



# ALABAMA MEDICAID AGENCY REQUEST FOR PROPOSALS

<b>RFP Number: 2017-AS-01</b>	<b>RFP Title: Actuarial Services Request for Proposal</b>	
<b>RFP Due Date and Time: May 9, 2017 by 5:00 pm Central Time</b>		<b>Number of Pages: 44</b>
<b>PROCUREMENT INFORMATION</b>		
<b>Project Director: Kathy Hall</b>		<b>Issue Date: April 11, 2017</b>
<b>E-mail Address:</b> <a href="mailto:actuarialrfp@medicaid.alabama.gov">actuarialrfp@medicaid.alabama.gov</a> <b>Website:</b> <a href="http://www.medicaid.alabama.gov">http://www.medicaid.alabama.gov</a>		<b>Issuing Division: Finance</b>
<b>INSTRUCTIONS TO CONTRACTORS</b>		
<b>Return Proposal to:</b>  Alabama Medicaid Agency Lurleen B. Wallace Building 501 Dexter Avenue PO Box 5624 Montgomery, AL 36103-5624		<b>Mark Face of Envelope/Package:</b> <b>RFP Number: 2017-AS-01</b> <b>RFP Due Date: May 9, 2017 by 5:00 pm Central Time</b> <b>Not to Exceed Price from Appendix C:</b> Total Annual Price*: \$ _____ * The Price will be the same for every year of the Contract.
<b>CONTRACTOR INFORMATION</b> <i>(Contractor must complete the following and return with RFP response)</i>		
<b>Contractor Name/Address:</b>		<b>Authorized Contractor Signatory:</b> (Please print name and sign in ink)
<b>Contractor Phone Number:</b>		<b>Contractor FAX Number:</b>
<b>Contractor Federal I.D. Number:</b>		<b>Contractor E-mail Address:</b>

## Section A. RFP Checklist

1. \_\_\_\_ **Read the *entire* document.** Note critical items such as: mandatory requirements; supplies/services required; submittal dates; number of copies required for submittal; licensing requirements; contract requirements (i.e., contract performance security, insurance requirements, performance and/or reporting requirements, etc.).
2. \_\_\_\_ **Note the project director's name, address, phone numbers and e-mail address.** This is the only person you are allowed to communicate with regarding the RFP and is an excellent source of information for any questions you may have.
3. \_\_\_\_ **Take advantage of the "question and answer" period.** Submit your questions to the project director by the due date(s) listed in the Schedule of Events and view the answers as posted on the WEB. All addenda issued for an RFP are posted on the State's website and will include all questions asked and answered concerning the RFP.
4. \_\_\_\_ **Use the forms provided,** i.e., cover page, disclosure statement, etc.
5. \_\_\_\_ **Check the State's website for RFP addenda.** It is the Contractor's responsibility to check the State's website at [www.medicaid.alabama.gov](http://www.medicaid.alabama.gov) for any addenda issued for this RFP, no further notification will be provided. Contractors must submit a signed cover sheet for each addendum issued along with your RFP response.
6. \_\_\_\_ **Review and read the RFP document again** to make sure that you have addressed all requirements. Your original response and the requested copies must be identical and be complete. The copies are provided to the evaluation committee members and will be used to score your response.
7. \_\_\_\_ **Submit your response on time.** Note all the dates and times listed in the Schedule of Events and within the document, and be sure to submit all required items on time. Late proposal responses are *never* accepted.
8. \_\_\_\_ **Prepare to sign and return the Contract, Contract Review Report, Business Associate Agreement and other documents** to expedite the contract approval process. The selected Contractor's contract will have to be reviewed by the State's Contract Review Committee which has strict deadlines for document submission. Failure to submit the signed contract can delay the project start date but will not affect the deliverable date.

**This checklist is provided for assistance only and should not be submitted with Contractor's Response.**

## Section B. Schedule of Events

The following RFP Schedule of Events represents Medicaid's best estimate of the schedule that shall be followed. Except for the deadlines associated with the Contractor question and answer periods and the proposal due date, the other dates provided in the schedule are estimates and will be impacted by the number of proposals received. Medicaid reserves the right, at its sole discretion, to adjust this schedule as it deems necessary. Notification of any adjustment to the Schedule of Events shall be posted on the RFP website at [www.medicaid.alabama.gov](http://www.medicaid.alabama.gov).

<b>EVENT</b>	<b>DATE</b>
RFP Issued	4/11/2017
Questions Due by 5 pm CT	4/20/2017
Final Posting of Questions and Answers	5/02/2017
Proposals Due by 5 pm CT	5/09/2017
Evaluation Period	5/10/2017 ~ 5/23/2017
Contract Award Notification	6/13/2017
**Contract Review Committee	8/03/2017
Official Contract Award/Begin Work	9/01/2017**

\* \*By State law, this contract must be reviewed by the Legislative Contract Review Oversight Committee. The Committee meets monthly and can, at its discretion, hold a contract for up to forty-five (45) days. The "Contractor Begins Work" date above may be impacted by the timing of the contract submission to the Committee for review and/or by action of the Committee itself.

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# **I. Introduction**

## **A. Background**

The Alabama Medicaid Agency, hereinafter called Medicaid, an Agency of the State of Alabama, is executing a system transformation that includes the establishment of a managed care system, comprised of Regional Care Organizations (RCOs) in five geographic regions throughout the state that will deliver health care to two-thirds of the state's Medicaid recipients. These newly created entities will contract with providers, assume risk, and be paid on a capitated basis to provide the full range of Medicaid services for enrollees. The transformation is scheduled to become effective in October 2017. Intended outcomes of the transformation include addressing fragmentation in the state's Medicaid delivery system, improvement of beneficiary outcomes, supporting quality of care and improved access to healthcare providers. The Agency is also in the process of transforming its long-term care system to establish a managed care system. It is expected that only one Integrated Care Network (ICN) will operate state-wide. The ICN is expected to be implemented by October 1, 2018.

During this transition, Medicaid is soliciting proposals for the provision of necessary statistical and actuarial services in support of Medicaid program administration and management activities. Through a contractual relationship for these services, Medicaid strives to provide all necessary and appropriate statistical support services essential to ensure the continuing effective administration and oversight of medically necessary health care and related activities. The successful respondent, (hereinafter call Contractor), will be reimbursed at an hourly rate for Statistical/Actuarial Services which Medicaid may identify subsequent to the initial execution of this RFP. The Contractor will be responsible for furnishing indicated statistical/actuarial support and related services that are in compliance with relevant federal, state, and Medicaid standards. The Contractor to whom the RFP is awarded shall be responsible for the performance of all duties contained within this RFP at the fixed hourly rate quoted in Contractor's response to this RFP. All proposals must state a firm and fixed hourly rate for the services described.

## **B. Purpose**

This RFP will provide Medicaid with statistical and actuarial services in support of development, implementation, and evaluation of various projects; including, but not limited to the following:

### **1. Actuarial Analyses for Existing Populations**

Analyses including actuarially sound rate development for existing populations including for Regional Care Organizations, Maternity Care Program, Programs of All-Inclusive Care for the Elderly, and any other programs in need. In addition to actuarially sound rate development, any additional actuarial analyses for existing Medicaid populations is covered under this task.

### **2. Actuarial Analyses for New Programs**

Analyses including actuarially sound rate development for new programs including for the anticipated Integrated Care Network as well as any other programs in need. In addition to actuarially sound rate development, any additional actuarial analyses for new Medicaid programs and their impacts is covered under this task.

### **3. Actuarial Analyses for New Populations**

Analyses including actuarially sound rate development for new populations including for potentially newly eligible populations as a result of the Affordable Care Act as well as any other new populations to Medicaid. In addition to actuarially sound rate development, any additional actuarial analyses for new populations and their impacts is covered under this task.

### **4. Program Design Strategy, Development, Implementation, and Monitoring**

Assist and consult with regards to program design. This may include items such as solvency standards, reserves, risk sharing approaches, quality metrics, contracting, data reporting, financial template development and reporting, and other program items.

### **5. Rate Development Support**

Consistent with actuarial analyses tasks above, develop actuarially sound rates for various Medicaid managed care programs. In addition to actuarially sound rate development, this task will include analyses surrounding utilization and unit cost trend, incurred but not reported claims calculations, impacts of programmatic changes, efficiency adjustments, development of non-medical expenditures including administration, medical management and profit, risk, and contingency margins, and other actuarial analyses impacting rate development.

### **6. 1115 Waiver Assistance**

The State currently has an 1115 waiver for its Regional Care Organization program. This task includes assisting in communications with CMS surrounding 1115 waiver work, development of budget neutrality figures, guidance on waiver concepts and terms, and any other needed consulting with regard to 1115 waivers.

### **7. 1915b/c Waiver Assistance**

The State currently has a 1915b waiver for its maternity and hemophilia enrollees and anticipates development of a potential 1915b/c waiver for its Integrated Care Network program. This task includes assisting in communications with CMS surrounding 1915b/c waiver work, development of budget neutrality figures, guidance on waiver concepts and terms, and any other needed consulting with regard to 1915b/c waivers.

### **8. Public Meeting Support and Facilitation**

Ability to attend and at times lead meeting in various settings discussing aspects of Alabama Medicaid including, but not limited to, legislative meetings, stakeholder meetings, public comment meetings, provider community meetings, and internal Alabama Medicaid Agency meetings.

### **9. State General Fund Budget Modeling**

Assistance with General Fund budget forecast scenario modeling including a comprehensive understanding of the funding streams used by the Alabama Medicaid Agency.

### **10. Hospital Financial Modeling**

Assistance with hospital Upper Payment Limit forecast modeling, guidance and analyses for hospital reimbursement methodology approaches including APR-DRGs and EAPGs (once

implemented), and meeting participation and facilitation with the Alabama Hospital Association will be a part of this task among any other needed items.

### **11. Benefit and Reimbursement Studies**

Analyses determining the impacts and implications of potential benefit changes or reimbursement adjustments on rates, access, quality of care, and budgets among other things.

### **12. Pharmaceutical Studies**

Analyses regarding different Pharmacy impacts including cost of dispensing, new pipeline drugs, rebates, and potential management among other things.

### **13. Long Term Services and Support Assistance**

Analyses surrounding the State Long Term Care population including assistance with program design, waiver development, actuarially sound capitation rate setting, budget impacts, quality of care goals and results, access to care, and home and community based service slots among other things.

All of these services will be referred to collectively as actuarial services in this contract.

## **II. Scope of Work**

As part of the proposal, entities submitting proposals must provide the following:

### **1 Actuarial Services**

1.1 Corporate Experience/Past Performance - The proposal must provide the following information (referencing the subsections in sequence) to evidence the Contractor's qualifications to deliver actuarial services required by this RFP. Any proposal which does not provide all required documentation may be considered non-responsive, and the proposal may be rejected. The proposal must provide the following information in sequence:

1.1.1 A detailed statement indicating the Contractor's credentials to deliver, actuarial services for Medicaid. Said statement must include the following:

1.1.1.1 A brief description of the Contractor's background and organizational history;

1.1.1.2 Years in business;

1.1.1.3 A brief statement of how long the Contractor has been performing actuarial services;

1.1.1.4 Location of offices;

1.1.1.5 An organizational profile including: number of employees, longevity of employees and client base; and

1.1.1.6 Form of business (i.e., individual, sole proprietor, corporation, non-profit corporation, limited liability company, et cetera).

- 1.1.1.7 Evidence that the Contractor is financially stable and that it has the necessary infrastructure to complete this contract as described in the Contractor's Proposal. The Contractor must provide audited financial statements for the last three years, or similar evidence of financial stability for the last three years.
  - 1.1.1.8 Contractor's acknowledgment that the State will not reimburse the Contractor until: (a) the Project Director has approved the invoice; and (b) Medicaid has received and approved all deliverables covered by the invoice.
  - 1.1.1.9 Details of any pertinent judgment, criminal conviction, investigation or litigation pending against the Contractor or any of its officers, directors, employees, agents or subcontractors of which the Contractor has knowledge, or a statement that there are none. Medicaid reserves the right to reject a proposal solely on the basis of this information.
- 1.1.2 Contractor Experience – The Contractor must address the following areas detailing the corporate experience which the Contractor intends to provide Medicaid if chosen for contract award. This section must be written in narrative form and address all points as outlined below.
- 1.1.2.1 The Contractor must provide a detailed statement cataloging previous experience with actuarial services especially for state Medicaid agencies. Specifically, this statement must describe any previous contractual arrangements with state Medicaid agencies and other organizations, and list contacts that are able to verify the caliber of the previous work.
  - 1.1.2.2 The Contractor must outline and explain their knowledge of current technical infrastructure related to actuarial services. The Contractor must demonstrate their understanding and experience in core actuarial knowledge. Topics discussed in this section could include: Financial Mathematics, Finance and Financial Reporting, Probability and Mathematical, Statistics, Models, Contingencies, Statistical Methods, Business Economics, Financial Economics and related topics.
  - 1.1.2.3 The Contractor must outline and explain their knowledge of and experience with the business rules related to actuarial services that demonstrate their understanding and experience in evaluating various business rules and their impact on Agency finances. Topics discussed in this section could include: Current Process Analysis and Modeling, as well as Modeling of "What if" Processes to determine financial impact.
- 1.2 Corporate Experience/Past Performance shall not exceed twenty (20) pages, excluding attachments.

