STATE OF HAWAII

Department of Human Services

REQUEST FOR PROPOSALS (RFP)

Dental Third Party Administrator (TPA) Services for the State of Hawaii Medicaid Population

RFP–MQD–2016-003

Med-QUEST Division
Health Care Services Branch

Request for Proposals

RFP-MQD-2016-003 Dental Third Party Administrator (TPA) Services for the State of Hawaii Medicaid Population

February 10, 2016

Note: It is the Offeror's responsibility to check the public procurement notice website, the request for proposal website, or to contact the RFP point-of contact identified in the RFP for any addenda issued to this RFP. If this RFP was downloaded from the public website, each Offeror must provide contact information to the RFP contact person for this RFP. For your convenience, you may download the RFP Interest Form found in Appendix B, complete and e-mail or mail to the RFP contact person. The State shall not be responsible for any incomplete proposal submitted as a result of missing addenda, attachments or other information regarding the RFP.

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SECTION 10 ADMINISTRATIVE OVERVIEW

10.100 Purpose of the Request for Proposals

This Request for Proposals (RFP) solicits a contractor to provide dental claims processing and dental care administration services for the eligible beneficiaries covered by the Medicaid program.

The successful Contractor must provide all staffing, systems, and procedures required to perform the services described herein. The Contractor shall be responsible for all costs of providing the required services as described in this RFP.

Offerors are advised that the entire RFP, any addenda, and the corresponding proposal shall be a part of the contract with the successful Offeror.

The Department of Human Services (DHS), Med-QUEST Division (MQD) reserves the right to modify, amend, change, add or delete any requirements in this RFP to serve the best interest of the State to include but no limited to adding new eligible groups and benefits. Dental services shall commence on the date identified in Section 20.100.

10.200 Authority for Issuance of RFP

This RFP is issued under the authority of Title XIX of the Social Security Act, 42 USC Section 1396, et. seq. as amended, the implementing regulations issued under the authority thereof, Section 346-14 of the Hawaii Revised Statutes (HRS), and the provisions of the Chapter 103F, HRS. All Offerors are charged with presumptive knowledge of all requirements cited by these authorities, and submission of a valid executed proposal by any Offeror shall constitute admission of such knowledge on the part of such Offeror. Failure to comply with any requirement may result in the rejection of the proposal. DHS reserves the right to reject any or all proposals received or to cancel this RFP, according to the best interest of the State.

10.300 Issuing Officer

This RFP is issued by the State of Hawaii, Department of Human Services. The Issuing Officer within DHS is the sole point of

contact from the date of release of this RFP until the selection of a successful Offeror. The Issuing Officer is:

Ms. Leslie K. Tawata,
Department of Human Services
Med-QUEST Division
1001 Kamokila Boulevard, Suite 317
Kapolei, HI 96707-2005
Telephone: (808) 692-8104
Fax: (808) 692-8087

10.400 Use of Subcontractors

In the event of a proposal submitted jointly by more than one organization, the organization that has the responsibility of claims adjudication will be the prime Offeror. The project leader shall be an employee of the prime Offeror and meet all the relevant experiences. All other participants shall be designated as subcontractors. Major subcontractors shall be identified by name and by a description of the services/functions they will be performing. The prime Offeror shall be wholly responsible for the entire performance whether or not subcontractors are used. The prime Offeror shall sign the contract with DHS.

10.500 Campaign Contributions by State and County Contractors

Pursuant to section 11-355, HRS, campaign contributions are prohibited from certain State or county government contractors during the term of the contract if the contractors are paid with funds appropriated by a legislative body. For more information, refer to the Campaign Spending Commission webpage (www.hawaii.gov/campaign).

10.600 Organization of the RFP

This RFP is composed of eight sections plus appendices:

- Section 10 – Administrative Overview – Provides general information on the purpose of the RFP, the authorities relating to the issuance of the RFP, the use of subcontractors and the Campaign contributions by State and County contractors.
- Section 20 - RFP Schedule and Requirements – Provides information on the rules and schedules for procurement of this RFP.

- Section 30 – Background and Department of Human Services Responsibilities – Describes the current medical assistance program and Department of Human Services responsibilities.
- Section 40 – Provision of Services – Provides information on the services to be provided under the contract.
- Section 50 – Terms and Conditions – Describes the terms and conditions under which the work will be performed.
- Section 60 – Technical Proposal – Defines the required format of the technical proposal and the minimum information to be provided in the proposal.
- Section 70 – Business Proposal – Defines the required format of the business proposal and the minimum information to be provided in the proposal.
- Section 80 – Proposal Evaluation and Selection – Defines the evaluation criteria and explains the evaluation process.

Various appendices are included to support the information presented in Sections 10 through 80.

Section 20 RFP Schedule and Requirements

20.100 RFP Timeline

The delivery schedule set forth below represents the DHS's best estimate of the schedule that will be followed. If a component of this schedule, such as Receipt of Proposals, is delayed, the rest of the schedule will likely be shifted by the same number of days. The proposed schedule is as follows:

Action	Date
Legal Ad Date/Issue RFP	February 10, 2016
Orientation	February 18, 2016
Submission of Written Technical Proposal Questions	February 19, 2016
Notice of Intent to Propose	March 4, 2016
Written Responses to Technical Proposal Question	March 11, 2016
Proposal Due Date	April 1, 2016
Contract Award	April 15, 2016
Contract Effective Date	July 1, 2016

20.200 Orientation Conference

An orientation for Offerors in the reference to this RFP will be held on the date identified in Section 20.100 from 1:00 to 2:00 pm (HST) at the Med-QUEST Office, Kakuhihewa Building at 601 Kamokila Boulevard, #577A, Kapolei, Hawaii. In addition, Offerors may attend the orientation via teleconference at:

Call-In Number: 866-740-1260
Access Code - 6928088#

Impromptu questions will be permitted at the orientation and spontaneous responses provided at the discretion of the state purchasing agency. However, responses provided at the orientation conference are intended only as general direction and may not represent the official position of the state purchasing agency. Formal responses will be provided in writing. To ensure a written response, any oral questions should be submitted in writing following the close of the orientation conference, but no later than the submittal deadline for written questions indicated in Section 20.100, Written Questions.

20.300 Written Questions

Offerors shall submit questions by email and/or on CD in Word 2013 format, or lower to the following address:

Ms. Leslie K. Tawata
c/o Dona Jean Watanabe
Med-QUEST Division-Finance Office
1001 Kamokila Boulevard, Room 317
Kapolei, Hawaii 96707-2005
E-mail address: HCSBinquiries@medicaid.dhs.state.hi.us

The written questions shall reference the RFP section, page and paragraph number and bullet number, if appropriate, in the format provided in Appendix A. Offerors must submit written questions by 2:00 p.m. (H.S.T.) on the date identified in Section 20.100. DHS shall respond to the written questions no later than the date identified in Section 20.100. No verbal responses shall be considered as official.

20.400 Notice of Intent to Propose

Potential Offerors shall submit a Notice of Intent to Propose to the Issuing Officer no later than the date identified in Section 20.100 at 2:00 p.m. (H.S.T.). Submission of a Notice of Intent to Propose is not a prerequisite for the submission of a proposal, but it is necessary that the Issuing Officer receive the letter by this deadline to assure proper distribution of amendments, questions and answers, and other communication regarding this RFP.

The Notice of Intent can be mailed, emailed or faxed to:

Leslie K. Tawata
c/o Dona Jean Watanabe
Med-QUEST Division-Finance Office
1001 Kamokila Boulevard, Room 317
Kapolei, Hawaii 96707-2005
Email: dwatanabe@medicaid.dhs.state.hi.us
Fax Number: (808) 692-7989

20.500 Documentation

Offerors may review information describing Hawaii's Medicaid program, QUEST Integration by visiting the DHS MQD website: http://www.med-QUEST.us. The documentation library contains materials designed to provide additional program and supplemental information and shall have no effect on the requirements stated in this RFP.

All possible efforts shall be made to ensure that the information contained in the website is complete and current. However, DHS does not warrant that the information in the website is indeed complete or correct and reserves the right to amend, delete and modify the information at any time without notice to the Offerors.

20.600 Requirements to Conduct Business in the State of Hawaii

Offerors are advised that if awarded a contract under this RFP, each Offeror shall, upon award of the contract, furnish proof of compliance with the following requirements of HRS, required to conduct business in the State:

1. HRS Chapter 237, tax clearance
2. HRS Chapter 383, unemployment insurance
3. HRS Chapter 386, workers' compensation
4. HRS Chapter 392, temporary disability insurance
5. HRS Chapter 393, prepaid health care

One of the following:

- Be registered and incorporated or organized under the laws of the State (hereinafter referred to as a "Hawaii business"); or

- Be registered to do business in the State (hereinafter referred to as a "compliant non-Hawaii business").

Offerors are advised that there are costs associated with compliance under this section. Any costs are the responsibility of the Offeror. Proof of compliance is shown by providing the

Certificate of Vendor Compliance issued by Hawaii Compliance Express (HCE).

20.700 Hawaii Compliance Express (HCE)

The DHS utilizes the HCE to verify compliance with the requirements to conduct business in the State, upon award of the contract. The HCE is an electronic system that allows vendors/contractors/service providers doing business with the State to quickly and easily demonstrate compliance with applicable laws. It is an online system that replaces the necessity of obtaining paper compliance certificates for Department of Taxation and Internal Revenue Service tax clearances, Department of Labor and Industrial Relations (DLIR) labor law compliance, and Department of Commerce and Consumer Affairs (DCCA) good standing compliance. There is a nominal annual fee for the service. The "Certificate of Vendor Compliance" issued online through HCE provides the registered Offeror's current compliance status as of the issuance date, and is accepted for both contracting and final payment purposes. See website:
https://vendors.ehawaii.gov/hce/splash/welcome.html

20.800 Rules of Procurement

To facilitate the procurement process, various rules have been established as described in the following subsections.

20.810 No Contingent Fees

No Offeror shall employ any company or person, other than a bona fide employee working solely for the Offeror or company regularly employed as its marketing agent, to solicit or secure this contract, nor shall it pay or agree to pay any company or person, other than a bona fide employee working solely for the Offeror or a company regularly employed by the Offeror as its marketing agent, any fee commission, percentage, brokerage fee, gift, or other consideration contingent upon or resulting from the award of a contract to perform the specifications of this RFP.

20.820 Restriction on Communication with State Staff

Communication with State staff shall be consistent with requirements identified in Subchapter 4 Allowable

Communication Section 3-143, Hawaii Administrative Rules (HAR).

- Prior To Submittal Deadline:
  Discussions may be conducted with Offerors to promote understanding of the purchasing agency's requirements.
- After Proposal Submittal Deadline:
  Discussions may be conducted with Offerors whose proposals are determined to be reasonably susceptible of being selected for award, but proposals may be accepted without discussions, in accordance with Section 3-143-403, Hawaii Administrative Rules (HAR).

20.830 RFP Amendments

DHS reserves the right to amend the RFP any time prior to the closing date for the submission of the proposal. In addition, addenda may also be made after proposal submission consistent with Section 3-143-301(e), HAR.

20.840 Costs of Preparing Proposal

Any costs incurred by the Offerors for the development and submittal of a proposal in response to this RFP are solely the responsibility of the Offeror, whether or not any award results from this solicitation. The State of Hawaii shall provide no reimbursement for such costs.

20.850 Provider Participation in Planning

Provider participation in a State purchasing agency's efforts to plan for or to purchase health and human services prior to the State purchasing agency's release of a RFP, including the sharing of information on community needs, best practices, and providers' resources, shall not disqualify providers from submitting proposals if conducted in accordance with Sections 3-142-202 and 3-142-203, HAR, pursuant to Chapter 103F, HRS.

20.860 Disposition of Proposals

All proposals become the property of the State of Hawaii. The successful proposal shall be incorporated into the resulting contract and shall be public record. A copy of successful and

unsuccessful proposal(s) shall be public record as part of the procurement file as described in Section 3-143-616, HAR, pursuant to Chapter 103F, HRS. The State of Hawaii shall have the right to use all ideas, or adaptations to those ideas, contained in any proposal received in response to this RFP. Selection or rejection of the proposal shall not affect this right.

According to Section 3-143-612, HAR, Offerors who submit technical proposals that fail to meet mandatory requirements or fail to meet all threshold requirements during the technical evaluation phase may retrieve their technical proposal within thirty (30) days after its rejection from the purchasing agency. After thirty (30) days, the purchasing agency may discard the rejected technical proposal.

20.870 Rules for Withdrawal or Revision of Proposals

A proposal may be withdrawn or revised at any time prior to, but not after, the Proposal Due Date specified in Section 20.100, provided that a request in writing executed by an Offeror or its duly authorized representative for the withdrawal or revision of such proposal is filed with DHS before the Proposal Due Date specified in Section 20.100. The withdrawal of a proposal shall not prejudice the right of an Offeror to submit a new proposal prior to Proposal Due Date specified in Section 20.100.

After the Proposal Due Date as defined in Section 20.100, all proposals timely received shall be deemed firm offers that are binding on the Offerors for ninety (90) days. During this period, an Offeror may neither modify nor withdraw its proposals without written authorization or invitation from the DHS. Offerors may withdraw their bid without incurring penalties as described in Section 80.700.

Notwithstanding the general rules for withdraw or revision of proposals, the State purchasing agency may request that Offerors submit a final revised proposal in accordance with Section 3-143-607, HAR.

20.880 Independent Price Determination

State law requires that a bid shall not be considered for award if the price in the bid was not arrived at independently without collusion, consultation, communication, or agreement as to any

matter relating to such prices with any other Offeror or with any competitor.

An Offeror shall include a certified statement in the proposal certifying that the bid was arrived at without any conflict of interest, as described above. Should a conflict of interest be detected at any time during the contract, the contract shall be null and void and the Offeror shall assume all costs of this project until such time that a new Offeror is selected.

20.900 Confidentiality of Information

The DHS shall maintain the confidentiality of proposals only to the extent allowed or required by law, including but not limited to Section 92F-13, HRS, and Sections 3-143-604 and 3-143-616, HAR. If the Offeror seeks to maintain the confidentiality of sections of the proposal, each page of the section(s) shall be marked as "Proprietary" or "Confidential." An explanation to the DHS of how substantial competitive harm would occur if the information were released is required. If the explanation is sufficient, then to the extent permitted by the exemptions in Section 92F-13, HRS, the affected section may be deemed confidential. Such information shall accompany the proposal, be clearly marked, and shall be readily separable from the proposal to facilitate eventual public inspection of the non-confidential sections of the proposal. The DHS shall maintain the confidentiality of the information to the extent allowed by law. Blanket labeling of the entire document as "proprietary," however, shall result in none of the document being considered proprietary.

21.100 Acceptance of Proposals

DHS reserves the right to reject any or all proposals received or to cancel this RFP according to the best interest of the State.

DHS also reserves the right to waive minor irregularities in proposals providing such action is in the best interest of the State.

Where DHS may waive minor irregularities, such waiver shall in no way modify the RFP requirements or excuse an Offeror from full compliance with the RFP specifications and other contract requirements if the Offeror is awarded the contract.

DHS also reserves the right to consider as acceptable only those proposals submitted in accordance with all technical requirements set forth in this RFP and which demonstrate an understanding of the requirements. Any proposal offering any other set of terms and conditions contradictory to those included in this RFP may be disqualified without further notice.

21.200 Submission of Proposals

Each qualified Offeror may submit only one (1) proposal. More than one proposal shall not be accepted from any Offeror. The Proposal Application Identification (form SPO-H-200) shall be completed and submitted with the proposal (Appendix C).

Proposals shall be submitted using Offeror's exact legal name as registered with the DCCA. Failure to do so may delay proper execution of the contract. The authorized signature on the Offer form shall be an original signature in ink. If unsigned or the affixed signature is a facsimile or a photocopy, the offer shall be automatically rejected unless accompanied by other material containing an original signature, indicating the Offeror's intent to be bound.

Proposals shall be submitted in two parts: technical and business proposals. The format and content of each are specified in Sections 60 and 70 respectively.

The technical proposal shall be submitted in a separate envelope or box from the business proposal. The Offeror shall submit three (3) bound copies, one of which is the original, of the technical proposal, and a complete electronic version (in MS Word 2013 or lower or in PDF) of the technical proposal on a CD. The Issuing Officer shall receive the technical proposals no later than 2:00 p.m. (H.S.T.) on the Proposal Due date specified in Section 20.100 or postmarked by the USPS no later than the date specified in Section 20.100 and received by the Department within ten (10) days of the Proposal Due date. All mail-ins postmarked by USPS after the date specified in Section 20.100, shall be rejected. Hand deliveries shall not be accepted after 2:00 p.m., H.S.T., the date specified in Section 20.100. Deliveries by private mail services such as FEDEX shall be considered hand deliveries and shall not be accepted if received after 2:00 p.m., H.S.T., the date specified in Section 20.100.

Submission of the business proposal (Appendix G) shall include, one (1) bound original and one (1) electronic version on a CD. Both proposals shall be received by the DHS Issuing Officer no later than 2:00 p.m. HST on the date identified in Section 20.100.

Any proposals received after the deadline will be rejected and returned to the Offeror. Proposals shall be mailed or delivered to:

Leslie K. Tawata
c/o Dona Jean Watanabe
Department of Human Services
Med-QUEST Division / Finance Office
1001 Kamokila Boulevard, Suite 317
Kapolei, HI 96707-2005

The outside cover of the package containing the technical proposal copied shall be marked:

DHS/Med-QUEST Division
RFP-MQD-2016-003
Medicaid Dental Services TPA Technical Proposal
(Name of Offeror)

The outside cover of the package containing the business proposal copies shall be marked:

DHS/Med-QUEST Division
RFP-MQD-2016-003
Medicaid Dental Services TPA Business Proposal
(Name of Offeror)

Any amendments to proposals shall be submitted in a manner consistent with this section.

