



STATE OF HAWAII
Department of Human Services
REQUEST FOR PROPOSAL (RFP)

**Ombudsman Services
for Med-QUEST Division (MQD)
Beneficiaries**

RFP-MQD-2014-002



Med-QUEST Division – Finance Office
Issued June 12, 2013

**State of Hawaii
Department of Human Services
Med-QUEST Division
Health Coverage Services Branch**

Request for Proposals

RFP-MQD-2014-002

**OMBUDSMAN SERVICES
FOR Med-QUEST Division (MQD)
Beneficiaries**

June 12, 2013

Note: If this RFP was downloaded from the State Procurement Office RFP Website each applicant must provide contact information to the RFP contact person for this RFP to be notified of any changes. For your convenience, you may download the RFP Interest Form found in Appendix A, complete and e-mail or mail to the RFP contact person. The State shall not be responsible for any missing addenda, attachments or other information regarding the RFP if a proposal is submitted from an incomplete RFP.

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SECTION 10 ADMINISTRATIVE OVERVIEW

10.100 Purpose of the Request for Proposals

This Request for Proposals (RFP) solicits proposal from qualified applicants or offerors to provide Ombudsman services who are able to receive and assist in the resolution of issues/concerns about access to, quality of, or limitations to, health care for individuals receiving services in Med-QUEST Division (MQD) programs to include but not limited to QUEST, QUEST Expanded Access (QExA), State of Hawaii Organ and Tissue Transplant (SHOTT), dental, or Community Care Services (CCS) program.

The Offeror to be contracted with for the provision of Ombudsman services shall not be affiliated as a contractor for QUEST, QExA, SHOTT, dental, or CCS programs. A list of the currently participating Hawaii contractors may be found in Appendix B.

Ombudsman services are an alternative available to MQD beneficiaries to address and resolve their concerns and problems related to:

- Access to medical, dental, and behavioral health care;
- Quality of medical, dental, and behavioral health care; or
- Coverage for medical, dental, and behavioral health care.

Ombudsman services will provide a resource for beneficiaries to access and to assist with resolution of conflicts between the enrolled MQD beneficiary and the contracted medical, dental, and behavioral health plans of the MQD program up to the point of a Fair Hearing. The MQD Ombudsman Office may continue to assist a MQD beneficiary through the Fair Hearing process but shall not represent the beneficiary in the Fair Hearing.

Ombudsman services shall not be a replacement for the grievance and appeals process which all contracted medical, dental, and behavioral health plans are required to have in place, nor replace the right of a beneficiary to request a Fair Hearing with DHS. MQD beneficiaries may exercise their rights at any time to file a grievance with the plan or request for a Fair Hearing simultaneously.

The successful Offeror shall be responsible for all costs of providing the required services as described in this RFP. These include but are not limited to all staffing, office space, office equipment, travel expenses, computer hardware and software, and data reporting capacity to perform the services described herein.

Offerors are advised that the entire RFP, any addenda, and the corresponding proposal shall be part of the contract with the successful offeror. The Department of Human Services (DHS) reserves the right to modify, amend, change, add, or delete any requirements in this RFP and in the documentation library to serve the best interest of the State. If significant amendments are made to the RFP, the State will consider allowing Offerors additional time to submit their proposals.

Offerors are encouraged to read each section of the RFP thoroughly. While sections may appear similar among RFP's, state purchasing agencies may add additional information as applicable. It is the responsibility of the Offeror to understand the requirements of each RFP.

10.200 Authority for Issuance of RFP

This RFP is issued under the provisions of the Hawaii Revised Statutes (HRS), Chapter 103F and its administrative rules. All prospective Offerors are charged with presumptive knowledge of all requirements of the cited authorities. Submission of a valid executed proposal by any Offerors 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, DHS. The Issuing Officer is within the DHS and is the sole point of contact from the date of release of this RFP until the selection of a successful applicant. The Issuing Officer is:

Ms. Patricia M. Bazin
Department of Human Services/Med-QUEST Division
1001 Kamokila Boulevard, Suite 317

Kapolei, Hawaii 96707
Telephone: (808) 692-7739
Fax Number: (808) 692-8087

10.400 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 and the organization of the RFP.
- Section 20 - RFP Schedule and Requirements– Provides information on the rules and schedules for procurement of the ombudsman services.
- Section 30 – Background – Describes the current medical assistance programs.
- Section 40 – Scope 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 – Evaluation and Selection – Defines 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 herein represents the DHS' best estimate of the schedule that will be followed. If a component of this schedule, such as the Proposals Due date is delayed, the rest of the schedule will likely be shifted by the same number of days. Contract start dates may be subject to the issuance of a notice to proceed. The proposed schedule is as follows:

Issue RFP	June 12, 2013
Orientation Conference	June 20, 2013
Submission of written questions	June 21, 2013
Written responses to questions	June 28, 2013
Notice of Intent to Propose	June 24, 2013
Receipt of Proposals	July 12, 2013
Contract Award	July 24, 2013
Implementation	September 1, 2013

20.200 Orientation Conference

An orientation for Offerors in reference to this RFP will be held on the date specified in Section 20.100, at 11:30 a.m. (H.S.T.) at the Med-QUEST Office, Kakuhiewa Building at 601 Kamokila Boulevard, #577A, Kapolei, Hawaii.

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, Submission of Written Questions.

20.300 Submission of Written Questions

Offerors may submit questions in writing in Word 2010 format, or lower to the following e-mail address:

Ms. Patricia M. Bazin
c/o Dona Jean Watanabe
Med-QUEST Division-Finance Office
1001 Kamokila Boulevard, Room 317
Kapolei, Hawaii 96707-2005
e-mail: dwatanabe@medicaid.dhs.state.hi.us

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

20.400 Notice of Intent

Potential offerors shall submit a Notice of Intent to Propose to the Issuing Officer no later than the date set forth in Section 20.100 at 2:00 p.m., (H.S.T.). Submission of intent to propose is not a prerequisite for the submission of 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.

Notice of intent can be mailed or faxed to:

Ms. Patricia M. Bazin
c/o Dona Jean Watanabe
Med-QUEST Division-Finance Office
1001 Kamokila Boulevard, Room 317
Kapolei, Hawaii 96707-2005
Fax: (808) 692-7989

20.500 Requirements to Conduct Business in the State of Hawaii

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

HRS Chapter 237, tax clearance

HRS Chapter 383, unemployment insurance

HRS Chapter 386, workers' compensation

HRS Chapter 392, temporary disability insurance

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 applicant. Proof of compliance is shown by providing the Certificate of Vendor Compliance issued by Hawaii Compliance Express.