## 2 Required Personnel

- 2.1 Medicaid expects to utilize the following classifications of personnel under this contract. The Contractor must provide one or more resumes /CV for each classification of personnel listed. Each resume must include: relevant experience, education, and certifications.

### 2.1.1 Lead Strategist

Provide strategic insight surrounding actuarial service development and consultation for the State Medicaid agency. Key contributions might include consultation surrounding Medicaid program design for effective cost-management, Federal block grants/per-capita funding, 1115 waivers, 1932 waivers, integrated care management programs, actuarially sound rates for new and existing populations and programs, program design strategy and monitoring, benefit and reimbursement studies, waiver assistance, public meeting support and facilitation, State General Fund budget assistance, and any other area deemed necessary. Lead stakeholder engagement meetings, CMS discussions and/or negotiations, and provide legislative testimony as necessary.

### 2.1.2 Lead Clinician

Provide clinical insight surrounding clinical best practices in Medicaid managed care service delivery, actuarial service development, and consultation on clinical/service delivery issues for the State Medicaid agency. Key contributions might include consultation surrounding appropriateness of clinical assumptions in development of actuarially sound rates for new and existing populations and programs, health outcomes monitoring, quality program design strategy and monitoring, benefit and reimbursement studies, waiver assistance, public meeting support and facilitation, pay-for-performance programs, shared savings initiatives, and any other area deemed necessary. Lead stakeholder engagement meetings, CMS discussions and/or negotiations, and provide legislative testimony as necessary.

### 2.1.3 Actuary

Provide actuarial analyses including development of actuarially sound capitation rates and actuarial certification for rate development for various Alabama Medicaid full- and partial-risk care management programs including but not limited to Regional Care Organizations, Integrated Care Networks, Maternity Care Program, and Programs of All-Inclusive Care for the Elderly. Ensure that all rate development methodologies represent the best practices per the CMS Rule and the Office of the Actuary (OACT). Additionally, provide consulting services including but not limited to those items listed under the lead strategist. Lead rate development methodology meetings, participate in CMS negotiations, lead OACT meetings (both with and without Medicaid participants if appropriate), and lead stakeholder engagement meetings as necessary.

### 2.1.4 Actuarial Consultant

Provide actuarial analyses including development of actuarial sound capitation rates for various Alabama Medicaid full- and partial-risk care management programs including but not limited to Regional Care Organizations, Integrated Care Networks, Maternity Care Program, and Programs of All-Inclusive Care for the Elderly. Additionally, provide consulting services including but not limited to those items listed under the lead strategist. Lead stakeholder engagement meetings as necessary.

### 2.1.5 Actuarial Analyst

Provide actuarial analyses including development of actuarial sound capitation rates

for various Alabama Medicaid full- and partial-risk care management programs including but not limited to Regional Care Organizations, Integrated Care Networks, Maternity Care Program, and Programs of All-Inclusive Care for the Elderly. Additionally, the analyst will provide any additional analyses needed to assist in completion of given tasks.

#### 2.1.6 Administrative

Point of contact for items surrounding the contract, invoices, and any additional non-actuarial items needed.

- 3 Any actuarial services must comply with the Qualification Standards of the Code of Professional Conduct of the American Academy of Actuaries. Actuaries are required to issue statements of Actuarial Opinion and must possess experience in the actuarial practice area of health and have experience with rendering actuarial opinions for a state Medicaid or health insurance program (i.e. Certification to CMS that Managed Care rates are actuarially sound, etc.).
- 4 Have all necessary business licenses, registrations and professional certifications at the time of the contracting to be able to do business in Alabama. Alabama law provides that a foreign corporation (a business corporation incorporated under a law other than the law of this state) may not transact business in the state of Alabama until it obtains a Certificate of Authority from the Secretary of State. To obtain forms for a Certificate of Authority, contact the Secretary of State, (334) 242-5324, [www.sos.state.al.us](http://www.sos.state.al.us). The Certificate of Authority or a letter/form showing application has been made for a Certificate of Authority must be submitted with the bid.
- 5 Have proven five years of experience in providing actuarial services for state Medicaid agencies, with two of those years of experience being with a state Medicaid agency(ies), and have been in business a minimum of five years.
- 6 Furnish three references from government agencies or companies for which consulting projects similar to this one have been successfully accomplished within the last five years. Each reference should include specifics relative to what was done and a point of contact with telephone number or email address. Contractor must not use any Alabama Medicaid Agency personnel as a reference.

The State reserves the right to use any information or additional references deemed necessary to establish the ability of the Contractor to perform the conditions of the contract.

### III. Pricing

Contractor's response must specify a "not to exceed" Total Annual Price for personnel by using the RFP Cover Sheet on the first page of this document and Appendix C. The Price will be the same for every year of the Contract. Contract terms are:

- Original Year 1-2: Total Annual Price multiplied by 2.
- Option 1 Year 3-4: Total Annual Price multiplied by 2.
- Option 2 Year 5: Total Annual Price multiplied by 1.

The classifications to be proposed must be for consulting professionals. The hours per consultant classification must be multiplied by the loaded labor rate per consultant classification, summed to get the total annual price. For the purposes of this solicitation, general (non-technical) management and administrative (secretarial support) are assumed to be part of the loaded labor rates of the consulting professionals. Said proposed price must incorporate all direct and indirect cost and a reasonable profit for

the proposed scope of services for the contract year. The Contractor must explain in detail how the loaded labor rates are built up and the rationale for the profit component. This explanation must be attached to Appendix C.

Contractors must not propose an amount for travel and per diem. Travel and per diem are assumed to be part of the loaded labor rates.

Both the RFP Cover Sheet and Appendix C must only reflect the Total Annual Price.

## **IV. General Medicaid Information**

The Alabama Medicaid Agency is responsible for the administration of the Alabama Medicaid Program under a federally approved State Plan for Medical Assistance. Through teamwork, Medicaid strives to enhance and operate a cost efficient system of payment for health care services rendered to low income individuals through a partnership with health care providers and other health care insurers both public and private.

Medicaid's central office is located at 501 Dexter Avenue in Montgomery, Alabama. Central office personnel are responsible for data processing, program management, financial management, program integrity, general support services, professional services, and recipient eligibility services. For certain recipient categories, eligibility determination is made by Agency personnel located in eleven (11) district offices throughout the state and by one hundred forty (140) out-stationed workers in designated hospitals, health departments and clinics. Medicaid eligibility is also determined through established policies by the Alabama Department of Human Resources and the Social Security Administration. In 2015, an average of 1,049,787 Alabama citizens were eligible for Medicaid benefits through a variety of programs. Services covered by Medicaid include, but are not limited to, the following:

- Physician Services
- Inpatient and Outpatient Hospital Services
- Rural Health Clinic Services
- Laboratory and X-ray Services
- Nursing Home Services
- Early and Periodic Screening, Diagnosis and Treatment
- Dental for children ages zero (0) to twenty (20)
- Home Health Care Services and Durable Medical Equipment
- Family Planning Services
- Nurse-Midwife Services
- Federally Qualified Health Center Services
- Hospice Services
- Prescription Drugs
- Optometric Services
- Transportation Services
- Hearing Aids
- Intermediate Care Facilities for Individuals with Intellectual Disabilities
- Prosthetic Devices
- Outpatient Surgical Services
- Renal Dialysis Services
- Home and Community Based Waiver Services
- Prenatal Clinic Services

- Mental Health Services

Additional program information can be found at [www.medicaid.alabama.gov](http://www.medicaid.alabama.gov).

## V. General

This document outlines the qualifications which must be met in order for an entity to serve as Contractor. It is imperative that potential Contractors describe, **in detail**, how they intend to approach the Scope of Work specified in Section II of the RFP. The ability to perform these services must be carefully documented, even if the Contractor has been or is currently participating in a Medicaid Program. Proposals will be evaluated based on the written information that is presented in the response. This requirement underscores the importance and the necessity of providing in-depth information in the proposal with all supporting documentation necessary.

The Contractor must demonstrate in the proposal a thorough working knowledge of program policy requirements as described, herein, including but not limited to the applicable Operational Manuals, State Plan for Medical Assistance, Administrative Code and Code of Federal Regulations (CFR) requirements.

Entities that are currently excluded under federal and/or state laws from participation in Medicare/Medicaid or any State's health care programs are prohibited from submitting bids.

## VI. Submission Requirements

### A. Authority

This RFP is issued under the authority of Section 41-16-72 of the Alabama Code and 45 CFR 74.40 through 74.48. The RFP process is a procurement option allowing the award to be based on stated evaluation criteria. The RFP states the relative importance of all evaluation criteria. No other evaluation criteria, other than as outlined in the RFP, will be used.

In accordance with 45 CFR 74.43, the State encourages free and open competition among Contractors. Whenever possible, the State will design specifications, proposal requests, and conditions to accomplish this objective, consistent with the necessity to satisfy the State's need to procure technically sound, cost-effective services and supplies.

### B. Single Point of Contact

From the date this RFP is issued until a Contractor is selected and the selection is announced by the Project Director, all communication must be directed to the Project Director in charge of this solicitation. **Contractors or their representatives must not communicate with any State staff or officials regarding this procurement with the exception of the Project Director.** Any unauthorized contact may disqualify the Contractor from further consideration. Contact information for the single point of contact is as follows:

<i>Project Director:</i>	<b>Kathy Hall</b>
<i>Address:</i>	<b>Alabama Medicaid Agency Lurleen B. Wallace Bldg. 501 Dexter Avenue PO Box 5624 Montgomery, Alabama 36103-5624</b>
<i>E-Mail Address:</i>	<b><a href="mailto:actuarialrfp@medicaid.alabama.gov">actuarialrfp@medicaid.alabama.gov</a></b>

### **C. RFP Documentation**

All documents and updates to the RFP including, but not limited to, the actual RFP, questions and answers, addenda, etc., will be posted to Medicaid's website at [www.medicaid.alabama.gov](http://www.medicaid.alabama.gov).

### **D. Questions Regarding the RFP**

Contractors with questions requiring clarification or interpretation of any section within this RFP must submit questions and receive formal, written replies from the State. Each question must be submitted to the Project Director via email. Questions and answers will be posted on the Medicaid website as described in the Schedule of Events.

### **E. Acceptance of Standard Terms and Conditions**

Contractor must submit a statement stating that the Contractor has an understanding of and will comply with the terms and conditions as set out in this RFP. Additions or exceptions to the standard terms and conditions are not allowed. Any addition or exception to the terms and conditions are considered severed, null and void, and may result in the Contractor's proposal being deemed non-responsive.

### **F. Adherence to Specifications and Requirements**

Contractor must submit a statement stating that the Contractor has an understanding of and will comply with the specifications and requirements described in this RFP.

### **G. Order of Precedence**

In the event of inconsistencies or contradictions between language contained in the RFP and a Contractor's response, the language contained in the RFP will prevail. Should the State issue addenda to the original RFP, then said addenda, being more recently issued, would prevail against both the original RFP and the Contractor's proposal in the event of an inconsistency, ambiguity, or conflict.

### **H. Contractor's Signature**

The proposal must be accompanied by the RFP Cover Sheet signed in ink by an individual authorized to legally bind the Contractor. The Contractor's signature on a proposal in response to this RFP guarantees that the offer has been established without collusion and without effort to preclude the State from obtaining the best possible supply or service. Proof of authority of the person signing the RFP response must be furnished upon request.

### **I. Offer in Effect for 90 Days**

A proposal may not be modified, withdrawn or canceled by the Contractor for a 90-day period following the deadline for proposal submission as defined in the Schedule of Events, or receipt of best and final offer, if required, and Contractor so agrees in submitting the proposal.

### **J. State Not Responsible for Preparation Costs**

The costs for developing and delivering responses to this RFP and any subsequent presentations of the proposal as requested by the State are entirely the responsibility of the Contractor. The State is not liable for any expense incurred by the Contractor in the preparation and presentation of their proposal or any other costs incurred by the Contractor prior to execution of a contract.

## **K. State's Rights Reserved**

While the State has every intention to award a contract as a result of this RFP, issuance of the RFP in no way constitutes a commitment by the State to award and execute a contract. Upon a determination such actions would be in its best interest, the State, in its sole discretion, reserves the right to:

- Cancel or terminate this RFP;
- Reject any or all of the proposals submitted in response to this RFP;
- Change its decision with respect to the selection and to select another proposal;
- Waive any minor irregularity in an otherwise valid proposal which would not jeopardize the overall program and to award a contract on the basis of such a waiver (minor irregularities are those which will not have a significant adverse effect on overall project cost or performance);
- Negotiate with any Contractor whose proposal is within the competitive range with respect to technical plan and cost;
- Adopt to its use all, or any part, of a Contractor's proposal and to use any idea or all ideas presented in a proposal;
- Amend the RFP (amendments to the RFP will be made by written addendum issued by the State and will be posted on the RFP website);
- Not award any contract.

