

WRITTEN QUESTIONS AND ANSWERS**SP-19-0094 Worker's Compensation Managed Care
ANSWERS ARE IN BLUE**

QUESTION NUMBER	SECTION REFERENCE	WRITTEN QUESTION & ANSWER
1	Not Listed	<p>Question: Can you tell me if [REDACTED] would need to be an MCO in Arkansas to bid on this RFP?</p> <p>Answer: See Addendum 1 for 2.2.C.</p>
2	1.1	<p>Question: Can the described work listed under the "Services for this contract" be performed at any office location with the state of Arkansas?</p> <p>Answer: Yes.</p>
3	1.1 and 2.1	<p>Question: Are these required services one and the same or different contractual requirements? Can a registered nurse perform this required review?</p> <p>Answer: The services are one and the same. A registered nurse can perform this review, but not peer review.</p>
4	2.5.A	<p>Question: Does the Contractor perform Utilization Review on all medical bills submitted or a random selection? If random, who does the random selection of the medical bills submitted to PECD?</p> <p>Answer: See Addendum 1.</p>
5	2.5.F.7	<p>Question: How will the Contractor know which bills to review? Will all bills submitted to PECD be reviewed by the Contractor or a selection of bills?</p> <p>Answer: See Addendum 1.</p>
6	2.5.F.9.a	<p>Question: Can written response to the provider be sent via secure email or must it be sent through US Postal?</p> <p>Answer: Encrypted E-Mail is sufficient.</p>
7	2.5.F.9.b	<p>Question: Does the term "litigated" represent a fair hearing process involving an ALJ? Can litigations be performed telephonic or must they be performed in person by the Contractor's witness or subject matter expert?</p> <p>Answer: PECD is open to using evidentiary depositions which may be done by telephone. Opposing attorneys may require in-person so we cannot guarantee there would be no in-person testimony required.</p>
8	2.5.H	<p>Question: Can notifications also be sent via secure email?</p> <p>Answer: Yes.</p>
9	2.6.B.1	<p>Question: Can notifications be sent to provider via secure portal or secure email? Must notifications be sent via US Postal?</p> <p>Answer: See RFP Item 2.6.B.2</p>

10	2.6.D	<p>Question: Who is notified of the review determination? Provider, beneficiary, PECD? Can the determination notification be sent via secure portal or email?</p> <p>Answer: See Addendum 1.</p>
11	2.7.B	<p>Question: Does this include weekends? Is this specific to Business days and hours?</p> <p>Answer: See Addendum 1.</p>
12	2.10.C	<p>Question: Does this include weekends? Is this specific to Business days and hours?</p> <p>Answer: See Addendum 1.</p>
13	2.10.E.2.a	<p>Question: Other sections of this RFP reference that cases need to be completed within twenty-four (24) hours of receipt. Must the Contractor complete received cases within twenty-four (24) or seventy-two (72) hours of receipt?</p> <p>Answer: See Addendum 1.</p>
14	2.10.E.3.c and 2.10.E.3.d	<p>Question: Does this include weekends? Is this specific to Business days and hours?</p> <p>Answer: See Addendum 1.</p>
15	1.1	<p>Question: Please describe claim system required.</p> <p>Answer: PECD does not require the vendor to have a particular claim system. PECD currently uses JW Software's FileHandler® system. PECD uses SFTP file transfers for data exchange.</p>
16	1.1	<p>Question: Will connectivity by Managed Care Organization to the state of Arkansas claim system be required?</p> <p>Answer: See Addendum 1 for 2.2.</p>
17	2.3	<p>Question: Please advise resource residency requirements, if any.</p> <p>Answer: See Addendum 1.</p>
18	1.12	<p>Question: Please confirm pharmacy benefits management (subcontractor) EDI requirement – MyMatrixx or other?</p> <p>Answer: Optum.</p>
19	1.28	<p>Question: Would the VISA procurement card be utilized for medical payments to providers?</p> <p>Answer: No.</p>