20.600 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 of Tax Clearance Certificates from the Department of Taxation and Internal Revenue Service, Certificate of Compliance from the Department of Labor and Industrial Relations, and a Certificate

of Good Standing from the Department of Commerce and Consumer Affairs. There is a nominal annual fee for the service which is the responsibility of the applicant. The "Certificate of Vendor Compliance" issued online through HCE provides the registered Applicant'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>

20.700 Documentation

Offerors may review information describing Hawaii's Medicaid programs (QUEST, QExA, or fee-for-service (FFS)) by visiting the DHS MQD website: <http://www.med-quest.us>.

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.

20.800 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 Discussion with Applicants

A. Prior to Submittal Deadline:

Discussions may be conducted with potential Offerors to promote understanding of the purchasing agency's requirements

B. 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 §3-143-403, Hawaii Administrative Rules

20.830 RFP Amendments

DHS reserves the right to amend the RFP any time prior to the closing date for the final revised proposals.

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 an RFP, including the sharing of information on community needs, best practices, and providers' resources, shall not qualify providers from submitting proposals if conducted in accordance with HAR Sections 3-142-202 and 3-142-203.

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. 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. Written requests for an explanation of rejection shall be responded to in writing within five (5) working days of receipt.

Offerors who submit technical proposals which do not meet mandatory requirements or which do not meet all the threshold requirements during the technical evaluation phase, shall have their technical and business proposals returned. The business proposal shall be returned unopened.

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 deadline for receipt of proposals 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 deadline for receipt of proposals. The withdrawal of a proposal shall not prejudice the right of an offeror to submit a new proposal.

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. 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 **Confidential Information**

If an applicant believes any portion of a proposal contains information that should be withheld as confidential, the applicant shall request in writing nondisclosure of designated proprietary data to be confidential and provide justification to support confidentiality. Such data shall accompany the proposal, be clearly marked on each page, and shall be readily separable from

the proposal to facilitate eventual public inspection of the non-confidential sections of the proposal. **Note that price is not considered confidential and will not be withheld.**

20.910 Confidentiality of Personal Information

Act 10 relating to personal information was enacted in the 2008 special legislative session. As a result, the Attorney General's General Conditions of Form AG Form 103F, *Confidentiality of Personal Information*, has been amended to include Section 8 regarding protection of the use and disclosure of personal information administered by the agencies and given to third parties.

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 (Form SPO-H-200) shall be completed and submitted with the proposal (Appendix D).

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. Three (3) bound of which it includes one original, and one (1) electronic version on a CD in either pdf or Word 2010 or lower, and one (1) bound and one (1) electronic version on a CD of the business proposal shall be received by the Issuing Officer no later than 2:00 p.m. (H.S.T.) on the date set forth in Section 20.100. Proposals shall be mailed or delivered to:

Ms. Patricia Bazin
c/o Dona Jean Watanabe
Med-QUEST Division-Finance Office
1001 Kamokila Boulevard, Suite 317
Kapolei, HI 96707

All mail-in proposals shall be postmarked by the United States Postal System (USPS) and received by the DHS no later than the submittal deadline. All hand deliveries shall be received by DHS by the date specified in Section 20.100. Deliveries by private mail services, such as Fed Ex, shall be considered hand deliveries and shall be rejected if received after the Submittal Deadline. Dated USPS shipping labels are not considered postmarks. Proposals shall be rejected when:

- Postmarked after the designated date; or
- Postmarked by the designated date but not received within 10 days from the submittal deadline; or
- If hand delivered, received after the designated date and time.

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

Hawaii DHS/RFP-MQD-2014-002
Ombudsman Services
Technical Proposal
(Name of Offeror)

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

Hawaii DHS/RFP-MQD-2014-002
Ombudsman Services
Business Proposal
(Name of Offeror)

21.300 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's being in arrears on existing contracts with the State or having defaulted on previous contracts
- An offeror's lack of proper provider network and/or sufficient experience to perform the work contemplated, if required
- An offeror's lack of a proper license to cover the type of work contemplated, if required
- An offeror shows any noncompliance with applicable laws
- An offeror's delivery of proposal after the proposal due date
- 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
- An offeror's consistently substandard performance related to meeting the MQD requirements from previous contracts

21.400 Irregular Proposals

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

- If either the proposal letter 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

21.500 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 problems involved and comply with the service specifications. 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:

- Rejection for failure to cooperate or deal in good faith (HAR §3-141-201)
- Rejection for inadequate accounting system (HAR §3-141-202)
- Late Proposals (HAR §3-143-603)
- Inadequate response to request for proposals (HAR §3-143-609)
- Proposal not responsive (HAR §143-610(a)(1))
- Applicant not responsible (HAR §3-143-610(a)(2))

21.600 Multiple or Alternate Proposals

Multiple or alternate proposals shall not be accepted. In the event alternate proposals are not accepted and an applicant submits alternate proposals, but clearly indicates a primary proposal, it shall be considered for award as though it were the only proposal submitted by the applicant.

21.700 Cancellation of RFP

The RFP may be canceled and any or all proposals may be rejected in whole or in part, when it is determined to be in the best interests of the State.

21.800 Opening of Proposals

Upon receipt of a proposal by the state purchasing agency at a designated location, proposals, modifications to proposals, and withdrawals of proposals shall be date-stamped and, when possible, time-stamped. All documents so received shall be held in a secure place by the state purchasing agency and not examined for evaluation purposes until the submittal deadline.

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

21.900 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.

22.100 Final Revised Proposal

If requested, final revised proposals shall be submitted in the manner and by the date and time specified by the state purchasing agency. If a final revised proposal is not submitted, the previous submittal shall be construed as the Offerors best and final offer/proposal. The offeror shall submit only the section (s) of the proposal that are amended, along with the Proposal Application Identification Form (SPO-H-200). After final revised proposals are received, final evaluations will be conducted for an award.

22.200 Notice of Award

A statement of findings and decision shall be provided to all applicants by mail upon completion of the evaluation of competitive purchase of service proposals.

Any agreement arising out of this solicitation 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 statute, regulations, rule, order, or other directive.

No work is to be undertaken by the awardee prior to the contract commencement date. The State of Hawaii is not liable for any costs incurred prior to the official starting date.

22.300 Protests

Pursuant to HRS §103F-501 and HAR Chapter 148, an Offeror aggrieved by an award of a contract may file a protest. The Notice of Protest form, SPO-H-801, is available on the SPO website: <http://hawaii.gov/spo/>. Only the following matters may be protested:

1. A state purchasing agency's failure to follow procedures established by Chapter 103F of the Hawaii Revised Statutes;
2. A state purchasing agency's failure to follow any rule established by Chapter 103F of the Hawaii Revised Statutes; and
3. A state purchasing agency's failure to follow any procedure, requirement, or evaluation criterion in a request for proposals issued by the state purchasing agency.