## **L. Price**

Contractors must respond to this RFP by utilizing the RFP Cover Sheet to indicate the total annual price that includes the loaded labor rate not to exceed price for consulting professionals to complete the scope of work.

## **M. Submission of Proposals**

Proposals must be sealed and labeled on the outside of the package to clearly indicate that they are in response to 2017-AS-01. Proposals must be sent to the attention of the Project Director and received at Medicaid as specified in the Schedule of Events. It is the responsibility of the Contractor to ensure receipt of the Proposal by the deadline specified in the Schedule of Events.

## **N. Copies Required**

Contractors must submit one original Proposal with original signatures in ink, one additional hard copy in binder form, plus two electronic copies of the Proposal on CD/DVD or jump drive clearly labeled with the Contractor name. One electronic copy (Word and searchable PDF format) MUST be a complete version of the Contractor's response and the second electronic (searchable PDF format) copy MUST have any information asserted as confidential or proprietary removed. Vender must identify the original hard copy clearly on the outside of the proposal.

## **O. Late Proposals**

*Regardless of cause, late proposals will not be accepted and will automatically be disqualified from further consideration.* It shall be the Contractor's sole risk to assure delivery at Medicaid by the designated deadline. Late proposals will not be opened and may be returned to the Contractor at the expense of the Contractor or destroyed if requested.

**P. Proposal Format**

Proposals must be prepared on standard 8 ½” x 11” paper and must be bound. All proposal pages must be numbered unless specified otherwise. All responses, as well as, any reference material presented, must be written in English.

The Contractor must structure its response in the same sequence, using the same labeling and numbering that appears in the RFP section in question. For example, the proposal would have a major section entitled “Scope of Work.” Within this section, the Contractor would include their response, addressing each of the numbered sections in sequence, as they appear in the RFP: i.e. II.1.1.1.1, II.1.1.1.2, II.1.1.1.3, II.1.1.1.4, and so on. The response to each section must be preceded by the section text of the RFP followed by the Contractor’s response.

Proposals must not include references to information located elsewhere, such as Internet websites. Information or materials presented by the Contractor outside the formal response or subsequent discussion/negotiation, if requested, will not be considered, and will have no bearing on any award.

This RFP and its attachments are available on Medicaid’s website. The Contractor acknowledges and accepts full responsibility to ensure that no changes are made to the RFP. In the event of inconsistencies or contradictions between language contained in the RFP and a Contractor’s response, the language contained in the RFP will prevail. Should Medicaid issue addenda to the original RFP, then said addenda, being more recently issued, would prevail against both the original RFP and the Contractor’s proposal.

**Q. Proposal Withdrawal**

The Contractor may withdraw a submitted proposal at any time before the deadline for submission. To withdraw a proposal, the Contractor must submit a written request, signed by a Contractor’s representative authorized to sign the resulting contract, to the RFP Project Director. After withdrawing a previously submitted proposal, the Contractor may submit another proposal at any time up to the deadline for submitting proposals.

**R. Proposal Amendment**

Medicaid will not accept any amendments, revisions, or alterations to proposals after the deadline for submitting proposals unless Medicaid formally requested in writing.

**S. Proposal Errors**

The Contractor is liable for all errors or omissions contained in their proposals. The Contractor will not be allowed to alter proposal documents after the deadline for submitting proposals. If the Contractor needs to change a previously submitted proposal, the Contractor must withdraw the entire proposal and may submit the corrected proposal before the deadline for submitting proposals.

## **T. Proposal Clarifications**

The Agency reserves the right to request clarifications with any or all Contractors if they are necessary to properly clarify compliance with the requirements of this RFP. The Agency will not be liable for any costs associated with such clarifications. The purpose of any such clarifications will be to ensure full understanding of the proposal. Clarifications will be limited to specific sections of the proposal identified by Medicaid. If clarifications are requested, the Contractor must put such clarifications in writing within the specified time frame.

## **U. Disclosure of Proposal Contents**

Proposals and supporting documents are kept confidential until the evaluation process is complete, a Contractor has been selected, and the Contract has been fully executed. The Contractor should be aware that any information in a proposal may be subject to disclosure and/or reproduction under Alabama law. Designation as proprietary or confidential may not protect any materials included within the proposal from disclosure if required by law. The Contractor should mark or otherwise designate any material that it feels is proprietary or otherwise confidential by labeling the page as "CONFIDENTIAL". The Contractor must also state any legal authority as to why that material should not be subject to public disclosure under Alabama open records law and is marked as Proprietary Information. By way of illustration but not limitation, "Proprietary Information" may include trade secrets, inventions, mask works, ideas, processes, formulas, source and object codes, data, programs, other works of authorship, know-how, improvements, discoveries, developments, designs and techniques.

Information contained in the Pricing Section may not be marked confidential. It is the sole responsibility of the Contractor to indicate information that is to remain confidential. Medicaid assumes no liability for the disclosure of information not identified by the Contractor as confidential. If the Contractor identifies its entire proposal as confidential, Medicaid may deem the proposal as non-compliant and may reject it.

## **V. Special Requirements**

### **Location and Work Space**

The work required under the RFP will have to be accomplished primarily at the Contractor's facility. Medicaid will not provide permanent, long term working space or amenities to Contractor personnel.

### **Specific Work to be Performed**

Medicaid will make specific work requests to the Contractor through Medicaid's designated contact(s). The Contractor will review the work request and provide a written proposal for the number of hours of each staff classification as defined in Section II.2.1 that will be required to complete the request. No reimbursement will be made to the Contractor for proposal development. Medicaid will review the proposal and make a determination whether to approve Contractor work on the request. No work is to be done until the Contractor receives approval from Medicaid's designated contact(s).

## VII. Evaluation and Selection Process

### A. Initial Classification of Proposals as Responsive or Non-responsive

All proposals will initially be classified as either “responsive” or “non-responsive.” Proposals may be found non-responsive at any time during the evaluation process or contract negotiation if any of the required information is not provided; or the proposal is not within the plans and specifications described and required in the RFP. If a proposal is found to be non-responsive, it will not be considered further.

Proposals failing to demonstrate that the Contractor meets the mandatory requirements listed in Appendix A will be deemed non-responsive and not considered further in the evaluation process (and thereby rejected).

### B. Determination of Responsibility

The Project Director will determine whether a Contractor has met the standards of responsibility. In determining responsibility, the Project Director may consider factors such as, but not limited to, the Contractor’s specialized expertise, ability to perform the work, experience and past performance. Such a determination may be made at any time during the evaluation process and through contract negotiation if information surfaces that would result in a determination of non-responsibility. If a Contractor is found non-responsible, a written determination will be made a part of the procurement file and mailed to the affected Contractor.

### C. Opportunity for Additional Information

The State reserves the right to contact any Contractor submitting a proposal for the purpose of clarifying issues in that Contractor’s proposal. Contractors should clearly designate in their proposal a point-of-contact for questions or issues that arise in the State’s review of a Contractor’s proposal.

### D. Evaluation Committee

An Evaluation Committee appointed by the Project Director will read the proposals, conduct corporate and personal reference checks, score the proposals, and make a written recommendation to the Commissioner of the Alabama Medicaid Agency. The State may change the size or composition of the committee during the review in response to exigent circumstances.

### E. Scoring

The Evaluation Committee will score the proposals using the scoring system shown in the table below. The highest score that can be awarded to any proposal is 100 points.

<b>Evaluation Factor</b>	<b>Highest Possible Score</b>
Actuarial Services	These sections are used to determine responsible Contractors.
Required Personnel	
References	
Price	100
<b>Total</b>	<b>100</b>

## **F. Reference Checks**

Reference Checks will be performed by the Evaluation Committee to determine a positive/negative reference. The reference's contact person will be asked a series of predetermined closed ended questions to determine a positive or negative reference. The Contractor is responsible for ensuring the reference is available for Medicaid to contact during the Evaluation Period as described in the Section B: Schedule of Events. If less than two (2) out of the three (3) required references receive a positive reference check, Medicaid may deem the Contractor as non-responsible.

## **G. Determination of Successful Proposal**

The Contractor whose proposal is determined to be in the best interest of the State will be recommended as the successful Contractor. The Project Director will forward this Contractor's proposal through the supervisory chain to the Commissioner, with documentation to justify the Committee's recommendation.

When the final approval is received, the State will notify the selected Contractor. If the State rejects all proposals, it will notify all Contractors. The State will post the award on Medicaid website at [www.medicaid.alabama.gov](http://www.medicaid.alabama.gov). The award will be posted under the applicable RFP number.

# **VIII. General Terms and Conditions**

## **A. General**

This RFP and Contractor's response thereto shall be incorporated into a contract by the execution of a formal agreement. The contract and amendments, if any, are subject to approval by the Governor of the State of Alabama.

The contract shall include the following:

1. Executed contract,
2. RFP, attachments, and any amendments thereto,
3. Contractor's response to the RFP, and shall be construed in accordance with and in the order of the applicable provisions of:
  - Title XIX of the Social Security Act, as amended and regulations promulgated hereunder by HHS and any other applicable federal statutes and regulations
  - The statutory and case law of the State of Alabama
  - The Alabama State Plan for Medical Assistance under Title XIX of the Social Security Act, as amended
  - The Medicaid Administrative Code
  - Medicaid's written response to prospective Contractor questions

## **B. Compliance with State and Federal Regulations**

Contractor shall perform all services under the contract in accordance with applicable federal and state statutes and regulations. Medicaid retains full operational and administrative authority and responsibility over the Alabama Medicaid Program in accordance with the requirements of the federal statutes and regulations as the same may be amended from time to time.

### **C. Term of Contract**

The initial contract term shall be for two years effective September 1, 2017, through August 31, 2019. Alabama Medicaid shall have the option of unilaterally extending the contract for the periods September 1, 2019 through August 31, 2021, and September 1, 2021 through August 31, 2022, after review by the Legislative Contract Review Oversight Committee. At the end of the contract period Alabama Medicaid may at its discretion, exercise the extension option and allow the period of performance to be extended at the rate indicated on the RFP Cover Sheet. The Contractor will provide pricing for each year of the contract, including any extensions.

Contractor acknowledges and understands that this contract is not effective until it has received all requisite state government approvals and Contractor shall not begin performing work under this contract until notified to do so by Medicaid. Contractor is entitled to no compensation for work performed prior to the effective date of this contract.

### **D. Contract Amendments**

No alteration or variation of the terms of the contract shall be valid unless made in writing and duly signed by the parties thereto. The contract may be amended by written agreement duly executed by the parties. Every such amendment shall specify the date its provisions shall be effective as agreed to by the parties.

The contract shall be deemed to include all applicable provisions of the State Plan and of all state and federal laws and regulations applicable to the Alabama Medicaid Program, as they may be amended. In the event of any substantial change in such Plan, laws, or regulations, that materially affects the operation of the Alabama Medicaid Program or the costs of administering such Program, either party, after written notice and before performance of any related work, may apply in writing to the other for an equitable adjustment in compensation caused by such substantial change.

### **E. Confidentiality**

Contractor shall treat all information, and in particular information relating to individuals that is obtained by or through its performance under the contract, as confidential information to the extent confidential treatment is provided under State and Federal laws including 45 CFR §160.101 – 164.534. Contractor shall not use any information so obtained in any manner except as necessary for the proper discharge of its obligations and rights under this contract.

Contractor shall ensure safeguards that restrict the use or disclosure of information concerning individuals to purposes directly connected with the administration of the Plan in accordance with 42 CFR Part 431, Subpart F, as specified in 42 CFR § 434.6(a)(8). Purposes directly related to the Plan administration include:

1. Establishing eligibility;
2. Determining the amount of medical assistance;
3. Providing services for recipients; and
4. Conducting or assisting an investigation, prosecution, or civil or criminal proceeding related to the administration of the Plan.

Pursuant to requirements of the Health Insurance Portability and Accountability Act (HIPAA) of 1996 (Public Law 104-191), the successful Contractor shall sign and comply with the terms of a Business Associate agreement with the Agency (Appendix B).

## **F. Security and Release of Information**

Contractor shall take all reasonable precautions to ensure the safety and security of all information, data, procedures, methods, and funds involved in the performance under the contract, and shall require the same from all employees so involved. Contractor shall not release any data or other information relating to the Alabama Medicaid Program without prior written consent of Medicaid. This provision covers both general summary data as well as detailed, specific data. Contractor shall not be entitled to use of Alabama Medicaid Program data in its other business dealings without prior written consent of Medicaid. All requests for program data shall be referred to Medicaid for response by the Commissioner only.

