



**State of Rhode Island
Department of Administration / Division of Purchases
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**Solicitation Information
March 16, 2021**

ADDENDUM #1

RFP # 7611871

TITLE: Rhode Island Medicaid Managed Care Program RFI

Bid Closing Date & Time: **March 30, 2021 @ 1:00 PM Eastern Time (ET)**

Notice to Vendors

Attached are vendor questions with State responses. No further questions will be answered.

**Nina M. Lennon
Interdepartmental Project Manager**

Interested parties should monitor this website, on a regular basis, for any additional information that may be posted.

**Vendor Questions with State Responses for RFI #7611871 – Rhode Island
Medicaid Managed Care Program**

#	Section	Question	Answer
1	On page 18, Section 4, it states: Response - describing the requirements and concept for this potential project, and all information described earlier in this solicitation. The response is limited to 75 pages.	Does this include attachments or are they excluded from this page limit?	<i>The page limit is 75 pages total. No attachments are allowed.</i>
2		Due to COVID, would it be possible to submit our responses electronically via email, rather than via printed paper copies?	<i>No.</i>
3		We will be soliciting input across the organization for responses to this RFI, which may extend beyond the March 30 deadline for responses. Would an extension to the following week, April 6, be possible?	<i>No extensions will be permitted.</i>
4		In reference to Section 2, Subsection A, 'Background', Page 8 – Is it the state's intention to award three (3) new Managed Care Organizations with contracts starting July 1, 2022? Please clarify the types of vendors that will be awarded.	<p><i>The State reserves the right to award up to three (3) awards.</i></p> <p><i>Vendors must be a State-defined HMO as specified in the laws of Rhode Island and the rules of the Rhode Island Department of Business Regulation ("DBR"); or that the vendor will become licensed as a Health Maintenance Organization (HMO) or Health Plan (HP) in the State of Rhode Island by the Rhode Island Department of Business Regulation prior to signing an Agreement with EOHHS.</i></p> <p><i>Vendors who are not certified as a State-defined HMO must</i></p>

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			<i>certify that they are either a nonprofit hospital service corporation that is licensed by the Rhode Island “DBR” under Chapter 27-19 of the Rhode Island General Laws, a nonprofit medical service corporation that is licensed by DBR under Chapter 27-20 of the Rhode Island General Laws, or another health insurance entity licensed by DBR, and that it meets the requirements under 27-18.9-8, External Appeal Procedural Requirements only of the Benefit Determination and Utilization Review Act.</i>
5		In reference to Section 2 Subsection A, "RFI Response", Page 9 - If the responses to the questions require respondents to exceed the page limit, will an appendix be accepted?	<i>See answer to Question #1.</i>
6		Considering that we are all still operating during a pandemic, would the State consider accepting submissions that are exclusively electronic, opposed to the multiple formats (i.e. CD-R and printed paper copies) and delivery methods (i.e. mailed or hand-carried) prescribed under Sections 4 and 5?	<i>No.</i>
7		If bidders do not respond to or submit an RFI response are they still eligible to submit an RFP response once the RFP is issued this summer?	<i>Yes. Submission of a response to the RFI is not required as a pre-requisite to submission of an RFP response.</i>

#	Section	Question	Answer
8		Is there a communications blackout period in effect now or may potential bidders contact members of EOHHS or other Rhode Island State employees or Legislators during the period before the RFP is issued?	<i>Yes, there is no communication allowed on this solicitation with the State evaluation team.</i>
9		When would a communications blackout period likely go into effect?	<i>This went into effect when the RFI was posted.</i>
10		One of the incumbents has below 10,000 members and appears to have historically low membership numbers when compared to the other incumbents. Can EOHHS share any insight on the potential cause?	<i>This is not an RFI question for clarification.</i>
11		Page 8 of the RFI states due to stakeholder input a consideration may be “Modifying or clarifying roles and responsibilities between the MCOs and the AEs, including appropriate support for AEs by MCOs.” Can you clarify what “appropriate support” may mean? Is this in reference to contractual arrangements, staffing support, IT/Information exchange or other areas?	<i>Appropriate support may include contractual arrangements, staffing support, IT/Information exchange or other areas that the respondent may wish to identify and provide input on to EOHHS.</i>
12		How might potential bidders participate and listen in on future stakeholder meetings?	<i>All stakeholder engagements are virtual and interested parties would be notified of any meetings.</i>
13		In the RFI - Section V. Member Enrollment, question 2 references a	<i>EOHHS is seeking input from respondents on the metrics that EOHHS should consider when</i>