21.300 Proposal Opening and Inspection

Proposals, modifications to proposals, and withdrawals of proposals shall be date-stamped and, when possible, time-stamped upon receipt by the DHS. All documents so received shall be held in a secure place by the State purchasing agency and not opened until the Proposal Due Date as described in Sections 20.100 and 21.200.

Procurement files shall be open for public inspection after a contract has been awarded and executed by all parties.

21.400 Disqualification of Offerors

An Offeror shall be disqualified and the proposal automatically rejected for any one or more of the following reasons:

- Proof of collusion among Offerors, in which case all bids involved in the collusive action shall be rejected and any participant to such collusion shall be barred from future bidding until reinstated as a qualified Offeror;
- An Offeror's lack of responsibility and cooperation as shown by past work or services;
- An Offeror being in arrears on existing contracts with the State or having defaulted on previous contracts;
- An Offeror's lack of sufficient experience to perform the work contemplated;
- An Offeror's lack of a proper license to cover the type of work contemplated, if required to perform the service;
- An Offeror shows any noncompliance with applicable laws;
- An Offeror's delivery of the proposal after the proposal due date and time;
- An Offeror's failure to pay, or satisfactorily settle, all bills overdue for labor and material on former contracts with the State at the time of issuance of this RFP;
- An Offeror's lack of financial stability and viability; or
- An Offeror's consistently substandard performance related to meeting the MQD requirements from previous contracts.

21.500 Irregular Proposals

Proposals shall be considered irregular and rejected for the following reasons including, but not limited to the following:

- If either the Proposal Application Identification Form or transmittal letter is unsigned by an Offeror or does not include notarized evidence of authority of the officer submitting the proposal to submit such proposal.

- If the proposal shows any non-compliance with applicable law or contains any unauthorized additions or deletions, conditional bids, incomplete bids, or irregularities of any kind, which may tend to make the proposal incomplete, indefinite, or ambiguous as to its meaning.
- If an Offeror adds any provisions reserving the right to accept or reject an award, or enters into a contract pursuant to an award, or adds provisions contrary to those in the solicitation.

21.600 Rejection of Proposals

The State reserves the right to consider as acceptable only those proposals submitted in accordance with all requirements set forth in this RFP and which demonstrate an understanding of the issues involved and comply with the scope of service. Any proposal offering any other set of terms and conditions contradictory to those included in this RFP may be rejected without further notice.

A proposal may be automatically rejected for any or more of the following reasons: (Relevant sections of the HAR for Chapter 103F, HRS, are parenthesized)

1. Rejection for failure to cooperate or deal in good faith (Section 3-141-201, HAR);
2. Rejection for inadequate accounting system (Section 3-141-202, HAR);
3. Late Proposals (Section 3-143-603, HAR);
4. Unauthorized Multiple/Alternate Proposals (Section 3-143-605, HAR);
5. Inadequate response to RFPs (Section 3-143-609, HAR);
6. Proposal not responsive (Section 3-143-610(a)(1), HAR); or
7. Offeror not responsible (Section 3-143-610(a)(2), HAR).

21.700 Cancellation of RFP

The RFP may be cancelled and any or all proposals may be rejected in whole or in part, when it is determined to be in the best interest of the State. The State shall not be liable for any costs, expenses, loss of profits or damages whatsoever, incurred

by the Offeror in the event this RFP is cancelled or a proposal is rejected.

21.800 Additional Materials and Documentation

Upon request from the State purchasing agency, each Offeror shall submit any additional materials and documentation reasonably required by the state purchasing agency in its evaluation of the proposal.

21.900 Award Notice

The notice of intended contract award, if any, shall be sent to the selected Offeror on or about the date specified in section 20.100.

The contract award is subject to the available funding.

The successful Offeror receiving award shall enter into a formal written contract.

The State is not liable for work, contract, costs, expenses, loss of profits, or any damages whatsoever incurred by the Contractor prior to the Contract Effective Date.

Any contract arising out of an offer is subject to the approval of the Department of Attorney General as to form and to all further approvals, including the approval of the Governor as required by state, regulation, rule, order, or other directive.

The State of Hawaii is not liable for any costs incurred prior to the Contract Effective Date identified in Section 20.100.

22.100 Protests

Offerors may file a Notice of Protest against the awarding of the contract. The Notice of Protest form, SPO-H-801, is available on the State Procurement Office (SPO) website http://hawaii.gov/spo/ in the Toolbox/QuickLinks/ SPO Forms/Forms for Vendors, Contractors, and Service Providers/Forms for Health and Human Services Providers and Protest Forms Instructions section. Only the following may be protested:

1. A state purchasing agency's failure to follow procedures established by Chapter 103F, HRS;
2. A state purchasing agency's failure to follow any rule established by Chapter 103F, HRS; and
3. A state purchasing agency's failure to follow any procedure, requirement, or evaluation criterion in an RFP issued by the state-purchasing agency.

The Notice of Protest shall be postmarked by the USPS or hand delivered to: (1) the head of the state purchasing agency conducting the protested procurement; and (2) the procurement officer who is conducting the procurement (as indicated below) within five (5) working days of the postmark of the Notice of Findings and Decisions sent to the protestor. Delivery services other than USPS shall be considered hand deliveries and considered submitted on the date of the actual receipt by the DHS.

Procurement Officer	**Head of State Purchasing Agency**
Name: Leslie K. Tawata	Name: Rachael Wong, DrPH
Title: Med-QUEST Division Assistant Administrator	Title: Chief Procurement Officer
Mailing Address: P.O. Box 700190 Kapolei, Hawaii 96709-0190	Mailing Address: P.O. Box 339 Honolulu, Hawaii 96809-0339
Business Address: 1001 Kamokila Boulevard, Suite 317 Kapolei, Hawaii 96707	Business Address: 1001 Kamokila Blvd., Suite 317 Kapolei, Hawaii 96707

SECTION 30 BACKGROUND and Department of Human Services Responsibilities

30.100 Overview of Medical Assistance in Hawaii

The Med-QUEST Division (MQD) is the unit within the Department of Human Services (DHS) that administers Hawaii's medical assistance programs. Medicaid, a federal and state partnership program created by Congress in 1965, provides medical assistance benefits to qualified uninsured and underinsured through the QUEST Integration (QI) program.

Together, Medicaid covers approximately 323,571 individuals, per 2015 second quarter Public Summary Report. In addition to asset and income limits, the basic eligibility requirements for Medicaid include being 1) a U.S. citizen or qualified alien; 2) a Hawaii resident; and 3) not residing in a public institution such as prison or the State psychiatric hospital. Different eligibility categories such as pregnant women and children have different income thresholds and are not subject to an asset limit.

MQD also administers at this time two state-funded programs. The first is a state-funded aged, blind, and disabled (ABD) program for certain lawfully present non-pregnant adults who are ineligible under Medicaid. The second for the Breast and Cervical Cancer program. The MQD retains the ability to add new State funded programs. Eligibility requirements are the same as for Medicaid, but there is no U.S. citizenship requirement. Eligible persons are placed in the QI managed care health plans. Federal dollars are not claimed for these eligibility groups.

Finally, MQD administers a program for its beneficiaries who need a transplant, called State of Hawaii Organ and Tissue Transplant (SHOTT).

Dental services for Hawaii's medical assistance programs are covered through the fee-for-service program administered by a third party administrator except for dental services provided to Hawaii Medicaid beneficiaries enrolled in the SHOTT program. Dental claims for SHOTT enrollees should be submitted to Hawaii Medicaid's third party transplant administrator. The transplant administrator uses Hawaii Medicaid's policies and payment rates in processing dental

claims. These policies may be found on the MQD website under Provider Manual, Chapter 14. The available dental benefits may vary depending on the beneficiary's age.

Dental services includes (with limitations) diagnostic, preventive, restorative, endodontic, periodontal, prosthetic, orthodontic and select oral surgery services. Oral surgery services associated with trauma and fracture management and the treatment of oral pathology including cysts and tumors are covered through the beneficiary's managed care plan and not the dental program described here. Dental services are identified in section 30.600.

30.200 Overview of Department of Human Services (DHS) Responsibilities

MQD is the organizational unit within DHS that is responsible for the operation and administration of the medical assistance programs including QI and SHOTT programs. For purposes related to this RFP, the basic functions or responsibilities of MQD include:

- Developing and defining the medical, behavioral health benefits, and Long Term Services and Support (LTSS) to be provided by the capitated, managed care health plans;
- Developing the rules, policies, regulations and procedures to be followed under the QI programs;
- Negotiating and contracting with selected medical, behavioral health, and carve-out plans;
- Determining initial and continued eligibility of beneficiaries;
- Enrolling and disenrolling beneficiaries;
- Monitoring the quality of services provided by the plans and its providers;
- Reviewing and analyzing utilization of services and reports provided by the health plans;
- Handling unresolved beneficiary grievances with the health plans and providers;
- Monitoring the financial status of all medical assistance programs administered by the Department;

- Analyzing the effectiveness of QI and SHOTT in meeting its objectives;
- Providing beneficiary information to the its contractors;
- Managing Kauhale On-Line Eligibility Assistance (KOLEA);
- Managing Hawaii Prepaid Medical Management Information System (HPMMIS);
- Providing monthly capitation payments to managed care health plans;
- Managing the fiscal agent functions; and
- Managing State of Hawaii Organ and Transplant (SHOTT) Program.

30.300 Medical Assistance Programs

30.310 QUEST Integration

In its efforts to increase access to health care and control the increase in health care expenditures, the State of Hawaii implemented on January 1, 2015, Hawaii QUEST Integration (QI). QI is a statewide Medicaid demonstration project (Section 1115 waiver) that provides medical and behavioral health services through competitive managed care delivery systems.

QI participants include individuals who are:

- Pregnant Women
- Children (under 19)
- Foster children (under 19)
- Parents and caretakers
- Adults (19 – 64)
- Aged (65 and older), Blind and Disabled

QUEST Integration incorporates separate health plans for the provision of medical services, specialized behavioral health services, and certain transplants for children and adults.

30.320 Fee-For-Service Medicaid

The State's Fee-For-Service program provides medical assistance to eligible individuals under Title XIX of the Social Security Act.

The Fee-For-Service program is a state administered program, which receives federal funding for its expenditures. Under the current program, payments are made to providers based on the service rendered (fee-for-service). Hawaii's FFS program is limited. The majority of its beneficiaries receive services through the QUEST Integration program.

30.330 State of Hawaii Organ Tissue and Transplant (SHOTT) Program

The State's Fee-For-Service program provides transplant services to eligible individuals through the SHOTT program.

30.400 Fee-for-Service Claims

The TPA contract will encompass providing services for all dental claims program for all individuals who are deemed eligible for medical assistance. These include:

- QUEST Integration
- Fee-for-service (FFS)
- SHOTT

30.500 Other Hawaii Health Programs Covered Under This RFP

The Department of Public Safety (PSD) and the Office of Youth Services (OYS) are responsible for the medical care of adult inmates and incarcerated youths, respectively. Both programs maintain a fee-for-service reimbursement arrangement with health care providers in the community for the medical care of their inmates. Both programs have arranged to have their claims processed by the Medicaid claims processing system using the Medicaid fee schedule and will continue to do so.

For these programs, a unique beneficiary identifier and unique program identifier will identify all activities related to processing their claims. The program identifier is critical to identifying the related costs and payments. Unlike the Medicaid Program, which draws federal financial participation, the total expenditures for both adults and youths within the Hawaii correctional system are borne by the state's General Fund and must be separately identified.

30.600 Overview of Dental Benefit

The Contractor shall cover:

- All required preventive dental services (including dental health education and anticipatory guidance);
- Dental services for EPSDT eligible children;
- Medically necessary dental services for children; and
- Emergency dental services for adults.

30.610 Adult Dental Services

Adult dental services will be for emergency treatment associated with the emergency which includes services to control bleeding, relieve pain, eliminate acute infection and treatment of injuries to the teeth or supporting structures. Emergency treatment includes but is not limited to:

- Extractions;
- Incisions and drainage of abscesses;
- Excision of pericoronal gingiva;
- Surgical removal of residual tooth roots;
- Closure of oral-antral fistulas;
- Gingivectomy, for gingival hyperplasia; and
- Other medically necessary emergency dental services.

The State may expand the services the adult receives based on approval of the Legislature.

30.620 Children's Dental Services

One of the primary focuses of the Medicaid program is to provide timely preventive dental care to children. Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) services for children is a federally mandated program which emphasizes the importance of prevention, early detection of dental conditions, and timely dental treatment of conditions detected as a result of screening. Refer to Appendix D.

Participating dental providers shall provide all required preventive dental services and all medically necessary dental services to all children under the age of twenty-one years and children under the age of twenty-one years who are in foster care placement or are covered by subsidized adoption agreements.

EPSDT services shall be provided routinely beginning at twelve months of age, however, EPSDT services are allowable as early as six months of age at the discretion of the dental provider.

Beneficiaries attaining the age of twenty-one (21) years, will be treated as adults the 1st month following their birthday.

The combination of each element of the program's name makes the program unique:

Early – A child's dental health is assessed as early as possible in the child's life in order to prevent or find potential diseases and disabilities in their early stages, when they are most effectively treated.

Periodic – Assessing a child's dental health at regularly scheduled intervals to assure that a condition, illness, or injury is not incipient or present.

Screening – A comprehensive child dental health assessment to determine if a child has a condition, illness or injury that should be referred for more definitive evaluation and/or treatment.

Diagnostic – The definitive evaluation by appropriate dental practitioners to determine the nature, extent or cause of a condition, illness, or injury.

Treatment – The dental and remedial services permitted under Medicaid and determined medically necessary for problems identified during screening or diagnostic procedures.

Federal EPSDT rules require that broader services be provided to children:

1. Informing EPSDT eligible beneficiaries and their families about the benefits of preventive dental care, how to obtain timely EPSDT services, EPSDT periodicity schedule and providing dental education and anticipatory guidance. The Contractor

must inform all newly eligible families with eligible beneficiaries under age twenty-one (21)_about EPSDT program within thirty (30) days of eligibility. This requirement includes informing pregnant women and new mothers either before or shortly after the birth of their children that EPSDT services are available. Informing may be oral (on the telephone or face-to-face) or written. Informing may be done by Contractor personnel or dental care providers. The Contractor shall follow-up with families with EPSDT-eligibles, who after 6 months of eligibility, have failed to access EPSDT screens and services. Informing of new beneficiaries shall be within 30 days of eligibility and on an annual basis to all EPSDT-eligible children who have not received applicable periodicity screens within a twelve (12)-month period.

a. Informing should be done in non-technical language and use accepted methods for informing persons who are blind or deaf, or cannot read or who English is not their primary language.

b. EPSDT informing should stress the importance of preventive care; provide information about where and how to receive services; inform eligible beneficiaries that transportation and scheduling assistance is available upon request, to access services; services are provided without cost; and describe the scope and breadth of the dental services available.

2. Screening and medically necessary diagnosis and treatment of conditions detected as a result of EPSDT screenings (complete periodic or partial) including but are not limited to the diagnosis and treatment of acute and chronic dental conditions.

3. EPSDT recognizes two types of screens:

   a. Complete periodic screens which are found in the document library with the EPSDT information.

   b. Partial screens which occur when a screen for one or more specific conditions is needed. A partial screen includes making the appropriate referrals for treatment.

4. The Contractor is expected to ensure each eligible child has complete periodic screening including, but not limited to, age appropriate dental screening examinations, laboratory tests, and counseling.

5. Accountability of services: Dental records and documentation on the methods used in informing, screening, diagnosis and treatment shall be maintained.
6. Timeliness of services: Timely informing, periodic screening, diagnosis and treatment shall be instituted and maintained. The State additionally requires that all new EPSDT eligibles shall receive an initial screening within 3 months of eligibility.

Federal requirements imposed by the EPSDT statutory provisions of the Omnibus Budget Reconciliation Act of 1989 (OBRA 89) mandate that the State covers all Title XIX services included in Section 1905 of the Act if needed to correct or ameliorate defects of physical illness and conditions discovered as a result of EPSDT screens. Therefore, EPSDT services include periodicity screens, and all medically necessary dental diagnostic and treatment services. Certain non-experimental dental and surgical procedures are also included. OBRA 89 also required that 80% of EPSDT eligible children receive periodicity screens.

The Contractor shall cover all required EPSDT services and complete and provide to DHS all required EPSDT forms, reports and data in the prescribed manner.

The required EPSDT dental services which shall be provided to each child include:

1. Preventive services provided twice every twelve (12) months except as specified:
    - Periodic screening examinations
    - Prophylaxis
    - Topical fluoride or fluoride varnish up to age 6
    - Sealants for children ages 6 to 15
    - Space maintainers for children 14 and under
2. Diagnostic and radiology services:
    - Bitewing x-rays twice every twelve (12) months
    - Full series x-rays for children 10 and above once every three (3) years
    - Seven x-rays (periapical) for children below age 10 once every 2 years
    - Biopsies of oral tissue

3. Emergency and palliative treatment which includes services to control bleeding, relieve pain, eliminate acute infection and treatment of injuries to the teeth or supporting structures:
   - Extractions
   - Incisions and drainage of abscesses
   - Excision of pericoronal gingiva
   - Surgical removal of residual tooth roots
   - Closure of oral-antral fistulas
   - Gingivectomy, for gingival hyperplasia
   - Other medically necessary emergency dental services
4. Endodontic therapy services including:
   - Pulpotomies on deciduous teeth
   - Root canal therapy on permanent teeth
   - Apexifications
5. Restorative services including:
   - Amalgams on primary and permanent posterior teeth
   - Composites on anterior and exterior teeth
   - Pin and/or post reinforcements for amalgam restorations
   - Cast cores
   - Recement inlays and crowns
   - Stainless steel crowns
   - Porcelain, porcelain fused to high noble metal, full case high noble metal
6. Oral surgery
7. Periodontal therapy services including:
   - Scaling
   - Root planning
8. Prosthodontic services including:
   - Denture relines
   - Acrylic crowns for anterior teeth only
   - Stainless steel crowns

- Partial or full dentures only once in a five-year period
- Full gold and porcelain fused to metal crowns on permanent molars only

9. Orthodontic Services
    - Limited to services associated with the repair of cleft lip and palate or other severe craniofacial developmental defects or comparable developmental anomalies.
10. Other dental services under general anesthesia, as deemed medically necessary.

