Colorado Department of Health Care Policy and Financing

Solicitation #:

HCPFRFPKC13COREMMIS

Core MMIS and Supporting Services

Request for Proposals

RFP Body

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SECTION 1.0   INTRODUCTION

1.1.   GENERAL INFORMATION

1.1.1.   The State of Colorado, Department of Health Care Policy and Financing (hereafter referred to as "the Department") is soliciting proposals to obtain Core MMIS and Supporting Services for the implementation and operations of a state-of-the-art, Medicaid Management Information System (MMIS) and Fiscal Agent Operations Services to support Colorado's Medicaid, Child Health Plan Plus (CHP+) programs, and other health benefit programs (collectively referred to as the "Colorado Medical Assistance program"). The services and associated software will support the enrollment and management of providers, management of certain client functions, adjudication and payment of valid health care claims, and other subsidiary work. For purposes of this Request for Proposal (RFP), activities related to this procurement will be referred to as the COMMIT (Colorado Medicaid Management Innovation and Transformation) Project.

1.1.2.   The Department is seeking a flexible solution that maximizes the use of cost-effective, industry-related, and application-ready Commercial Off-The-Shelf (COTS) technologies that will support the existing Colorado Medical Assistance program and future expansions and changes as directed by the Department's Medicaid Director. The scope of the Core MMIS and Supporting Services is not limited to any specific program administered by the Department, and the Department reserves the right to seek additional services via sole source or competitive procurement for any service required by the Department beyond those anticipated in this procurement. The Department encourages Offerors to propose creative, innovative solutions for Fiscal Agent Operations Services, as well as a suite of applications or components to serve as a "best of breed" MMIS.

1.1.3.   The solution will need to provide the Department the ability to administer and modernize the Colorado Medical Assistance program without significant changes to the underlying technology and coding that take significant time to complete. To create a modern program that delivers cost-effective health care services that are population-specific, the Department will continue to adapt and make progress on how services to clients are delivered. In addition, the Department will need to modify payments (or rates) to providers and adapt payment methodologies that encourage quality services and healthy outcomes. The solution cannot serve as a cost, time, or resource constraint to implementing these evolving delivery systems and provider payments.

1.1.4.   The Department is not requiring proposed solutions to be previously certified by the Centers for Medicare & Medicaid Services (CMS). However, all proposed solutions are expected to meet CMS certification requirements within a reasonable period following the completion of system development. Where practical, proposed solutions should leverage existing components and/or components that can be transferred from an existing system that has been certified by CMS. The Department expects Offerors to propose a solution that leverages technology and resources previously developed/deployed in other state and/or commercial environments to reduce implementation and operating costs. The proposed solution should provide a

benefit to the Department and other states as future changes in technology and federal regulations can be shared across all partners. Further, the proposed solution should include technology refreshes that allow the System and Fiscal Agent Operations to remain up-to-date and continue to incorporate new industry best practices.

1.1.5.   As a result, this RFP is focused on objectives, outcomes, CMS certification criteria, and performance measurements. Performance measurements associated with specific requirements are located in Appendix A – Requirements and Performance Standards Matrix.

1.1.6.   The Department is releasing three (3) separate RFPs to provide flexibility for Offerors to provide innovative solutions. These RFPs are the:

1.1.6.1.   COMMIT Core MMIS and Supporting Services.

1.1.6.2.   COMMIT Business Intelligence and Data Management Services (BIDM).

1.1.6.3.   COMMIT Pharmacy Benefits Management System (PBMS).

1.1.7.   This RFP focuses on the COMMIT Core MMIS and Supporting Services. Any descriptions and discussion of the COMMIT BIDM or COMMIT PBMS are included to provide the Offeror with a comprehensive view of the Department's overarching procurement strategy.

1.1.8.   This RFP also describes additional systems to enhance the Department's ability to meet its technical and business strategy (e.g., Learning Management System (LMS) to support training objectives). These additional components are considered "optional" systems or functionality, and pricing should be provided when the requirement cannot be met within the proposed base price. The pricing will be used for informational purposes. The Department will evaluate optional requirements that can be met within the proposed base price. Optional requirements that cannot be met within the proposed base price will not be evaluated. Pricing for optional requirements is described and is included in Appendix E – Pricing Schedules.

1.1.9.   The scope of this RFP does not include the:

1.1.9.1.   COMMIT Business Intelligence and Data Management Services (BIDM).

1.1.9.2.   COMMIT Pharmacy Benefits Management System (PBMS).

1.1.9.3.   Current Statewide Data and Analytics Contractor (SDAC).

1.1.10.   These Statements of Work will be released by the Department through separate RFPs on a different schedule from the COMMIT Core MMIS and Supporting Services RFP.

1.1.11.   General solicitation information, timelines, and proposal submission requirements are available in Appendix C – Administrative Information Document. To be considered responsive, an Offeror shall comply with all of the requirements and timelines contained in Appendix C – Administrative Information Document.

1.2.   ORGANIZATION OF THE RFP

1.2.1.   RFP Organization and structure

1.2.1.1.   This RFP is designed as a package that consists of multiple documents. The intent of this structure is to provide Offerors with easier access to reference information during the response process. The Appendices provided within this RFP contain the detail for each component, and can be accessed independently for reference.

