALUATION

REQUEST FOR PROPOSALS (RFP) 2024-1600-0223

ISSUED MARCH 4, 2024

THE ALASKA DEPARTMENT OF HEALTH IS SEEKING A CONTRACTOR TO PERFORM A COMPREHENSIVE  
EVALUATION OF ALASKA MEDICAID PAYMENT METHODOLOGIES.

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ISSUED BY:

DEPARTMENT OF HEALTH  
COMMISSIONER'S OFFICE

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OFFERORS ARE NOT REQUIRED TO RETURN THIS FORM.

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## SECTION 1. INTRODUCTION & INSTRUCTIONS

### SEC. 1.01 PURPOSE OF THE RFP

The Alaska Department of Health (DOH) is soliciting proposals from qualified contractors for a comprehensive evaluation of Alaska Medicaid payment methodologies and for ongoing maintenance and ad hoc consultation for a period after the evaluation to support post implementation of any changes to the methodologies resulting from this contract. The payment methodology evaluation's intent is to conduct a patient-centric assessment that is focused on promoting access to care for all Alaskans, including those with complex needs, in a fee-for-service Medicaid environment.

### SEC. 1.02 BUDGET

This project will be completed in two phases. DOH estimates a budget of no more than \$2 million for the completion of the first phase, and \$2.6 million for the second phase. **Proposals priced at more than \$4.6 million will be considered non-responsive, and the state expects offerors to be competitive as possible with their proposed costs.**

Payment for the contract is subject to funds already appropriated and identified.

### SEC. 1.03 DEADLINE FOR RECEIPT OF PROPOSALS

Proposals must be received no later than **2:00 p.m.** Alaska Time on **March 26, 2024**. Late proposals will be disqualified and not opened or accepted for evaluation.

### SEC. 1.04 MANDATORY REQUIREMENTS

To be considered responsive for this RFP, an offeror must meet the mandatory minimum experience requirements that are provided in **Submittal Form D – Mandatory Requirements**. Failure to meet all these requirements will result in immediate disqualification.

### SEC. 1.05 REQUIRED REVIEW

Offerors should carefully review this solicitation for defects and questionable or objectionable material. Comments concerning defects and questionable or objectionable material should 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 proposal and exposure of offeror's proposals upon which award could not be made.

### SEC. 1.06 QUESTIONS PRIOR TO DEADLINE FOR RECEIPT OF PROPOSALS

All questions must be in writing and directed to the procurement officer and least ten days before the deadline for receipt of proposals. The interested party must confirm telephone conversations in writing.

Two types of questions generally arise. One may be answered by directing the questioner to a specific section of the RFP. These questions may be answered over the telephone. Other questions may be more complex and may require a written amendment to the RFP. The procurement officer will make that decision.

## SEC. 1.07 RETURN INSTRUCTIONS

Offerors must submit their proposals via email. The technical proposal and cost proposal must be saved as separate documents and emailed to [doh.procurement.proposals@alaska.gov](mailto:doh.procurement.proposals@alaska.gov) as separate, clearly labeled attachments. The email must contain the RFP number in the subject line.

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.

Please note that email transmission is not instantaneous. Similar to sending a hard copy proposal, if you are emailing your proposal, the state recommends sending it enough ahead of time to ensure the email is delivered by the deadline for receipt of proposals.

It is the offeror's responsibility to contact the above email address to confirm that the proposal has been received. The state is not responsible for unreadable, corrupt, or missing attachments.

## SEC. 1.08 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. 1.09 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. 1.10 AMENDMENTS TO THE RFP

If an amendment is issued before the deadline for receipt of proposals, it will be provided to all who were notified of the RFP and to those who have registered with the procurement officer after receiving the RFP from the State of Alaska Online Public Notice website.

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. 1.11 RFP SCHEDULE

The RFP schedule below represents the State'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 accordingly.

ACTIVITY	TIME	DATE
RFP Released		March 4, 2024
Pre-Proposal Conference		March 8, 2024
Deadline for Questions		March 15, 2024
Proposal Due Date		March 26, 2024

Proposal Evaluations Complete		Week of April 1, 2024
Interviews Start		April 8, 2024
Negotiations Start		April 15, 2024
Notice of Intent to Award		April 22, 2024
Contract Issued		May 2, 2024

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, 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. 1.12 PRE-PROPOSAL CONFERENCE

A virtual pre-proposal conference will be held from **9 a.m. – 10 a.m. Alaska Time on March 8, 2024**. The purpose of the conference is to discuss the work to be performed with the prospective offerors and allow them to ask questions concerning the RFP.

Link: [Click here to join the meeting](#)

Or call in (audio only):

**(907) 202-7104**

**Phone Conference ID: 447 750 852#**

To obtain the greatest benefit from this meeting, offerors are strongly encouraged to have their direct supervisory personnel/critical project team members attend (in lieu of executives, business development, or sales personnel). Offerors with a disability needing accommodation should contact the procurement officer prior to the date set for the pre-proposal conference so that reasonable accommodation can be made. alternate proposals

## SEC. 1.13 ALTERNATE PROPOSALS

Offerors may only submit one proposal for evaluation. In accordance with 2 AAC 12.830 alternate proposals (proposals that offer something different than what is asked for) will be rejected.

## SEC. 1.14 NEWS RELEASES

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

## SECTION 2. BACKGROUND INFORMATION

### SEC. 2.01 BACKGROUND INFORMATION

Approximately one third of Alaskans rely on Medicaid to access important services. Medicaid is a joint state/federal program that finances health insurance based on income and family size to some individuals and families, including children, parents, people who are pregnant, elderly people with certain incomes, and people with disabilities. Through a state/federal agreement, the federal government pays a percentage of the cost for services provided. Alaska's Medicaid is a "fee for service" reimbursement model, which pays providers for each specific service provided to a specific recipient. The range of services available depends on provider collaboration to build capacity and coordinate care.