20	2.10	<p>Question: Please describe current case management referral model; including number of clinical colleagues dedicated to program. Can state of Arkansas provide volume of telephonic case management (TCM) and field case management (FCM) referrals monthly/annually?</p> <p>Answer: PECD's current referral model:</p> <ol style="list-style-type: none"> 1. PECD calls or sends an email to our current vendor to refer cases for case management. <ol style="list-style-type: none"> a. PECD does not have dedicated case managers. Currently, there are six different nurse case managers that are referred PECD cases. 2. PECD incurs approximately 6,300 hours of nurse case management per year.
21	2.5.E	<p>Question: Are the restrictions on the use of specialty contractors (durable medical equipment, diagnostics, home health, transportation, translation) or subcontractors selected by the state of Arkansas?</p> <p>Answer: Pursuant to Arkansas Procurement Law, PECD does have financial limitations. PECD follows Arkansas Procurement Law processes to obtain commodities and services specified in the question.</p>
22	2.6.B.2	<p>Question: Since the state of Arkansas will have view access of our system, would the PECD still require a copy of the decision be sent to the PECD via encrypted e-mail or fax?</p> <p>Answer: Yes.</p>
23	TPP E3.C	<p>Question: For medical case management engagement requirements; what is the due date for late Friday accident/referral?</p> <p>Answer: Within 24 hours of the reporting of the incident, which includes weekend hours.</p>
24	2.10	<p>Question: Is 24 hour TCM assignment, business hours or other?</p> <p>Answer: Normal business hours for TCM.</p>
25	Not Listed	<p>Question: Who is the current vendor that holds contract? How long has current vendor held contract?</p> <p>Answer: This question is not applicable for the Prospective Contractor to submit a qualified proposal.</p>
26	Not Listed	<p>Question: Can the state of Arkansas provide a three year total of the number of medical bills reviewed as well as the number of lines reviewed broken down by year?</p> <p>Answer:</p> <ul style="list-style-type: none"> • PECD averages approximately 1,390 bills per month. • PECD averages 3,767 lines per month.
27	2.14.E	<p>Question: Would the state of Arkansas entertain per bill pricing instead of per line pricing?</p> <p>Answer: See REVISED Official Bid Price Sheet on the website.</p>

28	Not Listed	<p>Question: What is the current fee paid for bill review?</p> <p>Answer: Current pricing:</p> <ul style="list-style-type: none"> • Bill Review: \$1.25 per line, 3 line minimum for bill review; • \$73 per hour (1/10th hour increments/no minimum) for bill review; • \$95.00 per precertification with RN time beyond 1.1 hours billed at rate of \$73 per hour; • PPO Access Fee: 15% of savings • Peer Review \$280.00 flat fee except for \$99 for chiropractic, PT,OT, podiatry \$149 if peer review consultation is necessary. • Mileage reimbursement 45 cents per mile. <p>However, current pricing is not relevant to the Prospective Contractor submitting a qualified proposal. The State is always seeking best value for the State in contract solution and pricing.</p>
29	2.4	<p>Question: Would the state of Arkansas entertain fees other than a percentage of savings for PPO access?</p> <p>Answer: Not at this time.</p>
30	2.4	<p>Question: What is the current percentage of savings paid for PPO access?</p> <p>Answer: 15%</p> <p>However, the current percentage is not relevant to the Prospective Contractor submitting a qualified proposal. The State is always seeking best value for the State in contract solution and pricing.</p>
31	2.8	<p>Question: What is the current percentage of savings paid for Out of Network negotiation?</p> <p>Answer: This is paid on an hourly rate. See question 28.</p>
32	Not Listed	<p>Question: Can the state provide a three year average of the number of times the PPO network as accessed annually?</p> <p>Answer: PECD does not track this data individually.</p>
33	2.7	<p>Question: What is the current fee for utilization review and precertification of medical providers?</p> <p>Answer: See question 28.</p> <p>Question: Can the state of Arkansas provide historical volume of utilization review referrals?</p> <p>Answer: PECD averages 260 pre-certifications a year.</p>
34	Not Listed	<p>Question: Can the state of Arkansas provide a three year total of the number of utilization reviews and precertification of medical providers broken down by year and nurse and physician reviews?</p> <p>Answer: See Question 32.</p>