The Contractor shall establish procedures to effectively coordinate the provision of all the required activities of EPSDT informing, screening, and diagnosis and treatment services. The established procedures shall include the following:

- A process to effectively inform all enrollees (or their families) within 30 days of enrollment about EPSDT services.
- A description of available dental services and where and how to obtain the services.
- A process to offer and, if requested, provide assistance with transportation or scheduling appointments for required periodicity screens and medically necessary diagnosis and treatment services to eligible children and/or their families. The Contractor will maintain records of assistance provided with transportation and scheduling.
- Methods for informing persons who are blind or deaf, who cannot read or understand the English language or whose primary language is not English.
- A notification process to notify eligible children prior to each periodicity screen.
- An outreach process which provides education to encourage beneficiary participation with specific methods to inform beneficiaries upon initial enrollment, and annually thereafter, if periodicity screens have not been received. This process includes methods designed to encourage increased beneficiary utilization to improve EPSDT screening rates.
- Methods to effectively inform dental care providers of the periodicity screens, and the timely initiation of treatment.

- A method to ensure that dental care providers are adequately equipped to provide EPSDT services, and evaluate this capability during scheduled EPSDT onsite visits.

All dental services for children detected at the time of EPSDT screening and allowable under Medicaid rules and regulations shall be provided. The Contractor shall ensure that all federally required EPSDT forms and data are provided to DHS in the prescribed manner.

30.700 Medical Services Related to Dental Needs

Medically necessary services, as determined by the health plan for medical services, such as general anesthesia, emergency room visits, hospital stays, prescription drugs, etc. required by the plan member as a result of a dental service is the financial responsibility of the member's health plan.

In cases where coordination is needed between the health plans and dental provider, the Contractor shall assist the child/family to access the appropriate necessary services. The responsibilities for coordinating services are described below.

The responsibilities of the Contractor include:

- Assist beneficiaries and dentists to coordinate medical services needed in conjunction with dental services.
- Assist beneficiaries and dentists, to coordinate follow-up, recall and coordination of dental services related to medical needs to maintain oral health and continuity of care. Assist beneficiaries in receiving transportation for necessary services, as applicable.
- Sedation services administered by an oral and maxillofacial surgeon, or other qualified dental anesthetist, in a private office or hospital-based outpatient clinic for services that are not medically related shall be the responsibility of the Contractor.

The responsibilities of the health plan include:

- Referring members to the dental provider for EPSDT dental services and other dental needs which includes scheduling the initial appointment and documenting follow-up.

- Providing referral, follow-up, coordination and provision of appropriate medical services related to medically necessary dental needs including but not limited to emergency room treatment, hospital stays, ancillary inpatient services, operating room, excision of tumors, removal of cysts and neoplasms, excision of bone tissue, surgical incisions, treatment of fractures (simple and compound), oral surgery to repair traumatic injury, surgical supplies, drugs, dressings, anesthesia services and supplies, oxygen, antibiotics, blood transfusion services, ambulatory surgical center services, x-rays, laboratory work, physician examinations, consultations and second opinions.
- Providing sedation services associated with dental treatment, when performed in an acute care setting, by a physician anesthesiologist, shall be the responsibility of the health plan.
- Providing dental services by a dentist or physician that are needed due to a medical emergency situation (i.e. car accident) where the majority of the services required are primarily medical services.

The health plan is not responsible for services that are generally provided by a dentist and covered by the Medicaid Fee-For-Service dental program. The health plan may request assistance from the Contractor or the dental provider to coordinate dental services.

Drugs prescribed by the Fee-for-Service dentists shall be paid by the department through Pharmacy Benefit Manager (PBM).

In cases of disputes regarding coverage, the Medicaid dental provider, Contractor, and/or the health plans may consult with the MQD Medical Director to assist in defining and clarifying the respective plan's responsibilities.

30.800 Out-of-State Coverage

Dental services in a foreign country are not covered for either children or adults. Out-of-state emergency dental services for adults are covered. Emergency services are defined as services provided in a hospital, clinic, office or other facility that is equipped to furnish the required care, after the sudden onset of a medical/dental condition manifesting itself by acute symptoms of sufficient severity (including severe pain) that the absence of

immediate medical/dental attention could reasonably be expected to result in:

- Placing the patient's health in serious jeopardy;
- Serious impairment to bodily functions; or
- Serious dysfunction of any body organ or part.

Children are not limited to dental emergencies on the mainland. Children are covered out-of-state and on the mainland for all medically necessary EPSDT dental services. Treatment on the mainland will be prior authorized by the MQD Medical Director. The Contractor shall not be responsible for coordination of out-of-state services. If requests are submitted to the Contractor for out-of-state service the Contractor shall refer the dental provider to the MQD Medical Director.

30.900 Readiness Review

Prior to the Contract Effective Date as described in Section 20.100, the DHS shall conduct a readiness review of the Contractor in order to provide assurance that the Contractor is able and prepared to perform all administrative and care coordination functions required by this contract and to provide high quality services to eligible beneficiaries. The Contractor's responsibilities in their readiness review are described in Section 41.500.

The DHS review may include, but not limited to, a walk-through of Contractor's operations, information system demonstrations and interviews with Contractor's staff. The review may include desk and on-site review of:

- Claims processing
- All required policies and procedures

Based on the results of the review activities, the DHS shall provide the Contractor with a summary of findings including the identification of areas requiring corrective action before the Contractor begins operation. If the Contractor is unable to demonstrate its ability to meet the requirements of the contract, as determined by the DHS, within the time frame specified by the DHS may terminate the contract in accordance with Section 51.500.

31.100 Dental Policy Memorandums

The DHS issues policy memorandums to offer clarity on policy or operational issues or legal changes impacting the dental TPA. The Contractor shall comply with the requirements of all the policy memorandums during the course of the contract and execute each memorandum when distributed by MQD during the period of the contract. The Contractor shall acknowledge receipt of the memoranda through electronic mail.

SECTION 40 PROVISION OF SERVICES

40.100 Offeror's Role

The State of Hawaii, Department of Human Services, Med-QUEST Division (MQD) intends to secure a contract for a Third Party Administrator (TPA) to provide dental claims processing and dental care administrative services for the Hawaii Medicaid Program. The Contractor will be responsible for ensuring that all eligible beneficiaries have access to and received appropriate dental care, and has an online web application, Point-of-Service (POS) dental claims processing system with reporting and adjudication capabilities, online ad hoc capabilities for the MQD dental service program for the Medicaid eligible population. Presently, the group consists of the QUEST Integration and Fee-for-service programs with approximately 330,000 of which 156,000 is for children eligible beneficiaries.

Children under the jurisdiction of the Office of Youth Services (24), SHOTT (60) and adult under the jurisdiction of the Public Safety Department (6,441) are also part of the beneficiary pool.

The MQD promulgates administrative rules that govern the types of covered services, assures coverage and develops reimbursement policies related to the provision of dental services to MQD beneficiaries.

The Contractor shall work closely and coordinate with the DHS to assist eligible beneficiaries in finding a dentist, making appointments, and coordinating transportation, lodging, meals and translation services.

40.200 Qualified Contractors

Proposal shall be for statewide services. The maximum number of Contractors selected for participation shall be one (1). The Contractor will be required to assume responsibility for all contractual activities offered in this proposal whether or not that Contractor performs them or delegates the performance to a subcontractor. The Contractor will be required to maintain a place of business in the State of Hawaii, at a minimum a location in Oahu. Further, the State will consider the Contractor to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the

anticipated Contract. If any part of the work is to be subcontracted, responses to this RFP should include a list of subcontractors, including firm name and address, contact person, complete description of work to be subcontracted, and descriptive information concerning subcontractor's organizational abilities. The State reserves the right to approve subcontractors for this project and to require the Contractor to replace subcontractors found to be unacceptable. The Contractor must be responsible for the adjudication of claims. The Contractor is totally responsible for adherence by the subcontractor to all provisions of the Contract. The Contractor and any subcontractors must commit to the entire contract period stated within this RFP, unless a change of subcontractors is specifically agreed to by the State of Hawaii.

40.300 Scope of Services – General Overview

The Contractor should demonstrate the following:

- Experience in successfully developing and installing a web application, real-time, POS system for a program similar to the size of this contract;
- A flexible system design that accommodates plan design features and allows immediate or scheduled implementation of changes to that design;
- Experience in complying with CMS and OBRA regulations and State program policy;
- Experience in interfacing with MMIS and other State databases;
- Frequent reference file updates such as a method for updating eligibility on a daily basis;
- Experience interfacing with fiscal agent eligibility files and support multiple date spans or prior period eligibility;
- Experience with online medical services administration, development and maintenance ;
- Experience with reviewing and processing prior authorization requests;
- Experience providing utilization management including how possible provider and beneficiary fraud or beneficiary under or inconsistent utilization are detected;
- Experience in working with dentists located in Hawaii;

- Ability to provide adhoc reports to MQD staff as needed in a timely manner;
- Ability to provide a full array of system management and dental utilization reports;
- Ability to conduct a continuous quality assurance monitoring program to ensure the highest possible level of services is provided;
- Ability to provide dedicated provider help desks;
- Experience providing education to providers with samples of past communications;
- Ability to provide a reporting system with on-line ad hoc query capabilities and provide required training to the MQD and Medicaid Fraud and Control Unit (MFCU);
- Ability to document and describe a comprehensive HIPAA plan of action to meet all required federal standards for the complete MQD dental program; and
- Ability to comply with current HIPAA transactions and code sets.

40.400 Reimbursement

The method of reimbursement from DHS to the Contractor shall be a set fee monthly fee for claims administration, operations, key personnel and care coordination. The monthly payment costs does not include postage (except as stated in Section 40.620) and supplies associated with mail outs to beneficiaries and system modification requests initiated by the State.

The Contractor is responsible for establishing a web application point-of-service (POS) capabilities with the MQD-approved dental providers that will provide services to the eligible beneficiaries. All reimbursements for dental services shall be subject to review by the MQD or its agent for medically necessity and appropriateness, respectively. The MQD or its agent shall be provided access to medical records and documentation relevant to such a review and the Offeror agrees to provide access to all requested medical documents/records. Reimbursement for services, deemed not medically necessary by MQD or its agent, shall be denied.

After project implementation, the Contractor will be paid monthly electronically at the Contractor's proposed administrative price per month and weekly for the actual payments made to the dental providers.

A dental claim is a request for payment for a specific covered dental procedure. An adjudicated claim is one that has been processed to either a Payable or Denied status. An adjudicated claim also includes a claim that has been previously rejected and resubmitted by the provider and is, after the subsequent submission, deemed either Payable or Denied. Adjustments to previously adjudicated claims due to incorrect payment are not considered adjudicated claims.

For the purposes of this Contract, an adjudicated claim will not include a point-of-service transaction that was cancelled by the sender or a claim that was rejected before it could be fully adjudicated. The MQD will make no payment to the Contractor for voided, reversed, adjusted or denied.

40.500 Dental Consultation

Dental consultation are those services which require the review and input of dental specialists such as periodontists, endodontists, orthodontists, prosthodontists, pedodontist, oral surgeons, oral maxillofacial radiologist, etc.

40.600 Operations and Claims Administration

The Contractor shall provide a web application, online dental point-of-service (POS) system that can be modified to meet the needs of the Med-QUEST Division (MQD). The Contractor will provide system design and modification, development, implementation and operation for the MQD. Modifications to the Contractor's existing system shall be implemented to interface with the existing dental networks that connect the dental providers with the Contractor's system. The POS system must be HIPAA compliant.

The Contractor will be responsible for operating the provided system, which will automate dental claims processing and adjudication and Prior Authorization (PA) services to meet the required current HIPAA transactions and code sets standards at a minimum for the MQD Program. The Contractor will process

dental claims, which will involve full adjudication of Point-of-Service and batch dental claims. All payments for dental claims will be made through the Contractor' system and electronically invoiced to MQD as a pass through.

The Contractor's system does not specifically require the Centers for Medicare & Medicaid (CMS) certification as a Medicaid Management Information System (MMIS), although the Contractor must perform comparable edits and provide a weekly paid claims file for incorporation into the Med-QUEST Division Medicaid Management Information System called HPMMIS. The Contractor shall work with the State in identifying all claims that have been rejected by the MMIS and if necessary recoup any funds from the provider.

The Contractor shall utilize the most current American Dental Association universal dental claims form and most current version of the American Dental Association standardized terminology and dental procedure coding system (Code on Dental Procedures and Nomenclature). Restriction in the application of procedure codes will be defined by MQD as deemed necessary.

The source of the claims will be Medicaid enrolled dental providers. The majority of claims will be submitted through point-of-service telecommunications devices, however, the Contractor will also process dental claims on batch electronic media (EMC) as well as paper claims submitted directly to the Contractor for processing. Paper claims will be submitted on the Dental Claim form ADA 2006.

The Contractor shall operate a Help Desk with the capability to respond promptly to systems and dental claims inquiries preferably twenty-four (24) hours a day, seven (7) days a week but a minimum of 8am to 10pm Hawaii Standard Time (HST) seven (7) days a week.

The Contractor must provide extensive training materials to MQD dental providers regarding the billing and payment process, prior authorization procedures, edits etc. prior to the system implementation to ensure a smooth transition with minimal impact on the beneficiaries. The help desks must also be operational prior to Contract effective date to assist with questions and concerns. The Contractor must describe how the

initial training and the transition shall be accomplished. New Medicaid providers must also be educated.

Other Contractor required activities but not limited to: Care Coordination, Prior Authorization review, potential fraud and abuse, utilization review, internal quality assurance monitoring, etc.

The Contractor should describe the following:

- The POS system in detail including edits available and how it will perform the following functions:
  - The Site to be accessed by dental provider using login credentials setup between administrator and provider.
  - Ability to collect information from provider for claim submission on the eligible beneficiary for service rendered.
- How eligibility and other data will be accepted electronically.
- Previous experience interfacing with State MMIS systems for eligibility and other data such as: provider eligible beneficiary files, claims data from other sources etc.
- Document and describe the HIPAA compliance plan of action including the requirements stated in the Administrative Simplification Subpart F. The Contractor's system should be able to handle various types of restrictions and multiple edits.
- Should a maximum annual benefit for preventive and restrictive care for all beneficiaries twenty-one (21) and older be established the system used by the Contractor must be able to monitor benefit limits.

The Contractor shall explain how the POS system will process claims with these types of edits and in various combinations.

40.605 Eligibility Verification

The Contractor must maintain eligibility data, based on a file that will be transferred to the Contractor by the MQD via electronic transmission to the Contractor's eligibility system, which will be the basis for the Point of Service (POS) electronic adjudication process. This process must be HIPAA compliant.

40.605.1 Eligibility Data

MQD generates a daily and monthly 5010 834 eligibility file (see Appendix I) for the dental TPA. Each beneficiary is assigned a unique identifier, called the HAWI ID, which is a 10 character alphanumeric field. The HAWI ID is used by providers to bill the Medicaid program for services rendered. Every beneficiary is assigned to a case (similar to a household). Beneficiaries may frequently change cases. When a beneficiary changes case, they still maintain the same HAWI ID number. The TPA will be expected to maintain the HAWI ID number as well as other critical data fields necessary for claims adjudication and reporting.

The daily file indicates additions, terminations and changes to a beneficiary's eligibility and changes to demographic and third party insurance information. A combination of fields on the file are used to indicate a beneficiary's benefit package – these include the dental plan code, rate code and health plan code. The health plan code will indicate whether the person is in the SHOTT program. The dental plan code will indicate whether the person is enrolled in Medicaid, is an OYS or PSD beneficiary or doesn't have dental benefits. The rate code will indicate when a person ages out of the EPSDT program and becomes an adult.

Additions may be sent with a start date but no end date (indicating that the beneficiary is still eligible) or with a start date and an end date (indicating that eligibility is limited to the defined period). Due to Medicaid eligibility requirements, additions and terminations may be sent for retroactive periods. In addition, a beneficiary may be terminated from one eligibility group retroactively and added to another eligibility group also retroactively. Eligibility is not sent for future periods, until the last day of the month for the next month. Each daily file must be processed in order and on a timely basis to ensure the most up-to-date information for providers.

The monthly file reflects the eligibility information effective the first day of the month. It should be used to reconcile against the TPA's files. The monthly file also may contain changes to demographic information.

40.610 Point of Service Edit Management and Utilization Review

The Contractor shall allow a web application processing of claims, denials, and re-bills; however, not all providers to MQD beneficiaries will be able to use this mechanism. Therefore, processing of claims and any associated edits shall be available in two other ways. This process must be HIPAA compliant.

40.615 DHS Dental Provider Network

The Contractor shall use DHS's dental provider network for dental needs of eligible children and adults. It is expected that the Contractor will continue to build on the DHS's dental provider network to further provide quality dental services.

40.620 Care Coordination

A. Access to Care

The Offeror shall provide dental coordination assistance to eligible children and adults who require access to a dental provider who has the ability to provide preventive and on-going dental treatment. The dental provider shall render services to meet program requirements directly or through a system of referral to a Medicaid dental specialty provider. Each dental provider shall be licensed in the State of Hawaii, and be a general dental practitioner, pediatric dentist, or specialty dental provider.

The Offeror shall recruit and maintain a sufficient number for dental care providers to meet dental care scheduling criteria and the availability of general dentistry on all islands, and dental specialty services on all islands, excluding the possible exceptions of Lanai and Molokai.

The Offeror shall administer the EPSDT comprehensive dental benefit for eligible beneficiaries under twenty-one (21) years of age.