The State of Alaska administers the Medicaid program as well as six Medicaid waiver programs. The Centers for Medicare & Medicaid Services (CMS) through Medicaid waiver programs gives states the flexibility to redesign and improve Medicaid services and programs by waiving normal Medicaid requirements.

- The Division of Behavioral Health (DBH) manages the 1115 Substance Use Disorder and Behavioral Health Services waiver (waiver), an extensive demonstration project which is required to meet federal budget neutrality rules. The waiver expands the array of services available to address substance use disorder and behavioral health needs, with a particular focus on preventive and early intervention. The renewal request for the waiver was submitted on March 1, 2023.
- The Division of Senior and Disabilities Services (SDS) administers five Section 1915(c) waivers, which authorize states to provide home and community-based services as an alternative to institutional care in nursing homes, intermediate care facilities for individuals with intellectual disabilities, and hospitals. The services provided in these waivers complement Medicaid state plan services:
  - Individuals with Intellectual and Developmental Disabilities (IDD) waiver serves about 2,100 children and adults who meet the criteria for level of care at an Intermediate Care Facility for Individuals with Intellectual Disabilities (ICF-IID).
  - Alaskans Living Independently (ALI) waiver serves about 2,000 seniors and adults with physical disabilities who meet the criteria for level of care at a nursing facility.
  - Adults with Physical and Developmental Disabilities (APDD) waiver serves about 125 adults who have both intellectual and physical disabilities who meet the criteria for nursing facility level of care.
  - Children with Complex Medical Conditions (CCMC) waiver serves about 250 children with severe, chronic physical conditions who would receive long-term care in a facility for more than 30 days per year and who have prolonged dependency on medical care or technology to maintain well-being.
  - Individualized Supports Waiver (ISW) is Alaska's newest 1915(c) waiver, introduced in 2018. In July 2023 this waiver was renewed for its second five-year cycle. The waiver serves 600 recipients, ages 3 and up, who meet the criteria for level of care at an Intermediate Care Facility for Individuals with Intellectual Disabilities (ICF-IID) and is the only Waiver with a cost limit.

The partnership between Tribal Health Organizations and the state is essential in providing services to beneficiaries. This system is critical in providing access to care to Alaskans. The DOH works closely and collaboratively with the Tribal health system including:

- Maximizing enhanced federal funding for American Indian and Alaska Native peoples through the Tribal reclaiming process.

- Collaborating with the Tribes on various initiatives and DOH programs.

Along with close collaboration, the DOH engages in formal Tribal consultation on issues impacting the Medicaid program.

The contract would require evaluation of Alaska's Medicaid payment methodologies, with first priority given to the Phase 1 rate setting methodologies for behavioral health, long term services and supports, Federally Qualified Health Centers (FQHC), and non-emergency medical transportation. At the state's discretion, the contractor may be directed to engage in evaluation of Alaska Medicaid's payment methodologies for additional Phase 2 service categories as set out below. However, the state reserves the right to issue subsequent future RFP(s) to solicit proposals for work associated with the Phase 2 service categories.

A document containing current Alaska Medicaid provider counts has been included as an attachment to this RFP, titled **SFY2024 Active AK Medicaid Provider Counts**.

## SEC. 2.02 GOALS AND OBJECTIVES

The state is seeking a contractor to assist in thoroughly evaluating multiple rate-setting methodology options (e.g., cost-based rates, prospective payment systems, value-based arrangements, modeled rates) to contribute to establishing transparent Alaska Medicaid payment methodologies that:

1. Promote access to healthcare for all Alaskans from a rate setting perspective, and support budget sustainability through advancing efficient and effective care.
2. Account for the unique challenges associated with delivering services to diverse populations with complex needs (e.g., youth, elderly, etc.).
3. Consider Alaska's unique geographical and regional complexities.
4. Consider Alaska's substantial Tribal Health Organizations and intersection with Alaska Medicaid.
5. Result in rates that are sufficient to meet workforce recruitment and retention needs and provider resources.
6. Ease administrative burden for the state and the provider community.
7. Allow for regular review, maintenance, and updates to reflect changing costs and resources in the Alaska health care market.



## SECTION 3. SCOPE OF WORK & CONTRACT INFORMATION

### SEC. 3.01 SCOPE OF WORK

The contracted firm will be experienced in actuarial and financial modeling for complex health systems and will be engaged to conduct a review of the rate methodologies for certain Alaska Medicaid services and identify opportunities to further improve and align those methodologies with the DOH's priorities. The contractor will have a demonstrated track record of understanding federal (CMS) requirements, state Medicaid programs and regulations, audit and compliance risk management, cost report development, audit and review experience validating submitted costs and other data, operationalization of rate reimbursement methodologies in both state plan and waiver settings with a particular focus on reimbursement systems within a fee-for-service Medicaid environment, and accounting for Tribal health components. The contractor must ensure proposed rate methodologies are actuarially sound and in compliance with applicable CMS requirements and state or federal laws or requirements, including proposed rules slated to take effect during the life of the contract.

The contractor will evaluate Alaska's Medicaid payment methodologies and provide individual reports detailing recommendations and considerations for each Phase 1 service category listed below. **At DOH's discretion, the contractor may be directed to work on the Phase 2 service categories listed below. The state reserves the right to direct the contractor to work on some, all, or none of the Phase 2 service categories. The state reserves the right to issue subsequent future RFP(s) for a contractor to evaluate rate methodologies for the Phase 2 service categories.** The intent of this evaluation is to conduct an assessment focused on ensuring access to care for all Alaskans, including those with complex needs, in a fee-for-service Medicaid environment.

