RFP: Amendment One

AMENDMENT ONE

to the

Request for Proposal for Actuarial Services

For the Alabama Medicaid Agency

RFP#: 2012-AAS-01

The referenced request for proposal, dated June 6, 2011 is amended as outlined below. This amendment must be signed and returned with the RFP response, which must be received no later than 5:00 PM Central Daylight Time on Friday, June 29, 2012 or the proposal will not be considered. A revised copy of the RFP which included the changes in this amendment is available on the Alabama Medicaid Agency website.

The cover sheet contains the following changes:

RFP Title now reads "Actuarial Services"

Issue Date now reads: June 6, 2012

And text is added to read "Amended: June 22, 2012"

The table of contents is updated to reflect new page numbers

Page 1 – Section 1.2 is amended to read

1.2 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, a Medicaid actuarial model, and other health related policies and issues that might be identified. These services could include, but will not be limited to, financial and actuarial evaluation of programs and benefits; ongoing program operational design; program evaluation; cost projections relating to Medicaid and private insurance alternatives; analysis of and assistance with meeting data/information system needs; and performance of claims, medical necessity, and eligibility, as directed by Medicaid. Other examples of services that could be requested under this proposal include, but are not limited to: physicians' payment reconciliation services, Patient 1st shared savings calculations, Maternity Care shared savings validation services, actuarial certification of Managed Care rates, Provider Care Networks of Alabama (PCNA) cost effectiveness (per member per month), evaluation of PCNA utilization rates such as ER and hospital utilization, asthma and diabetes maintenance, evaluations of rehabilitation services payments methods (fee per service vs. costs reimbursement), and evaluation of new program offerings such as genetics testing. All of these services will be referred to collectively as actuarial services in this contract.

On page 4 the following changes are made:

Section 3.2 now reads:

3.2 RFP for Actuarial Services

Medicaid has assigned the following RFP identification name—**Request for Proposals for Actuarial Services**, which should be referenced in all communications regarding the RFP.

Section 3.3.2 now reads

3.3.2 All communications should be via e-mail to the RFP Coordinator at the e-mail address noted in Section 3.1. Any oral communications shall be considered unofficial and non-binding on Medicaid. Submitted comments, including questions and requests for clarification, must cite the RFP name, **RFP for Actuarial Services**. The RFP Coordinator must receive any questions or requests via e-mail by the deadline specified in the RFP Schedule of Events.

The first paragraph under section 3.5 now reads

> One (1) original and three (3) copies of the Technical/Management document and one (1) original and two (2) copies of the Cost/Price document shall be submitted to Medicaid in two separate envelopes. These envelopes should be clearly marked "Technical/Management Response to RFP for Actuarial Services—DO NOT OPEN" and "Cost/Price Response to RFP for Actuarial Services—DO NOT OPEN"

On page 8 the paragraph under section 4.2 now reads

Contractor must have a minimum of two years service, within the past five years, providing actuarial services to a state Medicaid or health insurance program. These qualifications will be outlined in Sections 5.2.2 and 5.2.3.

On page 9 in section 5.2 now reads

5.2.1 Technical/Management Document

The Technical/Management document shall be divided into the following:

I. Transmittal Letter

II. Actuarial Services

A. Corporate Experience/Past Performance

B. Qualifications of Proposed Personnel

If a proposal fails to detail and address each of the requirements detailed herein, Medicaid may determine the proposal to be non-responsive and reject it.

On page 10 sections 5.2.2, 5.2.2.1 and 5.2.2.1.1 are amended to read:

5.2.2 **Actuarial Services**

5.2.2.1 Corporate Experience/Past Performance – The proposal shall provide the following information (referencing the subsections in sequence) to evidence the Proposer'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 shall provide the following information (referencing the subsections in sequence):

5.2.2.1.1 A brief, descriptive statement indicating the Proposer's credentials to deliver actuarial services for Medicaid. Said statement shall include the following:

On page 11 the following changes are made:

Section 5.2.2.1.1.3 now reads "5.2.2.1.1.3 A brief statement of how long the Proposer has been performing actuarial services,

Sections 5.2.2.1.2.1, 5.2.2.1.2.2 and 5.2.2.1.2.3 are now amended to read

5.2.2.1.2.1 The Proposer shall provide a detailed statement cataloging previous experience with actuarial services especially for state Medicaid agencies. Specifically, this statement should 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.

5.2.2.1.2.2 The Proposer should outline and explain their knowledge of current technical infrastructure related to actuarial services.

5.2.2.1.2.3 The Proposer shall outline and explain their knowledge of and experience with the business rules related to actuarial services.

On page 12 section 5.3.1 is amended to read

5.3.1 The proposer should propose the costs for personnel by using the Cost/Pricing Sheet in attachment 9.5. The classifications to be proposed should be for consulting professionals. The hours per consultant classification should be multiplied by the loaded labor rate per consultant classification and summed to get a total. 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 shall incorporate all direct and indirect cost and a reasonable profit for the proposed scope of services for the contract year. The proposer should explain in detail how the loaded labor rates are built up and the rationale for the profit component. This explanation should be attached to the cost/pricing sheet.

On page 17 the paragraph beginning “Whereas” is amended to read

WHEREAS, the Contractor is a professional consulting company and is extensively experienced in actuarial services, including but not limited to, assistance with financial and actuarial evaluation of a state Medicaid agency or any health insurance program and benefits; ongoing program operational design; program evaluation; cost projections relating to Medicaid, or private insurance alternatives; and analysis of and assistance with meeting data/information systems needs, and

The paragraph under 1. Contractor Tasks is amended to read

> “Contractor will provide Medicaid with statistical and actuarial services in support of development, implementation, and evaluation of various projects; including, but not limited to, a Medicaid actuarial model, and other health related policies and issues that might be identified. These services could include, but will not be limited to, financial and actuarial evaluation of programs and benefits; ongoing program operational design; program evaluation; cost projections relating to Medicaid and private insurance alternatives; analysis of and assistance with meeting data/information system needs; and performance of claims, medical necessity, and eligibility, as directed by Medicaid. All of these services will be referred to collectively as actuarial services in this contract.

On page 27 Basic Proposal Requirement 11 is amended to read

The Proposal includes completed Attachments 9.1, 9.2, 9.5 and 9.6.

Signature acknowledges receipt of this amendment and its incorporation into the Request for Proposal.

Company: _____

By: _____

Title: _____

Date: _____