## **G. Federal Nondisclosure Requirements**

Each officer or employee of any person to whom Social Security information is or may be disclosed shall be notified in writing by such person that Social Security information disclosed to such officer or employee can be only used for authorized purposes and to that extent and any other unauthorized use herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as five years, or both, together with the cost of prosecution. Such person shall also notify each such officer or employee that any such unauthorized further disclosure of Social Security information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRC Sections 7213 and 7431 and set forth at 26 CFR 301.6103(n).

Additionally, it is incumbent upon the contractor to inform its officers and employees of penalties for improper disclosure implied by the Privacy Act of 1974, 5 USC 552a. Specifically, 5 USC 552a (i) (1), which is made applicable to contractors by 5 USC 552a (m) (1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established there under, and who knowing that disclosure of the specific material is prohibited, willfully discloses that material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

## **H. Contract a Public Record**

Upon signing of this contract by all parties, the terms of the contract become available to the public pursuant to Alabama law. Contractor agrees to allow public access to all documents, papers, letters, or other materials subject to the current Alabama law on disclosure. It is expressly understood that substantial evidence of Contractor's refusal to comply with this provision shall constitute a material breach of contract.

## **I. Termination for Bankruptcy**

The filing of a petition for voluntary or involuntary bankruptcy of a company or corporate reorganization pursuant to the Bankruptcy Act shall, at the option of Medicaid, constitute default by Contractor effective the date of such filing. Contractor shall inform Medicaid in writing of any such action(s) immediately upon occurrence by the most expeditious means possible. Medicaid may, at its option, declare default and notify Contractor in writing that performance under the contract is terminated and proceed to seek appropriate relief from Contractor.

## **J. Termination for Default**

Medicaid may, by written notice, terminate performance under the contract, in whole or in part, for failure of Contractor to perform any of the contract provisions. In the event Contractor defaults in the

performance of any of Contractor's material duties and obligations, written notice shall be given to Contractor specifying default. Contractor shall have 10 calendar days, or such additional time as agreed to in writing by Medicaid, after the mailing of such notice to cure any default. In the event Contractor does not cure a default within 10 calendar days, or such additional time allowed by Medicaid, Medicaid may, at its option, notify Contractor in writing that performance under the contract is terminated and proceed to seek appropriate relief from Contractor.

**K. Termination for Unavailability of Funds**

Performance by the State of Alabama of any of its obligations under the contract is subject to and contingent upon the availability of state and federal monies lawfully applicable for such purposes. If Medicaid, in its sole discretion, deems at any time during the term of the contract that monies lawfully applicable to this agreement shall not be available for the remainder of the term, Medicaid shall promptly notify Contractor to that effect, whereupon the obligations of the parties hereto shall end as of the date of the receipt of such notice and the contract shall at such time be cancelled without penalty to Medicaid, State or Federal Government.

**L. Proration of Funds**

In the event of proration of the funds from which payment under this contract is to be made, this contract will be subject to termination.

**M. Termination for Convenience**

Medicaid may terminate performance of work under the Contract in whole or in part whenever, for any reason, Medicaid, in its sole discretion determines that such termination is in the best interest of the State. In the event that Medicaid elects to terminate the contract pursuant to this provision, it shall so notify the Contractor by certified or registered mail, return receipt requested. The termination shall be effective as of the date specified in the notice. In such event, Contractor will be entitled only to payment for all work satisfactorily completed and for reasonable, documented costs incurred in good faith for work in progress. The Contractor will not be entitled to payment for uncompleted work, or for anticipated profit, unabsorbed overhead, or any other costs.

**N. Force Majeure**

Contractor shall be excused from performance hereunder for any period Contractor is prevented from performing any services pursuant hereto in whole or in part as a result of an act of God, war, civil disturbance, epidemic, or court order; such nonperformance shall not be a ground for termination for default.

**O. Nondiscriminatory Compliance**

Contractor shall comply with Title VII of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, Executive Order No. 11246, as amended by Executive Order No. 11375, both issued by the President of the United States, the Americans with Disabilities Act of 1990, and with all applicable federal and state laws, rules and regulations implementing the foregoing statutes with respect to nondiscrimination in employment.

**P. Conflict of Interest**

The parties acknowledge and agree that the Contractor must be free of conflicts of interest in accordance with all federal and state regulations while performing the duties within the contract. The Contractor agrees that it has no conflict of interest preventing the execution of this Contract, and the Contractor will abide by applicable state and federal regulations.

**Q. Open Trade**

In compliance with Section 41-16-5 Code of Alabama (1975), the contractor hereby certifies that it is not currently engaged in, and will not engage in, the boycott of a person or an entity based in or doing business with a jurisdiction with which this state can enjoy open trade.

**R. Small and Minority Business Enterprise Utilization**

In accordance with the provisions of 45 CFR Part 74 and paragraph 9 of OMB Circular A-102, affirmative steps shall be taken to assure that small and minority businesses are utilized when possible as sources of supplies, equipment, construction, and services.

**S. Worker's Compensation**

Contractor shall take out and maintain, during the life of this contract, Worker's Compensation Insurance for all of its employees under the contract or any subcontract thereof, if required by state law.

**T. Employment of State Staff**

Contractor shall not knowingly engage on a full-time, part-time, or other basis during the period of the contract any professional or technical personnel, who are or have been in the employment of Medicaid during the previous twelve (12) months, except retired employees or contractual consultants, without the written consent of Medicaid. Certain Medicaid employees may be subject to more stringent employment restrictions under the Alabama Code of Ethics, §36-25-1 et seq., Code of Alabama 1975.

**U. Immigration Compliance**

Contractor will not knowingly employ, hire for employment, or continue to employ an unauthorized alien within the State of Alabama. Contractor shall comply with the requirements of the Immigration Reform and Control Act of 1986 and the Beason-Hammon Alabama Taxpayer and Citizen Protection Act (Ala. Act 2012-491 and any amendments thereto) and certify its compliance by executing Attachment G. Contractor will document that the Contractor is enrolled in the E-Verify Program operated by the US Department of Homeland Security as required by Section 9 of Act 2012-491. During the performance of the contract, the contractor shall participate in the E-Verify program and shall verify every employee that is required to be verified according to the applicable federal rules and regulations. Contractor further agrees that, should it employ or contract with any subcontractor(s) in connection with the performance of the services pursuant to this contract, that the Contractor will secure from such subcontractor(s) documentation that subcontractor is enrolled in the E-Verify program prior to performing any work on the project. The subcontractor shall verify every employee that is required to be verified according to the applicable federal rules and regulations. This subsection shall only apply to subcontractors performing work on a project subject to the provisions of this section and not to collateral persons or business entities hired by the subcontractor. Contractor shall maintain the subcontractor documentation that shall be available upon request by the Alabama Medicaid Agency.

Pursuant to Ala. Code §31-13-9(k), by signing this contract, the contracting parties affirm, for the duration of the agreement, that they will not violate federal immigration law or knowingly employ, hire for employment, or continue to employ an unauthorized alien within the state of Alabama. Furthermore, a contracting party found to be in violation of this provision shall be deemed in breach of the agreement and shall be responsible for all damages resulting therefrom.

Failure to comply with these requirements may result in termination of the agreement or subcontract.

**V. Share of Contract**

No official or employee of the State of Alabama shall be admitted to any share of the contract or to any benefit that may arise there from.

**W. Waivers**

No covenant, condition, duty, obligation, or undertaking contained in or made a part of the contract shall be waived except by written agreement of the parties.

**X. Warranties Against Broker's Fees**

Contractor warrants that no person or selling agent has been employed or retained to solicit or secure the contract upon an agreement or understanding for a commission percentage, brokerage, or contingency fee excepting bona fide employees. For breach of this warranty, Medicaid shall have the right to terminate the contract without liability.

**Y. Novation**

In the event of a change in the corporate or company ownership of Contractor, Medicaid shall retain the right to continue the contract with the new owner or terminate the contract. The new corporate or company entity must agree to the terms of the original contract and any amendments thereto. During the interim between legal recognition of the new entity and Medicaid execution of the novation agreement, a valid contract shall continue to exist between Medicaid and the original Contractor. When, to Medicaid's satisfaction, sufficient evidence has been presented of the new owner's ability to perform under the terms of the contract, Medicaid may approve the new owner and a novation agreement shall be executed.

**Z. Employment Basis**

It is expressly understood and agreed that Medicaid enters into this agreement with Contractor and any subcontractor as authorized under the provisions of this contract as an independent contractor on a purchase of service basis and not on an employer-employee basis and not subject to State Merit System law.

**AA. Disputes and Litigation**

Except in those cases where the proposal response exceeds the requirements of the RFP, any conflict between the response of Contractor and the RFP shall be controlled by the provisions of the RFP. Any dispute concerning a question of fact arising under the contract which is not disposed of by agreement shall be decided by the Commissioner of Medicaid.

The Contractor's sole remedy for the settlement of any and all disputes arising under the terms of this contract shall be limited to the filing of a claim with the board of Adjustment for the State of Alabama.

Pending a final decision of a dispute hereunder, the Contractor must proceed diligently with the performance of the contract in accordance with the disputed decision.

For any and all disputes arising under the terms of this contract, the parties hereto agree, in compliance with the recommendations of the Governor and Attorney General, when considering settlement of such disputes, to utilize appropriate forms of non-binding alternative dispute resolution including, but not limited to, mediation by and through private mediators.

Any litigation brought by Medicaid or Contractor regarding any provision of the contract shall be brought in either the Circuit Court of Montgomery County, Alabama, or the United States District Court for the Middle District of Alabama, Northern Division, according to the jurisdictions of these courts. This provision shall not be deemed an attempt to confer any jurisdiction on these courts which they do not by law have, but is a stipulation and agreement as to forum and venue only.

**BB. Records Retention and Storage**

Contractor shall maintain financial records, supporting documents, statistical records, and all other records pertinent to the Alabama Medicaid Program for a period of three years from the date of the final payment made by Medicaid to Contractor under the contract. However, if audit, litigation, or other legal action by or on behalf of the State or Federal Government has begun but is not completed at the end of the three- year period, or if audit findings, litigation, or other legal action have not been resolved at the end of the three year period, the records shall be retained until resolution.

**CC. Inspection of Records**

Contractor agrees that representatives of the Comptroller General, HHS, the General Accounting Office, the Alabama Department of Examiners of Public Accounts, and Medicaid and their authorized representatives shall have the right during business hours to inspect and copy Contractor's books and records pertaining to contract performance and costs thereof. Contractor shall cooperate fully with requests from any of the agencies listed above and shall furnish free of charge copies of all requested records. Contractor may require that a receipt be given for any original record removed from Contractor's premises.

**DD. Use of Federal Cost Principles**

For any terms of the contract which allow reimbursement for the cost of procuring goods, materials, supplies, equipment, or services, such procurement shall be made on a competitive basis (including the use of competitive bidding procedures) where practicable, and reimbursement for such cost under the contract shall be in accordance with 48 CFR, Chapter 1, Part 31. Further, if such reimbursement is to be made with funds derived wholly or partially from federal sources, such reimbursement shall be subject to Contractor's compliance with applicable federal procurement requirements, and the determination of costs shall be governed by federal cost principles.

**EE. Payment**

Contractor shall submit to Medicaid a detailed monthly invoice for compensation for the deliverable and/or work performed. Invoices should be submitted to the Project Director. Payments are dependent upon successful completion and acceptance of described work and delivery of required documentation.

**FF. Notice to Parties**

Any notice to Medicaid under the contract shall be sufficient when mailed to the Project Director. Any notice to Contractor shall be sufficient when mailed to Contractor at the address given on the return receipt from this RFP or on the contract after signing. Notice shall be given by certified mail, return receipt requested.

**GG. Disclosure Statement**

The successful Contractor shall be required to complete a financial disclosure statement with the executed contract.

**HH. Debarment**

Contractor hereby certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this contract by any Federal department or agency.

**II. Not to Constitute a Debt of the State**

Under no circumstances shall any commitments by Medicaid constitute a debt of the State of Alabama as prohibited by Article XI, Section 213, Constitution of Alabama of 1901, as amended by Amendment 26. It is further agreed that if any provision of this contract shall contravene any statute or Constitutional provision or amendment, whether now in effect or which may, during the course of this Contract, be enacted, then that conflicting provision in the contract shall be deemed null and void. The Contractor's sole remedy for the settlement of any and all disputes arising under the terms of this agreement shall be limited to the filing of a claim against Medicaid with the Board of Adjustment for the State of Alabama.

**JJ. Qualification to do Business in Alabama**

Should a foreign corporation (a business corporation incorporated under a law other than the law of this state) be selected to provide professional services in accordance with this RFP, it must be qualified to transact business in the State of Alabama and possess a Certificate of Authority issued by the Secretary of State at the time a professional services contract is executed. To obtain forms for a Certificate of Authority, contact the Secretary of State at (334) 242-5324 or [www.sos.state.al.us](http://www.sos.state.al.us). The Certificate of Authority or a letter/form showing application has been made for a Certificate of Authority must be submitted with the proposal.

