

**RFP # 2024-RAC-01**  
**Recovery Audit Contractor Services**  
**Proposer Questions and Agency Answers**  
**04/19/2024**

<b>Question ID:</b>	1
<b>Date Question Asked:</b>	03/25/24
<b>Question:</b>	How many members are currently enrolled in Alabama's Medicaid program?
<b>Section Number:</b>	N/A
<b>RFP Page Number:</b>	N/A
<b>Agency Answer:</b>	There are currently 1,189,975 recipients enrolled in Alabama's Medicaid program.
<b>Question ID:</b>	2
<b>Date Question Asked:</b>	03/25/24
<b>Question:</b>	How many providers are enrolled in Alabama's Medicaid program?
<b>Section Number:</b>	N/A
<b>RFP Page Number:</b>	N/A
<b>Agency Answer:</b>	There are currently 40,332 providers enrolled in Alabama's Medicaid program.
<b>Question ID:</b>	3
<b>Date Question Asked:</b>	03/25/24
<b>Question:</b>	How many Medicaid claims are processed in Alabama each year?
<b>Section Number:</b>	N/A
<b>RFP Page Number:</b>	N/A
<b>Agency Answer:</b>	Approximately 26,785,926 claims are processed each year.

<b>Question ID:</b>	4												
<b>Date Question Asked:</b>	03/25/24												
<b>Question:</b>	Will the vendor be required to conduct prepayment and post payment claim reviews?												
<b>Section Number:</b>	N/A												
<b>RFP Page Number:</b>	N/A												
<b>Agency Answer:</b>	The vendor will only conduct post payment reviews.												
<b>Question ID:</b>	5												
<b>Date Question Asked:</b>	03/25/24												
<b>Question:</b>	If prepayment reviews are required, how many providers and claims are estimated to be reviewed each year?												
<b>Section Number:</b>	N/A												
<b>RFP Page Number:</b>	N/A												
<b>Agency Answer:</b>	N/A												
<b>Question ID:</b>	6												
<b>Date Question Asked:</b>	03/25/24												
<b>Question:</b>	For post payment analysis, how many historical years will be reviewed and what is the estimated number of claims and dollar amount for those historical years?												
<b>Section Number:</b>	N/A												
<b>RFP Page Number:</b>	N/A												
<b>Agency Answer:</b>	<p>The maximum look-back period is three years from the date the claim was filed, unless a different time is authorized by the Agency.</p> <table border="1"> <thead> <tr> <th>FISCAL YEAR</th> <th>CLAIM COUNT</th> <th>PAID</th> </tr> </thead> <tbody> <tr> <td>2021</td> <td>24,693,139</td> <td>\$5,574,351,791</td> </tr> <tr> <td>2022</td> <td>27,655,528</td> <td>\$6,274,288,104</td> </tr> <tr> <td>2023</td> <td>28,009,112</td> <td>\$6,763,010,984</td> </tr> </tbody> </table>	FISCAL YEAR	CLAIM COUNT	PAID	2021	24,693,139	\$5,574,351,791	2022	27,655,528	\$6,274,288,104	2023	28,009,112	\$6,763,010,984
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<b>Question ID:</b>	7
<b>Date Question Asked:</b>	03/25/24
<b>Question:</b>	Does Alabama anticipate needing outsourced SIU services if fraud is detected by the vendor?
<b>Section Number:</b>	N/A
<b>RFP Page Number:</b>	N/A
<b>Agency Answer:</b>	No. The Agency will not need outsourced SIU services if fraud is detected by the vendor.
<b>Question ID:</b>	8
<b>Date Question Asked:</b>	03/25/24
<b>Question:</b>	“The Vendor must submit screen shots of the web-based portal application, demonstrating the ability to view the status of the above-mentioned tracked items and any other portal capabilities.” As respondents don’t yet have program data, would a screenshot of an analogous, existing system be sufficient, though it wouldn’t display the exact fields and data required at the time of proposal response?
<b>Section Number:</b>	Section II. Scope of Work item 6
<b>RFP Page Number:</b>	7
<b>Agency Answer:</b>	The Agency will accept screenshots of an analogous, existing system.

