Proposal Name: Alaska Department of Labor RFP
Solicitation No. RFP **2015-0700-2677**
Date Submitted 7/31/14

QUESTIONS/CLARIFICATIONS TO GOVERNMENT

#	RFP Section #	RFP Page #	Question/Comment	Response
	1.12		Right of Rejection states that State may reject any proposal that does not comply with all of the "substantial terms, conditions, the proposal may be rejected". a. Please confirm if any proposed modification to the RFP terms will be viewed as non-compliance subject to disqualification of bidder, or if bidders may propose terms subject to negotiation?	Offerors will need to submit any proposed modifications to the RFP terms to the Procurement Officer who will make a determination on their inclusion.
	1.12		Right of Rejection states that State may reject any proposal that does not comply with all of the "substantial terms, conditions, the proposal may be rejected". b. Please confirm if any proposed modification to the Standard Agreement Form, Appendix A, will be viewed as non-compliance subject to disqualification of bidder, or if bidders may propose terms subject to negotiation?	The Standard Agreement Form as included cannot be modified without approval of the State of Alaska Attorney General.
	1.12		Right of Rejection states that State may reject any proposal that does not comply with all of the "substantial terms, conditions, the proposal may be rejected". c. Our understanding is that the Ownership of Documents provision in the Standard Agreement Form covers work developed in the performance of the agreement for the State, but excludes any pre-existing material or Intellectual Property ("IP")of Contractor or any pre-existing material or IP of another third party (such as AMA,ADA,ASA codes). As such, would the state allow Contractor's to propose a supplement term to the Ownership of Documents that addresses Ownership of Pre-existing Intellectual Property?	Please see Section 1.14 "Disclosure of Proposal Contents".
	1.12		Right of Rejection states that State may reject any proposal that does not comply with all of the "substantial terms, conditions, the proposal may be	The Standard Agreement Form as included cannot be modified without

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			rejected". d. The Standard Agreement does not contain a limitation of liability. Bidders are able to provide services as contemplated under this solicitation in a cost effective manner if they are able to limit their liability exposure. Additionally, having some liability thresholds can help increase Bidder participation in solicitations. We understand by adding such a supplemental term it could be viewed as limiting the state's right and may be found as void, or a basis for disqualification. However, we are aware of similar liability limitations in the Appendix A between the State and Bidder. Will the State please advise if it will allow for some limitation of liability language to be introduced in the proposal response without being disqualified, subject to negotiation?	approval of the State of Alaska Attorney General.
	3.11		Contract Personnel –Will the state consider modifying this provision to state that any change to key personnel, Optum must give notice in writing to the Project Director?	No. Prior approval by the Project Director is required.
	3.12		Inspection & Modification - Will inspection, evaluation and approval for Contractor's work be completed within a timeframe? Will the state consider a thirty day cure period, and then allow Contractor an opportunity to cure?	Alaska Statute (AS) 36.30.620 outlines the process for contract claims.
	3.13		Termination for default. Will State modify the provision that the state shall give notice prior to termination to allow Contractor 30 days to cure, and if after 30 days the breach is not cured, state shall terminate?	See response above.
	Fee Schedule Questions		a. How are the fee schedules going to be distributed to providers, carriers, etc.? b. Will it be in a paper publication and/or will the fee schedules be posted on a website? c. If they are posted them on a website is it expected that vendor to be the host, please clarify. d. Is it expected the vendor will be responsible for maintenance and	a. Fee schedules will initially be distributed during the publication of regulations followed by inclusion on the State website. b. See above. c. No. d. No.