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		potential auto-assignment and the use of a process to assign members to “high performing plans.” If a new MCO is selected to participate they will not have any historical performance metrics in RI. How would EOHHS anticipate adjusting for this in assignment methodology?	<i>auto-assigning members to an MCO. High performance was one example among others that were identified.</i>
14	In the RFI Question #7, it states individuals who become eligible for LTSS are disenrolled from managed care. However, the Integrity Duals Plan through Neighborhood Health Plan lists LTSS as a covered benefit.	Are all non-dual member receiving LTSS disenrolled from managed care and only duals remain enrolled?	<i>LTSS services are not part of this solicitation. Dually eligible individuals are not covered with this solicitation.</i>
15	In Section 4 - Response Contents, subsection A , the RFI states that one CD-R, one printed and signed paper copy, and seven printed paper copies are required for submittal. Will the State accept a thumb drive or emailed PDF copy in lieu of a CD-R? Additionally, in light of COVID restrictions, our workforce is now entirely remote.	Will the State accept an electronic/digital signature in place of a “wet” signature for the signed copy?	<i>Yes.</i>
16		The RFI instructions state that vendors should “restate the RFI question above the response”. Can you please clarify if the restatement of the RFI questions count towards the maximum page limit for that section?	<i>No.</i>

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17	To allow for a new entrant, auto-assignment must be designed to balance enrollment among all MCOs.	If EOHHS offers an open enrollment process, where recipients do not select a MCO during the allotted time frame, will EOHHS consider an auto-assignment that i) assigns recipients equitably among MCOs and ii) will not take into consideration the enrollee's previous MCO assignment?	<i>See response to Question #13.</i>
18		If EOHHS offers an open enrollment process, will EOHHS then consider a lock-in period to support new entrants consistent with federal law which allows enrollees in a mandatory managed care program the right to change plans: i) without cause within 90 days of enrolling in the plan, and every 12 months thereafter and ii) for cause at any time pursuant to §1932(a)(4)(ii)(I) of the Social Security Act.	<i>The current EOHHS managed care contract currently includes a lock-in period following the ninety (90) days after initial enrollment into a Health Plan. EOHHS has not considered changes to that policy, but respondents may offer comment on this as part of responding to RFP# 7611871 Rhode Island Medicaid Managed Care Program RFI, Question #1 – Section V. Member Enrollment.</i>
19		Should an RFP be issued for Medicaid Managed Care, who will it be for; insurance providers or community members?	<i>See response to Question #4.</i>
20	“The RFP will solicit qualified health plans to implement new and enhanced approaches to deliver high-quality, cost-effective managed health care for Rhode Island’s Medicaid members consistent with Rhode Island’s Medicaid program key principles and goals, statutes, regulations, and the CMS-approved 1115	In reference to the statement, what are the specific services you are referring to when mentioning “high-quality” health care?	<i>EOHHS is seeking input from respondents on what services should be considered.</i>

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	Demonstration Waiver extension in”		
21		Would it be recommended that agencies/organizations responding to the RFI are Medicaid providers?	<i>Please see #2, under Instructions and Notifications to Offerors on page 3 of RFP# 7611871 Rhode Island Medicaid Managed Care Program RFI. “The State invites comments, suggestions and recommendations from all potential vendors and other interested parties. . . . Other interested parties include but are not limited to: Medicaid enrollees, Medicaid member advocacy organizations, community-based organizations, health systems, Medicaid accountable entities, medical and behavioral health providers, associations and organizations representing providers, and administrative entities”.</i>
22		Can you give an example of a “full behavioral health continuum of care” agency?	<i>EOHHS is seeking input from respondents on what services should be considered as part of the full behavioral health continuum of care that serves members in the least restrictive, lowest cost, medically necessary environment.</i>
23		Can you give an example of “evidence-based practices”?	<i>EOHHS is seeking respondent feedback on the best practices (including evidenced-based practices) that should be adopted. See Question #1 – Section II Behavioral Health.</i>
24		Member Enrollment – is the statement referring to passive enrollment?	<i>No.</i>
25		“Programmatic flexibilities adopted during the COVID-19 pandemic” what programmatic flexibilities are you referring to?	<i>Please see the EOHHS website for further information.</i>