<b>Question ID:</b>	9
<b>Date Question Asked:</b>	03/25/24
<b>Question:</b>	“The proposal must be accompanied by the RFP Cover Sheet signed in ink by an individual authorized to legally bind the Vendor.” Would Alabama Medicaid accept DocuSign electronic signatures as binding signatures?
<b>Section Number:</b>	Section VI. Submission Requirements Item H. Vendor’s Signature
<b>RFP Page Number:</b>	13
<b>Agency Answer:</b>	No. DocuSign electronic signatures will not be accepted by the Agency.
<b>Question ID:</b>	10
<b>Date Question Asked:</b>	03/25/24
<b>Question:</b>	Can we put the proposal in our company format if it is verbatim from the RFP and includes the cover, all forms, and required attachments?
<b>Section Number:</b>	Section VI. Submission Requirements Item N. Proposal Format
<b>RFP Page Number:</b>	14
<b>Agency Answer:</b>	No changes are to be made to the original RFP.

<b>Question ID:</b>	11																																																		
<b>Date Question Asked:</b>	03/25/24																																																		
<b>Question:</b>	How many individuals on covered by Fee-for-Service Medicaid, by program?																																																		
<b>Section Number:</b>	General Contract Information																																																		
<b>RFP Page Number:</b>	N/A																																																		
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<b>Question ID:</b>	12
<b>Date Question Asked:</b>	03/25/24
<b>Question:</b>	How many individuals are covered by Medicaid Managed Care Organizations (MCOs)?
<b>Section Number:</b>	General Contract Information
<b>RFP Page Number:</b>	N/A
<b>Agency Answer:</b>	No individuals are covered by Medicaid Managed care Organizations (MCOs).

<b>Question ID:</b>	13
<b>Date Question Asked:</b>	03/25/24
<b>Question:</b>	<p>a) In 2023, what were the number of claims and amounts paid for:</p> <ul style="list-style-type: none"> <li>• Physician Services</li> <li>• Inpatient and Outpatient Hospital Services</li> <li>• Rural Health Clinic Services</li> <li>• Laboratory and X-ray Services</li> <li>• Nursing Home Services</li> <li>• Early and Periodic Screening, Diagnosis and Treatment</li> <li>• Dental for applicable recipients only</li> <li>• Home Health Care Services and Durable Medical Equipment</li> <li>• Family Planning Services</li> <li>• Nurse-Midwife Services</li> <li>• Federally Qualified Health Center Services</li> <li>• Hospice Services</li> <li>• Prescription Drugs</li> <li>• Optometric Services</li> <li>• Transportation Services</li> <li>• Hearing Aids</li> <li>• Intermediate Care Facilities for Individuals with Intellectual Disabilities</li> <li>• Prosthetic Devices</li> <li>• Outpatient Surgical Services</li> <li>• Renal Dialysis Services</li> <li>• Home and Community Based Waiver Services</li> <li>• Prenatal Clinic Services</li> <li>• Mental Health Services</li> </ul>
<b>Section Number:</b>	General Contract Information
<b>RFP Page Number:</b>	10