The Offeror shall assist the eligible beneficiaries with dental health education, schedule appointments, arrange enabling services (i.e., transportation) facilitate patient compliance, and provide other assistance to eligible beneficiaries and dental providers in order to promote and facilitate

appropriate dental care for the Medicaid eligible dental beneficiaries.

Medicaid eligible beneficiary shall be examined and/or treated by an appropriate participating Medicaid dental provider on island of residence. Off-island travel is a covered benefit if an appropriate participating provider is not available on island of residence.

If awarded a contract, the Contractor is responsible to produce a pamphlet or brochure that will describe information on the following:

- How the eligible beneficiary can receive assistance to find a dentist and schedule an appointment;
- How the eligible beneficiary can receive assistance in order to obtain transportation services, oral interpretation services, or American Sign Language (ASL) services;
- How the eligible beneficiaries can access the Care Coordinators (phone, mail, face to face, fax, etc.);
- The Contractor's location of business in the State of Hawaii, business hours and phone numbers;
- Information on how the eligible beneficiaries and providers can contact the Contractor after hours and on the weekend;
- 24 hour fax access number; and
- Appeal and Grievance procedures.

The brochure or pamphlet shall provide information in at least the following languages regarding the availability of services and must include instructions on how to contact the Contractor and access the after-hours and weekend hotline.

- English
- Ilocano
- Chinese (traditional)
- Vietnamese
- Korean

All written materials distributed to eligible beneficiaries shall include a language block that informs the eligible beneficiaries that the document contains important information and directs the eligible beneficiary to call the Contractor to request the document in an alternative language or to have it orally translated. The language block shall be printed, at a minimum, in Ilocano, Chinese (Traditional), Vietnamese, and Korean.

The Contractor shall submit certification that the translation of the brochure, pamphlet or any written materials distributed to eligible beneficiaries has been reviewed by a qualified entity for accuracy.

All written materials shall be worded such that the materials are understandable to eligible beneficiaries who read at the 6th (6.9 or below) grade reading level. Suggested to use Flesch-Kincaid Index as reference materials to determine whether this requirement is met.

All printed materials, video presentations, and any other information prepared by the Contractor that pertain to or reference this program shall be reviewed and approved by the MQD before use. Postage for brochures, pamphlets, and educational material shall be the responsibility of the Contractor.

It is the responsibility of the Contractor to maintain a place of business in the State of Hawaii where the eligible beneficiaries may receive face-to-face contact, (at a minimum a location in central Oahu) pick-up written information, transportation vouchers, etc. If the patient/family is unable to pick up the material at the Contractor's place of business in the State of Hawaii, the Contractor shall send the information via mail, fax, etc. The staff shall be available for face-to-face contact Monday through Friday, between 7:45 a.m. and 4:30 p.m. HST at a minimum. After hours and weekend contact through an emergency system, including a TTY phone number, must be available.

B. Care Coordination (CC) System

The Offeror shall develop a system to assist eligible beneficiaries in locating and accessing covered dental services. Each eligible beneficiary shall have access to the CC system, and be given information on how to access the CC System. Eligible beneficiaries shall be able to access the CC system by phone, mail, face to face, etc. The CC staff must reside in the State of Hawaii. The CC staff shall maintain a place of business on Oahu to allow access of the eligible beneficiaries. It is preferable that the CC staff also have a location on Maui, Hawaii and Kauai, however, it is not mandatory, providing the Offeror can ensure a process to facilitate the eligible beneficiary's needs on islands where there is not a physical presence.

The CC system shall include but is not limited to the following functions:

- Provide the family with clear and adequate information on how to obtain services and make informed decisions about their dental health needs;
- Educate eligible beneficiaries on appropriate behavior while visiting the dental office;
- Assist the eligible beneficiaries to foster skills that will enable them to be self-reliant in meeting their health and dental needs and arrangements;
- Provide eligibility verification if requested by beneficiaries and providers;
- Assist the dental provider in coordinating medical services through the child's health plan/provider, if necessary, in connection with a dental problem;
- Assist eligible beneficiaries to ensure that scheduled appointments times are met;
- Assist eligible beneficiaries to obtain dental care (schedule appointments) and to assist the beneficiary to schedule appointments that meet the following criteria:
  a. Appointments within a maximum of two (2) working days for emergency care for adults;

b. Appointments within a maximum of twenty-four (24) hours for emergent and urgent care for children under twenty-one (21) years of age; and

c. Appointments within an average of six weeks for routine and preventive care for children under twenty-one (21) years of age;

- Develop, implement, and monitor an active system of outreach that at a minimum addresses providing access to the homeless, eligible beneficiaries with disabilities, and other eligible beneficiaries who have difficulty accessing services without CC intervention due to various reasons, such as vision/hearing impairments, lack of transportation, language barriers, etc., individuals/families that do not access available/appropriate services, and others as identified by the DHS;
- Coordinate with the eligible beneficiaries to facilitate compliance with recommended dental treatment and timely follow-up of preventive care;
- Provide assistance to eligible beneficiaries and providers to decrease and prevent "missed appointments-no-shows;"
- Initiate follow-up activities upon notice from the dental providers when eligible beneficiaries have not returned for their follow-up appointments or EPSDT required visit. The dental provider shall make reasonable effort to contact the eligible beneficiary before referral to the Contractor;
- Receive referrals and requests for assistance from other providers, public and private organizations, such as schools, Headstart, Public Health Nurses, etc.; and
- Refer potential dental providers who may be interested in providing Medicaid dental services to the Med-QUEST Division.

In addition, the CC system shall function to assist the providers in the DHS dental network to provide the care needed to bring the eligible beneficiaries to an optimum level of dental health. At a minimum, the CC system shall have policies and procedures in place for:

- Providing care coordination;
- Referring eligible beneficiaries to other programs or agencies;

- Identifying levels of care coordination according to eligible beneficiary's needs and ensuring a minimum amount of care coordination contact;
- Outreach and follow-up activities, especially for eligible beneficiaries with special needs (i.e., homeless and eligible beneficiaries with disabilities);
- Provide documentation and data reporting of CC services, encounters and outcomes; and
- Providing continuity of care when eligible beneficiaries transition to other programs (i.e. Fee-for-service program, SHOTT, etc.).

The Contractor must demonstrate that it has a CC system to ensure that all eligible beneficiaries receive all necessary covered dental services. Specifically, the CC services include eligible beneficiary's assessment, treatment planning, service linkage and coordination, monitoring and advocacy. The level of management will vary in scope and frequency depending on the eligible beneficiary's need.

40.625 Prior Authorization

The primary goal of the Prior Authorization (PA) is to promote appropriate utilization of dental services. The MQD Medical Director will update and approve the PA requirements as necessary. This process must be HIPAA compliant.

The Contractor shall assume responsibility for the dental prior authorization process. A dental provider can submit a prior authorization request by mail or electronically via the Contractor's website.

40.630 Billing and Reimbursement

The Contractor shall assume total responsibility for the dental billing and reimbursement process, including receiving the data input necessary to trigger payment, issuing payment and remittance advices, making adjustments, and producing financial reports and other data. This section must be HIPAA compliant.

The Contractor will perform in the City and County of Honolulu, State of Hawaii, the following:

a. Hard copy claims and attachments receipts, claims data entry, and imaging;
b. Provider check and remittance advice issuance;
c. Provider relations;
d. Claims status and eligibility call center;
e. Provider liaison and training.

40.635 Analysis and Reporting

The Contractor shall provide a copy of all paid dental claims to the State on a scheduled basis. The Contractor is responsible to provide all reports as requested by the MQD.

The Contractor shall prepare and submit reports specified in this Section to the MQD as required.

1. Monthly Reports

A. Authorizations:

For purposes of review and reimbursement by the MQD to the contracted providers, the Contractor shall submit an authorization log report to the State within five (5) working days after the end of the month in which the service was provided. The following information is to be included for:

- Oral interpretation (to include America sign language), ground and air transportation, meals and lodging
- Authorizations for Interpretation services
- Authorizations for Ground travel
- Authorizations for Air Travel
- Authorizations for and Meals and Lodging

Information to be provided for each request for authorization:

- Authorization Number
- Name and Case ID # of Eligible Beneficiary
- Date of Request, Date of Service
- Service Requested
- Provider of Service
- Reason for Service

- Place of Service (to and from if applicable)
- Cost (if applicable)
- Outcome: approved, denied or pended
- If request denied or pended, reason for denial or pend.

2. Quarterly Reports

The Contractor is responsible to submit a quarterly encounter report (based on the State fiscal year of July 1, – June 30) to the State. The report must be submitted within 45 days after the end of the quarter, and quarterly for the term of the contract. The following data is required:

A. Encounter Data

The Contractor shall provide encounter data for all dental services delivered under the contract.

B. Patient Contacts

- Number of Phone contacts
- Number of Face-to-Face contacts
- Mail /fax contacts

C. Scheduling

- Number of calls for scheduling assistance
- Number of appointments scheduled
- Number of eligible beneficiaries who did not receive services as described in section 40.620.

D. Provider Contacts

- Name and address of Provider contacts (dentists)
- Number of other Provider contacts (i.e., specialty dental, MD, health plan, etc.)
- Number of Community Organization contacts

E. Complaints and Fraud and Abuse Referral

- Patient
- Provider

F. Outreach Encounter

- Patients home
- Other place of contact

G. TPL Reports

- Each quarter, the contractor shall report in a format specified by MQD, all Dental Third Party insurance information discovered during the course of normal business operations. The report shall exclude Dental Third Party insurance information listed on the daily and monthly eligibility file.

Information on the reports shall be provided by geographic area (by county) to enable the State to assess adequacy of services and demand by location. The reporting formats shall be subject to approval by the DHS.

40.640 MMIS-Data Warehouse Interface

The Contractor's weekly paid claims file will be submitted, via the current HIPAA 837D transaction, to the Hawaii Prepaid Medicaid Management Information System (HPMMIS) and the Contractor will be responsible for weekly reconciliation of claims returned on the HIPAA 835 transaction.

40.645 Operations Management

The Contractor shall be responsible for supporting the DHS dental provider network. Included with network and operations management are audit requirements to ensure cost effectiveness and quality of care.

40.650 Communication

The MQD has dedicated resources for providing all types and levels of communication with dental providers, beneficiaries and the general public. The Contractor shall become familiar with these services so as not to duplicate communications. This process must be HIPAA compliant.

The Contractor shall provide a telephone system to include access to a toll-free telephone line, available to beneficiaries and dental providers from all areas of the State. The staff that are assigned to this telephone system shall reside in the State of

Hawaii. The communication system must be a Statewide ACD (Automatic Call Distribution) system, with a wait time of not more than one minute. (The one-minute wait time may change at a later date, depending on the telephone volume.) An emergency hotline telephone system shall be available for after hours and on the weekend. The hotline information system can be used by providers and beneficiaries to identify the individual's eligibility, locate the nearest dental services in cases of urgent or emergency, can provide required prior approvals and answer other questions as necessary. Hotline services may be on-line or provided through other means, such as mobile telephone, with a maximum response time of 30 minutes.

40.655 Transition

When applicable (i.e., patient or provider request) the Contractor shall assist in the transition of care when a beneficiary changes dental providers, as well as assist in the transfer of dental records to the new dental provider. The Contractor shall describe a process for assistance of their procedures for transition of care.

At the expiration of this Contract, or if at any time the state or Contractor should terminate this Contract, the Contractor will cooperate with any subsequent Contractor who might assume operation of the MQD-TPA project. The MQD will withhold final payment to the Contractor until transition to the new Contractor is complete. The state will give the Contractor thirty (30) days notice that a transfer will occur.

In the event that a subsequent MQD-TPA operator is unable to assume operations on the planned date for transfer, the Contractor will continue to perform MQD-TPA operations on a month to month basis for up to six months beyond the planned transfer date.

40.660 Quality Assurance/Fraud and Abuse

The Contractor shall maintain an aggressive dental provider, beneficiary monitoring program on behalf of MQD. The Contractor's monitoring program shall protect the financial integrity of the MQD dental program, deter fraudulent claim submissions, prevent and recover inappropriate payment of

claims and provide education for participating providers on correct program and billing procedures.

The Contractor shall perform continuous internal monitoring to ensure the highest quality of work is provided to the MQD as well as assist with identifying beneficiaries and providers who are outliers.

The quality assurance program should include routine review of high dollar procedures and use of data claims analysis coupled with profiling of providers whose profiles are suspect or unusual. Suspected providers or beneficiaries shall be referred to MQD for appropriate action. The Contractor shall assist the Medicaid Fraud Control Unit (MFCU) with any investigations or questions.
The Contractor shall describe the following:

- The process and the frequency that the accuracy, the timeliness and quality of services are verified. The MQD expects this to be a continuous quality assurance/improvement process.
- The process and procedures for making corrections found by the Contractor, the independent auditor or MQD staff.
- How the MQD can be assured of being notified of all problems detected – internal and external.
- How beneficiary and provider are determined and reported to MQD.

The Contractor shall:

- Provide quarterly reports describing the Contractor's monitoring activities with outcomes and recommendations regarding dental providers and beneficiaries.
- Provide quarterly reports describing internal monitoring activities, the findings and the corrective action(s) which were taken as a result.
- Provide the MQD with responses including corrective actions to reports from the external auditing company regarding issues detected during the audits.
- Notify the MQD Medical Director immediately of any major problems or errors.

During internal or external audits and/or MQD monitoring:

- If payment errors are found which were made by the Contractor's staff or claims processing system, the Contractor shall expeditiously correct the problem and recover any overpayments or inappropriate payments made to providers at no additional cost to the MQD.
- If prior authorization approvals are given inappropriately by the Contractor's staff, the Contractor shall be responsible for the allowances paid and the staff responsible must receive additional training to prevent future errors. If the staff member continues to make similar errors, the MQD reserves the right to request the staff member be removed from the MQD project.
- If activities or edits requested by MQD are unreasonably delayed or not implemented by the projected target date which results in increased cost to the MQD, the Contractor shall be responsible for all associated costs. The MQD may withhold payment until the situation is resolved. See Liquidated Damages under Contractual Services and the Other Service Performance Guarantees under the Price Proposal, if applicable.
- If override codes meet the MQD specifications, they will be authorized for use by the Contractor. If these codes are routinely given inappropriately to dental providers by the Contractor's staff, the MQD shall eliminate the use of override codes. The Contractor shall be responsible for payment of all claims authorized improperly.
- The CMS, MQD and its representatives reserve the right to audit all the Contractor's records of any transactions of processing or adjudication of dental claims and any other records related to the MQD dental program. The MQD shall notify the Contractor in writing at least thirty (30) days in advance of the scheduled audit. If audits in additional to the yearly review, are required by the MQD, the reason(s) for the audit will be included in the letter to the Contractor. The Contractor shall assist the auditing firm(s) and shall make available all data related to the MQD program.
- If dental providers detect billing errors and want to return overpayments etc., the Contractor shall aggressively work with the dental providers to ensure the funds are returned. The Contractor shall not refuse to accept any funds because the claim information is not complete.

- Payments to the Contractor maybe withheld until claims which were paid inappropriately by the Contractor's system or staff is adjusted.

The Contractor will be required to maintain all pertinent financial and accounting records and evidence pertaining to the contract in accordance with generally accepted principles of accounting and other procedures specified by the State of Hawaii. Financial and accounting records shall be made available, upon request, to the State staff and its designated agents, CMS, OIG or the Department of the Attorney General at any time during the Contract period and any extension thereof, and for six (6) years from the expiration date and final payment on the Contract or extension thereof. During the term of the contract and for six (6) years after the last payment of the Contractor's fee, on reasonable notice and during customary business hours, the State of Hawaii may audit the Contractor's and subcontractor's records and other materials that relate to the project. This audit right will also apply to the State's duly authorized representatives and any person or organization providing financial support for the project. If an audit reveals any material deviation from the project's specifications, any misrepresentation, or any overcharge to the State, the State will be entitled to recover damages, as well as the cost of the audit. The Contractor may petition the State on behalf of subcontractor(s) for exceptions to the requirements of audits and record keeping sections, if the subcontractor's scope of service does not necessitate compliance with those sections. All records related to any contract shall be kept in a single location, either at the Contractor's principal place of business in the State of Hawaii or its place of business where the work was done, unless it is not practical to do so. If this is not practical, the Contractor shall assume the cost of collecting, organizing, and relocating the records and any technology needed to access the records to the Contractor's office nearest Honolulu whenever the State or anyone else with audit rights requests access to the Contractor's project records. The Contractor shall do so in a timely fashion, not to exceed five (5) business days. The Contractor agrees to comply with all applicable federal, state, and local laws in performing this contract and any amendments that may subsequently be made to such laws. The Contractor further agrees that any services paid in association with this contract shall be from federal and State funds and that any false

claims, statements, or documents, or concealment of a material fact, may be prosecuted under applicable federal or state laws.

The Contractor shall have a process in place to resolve complaints, grievances and appeals. This process is subject to the review and approval of MQD and must comply with all State and Federal laws, rules and regulations.

40.700 Other Services to be Provided

In addition to the dental services to be provided, the beneficiaries shall be eligible for enabling services. Such services include, but are not limited to:

40.710 Language Assistance Services for Persons with Limited English Proficiency and American Sign Language (ASL)

A. The Contractor shall take reasonable steps to provide meaningful access to the services provided under this agreement for persons with limited English proficiency (LEP), in accordance with Title VI of the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, *et seq.*), the U.S. Department of Health and Human Services Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons (68 Fed. Reg. 47311), Hawai`i Revised Statutes (HRS) §§371-31 to -34.

B. Language assistance services shall be provided at no cost to the individual. The Contractor is responsible for the cost of language assistance services.

C. The Contractor shall provide language assistance services that meet the following minimum requirements:

1. Oral Interpretation

   a. The Contractor shall notify eligible beneficiaries of the right to free interpreter services.

   b. The Contractor shall offer oral interpretation services to LEP individuals.

c. The Contractor shall document the offer of an interpreter, and whether an individual declined or accepted the interpreter service.

d. The Contractor is prohibited from requiring or suggesting that LEP persons bring their own interpreters, including family or friends, with them to orientation sessions, assessments, interviews, or other appointments.