The Notice of Protest shall be postmarked by 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 Decision sent to the protestor. Delivery services other than USPS shall be considered hand deliveries and considered submitted on the date of actual receipt by the State purchasing agency.

Head of State Purchasing Agency	Chief Procurement Officer for DHS
Name: Kenneth S. Fink, MD, MGA, MPH	Name: Patricia McManaman, Esq.
Title: 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 Boulevard, Suite 317 Kapolei, Hawaii 96707

Section 30 Background

30.100 Medical Assistance in Hawaii

MQD is the unit within the Department of Human Services (DHS) that administers the 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, QExA, QUEST-Net, and QUEST-ACE programs.

Together, Medicaid covers approximately 292,000 individuals (242,000 in QUEST, 46,000 in QExA, and 4,000 Medicare beneficiaries). 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 state-funded programs for immigrant women who meet requirements for the Breast and Cervical Cancer program. Eligibility requirements are the same as for Medicaid, but there is no U.S. citizenship requirement. Eligible persons are placed either in the QUEST managed care plans or the QExA program. Federal dollars are not claimed for this eligibility group.

30.200 Hawaii QUEST Expanded Programs

30.210 QUEST

QUEST is a statewide Medicaid demonstration project (Section 1115 waiver) that provides primary, acute and behavioral health services through competitive managed care delivery systems.

QUEST includes individuals who are eligible for medical assistance, but who are not aged, blind or disabled (ABD). Generally, these individuals include:

- Temporary Assistance for Needy Family (TANF) and TANF related programs

- Foster Care
 - General Assistance (GA) Program
- QUEST incorporates separate plans for the provision of medical services, specialized behavioral health services, and certain transplants for children and adults.

30.220 QUEST Expanded Access (QExA)

The State's Medicaid QExA program provides medical assistance to eligible individuals 65 years or older and disabled of all ages under Title XIX of the Social Security Act. The QExA program is a state administered program, which receives federal funding for approximately 51% of its expenditures.

Hawaii's QExA covers all mandatory Medicaid groups as well as several optional eligibility groups. The QExA currently provides health services to approximately 46,000 individuals.

Effective February 1, 2009, most ABD beneficiaries were transitioned from the FFS program to a managed care delivery system through a statewide Medicaid demonstration project (Section 1115 waiver) providing primary, acute and long-term care services.

30.230 QUEST-Net

QUEST-Net is a program implemented on April 1, 1996, that provides medical and behavioral health services to eligible beneficiaries. This program was developed primarily to serve as a safety net for persons who become ineligible for QUEST because their assets exceed the allowable retention limitations. Applicants with any type of medical coverage including Medicare, VA, or Champus, are not eligible for QUEST-Net.

Participants must meet basic eligibility criteria, have income below 133% of the federal poverty level (FPL), and not be eligible for employer-sponsored health coverage.

QUEST-Net children have income below 300% of the federal poverty level (FPL).

30.240 QUEST-Adult Coverage Expansion (QUEST-ACE)

QUEST-ACE is a health coverage program for a gap group of adults, over the age of 19. QUEST-ACE serves adult beneficiaries 65 years or older or with a disability who are not eligible for QExA. QUEST-ACE beneficiaries have incomes up to 133% of the federal poverty level that are uninsured or unable to enroll in QUEST due to the enrollment cap and unable to enroll in QUEST-Net because they were not already QUEST.

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

The DHS shall provide medically necessary transplants through the SHOTT program. Covered transplants must be non-experimental, non-investigational for the specific organ/tissue and specific medical condition being treated. The SHOTT Program covers adults and children (from birth through the month of their 21st birthday). These transplants may include liver, heart, heart-lung, lung, kidney, kidney-pancreas, and allogenic and autologous bone marrow transplants regardless of the member's Medicare eligibility. In addition, children may be covered for transplants of the small bowel with or without liver. Children and adults must meet specific medical criteria as determined by the State and the SHOTT Program contractor.

30.400 Community Care Services (CCS) Program

Adult members age twenty-one (21) years or older with a diagnosis of serious mental illness (SMI) or serious and persistent mental illness (SPMI) may be eligible for additional behavioral health services within the Community Care Services (CCS) behavioral health program. Those members determined eligible by the DHS shall receive their behavioral health services from the CCS program. The DHS shall oversee all activities related to the CCS program.

CCS shall provide to its adult members a full range of specialized behavioral health services including inpatient, outpatient therapy and tests to monitor the member's response to therapy, and intensive case management. Adult members who are receiving services through CCS that require alcohol and/or drug abuse treatment may also receive these services through CCS.

30.500 Dental Services

The DHS shall provide dental services to health plan members through the month of their twenty-first (21st) birthday.

The DHS shall provide emergency dental services for adult members age twenty-one (21) years and older. Covered adult dental emergencies are services to: relieve dental pain, eliminate infections, and treat acute injuries to teeth and supporting structures.

30.600 Department of Human Services

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

- Developing and defining the benefits to be provided by the MQD programs
- Developing the rules, policies, regulations and procedures to be followed under MQD programs
- Negotiating and contracting with selected medical, behavioral health, and carve-out contractors
- Determining initial and continued eligibility of beneficiaries
- Enrolling and disenrolling beneficiaries
- Monitoring the quality of services provided by MQD contractors
- Reviewing and analyzing utilization of services provided by MQD contractors
- Handling unresolved beneficiary grievances with MQD contractors

- **Monitoring the financial status of all medical assistance programs administered by the Department**
- **Analyzing the effectiveness of MQD programs in meeting its objectives**
- **Managing the Hawaii Prepaid Medical Management Information System (HPMMIS)**
- **Providing beneficiary information to MQD contractors**
- **Providing monthly capitation payments to MQD contractors**
- **Managing the fiscal agent functions**

Section 40 Scope of Services

40.100 Introduction

The purpose of this contract is to provide an alternative resource for MQD beneficiaries to access to assist them in resolving issues or concerns between themselves and the medical, dental, or behavioral health plans of the MQD Programs informally and up through a MQD Health plan's grievance/appeals process. Some MQD beneficiaries may have extensive or complex health care needs or have difficulty understanding how the managed care system works and how to access services. Ombudsman services will be available to assist and educate MQD enrollees about managed care, how to maneuver through a managed care system to access needed health services, and most importantly how to advocate for themselves.

Ombudsman services, available through this RFP, are not a replacement for the required grievance processes that each participating Hawaii MQD programs must have in place, nor replace the right of a beneficiary to request a Fair Hearing through the Department of Human Services' Administrative Appeals Office (DHS-AAO). MQD beneficiaries still may exercise their rights to file a grievance with the health plan, contractors, MQD or request for a Fair Hearing at any time. The party receiving this award shall be referred to as the MQD Ombudsman Office hereafter. The term MQD Ombudsman Office shall not be confused with the State Office of the Ombudsman. The role of the MQD Ombudsman Office is to impartially determine the issues and areas of concerns from the MQD beneficiary and the appropriate contractors' representatives. Once the issue is defined the MQD Ombudsman Office's role is to advocate for MQD beneficiaries and represent their interests to find the best resolution for them.

