

Health Care Procurement

Important Information about the 2016 Procurement
November 4, 2014

Presentation Topics

- Definitions
- 2016 Procurement Overview
- 2016 Procurement Proposed Changes
- 2016 Procurement Information
 - Developing the Request for Proposal
 - DHS' Role
 - Counties' Role
- Next Steps
- Timeline

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Definitions

- **Procurement**
 - The action of obtaining or procuring something. Procuring for medical services covered by the managed care contract for Medical Assistance and MinnesotaCare.
- **RFP: Request for Proposal**
 - *RFP* is a document that an organization posts to elicit bids from potential vendors/proposers.

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Definitions (cont.)

- **Demonstration Provider**
 - Health maintenance organization, community integrated service network, or accountable provider network authorized and operating under chapter 62D, 62N, or 62T. For purposes of this section, a county board, or group of county boards operating under a joint powers agreement, is considered a demonstration provider if the county or group of county boards meets the requirements of section [256B.692](#).

2016 Statewide Procurement Overview

- All 87 Counties will be included in the 2016 Statewide Procurement.
- Procurement planning to start in October of 2014. RFP to be published by January 5, 2015.
- The RFP will include both Technical and Price Bid Components which are still under consideration.
 - Technical Bid
 - County Information
 - Quality/Performance Measures
 - Provider Network
 - Price Bid
 - Data Book
 - Bids

2016 Statewide Procurement Overview (cont)

- Basic Care Plan (BHP) under the Affordable Care Act (ACA) will be MinnesotaCare.
- All counties will have to have the choice of at least 2 MCOs/participating entities for MinnesotaCare.
- For PMAP, all counties that are designated Metropolitan Statistical Areas (MSAs) will have the choice of at least two MCOs and in non-MSA counties may have one MCO.
 - MSA is a geographical region with a relatively high population density at its core and close economic ties throughout the area.

2016 Statewide Procurement Overview (cont)

- MinnesotaCare enrollees under age 21 receive the Medicaid benefit set.
- MinnesotaCare enrollees ages 21 and older receive the current adult MinnesotaCare benefit set.
- Contract negotiations will be scheduled earlier in the year to accommodate both the MA open enrollment (OE) and the MinnesotaCare OE.
- Minnesota Statute requires the we post the 2016 RFP by January 5, 2015. Therefore, timelines may be reduced.

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New Proposers

- **Participating entity** - means a health carrier as defined in section [62A.01, subdivision 2](#); a county-based purchasing plan established under section [256B.692](#); an accountable care organization or other entity operating a health care delivery systems demonstration project authorized under section [256B.0755](#); an entity operating a county integrated health care delivery network pilot project authorized under section [256B.0756](#); or a network of health care providers established to offer services under MinnesotaCare.

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2016 Procurement Proposed Changes

- Meeting with the MCOs/ MACSSA to improve the procurement process.
- Timely communication throughout the RFP process.
 - County identifies contact(s) who communicates with other interested county staff.
- Regional approach to gather county input.
- Looking for efficiencies in providing County demographic information and other issues for inclusion in the RFP.
- Receive County input into provider network review as it relates to local providers.

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2016 Procurement Proposed Changes (cont)

- Help counties understand the impact and their role in review, evaluation and scoring of the RFP Proposals.
 - Providing supporting documentation when full points have not been given.
- Timing of Award Letters and Open Enrollment
 - Contract Negotiations will occur earlier to accommodate both Open Enrollments; for PMAP and MinnesotaCare.

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2016 Procurement Information

- **Type of Procurement**
 - Competitive
 - Two Components
 - Technical Component
 - Cost Bid Component

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Developing the RFP Content

- **Technical Component**
 - Required statements which are part of every RFP.
 - County information which includes demographics and description of county's delivery of services by service area.
 - A list of county issues categorized by service areas.
 - Quality/Performance measures section.
 - Specifications for review of the Provider Network.

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DHS' Role in RFP Development

- Develop the RFP content, incorporating the county demographic information, county questions and issues, quality and performance measures, evaluation and scoring, and provider network and other requirements.
- Coordinate and develop input from internal DHS policy areas and other divisions for the RFP.
- Coordinate the review of the RFP through DHS legal before it is published in the State Register.
- RFP is required to be sent to Appeals and Regs one week prior to its publication date.

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Counties' Role in RFP Development

- Provide County Information
 - Demographic information – age, ethnicity, population.
 - Health care services that are available and provided within the county and challenges with those services.
 - County Exhibits that identify issues related to service delivery and specific categories of service, such as mental health, public health, etc.
 - Provide a contact(s) at the county for ongoing communications regarding the RFP and procurement process.
- Provide Public Health Information – Involve Public Health Directors in developing information for the RFP regarding their role in the provision of health care to managed care enrollees.

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Developing the RFP content

- The **Price Bid** Component is included in a competitive RFP and is used to realize tax payer savings and achieve reductions in payments to Managed Care plans and county-based purchasing plans while still achieving the quality of health care.
- Consists of
 - Data Book
 - MCO Bids Templates
- Responsibility for this aspect lies with the DHS Rates Staff and the contracted actuaries.

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Next Steps

- Scheduling County Meetings
 - County meetings - Determine whether these can be arranged by regions instead of individually which would be challenging considering the timeline.
 - County Input: What works best for the counties and how can this be accomplished?

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County Meeting Content

- Review of the RFP process and timeline
- Review of the county's responsibilities, including but not limited to:
 - County information for the RFP
 - Demographics and Narrative Section
 - County Exhibit (List of County Issues/Questions)
 - County Review, Evaluation and Scoring of the RFP Proposals includes:
 - MCO responses to the County Exhibit.
 - Evaluate and score the proposer's Provider Network.
 - Collect Confidentiality Agreements from County reviewers.
 - County Board recommendation including copy of County Board resolution.

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Communication with Counties

- Procurement mailbox - for all county and DHS communication regarding the procurement process and RFP:
DHS.PSD.Procurement@state.mn.us
- County contact(s) – To ensure that ongoing information is shared with the appropriate county staff and everyone is informed in a timely manner.

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Timeframe for RFP release

- DHS/County Meetings – **November 2014**
- RFP development and legal review – **December 2014**
- Publication of State Register Notice – **January 5, 2015**
- RFP Posted on DHS website

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QUESTIONS & ANSWERS

- Please send your questions via the below email address:

DHS.PSD.Procurement@state.mn.us

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