**KK. Choice of Law**

The construction, interpretation, and enforcement of this contract shall be governed by the substantive contract law of the State of Alabama without regard to its conflict of laws provisions. In the event any provision of this contract is unenforceable as a matter of law, the remaining provisions will remain in full force and effect.

**LL. Alabama interChange Interface Standards**

Contractor hereby certifies that any exchange of MMIS data with the Agency's fiscal agent will be accomplished by following the Alabama interChange Interface Standards Document, which will be posted on the Medicaid website.

## Appendix A: Proposal Compliance Checklist

### NOTICE TO CONTRACTOR:

It is highly encouraged that the following checklist be used to verify completeness of Proposal content. It is not required to submit this checklist with your proposal.

---

Contractor Name

---

Project Director

---

Review Date

*Proposals for which ALL applicable items are marked by the Project Director are determined to be compliant for responsive proposals.*

<input checked="" type="checkbox"/> IF CORRECT	BASIC PROPOSAL REQUIREMENTS
<input type="checkbox"/>	1. Contractor's original proposal received on time at correct location.
<input type="checkbox"/>	2. Contractor submitted the specified copies of proposal and in electronic format.
<input type="checkbox"/>	3. The Proposal includes a completed and signed RFP Cover Sheet.
<input type="checkbox"/>	4. The Proposal is a complete and independent document, with no references to external documents or resources.
<input type="checkbox"/>	5. Contractor submitted signed acknowledgement of any and all addenda to RFP.
<input type="checkbox"/>	6. The Proposal includes written confirmation that the Contractor understands and shall comply with all of the provisions of the RFP.
<input type="checkbox"/>	7. The Proposal includes required client references (with all identifying information in specified format and order).
<input type="checkbox"/>	8. The Proposal addressed all sections in order as discussed in Section II.
<input type="checkbox"/>	9. The Proposal addressed all required items per Section II.
<input type="checkbox"/>	10. Contractor must submit a statement stating that the Contractor has an understanding of and will comply with the terms and conditions as set out in this RFP. Additions or exceptions to the standard terms and conditions are not allowed. Any addition or exception to the terms and conditions are considered severed, null and void, and may result in the Contractor's proposal being deemed non-responsive.
<input type="checkbox"/>	11. The response includes (if applicable) a Certificate of Authority or letter/form showing application has been made with the Secretary of State for a Certificate of Authority.
<input type="checkbox"/>	12. The response must include an E-Verify Memorandum of Understanding with the Department of Homeland Security.

## **Appendix B: Contract and Attachments**

The following are the documents that must be signed **AFTER** contract award and prior to the meeting of the Legislative Contract Oversight Committee Meeting.

Sample Contract

*Attachment A:* Business Associate Addendum

*Attachment B:* Contract Review Report for Submission to Oversight Committee

*Attachment C:* Immigration Status

*Attachment D:* Disclosure Statement

*Attachment E:* Letter Regarding Reporting to Ethics Commission

*Attachment F:* Instructions for Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion

*Attachment G:* Beason-Hammon Certificate of Compliance

CONTRACT

BETWEEN  
THE ALABAMA MEDICAID AGENCY  
AND

KNOW ALL MEN BY THESE PRESENTS, that the Alabama Medicaid Agency, an Agency of the State of Alabama, and \_\_\_\_\_, Contractor, agree as follows:

Contractor shall furnish all labor, equipment, and materials and perform all of the work required under the Request for Proposal (RFP Number \_\_\_\_\_, dated \_\_\_\_\_, strictly in accordance with the requirements thereof and Contractor’s response thereto.

Contractor shall be compensated for performance under this contract in accordance with the provisions of the RFP and the price provided on the RFP Cover Sheet response, in an amount not to exceed \_\_\_\_\_.

Contractor and the Alabama Medicaid Agency agree that the initial term of the contract is \_\_\_\_to \_\_\_\_.

This contract specifically incorporates by reference the RFP, any attachments and amendments thereto, and Contractor’s response.

CONTRACTOR

ALABAMA MEDICAID AGENCY  
This contract has been reviewed for and is approved as to content.

\_\_\_\_\_  
Contractor’s name here

\_\_\_\_\_  
Stephanie McGee Azar  
Commissioner

\_\_\_\_\_  
Date signed

\_\_\_\_\_  
Date signed

\_\_\_\_\_  
Printed Name

This contract has been reviewed for legal form and complies with all applicable laws, rules, and regulations of the State of Alabama governing these matters.

Tax ID: \_\_\_\_\_

APPROVED:

\_\_\_\_\_  
General Counsel

\_\_\_\_\_  
Governor, State of Alabama

**ALABAMA MEDICAID AGENCY  
BUSINESS ASSOCIATE ADDENDUM**

This Business Associate Addendum (this “Agreement”) is made effective the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the Alabama Medicaid Agency (“Covered Entity”), an agency of the State of Alabama, and \_\_\_\_\_ (“Business Associate”) (collectively the “Parties”).

## **1. BACKGROUND**

- 1.1.** Covered Entity and Business Associate are parties to a contract entitled \_\_\_\_\_ (the “Contract”), whereby Business Associate agrees to perform certain services for or on behalf of Covered Entity.
- 1.2.** The relationship between Covered Entity and Business Associate is such that the Parties believe Business Associate is or may be a “business associate” within the meaning of the HIPAA Rules (as defined below).
- 1.3.** The Parties enter into this Business Associate Addendum with the intention of complying with the HIPAA Rules allowing a covered entity to disclose protected health information to a business associate, and allowing a business associate to create or receive protected health information on its behalf, if the covered entity obtains satisfactory assurances that the business associate will appropriately safeguard the information.

## **2. DEFINITIONS**

### **2.1 General Definitions**

The following terms used in this Agreement shall have the same meaning as those terms in the HIPAA Rules: Breach, Data Aggregation, Designated Record Set, Disclosure, Electronic Protected Health Information, Health Care Operations, Individual, Minimum Necessary, Notice of Privacy Practices, Protected Health Information, Required By Law, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information, and Use.

### **2.2 Specific Definitions**

- 2.2.1. Business Associate. “Business Associate” shall generally have the same meaning as the term “business associate” at 45 C.F.R. § 160.103
- 2.2.2. Covered Entity. “Covered Entity” shall generally have the same meaning as the term “covered entity” at 45 C.F.R. § 160.103.
- 2.2.3. HIPAA Rules. “HIPAA Rules” shall mean the Privacy, Security, Breach Notification, and Enforcement Rules at 45 C.F.R. Part 160 and Part 164.

## **3. OBLIGATIONS OF BUSINESS ASSOCIATE**

Business Associate agrees to the following:

- 3.1** Use or disclose PHI only as permitted or required by this Agreement or as Required by Law.

- 3.2** Use appropriate safeguards to prevent use or disclosure of PHI other than as provided for by this Agreement. Further, Business Associate will implement administrative, physical and technical safeguards (including written policies and procedures) that reasonably and appropriately protect the confidentiality, integrity and availability of electronic PHI that it creates, receives, maintains or transmits on behalf of Covered Entity as required by Subpart C of 45 C.F.R. Part 164.
- 3.3** Mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of this Agreement.
- 3.4** Report to Covered Entity within five (5) business days any use or disclosure of PHI not provided for by this Agreement of which it becomes aware.
- 3.5** Ensure that any subcontractors that create, receive, maintain, or transmit protected health information on behalf of the business associate agree to the same restrictions, conditions, and requirements that apply to the business associate with respect to such information in accordance with 45 C.F.R. § 164.502(e)(1)(ii) and § 164.308(b)(2), if applicable.
- 3.6** Provide Covered Entity with access to PHI within thirty (30) business days of a written request from Covered Entity, in order to allow Covered Entity to meet its requirements under 45 C.F.R. § 164.524, access to PHI maintained by Business Associate in a Designated Record Set.
- 3.7** Make amendment(s) to PHI maintained by Business Associate in a Designated Record Set that Covered Entity directs or agrees to, pursuant to 45 C.F.R. § 164.526 at the written request of Covered Entity, within thirty (30) calendar days after receiving the request.
- 3.8** Make internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of, Covered Entity, available to Covered Entity or to the Secretary within five (5) business days after receipt of written notice or as designated by the Secretary for purposes of determining compliance with the HIPAA Rules.
- 3.9** Maintain and make available the information required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI as necessary to satisfy the Covered Entity's obligations under 45 C.F.R. § 164.528.
- 3.10** Provide to the Covered Entity, within thirty (30) days of receipt of a written request from Covered Entity, the information required for Covered Entity to respond to a request by an Individual or an authorized representative for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528.
- 3.11** Maintain a comprehensive security program appropriate to the size and complexity of the Business Associate's operations and the nature and scope of its activities as defined in the Security Rule.
- 3.12** Notify the Covered Entity within five (5) business days following the discovery of a breach of unsecured PHI on the part of the Contractor or any of its sub-contractors, and
  - 3.12.1.** Provide the Covered Entity the following information:
    - 3.12.1.a** The number of recipient records involved in the breach.

- 3.12.1.b A description of what happened, including the date of the breach and the date of the discovery of the breach if known.
  - 3.12.1.c A description of the types of unsecure protected health information that were involved in the breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other type information were involved).
  - 3.12.1.d Any steps the individuals should take to protect themselves from potential harm resulting from the breach.
  - 3.12.1.e A description of what the Business Associate is doing to investigate the breach, to mitigate harm to individuals and to protect against any further breaches.
  - 3.12.1.f Contact procedures for individuals to ask questions or learn additional information, which shall include the Business Associate's toll-free number, email address, Web site, or postal address.
  - 3.12.1.g A proposed media release developed by the Business Associate.
- 3.12.2. Work with Covered Entity to ensure the necessary notices are provided to the recipient, prominent media outlet, or to report the breach to the Secretary of Health and Human Services (HHS) as required by 45 C.F.R. Part 164, Subpart D.;
- 3.12.3. Pay the costs of the notification for breaches that occur as a result of any act or failure to act on the part of any employee, officer, or agent of the Business Associate;
- 3.12.4. Pay all fines or penalties imposed by HHS under 45 C.F.R. Part 160, "HIPAA Administrative Simplification: Enforcement Rule" for breaches that occur as a result of any act or failure to act on the part of any employee, officer, or agent of the Business Associate.
- 3.12.5. Co-ordinate with the Covered Entity in determining additional specific actions that will be required of the Business Associate for mitigation of the breach.

#### **4. PERMITTED USES AND DISCLOSURES**

Except as otherwise limited in this Agreement, if the Contract permits, Business Associate may:

- 4.1** Use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Contract, provided that such use or disclosure would not violate the Subpart E of 45 C.F.R. Part 164 if done by Covered Entity;
- 4.2** Use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.
- 4.3** Disclose PHI for the proper management and administration of the Business Associate, provided that:
  - 4.3.1. Disclosures are Required By Law; or
  - 4.3.2. Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of

which it is aware in which the confidentiality of the information has been breached.

- 4.4** Use PHI to provide data aggregation services to Covered Entity as permitted by 42 C.F.R. § 164.504(e)(2)(i)(B).

## **5. REPORTING IMPROPER USE OR DISCLOSURE**

The Business Associate shall report to the Covered Entity within five (5) business days from the date the Business Associate becomes aware of:

- 5.1** Any use or disclosure of PHI not provided for by this agreement  
**5.2** Any Security Incident and/or breach of unsecured PHI

## **6. OBLIGATIONS OF COVERED ENTITY**

The Covered Entity agrees to the following:

- 6.1** Notify the Business Associate of any limitation(s) in its notice of privacy practices in accordance with 45 C.F.R. § 164.520, to the extent that such limitation may affect Alabama Medicaid's use or disclosure of PHI.  
**6.2** Notify the Business Associate of any changes in, or revocation of, permission by an Individual to use or disclose PHI, to the extent that such changes may affect the Business Associate's use or disclosure of PHI.  
**6.3** Notify the Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522, to the extent that such restriction may affect the Business Associate's use or disclosure of PHI.  
**6.4** Not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by Covered Entity.  
**6.5** Provide Business Associate with only that PHI which is minimally necessary for Business Associate to provide the services to which this agreement pertains.

## **7. TERM AND TERMINATION**

- 7.1 Term.** The Term of this Agreement shall be effective as of the effective date stated above and shall terminate when the Contract terminates.  
**7.2 Termination for Cause.** Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity may, at its option:  
7.2.1. Provide an opportunity for Business Associate to cure the breach or end the violation, and terminate this Agreement if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity;  
7.2.2. Immediately terminate this Agreement; or  
7.2.3. If neither termination nor cure is feasible, report the violation to the Secretary as provided in the Privacy Rule.  
**7.3 Effect of Termination.**  
7.3.1 Except as provided in paragraph (2) of this section or in the Contract, upon termination of this Agreement, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to PHI that is in

the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI.