The MQD Ombudsman Office shall strive to resolve an issue/concern related to access to care, quality of care or limitations to care at the lowest level of appropriate intervention possible. If requested by the MQD beneficiary, the MQD Ombudsman Office shall represent and advocate for the enrollee to the extent possible as allowable within MQD program rules, Federal and State statutes, and services covered under Hawaii MQD contracts.

The MQD Ombudsman Office is responsible for identifying appropriate referral sources for enrollees within and outside of the MQD contractors, compiling and preparing printed materials on frequently asked questions, identifying and resolving barriers MQD beneficiaries encounter trying to access MQD services and Ombudsman services, determining how to empower and support MQD enrollees to advocate for themselves, developing working relationships with representatives identified by contractors to resolve issues/concerns of MQD beneficiaries, referring beneficiaries to appropriate community resources or agencies for assistance in pursuing an issue/concern beyond a contractor's grievance/appeals process, and providing reports specified in Section 40.400 of this RFP.

The lowest appropriate level of intervention encompasses providing beneficiary assistance such as providing information over the telephone, clarifying or answering questions beneficiaries have, talking informally to the contractors' representatives to clarify issues/concerns, clearing up misunderstandings either party may have, advocating on behalf of a beneficiary on issues related to accessing care, quality of care or limitations to care.

The MQD Ombudsman Office shall have in place a system to follow-up with a MQD beneficiary two (2) weeks after initial contact is made with the MQD beneficiary by the MQD Ombudsman Office. The MQD Ombudsman Office shall find out if beneficiaries were successful and/or satisfied with their results. If the beneficiary was unsuccessful or dissatisfied with the results the MQD Ombudsman Office shall assist or represent a beneficiary in informal and formal plan grievance/appeals processes if requested by the beneficiary.

Offerors who, directly or through subcontracting arrangements, receive payments from any of the participating Hawaii QUEST health plans, QExA health plans, SHOTT, dental, or CCS programs are prohibited from submitting a proposal for this RFP. The Offeror shall provide a statement that, to their knowledge, no one from their organization is receiving payments from any of the participating Hawaii MQD contractors. The organization to be contracted with for the provision of Ombudsman services shall not be affiliated with any of the health care plans contracted by

DHS for the Hawaii QUEST or QExA Program or other MQD contracted programs (i.e., SHOTT, dental, or CCS).

40.200 Target Population

Current Medicaid beneficiaries meeting the financial and eligibility requirements of an MQD program may have access to this program. These MQD programs include QUEST Expanded, as described in Section 30.200, SHOTT, as described in Section 30.300, CCS as described in Section 30.400, and dental services as described in Section 30.500.

A breakdown of the MQD beneficiaries per island may be found in Appendix E.

40.300 Scope of Work

The offeror shall:

1. Address and perform the tasks set forth in this RFP. It is also understood that this listing of tasks and activities is not all inclusive and that other elements of work may be addressed within the offeror's proposal, if deemed appropriate.
2. Be prepared to accept concerns/complaints Statewide, initiated at the request of a MQD beneficiary receiving services from a MQD contractor.
3. Provide a detailed description of the offeror's plan to have services available from the first day the resulting contract is to begin. The description shall include:
 - a timeline which specifies target dates; and
 - details the major tasks/steps (hiring of staff, staff training, development/printing of written materials on Ombudsman services).
4. The MQD Ombudsman Office shall at the minimum have one ombudsman program coordinator who shall devote at least 50% of his/her time to managing the program.

5. At each contact or encounter, the Ombudsman shall confirm the identity, address, and telephone number for each member requesting assistance. At the initial contact, the Ombudsman shall utilize a web-based portal supplied by the DHS in order to confirm that the member's self-reported contact, eligibility, third-party liability (TPL), and health plan enrollment information is accurate. If during any conversation the member indicates that his or her address, telephone, or TPL information has recently changed, then the Ombudsman shall:
 - Clarify with the member that he or she must contact the MQD Customer Service Branch with the updated contact information in order for MQD and the health plan to have the member's updated contact information; and
 - Record the updated contact information and forward this within one (1) business day to the MQD Customer Service Branch using the form designated by DHS.
6. The Ombudsman shall confirm that an individual claiming to be an authorized representative actually has the permission of the member. To the extent possible, the Ombudsman shall confirm with the member (in private, without the presence and influence of any other parties) that the individual in question is his or her authorized representative before proceeding; the Ombudsman should note this fact in the DHS prescribed paper form. If the member is unavailable, the Ombudsman shall confirm with either a court-order or authorized DHS form (DHS 1123 Authorization of Release form) the identity of a bona fide authorized representative.
7. The Ombudsman shall provide free oral translation and interpretation services in all non-English languages to Limited English Proficient (LEP) members. To this end, the Ombudsman shall secure real-time access to a telephonic translation service. In addition, the Ombudsman shall have TDD (Telephone Device for the Deaf) or TTY (Teletype) access in order to serve the hearing impaired population.
8. The Ombudsman shall respond within two (2) business days of receiving a call, e-mail or other contact regarding a member. Additionally, the Ombudsman shall conduct a

follow-up contact within two (2) weeks of the "case closure" in order to ensure that the member's concerns are fully resolved.

The Ombudsman shall generally provide assistance to members in the order in which calls, e-mails or other contact for assistance are received. However, the Ombudsman shall establish and have in place a system or method for prioritizing urgent/emergent issues or concerns.

9. If the Ombudsman determines that a member is at imminent risk of harm and that efforts to resolve the situation are not working, the Ombudsman shall immediately notify both the member's health plan and MQD, Clinical Standards Office. As appropriate, the Ombudsman shall notify appropriate local law enforcement and other first-responder personnel and/or direct the member to go to the nearest emergency room.
10. At the request of a member, the Ombudsman shall provide assistance to the member with filing a formal grievance, as defined in Appendix F of this Agreement, within the respective contractors' grievance system. If the Ombudsman files the grievance on behalf of the member, it shall ensure that it files the grievance in a timely and prompt manner.

The Ombudsman shall follow up with the member and the contractor to ensure that the contractor acknowledges the complaint within five (5) days and provides a written disposition within thirty (30) days of the initial expression of dissatisfaction. The Ombudsman shall report directly any concerns about the timeliness of the contractor's review and response to MQD.

If requested by the member, the Ombudsman may also help to prepare a formal grievance for MQD review but only after the member has exhausted the contractor's internal grievance system processes. With the submission of the grievance to MQD for review, the Ombudsman role is complete and its involvement in the matter terminates.