The contractor must also provide end-to-end support for the evaluation, development, and implementation of rate setting methodologies listed below. This includes, but may not be limited to:

1. Review of existing methodologies and how those compare to other states.
2. Development of methodology options to consider that will achieve the state's goals.
3. A comprehensive fiscal and actuarial analysis.
4. Facilitation of workgroups centered around each service category comprised of individuals with direct relevant experience or knowledge (e.g., providers, provider organizations, Tribal Health Organizations).
5. Robust stakeholder engagement for each of the different rate methodologies including providing the technical assistance, training, and administrative support for multiple stakeholder meetings or other events.
6. Development and execution of a comprehensive communication and outreach plan.
7. The solicitation of feedback and public comment.
8. Support for implementation through the development of a comprehensive implementation plan including training for Medicaid staff and stakeholders.
9. Development of data collection tools, cost reports (if necessary), or other administrative requirements necessary to implement the rate methodologies.
10. Technical assistance necessary to support the results of the project including state plan, waiver, or regulatory changes and consultation with Tribal organizations and CMS.
11. Ongoing maintenance and ad hoc consultation for a period of time after the evaluation to support post implementation of any changes to the methodologies.

The contractor must consider the impact on service delivery method and whether the change will impact access to care, quality of care, and quantity of specific services, also taking into account state and regional-specific

considerations. For example, when proposing a methodology for a one-on-one service provision, the contractor's analysis must consider whether proposed rate changes would dis/incentivize group services.

The contractor must use a collaborative approach which integrates meaningful stakeholder engagement into the process and supports the partnership between the DOH and stakeholders. This includes convening and meeting with focused workgroups to highlight areas of specific need or concern and to identify challenges to be considered or addressed (e.g., service delivery to youth vs. adult populations).

The contractor must provide recommendations of specific methodologies or proposals to support providers in working with complex needs individuals, including but not limited to targeted acuity rates, adjustments, or add-ons for specific circumstances or needs (including geographic differentials).

As part of the rate development process, the contractor must document all assumptions made as part of the rate development process along with all other data, materials, and methodologies used.

Each recommendation must be supported by delivery of any necessary tools and/or resources and processes to allow timely implementation of recommendations (such as, but not limited to, proposed changes to administrative rules, state plan amendments, system changes, billing manual revisions, provider surveys and reporting forms and proposed timeframes for each step needed).

The contractor must also consider and provide recommendations for how the state can leverage existing resources as well as detail any additional resources necessary to effectively monitor and analyze implementation.

### **Phase 1: Service Categories**

During Phase 1, the contractor will focus on and complete rate methodologies for the following types of Medicaid services, arranged and further referenced, as four distinct service categories:

#### **A. Behavioral Health (includes both State Plan and 1115 waiver services), including:**

- i. Community Behavioral Health
- ii. Applied Behavior Analysis (Autism)
- iii. Psychiatric Residential Treatment Facilities (PRTF)
- iv. Crisis Stabilization Services, including peer support services
- v. Adult and Children's Residential Treatment
- vi. Certified Community Behavioral Health Centers (CCBHC)

#### **B. Long Term Services and Supports, including:**

- i. 1915(c) Home and Community-Based waiver services, including care coordination and environmental modifications
- ii. 1905 (a) Personal Care Services
- iii. 1915(k) Community First Choice services
- iv. LTSS Targeted Case Management
- v. The Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) Program
- vi. Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID)

#### **C. Federally Qualified Health Centers (FQHC), including:**

- i. Prospective Payment System (PPS) rate
- ii. Alternative Payment Methodology

**D. Non-Emergency Medical Transportation, including:**

- i. Ground and Air Ambulance
- ii. Taxi
- iii. Paratransit Services
- iv. Accommodation Services

**Phase 2: Service Categories**

At the state’s discretion, the contractor may be directed to engage in evaluation of Alaska Medicaid’s payment methodologies for additional service categories as set out below. The state may group these services into distinct service categories or areas of focus. The state reserves the right to direct the contractor to work on some, all, or none of these service categories.

- A.** Facility Services (e.g., Inpatient, Outpatient)
- B.** Professional Services
- C.** Emergency Medical Transportation
- D.** Dental Services
- E.** Other Medicaid Rate Methodologies (e.g., Durable Medical Equipment, Pharmacy, School-Based Services)

**SEC. 3.02 DELIVERABLES**

The contractor must complete the scope of work and provide the following deliverables. Note that if the state directs the contractor to work on Phase 2 of the project, the deliverables will remain the same for that phase, with the exception that there are **five** services categories for Phase 2 (**A, B, C, D, E** – and Submittal Form F – Cost Proposal reflects this).

**Deliverable 1 – Workplan**

The contractor will develop and provide a workplan articulating how they will complete the methodology evaluation and recommendation for each category of service being evaluated. The workplan must consider current rebasing schedules. The workplan should leverage opportunities to work concurrently on each service category while also establishing staggered deadlines that will result in efficient completion of final methodology recommendations. The contractor must provide consistent and timely reporting on workplan progress. The workplan must be approved by the state’s project manager and include at a minimum:

- 1. A timeline (may vary by service category)
- 2. Workplan activities and identification of responsible parties
- 3. Trackable milestones
- 4. Focused workgroup activities
- 5. Opportunities for stakeholder engagement and feedback
- 6. Public comment process

**Deliverable 2 – Initial Research and Stakeholder Engagement Activities**

The contractor will undertake research activities necessary to build the foundation to develop the draft reports for each service category. This includes at a minimum:

1. Research, examination of existing resources, evaluation of current methodologies, and review of state and regional-specific factors that should inform development of the final recommendations.
2. Data collection and review which may include internal state documentation such as cost reports, provider surveys, desk reviews, payment information, audited financial statements, working trial balances, etc., as well collection of external documents such as previously completed reports and documents from provider organizations that may be helpful to inform the project.
3. Establishing and engaging with separate focused workgroups as necessary for each service category. The contractor will provide administrative and technical support for these workgroups including but not limited to:
  - a. Meetings (virtual and/or in-person)
  - b. Website content
  - c. Informational sessions
  - d. Surveys
  - e. Email updates
4. Soliciting feedback and comments from the public and impacted stakeholders through public forum(s).