7.3.2 In the event that Business Associate determines that the PHI is needed for its own management and administration or to carry out legal responsibilities, and returning or destroying the PHI is not feasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction not feasible. Business Associate shall:

7.3.2.a Retain only that PHI which is necessary for business associate to continue its proper management and administration or to carry out its legal responsibilities;

7.3.2.b Return to covered entity or, if agreed to by covered entity, destroy the remaining PHI that the business associate still maintains in any form;

7.3.2.c Continue to use appropriate safeguards and comply with Subpart C of 45 C.F.R. Part 164 with respect to electronic protected health information to prevent use or disclosure of the protected health information, other than as provided for in this Section, for as long as business associate retains the PHI;

7.3.2.d Not use or disclose the PHI retained by business associate other than for the purposes for which such PHI was retained and subject to the same conditions set out at Section 4, "Permitted Uses and Disclosures" which applied prior to termination; and

7.3.2.e Return to covered entity or, if agreed to by covered entity, destroy the PHI retained by business associate when it is no longer needed by business associate for its proper management and administration or to carry out its legal responsibilities.

#### **7.4 Survival**

The obligations of business associate under this Section shall survive the termination of this Agreement.

### **8. GENERAL TERMS AND CONDITIONS**

**8.1** This Agreement amends and is part of the Contract.

**8.2** Except as provided in this Agreement, all terms and conditions of the Contract shall remain in force and shall apply to this Agreement as if set forth fully herein.

**8.3** In the event of a conflict in terms between this Agreement and the Contract, the interpretation that is in accordance with the HIPAA Rules shall prevail. Any ambiguity in this Agreement shall be resolved to permit Covered Entity to comply with the HIPAA Rules.

**8.4** A breach of this Agreement by Business Associate shall be considered sufficient basis for Covered Entity to terminate the Contract for cause.

**8.5** The Parties agree to take such action as is necessary to amend this Agreement from time to time for Covered Entity to comply with the requirements of the HIPAA Rules.

IN WITNESS WHEREOF, Covered Entity and Business Associate have executed this Agreement effective on the date as stated above.

**ALABAMA MEDICAID AGENCY**

Signature: \_\_\_\_\_

Printed Name: Clay Gaddis

Title: Privacy Officer

Date: \_\_\_\_\_

**BUSINESS ASSOCIATE**

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Contract Review Permanent Legislative Oversight Committee
Alabama State House
Montgomery, Alabama 36130

CONTRACT REVIEW REPORT

(Separate review report required for each contract)

Name of State Agency: Alabama Medicaid Agency

Name of Contractor:

Contractor's Physical Street Address (No. P.O. Box) City State

\* Is Contractor organized as an Alabama Entity in Alabama? YES NO

\* If not, has it qualified with the Alabama Secretary of State to do business in Alabama? YES NO

Is Act 2001-955 Disclosure Form Included with this Contract? YES X NO

Does Contractor have current member of Legislature or family member of Legislator employed? YES NO

Was a lobbyist/consultant used to secure this contract OR affiliated with this contractor? YES NO

If Yes, Give Name:

Contract Number:

Contract/Amendment Total: \$ (estimate if necessary)

% of State Funds: % of Federal Funds: % Other Funds:

\*\*Please Specify source of Other Funds (Fees, Grants, etc.)

Date Contract Effective: Date Contract Ends:

Type of Contract: NEW: RENEWAL: AMENDMENT:

If renewal, was it originally Bid? Yes No

If AMENDMENT, Complete A through C:

(A) Original contract total \$

(B) Amended total prior to this amendment \$

(C) Amended total after this amendment \$

Was Contract secured through Bid Process? Yes No Was lowest Bid accepted? Yes No

Was Contract secured through RFP Process? Yes No Date RFP was awarded

Posted to Statewide RFP Database at http://rfp.alabama.gov/Login.aspx YES NO

If no, please give a brief explanation:

Summary of Contract Services to be Provided:

Why Contract Necessary AND why this service cannot be performed by merit employee:

I certify that the above information is correct.

Signature of Agency Head

Signature of Contractor

Printed Name

Printed Name

Agency Contact: Stephanie Lindsay Phone: (334) 242-5833

**IMMIGRATION STATUS**

I hereby attest that all workers on this project are either citizens of the United States or are in a proper and legal immigration status that authorizes them to be employed for pay within the United States.

\_\_\_\_\_  
Signature of Contractor

\_\_\_\_\_  
Witness



# State of Alabama Disclosure Statement

(Required by Act 2001-955)

ENTITY COMPLETING FORM

ADDRESS

CITY, STATE, ZIP NUMBER TELEPHONE NUMBER

STATE AGENCY/DEPARTMENT THAT WILL RECEIVE GOODS, SERVICES, OR IS RESPONSIBLE FOR GRANT AWARD

Alabama Medicaid Agency  
ADDRESS  
501 Dexter Avenue, Post Office Box 5624  
CITY, STATE, ZIP TELEPHONE NUMBER  
Montgomery, Alabama 36103-5624 (334) 242-5833

This form is provided with:  
 Contract  Proposal  Request for Proposal  Invitation to Bid  Grant Proposal

Have you or any of your partners, divisions, or any related business units previously performed work or provided goods to any State Agency/Department in the current or last fiscal year?

Yes  No

If yes, identify below the State Agency/Department that received the goods or services, the type(s) of goods or services previously provided, and the amount received for the provision of such goods or services.

STATE AGENCY/DEPARTMENT RECEIVED	TYPE OF GOODS/SERVICES	AMOUNT

Have you or any of your partners, divisions, or any related business units previously applied and received any grants from any State Agency/Department in the current or last fiscal year?

Yes  No

If yes, identify the State Agency/Department that awarded the grant, the date such grant was awarded, and the amount of the grant.

STATE AGENCY/DEPARTMENT OF GRANT	DATE GRANT AWARDED	AMOUNT

STATE AGENCY

1. List below the name(s) and address(es) of all public officials/public employees with whom you, members of your immediate family, or any of your employees have a family relationship and who may directly personally benefit

financially from the proposed transaction. Identify the State Department/Agency for which the public officials/public employees work. (Attach additional sheets if necessary.)

NAME OF PUBLIC OFFICIAL/EMPLOYEE  
DEPARTMENT/AGENCY

ADDRESS

STATE

**DEPARTMENT/AGENCY**

2. List below the name(s) and address(es) of all family members of public officials/public employees with whom you, members of your immediate family, or any of your employees have a family relationship and who may directly personally benefit financially from the proposed transaction. Identify the public officials/public employees and State Department/Agency for which the public officials/public employees work. (Attach additional sheets if necessary.)

NAME OF  
FAMILY MEMBER

ADDRESS

NAME OF PUBLIC OFFICIAL/  
PUBLIC EMPLOYEE

STATE DEPARTMENT/  
AGENCY WHERE EMPLOYED

If you identified individuals in items one and/or two above, describe in detail below the direct financial benefit to be gained by the public officials, public employees, and/or their family members as the result of the contract, proposal, request for proposal, invitation to bid, or grant proposal. (Attach additional sheets if necessary.)

Describe in detail below any indirect financial benefits to be gained by any public official, public employee, and/or family members of the public official or public employee as the result of the contract, proposal, request for proposal, invitation to bid, or grant proposal. (Attach additional sheets if necessary.)

List below the name(s) and address(es) of all paid consultants and/or lobbyists utilized to obtain the contract, proposal, request for proposal, invitation to bid, or grant proposal:

NAME OF PAID CONSULTANT/LOBBYIST

ADDRESS

***By signing below, I certify under oath and penalty of perjury that all statements on or attached to this form are true and correct to the best of my knowledge. I further understand that a civil penalty of ten percent (10%) of the amount of the transaction, not to exceed \$10,000.00, is applied for knowingly providing incorrect or misleading information.***

Signature

Date

Notary's Signature

Date

Date Notary Expires

*Act 2001-955 requires the disclosure statement to be completed and filed with all proposals, bids, contracts, or grant proposals to the State of Alabama in excess of \$5,000.*



ROBERT BENTLEY  
Governor

**Alabama Medicaid Agency**  
**501 Dexter Avenue**  
**P.O. Box 5624**  
**Montgomery, Alabama 36103-5624**  
**www.medicaid.alabama.gov**  
**e-mail:**  
**almedicaid@medicaid.alabama.gov**

Telecommunication for the Deaf: 1-800-253-0799  
334-242-5000 1-800-362-1504



STEPHANIE MCGEE AZAR  
Commissioner

MEMORANDUM

SUBJECT: Reporting to Ethics Commission by Persons Related to Agency Employees

Section 36-25-16(b) Code of Alabama (1975) provides that anyone who enters into a contract with a state agency for the sale of goods or services exceeding \$7500 shall report to the State Ethics Commission the names of any adult child, parent, spouse, brother or sister employed by the agency.

Please review your situation for applicability of this statute. The address of the Alabama Ethics Commission is:

100 North Union Street  
RSA Union Bldg.  
Montgomery, Alabama 36104

A copy of the statute is reproduced below for your information. If you have any questions, please feel free to contact the Agency Office of General Counsel, at 242-5741.

**Section 36-25-16. Reports by persons who are related to public officials or public employees and who represent persons before regulatory body or contract with state.**

- (a) When any citizen of the state or business with which he or she is associated represents for a fee any person before a regulatory body of the executive branch, he or she shall report to the commission the name of any adult child, parent, spouse, brother, or sister who is a public official or a public employee of that regulatory body of the executive branch.
- (b) When any citizen of the State or business with which the person is associated enters into a contract for the sale of goods or services to the State of Alabama or any of its agencies or any county or municipality and any of their respective agencies in amounts exceeding seven thousand five hundred dollars (\$7500) he or she shall report to the commission the names of any adult child, parent, spouse, brother, or sister who is a public official or public employee of the agency or department with whom the contract is made.
- (c) This section shall not apply to any contract for the sale of goods or services awarded through a process of public notice and competitive bidding.
- (d) Each regulatory body of the executive branch, or any agency of the State of Alabama shall be responsible for notifying citizens affected by this chapter of the requirements of this section. (Acts 1973, No. 1056, p. 1699, §15; Acts 1975, No. 130, §1; Acts 1995, No. 95-194, p. 269, §1.)

**Instructions for Certification Regarding Debarment, Suspension,  
Ineligibility and Voluntary Exclusion**

(Derived from Appendix B to 45 CFR Part 76--Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transactions)

1. By signing and submitting this contract, the prospective lower tier participant is providing the certification set out therein.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this contract was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the Alabama Medicaid Agency (the Agency) may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the Agency if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.
4. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, and voluntarily excluded, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this contract is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this contract that, should the contract be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this contract that it will include this certification clause without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the Agency may pursue available remedies, including suspension and/or debarment.

State of \_\_\_\_\_ )

County of \_\_\_\_\_ )

**CERTIFICATE OF COMPLIANCE WITH THE BEASON-HAMMON ALABAMA TAXPAYER AND CITIZEN PROTECTION ACT (ACT 2011-535, as amended by Act 2012-491)**

DATE: \_\_\_\_\_

**RE Contract/Grant/Incentive (describe by number or subject): \_\_\_\_\_ by and between \_\_\_\_\_ (Contractor/Grantee) and Alabama Medicaid Agency (State Agency or Department or other Public Entity)**

The undersigned hereby certifies to the State of Alabama as follows:

1. The undersigned holds the position of \_\_\_\_\_ with the Contractor/Grantee named above, and is authorized to provide representations set out in this Certificate as the official and binding act of that entity, and has knowledge of the provisions of THE BEASON-HAMMON ALABAMA TAXPAYER AND CITIZEN PROTECTION ACT (ACT 2011-535 of the Alabama Legislature, as amended by Act 2012-491) which is described herein as "the Act".

2. Using the following definitions from Section 3 of the Act, select and initial either (a) or (b), below, to describe the Contractor/Grantee's business structure.  
**BUSINESS ENTITY.** Any person or group of persons employing one or more persons performing or engaging in any activity, enterprise, profession, or occupation for gain, benefit, advantage, or livelihood, whether for profit or not for profit. "Business entity" shall include, but not be limited to the following:  
a. Self-employed individuals, business entities filing articles of incorporation, partnerships, limited partnerships, limited liability companies, foreign corporations, foreign limited partnerships, foreign limited liability companies authorized to transact business in this state, business trusts, and any business entity that registers with the Secretary of State.  
b. Any business entity that possesses a business license, permit, certificate, approval, registration, charter, or similar form of authorization issued by the state, any business entity that is exempt by law from obtaining such a business license, and any business entity that is operating unlawfully without a business license.

**EMPLOYER.** Any person, firm, corporation, partnership, joint stock association, agent, manager, representative, foreman, or other person having control or custody of any employment, place of employment, or of any employee, including any person or entity employing any person for hire within the State of Alabama, including a public employer. This term shall not include the occupant of a household contracting with another person to perform casual domestic labor within the household.

\_\_\_\_\_(a)The Contractor/Grantee is a business entity or employer as those terms are defined in Section 3 of the Act.  
\_\_\_\_\_(b)The Contractor/Grantee is not a business entity or employer as those terms are defined in Section 3 of the Act.