11. At the request of a member, the Ombudsman shall provide assistance to the member to resolve appeals as quickly as possible. Specifically, the Ombudsman shall use telephone contacts and conference calls to obtain immediate relief and resolution. After exhausting all informal methods and at the request of the member, the Ombudsman shall help a member file an appeal under the respective contractors' internal grievance and appeals process. The Ombudsman shall ensure that, if it files the appeal on behalf of the member, it does so in a timely and prompt manner. At the member's request and with the contractor's consent, the Ombudsman may participate in any proceeding convened by the contractor to adjudicate the appeal.

The Ombudsman shall follow-up with the member and the contractor to ensure that the contractor acknowledges the written appeal within five (5) business days and provides a written disposition with thirty (30) calendar days of receiving it. The Ombudsman shall report any concerns about the timeliness of the contractor's review directly to MQD.

In the event that a contractor denies a member's appeal, the Ombudsman role is complete and its involvement in the matter terminates. The Ombudsman may not directly assist the member with the DHS Administrative Hearings process. However, the Ombudsman may provide the member with a copy of his or her rights and responsibilities provided by the DHS. The Ombudsman may also refer the member to a legal services provider if appropriate.

12. In the event that the member requests assistance in filing an expedited appeal, the Ombudsman shall provide such assistance and ensure that the appeal is filed immediately with the contractor. At the member's request and with the contractor's consent, the Ombudsman may participate in any proceeding convened by the contractor to adjudicate the appeal.

The Ombudsman shall follow up with the member and contractor to ensure that the health plan resolves the appeal and provides written notice to the affected parties as expeditiously as the member's health condition requires, but no more than three (3) business days from the time

the health plan received the appeal (unless the health plan extends the timeframe by no more than fourteen (14) days). The Ombudsman shall report any concerns about the timeliness of the health plan's review directly to MQD.

With the health plan's denial of the member's appeal, the Ombudsman role is complete and its involvement in the matter terminates. The Ombudsman may not directly assist the member with the DHS Administrative Hearings process. However, the Ombudsman may provide the member a copy of his or her rights and responsibilities.

13. If a member requests the participation of the Ombudsman on the team of decision-makers that develop his or her care plan, the Ombudsman shall participate on the team in the capacity requested by the member.
14. If the Ombudsman encounters a general question regarding Medicare, Medicare Advantage, or Medicare Part D, then it shall refer the matter to the MQD Customer Service Branch.
15. The Ombudsman shall refer all disenrollment requests to the MQD Customer Service Branch.

The Ombudsman shall refer any request for an exemption from mandatory enrollment to the MQD Customer Service Branch.

The Ombudsman shall be able to refer non-MQD inquiries to the appropriate entities. Specifically, the Ombudsman shall be able to identify and correctly refer inquiries regarding the following issues:

- Medicaid eligibility (QUEST, QExA, QUEST-Net, Quest-ACE);
- Medicare Special Savings Program questions (e.g., premium deductions and cost-sharing issues), particularly as they related to deductions from Social Security payments;
- Medicare (including Parts A, B, C, and D), including both Medicare fee-for-service and Medicare Advantage plans and prescription drug plans;

- Social Security payments (particularly the Social Security retirement, disability, and Supplemental Security Income (SSI) programs); and
 - Food Stamps and cash assistance questions.
16. The Ombudsman shall have a dedicated, toll-free intake telephone number. The telephone number shall be staffed for at least eight (8) hours per day, Monday through Friday except for State holidays. In addition, the Ombudsman shall have a voicemail account for a caller to leave a message twenty-four (24) hours per day. The introduction to the greeting shall offer callers the option to hear the remainder of the greeting in Vietnamese, Korean, Ilocano, and Cantonese. The rest of the greeting (in each language) shall identify the office and explain that the caller will receive a return call within one (1) business day.

The Ombudsman shall monitor messages no less than twice per day during each business day. When responding to calls, the staff of the Ombudsman shall assure that all outbound calls protect the confidentiality of the telephone conversations.

The Ombudsman shall have high-speed Internet access and secure email in order to communicate with the members, the contractors, MQD, and other parties.

17. The Ombudsman shall assure that no Ombudsman staff shall serve as an advocate for a MQD beneficiary on any issue/concern in which they would have any financial or personal gain or interest, or any other conflict of interest, except by written consent of both parties.
18. The Ombudsman shall maintain strict confidentiality of information and issues obtained when assisting a MQD beneficiary and shall maintain strict confidentiality of information and the status of a member's issue/concern. This information shall be made known to all parties requesting Ombudsman services in writing ahead of time.

40.400 Reports

The offeror shall prepare and submit reports specified in this Section to the DHS as required. The reports include the following:

1. Real Time Reports

Using DHS-approved forms, the Ombudsman shall report updated contact information for members to the MQD Customer Service Branch within one (1) business day.

2. Summary Reports

This report shall be submitted to MQD monthly by the fifteenth (15) calendar day (or next business day) following the end of each month.

The Ombudsman shall provide to MQD a summary report of activity for the respective reporting period as described below. The summary report narrative, if any, shall not exceed 300 words. The summary report shall include information on:

The Ombudsman shall provide to MQD a summary report of activity for the respective reporting period as described below. The summary report narrative, if any, shall not exceed 300 words. The summary report shall include information on:

- Administrative activities provided during the prior period, including at a minimum:
 - > the number of calls answered in-person;
 - > the number of messages left on the voice mail;
 - > the number of duplicative calls;
 - > the average length of time taken to return calls;
 - > the average call length;
 - > the number of e-mail queries; and
 - > the average time taken to respond to e-mail queries.
- Number and percent of calls received that address the following types of concerns:
 - > General Information, Referrals, and Navigation
 - > Issue Identification
 - > Complaints

Note: DHS will provide a specific format relating to

sub-issues under these general topics upon award of contract.

- Administrative activities planned over the coming period including information on staffing or other technical adjustments based on prior month activity; and
- Issues (if any) to be addressed by MQD.

3. Member Specific Information Report

The Ombudsman shall submit a password-protected Excel spreadsheet file that lists each member for which the Ombudsman received a call, e-mail or other contact during the reporting period. The file shall also include a separate worksheet with any updated information on cases that the Ombudsman reported in past quarters. These reports shall contain the following information for each case:

- Date of initial call, e-mail or contact;
- Medicaid ID number for the member for which the Ombudsman received a call or other contact;
- Member's last name;
- Island on which member resides;
- Member's MQD program (i.e., QUEST, QExA, SHOTT, CCS, or dental);
- If QUEST or QExA, member's health plan;
- Type(s) of assistance provided (i.e., filing grievance, filing appeal, filing expedited appeal, other);
- Current disposition (i.e., resolved in member's favor, resolved against member, pending)
- Date of final disposition;
- Type of service (as defined by MQD, e.g. pharmacy, home health) involved;
- Type of provider (as defined by MQD, e.g. primary care provider, specialist) involved, if applicable; and
- Narrative summary of issues (no more than 100 words).