35	Not Listed	<p>Question: Can the state of Arkansas provide a current hourly fee for telephonic case management and field case management?</p> <p>Answer: \$73/hour.</p> <p>However, current pricing is not relevant to the Prospective Contractor submitting a qualified proposal. The State is always seeking best value for the State in contract solution and pricing.</p>
36	Not Listed	<p>Question: Can the state of Arkansas provide a three year total broken down by year of the bill negotiations from non PPO providers and the current fees charged per negotiation?</p> <p>Answer: See Questions 28 and 32.</p>
37	2.2.C	<p>Question: For the MCO requirement in RFP section 2.2(C), will the State accept a bid where the primary contractor is not the MCO holder but has partnered with an MCO as a subcontractor for network access? (The primary contractor in this case meets all Arkansas requirements for utilization review and bill review, as well as the various credentialing requirements for case management.)</p> <p>Answer: See Addendum 1.</p>
38	1.13.A	<p>Question: In RFP section 1.13(A), we are instructed that bidders “shall include all pricing on the Official Bid Price Sheet(s)” and that if “any cost is not included by the successful Contractor but is subsequently incurred in order to achieve successful operation, the Contractor shall bear this additional cost.” However, the RFP later states in section 1.17(C), that bidders should “not alter the Official Bid Price Sheet.” If the Official Bid Price Sheet does not contain rows and/or columns to accommodate for “all” bidder pricing components, how are bidders supposed to communicate such information? Can the State please clarify?</p> <p>Answer: See REVISED Official Bid Price Sheet on the website.</p>
39	2.8	<p>Question: Along these lines, RFP section 2.8 references a requirement to provide bill negotiations, yet the Official Bid Price Sheet does not provide an area to quote pricing for these negotiations. Where shall bidders provide this pricing information?</p> <p>Answer: See REVISED Official Bid Price Sheet on the website.</p>
40	2.6.C	<p>Question: Similarly, RFP section 2.6(C) seems to indicate a desire for complex bill review services (e.g. complex coder audit, nurse auditor review) of inpatient hospital bills, yet the Official Bid Price Sheet does not provide an area to quote pricing for these services? Where shall bidders provide this pricing information?</p> <p>Answer: See REVISED Official Bid Price Sheet on the website.</p>
41	2.6.C	<p>Question: Or, does the State <i>not</i> wish to utilize professional complex bill review services and focus on reducing bills to fee schedule only?</p> <p>Answer: See REVISED Official Bid Price Sheet on the website.</p>

42	2.6.E and 2.16.H	<p>Question: Regarding the 18% damages provisions throughout the document related to the 14-calendar day bill review turnaround time (e.g. RFP sections 2.6(E) and 2.16(H)), will the State grant exemptions from these damages in a small number of cases? For instance, on occasion, large negotiations (e.g. \$1million bill) can sometimes take longer than 14 calendar days due to needing senior-level approval (e.g. a hospital CFO). Another example would be a complex bill audit that requires us to seek additional documentation to verify billings (e.g. surgical reports, implant manufacturer invoices). If the bidder keeps the adjuster informed of case status and receives adjuster pre-approval for a timeline extension, will damages be waived in such instances?</p> <p>Answer: PECD will allow exemptions in cases where we are not penalized pursuant to Arkansas Workers' Compensation Commission Rule 30. PECD understands that there are situations where additional documentation is required.</p> <p>See RFP Item 2.16.G.</p>
43	1.8 and 1.26	<p>Question: RFP section 1.8(B) indicates the bidder must complete a "Voluntary Product Accessibility Template (VPAT)." Is the VPAT encapsulated by the questions in section 1.26(B) or is there a separate template document that we must complete? And, if there is a separate VPAT template, can the State provide or tell us where we may download it (as we've not been able to locate it in the RFP documentation)?</p> <p>Answer: The Voluntary Product Accessibility Template (VPAT) template can be found at this link: https://www.section508.gov/sell/vpat</p>
44	1.26	<p>Question: Along the lines of the VPAT, is the related legislation outlined in section 1.26 applicable to these particular managed care products since the products' technology components will be accessible <i>only</i> to State employees (e.g. our customer web portal used for adjusters to approve bills, check bill status, check UR status, run program reporting, etc.), but <i>not</i> made accessible to general public individuals?</p> <p>Answer: See Question 43.</p>
45	3.3	<p>Question: In section 3.3, are the pricing proposals and the cost score determined <i>after</i> the demonstrations have been conducted? Or <i>before</i>?</p> <p>Answer: Pricing proposals are opened and calculated after demonstrations have been completed.</p>
46	TPP E2.B	<p>Question: For bill intake, per item E2(B), does the State currently receive all mailed provider bills? Or do you want the bidder to receive all provider bills via a dedicated PO Box / mailing address? And, if yes, where shall bidders provide pricing information for these mailroom services?</p> <p>Answer: See Addendum 1.</p> <p>See REVISED Official Bid Price Sheet on the website.</p>
47	Price Sheet	<p>Question: Do the 52,000 estimated medical bills listed in row 10 of the spreadsheet include duplicate and denied bills?</p> <p>Answer: Yes. The 52,000 estimate includes denied bills, but not duplicates.</p>