### **Deliverable 3 – Draft Methodology Reports**

The contractor must develop a report for each of the Phase 1 service categories outlined in the scope of work (**A, B, C, D**). The reports will be developed in a draft form with routine focused workgroup engagement to review and guide the development of the draft document. The contractor will work with the state to establish target timelines for completion of each draft report, beginning with delivery of the draft report for service category A: Behavioral Health no later than December 1, 2024.

Each of the draft reports must contain, at a minimum, the following:

1. Description of the current process in place and relevant background information including Alaska-specific challenges and considerations.
2. Include a summary of the strengths and weaknesses as well as other considerations of the current methodology.
3. Review of other similarly situated (consider geographic, fee-for-service, demographic characteristics, Tribal organizations, etc.) state methodologies and examples that may be relevant to Alaska.
4. Identification and overview of potential methodologies and/or changes to existing methodologies that will achieve the state's goals and is reflective of feedback gained during the workgroup and public engagement process. This should include a comparison of the benefits and drawbacks, or opportunities and risks, to each potential methodology or change.
5. Financial analysis of new potential methodologies and/or changes to existing methodologies including:
  - a. Overall financial impact to the Alaska Medicaid program and any budgetary levers available to the state.
  - b. Aggregate effect on the state general fund.
  - c. Any anticipated or potential future cost savings.
  - d. Detailed analysis of the impact of payment rates by provider type and service type. This analysis should compare options under consideration with the methodologies currently in place.
  - e. Evaluation of regional impacts.
  - f. Analysis should consider the adequacy of the rates to support providers' recruitment, retention, wage, and benefit needs to ensure access to care.
  - g. Impact of federal requirements including Upper Payment Limits (if applicable).

6. Compliance and alignment with relevant federal and state laws, regulations, and requirements.
7. Outline of additional impacts including but not limited to: changes in access to care, financial implications, clinical considerations, quality of care, workforce development, regulatory impacts, regional impacts, and intersection with Tribal Medicaid and Tribal health organizations.
8. Description of the assumptions, data, and methodologies used to develop rate methodology options.
9. Description of the stakeholder engagement and workgroup process and feedback or public comments gained during the process, including discussion of how the feedback gained during the workgroup and public engagement process was incorporated.
10. Assessment of system needs (e.g., software, hardware) and feasibility to implement rate methodology options within existing DOH infrastructure and procedures, or discussion of additional required resources.
11. Other relevant information.
12. Recommendation to the DOH incorporating the information gathered in 1-11.

#### **Deliverable 4 – Final Methodology Reports**

After a draft methodology report for each of the Phase 1 service categories outlined in the scope of work (A, B, C, D) is delivered, it must undergo a public comment and review period. Upon completion of the public comment and review period, incorporation of the results, and consultation with DOH staff, a final draft will be submitted to DOH. This deliverable will be considered complete when the final report is accepted by the project manager.

#### **Deliverable 5 – Implementation and Post Implementation Support**

Upon a DOH decision to move forward with implementation of a new rate methodology or a change to an existing methodology, the contractor will:

1. Develop an implementation plan with proposed timeframes for each step that identifies tools, and resources required, and processes to be changed or updated. This includes, but is not limited to:
  - a. identification of any necessary system changes, regulation changes, administrative rules, policies, and procedures creation and/or updates, billing manual revisions, provider surveys and reporting forms.
  - b. Identification of and assisting with drafting language for amendments needed to the Alaska Medicaid State Plan, federal waivers, or regulatory updates.
  - c. Technology or other purchases that would be helpful for implementation.
2. Apply the selected methodology to establish payment rates for impacted services.
3. Develop training materials and conduct trainings necessary for implementation of payment methodologies. This includes all necessary materials, for:
  - a. Alaska Medicaid staff
  - b. Provider and stakeholder groups
  - c. Alaska Medicaid contractors (MMIS Fiscal Agent and MMIS Systems contractor)

Training materials will be provided to the state for approval prior to the trainings and can be reproduced on implementation and at the state's discretion. Trainings may be hosted by the contractor and will include those training materials and technical assistance.

4. Development of responses to inquiries, ongoing maintenance, and ad hoc consultation for the term of the contract to support post implementation of any changes to the methodologies.
5. Establish post-implementation protocols for gathering stakeholder feedback.

#### **Deliverable 6 – Ongoing or Ad Hoc Service Activities**

1. Weekly meetings with DOH staff
  - a. These meetings will discuss project parameters, progress towards completing the workplan, priorities, methodology development, outreach and engagement strategy, and other activities related to completion of the contractual work.
2. Development of Tools and Resources
  - a. This includes producing Frequently Asked Questions (FAQs); supporting workgroups, maintaining partner and stakeholder contact information and distribution lists; producing flow chart(s) of processes; presentation or other visual materials, and creating decision matrices.
3. Provide technical and subject matter expertise support for consultation with Tribal organizations, CMS, and other stakeholder groups as necessary.

### **SEC. 3.03 CONTRACT TERM**

The length of the contract will be from the date of award to three years afterward, with one optional two-year renewal to be exercised at the sole discretion of the state.

Any extension of the contract beyond the exercised renewal options will be upon mutual agreement between the State and the contractor and effected with a contract amendment processed by the procurement officer and signed by both parties. All other terms and conditions of the contract, including those previously amended, shall remain in full force and effect. Unless otherwise agreed to by both parties, the procurement officer will provide written notice to the contractor of the intent to cancel an extension at least 30 days before the desired date of cancellation.

### **SEC. 3.04 CONTRACT TYPE**

This contract is a firm-fixed price contract as identified in Submittal Form F – Cost Proposal.

### **SEC. 3.05 CONTRACT PAYMENT**

The state will make payments based on deliverables identified in Submittal Form F once payment is approved by the project director. Since some deliverables involve multiple tasks and activities, multiple payments per deliverable may be made based on a negotiated schedule prior to contract signing; accordingly, offerors do not need to propose a payment schedule in their proposal.