2. Translation

a. The Contractor, in consultation with the State and in accordance with the laws and regulations cited above, shall assess the language needs of the population served under the contract, and determine whether vital documents will be translated into, but not limited to, Chinese (Traditional), Ilocano, Korean and Vietnamese.

b. The Contractor shall give to the State each year a written assessment including a list of languages into which documents will be translated, if any, and those documents identified as vital documents to be translated.

D. American Sign Language (ASL)
ASL shall be provided at no cost to the individual. The Contractor is responsible for the cost of ASL services.

E. The Contractor shall submit quarterly, no later than thirty (30) calendar days following the end of each quarter, in a format provided by the State, a report with data regarding language assistance services provided to LEP individuals, including but not limited to the following:

1. The number of LEP individuals who were offered interpreter services and, of those, how many declined or required language assistance services;

2. The primary language spoken by each LEP individual;

3. The type of interpreter service provided; and

4. The name of the interpreter (and agency, if applicable).

40.720 Ground Transportation

The Contractor will be responsible for identifying, the need for ground transportation for beneficiaries who, for the lack of transportation, cannot access dental care services. The Bus, Taxi, or handivan/handicab (if medically necessary) may be utilized. The Contractor will be responsible to determine appropriateness of request and generate a prior authorization for the most appropriate mode of transportation to meet the needs of the individual eligible beneficiary. The Contractor will be responsible to inform and educate the eligible beneficiaries and families of the transportation benefits.

The State will be responsible for monthly reimbursement to the participating transportation providers. The Contractor shall be responsible to submit an authorization log/report of transportation services to the State within five (5) working days after the end of the month in which the services were provided.

The Contractor shall be responsible to inform and educate the eligible beneficiaries of these services. The Contractor shall provide a detailed procedure on how to initiate these services, (i.e., coupon, payment voucher, etc.) and be approved by the State prior to the Contract effective date.

40.730 Air Transportation

The Contractor will prior authorize and coordinate the use of transportation for children and adults (and a companion if necessary for assistance), if referred to a dental provider that is located on a different island or in a different service area (prior authorization is required by the Contractor for all non-emergency air transportation).

The referring dental provider shall notify the Contractor when treatment is required off island. After verification from a dental provider and verification of the appointment to the dental provider of service, the Contractor will assist the beneficiaries to schedule the air transportation. A parent or guardian must accompany an eligible child under eighteen (18) years of age.

The Contractor shall be responsible to inform and educate the eligible beneficiaries of these services. The State will provide the

Contractor with a detailed procedure on how to initiate payment for Air Transportation prior to the Contract Effective Date.

The State will be responsible for reimbursement for authorized transportation services. The Contractor shall be responsible to maintain an authorized air transportation log/report and submit to the State within five (5) working days after the end of the month in which the services were received.

40.740 Food and Lodging

In addition, the Contractor is responsible to assist eligible beneficiaries (upon request) with meals and lodging associated with off-island or out-of state travel due to medical necessity (or lack of an appropriate provider) for the patient and their parent or guardian.

The Contractor shall prior approve meals and lodging when appropriate, and assist with the coordination of these services. The State will be responsible for the reimbursement of meals and lodging services. The Contractor shall be responsible to maintain and submit a log/report of food and lodging services to the State within five (5) working days after the end of the month in which the services were provided.

The Contractor shall be responsible to inform and educate the eligible beneficiaries of these services. The Contractor shall provide a detailed procedure on how to initiate these services, (i.e., coupon, payment voucher, etc.) and be approved by the State prior to the Contract effective date.

40.750 Denials

If a request for transportation or meals and lodging does not meet the Authorization criteria, the Contractor shall deny the service. Any denial should be documented by beneficiary name, types of service requested, and reason for denial. A denial of service log/report shall be provided to the State on a monthly basis. Upon denial, the Contractor shall advise the beneficiary of their appeal rights. If the beneficiary wants to file a formal appeal, they may submit their formal appeal to:

State of Hawaii Department of Human Services

Administrative Appeals Office
PO Box 339
Honolulu, HI 96809

40.800 Milestone Delivery

The Contractor must assure all tasks are completed based on timeframe accomplished by MQD memoranda. The following tasks must be completed:

- Policies and Procedures for Care Coordination Services and website;
- Outreach and education;
- Cultural Competency plan;
- Policies and Procedures for Oral Translation and Translation of Material;
- Policies and Procedures for eligible beneficiaries / Provider Call Center ;
- Access to Provider portal;
- Policies and Procedures for Claim Processing;
- Policies and Procedures for Prior authorization requests;
- Provider Education Materials;
- Policies and Procedures for Grievances and Appeals (for Beneficiaries and Providers);
- Policies and Procedures for updated benefits;
- Policies and Procedures for Reporting Requirements; and
- Staffing and Training Plan.

40.900 Project Implementation

The MQD-TPA project must be in full implementation on the Contract Effective Date found in Section 20.100.

The following is a preliminary analysis of the major tasks involved for developing the end product of this project. The Contractor is encouraged to supplement this listing with improved or additional steps, sub tasks or elements deemed necessary to permit the development of alternative approaches or the application of proprietary analytical techniques.

1. An overall work plan must be developed as a basis for executing subsequent steps as the project progresses. Essential to the process of this task is the preparation of a sound approach to attaining the objectives of the project.

2. Perform necessary tasks to address requirements specified for Claims Administration and Operations.

3. Perform necessary tasks to address requirements specified for Dental Consultation.

4. Provide the required personnel and information and perform the necessary tasks specified for Other Topics.

5. The Contractor's operations shall be in full compliance with relevant federal statutes, regulations, and policy requirements; State law, administrative rules, and guidelines; and MQD policies, including but not limited to:
   - Social Security Act of 1966
   - OBRA '90
   - OBRA '93
   - Health Insurance Portability and Accountability Act of 1996
   - Social Welfare Act
   - Hawaii Workers' Disability Compensation Law
   - Persons with Disabilities Civil Rights Act
   - State Administrative Rules and Regulations
   - HIPPA Act

The Contractor shall remain up-to-date regarding any changes.

41.100 Claims Processing

A grace period of 60 days is permitted during the implementation phase, beginning with the first day of operations, during which time the State will not assess damages for failure to meet the specified performance levels, provided that the Contractor is making a good faith effort to comply with all performance levels. The Contractor will be liable for the actual amount of all Contractor caused overpayments, duplicate payments or

payments that should have been denied. Such liabilities will be withheld from Contractor payments until all such damages are satisfied. The Contractor shall be responsible for all costs to correct and/or prevent the problem.

The Contractor shall pay its subcontractors and dental providers on a timely basis, consistent with the claims payment procedures described in Section 1902(a)(37)(A) of the Social Security Act. The Contractor shall allow dental providers at least one year to submit claims for reimbursement.

This section requires that ninety percent (90%) of clean claims lines for payment (for which no further written information or substantiation is required in order to make payment) are paid within thirty (30) days of the date of receipt of such claims and that ninety-nine percent (99%) of clean claims lines are paid within ninety (90) days of the date of receipt of such claims. The date of receipt is the date the Contractor receives the claim and the date of payment is the date of the check or other form of payment. The Contractor and the dental providers may, however, agree to an alternative payment schedule provided this alternative payment schedule is reviewed and approved by the DHS.

41.200 Utilization Management Review

Utilization management must focus on beneficiary and provider utilization patterns. Please refer to provider manual chapter 14 related to Utilization management.

41.300 Key Personnel

41.310 Project Manager

Contractor shall have on staff a full-time Project Manager based in the State of Hawaii to oversee the operations of this contract. The Project Manager shall be the person assigned under this contract, who is responsible for operation of all contract duties including the claims processing (POS, EMC and paper), the PA review process, help desk functions, etc.

The Project Manager shall serve as a liaison and shall be readily available and responsible, as the need arises, for consultation and assistance with the MQD staff. The Project Manager shall:

- Attend meetings (MQD, administrative hearings etc.) as required by the MQD;
- Provide timely and informed responses when operational and/or administrative issues or questions arise;
- Provide prompt assistance to the MQD staff regarding operational issues;
- Assure timely compliance with all contract responsibilities;
- Supervise the Contractor's other personnel to ensure the quality of their performance;
- Identify and resolve problems/issues regarding operations, staffing etc.;
- Ensure internal audits and monitoring are being done timely and appropriately;
- Be responsible for the quality of the Contractor's fulfillment of the contract responsibilities;
- Perform any additional operational duties related to the Contract with the MQD; and
- Coordinate operational responsibilities with clinical activities as needed.

The Offeror must show that the Project Manager is capable and experienced.

41.320 Dental Director

Contractor shall have on staff a full-time Dental Director based in the State of Hawaii to oversee the quality of dental care furnished and to ensure that dental care is provided by qualified dental personnel. The Dental Director shall address any potential quality of care problems and be substantially involved in quality assurance. The Dental Director shall work closely with the MQD Medical Director and participate in any committees relating to Hawaii Medicaid Program when requested by DHS.

The Dental Director shall be licensed to practice in the State of Hawaii and have experience and training commensurate with the required duties of overseeing the quality of care and that care is provided by qualified personnel. Given appropriate guidelines from the state Medicaid office, the Medical Director will help determine which dental services are covered benefits.

41.330 Other Key Personnel

The Contractor shall describe the ability to secure and retain the required professional staff to meet the contract requirements. This shall include but is not limited to:

1. Care Coordination Manager, based in the State of Hawaii, to support the Care Coordination functions identified in Section 40.620.

2. Clerical support for the clinical and computer systems staff.

3. Computer Analysts and Programmers etc. to ensure the computer systems are reliable, secure, current, and meet the needs of the MQD.

- MQD shall have the absolute right to approve or disapprove Contractor's and any subcontractor's assigned Project Manager and Dental Director, to disapprove or approve any proposed changes in this personnel, or require the removal or reassignment of any personnel found by MQD to be unwilling or unable to perform under the terms of the contract.
- The Contractor shall provide MQD with a resume of Project Manager, Dental Director, Care Coordination Manager, and Computer Analysis and Programmers.
- The Contractor shall provide MQD with a resume of any member(s) of its staff or a subcontractor's staff assigned to or proposed to be assigned to any aspect of this contract.
- Personnel commitments made on Contractor's response shall not be changed except as herein above provided or due to the resignation of any named individual.

41.400 Discrimination or Denial of Access

All Medicaid beneficiaries shall be provided the needed allowable dental services without regard to race, color, creed, ancestry, age, marital status, arrest and court records, sex, including gender identity or expression, sexual orientation, religion, national origin or mental or physical handicap, except as provided by law. The quality of the dental services provided to

the eligible beneficiaries shall be provided in accordance with established standards of practice.

41.500 Readiness Review

Offeror shall comply with all readiness review activities required by the DHS. Readiness Review requires the Offeror to submit to the DHS required documents 60 days after the contract is awarded. Documents include the following:

- Staffing Chart;
- Policies and Procedures for Care Coordination Services and website;
- Outreach and education;
- Cultural Competency plan;
- Policies and Procedures for Oral Translation and Translation of Material;
- Policies and Procedures for eligible beneficiary Provider Call Center ;
- Access to Provider portal;
- Policies and Procedures for Claim Processing;
- Policies and Procedures for Prior authorization requests;
- Provider Education Materials;
- Policies and Procedures for Grievances and Appeals (for Beneficiaries and Providers);
- Policies and Procedures for updated benefits;
- A list of Offeror's staff residing in the State of Hawaii, including their job titles;
- A list of CC's staff residing in the State of Hawaii, including their job titles;
- Policies and Procedures for Reporting Requirements; and
- Staff Training Plan.

Offeror will be asked to participate in any on-site review activities conducted by the DHS and submit updates on implementation activities. The DHS reserves the right to request additional documents for review and approval during readiness review.

SECTION 50 TERMS AND CONDITIONS

50.100 Contract Documents

The following documents form an integral part of the written contract between the Offeror and the DHS (hereafter collectively referred to as "the Contract"):

- Contract for Health and Human Services: Competitive Purchase of Service (AG Form 103F1 (10/08)) (see Appendix E), including General Conditions for Health & Human Services Contracts (AG Form 103F (10/08) (see Appendix E), any Special Conditions, attachments, and addenda;
- This RFP, appendices, attachments, and addenda, which shall be incorporated by reference; and
- The Offeror's technical proposal submitted in response to this RFP form, which shall be incorporated by reference.

References to "General Conditions" in this Section 50 are to the General Conditions for Health & Human Services Contracts attached as Appendix E.

50.200 Conflict Between Contract Documents, Statutes and Rules

Replace General Condition 7.5 (see Appendix E), Conflict between General Conditions and Procurement Rules, with the following:

- Contract Documents: In the event of a conflict among the contract documents, the order of precedence shall be as follows: (1) Contract for Health and Human Services: Competitive Purchase of Service (AG Form 103F1), including all general conditions, special conditions, attachments, and addenda; (2) the RFP, including all attachments and addenda, as amended; and (3) Offeror's proposal. In the event of a conflict between the General Conditions and the Special Conditions, the Special Conditions shall control.
- Contract and Statutes: In the event of a conflict between the language of the contract, and applicable statutes, the latter shall prevail.
- Contract and Procurement Rules/Directives: In the event of a conflict between the Contract and the Procurement Rules or a Procurement Directive, the Procurement Rules or any Procurement Directive in effect on the date this Contract

became effective shall control and are hereby incorporated by reference.

- The sections of the rules and regulations cited in this RFP may change as the rules and regulations are amended for MQD. No changes shall be made to this RFP due to changes in the section numbers. The documents in the documentation library shall be changed as needed. The availability and extent of the materials in the documentation library shall have no effect on the requirements stated in this RFP.

50.300 Subcontractor Agreements

Replace General Condition 3.2 (see Appendix E), Subcontracts and Assignments, with the following:

The Offeror may negotiate and enter into contracts or agreements with subcontractors to the benefit of the Offeror and the State. All such agreements shall be in writing. No subcontract that the Offeror enters into with respect to the performance under the contract shall in any way relieve the Offeror of any responsibility for any performance required of it by the contract.

The Offeror shall submit to the DHS for review and prior approval, all subcontractor agreements related to the provision of covered services and dental services activities to eligible beneficiaries (e.g., call center) and provider services activities and payments to providers. In addition, the DHS reserves the right to inspect all subcontractor agreements at any time during the contract period.

The Offeror shall notify the DHS in writing at least ninety (90) days prior to adding or deleting subcontractor agreements or making any change to any subcontractor agreements which may materially affect the Offeror's ability to fulfill the terms of the contract.

The Offeror shall provide the DHS with immediate notice in writing by registered or certified mail of any action or suit filed against it by any subcontractor, and prompt notice of any claim made against the Offeror by any subcontractor that, in the opinion of the Offeror, may result in litigation related in any way to the contract with the State of Hawaii.

Additionally, no assignment by the Offeror of the Offeror's right to compensation under the contract shall be effective unless and until the assignment is approved by the Comptroller of the State of Hawaii, as provided in Section 40-58, HRS, or its successor provision.

All subcontractor agreements must, at a minimum:

- Describe the activities, including reporting responsibilities, to be performed by the subcontractor and require that the subcontractor meet all established criteria prescribed and provide the services in a manner consistent with the minimum standards specified in the Offeror's contract with the State;
- Require that the subcontractor fulfill the requirements of 42 CFR Section 438.6 that are appropriate to the service delegated under the subcontract;
- Include a provision that allows the Offeror to:
    - Evaluate the subcontractor's ability to perform the activities to be delegated;
    - Monitor the subcontractor's performance on an ongoing basis and subject it to formal review according to a periodic schedule (the frequency shall be stated in the agreement) established by the DHS and consistent with industry standards or State laws and regulations;
    - Identify deficiencies or areas for improvement; and
    - Take corrective action or impose other sanctions including, but not limited to, revoking delegation, if the subcontractor's performance is inadequate.
- Require that the subcontractor submits to the Offeror a tax clearance certificate from the Director of the DOTAX, State of Hawaii, showing that all delinquent taxes, if any, levied or accrued under State law against the subcontractor have been paid:
    - Include a provision that the Offeror shall designate itself as the sole point of recovery for any subcontractor;
    - Include a provision that neither the State nor the Offeror's eligible beneficiaries shall bear any liability of the Offeror's failure or refusal to pay valid claims of subcontractors;

- Require that the subcontractor track and report complaints against them to the Offeror;
- Require that the subcontractor fully adhere to the privacy, confidentiality and other related requirements stated in the RFP and in applicable federal and state law;
- Require that the subcontractor follow all audit requirements as outlined in Section 51.700 inclusive. The actual requirements shall be detailed in the agreement;
- Require that the medical records be retained in compliance with Section 50.400. The actual requirements shall be detailed in the agreement;
- Require that the subcontractor comply with all requirements related to confidentiality of information as outlined in Section 51.600. The actual requirements found in this section shall be detailed in the agreement; and
- Require that the subcontractor notify the Offeror and the MQD of all breaches of confidential information relating to eligible beneficiaries. The notice to the State shall be within two (2) business days of discovery of the breach and a written report of the investigation and resultant mitigation of the breach shall be provided to the State within thirty (30) calendar days of the discovery of the breach.

50.400 Retention of Medical Records

The following is added to the end of General Condition 2.3 (see Appendix E), Records Retention:

The Offeror and its providers shall retain all medical records, in accordance with Section 622-58, HRS, for a minimum of seven (7) years from the last date of entry in the records. For minors, the Offeror shall retain all medical records during the period of minority plus a minimum of seven (7) years after the age of majority.

The Offeror shall include in its subcontracts and provider agreements record retention requirements that are at least equivalent to those stated in this section.

During the period that records are retained under this section, the Offeror and any subcontractor or provider shall allow the state and federal government's full access to such records, to the extent allowed by law.