48	Not Listed	<p>Question: What claim system and version does the State currently utilize to process PECDC claims? Are there plans to upgrade to a new claims system within the next three (3) years?</p> <p>Answer: PECDC currently uses JW Software's FileHandler® Version 14.0.01.03. (Legacy system). PECDC does intend to upgrade to their Enterprise version sometime next year.</p>
49	Not Listed	<p>Question: Can the State provide a high-level outline of its current bill review workflow steps today, from medical bill receipt to provider payment? What steps of that process / workflow would the State like to change, if any?</p> <p>Answer: Current bill review workflow:</p> <ol style="list-style-type: none"> 1. PECDC receive the medical bills by mail or fax. 2. Bills are date-stamped and claim number and the initials of the AWCC Claims Specialist or Analyst are written on the bill. 3. Bills are picked up twice a week by courier by our current MCO. 4. Current MCO processes and scans the Explanation of Review, original bill and any attached medical records. 5. MCO sends the image files by secure FTP server along with a file with the Explanation of Benefits data for payment processing 6. Documents are imported into the FileHandler® system. 7. PECDC personnel review and process the payment. 8. Image files (which are indexed by the MCO) are imported into our Xerox DocuShare® imaging database.
50	Not Listed	<p>Question: Can the State share the total medical charges PECDC incurred for workers' compensation claims and the associated amount paid for those bills in 2018?</p> <p>Answer: For Calendar Year 2018:</p> <ul style="list-style-type: none"> • PECDC received \$14,596,158.69 in bills • Of that amount, PECDC paid \$5,411,429.82 to the medical providers. • Calendar Year 2018 was a <u>low-cost year</u> for PECDC.
51	Not Listed	<p>Question: Does the State currently access pharmacy benefits management (PBM) services? If so, through what company? If not, is there interest in potentially accessing integrated PBM services through the bidder?</p> <p>Answer: See Question 18.</p>
52	Not Listed	<p>Question: Under the Arkansas Freedom of Information Act (FOIA), can the State provide the company(s) currently providing the State with the services outlined in RFP today?</p> <p>Answer: Yes. This question is not applicable for the Prospective Contractor to submit a qualified proposal.</p>
53	Not Listed	<p>Question: Also, under the FOIA, can the State explain its current pricing arrangement with its current service provider(s)? Or provide a copy of its current pricing contract(s), or direct us where we may find it?</p> <p>Answer: See Question 28.</p>

54	Not Listed	<p>Question: Does the State of Arkansas require the proposer for Workers' Compensation Managed Care Services to maintain its own MCO, or may the proposer sub-contract the MCO through another organization?</p> <p>Answer: See Addendum 1.</p>
55	Not Listed	<p>Question: The statute in Arkansas is payment 30 days. Is this 30 business days or 30 calendar days? If there is a large bill, that needs to have Clinical Validation applied, are we able to go beyond the 14 days, to maximize the savings? Do you want us to provide our full savings program/products or is the 14 days a hard stop date?</p> <p>Answer: 30 Calendar days. Under Rule 30, if there is a large medical bill that needs clinical validation and not all documentation has been submitted then the time does not begin to run until the documentation necessary to process the bill is received.</p> <p>See Addendum 1 for RFP Item 2.6.E.</p>
56	Not Listed	<p>Question: How many workers' compensation medical bill's do you receive each year? RFP states 52,000, is this bill's per year or lines per year? If it is lines, how many bill's do you get each year?</p> <p>Answer: See Question 47.</p>