The state will pay the contractor based on the hourly rates identified in Submittal Form F – Cost Proposal, up to the not-to-exceed amount for each deliverable. All invoices submitted by the contractor must be itemized as negotiated prior to contract signing or as allowed by the state project director during the course of the contract.

No payments will be made until the contract is approved by the Commissioner of the Department of Health 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. 3.06 LOCATION OF WORK**

The location(s) the work is to be performed, completed, and managed is virtual. The state will not provide workspace for the contractor. The contractor must provide its own workspace.

The contractor will be required to make a minimum of four trips to Alaska during each phase of the project. The timing and specific location of these trips will be determined by the state. At a minimum, the contractor must

send the project manager, though other staff may be required to travel as appropriate. **The contractor must factor into their cost proposal for their deliverable(s) travel costs including transportation, lodging, per diem, and all other costs associated with their travel.**

By signature on their proposal, the offeror certifies that all services provided under this contract by the contractor and all subcontractors shall be performed in the United States.

If the offeror cannot certify that all work will be performed in the United States, the offeror must contact the procurement officer in writing to request a waiver at least 10 days prior to the deadline for receipt of proposals.

The request must include a detailed description of the portion of work that will be performed outside the United States, where, by whom, and the reason the waiver is necessary.

Failure to comply with these requirements may cause the state to reject the proposal as non-responsive or cancel the contract.

### **SEC. 3.07 SUBCONTRACTORS**

Subcontractors may be used to perform work under this contract. If an offeror intends to use subcontractors, the offeror must complete the Submittal Form E – Subcontractors identified in Section 4.02 of this RFP.

An offeror's failure to provide this information with their proposal may cause the state to consider their proposal non-responsive and reject it.

Subcontractor experience will be considered in determining whether the offeror meets the requirements set forth in Submittal Form D – Mandatory Requirements. **Offerors must be specific in Submittal Form D as to which subcontractor(s) defined in Submittal Form E – Subcontractors they are citing to meet the specific requirement listed in Submittal Form D.**

If a proposal with subcontractors is selected, the state may require a signed written statement from each subcontractor that clearly verifies the subcontractor is committed to provide the good or services required by the contract.

The substitution of one subcontractor for another may be made only at the discretion and prior written approval of the project director or procurement officer.

Note that if the subcontractor will not be performing work within Alaska, they will not be required to hold an Alaska business license.

### **SEC. 3.08 JOINT VENTURES**

Joint ventures will not be allowed.

### **SEC. 3.09 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. 3.10 CONTRACT PERSONNEL**

Any change of the project team members or subcontractors named in the proposal must be approved, in advance and in writing, by the project director or procurement officer, and will be at the same hourly rates identified in the proposal. Changes that are not approved by the state may be grounds for the state to terminate the contract.

### **SEC. 3.11 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 or procurement officer may instruct the contractor to make corrections or modifications if needed 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. 3.12 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 procurement officer 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 or the Commissioner's designee.

### **SEC. 3.13 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. 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. 3.14 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.

### SEC. 3.15 INSURANCE REQUIREMENTS

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 procurement 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.

**Workers' Compensation Insurance:** The contractor shall provide and maintain, for all employees engaged in work under this contract, coverage as required by AS 23.30.045, and; where applicable, any other statutory obligations including but not limited to Federal U.S.L. & H. and Jones Act requirements. The policy must waive subrogation against the State.

**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.

**Commercial Automobile Liability Insurance:** covering all vehicles used by the contractor in the performance of services under this agreement with minimum coverage limits of \$1,000,000 combined single limit per claim.

### SEC. 3.16 TERMINATION FOR DEFAULT

If the project director or procurement officer 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 the remaining work.

This clause does not restrict the state's termination rights under the contract provisions of Appendix A, attached along with this RFP.

## SECTION 4. PROPOSAL FORMAT AND CONTENT

### SEC. 4.01 RFP SUBMITTAL FORMS

This RFP contains Submittal Forms, which must be completed by the offeror and submitted as their proposal. An electronic copy of the forms is posted along with this RFP. Offerors shall not re-create these forms, create their own forms, or edit the format structure of the forms unless permitted to do so.

**Unless otherwise specified in this RFP**, the Submittal Forms shall be the offeror's entire proposal. Do not include any marketing information in the proposal.

**Any proposal that does not follow these requirements may be deemed non-responsive and rejected.**

### SEC. 4.02 SPECIAL FORMATTING REQUIREMENTS

The offeror must ensure that their proposal meets all special formatting requirements identified in this section.

**Documents and Text:** All attachment documents must be written in the English language, be single sided, and be single spaced with a minimum font size of 10. Pictures or graphics may be used if the offeror feels it is necessary to communicate their information, however, be aware of the below requirements for page limits.

**Page Limits:** Some Submittal Forms listed below have maximum page limit requirements. Offerors must not exceed the maximum page limits. Note, the page limit applies to the front side of a page only (for example, '1 Page' implies that the offeror can only provide a response on one side of a piece of paper).

Submittal Form	Maximum Page Limits
Submittal Form A – Offeror Information and Certifications	N/A
<b>Submittal Form B – Experience and Qualifications</b>	<b>10</b>
<b>Submittal Form C – Methodology and Management Plan</b>	<b>10</b>
Submittal Form D – Mandatory Requirements	N/A
Submittal Form E – Subcontractors	N/A
Submittal Form F – Cost Proposal	N/A

Any Submittal Form that is being evaluated and does not follow these instructions may receive a '1' score for the evaluated Submittal Form, or the entire response may be deemed non-responsive and rejected. Failure to submit any of the Submittal Forms will result in the proposal being deemed non-responsive and rejected.

### SEC. 4.03 OFFEROR INFORMATION AND CERTIFICATIONS (SUBMITTAL FORM A)

The offeror must complete and submit this Submittal Form. The form must be signed by an individual authorized to bind the offeror to the provisions of the RFP.