3. As of the date of this Certificate, Contractor/Grantee does not knowingly employ an unauthorized alien within the State of Alabama and hereafter it will not knowingly employ, hire for employment, or continue to employ an unauthorized alien within the State of Alabama;

4. Contractor/Grantee is enrolled in E-Verify unless it is not eligible to enroll because of the rules of that program or other factors beyond its control.

Certified this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

\_\_\_\_\_  
Name of Contractor/Grantee/Recipient

By: \_\_\_\_\_

Its \_\_\_\_\_

The above Certification was signed in my presence by the person whose name appears above, on this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

WITNESS: \_\_\_\_\_

\_\_\_\_\_  
Print Name of Witness

## Appendix C: Pricing Form

Note: hours listed are for evaluation purposes only.

a. Lead Strategist	Rate per hour \$_____	X 500 hrs. =	\$_____
b. Lead Clinician	Rate per hour \$_____	X 50 hrs. =	\$_____
c. Actuary	Rate per hour \$_____	X 750 hrs. =	\$_____
d. Actuarial Consultants	Rate per hour \$_____	X 1,400 hrs. =	\$_____
e. Actuarial Analysts	Rate per hour \$_____	X 1,600 hrs. =	\$_____
f. Administrative	Rate per hour \$_____	X 60 hrs. =	\$_____

**Total Annual Price\*** (Sum of the rows above)      \$\_\_\_\_\_

**\* The Price will be the same for every year of the Contract. Contract terms are:**

- **Original Year 1-2: Total Annual Price multiplied by 2.**
- **Option 1 Year 3-4: Total Annual Price multiplied by 2.**
- **Option 2 Year 5: Total Annual Price multiplied by 1.**

As a part of the Proposal, the Contractor must provide a description of how the loaded labor rates are built up and the rationale for the profit component. The description must be a part of the submitted Appendix C: Pricing Form.



1700000074	Document Phase Final	Document Description Actuarial Services	Page 2 of 4
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GENERAL TERMS AND CONDITIONS FOR RFP FOR SERVICES v 7-9-15 rhc edit 7-28-15

**GENERAL TERMS AND CONDITIONS FOR THIS REQUEST FOR PROPOSALS - All proposals are subject to these Terms and Conditions.**

**1. PROHIBITED CONTACTS; INQUIRIES REGARDING THIS RFP** – *From the Release Date of this RFP until a contract is awarded, parties that intend to submit, or have submitted, a Proposal are prohibited from communicating with any members of the Soliciting Party’s Team for this transaction who may be identified herein or subsequent to the Release Date, or other employees or representatives of the Soliciting Party regarding this RFP or the underlying transaction except the designated contact(s) identified in {insert location in RFP where contacts are identified, such as Section S or Item 2.}*

Questions relating only to the RFP process may be submitted by telephone or by mail or hand delivery to: the designated contact. Questions on other subjects, seeking additional information and clarification, must be made in writing and submitted via email to the designated contact, sufficiently in advance of the deadline for delivery of Proposals to provide time to develop and publish an answer. A question received less than two full business days prior to the deadline may not be acknowledged. Questions and answers will be published to those parties submitting responsive proposals.

**2. NONRESPONSIVE PROPOSALS** - Any Proposal that does not satisfy requirements of the RFP may be deemed non-responsive and may be disregarded without evaluation. Clarification or supplemental information may be required from any Proposer.

**3. CHANGES TO THE RFP; CHANGES TO THE SCHEDULE** - The Soliciting Party reserves the right to change or interpret the RFP prior to the Proposal Due Date. Changes will be communicated to those parties receiving the RFP who have not informed the Soliciting Party’s designated contact that a Proposal will not be submitted. Changes to the deadline or other scheduled events may be made by the Soliciting Party as it deems to be in its best interest.

**4. EXPENSES** - Unless otherwise specified, the reimbursable expenses incurred by the service provider in the providing the solicited services, shall be charged at actual cost without mark-up, profit or administrative fee or charge. Only customary, necessary expenses in reasonable amounts will be reimbursable, to include copying (not to exceed 15 cents per page), printing, postage in excess of first class for the first one and one-half ounces, travel and preapproved consulting services. Cost of electronic legal research, cellular phone service, fax machines, long-distance telephone tolls, courier, food or beverages are not reimbursable expenses without prior authorization, which will not be granted in the absence of compelling facts that demonstrate a negative effect on the issuance of the bonds, if not authorized.

If pre-approved, in-state travel shall be reimbursed at the rate being paid to state employees on the date incurred. Necessary lodging expenses will be paid on the same per-diem basis as state employees are paid. Any other pre-approved travel expenses will be reimbursed on conditions and in amounts that will be declared by the Issuer when granting approval to travel. Issuer may require such documentation of expenses as it deems necessary.

**5. REJECTION OF PROPOSALS** - The Soliciting Party reserves the right to reject any and all proposals and cancel this Request if, in the exercise its sole discretion, it deems such action to be in its best interest.

**6. EXPENSES OF PROPOSAL** – The Soliciting Party will not compensate a Proposer for any expenses incurred in the preparation of a Proposal.

**7. DISCLOSURE STATEMENT** - A Proposal must include one original Disclosure Statement as required by Code Section 41-16-82, et seq., Code of Alabama 1975. Copies of

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the Disclosure Statement, and information, may be downloaded from the State of Alabama Attorney General's web site at <http://ago.alabama.gov/Page-Vendor-Disclosure-Statement-Information-and-Instructions>.

**8. LEGISLATIVE CONTRACT REVIEW** - Personal and professional services contracts with the State may be subject to review by the Contract Review Permanent Legislative Oversight Committee in accordance with Section 29-2-40, et seq., *Code of Alabama 1975*. The vendor is required to be knowledgeable of the provisions of that statute and the rules of the committee. These rules can be found at <http://www.legislature.state.al.us/aliswww/AlaLegJointIntCommContracReview.aspx>. If a

contract resulting from this RFP is to be submitted for review the service provider must provide the forms and documentation required for that process.

**9. THE FINAL TERMS OF THE ENGAGEMENT** - Issuance of this Request For Proposals in no way constitutes a commitment by the Soliciting Party to award a contract. The final terms of engagement for the service provider will be set out in a contract which will be effective upon its acceptance by the Soliciting Party as evidenced by the signature thereon of its authorized representative. Provisions of this Request For Proposals and the accepted Proposal may be incorporated into the terms of the engagement should the Issuer so dictate. Notice is hereby given that there are certain terms standard to commercial contracts in private sector use which the State is prevented by law or policy from accepting, including indemnification and holding harmless a party to a contract or third parties, consent to choice of law and venue other than the State of Alabama, methods of dispute resolution other than negotiation and mediation, waivers of subrogation and other rights against third parties, agreement to pay attorney's fees and expenses of litigation, and some provisions limiting damages payable by a vendor, including those limiting damages to the cost of goods or services.

**10. BEASON-HAMMON ACT COMPLIANCE.** A contract resulting from this RFP will include provisions for compliance with certain requirements of the *Beason-Hammon Alabama taxpayer and Citizen Protection Act* (Act 2011-535, as amended by Act 2012-491 and codified as Sections 31-13-1 through 35, Code of Alabama, 1975, as amended), as follows:

E- VERIFY ENROLLMENT DOCUMENTATION AND PARTICIPATION. As required by Section 31-13-9(b), Code of Alabama, 1975, as amended, Contractor that is a "business entity" or "employer" as defined in Code Section 31-13-3, will enroll in the E-Verify Program administered by the United States Department of Homeland Security, will provide a copy of its Memorandum of Agreement with the United States Department of Homeland Security that program and will use that program for the duration of this contract.

CONTRACT PROVISION MANDATED BY SECTION 31-13-9(k):

By signing this contract, the contracting parties affirm, for the duration of the agreement, that they will not violate federal immigration law or knowingly employ, hire for employment, or continue to employ an unauthorized alien within the State of Alabama. Furthermore, a contracting party found to be in violation of this provision shall be deemed in breach of the agreement and shall be responsible for all damages resulting therefrom.

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**ATTENTION:** Alabama Medicaid intends to post the Alabama Medicaid Agency Actuarial RFP specifications document by the close of business on 04/11/2017, to the Alabama Medicaid website at:

[http://www.medicaid.alabama.gov/CONTENT/2.0\\_newsroom/2.4\\_Procurement.aspx](http://www.medicaid.alabama.gov/CONTENT/2.0_newsroom/2.4_Procurement.aspx).

All questions concerning this RFP must be directed to: [actuarialrfp@medicaid.alabama.gov](mailto:actuarialrfp@medicaid.alabama.gov)

**Amendment I to RFP 2017-AS-01**

**5/02/2017**

NOTE THE FOLLOWING AND ATTACHED ADDITIONS, DELETIONS AND/OR CHANGES TO THE REQUIREMENTS FOR THE REQUEST FOR PROPOSAL NUMBER: 2017-AS-01. THIS AMENDMENT MUST BE INCLUDED IN THE CONTRACTOR'S RESPONSE AND MEET THE REQUIREMENTS AS DEFINED IN THE RFP.

THE CONTRACTOR MUST SIGN AND RETURN THIS AMENDMENT WITH THEIR PROPOSAL.

I. Section II.5, page 12, change as follows:

Currently Reads as:

Have proven five years of experience in providing actuarial services for state Medicaid agencies, with two of those years of experience being with a state Medicaid agency(ies), and have been in business a minimum of five years.

Revised as:

Have proven five years of experience in providing actuarial services to government agencies or companies for which consulting projects similar to this project have been successfully accomplished, with at least two of those years of experience being with a state Medicaid agency(ies), and have been in business a minimum of five years.

I hereby acknowledge the receipt of Addendum 1 to RFP 2017-AS-01.

\_\_\_\_\_  
Authorized Contractor Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Contractor Organization

**RFP #: 2017-AS-01**  
**Alabama Medicaid Agency Actuarial Services RFP**  
**Contractor Questions and Agency Answers**

**May 02, 2017**

<b>Question ID:</b>	1
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	Is it the expectation that the setup and quarterly charges HPES bills the Alabama Medicaid Agency for the VPN tunnel would be passed on to the Contractor? If so, what is the dollar amount for these charges?
<b>Section Number:</b>	2.4 AMMIS Interface Standards, 3 Network Access, 3.1 Agency Contractors
<b>RFP Page Number:</b>	N/A
<b>AGENCY Answer:</b>	No. The VPN tunnel is not used for sharing of files for this contract.
<b>Question ID:</b>	2
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	Could the Contractor use an SFTP site to receive file extracts as an alternative to using the VPN tunnel, and therefore, not be assessed any VPN tunnel charges?
<b>Section Number:</b>	2.4 AMMIS Interface Standards, 3 Network Access, 3.1 Agency Contractors
<b>RFP Page Number:</b>	N/A
<b>AGENCY Answer:</b>	Yes, this is the preferred method for file exchange.
<b>Question ID:</b>	3
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	The Corporate Experience/Past Performance response is limited to 20 pages, and experience is focused on actuarial services. However, in Section I.B, Purpose, specific activities are defined as "actuarial." Can the proposal include responses specifically for Section B, or is such information required to be included elsewhere such as in Section II Scope? Similarly, can the response include information in sections in which no response is specifically requested, such as Section I?
<b>Section Number:</b>	RFP, II Scope of Work
<b>RFP Page Number:</b>	Pages 9-10
<b>AGENCY Answer:</b>	This information should be included in Section II, Scope of Work. Yes, the

<b>Answer:</b>	response can include information in sections in which no response is specifically requested.
<b>Question ID:</b>	4
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	The positions are titled in the singular (e.g. "Lead Strategist"), but the RFP also states that "one or more" resumes can be provided. Given the breadth of experience and knowledge needed in these categories, are they representative of personnel classifications and multiple individuals may be included to fill each "role?" Or is only one individual to be identified for each category?
<b>Section Number:</b>	RFP, II.2 Scope of Work, Required Personnel
<b>RFP Page Number:</b>	Pages 10-12
<b>AGENCY Answer:</b>	Multiple individuals may be included to fill each "role."
<b>Question ID:</b>	5
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	Are we allowed to respond to items in Section B Purpose (Page 7) with our experience and qualifications, in addition to what we include in the Section II Scope of Work, 1 Actuarial Services?
<b>Section Number:</b>	RFP, VI.P Proposal Format
<b>RFP Page Number:</b>	Page 17
<b>AGENCY Answer:</b>	Yes.
<b>Question ID:</b>	6
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	The maximum number of points that can be awarded is 100, and price is assigned 100 points. Does this mean that all proposals deemed responsive will be scored on price alone to determine the award?
<b>Section Number:</b>	RFP, VII.E Evaluation and Selection Process, Scoring
<b>RFP Page Number:</b>	Page 19
<b>AGENCY Answer:</b>	Yes.
<b>Question ID:</b>	7
<b>Date Question Asked:</b>	4/20/2017