Agency Answer:	FY 2023	
	Paid	Claim Count
1. Physician Services (physicians only)	\$522,124,478	4,087,249
1a. Physician Services - CRNA and NP	\$102,368,369	1,621,056
2. Inpatient and Outpatient Hospital Services	\$1,246,183,338	1,645,180
3. Rural Health Clinic Services	\$28,334,885	247,598
4. Laboratory and X-ray Services	\$58,708,581	1,588,679
5. Nursing Home Services	\$1,223,752,926	399,576
6. Early and Periodic Screening, Diagnosis and Treatment	\$75,758,283	833,086
7. Dental for applicable recipients only	\$114,034,010	736,941
8. Home Health Care Services and Durable Medical Equipment	\$104,555,422	588,963
9. Family Planning Services	\$42,074,861	343,409
10. Nurse-Midwife Services	\$430,195	2,442
11. Federally Qualified Health Center Services	\$58,185,709	361,431
12. Hospice Services	\$12,306,475	4,205
13. Prescription Drugs	\$1,105,334,555	10,049,984
14. Optometric Services	\$20,542,211	278,014
15. Transportation Services	\$30,247,096	152,640
16. Hearing Aids	\$746,844	4,922
17. Intermediate Care Facilities for Individuals with Intellectual Disabilities	\$2,632,487	308
18. Prosthetic Devices	\$2,606,821	2,013
19. Outpatient Surgical Services	\$5,626,344	16,716
20. Renal Dialysis Services	\$10,582,183	32,806
21. Home and Community Based Waiver Services	\$129,609,488	1,247,724
22. Prenatal Clinic Services*	N/A	N/A
23. Mental Health Services (DYS, DHR and Waivers are excluded)	\$99,048,241	1,435,407

**Note:**  
 \*Prenatal services are considered as part of physician services.  
 \*\*Used date paid methodology



<b>Question ID:</b>	14
<b>Date Question Asked:</b>	03/25/24
<b>Question:</b>	Would the state please clarify if that is 1 FTE or .10% FTE? If it is 1 FTE, would the state consider submitting a SPA that would allow for a panel of physicians rather than a full time single physician? Most states have requested this and it is seen as a best practice to have a wide array of physicians from multiple specialties than a single physician.
<b>Section Number:</b>	II. Scope of Work, Number 3.
<b>RFP Page Number:</b>	6
<b>Agency Answer:</b>	The vendor must hire no less than 0.10 full-time equivalent named and available medical director who is a Doctor of Medicine or Doctor of Osteopathy in good standing with the State of Alabama licensing authorities and a full-time project manager.
<b>Question ID:</b>	15
<b>Date Question Asked:</b>	03/25/24
<b>Question:</b>	The RFP lists all services covered by Medicaid. Please confirm all services are available for review and recovery; including institutional claims such as inpatient and outpatient hospital services, hospice services, outpatient surgical services, and nursing home services.
<b>Section Number:</b>	IV. General
<b>RFP Page Number:</b>	9
<b>Agency Answer:</b>	Inpatient and outpatient hospital services are not part of the RAC contract. All reviews and recoupment actions must be approved by the Agency prior to any action by the vendor.

<b>Question ID:</b>	16
<b>Date Question Asked:</b>	03/25/24
<b>Question:</b>	The RFP lists all services covered by Medicaid. Please specify any currently known claim types, provider types, diagnosis codes, procedure codes or edits that are excluded from review and recovery under this RAC contract.
<b>Section Number:</b>	IV. General
<b>RFP Page Number:</b>	9
<b>Agency Answer:</b>	Inpatient and outpatient hospital services are not part of the RAC contract. All reviews and recoupment actions must be approved by the Agency prior to any action by the vendor.
<b>Question ID:</b>	17
<b>Date Question Asked:</b>	03/25/24
<b>Question:</b>	Item d. requests 3 references for projects of similar size and scope. Please confirm that these must be RAC contracts so that the vendor is familiar with the requirements specific to RAC contracts.
<b>Section Number:</b>	V. Corporate Background and References
<b>RFP Page Number:</b>	10
<b>Agency Answer:</b>	References do not have to be RAC contracts. If vendors have RAC contracts, they should be used as references.
<b>Question ID:</b>	18
<b>Date Question Asked:</b>	03/25/24
<b>Question:</b>	The Pricing form requests a firm fixed price for each year. Please confirm that the numerical value entered into the Monthly Firm and Fixed Rate column should be a percentage, as Section III, Pricing, indicates that "Vendor's response must specify a firm and fixed contingency fee rate for services offered." If so, please provide the estimated dollars that all Vendors should utilize to multiply the percentage contingency fee to get the Annual Cost.
<b>Section Number:</b>	Appendix C: Pricing
<b>RFP Page Number:</b>	42
<b>Agency Answer:</b>	The Monthly Firm and Fixed Rate column should be a percentage. Therefore, estimated dollars are not needed.