By signature on the form, the offeror certifies they comply with the items listed in the Certifications section of the Submittal Form. If the offeror fails to comply with these items, the state reserves the right to disregard the proposal, consider the contractor in default, or terminate the contract.

The Submittal Form also requests the following information:

- a) The complete name and address of offeror's firm along with the offeror's Tax ID.

- b) Information on the person the state should contact regarding the proposal.
- c) Names of critical team members/personnel.
- d) Addenda acknowledgement.
- e) Conflict of interest statement.
- f) Federal requirements.
- g) Alaska preference qualifications.

An offeror's failure to provide this information may cause the proposal to be determined to non-responsive and rejected.

## SEC. 4.04 EXPERIENCE AND QUALIFICATIONS (SUBMITTAL FORM B)

Offerors must provide the following in this Submittal Form:

- A general overview of their experience along with a detailed description of its capabilities and experience related to rate setting methodologies for state Medicaid agencies. Include specific examples, if applicable, of recommendations that were adopted and implemented by a state Medicaid agency.
- Detailed description of their capabilities and experience in actuarial and financial modeling for a Medicaid fee-for-service environment.
- Detailed description of their accounting background, including capabilities and experience related to collecting, analyzing, and developing cost surveys or cost reports, and audit and review experience validating submitted costs and other data as it pertains to rate setting methodologies for state Medicaid agencies.
- Detailed description of their capabilities and experience in large scale, complex Medicaid programs including the development of payment methodologies and alternative rate methodologies.
- Detailed description of their capabilities and experience in ensuring rate methodologies meet applicable state and federal laws or requirements.
- Detailed description of their capabilities and experience in working with states operating fee-for-service Medicaid Programs.
- Detailed description of their capabilities and experience conveying technically complex Medicaid methodologies to lay audiences.
- Detailed description of their capabilities and experience in working collaboratively with Medicaid program stakeholders in the evaluation of programmatic changes.
- Detailed description of their capabilities and experience working with American Indian and Alaska Native (AIAN) Tribal Medicaid.
- Detailed description of their knowledge and understanding of federal Indian health policy around 100% Federal Medical Assistance Percentage (FMAP), other unique payment policies in Tribal health, and requirements for Tribal consultation.
- Detail on the primary project manager's specific experience in projects of a similar nature along with the directly related experience of the overall project team identified in Submittal Form A.

**Separate from this Submittal Form, offerors must also provide resumes for the critical team members identified in Submittal Form A.**

**Offerors must also provide at least two references from other state government Medicaid agencies for projects completed by the offeror of a similar size and scope of work as this RFP.**

- ✓ **Important:** The reference form attached to this RFP, titled RFP 2024-1600-0223 – Reference Form, must be completed by each reference and submitted directly to the procurement officer, not to the offeror. The reference form must be completed by someone who was directly and heavily involved with the related project and not by any third-party representatives or consultants of the agency.

SPECIAL NOTE: The offeror shall not disclose their costs in this Submittal Form. This Submittal Form cannot exceed the page limit (as described in Section 4.02). Note: this page limit does not apply to the resumes and references indicated above.

## **SEC. 4.05 METHODOLOGY AND MANAGEMENT PLAN (SUBMITTAL FORM C)**

Offerors must provide the following in this Submittal Form:

- Comprehensive overview of the methodology that will be used to approach the project, including your proposed timeline.
- Identify how you would incorporate Tribal consultation and stakeholder engagement and feedback into the project management plan.
- Detailed information about the management plan you intend to follow and illustrate how the plan will serve to meet the state's needs. This should include:
  - a) How the offeror will be accountable to the State,
  - b) How the critical team members named in Submittal Form A and the overall project team will be organized, including their titles and the location(s) where work will be performed, clearly illustrating roles and responsibilities, lines of authority and communication, and outline which components of the contract they will be responsible for.
  - c) How the offeror envisions collaboration with the state on this project, and
  - d) How the offeror will successfully engage with stakeholders, including providers, Tribal Health Organizations, and Medicaid beneficiaries/recipients.
- Identify any potential issues, risks, or problems you foresee with this project and how they will be addressed.

SPECIAL NOTE: The offeror shall not disclose their costs in this Submittal Form. This Submittal cannot exceed the page limit (as described in Section 4.02).

## **SEC. 4.06 MANDATORY REQUIREMENTS (SUBMITTAL FORM D)**

Offerors must complete and submit this Submittal Form.

## **SEC. 4.07 SUBCONTRACTORS (SUBMITTAL FORM E)**

If using subcontractors, the offeror must complete and submit this Submittal Form.

#### **SEC. 4.08 COST PROPOSAL (SUBMITTAL FORM F)**

Offerors must complete and submit this Submittal Form. In addition to the travel costs identified in Section 3.06, proposed costs must include all direct and indirect costs associated with the performance of the contract, including, but not limited to, total number of hours at various hourly rates, direct expenses, payroll, supplies, overhead assigned to each person working on the project, percentage of each person's time devoted to the project, and profit. The costs identified on the cost proposal are the total amount of costs to be paid by the state. No additional charges shall be allowed.