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			building of the website?	
	General		Will they be able to provide or give us access to the appropriate data or will we be responsible for collecting it ourselves?	The successful offeror will be provided statistical data by the Workers' Compensation Division.
	General		Do they have a stated goal for the schedule: revenue neutral, increases or decreases in spending?	The generally stated goal is that the fees should not exceed what is allowed by general healthcare in Alaska.
	2.13		5 percent Alaska Bidder Preference: Please clarify if all 5 enumerated points must be applicable to obtain the preference, or if only one of the 5 is necessary to qualify for the preference?	Offerors must meet the requirements of Items 1-4. If the offeror is a Joint Venture, then all component ventures must meet Items 1-4.
	2.13		Can you please clarify if this preference is available to entities that have a current business license in Alaska but do not have a physical location of business in Alaska?	See response above.
	2.13		Alternatively, if a physical location within Alaska is required, can the location of an affiliate of the bidding entity be eligible to satisfy this requirement?	See response above.
			Is the development of rules and guidelines part of the RFP or is the state developing? If coming from the contractor, do they need to be fully be developed by December 31st with the fees or can they be developed later. RBRVS is typically available in November however; congress and CMS make changes the end of December if not early January. Is the proposed fees schedule that is to be done by December 31st allowed some flexibility to adopt the last minute changes from CMS?	The development of the rules and guidelines will be the responsibility of the State with review and input from the successful offeror. Changes to RBRVS should not impact the conversion factors developed through this process.
			What specifically is the state requesting in terms of a prescription drug fee schedule? The Act is not clear on the mandates to build it.	HB316 changed the methodology for determining the prescription drug fee schedule to "original manufacturer's invoice, plus a dispensing fee and markup". The State will require the successful offeror to assist in the developing of the "original

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				manufacturer's invoice" by examining the available resources, such as Actual Acquisition Cost (AAC), Wholesale Acquisition Cost (WAC), Average Sales Price (ASP), Federal Upper Limit (FUL), Maximum Allowable Cost (MAC) and any other applicable resources.
			The RFP mentions contact information for references (6.06). Another section mentions reference letters (7.04). Which is the state looking for?	Section 7.05 (f) should be changed to the following: "Has the firm provided reference information from past clients?". Letters of reference are not specifically required.
	Cost Proposal		The state mentions a unit rate for off-site consultation, which Optum is interpreting to be the development of the fee schedules and associated support. Because a few analysts will be working on the project with various unit rates and the hours may also vary from projection and because there may be some services that are not associated with billable hours (website hosting, gapfills, etc. (pending other questions)). Will the state allow the offeror to provide a fee for each of the various deliverables versus by billable hour/unit?	No. The individual items shown on the Cost Proposal Form are a representation of the various types of work that will be required of the successful offeror. While there may be several different types of services and associated rates for the off-site work, since each offeror will have differing methods of completing the work, the State is requesting a composite rate based on the offerors work plan.
	General Question		How does the state plan to address codes that are not valued by CMS in RBRVS (and/or other CMS files)? Does the state intend to or can the state incorporate 'gapfills' for these particular codes.	Codes not valued in CMS will generally be valued at the lower of 1) UCR, 2) fee to general public or 3) negotiated rate. This determination will be made in the regulations.
	2.07		The RFP mentions government code sets HCPCS and ICD but refer to the AMA publications. Is the state referring to experience specifically with the AMA publication or general experience with the code sets (i.e., Optum publishes HCPCS and ICD books)?	The State is requesting general experience with the code sets.
	2.07		The RFP mention familiarity with ICD. Does the state intend to use these	The State will be following the CMS

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			codes with fees in its fee schedule or will the ICD information be used for rules and guidelines? Is it the State's intention to adopt ICD-10 along with Medicare's adoption?	schedule for implementation of ICD-10.
	2.07		The RFP mentions the Diagnostic and Statistical Manual of Mental Disorders, produced by the American Psychiatric Association, the state doesn't mention a specific fee schedule for behavioral codes (besides what would be produced in the physician fee schedule), how does the state intend for this information to be used?	The State believes that this is covered under Evaluation and Management or General Medicine.
	2.08 and Section 7		Does the State expect vendors to **directly** response to **each** of the questions under Section Seven Evaluation Criteria as part of their proposal response, or in a narrative form within the proposal in section for example, in each listed section? Such as , "6.03 Understanding of the proposal", "6.04 Methodology used for the project", and "6.05 Management Plan for the project", etc.	Section 7 is included in the RFP to show all offerors the manner in which the various proposals will be evaluated by the Proposal Evaluation Committee. Offerors are not expected to complete this form.