<b>Question ID:</b>	19
<b>Date Question Asked:</b>	03/25/24
<b>Question:</b>	Please confirm RAC scope includes non-clinical (automated) audit types.
<b>Section Number:</b>	II. Scope of Work
<b>RFP Page Number:</b>	6
<b>Agency Answer:</b>	RAC scope includes non-clinical (automated) audit types.
<b>Question ID:</b>	20
<b>Date Question Asked:</b>	03/25/24
<b>Question:</b>	For non-clinical (automated) audit types, please confirm if inpatient and outpatient claims are in scope.
<b>Section Number:</b>	II. Scope of Work
<b>RFP Page Number:</b>	6
<b>Agency Answer:</b>	Inpatient and outpatient hospital services are not part of the RAC contract. All reviews and recoupment actions must be approved by the Agency prior to any action by the vendor.

<b>Question ID:</b>	21
<b>Date Question Asked:</b>	03/25/24
<b>Question:</b>	Please confirm if the RAC is required to perform clinical (complex) audit types.
<b>Section Number:</b>	II. Scope of Work
<b>RFP Page Number:</b>	6
<b>Agency Answer:</b>	<p>The RAC will be required to review medical records and supporting documentation, such as signature logs, from providers. A determination is made as to whether procedure codes were billed according to Common Procedure Terminology (CPT) descriptions and federal and state guidelines and/or policies.</p> <p>The procedures performed must support the diagnoses, and appropriate unit of services delivered. Medical records must reflect justification for procedures being billed. If the support justification is not appropriate, the provider must return monies/amount that was overpaid.</p>
<b>Question ID:</b>	22
<b>Date Question Asked:</b>	03/25/24
<b>Question:</b>	Does the projected implementation date of October 1, 2024 refer to the kick-off date? If no, what milestone is tied to this date?
<b>Section Number:</b>	I. Background
<b>RFP Page Number:</b>	9
<b>Agency Answer:</b>	October 1, 2024, is the Official Contract Award/Begin Work date for the vendor. See schedule of events on page 3.

<b>Question ID:</b>	23
<b>Date Question Asked:</b>	03/25/24
<b>Question:</b>	Does the case file requirement entailing sending Medicaid a case file for every claim audited, regardless of the claim status? If no, when does a case file have to be produced?
<b>Section Number:</b>	II. Scope of Work, Number 7.
<b>RFP Page Number:</b>	7
<b>Agency Answer:</b>	Yes. The vendor must maintain a case file for every improper payment identified regardless of the claim status. The case file must be electronic, paper, or a combination of both.
<b>Question ID:</b>	24
<b>Date Question Asked:</b>	03/25/24
<b>Question:</b>	<p>The RFP states “Obtain Medicaid’s approval prior to communicating, either in writing or orally, with any Medicaid providers regarding any audit activities. Once Medicaid has approved the audit population, the Vendor's review of records should be completed and the results forwarded to the Agency within 60 days from the date the records are received by the Vendor. This 60-day time frame does not include the days a provider has to request a Fair Hearing.”</p> <p>Does this require the Agency to review every claim finding prior to notifying the provider of the improper payment?</p>
<b>Section Number:</b>	II. Scope of Work, Number 8.
<b>RFP Page Number:</b>	7
<b>Agency Answer:</b>	Yes. All reviews and recoupment actions must be approved by the Agency prior to any action by the vendor.