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26		When you refer to “MCO” would you prefer the request for information originates from actual MCO’s?	<i>See response to Question #21 above.</i>
27		Would you clarify what you mean by “brand name”?	<i>The current Medicaid managed care contract covers several eligibility groups, as identified on page 4 of the RFI. EOHHS initially referenced this as the RIt Care Managed Care Program prior to adding additional eligibility groups. EOHHS is seeking input on whether the Medicaid managed care program should have a branded name for further reference to incorporate all of the covered populations.</i>
28	Page 16 – Question 1. EOHHS is interested in ensuring that program administration funding is used in the most efficient manner. Please provide suggestions and information related to approaches for EOHHS to consider assisting with managing administrative spending amounts while encouraging innovative investment in the Rhode Island Medicaid managed care program.	How does EOHHS account for quality improvement expenses in risk corridor calculations?	<i>Currently, care coordination activities are considered medical expense for the purposes of risk corridor calculations.</i>
29	Page 16 – Question 1. EOHHS is interested in ensuring that program administration funding is used in the most efficient manner. Please provide suggestions and information related to approaches for EOHHS to consider assisting with managing administrative spending	How is the administrative rate and profit margin developed in the rate setting process?	<i>In the current arrangement, non-benefit expense assumptions, including administrative expenses and profit margin, are developed through the use of both plan reported data and industry benchmarks. Additional details related to specific data sources and assumptions are provided to participating MCOs during the rate setting process.</i>

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	amounts while encouraging innovative investment in the Rhode Island Medicaid managed care program.		
30	Page 13 – Question 1. EOHHS is interested in increasing the amount of financial risk that MCOs, Accountable Entities (AEs) and other providers take while jointly managing cost and quality of care for members. What strategies or policies should EOHHS consider increasing financial risk and accountability for cost and quality of care for members.	Can you provide historical achievement rates for the program for quality withhold measures?	<i>The plans have historically been successful in achieving a full return of quality withhold amounts.</i>
31	Page 13 – Question 1. EOHHS is interested in increasing the amount of financial risk that MCOs, Accountable Entities (AEs) and other providers take while jointly managing cost and quality of care for members. What strategies or policies should EOHHS consider increasing financial risk and accountability for cost and quality of care for members?	What methodology is utilized to determine what is reasonably achievable?	<i>Achievability is assessed by reviewing historical performance in the Rhode Island Medicaid managed care program, data from other Medicaid programs where similar measures can be reviewed, and clinical input when applicable.</i>
32	Page 16 – Question 2. EOHHS is interested in increasing the amount of financial risk that MCOs should take in our contract structure, for example by reducing or eliminating the risk-and gain-share corridors that exist in the current contract. What strategies	Within the risk corridor, are specific subpopulations problematic and frequently activated?	<i>In the current arrangement, the risk corridor is applied at the population level. Populations that experience a greater level of change in enrollment makeup are more likely to result in risk corridor payouts or recoupments. For example, the Medicaid Expansion population has experienced changes over time (in Rhode Island and</i>