50.500 Responsibility For Taxes

In addition to the requirements of General Condition 3.4.4 (see Appendix E), PROVIDER's Responsibilities, subject to its corporate structure, licensure status, or other statutory exemptions, Offerors may be liable for, or exempt from, other federal, state, and/or local taxes including, but not limited to, the insurance premium tax (chapter 431, Article 7, Part II, HRS). Each Offeror is responsible for determining whether it is subject to, or exempt from, any such federal, state, or local taxes. The DHS makes no representations whatsoever as to the liability or exemption from liability of the Offeror to any tax imposed by any governmental entity.

50.600 Full Disclosure

50.610 Business Relationships

The Offeror warrants that it has fully disclosed all business relationships, joint ventures, subsidiaries, holding companies, or any other related entity in its proposal and that any new relationships shall be brought to the attention of the DHS as soon as such a relationship is consummated. The terms and conditions of CMS require full disclosure on the part of all contracting Offerors and providers.

The Offeror shall not knowingly have a director, officer, partner, or person with more than five percent (5%) of the Offeror's equity, or have an employment, consulting, or other agreement with such a person for the provision of items and services that are significant and material to the entity's contractual obligation with the State, who has been debarred, suspended or otherwise excluded from participating in procurement activities under the Federal Acquisition Regulation or from participating in non-procurement activities under regulations issued under Executive Order No. 12549 or under guidelines implementing Executive Order No. 12549. The Offeror shall not, without prior approval of the DHS, lend money or extend credit to any related party.

The Offeror shall fully disclose such proposed transactions and submit a formal written request for review and approval.

The Offeror shall include the provisions of this section in any subcontract agreement.

50.620 Litigation

The Offeror shall disclose any pending litigation both in and out of the State of Hawaii to which they are a party, including the disclosure of any outstanding judgment. If applicable, please explain.

50.700 Conflict of Interest

The following is added to the end of General Condition 1.7 (see Appendix E), Conflicts of Interest:

No official or employee of the State of Hawaii or the federal government who exercises any function or responsibilities in the review or approval of the undertaking or carrying out of the programs shall, prior to the completion of the project, voluntarily acquire any personal interest, direct or indirect, in the contract. All officials or employees of the State of Hawaii shall be bound by Chapter 84, HRS, Standards of Conduct.

The Offeror shall not contract with the State of Hawaii unless safeguards of at least equal to Federal safeguards (41 U.S.C § 423) are in place.

50.800 Fiscal Integrity

The Offeror warrants that it is of sufficient financial solvency to assure the DHS of its ability to perform the requirements of the contract. The Offeror shall comply with the solvency standards established by the State Insurance Commissioner for private health maintenance organizations or Offerors licensed in the State of Hawaii, and shall, upon request by the DHS, provide financial data and information to prove its financial solvency.

51.100 Term of the Contract

This is a multi-term contract solicitation that has been deemed to be in the best interest of the State by the Director of the DHS.

The contract is for the initial term from the Contract effective date as specified in Section 20.100 to June 30, 2018. Unless terminated, the contract may be extended without the necessity of re-bidding, for not more than three (3) additional twelve (12) month periods or parts thereof, only upon mutual agreement of the parties in writing. The Offeror shall not contract with the State of Hawaii unless safeguards at least equal to Federal safeguards (41 USC 423, section 27) are in place.

The State of Hawaii operates on a fiscal year basis, which runs from July 1 to June 30 of each year. Funds are available for only the first fiscal period of the contract ending June 30 in the first year of the initial term. The contractual obligation of both parties in each fiscal period succeeding the first fiscal period is subject to the appropriation and availability of funds to DHS.

The contract will be terminated only if funds are not appropriated or otherwise made available to support continuation of performance in any fiscal period succeeding the initial fiscal period of the contract; however this does not affect either the State's rights or the Offeror's rights under any termination clause of the contract. The State shall notify the Offeror, in writing, at least sixty (60) days prior to the expiration of the contract whether funds are available or not available for the continuation of the contract for each succeeding contract extension period. In the event of termination, as provided in this paragraph, the Offeror shall be reimbursed for the unamortized, reasonably incurred, nonrecurring costs.

The Offeror acknowledges that other unanticipated uncertainties may arise that may require an increase or decrease in the original scope of services to be performed, in which event the Offeror agrees to enter into a supplemental agreement upon request by the State. The supplemental agreement may also include an extension of the period of performance and a respective modification of the compensation.

51.200 Liability Insurance Requirements

The Offeror shall maintain insurance acceptable to the DHS in full force and effect throughout the term of this contract, until the DHS certifies that the Offeror's work has been completed satisfactorily.

Prior to or upon execution of the contract and any supplemental contracts, the Offeror shall provide to the DHS certificate(s) of insurance, including any referenced endorsements, dated within thirty (30) days of the Contract effective date to satisfy the DHS that the insurance provisions of this contract have been complied with. Upon request by the DHS, Offeror shall furnish a copy of the policy(ies) and/or updated Certificate of Liability Insurance including referenced endorsement(s) necessary for DHS to verify the coverages required by this section.

The policy or policies of insurance maintained by the Offeror shall be written by insurance companies licensed to do business in the State of Hawaii or meet the requirements of Section 431:8-301, et seq., HRS, if utilizing an insurance company not licensed by the State of Hawaii.

The policy(ies) shall provide at least the following limit(s) and coverage:

Coverage		**Limits**
Commercial General Liability		Per occurrence, not claims made • $1 million per occurrence • $2 million in the aggregate
Automobile		May be combined single limit: • Bodily Injury: $1 million per person, $1 million per accident • Property Damage: $1 million per accident
Workers Compensation / Employers Liability (E.L.)		• Workers Comp: Statutory Limits • E.L. each accident: $1,000,000 • E.L. disease: $1,000,000 per employee, $1,000,000 policy limit • E.L. $1 million aggregate

Professional Liability, if applicable		May be claims made: • $1 million per claim • $2 million annual aggregate

Each insurance policy required by this contract shall contain the following clauses, which shall also be reflected on the certificate of insurance:

1. "The State of Hawaii is an additional insured with respect to operations performed for the State of Hawaii."

2. "Any insurance maintained by the State of Hawaii shall apply in excess of, and not contribute with, insurance provided by this policy."

Automobile liability insurance shall include excess coverage for the Offeror's employees who use their own vehicles in the course of their employment.

The Offeror shall immediately provide written notice to the DHS should any of the insurance policies required under the Contract be cancelled, limited in scope, or not be renewed upon expiration.

Failure of the Offeror to provide and keep in force the insurance required under this section shall be regarded as a material default under this contract, entitling the DHS to exercise any or all of the remedies provided in this contract for a default of the Offeror.

The procuring of such required policy or policies of insurance shall not be construed to limit Offeror's liability hereunder nor to fulfill the indemnification provisions and requirements of this contract. Notwithstanding said policy or policies of insurance, Offeror shall be liable for the full and total amount of any damage, injury, or loss caused by Offeror in connection with this contract.

If the Offeror is authorized by the DHS to subcontract, subcontractors are not excused from the indemnification and/or insurance provisions of this contract. In order to indemnify the

State of Hawaii, the Offeror agrees to require its subcontractors to obtain insurance in accordance with this section.

51.300 Modification of Contract

The following is added as General Condition 4.1.4:

All modifications of the contract shall be modified accordingly by a written amendment signed by the Director of the DHS and an authorized representative of the Offeror. If the parties are unable to reach an agreement within thirty (30) days of the Offeror's receipt of a contract change, the MQD Administrator shall make a determination as to the contract modifications and the Offeror shall proceed with the work according to a schedule approved by the DHS, subject to the Offeror's right to appeal the MQD Administrator's determination of the contract modification and price under Section 51.900, Disputes.

51.400 Conformance with Federal Regulations

Any provision of the contract which is in conflict with Federal Medicaid statutes, regulations, or CMS policy guidance is hereby amended to conform to the provisions of those laws, regulations, and federal policy. Such amendment of the contract shall be effective on the effective date of the statutes or regulations necessitating it, and shall be binding on the parties even though such amendment may not have been reduced to writing and formally agreed upon and executed by the parties.

51.500 Termination of the Contract

The contract may terminate or may be terminated by DHS for any or all of the following reasons in addition to the General Conditions in Appendix E:

- Termination for Default;
- Termination for Expiration of the Programs by CMS; or
- Termination for Bankruptcy or Insolvency.

51.510 Termination for Default

The failure of the Offeror to comply with any term, condition, or provision of the contract or applicable requirements in Sections 1932, 1903(m) and 1905(t) of the Social Security Act shall

constitute default by the Offeror. In the event of default, the DHS shall notify the Offeror by certified or registered mail, with return receipt requested, of the specific act or omission of the Offeror, which constitutes default. The Offeror shall have fifteen (15) days from the date of receipt of such notification to cure such default. In the event of default, and during the above-specified grace period, performance under the contract shall continue as though the default had never occurred. In the event the default is not cured within fifteen (15) days, the DHS may, at its sole option, terminate the contract for default. Such termination shall be accomplished by written notice of termination forwarded to the Offeror by certified or registered mail and shall be effective as of the date specified in the notice. If it is determined, after notice of termination for default, that the Offeror's failure was due to causes beyond the control of and without error or negligence of the Offeror, the termination shall be deemed a termination for convenience under General Condition 4.3 in Appendix E.

The DHS' decision not to declare default shall not be deemed a waiver of such default for the purpose of any other remedy the Offeror may have.

51.520 Termination for Expiration or Modification of the Programs by CMS

The DHS may terminate performance of work under the contract in whole or in part whenever, for any reason, CMS terminates or modifies the programs. In the event that CMS elects to terminate its agreement with the DHS, the DHS shall so notify the Offeror by certified or registered mail, return receipt requested. The termination shall be effective as of the date specified in the notice.

51.530 Termination for Bankruptcy or Insolvency

In the event that the Offeror shall cease conducting business in the normal course, become insolvent, make a general assignment for the benefit of creditors, suffer or permit the appointment of a receiver for its business or its assets or shall avail itself of, or become subject to, any proceeding under the Federal Bankruptcy Act or any other statute of any State relating to insolvency or the protection of the rights or creditors, the DHS may, at its option, terminate the contract. In the event the DHS

elects to terminate the contract under this provision it shall do so by sending notice of termination to the Offeror by registered or certified mail, return receipt requested. The termination shall be effective as of the date specified in the notice.

In the event of insolvency of the Offeror, the Offeror shall cover continuation of services to eligible beneficiaries for the duration of period for which payment has been made, as well as for inpatient admissions up until discharge. Eligible beneficiaries shall not be liable for the debts of the Offeror. In addition, in the event of insolvency of the Offeror, eligible beneficiaries may not be held liable for the covered services provided to the eligible beneficiaries, for which the State does not pay the Offeror.

51.540 Procedure for Termination

In the event the State decides to terminate the contract, it shall provide the Offeror with a pre-termination hearing. The State shall:

- Give the Offeror written notice of its intent to terminate, the reason(s) for termination, and the time and place of the pre-termination hearing; and
- Give the Offeror’s eligible beneficiaries written notice of the intent to terminate the contract, notify eligible beneficiaries of the hearing, and allow them to disenroll immediately without cause.

Following the termination hearing, the State shall provide written notice to the Offeror of the termination decision affirming or reversing the proposed termination. If the State decides to terminate the contract, the notice shall include the effective date of termination. In addition, if the contract is to be terminated, the State shall notify the Offeror's eligible beneficiaries in writing of their options for receiving Medicaid services following the effective date of termination.

In the event of any termination, the Offeror shall:

- Stop work under the contract on the date and to the extent specified in the notice of termination;
- Complete the performance of such part of the work as shall not have been terminated by the notice of the termination;

- Notify the beneficiaries of the termination and arrange for the orderly transition to the new Offeror(s), including timely provision of any and all records to the DHS that are necessary to transition the Offeror's eligible beneficiaries to another Offeror;
- Promptly supply all information necessary for the reimbursement of any outstanding claims;
- Place no further orders or enter into subcontracts for materials, services, or facilities, except as may be necessary for completion of the work under the portion of the contract that is not terminated;
- Terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the notice of termination;
- Assign to the DHS in the manner and to the extent directed by the MQD Administrator of the right, title, and interest of the Offeror under the orders or subcontracts so terminated, in which case the DHS shall have the right, in its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts;
- With the approval of the MQD Administrator, settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, the cost of which would be reimbursable, in whole or in part, in accordance with the provisions of the contract;
- Take such action as may be necessary, or as the MQD Administrator may direct, for the protection and preservation of any and all property or information related to the contract which is in the possession of the Offeror and in which the DHS has or may acquire an interest; and
- Within thirty (30) business days from the effective date of the termination, deliver to the DHS copies of all current data files, program documentation, and other documentation and procedures used in the performance of the contract at no cost to the DHS. The Offeror agrees that the DHS or its designee shall have a non-exclusive, royalty-free right to the use of any such documentation.

51.550 Termination Claims

After receipt of a notice of termination, the Offeror shall submit to the MQD Administrator any termination claim in the form and with the certification prescribed by the MQD Administrator. Such claim shall be submitted promptly but no later than six (6) months from the effective date of termination. Upon failure of the Offeror to submit its termination claims within the time allowed, the MQD Administrator may, subject to any review required by the State procedures in effect as of the date of execution of the contract, determine, on the basis of information available to him/her, the amount, if any, due to the Offeror by reason of the termination and shall thereupon cause to be paid to the Offeror the amount to be determined.

Upon receipt of notice of termination, the Offeror shall have no entitlement to receive any amount for lost revenues or anticipated profits or for expenditures associated with this or any other contract. The Offeror shall be paid only the following upon termination:

- At the contract price(s) for the number of eligible beneficiaries enrolled in the Offeror at the time of termination; and
- At a price mutually agreed to by the Offeror and the DHS.

In the event the Offeror and the DHS fail to agree, in whole or in part, on the amount of costs to be paid to the Offeror in connection with the total or partial termination of work pursuant to this section, the MQD Administrator shall determine, on the basis of information available to the DHS, the amount, if any, due to the Offeror by reason of the termination and shall pay to the Offeror the amount so determined.

The Offeror shall have the right to appeal any such determination made by the MQD Administrator as stated in Section 51.900, Disputes.

51.600 Confidentiality of Information

In addition to the requirements of General Condition 8, the Offeror understands that the use and disclosure of information concerning Offerors, eligible beneficiaries is restricted to purposes directly connected with the administration of the Hawaii

Medicaid program, and agrees to guard the confidentiality of an Offeror's or beneficiary's or information as required by law. The Offeror shall not disclose confidential information to any individual or entity except in compliance with the following:

- 42 CFR Part 431, Subpart F;
- The Administrative Simplification provisions of HIPAA and the regulations promulgated thereunder, including but not limited to the Security and Privacy requirements set forth in 45 CFR Parts 160, 162 and 164, (if applicable);
- Section 346-10, HRS; and
- All other applicable federal and State statutes and administrative rules, including but not limited to:
  - Section 325-101, HRS, relating to persons with HIV/AIDS;
  - Section 334-5, HRS, relating to persons receiving mental health services;
  - Chapter 577A, HRS relating to emergency and family planning services for minor females;
  - 42 CFR Part 2 relating to persons receiving substance abuse services;
  - Chapter 487J, HRS, relating to social security numbers; and
  - Chapter 487N, HRS, relating to personal information.

Access to eligible beneficiaries identifying information shall be limited by the Offeror to persons or agencies that require the information in order to perform their duties in accordance with this contract, including the U.S. Department of Health and Human Services (HHS), the Secretary, the DHS and other individuals or entities as may be required by the DHS. (See 42 CFR Section 431.300, et seq. and 45 CFR Parts 160 and 164.)

Any other party shall be granted access to confidential information only after complying with the requirements of state and federal laws, including but not limited to HIPAA, and regulations pertaining to such access. The Offeror is responsible for knowing and understanding the confidentiality laws listed above as well as any other applicable laws. The Offeror, if it reports services to its eligible beneficiaries, shall comply with all applicable confidentiality laws. Nothing herein shall prohibit the disclosure of information in summary, statistical or other form

that does not identify particular individuals, provided that de-identification of protected health information is performed in compliance with the HIPAA Privacy Rule.

Federal and State Medicaid rules, and some other Federal and State statutes and rules, including but not limited to those listed above, are often more stringent than the HIPAA regulations. Moreover, for purposes of this contract, the Offeror agrees that the confidentiality provisions contained in Chapter 17-1702, HAR, shall apply to the Offeror to the same extent as they apply to MQD.

As part of the contracting process, the Offeror shall sign a Business Associate Agreement (BAA) found in Appendix F to assure compliance with HIPAA regulations.

The Offeror shall implement a secure electronic mail (email) encryption solution to ensure confidentiality, integrity, and authenticity of email communications that contain information relating to eligible beneficiaries.

All breaches of confidential information relating to Medicaid eligible beneficiaries, shall be reported to the MQD. The Offeror shall notify the MQD within two (2) business days following actual knowledge of a breach of confidentiality, including any use or disclosure of confidential information, any breach of unsecured PHI, and any Security Incident (as defined in HIPAA regulations) of which the Offeror becomes aware with respect to PHI in the custody of the Offeror. In addition, the Offeror shall provide the MQD with a written report of the investigation and mitigation efforts within thirty (30) calendar days of the discovery of the breach. The Offeror shall work with MQD to ensure that the breach has been mitigated and reporting requirements, if any, or complied with. The actual requirements found in this section shall be detailed in all provider and subcontractor agreements.

51.700 Audit Requirements

The state and federal standards for audits of the DHS designees, contractors and programs conducted under contract are applicable to this subsection and are incorporated by reference into the contract. The DHS, the HHS, or the Secretary may inspect and audit any records of the Offeror and its

subcontractors or providers. There shall be no restrictions on the right of the State or Federal government to conduct whatever inspections and audits are necessary to assure quality, appropriateness or timeliness of services and reasonableness of their costs.

