



Department of Health and Social Services  
Finance and Management Services  
Grants and Contracts Support Team  
350 Main Street, Room 6  
Juneau, Alaska 99801

**RFP #2015-0600-3077**  
**Medicaid Redesign and Expansion Technical Assistance**

**Amendment # ONE**

**Amendment Issue Date: April 21, 2015**

**Please alter the following language to match the amendment.**

**IMPORTANT NOTE TO OFFERORS:** Only the following items referenced in this amendment are to be changed. All other sections of the RFP remain the same. This amendment serves to answer questions submitted by interested parties. A copy of the amendment is available on the State's Online Public Notice website.

• **Vendor Questions have been answered as follows:**

1. In public testimony, DHSS has discussed undertaking an 1115 waiver for delivery of services to Alaska Natives/ American Indians in Alaska. Will elements of that work possibly be considered within the scope of this RFP or will it be handled in a separate process?

**ANSWER:** The RFP Background Section includes a list of Medicaid Reform initiatives DHSS already has underway; and Governor Walker's legislation to expand and reform Medicaid in Alaska specifically directs the department to apply for an 1115 waiver to improve services and reduce costs for Indian Health Service beneficiaries, and also to apply for 1915(i) and 1915(k) options.

The purpose of this contract is to assist DHSS with identifying options for potential additional Medicaid reform initiatives, not to assist the department with the work of reform initiatives already planned or underway. The Scope of Work explains that the contractor will be expected to take current Alaska Medicaid reform initiatives into consideration in the development of their recommendations, and to incorporate the department's timelines for those current reform initiatives in the Three-Year Action Plan. But the Scope of Work does not include direct assistance with developing and implementing those current reform initiatives.

2. This RFP appears to add a new requirement that a certified actuary perform savings and costs projections for each Medicaid expansion model and reform initiative. It is our experience that this project budget is inadequate to accommodate both actuarial analysis and the other work required under this RFP. Will it be acceptable for the successful bidder to conduct a fiscal impact analysis without the support of an actuary? Will it be acceptable to use an actuary for selected

aspects as recommended by the successful bidder consistent with other state experience for similar analysis?

**ANSWER:** While extensive and costly services of an actuary might be required for development of pricing for a managed care plan or prices under a new rate structure, the Scope of Work for this RFP does not require this level and type of work. The services of an actuary are only required to ensure the methods used to derive estimates of potential costs and savings are actuarially sound.

3. If an entity is a current contractor to DHSS on Medicaid-related work, will it preclude the entity from being a subcontractor for work under this RFP? Would it be possible to submit additional descriptive information to DHSS during the procurement period and receive a determination on whether the contractor's Medicaid-related work would be considered a conflict before submission of an RFP response?

**ANSWER:** Offerors are responsible for making the determination regarding whether a potential conflict of interest or appearance of potential conflicts of interest exist for their subcontractors. If the offeror believes one of their subcontractors might be perceived as having a conflict of interest in the development of certain types of reform initiative recommendations, they should identify the potential conflict in their proposal, and describe the methods by which the subcontractor's work will be isolated from work on related recommendations. For example, if an offeror plans to subcontract with a firm that provides audit services for the department, they should identify how they will isolate the subcontractor from development of recommendations that might call for the department to perform an increased number of audits.

4. On page 27, item C.3)iv. requests "an analysis performed by a certified health care actuarial of the projected costs and savings associated with the expansion model or reform initiative." In item C.2), the RFP requests at least 5 initiatives and no more than 10 initiatives. Additionally, item C.1) states that alternative models should be developed. Is it possible to limit the number of models and reform initiatives that are evaluated by a certified actuarial in order to allow adequate budget for the entire scope of work identified, given the budget provided?

**ANSWER:** Yes. The contractor may consult with the department during the development of the alternative models to identify the option most likely to work for Alaska for which to conduct a more thorough evaluation, as well as to identify the reform initiative options that would require a more thorough evaluation. Also, please refer to the answer to question #2 on a related topic.

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