<b>Question:</b>	The RFP states that the contractor determined to be in the best interest of the state will be recommended. Is this determination being made solely upon the score assigned according to section E?
<b>Section Number:</b>	RFP, VII (G)
<b>RFP Page Number:</b>	Page 20
<b>AGENCY Answer:</b>	Yes.
<b>Question ID:</b> 8	
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	How did the state determine the number of hours by personnel classification used to determine the annual price of the contract?
<b>Section Number:</b>	RFP, Appendix C
<b>RFP Page Number:</b>	Page 44
<b>AGENCY Answer:</b>	These estimates represent a historical marker and not a guarantee of total hours to be worked.
<b>Question ID:</b> 9	
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	The RFP notes that the hours listed are “for evaluation purposes only”. Does this indicate that the State will have the flexibility to separately negotiate budgeted hours for contracting purposes?
<b>Section Number:</b>	RFP, Appendix C
<b>RFP Page Number:</b>	Page 44
<b>AGENCY Answer:</b>	No, actual billed hours are based on Agency needs. The hours used for evaluation represent a historical marker used to generate a not to exceed price.
<b>Question ID:</b> 10	
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	Who are the members of the evaluation team?
<b>Section Number:</b>	RFP, Other
<b>RFP Page Number:</b>	N/A
<b>AGENCY Answer:</b>	The Agency is unable to answer the question.
<b>Question ID:</b> 11	

<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	What is the maximum budget for this project?
<b>Section Number:</b>	RFP, Other
<b>RFP Page Number:</b>	N/A
<b>AGENCY Answer:</b>	The Agency is unable to answer the question.
<b>Question ID:</b>	12
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	Is the State working with a current vendor on services similar to those described in the scope of work? If yes, who is the vendor and what is the annual contract amount?
<b>Section Number:</b>	RFP, Other
<b>RFP Page Number:</b>	N/A
<b>AGENCY Answer:</b>	Yes. The current vendor is Optumas. The Contract for year 5 which was approved by the Legislative Oversight Committee is not to exceed \$1,199, 750.
<b>Question ID:</b>	13
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	Please provide the names of vendors who submitted questions. If the State is unable to provide the names, please provide the number of vendors who submitted questions.
<b>Section Number:</b>	RFP, Other
<b>RFP Page Number:</b>	N/A
<b>AGENCY Answer:</b>	The Agency is unable to answer the question.
<b>Question ID:</b>	14
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	Can the State please provide more guidance with regard to section 1.1.2.2? Are details surrounding staff educational backgrounds desired with regards to “Financial Mathematics, Finance and Financial Reporting, Probability and Mathematics, Finance and Financial Reporting, Probability and Mathematical, Statistics, Models, Contingencies, Statistical Methods, Business Economics, Financial Economics and related topics”?
<b>Section Number:</b>	II.1.1.2.2
<b>RFP Page Number:</b>	Page 10

<b>AGENCY Answer:</b>	Yes, the information could include, but not limited to, educational background and experience of staff to support this requirement.
<b>Question ID:</b>	15
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	Will any formal statements of actuarial opinion be required as a part of this contract (e.g., a formal statement of actuarial opinion for an IBNR calculation or claims reserve calculation)?
<b>Section Number:</b>	RFP, Other
<b>RFP Page Number:</b>	N/A
<b>AGENCY Answer:</b>	Yes.
<b>Question ID:</b>	16
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	Can the State provide a list of Contractors who submitted questions regarding RFP Number 2017-AS-01 – Actuarial Services Request for Proposal?
<b>Section Number:</b>	RFP, Other
<b>RFP Page Number:</b>	N/A
<b>AGENCY Answer:</b>	No.
<b>Question ID:</b>	17
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	Just to confirm that we are correctly interpreting the evaluation table on page 19, all 100 points for this RFP are based on price for those vendors that meet the minimum requirements?
<b>Section Number:</b>	VII.E
<b>RFP Page Number:</b>	Page 19
<b>AGENCY Answer:</b>	Yes.
<b>Question ID:</b>	18
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	Under section VI.N, should the first electronic copy be in both word format and pdf format? Or is one or the other sufficient?
<b>Section Number:</b>	VI.N
<b>RFP Page</b>	Page 16

<b>Number:</b>	
<b>AGENCY Answer:</b>	One electronic copy (Word and searchable PDF format) MUST be a complete version of the Contractor's response and the second electronic (searchable PDF format) copy MUST have any information asserted as confidential or proprietary removed.
<b>Question ID:</b>	19
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	How were the hour estimates in Appendix C determined? If the contractor believes the work can be completed in less time than the hours listed, can the Contractor discount the number of hours as part of the development of total price?
<b>Section Number:</b>	Appendix C
<b>RFP Page Number:</b>	Page 44
<b>AGENCY Answer:</b>	These estimates represent a historical marker and not a guarantee of total hours to be worked. Vendor response should not discount number of hours as part of the development price.
<b>Question ID:</b>	20
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	Page 12, point 5 states that a successful contractor must "have proven five years of experience in providing actuarial services for state Medicaid agencies, with two of those years of experience being with a state Medicaid agency(ies)." Can the state clarify the statement regarding two of those years of experience being with a state Medicaid agency? Does one of the consultants need to have been a state agency employee?
<b>Section Number:</b>	II.5
<b>RFP Page Number:</b>	Page 12
<b>AGENCY Answer:</b>	Please refer to Amendment I posted on the Medicaid website.
<b>Question ID:</b>	21
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	<p>Page 12 states a total, not to exceed price for each year of the contract must be specified, but Appendix C says the hours are for evaluation purposes only. Can the state clarify if there is a total expenditure cap for each year of the contract?</p> <ul style="list-style-type: none"> <li>• If the answer to the previous question is yes, is the total expenditure cap required to be the same for all 5 years of the contract?</li> <li>• If the answer to the previous question is yes, was the introduction of MLTSS consulting services considered when determining the same total expenditure cap for all 5 years, or will additional hours be allowed for this consulting?</li> </ul>

<b>Section Number:</b>	III. Pricing & Appendix C
<b>RFP Page Number:</b>	Page 12 & Page 44
<b>AGENCY Answer:</b>	Yes, the total expenditure cap is required to be the same for all 5 years of the contract. MLTSS consulting services have been considered.
<b>Question ID:</b>	22
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	How will the state handle unforeseen circumstances leading to additional hours or fees for the Contractor? For example, if the State requests for the actuarial consultant to provide additional services not considered in the scope of work, would the Contractor be limited to the original fee estimates?
<b>Section Number:</b>	III. Pricing & Appendix C
<b>RFP Page Number:</b>	Page 12 & Page 44
<b>AGENCY Answer:</b>	Actual billed hours are based on Agency needs. The hours used for evaluation represent a historical marker used to generate a not to exceed price.
<b>Question ID:</b>	23
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	How many onsite meetings does the state anticipate the chosen firm will attend annually?
<b>Section Number:</b>	I.B.8, I.B.10, II.2.1.1, II.2.1.2, II.2.1.3, II.2.1.4
<b>RFP Page Number:</b>	Page 8, Page 9, page 11
<b>AGENCY Answer:</b>	The Agency anticipates no more than 6 onsite meetings per year.
<b>Question ID:</b>	24
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	<p>Could the state provide the historical annual expenditures and hours for the current actuarial consulting vendor for the last four years for the following splits?</p> <ul style="list-style-type: none"> <li>• Broad level type of work listed in the RFP</li> <li>• Staff level</li> </ul>
<b>Section Number:</b>	RFP, Other
<b>RFP Page Number:</b>	N/A
<b>AGENCY Answer:</b>	<p>The historical annual expenditures and hours for the current actuarial consulting vendor for the last four years for the broad level type of work listed in the RFP and staff level are as follows:</p> <p>Year 1    \$945,464  Year 2    \$893,464</p>

	Year 3 \$934,675 Year 4 \$881,584  Year 1 total staff hours 3,255 Year 2 total staff hours 2,566 Year 3 total staff hours 4,275 Year 4 total staff hours 3,998
<b>Question ID:</b>	25
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	The immigration compliance requirements (Section VIII.U) appear to be focused on unauthorized aliens within the state of Alabama, but Attachment C requires an attestation that all workers on the project are “citizens of the United States or are in a proper and legal immigration status that authorizes them to be employed for pay within the United States.” If a non-US staff member provided consulting services outside the US for the state of Alabama, would that violate the terms of the immigration compliance requirements? If not, could Attachment C be amended to allow for this situation?
<b>Section Number:</b>	VIII.U & Attachment C
<b>RFP Page Number:</b>	Pages 24-25 & Page 38
<b>AGENCY Answer:</b>	Strict compliance of Alabama immigration law is required. Amendments will not be allowed.
<b>Question ID:</b>	26
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	What is a planned date for the 1115 waiver implementation assuming such waiver was approved in February 2016?
<b>Section Number:</b>	I.B.6 & II.2.1.1
<b>RFP Page Number:</b>	Page 8 & Page 11
<b>AGENCY Answer:</b>	The 1115 waiver is effective April 1, 2017. However, discussions are ongoing with CMS about a possible phased approach for some RCO regions.
<b>Question ID:</b>	27
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	Please clarify the need for demonstrating an understanding and experience in core actuarial knowledge, and explaining a knowledge of business rules related to actuarial services, since these topics are inherently required (and demonstrated) via the process set forth by the Society of Actuaries and American Academy of Actuaries governing bodies in order for an actuary to receive his/her credentials with those organizations.
<b>Section Number:</b>	Sections II.1.1.2.2 & II.1.1.2.3
<b>RFP Page</b>	Page 10

<b>Number:</b>	
<b>AGENCY Answer:</b>	The Agency is seeking a narrative description of how the vendor intends to meet these requirements.
<b>Question ID:</b>	28
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	Can one person play multiple roles, for example, both lead strategist and actuary roles, in this engagement?
<b>Section Number:</b>	Section II.2
<b>RFP Page Number:</b>	Pages 10-12
<b>AGENCY Answer:</b>	Yes.
<b>Question ID:</b>	29
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	Although we would not anticipate a broad need for subcontractors, are contractors allowed to utilize subcontractors in order to meet the requirements?
<b>Section Number:</b>	Section II.2
<b>RFP Page Number:</b>	Pages 10-12
<b>AGENCY Answer:</b>	Yes.
<b>Question ID:</b>	30
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	#2.1.1 (page 11) mentions 1932 waivers experience. Please clarify if it should be either 1932 state plan option, 1332 waiver, or both.
<b>Section Number:</b>	II.2.1.1
<b>RFP Page Number:</b>	Page 11
<b>AGENCY Answer:</b>	The intent is the 1932 waiver experience.
<b>Question ID:</b>	31
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	#2.1.1 (page 11) mentions several broad categories of the 1115/DSRIP implementation process. Is the expectation that the bidder assumes the leading role for the stakeholder engagement, CMS negotiations and testimony? Or that the bidder would act only as a subject matter expert for the listed categories?
<b>Section Number:</b>	II.2.1.1

<b>RFP Page Number:</b>	Page 11
<b>AGENCY Answer:</b>	Yes, it is an expectation that the Lead Strategist be able to lead stakeholder engagement, actively participate in CMS negotiations and provide testimony as needed.
<b>Question ID:</b>	32
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	#2.1.1 and 2.1.2 (page 11) require positions of Lead Strategist and Clinician. Is it the state's expectation that these roles will be supported by a dedicated team of experts within each area of expertise? If so, how many?
<b>Section Number:</b>	II.2.1.1 & II.2.1.2
<b>RFP Page Number:</b>	Page 11
<b>AGENCY Answer:</b>	The Agency does not expect more than one individual for each of these positions.
<b>Question ID:</b>	33
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	For the programs outlined, can you further describe which programs are in partial risk arrangements? And what services are not full risk?
<b>Section Number:</b>	Sections II.2.1.3, II.2.1.4 & II.2.1.5
<b>RFP Page Number:</b>	Page 11
<b>AGENCY Answer:</b>	The program descriptions are as follows:  Regional Care Organizations- full risk Integrated Care Organizations- still under development but full risk expected Maternity Care Program- full risk PACE- full risk
<b>Question ID:</b>	34
<b>Date Question Asked:</b>	4/20/2017
<b>Question:</b>	General question: Is there an incumbent contractor for the State's current Medicaid actuarial services? If yes, what firm?
<b>Section Number:</b>	RFP, Other
<b>RFP Page Number:</b>	N/A
<b>AGENCY Answer:</b>	Yes, the current contractor is Optumas.

**Announcement of Selected Vendor**

**Alabama Medicaid Agency Actuarial Services**

**Request for Proposal (RFP) Number 2017-AS-01**

**Alabama Medicaid Agency**

On June 28, 2017, the Alabama Medicaid Agency issued an Intent to Award Notice to Schramm Health Partners L.L.C. DBA Optumas for the Alabama Medicaid Agency Actuarial Services (RFP Number 2017-AS-01).

The final award of this contract is subject to review by the Legislative Oversight Committee and signature by the Governor.