51.710 Accounting Records Requirements

The Offeror shall, in accordance with generally accepted accounting practices, maintain fiscal records and supporting documents and related files, papers and reports that adequately reflect all direct and indirect expenditures and management and fiscal practices related to the Offeror's performance of services under the contract.

The Offeror's accounting procedures and practices shall conform to generally accepted accounting principles and the costs properly applicable to the contract shall be readily ascertainable from the records.

51.720 Inclusion of Audit Requirements in Subcontracts

The provisions of Section 51.700 and its associated subsections shall be incorporated in every subcontract/provider agreement.

51.800 Ongoing Inspection of Work Performed

The DHS, the State Auditor of Hawaii, the Secretary, the U.S. Department of Health and Human Services (HHS), CMS, the General Accounting Office (GAO), the Comptroller General of the United States, the Office of the Inspector General (OIG), Medicaid Fraud Control Unit of the Department of the Attorney General, State of Hawaii, or their authorized representatives shall have the right to enter into the premises of the Offeror, all subcontractors and providers, or such other places where duties under the contract are being performed, to inspect, monitor, or otherwise evaluate the work being performed and have access to all records. All inspections and evaluations shall be performed in such a manner to not unduly delay work. This includes timely and reasonable access to the personnel for the purpose of interview and discussion related to the records. All records and files pertaining to the Offeror shall be located in the State of Hawaii at the Offeror's principal place of business or at a storage

facility on Oahu that is accessible to the foregoing identified parties.

51.900 Disputes

The parties shall first attempt to resolve all disputes arising under this contract by informal resolution. Where informal resolution cannot be reached, the Offeror shall submit a written request for dispute resolution (by certified mail, return receipt requested) to the Director of the DHS or the Director's duly authorized representative. The Offeror shall be afforded the opportunity to be heard and to present evidence in support of its position in the dispute. The Director of the DHS or the Director's authorized representative shall issue a written decision within ninety (90) days of the Offeror's written request. The decision of the Director of the DHS or the Director's authorized representative shall be final and binding and may only be set aside by a State court of competent jurisdiction where the decision was fraudulent, capricious, arbitrary, or grossly erroneous as to imply bad faith.

Pending any subsequent legal proceedings regarding the final decision, including all appeals, the Offeror shall proceed diligently in the performance of the contract in accordance with the Director's final decision.

Any legal proceedings against the State of Hawaii regarding this RFP or any resultant contract shall be brought in a State court of competent jurisdiction in the City and County of Honolulu, State of Hawaii.

52.100 Liquidated Damages, Sanctions and Financial Penalties

52.110 Liquidated Damages

In the event of any breach of the terms of the contract by the Offeror, liquidated damages shall be assessed against the Offeror in an amount equal to the costs of obtaining alternative medical benefits for its eligible beneficiaries. The damages shall include, without limitation, the difference in the administrative fee paid to the Offeror and the fee paid to a replacement Offeror.

Notwithstanding the above, the Offeror shall not be relieved of liability to the State for any damages sustained by the State due to the Offeror's breach of the contract.

The DHS may withhold amounts for liquidated damages from payments to the Offeror until such damages are paid in full.

52.120 Sanctions

The DHS may impose sanctions for non-performance or violations of contract requirements. Sanctions shall be determined by the State and may include:

- Imposing civil monetary penalties (as described below);
- Suspending payment;
- Appointment of temporary management (as described in Section 52.130); or
- Terminating the contract (as described in Section 51.100).

The DHS will provide written notice that explains the basis and nature of the sanction. The Offeror may dispute the finding through procedures identified in Section 51.900.

The civil or administrative monetary penalties imposed by the DHS on the Offeror shall not exceed the maximum amount established by federal statutes and regulations.

The civil monetary penalties that may be imposed on the Offeror by the State are as follows:

Number	Activity	Penalty
1	Misrepresentation of actions or falsification of information furnished to the CMS or the State	A maximum of one hundred thousand dollars ($100,000) for each determination
2	Failure to implement requirements stated in the Offeror's proposal, the RFP or the contract, or other material failures in the Offeror's duties	A maximum of fifty thousand dollars ($50,000) for each determination

Number	Activity	Penalty
3	Misrepresentation or false statements to beneficiaries, potential beneficiaries or providers	A maximum of twenty-five thousand dollars ($25,000) for each determination
4	Violation of any of the other applicable requirements of Sections 1903(m), 1905(t)(3) or 1932 of the Social Security Act and any implementing regulations	A maximum of twenty-five thousand dollars ($25,000) for each determination
5	Not providing services to the beneficiary because of a discriminatory practice	A maximum of fifteen thousand dollars ($15,000) for each beneficiary the State determines was not providing services to the beneficiaries because of a discriminatory practice
6	Failure to comply with the claims processing standard required in Section 41.100	A maximum of five thousand dollars ($5,000) for each determination of failure
7	Failure to report confidentiality breaches relating to eligible beneficiaries to the DHS by the specific deadlines provided in Section 51.600	One hundred dollars ($100) per day per beneficiary. A maximum of twenty-five thousand dollars ($25,000) until the reports are received

Payments provided for under the contract shall be denied for new beneficiaries when, and for so long as, payment for those beneficiaries is denied by CMS.

52.130 Special Rules for Temporary Management

The sanction of temporary management may be imposed by the State if it finds that:

- There is continued egregious behavior by the Offeror, including, but not limited to, behavior that is contrary to any requirements of Sections 1903(m) and 1932 of the Social Security Act;
- There is substantial risk to the beneficiary's health; or
- The sanction is necessary to ensure the health of the Offeror's eligible beneficiaries while improvements are made or until there is an orderly termination or reorganization of the Offeror.

The State shall impose temporary management if it finds that the Offeror has repeatedly failed to meet the substantive requirements in Sections 1903(m) and 1932 of the Social Security Act. The State shall not provide the Offeror with a pre-termination hearing before the appointment of temporary management.

The State may not terminate temporary management until it determines that the Offeror can ensure that the sanctioned behavior will not recur.

In the event the State imposes the sanction of temporary management, eligible beneficiaries shall be allowed to disenroll from the Offeror without cause.

52.200 Compliance with Laws

In addition to the requirements of General Condition 1.3, Compliance with Laws, the Offeror shall comply with the following:

52.210 Wages, Hours and Working Conditions of Employees Providing Services

Pursuant to Section 103-55, HRS, services to be performed by the Offeror and its subcontractors or providers shall be performed by employees paid at wages or salaries not less than the wages paid to public officers and employees for similar work. Additionally, the Offeror shall comply with all applicable Federal

and State laws relative to workers compensation, unemployment compensation, payment of wages, prepaid healthcare, and safety standards. Failure to comply with these requirements during the contract period shall result in cancellation of the contract unless such noncompliance is corrected within a reasonable period as determined by the DHS. Final payment under the contract shall not be made unless the DHS has determined that the noncompliance has been corrected. The Offeror shall complete and submit the Wage Certification provided in Appendix C.

52.220 Compliance with other Federal and State Laws

The Offeror shall agree to conform to the following federal and state laws as affect the delivery of services under the Contract including, but not limited to:

- Titles VI, VII, XIX, and XXI of the Social Security Act;
- Title VI of the Civil Rights Act of 1964;
- The Age Discrimination Act of 1975;
- The Rehabilitation Act of 1973;
- The Americans with Disability Act;
- The Patient Protection and Affordable Care Act of 2010;
- Chapter 489, HRS (Discrimination in Public Accommodations);
- Education Amendments of 1972 (regarding education programs and activities);
- Copeland Anti-Kickback Act;
- Davis-Bacon Act;
- Debarment and Suspension;
- All applicable standards, orders or regulations issued under section 306 of the Clean Air Act (42 USC 1857 (h)), section 508 of the Clean Water Act (33 USC 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15) and the Federal Water Pollution Control Act, as amended (33 U.S.C. Section 1251, et seq.);
- The Byrd Anti-Lobbying Amendment (31 U.S.C. Section 1352); and
- E.O. 11246, "Equal Employment Opportunity," as amended by E.O. 11375 "Amending Executive Order 11246 Relating to

Equal Employment Opportunity," and as supplemented by regulations at 41 C.F.R. part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor".

The Offeror shall recognize mandatory standards and policies relating to energy efficiency that are contained in any State energy conservation plan developed by the State in accordance with the Energy Policy and Conservation Act (Pub. L. 94-163, Title III, Part A).

The Offeror shall include notice of grantor agency requirements and regulations pertaining to reporting and patient rights under any contracts involving research, developmental, experimental or demonstration work with respect to any discovery or invention which arises or is developed in the course of or under such contract, and of grantor agency requirements and regulations pertaining to copyrights and rights in data.

52.300 Miscellaneous Special Conditions

52.310 Use of Funds

The Offeror shall not use any public funds for purposes of entertainment or perquisites and shall comply with any and all conditions applicable to the public funds to be paid under the contract, including those provisions of appropriate acts of the Hawaii State Legislature or by administrative rules adopted pursuant to law.

52.320 Prohibition of Gratuities

Neither the Offeror nor any person, firm or corporation employed by the Offeror in the performance of the contract shall offer or give, directly or indirectly, to any employee or designee of the State of Hawaii, any gift, money or anything of value, or any promise, obligation, or contract for future reward or compensation at any time during the term of the contract.

52.330 Publicity

General Condition 6.1 is amended to read as follows: Acknowledgment of State Support. The Offeror shall not use the State's, DHS's, MQD's name, logo or other identifying marks on

any materials produced or issued without the prior written consent of the DHS. The Offeror also agrees not to represent that it was supported by or affiliated with the State of Hawaii without the prior written consent of the DHS.

52.340 Force Majeure

If the Offeror is prevented from performing any of its obligations hereunder in whole or in part as a result of major epidemic, act of God, war, civil disturbance, court order or any other cause beyond its control, the Offeror shall make a good faith effort to perform such obligations through its then-existing facilities and personnel; and such non-performance shall not be grounds for termination for default.

Neither party to the contract shall be responsible for delays or failures in performance resulting from acts beyond the control of such party.

Nothing in this section shall be construed to prevent the DHS from terminating the contract for reasons other than default during the period of events set forth above, or for default if such default occurred prior to such event.

52.350 Attorney's Fees

In addition to costs of litigation provided for under General Condition 5.2, in the event that the DHS shall prevail in any legal action arising out of the performance or non-performance of the contract, or in any legal action challenging a final decision, the Offeror shall pay, in addition to any damages, all of the DHS' expenses of such action including reasonable attorney's fees and costs. The term "legal action" shall be deemed to include administrative proceedings of all kinds, as well as all actions at law or in equity.

52.360 Time is of the Essence

Time is of the essence in the contract. As such, any reference to "days" shall be deemed calendar days unless otherwise specifically stated.

SECTION 60 TECHNICAL PROPOSAL

60.100 Introduction

The following sections describe the required content and format for the technical proposal. These sections are designed to ensure submission of information essential to understanding and evaluating the proposal. There is no intent to limit the content of the proposal, which may include any additional information deemed pertinent.

The mandatory proposal shall include the following sections (Sections 60.200 to 60.400):

- Proposal Application forms (Appendix C) that includes Proposal Letter
- Transmittal Letter
- Financial Status

The technical proposal shall include the following sections (Sections 60.500 to 61.100):

- Executive Summary
- Company Background and Experience
- Organization and Staffing
- DHS Dental Provider Network
- Care Coordination
- Claim Processing Capabilities

The Offeror must state specifically where each requirement noted above is met within the RFP.

60.200 Proposal Letter

The proposal letter (refer to Appendix C) shall be signed by an individual authorized to legally bind an Offeror and be affixed with a corporate seal. Please provide a Corporate Resolution or a certificate of authority to sign on behalf of the company.

60.300 Transmittal Letter

The transmittal letter shall be on official business letterhead and shall be signed by an individual authorized to legally bind the Offeror. It shall include:

A. A statement indicating that the Offeror is a corporation or other legal entity. All subcontractors shall be identified and a statement included indicating the percentage of work to be performed by the prime Offeror and each subcontractor, as measured by percentage of total contract price. If subcontractors will not be used for this contract, a statement to this effect shall be included.

B. A statement that the Offeror is registered to do business in Hawaii and has a State of Hawaii General Excise Tax License, if applicable. Provide the Hawaii Excise Tax number (if applicable).

C. A statement that the Offeror's Hawaii Compliance Express is current and provide a copy of the "Certificate of Vendor Compliance" conducted no later than seven (7) days prior to proposal submission.

D. A statement identifying all amendments and addenda to this RFP issued by the issuing office and received by the Offeror. If no amendments or addenda have been received, a statement to that effect should be included.

E. A statement of affirmative action that the Offeror does not discriminate in its employment practices with regard to race, color, religion, creed, ancestry, marital status, age, sex including gender identity or expression, sexual orientation, national origin, arrest and court records, or mental or physical handicap, except as provided by law;

F. A statement that neither cost nor pricing is included in this letter or the technical proposal.

G. A statement that no attempt has been made or will be made by the Offeror to induce any other party to submit or refrain from submitting a proposal.

H. A statement that the person signing this proposal certifies that he/she is the person in the Offeror's organization responsible for, or authorized to make, decisions as to the prices quoted, that the offer is firm and binding, and that he/she has not participated and will not participate in any action contrary to the above conditions.

I. A statement that the Offeror has read, understands and agrees to all provisions of this RFP.

K. A statement that it is understood that if awarded the contract, the Offeror's organization will deliver the goods and services meeting or exceeding the specifications in the RFP and amendments.

L. A statement identifying all amendments and addenda to this RFP issued by the issuing office. If no amendments or addenda have been issued, a statement to that effect shall be included.

M. A statement of affirmative action that the Offeror does not discriminate in its employment practices with regard to race, color, creed, ancestry, age, marital status, arrest and court records, sex, including gender identity or expression, sexual orientation, religion, national origin or mental or physical handicap, except as provided by law.

N. A statement that no attempt has been made or will be made by the Offeror to induce any other party to submit or refrain from submitting a proposal.

60.400 Financial Status

The financial status of an Offeror and related entities shall be reviewed in order to determine the financial solvency of the organization. Quality care cannot be provided without adequate resources.

60.410 Financial Statements

Financial statements for the applicable legal entity and any subcontractor that is providing at a minimum of twenty (20%) of the work shall be provided for each of the last two years, including at a minimum:

- Balance Sheets
- Statements of Income
- Federal Income Tax returns

If an Offeror seeks confidentiality on a part of a submission, each page of the section of that submission which is sought to be protected must be marked as "Proprietary" and an explanation of how substantial competitive harm would occur if that information was released upon request. If the explanation is sufficient, then, to the extent permitted by the exemptions in Section 92F-13, HRS, 45 CFR Part 5, Office of Information Practices, or a Court, the affected section may be deemed confidential. Blanket labeling of the entire document as "Proprietary," however, is inappropriate.

60.500 Executive Summary

The executive summary should provide DHS with a broad understanding of the entire proposal. The executive summary shall clearly and concisely condense and highlight the contents of the technical proposal.

60.600 Company Background and Experience

The company background and experience section shall include for the Offeror and each subcontractor (if any): details of the background of the company, its size and resources (gross revenues, number of employees, type of businesses), and details of company experience relevant to this RFP.

60.610 Background of the Company

A description of the history of the company shall include, but not limited to the following:

- The legal name any names under which the Offeror has done business;

- Address, telephone number and email address of the Offerors headquarter office;
- Date company was established;
- Date company began operations;
- A general description of the primary business of your organization and its experience working with a Medicaid population;
- A brief history and current company ownership including the ultimate parent organization and major shareholders/principals. Include date incorporated or formed and corporate domicile. An out-of-state Offeror must become duly qualified to do business in the State of Hawaii before a contract can be executed;
- Ownership of the company, including names and address of offices and directors;
- Home office location and all other offices (by city and state);
- Location of office from which any contract would be administered;
- Name, address and telephone number of the Offeror's point of contact for a contract resulting from this RFP;
- Total current number of employees both in the State of Hawaii and nationally;
- The size of organization in assets and gross revenue;
- Disclosure of any pending litigation both in and out of the State of Hawaii to which they are a party, including the disclosure of any outstanding judgement;
- The areas of specialization;
- Description of any allegations against the company both in and out of the State of Hawaii in the past ten (10) years, if applicable, please explain; and
- Disclosure of any pending litigation both in and out of the State of Hawaii for which the company is a party, including the disclosure of any outstanding judgement, if applicable, please explain.

60.620 Company Experience

The details of company experience, resources, qualifications and credentials, including subcontractor experience relevant to the proposal shall cover experience and effectiveness in:

- Serving as a manager for dental programs for a state;
- Utilization review;
- Experience in provider services for a Medicaid population;
- Care Coordination;
- Provider relations experience with dentists located in the State of Hawaii;
- Experience in addressing cultural and other barriers that prevent eligible beneficiaries from accessing dental care;
- Experience in claims processing in the State of Hawaii; and
- Other relevant experience.

Proposals should demonstrate that the Offeror has sufficient corporate experience and had been successful in performance of similar or relevant projects. For each listed project, the Offeror should include:

- Statements specifying the extent of responsibility on each described project. A description of the project scope and the relationship to the products outlined in this RFP should be included. Offerors should clearly identify their experience. Include any States for which Offeror has completed Dental TPA services. The project team should be clearly identifiable and reference should be made to any staff to be utilized for this proposal; and
- Other relevant experience.

60.630 References

Offerors will list, on Appendix H, three (3) companies or government agencies for whom services similar to those requested herein were within the last two years, or are currently being performed. The State reserves the right to contact the references provided.

60.700 Organization and Staffing

The organization and staffing section shall include organization charts of proposed personnel and resumes of all management, supervisory and key personnel. The information should provide the State with a clear understanding of the organization, functions of key personnel and on-site personnel during start-up and on-going operations.

The Offeror shall provide an estimate of the proposed number of staff, hours and resources to be engaged to complete the contracted activities.