## SECTION 5. EVALUATION CRITERIA AND CONTRACTOR SELECTION

### SEC. 5.01 SUMMARY OF EVALUATION PROCESS

The state will use the following steps to evaluate and prioritize proposals:

- 1) Proposals will be assessed for overall responsiveness. Proposals deemed non-responsive will be eliminated from further consideration.
- 2) A proposal evaluation committee (PEC), made up of at least three state employees or public officials, will evaluate specific parts of the responsive proposals.
- 3) The Submittal Forms, from each responsive proposal, will be sent to the PEC. No cost information will be shared or provided to the PEC.
- 4) The PEC will independently evaluate and score the documents based on the degree to which they meet the stated evaluation criteria.
- 5) After independent scoring, the PEC will have a meeting, chaired by the procurement officer, where the PEC may have a group discussion prior to finalizing their scores.
- 6) The evaluators will submit their final individual scores to the procurement officer, who will then compile the scores and calculate awarded points as set out in Section 5.03.
- 7) The procurement officer will calculate scores for cost proposals as set out in Section 5.06 and add those scores to the awarded points along with factoring in any Alaska preferences.
- 8) The procurement officer may prioritize the proposals and the state may conduct interviews with the top-rated offerors.
- 9) The PEC will evaluate and score the interviews and the procurement officer will incorporate these scores into the final prioritization.
- 10) The state may then conduct any necessary negotiations with the highest scoring offeror and award a contract if the negotiations are successful.

### SEC. 5.02 EVALUATION CRITERIA

Proposals will be evaluated based on their overall value to state, considering both cost and non-cost factors as described below. Note: 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.

Overall Criteria	Weight
Responsiveness	Pass/Fail
Mandatory Requirements Compliance (Submittal Form D)	Pass/Fail

Qualifications Criteria	Weight
Experience and Qualifications (Submittal Form B)	200
Methodology and Management Plan (Submittal Form C)	200
Interviews	300
Total	700

Cost Criteria	Weight
Cost Proposal (Submittal Form F)	200

Total	200
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Preference Criteria	Weight
Alaska Offeror Preference (if applicable)	100
Total	100

**TOTAL EVALUATION POINTS AVAILABLE: 1000**

## SEC. 5.03 SCORING METHOD AND CALCULATION

The PEC will evaluate responses against the questions set out in Sections 5.04 through 5.07 and assign a single score for each section. Offerors' responses for each section may be rated comparatively against one another with each PEC member assigning a score of 1, 5, or 10 (with 10 representing the highest score, 5 representing the average score, and 1 representing the lowest score). Responses that are similar or lack dominant information to differentiate the offerors from each other will receive the same score. Therefore, it is the offeror's responsibility to provide dominant information and differentiate themselves from their competitors.

After the PEC has scored each section, the scores for each section will be totaled and the following formula will be used to calculate the amount of points awarded for that section:

- 1) Maximum Points Available / Maximum Combined PEC Score Possible
- 2) Combined PEC Score x Result of 1)

**Example (Maximum Points Available for the Section = 100):**

	PEC Member 1 Score	PEC Member 2 Score	PEC Member 3 Score	PEC Member 4 Score	Combined Total Score	Points Awarded
<b>Offeror 1</b>	10	5	5	10	30	75
<b>Offeror 2</b>	5	5	5	5	20	50
<b>Offeror 3</b>	10	10	10	10	40	100

**Offeror 1** was awarded 75 points:

Maximum Points Available (100)  
 \_\_\_\_\_ = 2.5  
 Maximum Combined PEC Score Possible (40)

Combined PEC Score (30) x 2.5 = Points Awarded (75)

**Offeror 2** was awarded 50 points:

Maximum Points Available (100)  
 \_\_\_\_\_ = 2.5  
 Maximum Combined PEC Score Possible (40)

Combined PEC Score (20) x 2.5 = Points Awarded (50)



**Offeror 3** was awarded 100 points:

$$\frac{\text{Maximum Points Available (100)}}{\text{Maximum Combined PEC Score Possible (40)}} = 2.5$$

Combined PEC Score (40) x 2.5 = Points Awarded (100)

**SEC. 5.04 EXPERIENCE AND QUALIFICATIONS**

This portion of the offeror’s proposal will be evaluated based on how well they provided the information required in RFP Section 4.04 and the level of experience it demonstrates.

**SEC. 5.05 METHODOLOGY AND MANAGEMENT PLAN**

This portion of the offeror’s proposal will be evaluated based on how well they provided the information required in RFP Section 4.05 and whether that methodology and management plan will meet the state’s needs.

**SEC. 5.06 CONTRACT COST (COST PROPOSAL)**

Overall, a minimum of 20% of the total evaluation points will be assigned to cost. After the procurement officer applies any applicable preferences, the offeror with the lowest total cost will receive the maximum number of points allocated to cost per 2 AAC 12.260(c). The point allocations for cost on the other proposals will be determined using the following formula:

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

**Example (Max Points for Contract Cost = 400):**

**Step 1**

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

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

**Step 2**

In this example, the RFP allotted 40% of the available 1,000 points to cost. This means that the lowest cost will receive the maximum number of points.

**Offeror #1 receives 400 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, 400 points.

**Offeror #2 receives 374.3 points.**

$$\$40,000 \text{ lowest cost} \times 400 \text{ maximum points for cost} = 16,000,000 \div \$42,750 \text{ cost of Offeror \#2's proposal} = \mathbf{374.3}$$

**Offeror #3 receives 336.8 points.**

$\$40,000 \text{ lowest cost} \times 400 \text{ maximum points for cost} = 16,000,000 \div \$47,500 \text{ cost of Offeror \#3's proposal} = 336.8$

## SEC. 5.07 APPLICATION OF PREFERENCES

Certain preferences apply to all state contracts, 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. 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 following website:

<https://oppm.doa.alaska.gov/media/1453/pref1.pdf>

- 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.**

**Note that preferences are reserved for an actual offeror submitting a proposal; subcontractors cannot be used to qualify for preferences.**

## SEC. 5.08 ALASKA BIDDER PREFERENCE

An Alaska Bidder Preference of 5% 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 Certification Form

In order to receive the Alaska Bidder Preference, the proposal must include the Alaska Bidder Preference Certification Form attached to this RFP. An offeror does not need to complete the Alaska Veteran Preference questions on the form if not claiming the Alaska Veteran Preference. An offeror's failure to provide this completed form with their proposal will cause the state to disallow the preference.

**SEC. 5.09 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.

In accordance with AS 36.30.321(i), the bidder must also add value by actually performing, controlling, managing, and supervising the services provided, or for supplies, the bidder must have sold supplies of the general nature solicited to other state agencies, other government, or the general public.

