

Request for Information (RFI)



State of Alaska
Department of Health
Division of Health Care Services

Date Issued: November 14, 2024

ELECTRONIC SERVICE AUTHORIZATION (SA) SOLUTION FOR ALASKA'S MEDICAID MANAGEMENT INFORMATION SYSTEM (MMIS)

Introduction:

The Alaska Department of Health (DOH) Division of Health Care Services (HCS) seeks input from the public regarding an electronic Service Authorization (SA) solution that could be implemented as part of Alaska's Medicaid Management Information System (MMIS). We are seeking a vendor who can integrate an electronic Service Authorization (Prior Authorization) solution within the framework of the existing MMIS solution.

Background Information:

The Alaska Department of Health (DOH) serves as the single State agency responsible for the administration of the Medical Assistance (Medicaid) program. The Division of Health Care Services (HCS) administers the medical, dental, and pharmacy aspects of the Alaska Medicaid program. The Division of Senior and Disability Services (SDS) administers the long-term care, home and community-based waiver, and personal care aspects of the Alaska Medicaid program. And the Division of Behavioral Health (DBH) administers the behavioral health aspects of the Alaska Medicaid program.

The Division of Health Care Services oversees Alaska's Medicaid claims processing through the Medicaid Management Information System (MMIS). The MMIS adjudicates medical, dental, long-term care, home and community-based waiver and personal care claims. The MMIS processes payments for medical dental, long-term care, home and community-based waiver, personal care, and pharmacy claims.

Note: Pharmacy Service Authorizations are not in scope for the purposes of this RFI.

For purposes of this Request for Information (RFI), Service Authorization generally refers to rules imposed by healthcare payers that require approval for a procedure, device, or other medical service to be obtained prior to payment for the item or service. Stakeholders have stated that diverse payer policies, provider workflow challenges, and technical barriers create an environment in which the Service Authorization process is a source of burden for patients, providers, and payers and a health risk for patients when it delays their care.

The immediate need is to reduce the administrative burden and processing time required for manual entry and routing of Service Authorizations for stakeholders whose provision or receipt of care is dependent on expedient Service Authorization processing.

The State is looking for a solution that offers the following features:

- Direct data entry (DDE) of Service Authorization requests - no keying required by State staff
- Configurable rules engine that offers the State flexibility to automate or recommend approvals
- System capability with minimal workflow routing

- Ability for users to track the status of Service Authorizations during the review and approval process
- Conformance to the Centers for Medicare & Medicaid Services (CMS) 2024 Interoperability and Prior Authorization Final Rule

In 2023, Alaska’s Medicaid had annual expenditures of over \$2 billion in state and federal funds and served more than 250,000 Medicaid eligible Alaska residents. The MMIS is the State-owned, automated claims adjudication system for Fee-For-Service (FFS) providers only. This system integrates provider data, member data, authorization data, third-party liability (TPL) data, and service data to make an automated payment determination on claims submitted by providers and trading partners. Alaska processes approximately 125,000 -170,000 Service Authorizations per year.

| Table 1: Service Authorization Volume | FY2022 | FY2023 |
|--|----------------|----------------|
| Approved | 157,034 | 112,857 |
| Denied | 7278 | 4253 |
| Pended | 17 | 228 |
| Rejected | 381 | 2048 |
| Voided | 3695 | 4259 |
| TOTAL | 168,405 | 123,645 |

Federal regulations require FFS programs to establish a utilization control program and written criteria for evaluating the appropriateness of Medicaid services (42 CFR § 456). Further, FFS programs must provide timely and adequate written notice of any decisions regarding a denial of benefits or services, or a change in the level of benefits or services covered (42 CFR §435.917, CMS 2017).

Please refer to the Centers for Medicare & Medicaid Services (CMS) 2024 Interoperability and Prior Authorization Final Rule (CMS-0057-F) for additional information regarding Prior Authorization requirements and policies:

[CMS Interoperability and Prior Authorization Final Rule CMS-0057-F | CMS](#)

Response Information:

Interested parties are invited to submit responses to the following:

1. Provide a general description of your company or organization’s capabilities and experience implementing electronic Service Authorization solutions for Medicaid systems.
2. Describe how your solution meets the Centers for Medicare & Medicaid Services (CMS) 2024 Interoperability and Prior Authorization Final Rule (CMS-0057-F).
3. Describe how your solution eliminates, or reduces, the burden on staff that keys and routes Service Authorization requests. Does your organization have recommendations for minimizing routing of Service Authorizations?
4. Does your solution include configurable business rules that provide flexibility for auto-approvals?
5. Has your organization developed a stand-alone Service Authorization module that can integrate with current MMIS modules?
6. Describe your overall staffing plan, estimated costs, and timeline for this project; please also include your transition timeline and availability to start the project within the next six months.

Interested parties who believe they can provide the Service Authorization services described in this RFI must submit their response in writing via email by **2:00 PM Tuesday, December 10, 2024**, to the following person:

Alison Carpio

Procurement Specialist
Department of Health
Division of Finance and Management Services

Phone: 907-759-3305

Email: doh.procurement.proposals@alaska.gov

CC: Alison.Carpio@alaska.gov

It is the responsibility of the interested party to follow up with the person listed above to ensure your response was received prior to the time and date specified. Please ensure the response includes your company's name and contact information (email) for the individual(s) who should be notified if DOH releases a solicitation or seeks an alternative procurement method.

Important Notice:

This RFI does not extend any rights to prospective vendors or obligate the state to conduct a solicitation or purchase any goods or services. Nor will the State be financially responsible for any costs associated with the preparation of any response for the requested information. This RFI is issued for the sole purpose of obtaining information as described in this notice. However, the information obtained from this request may be used to prepare a purchase, contract, or solicitation in the future.