4. Ad Hoc Reports as requested by DHS.

The DHS reserves the right to request a report or reports not listed above. Any such request shall be submitted in writing.

40.500 Data Processing Capabilities

The Offeror's system shall collect, maintain, and report the information as required in the RFP by island (East & West Hawaii for the island of Hawaii) and on a statewide basis.

Section 50 Terms and Conditions

50.100 General

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

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

The contract shall be construed in accordance with the laws of the State of Hawaii.

In the event of any inconsistency between the articles, attachments, specifications, or provisions which constitute this Contract, the following order of precedence shall apply:

- Contract AG Form-103F1, 10/08, including any special conditions, attachments and addenda.
- The Special Terms & Conditions included in this section.
- The RFP (RFP-MQD-2014-002).
- The Provider's offer (the selected Offeror's proposal in response to this RFP).

The contractor shall comply with all applicable laws, ordinances, codes, rules and regulations of the federal, state and local governments, which in any way affect its performance under the contract. The standard State general terms and conditions found in Appendix G shall become part of the contract between the Contractor and the State.

The contractor shall pay all taxes lawfully imposed upon it with respect to the contract or any product delivered in accordance herewith. DHS makes no representations whatsoever as to the liability or exemption from liability of a contractor to any tax imposed by any governmental entity.

The contract shall be executed by the Hawaii Department of Human Services in accordance with Chapter 103F, HRS.

The head of the purchasing agency (which includes the designee of the head of the purchasing agency), shall coordinate the services to be provided by the Contractor in order to complete the performance required in this RFP. The Contractor shall maintain communications with the head of the purchasing agency at all stages of the Contractor's work, and submit to the head of the purchasing agency for resolution any questions which may arise as to the performance of the contract.

50.200 Term of the Contract

The multi-term contract that has been deemed to be in the best interest of the State by the Director of the DHS in accordance with Section 3-149-302 (c), HAR, shall begin on September 1, 2013, and shall continue through June 30, 2015.

Unless terminated, DHS shall have the option, without the necessity of re-bidding, to extend the contract with the contractor for two (2) additional twelve (12) month periods or parts thereof, only upon mutual agreement of the parties in writing. Any renewal or extension of the contract will be subject to appropriation and availability of funds.

The contractor acknowledges that other unanticipated uncertainties may arise that may require an increase or decrease in the original scope of services from the Contractor awarded this contract. In the event that increase or decrease of services may be required, the Contractor agrees to enter into a supplemental agreement upon request by the State for the additional work. The supplemental agreement may also include an extension of the period of performance and a respective increase or decrease in the compensation.

50.210 Availability of Funds

The award of a contract and any allowed renewal or extension thereof, is subject to allotments made by the Director of Finance, State of Hawaii, pursuant to Chapter 37, HRS, and subject to the availability of State and/or Federal funds.

50.300 **General and Special Conditions of Contract**

The general conditions found in Appendix G will become part of the contract between the Contractor and the State. Special conditions may also be imposed contractually by the state purchasing agency, as deemed necessary.

50.400 **Cost Principles**

In order to promote uniform purchasing practices among state purchasing agencies procuring health and human services under HRS Chapter 103F, state purchasing agencies will utilize standard cost principles outlined in Form SPO-H-201, found in Appendix H. Nothing in this section shall be construed to create an exemption from any cost principle arising under federal law.

50.500 **Inspection of Work Performed**

DHS, CMS, the State Auditor of Hawaii, the U.S. Department of Health and Human Services (DHHS), 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 Attorney General or their authorized representatives shall, during normal business hours, have the right to enter into the premises of the contractor and/or 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. All inspections and evaluations shall be performed in such a manner as to not unduly delay work.

The Contractor, subcontractor and providers shall provide information and data, upon demand, to the DHS, any of the above named agencies, and their authorized representatives. The requested information or data shall be provided to the requesting agency(s) within a reasonable timeframe that will be determined by the DHS.

50.600 Subcontractor/Provider Agreements

The Contractor may negotiate and enter into contracts or agreements with providers and other subcontractors (with prior written consent of the State) to the benefit of the Contractor and the State as long as the providers and subcontractors meet all established criteria and provide the services in a manner consistent with the minimum standards specified. All such agreements shall be in writing and shall specify the activities and responsibilities delegated to the subcontractor. The contracts must also include provisions for revoking delegation or imposing other sanctions if the subcontractor's performance is inadequate. Certain subcontracts, including but not limited to Quality Assurance activities, must be approved by DHS prior to implementation. DHS reserves the right to inspect all subcontract and provider agreements at any time during the contract period. Any subcontract may be subject to the DHS's prior review and approval. The contractor's subcontractor shall submit to the Contractor a tax clearance certificate from the Director of the Department of Taxation, State of Hawaii, showing that all delinquent taxes, if any, levied or accrued under State law against the subcontractor/provider have been paid.

No subcontract or agreement that a Contractor enters into with respect to the performance under this contract shall in any way relieve a Contractor of any responsibility for any performance required of it by this contract. The Contractor shall provide DHS immediate notice in writing by registered or certified mail of any action or suit filed against it by any subcontractor or provider, and prompt notice of any claim made against any Contractor may result in litigation related in any way to the contract with the State of Hawaii. The Contractor shall designate itself as the sole point of recovery for any subcontractor or provider.

The Contractor shall notify DHS at least fifteen days prior to adding or deleting provider or subcontractor agreements or making any change to any provider or subcontractor agreements which may materially affect the Contractor's ability to fulfill the terms of this contract.

All agreements or contracts with the subcontractors or providers shall be finalized and fully executed within 30 days of the contract award. DHS reserves the right to review any

subcontractor or provider contracts or agreements prior to the notification of award of the contract.

All subcontracts shall require that the subcontractors/providers agree to comply with the confidentiality requirements imposed by this RFP, to the extent subcontractors or providers render services or perform functions that make such provisions applicable to such agreements.

50.700 Applicability of Hawaii Revised Statutes

50.710 Wages, Hours and Working Conditions of Employees Providing Services

Before an Offeror enters into a contract in excess of \$25,000, the Offeror shall certify that it complies with section 103-55, HRS, Wages, hours and working conditions of employees of Contractors performing services. The Contractor shall complete and submit the Wage Certification as provided in Appendix D pursuant to Section 103-55, HRS.

50.720 Standards of Conduct

The contractor shall execute the Provider's Standards of Conduct Declaration, a copy of which is found in Appendix D and which shall become part of the contract between the contractor and the State.