**Alaska Veteran Preference Certification**

In order to receive the Alaska Veteran Preference, the proposal must include the Alaska Bidder Preference Certification Form attached to this RFP. An offeror's failure to provide this completed form with their proposal will cause the state to disallow the preference.

**SEC. 5.10 ALASKA OFFEROR PREFERENCE**

Per 2 AAC 12.260, 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, which will be added to the offeror’s overall evaluation score.

**Example:**

**Step 1**

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

1000 Total Points Available in RFP x 10% Alaska Offeror preference = 100 Points for the preference

**Step 2**

Determine which offerors qualify as Alaska bidders and thus, are eligible for the Alaska Offeror preference. For the purpose of this example, presume that all proposals have been completely evaluated based on the evaluation criteria in the RFP. The scores at this point are:

Offeror #1	830 points	No Preference	0 points
Offeror #2	740 points	Alaska Offeror Preference	100 points
Offeror #3	800 points	Alaska Offeror Preference	100 points

**Step 3**

Add the applicable Alaska Offeror preference amounts to the offerors' scores:

Offeror #1	830 points
Offeror #2	840 points (740 points + 100 points)
<b>Offeror #3</b>	<b>900 points (800 points + 100 points)</b>

**Offeror #3** is the top scoring offeror.

**SEC. 5.11 INTERVIEWS OF CRITICAL TEAM MEMBERS**

The state may conduct an individual interview with the primary project manager and a group interview with the critical team members identified in Submittal Form A of the offeror's proposal (the state reserves the right to request additional personnel). All these personnel must attend the interview, and no other individuals from the offeror's organization will be allowed to sit in or participate during the interview sessions. If any of these personnel fail to attend the interview the offeror may be given a "1" score, which may jeopardize the offeror's competitiveness.

Interviews are expected to last approximately 60 minutes, but that time may be increased or decreased at the discretion of the state. Interviewees may not bring notes, presentation materials, or handouts. Interviewees may be prohibited from making any reference to their proposed cost/fees.

Interviewees may be asked questions regarding their experience, knowledge and understanding of the scope of work, obstacles and challenges, strategies, and their plan/approach. The state may request additional information prior to interviews. The PEC will score each interview individually using the 1, 5, 10 scoring method described in Section 5.03, and may have a group discussion prior to finalizing scores.

**SEC. 5.12 OFFEROR NOTIFICATION OF SELECTION**

After the completion of contract negotiation, the procurement officer will issue a written Notice of Intent to Award and send copies of that notice to all offerors who submitted proposals. The notice will list the names of all offerors and identify the offeror selected for award.

## SECTION 6. GENERAL PROCESS AND LEGAL INFORMATION

### SEC. 6.01 INFORMAL DEBRIEFING

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

### SEC. 6.02 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 Preference 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** for information on these licenses. Acceptable evidence that the offeror possesses a valid Alaska business license may consist of any one of the following:

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

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

### SEC. 6.03 STANDARD CONTRACT PROVISIONS

The contractor will be required to sign the state's Standard Agreement Form for Professional Services Contracts (Standard Agreement Form – Appendix A). This form is attached with the RFP for your review. The contractor must comply with the contract provisions set out in this attachment. No alteration of these provisions will be permitted without prior written approval from the Department of Law, and the state reserves the right to reject a proposal that is non-compliant or takes exception with the contract terms and conditions stated in the Agreement. Any requests to change language in this document (adjust, modify, add, delete, etc.), must be set out in the offeror's

proposal in a separate document. Please include the following information with any change that you are proposing:

- 1) Identify the provision that the offeror takes exception with.
- 2) Identify why the provision is unjust, unreasonable, etc.
- 3) Identify exactly what suggested changes should be made.

#### **SEC. 6.04 BUSINESS ASSOCIATE AGREEMENT (BAA)**

DOH has a standard BAA that is included in contracts that may involve Personal Health Information (PHI) covered under the Health Insurance Portability and Accountability (HIPAA) Act. This BAA will be included in the fully executed contract and is attached along with this RFP as HIPAA BAA. Similar to Section 6.03, any request to change language in this document must be set out in the offeror's proposal in a separate document.

#### **SEC. 6.05 QUALIFIED OFFERORS**

Per 2 AAC 12.875, unless provided for otherwise in the RFP, to qualify as an offeror for award of a contract issued under AS 36.30, the offeror must:

- 1) Add value in the contract by actually performing, controlling, managing, or supervising the services to be provided; or
- 2) Be in the business of selling and have actually sold on a regular basis the supplies that are the subject of the RFP.

If the offeror leases services or supplies or acts as a broker or agency in providing the services or supplies in order to meet these requirements, the procurement officer may not accept the offeror as a qualified offeror under AS 36.30.

#### **SEC. 6.06 PROPOSAL AS PART OF THE CONTRACT**

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

#### **SEC. 6.07 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. 6.08 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: <https://www.state.gov/trafficking-in-persons-report/>

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

## SEC. 6.09 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 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;

may be waived by the procurement officer.

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. 6.10 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. 6.11 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 contracting officer does so, and if the contracting 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 contracting 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. 6.12 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. 6.13 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. 6.14 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. 6.15 SUPPLEMENTAL TERMS AND CONDITIONS**

Proposals must comply with Section 6.08 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. 6.16 SOLICITATION ADVERTISING**

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

### **SEC. 6.17 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 make site inspection.

### **SEC. 6.18 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. 6.19 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. 6.20 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 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. 6.21 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."

## SECTION 7. ATTACHMENTS

### SEC. 7.01 ATTACHMENTS

**Attachments to this RFP include:**

- 1) Submittal Forms A - F
- 2) Standard Agreement Form - Appendix A
- 3) DOH HIPAA BAA
- 4) SFY2024 Active AK Medicaid Provider Counts