60.710 Organization Charts

The organization shall show:

- Organization chart which shows the structure of the project team and identifies the proposed personnel;
- Relationships of the Offeror to related entities;
- All proposed key personnel, including an indication of their major areas of responsibility and positions within the organization;
- Geographic location of the Offeror's personnel;
- Proposed involvement of MQD personnel; and
- Estimates of man hours for each individual, including a description of major areas of responsibility for each individual.

60.720 Staffing

Submit resumes of at least the following key personnel identified in Section 41.300:

- Project Manager
- Dental Director
- Care Coordination Manager
- Computer Analysts and Programmers

In addition, the Offeror shall include at least three (3) references for the individuals that will assume the positions listed above.

The resumes of key personnel proposed shall include, if applicable:

- Experience in dental claims management;
- Length of time with the Offeror or related organization;
- Length of time in the web application on-line claims management industry;
- Previous relevant experiences;
- Relevant education and training;
- Names, position titles and phone numbers of references who can provide information on the individual's experience and competence; and
- Other relevant experience.

60.800 DHS Dental Provider Network

60.810 Provider Network Narrative

The Offeror shall provide a narrative describing the following:

A. Steps the Offeror will take to address the dental provider shortages, especially with dental specialist;

B. How it will recruit, retain, and incentivize the dental providers in rural and other historically under-served areas to ensure access to dental care and services in these areas;

C. How it will maintain the relationship with the dental providers in the State of Hawaii to ensure their participation in the DHS Dental provider network;

D. A description of how it will meet the requirements as described in Section 40.615; and

E. How it will educate the dental providers in a method that is provider-friendly.

60.820 Provider Services Narrative – General Requirements

The Offeror shall provide a comprehensive explanation of how it intends to meet provider services requirements described below to include:

A. A description of how the Offeror will minimize the dental provider's administrative burden associated with prior authorizations as described in Section 40.625;

B. A description of how it will assure the dental providers are educated on how to submit claims;

C. A description of how it will process claims in a timely manner, as well as work with the dental providers to assure that claims are processed timely as described in Section 41.100;

D. A description of how it will ensure that errors in the claims processing system can be corrected in a timely manner to allow claims processed as describe in Section 41.100; and

E. A description of how it will assure that the dental providers improve on the EPSDT guidelines.

60.900 Care Coordination

The Offeror shall explain how its care coordination system complies with section 40.620 including but not limited to:

- Provide dental coordination assistance to eligible children and adults to ensure access to dental care;
- Assist the beneficiary with scheduling appointments and arranging eligible services such as transportation or off-island travel;
- Provide the beneficiary with oral or written interpretation/ translations if applicable;
- Maintain a place of business in the State of Hawaii where beneficiaries may receive face-to-face contacts, pick-up written information, transportation vouchers, etc.;
- Maintain an emergency system that beneficiaries may access on weekends and after-hours (i.e., after-hours hotline as described in Section 40.650); and

- Develop, implement, and monitor an active system of outreach that at a minimum addressing providing access to the homeless, beneficiaries with disabilities, and other beneficiaries who have difficulty accessing services without care coordinator intervention.

In addition, the Offeror shall include a description of its procedures for the following functions:

- How an eligible beneficiary will access the care coordination system for dental services or inquiries;
- How the CC will coordinate with the dental providers to implement treatment plans;
- A description of CC activities reporting plan to include:
  - Encounters
  - Outcomes
  - Notification to QUEST Integration health plans and the eligible beneficiary's PCP
- Definitions of the levels of CC to be employed and a description of the standards for determining the level of CC an eligible beneficiary shall receive relative to routine need for EPSDT screenings to intensive/complex case management including frequency and type of care coordination contact. CC services that are considered appropriate to list as encounters include, but not limited to, service providers and telephone calls involving direct communication with the person being called (does not include attempts to get in touch, leaving messages for call backs);
- A description of proposed caseload assignments for each CC classification, as well as policies and procedures for providing CC as they relate to the eligible beneficiary's needs;
- A description of the CC staffing including job descriptions of the care coordinator, qualifications, and the type of initial and/or ongoing training and education that it will provide to its care coordinators; and
- If CC services are to be subcontracted, submit to DHS for prior approval the proposed subcontract for the provision of CC services.

61.100 Claim Processing Capabilities

The web application, real time, on-line processing and maintenance of claims data is a crucial component of this contract. Therefore, this section shall;

- Explain the adequacy of the Offeror's system to collect, maintain and process the dental claims.
- Explain any modifications or expansions needed in order to meet the specified data requirements.
- Explain how hard copy claims are processed.

The claim processing function and its key personnel shall be located in the State of Hawaii.

SECTION 70 BUSINESS PROPOSALS

70.100 Introduction

Offerors shall calculate and propose a firm fixed price for each of the requirements contained on the pricing schedules within this section. The requirements and schedules are:

- Total Proposal Price
- Start-Up Tasks
- On-going Tasks
- Personnel Billing Rates Proposal

Required formats for the pricing schedules that shall be used by Offerors in preparing their business proposals are included later in this section of the RFP.

70.200 Pricing Requirements

The business proposal shall include all of the following information:

70.210 Total Proposal Price

This section shall present the Offeror's total proposal price of this contract (i.e., Start-up and On-going Tasks) and their associated tasks, and rates for personnel billing.

The total price for the proposal shall be the sum of the total price for each of the project components. The price shall be separated by each State fiscal year (SFY-July through June) for:

July 1, 2016-June 30, 2017
July 1, 2017-June 30, 2018

This price shall include the following:

- The firm fixed price for all tasks associated with the Start-up phase.
- The firm fixed price all tasks associated with the On-going Phase. The charge for the Care Coordination component shall be provided as a separate price in the On-going Phase.

70.220 Phase 1 - Start-Up Price

The firm fixed price for Phase 1, Start-up, shall consist of the total amount of the firm fixed price for each of the individual tasks contained within this phase:

PHASE		TASKS
Phase 1	Start-up	Planning (Limited to interfaces for testing only) Transfer User Acceptance Testing

On Pricing Schedule, the Offeror shall enter the total price for Phase 1.

70.230 Phase 2 - On-going Operation Price

A. On-Going Claim Processing

Pricing for this component consists of a fixed monthly price for On-going Claim Processing and Dental Consultation. It is estimated that the total number of adjudicated claim lines processed for the fiscal year is approximately 900,000. Should the number of adjudicated claim lines exceed 1,000,000 during a state fiscal year the price will be negotiated during the next state fiscal year. If DHS expands adult dental benefit, on-going operation price will be negotiated prior to the implementation. DHS shall reimburse the cost of provisions of dental services submitted by the Contractor.

B. Dental Consultation

Pricing for this component shall be included in the On-going Operation Price.

C. Care Coordination

Pricing for this component shall be included in the On-going Operation Price.

PHASE		TASKS
Phase 2	On-going Claim Processing/Dental Consultation	• Claims Imaging/Data Entry • Claims Adjudication • Claims and Eligibility Hotline • Provider Relations • Check Remittance Advice Generation including 1099 • Dental Service-related Correspondence • Systems Operational Testing Support • PA processing • Reporting with ad hoc query capability • All activities in the dental program includes all key personnel and any input of dental specialists, i.e. periodontists, endodontists, oral surgeons, pedodontist, prosthodontists, orthodontists, oral maxillofacial radiologist, etc.
	Care Coordination	All activities related to care coordination of the beneficiaries.

On the Pricing Schedule, the Offeror shall enter the total proposed price for all activities listed for Phase 1 and 2.

70.300 Personnel Billing Rates Proposed Price

Offerors shall propose Personnel Billing Rates. Personnel billing rates shall be hourly rates, for personnel services to be provided above the tasks delineated in Section 40, of this RFP. Personnel billing rates will also be used for any system modifications made at the request of the State. The actual number of hours that will be required for the use of these personnel is unknown at this time. The Offeror shall propose a rate for each category of personnel for each contract year.

70.400 TPA Related Services

Offeror is provided the opportunity to offer information on other related services which Offeror is able and willing to provide. In so doing, Offeror should provide detailed description of the service as well as a pricing proposal for the service(s).

SECTION 80 PROPOSAL EVALUATION SELECTION

80.100 Introduction

The evaluation of proposals received in response to the RFP will be conducted comprehensively, fairly and impartially. Structural, quantitative scoring techniques will be utilized to maximize the objectivity of the evaluation.

80.200 Evaluation Process

The DHS shall establish an evaluation committee that shall evaluate designated sections of the proposal. The committee shall consist of members who are familiar with the program and the minimum standards or criteria for the particular area. Additionally, the DHS may, at its discretion, designate additional representatives to assist in the evaluation process. The committee shall evaluate the proposal and document their comments, concerns and questions.

80.300 Mandatory Proposal Evaluation

Each proposal shall be evaluated to determine whether the requirements as specified in this RFP have been met. The proposal shall first be evaluated against the following criteria:

- Proposal was submitted within the closing date and time for proposals as required in Section 20.100;
- The proper number of separately bound copies are in sealed envelopes as required in Section 21.200;
- All information required in Section 60.100, 60.200, and 60.300 has been submitted;
- Ability for Offeror and their subcontractors, if applicable, to remain solvent for the length of the contract in accordance with information submitted for Section 60.400; and
- Proposal contains the necessary information in the proper order.

A proposal must meet all mandatory requirements prior to the technical evaluation. Any proposal that does not meet all mandatory requirements shall be rejected.

80.400 Proposal Evaluation

The proposals that have met the minimum mandatory requirements shall be evaluated in order to identify those Offerors that meet the minimum technical requirements detailed in this section.

Evaluation Categories	**Available Points**
Proposal Letter	Pass/Fail
Transmittal Letter	Pass/Fail
Financial Status	Pass/Fail
Proposal Application	
Executive Summary	5 points
Company Background and Experience	10 points
Organization and Staffing	15 points
DHS Dental Provider Network	15 points
Care Coordination	15 points
Claim Processing Capabilities	20 points
Business Proposal	20 points
TOTAL POSSIBLE POINTS	**100 points**

80.500 Technical Evaluation Criteria

Each evaluated category shall be given a rating score using the following rating system:

Table 8-1 Scoring

Rating Score	Description
5	The response has no deficiencies and provides a detailed and comprehensive description that demonstrates the ability to more than minimally meet the contractual requirements.
4	The response has no deficiencies and describes how the requirements will be minimally met.
3	The response has no major deficiencies and only minor deficiencies that are easily correctible.
2	The response has one major deficiency and/or multiple minor deficiencies that do not appear to be easily correctable.
1	The response has multiple major deficiencies that do not appear to be correctable.
0	No response provided.

The Evaluation Committee scores each criterion with a 0, 1, 2, 3, 4, or 5. No fractional scores will be allowed. Scores will be based on the content as communicated in the proposal. Unclear and disorganized presentation of information may impact the evaluators' ability to clearly understand the responsiveness to proposal requirements.

A comment section is provided on the Technical Evaluation Scoring Form. The Evaluation Committee must record a comment for any score of 1, 2, 3 or 5. Comments for criteria receiving a score of 4 are not required.

The Offeror must receive a rating score of 3 for each Evaluation Category or the proposal will not be considered technically acceptable and shall be rejected. Those proposals that do not meet the minimum points to pass each of the required criteria shall be returned to the applicant with a letter of explanation.

The rating score (0-5) shall represent the corresponding conversion factor used to calculate the points awarded for each Evaluation Category listed in section 80.400, as follows:

Rating Score	Conversion Factor
0	0
1	25%
2	50%
3	75%
4	88%
5	100%

The total maximum number of points available for each Evaluation Category will be multiplied by the applicable conversion factor, based on the rating score given, to determine the number of points awarded for the Evaluation Category. The points awarded for each Evaluation Category shall by totaled to yield a final score. The Offeror with the highest final score shall be awarded the contract.

Scoring will be based on the entire content of the proposal and the information as communicated to the evaluators. The information contained in any part of the proposal may be evaluated by the DHS with respect to any other scored section of the proposal. Lack of clarity and inconsistency in the proposal will impede effective communication of the content and may result in a lower score.

The broad criteria for each Evaluation Category are listed below and includes consideration of the specific elements identified in Section 60. MQD reserves the right to add, delete or modify any criteria in accordance with applicable procurement rules.

All proposals that meet a minimum score of 75% on the technical proposal evaluation shall be evaluated according to Section 80.600 for its business proposal.

80.510 Proposal Letter (Pass/Fail)

- Signed by an individual authorized to legally bind the Offeror and affixed with a corporate seal;
- Include a Corporate Resolution or a certificate of authority to sign on behalf of the company; and
- Includes all statements as specified in Section 60.200.

If the proposal letter is incomplete, the proposal will be rejected and not be scored and will be returned to the Offeror since this is part of the mandatory requirements established in Section 80.300.

80.515 Transmittal Letter (Pass/Fail)

- On an official letterhead and signed by an individual authorized to legally bind the Offeror; and
- Includes all statements as specified in Section 60.300.

If the Transmittal Letter is incomplete, the proposal will be rejected and not be scored and will be returned to the Offeror since this is part of the mandatory requirements established in Section 80.300.

80.520 Financial Status (Pass/Fail)

- The financial status of an Offeror and related entities shall be reviewed in order to determine the financial solvency of the organization. Quality care cannot be provided without adequate resources; and
- Other factors identified in section 60.400.

If the Financial Status is incomplete, the proposal will be rejected and not be scored and will be returned to the Offeror since this is part of the mandatory requirements established in Section 80.300.

80.530 Executive Summary (5 points possible)

- Provides a broad understanding of the proposal;
- Clearly and concisely condenses the proposal;
- Highlights the contents of the technical proposal; and
- Identifies how the Offeror will implement the dental program consistent with the RFP requirements if a contract is awarded to them.

80.535 Company Background and Experience (10 points possible)

- Company background and experience including experience implementing a program of the nature/size required by this contract;
- Each subcontractor's background and experience;

- Extent to which the scope of services under this RFP can be completed by the Offeror;
- Experience in working with dentists located in the State of Hawaii;
- Offeror's ability to meet the contract requirements; and
- Include all the required information described in Section 60.600 for both themselves and each subcontractor.

80.540 Organization and Staffing (15 points possible)

- Past and current management experience for similar services of like projects in scope;
- Ability to provide high-quality dental services;
- Relevant program experience and success in performing projects of similar scope to that described herein;
- Competence of proposed key professionals and other employees;
- Qualifications of personnel including education, experience with Medicaid populations, length of time with the organization, and Hawaii Medicaid experience. (Resumes of all key personnel must be provided.);
- Quality of references of key personnel;
- Offeror has a place of business in the State of Hawaii;
- Capability of organizational and administrative systems located in Hawaii to implement contractual obligations for this RFP;
- Describe how the Offeror's personnel will resolve problems with the dental providers in a timely manner;
- Number of Offeror's personnel residing in the State of Hawaii that is sufficient to implement the operations and claims administration requirements described in Section 40.600;
- How the Offeror's resources identified and allocated will fulfill the requirements of the contract; and
- Include all the required information described in Section 60.700.

80.545 DHS Dental Provider Network (15 points possible)

- Capability of operating a Help Desk with capabilities to respond promptly to systems and claims inquiries preferably twenty-four (24) hours and day, seven (7) days a week but a minimum of 8 a.m. to 10 p.m. HST seven (7) days a week; and
- Include all the required information described in Section 60.800.

80.550 Care Coordination (15 points possible)

- Process for providing care coordination;
- Staff functions, interactions, and internal coordination;
- Plan for monitoring and coordinating the needs and other services to support the eligible beneficiary in the community; and
- Include all the required information described in Section 60.900.

80.555 Claim Processing Capabilities (20 points possible)

- Offeror has a web application, real time, on-line processing and maintenance of claims data;
- Offeror's system is able to continue to process and maintain claims data, if there are modifications or expansions;
- Completeness of Offeror's claim processing capabilities;
- Description of claim processing function and its key personnel located in the State of Hawaii; and
- Include all the required information described in Section 61.100.

80.600 Business Proposal Evaluation

Each proposal will be examined to ensure that all required pricing schedules have been included by the Offeror. Proposals will be evaluated to ensure that reasonable firm fixed prices have been assigned. The points shall be given by the chart below:

	Lowest Proposal	2nd Lowest Proposal	3rd Lowest Proposal	4th Lowest or More
Two Offerors	20	15		
Three Offerors	20	15	10	
Four Offerors	20	15	10	0

80.700 Contract Award

The technical and business proposal scores will be combined to determine the winning proposal. The Offeror with the highest score will be awarded the contract.

Upon selection of the Offeror, the DHS shall initiate the contracting process. The Offeror shall be notified in writing that the contract is awarded and that the DHS intends to contract with them. This letter shall serve as notification that the Offeror should begin to develop its programs, materials, policies and procedures for the program.

The contracts shall be awarded no later than the Contract Award date identified in Section 20.100. If an Offeror requests to withdraw its proposal, it must be requested in writing to the MQD before the close of business (4:30 p.m. H.S.T.) on the Contract Award date identified in Section 20.100. After that date, the State expects to enter into a contract with the Offeror.

APPENDIX A – WRITTEN QUESTIONS FORMAT

APPENDIX B – RFP INTEREST FORM

APPENDIX C – PROPOSAL FORMS

SPO-H-200
PROPOSAL LETTER
DISCLOSURE STATEMENT
FINANCIAL REPORTING/PLANNING
CONTROLLING INTEREST
BACKGROUND CHECK INFORMATION
OPERATIONAL CERTIFICATION SUBMISSION
GRIEVANCE SYSTEM
INSURANCE REQUIREMENTS
WAGE CERTIFICATION
PROVIDER STANDARDS OF CONDUCT

APPENDIX D – EPSDT GUIDELINES

APPENDIX E – GENERAL CONDITIONS FOR HEALTH AND HUMAN SERVICES CONTRACT

APPENDIX F – BUSINESS ASSOCIATE AGREEMENT

APPENDIX G – DENTAL TPA BUSINESS PROPOSAL

APPENDIX H – CLIENT REFERENCES

APPENDIX I – 834 COMPANION GUIDE