50.730 Campaign Contribution by State and County Contractors

HRS, § 11-355, prohibits campaign contributions 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. Refer to HRS, § 11-355 for more information, FAQs are available at the Campaign Spending Commission webpage. See www.hawaii.gov/campaign

50.800 Confidentiality of Information

The Contractor understands that the use and disclosure of information concerning applicants, enrollees or members is restricted to purposes directly connected with the administration of the Hawaii Medicaid program, and agrees to guard the confidentiality of an applicant's, enrollee's or member's

information as required by law. The Contractor 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);
- HRS Section 346-10; and
- All other applicable Federal and State statutes and administrative rules, including but not limited to:
 - HRS § 325-101 relating to persons with HIV/AIDS;
 - HRS § 334-5 relating to persons receiving mental health services;
 - HRS § 577A 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 member identifying information shall be limited by the Contractor to persons or agencies that require the information in order to perform their duties in accordance with this contract, including the DHHS, the DHS and other individuals or entities as may be required by the DHS. (See 42 CFR § 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 HIPAA, and regulations pertaining to such access. The Contractor is responsible for knowing and understanding the confidentiality laws listed above as well as any other applicable laws.

The Contractor is a "business associate" of the DHS, as that term is defined under the HIPAA regulations, 45 CFR §160.103. Therefore, Contractor agrees to comply with the terms of the Business Associate Agreement found in Appendix I.

The Contractor is cautioned that State and Federal Medicaid rules, and some other State and Federal 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 Contractor agrees that the confidentiality provisions contained in HAR Chapter 17-1702 shall apply to the Contractor to the same extent as they apply to MQD.

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

50.900 Use of Funds

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

51.100 Liquidated Damages

DHS acknowledges that in the event of breach of this contract, it would be difficult to measure damages. Therefore, in the event of any breach of the terms of the contract by the Contractor, liquidated damages shall be assessed against the Contractor in an amount equal to the costs of obtaining alternative services for the members. The damages shall include the difference in the administrative rates paid to the Contractor and the rates paid to a replacement contractor.

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

DHS may withhold from payments to a Contractor, amounts for liquidated damages until such damages are paid in full.

51.200 Monthly Invoice

The Contractor shall submit an original and one copy of the monthly invoice for reimbursements accompanied by the Monthly Report to the following address:

Department of Human Services
Med-QUEST Division/Finance Office
1001 Kamokila Boulevard, Suite 317
Kapolei, Hawaii 96707

51.300 Acceptance

The Contractor shall comply with all of the requirements of the contract.

51.400 Disputes

Any dispute concerning a question of fact arising under the contract which is not disposed of by agreement shall be decided by the Director of DHS or his/her duly authorized representative who shall reduce his/her decision to writing and mail or otherwise furnish a copy to the Contractor within ninety (90) days after written request for a final decision by certified mail, return receipt requested. The decision shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious or arbitrary, or so grossly erroneous as necessarily to imply bad faith. In connection with any dispute proceeding under this clause, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of his/her dispute. The contractor shall proceed diligently with the performance of the contract in accordance with the disputed decision pending final resolution by a circuit court of this State.

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

51.500 Warranty of Fiscal Integrity

The Contractor warrants that it is of sufficient financial solvency to assure DHS of its ability to perform the requirements of this contract. The Contractor shall provide sufficient financial data and information to prove financial solvency.

51.600 Full Disclosure

An 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 DHS as soon as such a relationship is consummated. The terms and conditions of CMS require full disclosure on the part of all contracting Contractors and providers.

An Offeror shall not, without DHS' prior approval, lend money or extend credit to any related party. A contractor shall fully disclose such proposed transactions and submit a formal written request for review and approval.

An Offeror shall include such provisions in any contract or agreement made with subcontractors or providers.

An Offeror shall complete and provide all information required in the Disclosure Statement in Appendix D and include the forms in the Technical Proposal. The Offeror shall ensure that each form is completed and that full disclosure is made

51.610 Litigation

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

51.700 Payment to Subcontractors and Providers

A contractor shall be responsible for paying its subcontractors and providers in a timely and accurate manner for benefits provided to beneficiaries. In no event shall the subcontractors and providers look directly to the State for payment. The State shall bear no liability for a contractor's failure or refusal to pay valid claims of subcontractors or providers. A contractor shall indemnify and hold the State harmless from any and all liability arising from such claims and shall bear all costs in defense of any action over such liability, including attorney's fees.

51.800 Force Majeure

If an contractor 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 contractor 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 this 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 DHS from terminating this 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.

51.900 Prohibition of Gratuities

Neither a contractor nor any person, firm or corporation employed by a contractor in the performance of this contract shall offer or give, directly or indirectly to any employee or agent 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 this contract.

52.100 Authority

Each party has full power and authority to enter into and perform this contract, and the person signing this contract on behalf of each party certifies that such person has been properly authorized and empowered to enter into this contract. Each party further acknowledges that it has read this contract, understands it, and agrees to be bound by it.

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 technical proposal shall include the following sections:

- Proposal Letter (Appendix D)
- Transmittal letter
- Executive Summary
- Company background and experience
- Company Capabilities
- Organization and staffing
- Financial Statements
- Data processing capabilities
- Proposal Application form (Appendix D)
- Standards of Conduct (Appendix D)
- Disclosure Statement (Appendix D)
- Federal and State tax clearance certificates

60.200 Proposal Letter

The proposal letter (refer to Appendix D) 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 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

- A statement that the offeror is/will be registered to do business in Hawaii and has or will obtain a State of Hawaii General Excise Tax License by the start of work. Provide the Hawaii Excise Tax number (if applicable)
- 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
- A statement of affirmative action that the offeror does not discriminate in its employment practices with regard to mental or physical disability, religion, race, color, creed, national origin, ancestry, sex, including gender identity or expression, sexual orientation, or income status except as provided by law
- A statement that neither cost nor pricing is included in this letter or the technical proposal
- 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
- A statement that the person signing this proposal certifies that he or 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 or she has not participated and will not participate in any action contrary to the above conditions
- A statement that the offeror has read, understands and agrees to all provisions of this RFP
- 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

- A statement that the organization to be contracted with for the provision of Ombudsman services shall not be affiliated with contractors for QUEST, QExA, SHOTT, dental, or CCS Programs.

60.400 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.

60.500 Company Background and Experience

The company background and experience section shall include for an offeror and each subcontractor (if any): details of the background of the company and its size and resources, and details of company experience relevant to this RFP.