<b>Question ID:</b>	25
<b>Date Question Asked:</b>	03/25/24
<b>Question:</b>	<p>The RFP states “An onsite review may be required when there is a need to see the original records used to support a claim when it was initially billed to Alabama Medicaid. Onsite visits may also be required when there is a need to see a provider's physical location, the dynamics of the office and the flow of the services provided, especially if there is specialty equipment involved in a treatment”.</p> <p>Please provide scenarios other than specialty equipment when the Agency will require an onsite audit?</p>
<b>Section Number:</b>	II. Scope of Work, Number 8.
<b>RFP Page Number:</b>	7
<b>Agency Answer:</b>	Reviews are usually conducted via desk review. However, the option to conduct an onsite review is at the discretion of the Agency. An onsite review may be required when there is a need to see the original records used to support a claim when it was initially billed to Alabama Medicaid. Onsite visits may also be required when there is a need to see a provider's physical location, the dynamics of the office and the flow of the services provided, especially if there is specialty equipment involved in a treatment.
<b>Question ID:</b>	26
<b>Date Question Asked:</b>	03/25/24
<b>Question:</b>	<p>The RFP states “If the improper payment remains unclear after normal audit process activities have been exhausted, Medicaid will use its discretion when determining the appropriate action to take. Medicaid may adopt rules regarding certain exemptions to the recovery audit and fraud-related audit process. Vendor must adhere to those rules”.</p> <p>Will the Agency reimburse a Supplier their contingency fee if Agency closes claim for a business reason not related to an informal or formal appeal decision?</p>
<b>Section Number:</b>	II. Scope of Work, Number 9.
<b>RFP Page Number:</b>	7
<b>Agency Answer:</b>	No. The vendor will be compensated for actual recoveries based on the firm and fixed contingency fee rate provided on the RFP Cover Sheet response.

<b>Question ID:</b>	27
<b>Date Question Asked:</b>	03/25/24
<b>Question:</b>	<p>The RFP states “Obtain approval from the Medicaid Project Director regarding the content for all written and oral communication before commencing recovery audit(s) activities with the Medicaid providers.”</p> <p>Please confirm if this is related to approval of letter language prior to go-live, or is this related to ongoing letter approvals prior to mailing to a provider?</p>
<b>Section Number:</b>	II. Scope of Work, Number 10.
<b>RFP Page Number:</b>	8
<b>Agency Answer:</b>	This is related to both approval of letter language prior to go-live and to ongoing letter approvals prior to mailing to a provider.
<b>Question ID:</b>	28
<b>Date Question Asked:</b>	03/25/24
<b>Question:</b>	<p>The RFP states “Personnel must be readily available via telephone for Informal Conferences and in person or via or teleconference for Fair Hearings.”</p> <p>What percentage of Informal Conference require in person representation?</p> <p>What percentage of Fair Hearing require onsite in person representation?</p>
<b>Section Number:</b>	II. Scope of Work, Number 22.
<b>RFP Page Number:</b>	9
<b>Agency Answer:</b>	See Amendment 2.

<b>Question ID:</b>	29
<b>Date Question Asked:</b>	03/25/24
<b>Question:</b>	<p>Does the Agency allow for recovering a claim in the instance where a Provider is not compliant in submitting medical records (technical denial)?</p> <p>If yes, please provide when a claim is deemed a technical denial.</p> <p>Does the agency allow for submission and review of medical documentation after a technical denial?</p>
<b>Section Number:</b>	II. Scope of Work
<b>RFP Page Number:</b>	6
<b>Agency Answer:</b>	<p>Failure to supply requested records might result in recoupment of the paid claims in question and additional action as deemed necessary by the Agency including referral to law enforcement agencies.</p> <p>In response to a Draft or Final Audit Report, a provider could provide clarifying information and supporting documentation not previously provided along with the date(s) the documentation was created. Following reevaluation of the clarifying information and supporting documentation, the recoupment amount may be less than the recoupment amount originally identified.</p>