#	Section	Question	Answer
	can EOHHS consider facilitating a successful transfer of financial risk from EOHHS to the MCOs? What strategic or operational approaches could MCOs adopt to succeed without a risk corridor while not sacrificing quality of care for members?		<i>nationally) that would result in greater uncertainty relative to other populations.</i>
33	Page 16 – Question 2. EOHHS is interested in increasing the amount of financial risk that MCOs should take in our contract structure, for example by reducing or eliminating the risk-and gain-share corridors that exist in the current contract. What strategies can EOHHS consider facilitating a successful transfer of financial risk from EOHHS to the MCOs? What strategic or operational approaches could MCOs adopt to succeed without a risk corridor while not sacrificing quality of care for members?	Have acuity adjustments been utilized to adjust for COVID-19/economic impacts? Can you provide latest rate certification documents?	<i>The SFY 2021 capitation rates do not include COVID-19 acuity adjustments. Current MCO contracts can be found on the EOHHS website.</i>
34	Page 16 – Question 2. EOHHS is interested in increasing the amount of financial risk that MCOs should take in our contract structure, for example by reducing or eliminating the risk-and gain-share corridors that exist in the current contract. What strategies can EOHHS consider facilitating a successful	Is there a reconciliation process for gaps in data between audited financials and what is submitted to the EOHHS via the encounters process?	<i>Yes</i>

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	transfer of financial risk from EOHHS to the MCOs? What strategic or operational approaches could MCOs adopt to succeed without a risk corridor while not sacrificing quality of care for members?		
35	Page 16 – Question 2. EOHHS is interested in increasing the amount of financial risk that MCOs should take in our contract structure, for example by reducing or eliminating the risk-and gain-share corridors that exist in the current contract. What strategies can EOHHS consider facilitating a successful transfer of financial risk from EOHHS to the MCOs? What strategic or operational approaches could MCOs adopt to succeed without a risk corridor while not sacrificing quality of care for members?	Can you confirm if EOHHS utilizes risk adjustment in the capitation process between MCOs?	<i>Yes, currently risk adjustment is a component of the capitation rate setting process in situations where enrollment levels are of a sufficient volume to permit credible risk adjustment calculations</i>
36	Page 16 – Question 2. EOHHS is interested in increasing the amount of financial risk that MCOs should take in our contract structure, for example by reducing or eliminating the risk-and gain-share corridors that exist in the current contract. What strategies can EOHHS consider	Within the encounter systems, is there a limitation on the number of diagnoses that may be reported? Would you be receptive to receiving improved supplemental encounter information to reduce provider administrative burden?	<i>There is currently space for ten (10) diagnosis codes on a claim. When diagnosis codes are appropriately populated supplemental information is not necessary.</i>

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	facilitating a successful transfer of financial risk from EOHHS to the MCOs? What strategic or operational approaches could MCOs adopt to succeed without a risk corridor while not sacrificing quality of care for members?		
37	Page 16-17 – Question 5. Pharmacy pricing, contracting, and transparency have become a topic of discussion for Medicaid programs across the country. Please provide suggestions for EOHHS’s consideration related to policy changes that could assist with controlling pharmacy costs while increasing quality, accountability, and transparency of the pharmacy benefit in the Rhode Island Medicaid managed care program.	Are encounters repriced to a national acquisition cost for rate setting purposes?	<i>In the current arrangement pharmacy encounters are repriced to an average wholesale price (AWP) target for rate setting purposes. This target is established based on our review of the Rhode Island Medicaid managed care program and other state markets. This information is outlined in rate certification materials that are provided to participating MCOs.</i>
38		Is RFI # 7611871 in any related to the cancelled RFI #7588572 from Summer 2020?	<i>No.</i>
39		Will the resulting RFP cover the following modules for the State? Medicaid Management Information System - Eligibility and Enrollment Module Medicaid Management Information System -	<i>No.</i>

#	Section	Question	Answer
		<p>Encounters and Fee-for-Service (FFS) Claims Management Module</p> <p>Medicaid Management Information System - Business Intelligence Module</p> <p>Medicaid Management Information System - Provider Management Module</p>	
40		Does the Department anticipate any professional or consulting services may be needed to accomplish this effort? (project planning/oversight, staff augmentation, implementation services). If so, what services does the Department desire and how do they anticipate procuring?	<i>No.</i>
41		EOHHS currently contracts with three MCOs: Neighborhood Health Plan of Rhode Island; Tufts Health Public Plan; and United Health Care Community Plan. What is the term and value of each of these contracts?	<i>The current contracts can be found on the EOHHS website.</i>
42		How much funding has been set aside/allocated for the up to three new contracts that will result from the MCO solicitation to be released in summer 2021?	<i>Funding allocations have not been established at this time.</i>