60.510 Background of the Company

A description of the history of the company and any subcontractor including:

- A general description of the primary business of your organization and its beneficiary base
- 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 Contractor must become duly qualified to do business in the State of Hawaii before a contract can be executed
- Ownership of the company, including the officers of the Corporation, and the names and address of its registered agent
- 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
- Number of employees both locally and nationally
- The size of organization in assets, revenue and people
- The areas of specialization

60.520 Company Experience

The details of company experience including subcontractor experience, relevant to the proposal shall cover and include but not limited to:

- experience in ombudsman or advocacy services
- experience working with the Medicaid population in any health care field or health-related field
- experience in working the Hawaii Medicaid population
- Hawaii Medicaid experience

60.600 Company Capabilities

The company shall have the capabilities to meet the specifications as outlined in the RFP. The following questions will provide the evaluators with an understanding of the abilities of the company.

- Describe the philosophy of your company on resolution of complaints/grievances of Medicaid beneficiaries
- Describe the quality measures that your company uses to assure contract expectations are addressed

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 charts shall show:

- Organization chart which shows the structure of the project team and identifies the proposed project personnel
- Relationships of an offeror to related entities

- All proposed key personnel, including an indication of their major areas of responsibility and position within the organization
- Geographic location of the contractor's personnel
- Proposed involvement of MQD personnel
- Estimates of man hours for each individual, including a description of major areas of responsibility for each individual

60.720 Staffing

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

- Experience with the Hawaii Medicaid program
- Experience in managed care systems
- Experience working with Hawaii Medicaid beneficiaries
- Length of time with a contractor or related organization
- Previous relevant experiences
- Relevant education and training
- Names, position titles and phone numbers of references who can provide information on the individuals' experience and competence
- Other relevant experience

Resumes should be provided, at a minimum, for the Administration/Program Director, all supervisory personnel, and financial officer. An offeror shall identify an individual within the organization who will be the key contact person for MQD. The resume for this individual shall be included with any other relevant resumes.

60.800 **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.

60.810 Financial Statements

Financial statements for the applicable legal entity or each partner if a joint venture 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.

60.900 Data Processing Capabilities

The processing (tracking and reporting) and maintenance of data is a crucial component of this contract. Therefore, this section shall explain the adequacy of an offeror's system to collect, maintain, process, and report the required information by island (East & West Hawaii for the island of Hawaii) and on a Statewide basis. This section shall also include explanations as to any modifications or expansions needed in order to meet the specified data requirements. The proposal shall also include the following information:

- a. Hardware to be used and availability on a statewide basis.
- b. Software to be used on a statewide basis.
- c. Explanation of how and what data and information will be collected, compiled, and transmitted by the offeror between islands.
- d. A general listing of the data and information which will be maintained within the offeror's information system for this RFP.
- e. Explain or provide systems staff the offeror will require to establish and/or to maintain the computer system and produce the required reports specified in the RFP.

SECTION 70 BUSINESS PROPOSAL

70.100 Business Proposal

The offeror shall provide a cost per service for the scope of work specified in the RFP. The offer submitted will be the offeror's best and final offer. The business proposal shall include the schedules in Appendix H.

70.200 Annual Rate

The offeror shall submit an annual rate for the services set forth in this RFP. The rate shall be inclusive of all services and activities encompassed by this RFP.

Detail of the annual rate must be provided to the State. Detail shall include all cost data including, but not limited to salaries, fringe benefits, travel, office space, equipment, and all other cost items. All costs models will be kept confidential if requested by the offeror.

The offeror shall provide a cost proposal (Appendix H) and the offer submitted will be your best and final offer.

SECTION 80 EVALUATION AND 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 Committee

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 programs 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 Requirements

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 21.200;
- 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; 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 Technical Proposal Evaluation and Scoring

80.410 Step I- Technical Proposal

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.

<u>Evaluation Categories</u>	<u>Available Points</u>
Transmittal Letter	0 points
Proposal Application	
Executive Summary	10 points
Company Background and Experience	20 points
Company Capabilities	15 points
Organization and Staffing	15 points
Financial Status	10 points
Data Processing Capabilities	10 points
Business Proposal	20 points
TOTAL POSSIBLE POINTS	100 points

80.420 Step II – Cost Analysis and Award

The Offeror with the lowest cost proposal shall be awarded 20 points; the next lowest bidder shall be awarded 15 points; and the next lowest bidder shall be awarded 10 points. A detailed description of evaluation of the business proposal is located in Section 80.600.

80.500 Evaluation Criteria

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

<u>Rating Score</u>	<u>Description</u>
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 correctable.
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 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 offeror 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:

<u>Rating Score</u>	<u>Conversion Factor</u>
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 be 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.

80.510 Transmittal Letter (0 points possible)

- On an official letterhead and signed by an individual authorized to legally bind the offeror
- 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 Executive Summary (10 points possible)

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

80.530 Company Background and Experience (20 points possible)

- Answers all of the questions posed in Section 60.500 for both themselves and each subcontractor, if applicable
- Company background and experience including experience implementing a program of the nature 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
- Quality with which scope of services under this RFP can be completed by the offeror
- Offeror's ability to meet the contract requirements
- Other factors identified in Section 60.500

80.540 Company Capabilities (15 points possible)

- Ability to resolve MQD beneficiaries complaints/grievances
- Ability to use effective quality measures to track interaction with MQD beneficiaries
- Quality with which scope of services provided are measured
- Other factors identified in Section 60.600

80.550 Organization and Staffing (15 points possible)

- Basis of relevant experience
- Past and current management experience for similar services of like projects in scope
- Ability to understand MQD programs (i.e., QUEST, QExA, SHOTT, dental, or CCS)
- Ability to assist MQD beneficiaries in resolution of issues/concerns with their MQD program (i.e., QUEST, QExA, SHOTT, dental, or CCS)
- 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.)
- Capability of organizational and administrative systems in Hawaii to implement contractual obligations for this RFP
- Sufficient staff and resources identified and allocated to fulfill the requirements of the contract.
- Other factors identified in Section 60.700

80.560 Financial Status (10 points possible)

- Provision of the financial statements required in Section 60.810
- Financial solvency of offeror and related entities
- Other factors identified in Section 60.800

80.570 Data Processing Capabilities (10 points possible)

- Ability of offeror to process and maintain data
- Detailed description of hardware and software the offeror will use on a Statewide basis
- Description of how information is collected, compiled, and transferred by the offeror between islands
- Description of systems staff the offeror has to establish and maintain the systems for management of the Ombudsman program
- Other factors identified in Section 60.900

80.600 **Step II-Business Proposal**

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

80.700 **Step III - Contract Award**

The technical and business proposal scores will be combined to determine the winning proposal. DHS shall award a single contract to the offeror that submitted the proposal ranked most advantageous under the evaluation process.

Upon receipt and acceptance of the winning bid, DHS shall initiate the contracting process. This RFP and the Offeror's technical proposal shall become part of the contract.

The Offeror shall be notified in writing that DHS intends to contract with the Offeror. This letter shall serve as notification that the Offeror should begin to develop its program, materials, policies and procedures.

Each notice of award shall contain a statement of findings and decisions for the award or non-award of the contract to each Offeror.