1.2.2.   For comprehensive understanding of the Core MMIS and Supporting Services requirements provided by the Department, Offerors will need to reference the documents listed in 1.2.2.1.1 – 1.2.2.1.5 concurrently for their initial review:

1.2.2.1.1.   RFP Body (this document).

1.2.2.1.2.   Appendix A – Requirements and Performance Standards Matrix.

1.2.2.1.3.   Appendix B – Project Phases Tables.

1.2.2.1.4.   Appendix D – Offeror's Response Worksheet.

1.2.2.1.5.   Appendix E – Pricing Schedules.

1.2.3.   Figure 1.2.3 provides a visual representation of which components will be needed in order to obtain a comprehensive understanding of the RFP.

Figure 1.2.3 How to Read This RFP

RFP Body

Appendix E - Pricing Schedules
• Pricing associated with the proposed solution for each Contract Stage and Optional services and features identified in Appendix A

Appendix A - Requirements and Performance Standards Matrix
• Requirements have a reference notation that ties directly to corresponding section in RFP Body

Appendix B - Project Phases Tables
• Description of proposed Project Phases with guidelines for Contractor and Department responsibilities

Appendix D - Offeror's Response Worksheet
• Description of required technical and price proposal content

1.2.4.	RFP Component Navigation

1.2.4.1.	Figure 1.2.4.1 provides a visual representation of how to navigate the RFP content and how the RFP components are tied together. Section 1.2.5 contains a narrative summary of this RFP's Components.

Figure 1.2.4.1: Organization of this RFP

RFP Overview

Content Area	RFP Component Reference	Content Area	RFP Component Reference
Comprehensive high-level narrative of RFP	RFP Body	Glossary	Appendix F
Detailed Requirements and Performance Standards Matrix	Appendix A	Procurement Library Content List	Appendix G
Project Phases with Responsibilities	Appendix B	Draft Contract	Appendix H
Administrative Information Document	Appendix C	W-9 Form	Appendix I
Offeror Response Worksheet	Appendix D	RFP Signature Page	Appendix J
Pricing Schedules	Appendix E		

1.2.5.	RFP Component Description

1.2.5.1.	RFP Body: This document (referred to as the "RFP Body") provides a high-level, comprehensive description of the Core MMIS and Supporting Services required by the Department. It provides project background information, an overview of the Statement of Objectives (SOO), project goals and strategy, management and organization overview, Contract personnel requirements, general Contractor requirements, Core MMIS Statement of Work, Fiscal Agent Operations Statement of Work, compensation and invoicing, and the proposal evaluation criteria. Although it includes some general guidance in terms of design, overall functionality, and technical implementation, this document does not include specific requirements; those are found in Appendix A – Requirements and Performance Standards Matrix. The intent of this document is to provide a comprehensive narrative that reflects the COMMIT project guiding principles,

while providing Offerors an opportunity to respond with creative, innovative solutions. This design is part of the Department's objectives-based procurement approach.

1.2.5.2. **Appendix A – Requirements and Performance Standards Matrix**: This component contains the detailed requirements and related performance metrics that are directly associated with the corresponding sections in the RFP Body. This component should be accessed concurrently with the RFP Body to obtain a comprehensive understanding of how the specific requirements tie to the overall procurement goals and strategy. Some sections intentionally contain requirements that are similar, and in some cases duplicative. This is by design, and illustrates the overlap between various requirements groups. All requirements, regardless of duplication, require a response.

1.2.5.3. **Appendix B – Project Phases Tables**: This component provides guidelines for Contractor and Department responsibilities for each Project Phase described in the RFP Body.

1.2.5.4. **Appendix C – Administrative Information Document**: This component contains general communications information, schedule of activities, general considerations, proposal response information, and Contract and award information.

1.2.5.5. **Appendix D – Offeror's Response Worksheet**: This component contains questions that require an Offeror response. It ties to the concepts described in the RFP Body and detailed requirements in Appendix A – Requirements and Performance Standards Matrix. Offerors' Technical Proposals shall contain a description of how the Offeror's solution will address the requirements in Appendix A – Requirements and Performance Standards Matrix and describe any necessary modifications to the Offeror's proposed solution and operations that are required to satisfy the requirements.

1.2.5.6. **Appendix E – Pricing Schedules**: This component includes detailed information and instructions for thirteen (13) different pricing schedules required for Offerors' Price Proposals. It shall include pricing information for the Offeror's solution and operations, and any pricing associated with modifications to the Offeror's solution and operations to satisfy detailed requirements in Appendix A – Requirements and Performance Standards Matrix. In addition, the pricing information will include pricing associated with travel related to the design, development, and implementation of Offerors' proposed solution and operations.

1.2.5.7. **Appendix F – Glossary**: This component contains definitions for terms and acronyms used throughout this RFP.

1.2.5.8. **Appendix G – Procurement Library Content List**: This component contains a list of documents, forms, manuals and/or links that Offerors shall reference to gain additional information or understanding of areas and/or processes referenced in this RFP.

1.2.5.9. **Appendix H – Draft Contract**: This component contains a sample contract that can be referenced by Offerors.

1.2.5.10.	**Appendix I – W-9 Form**: This component contains the W-9 form that needs to be completed as part of the proposal submittal.

1.2.5.11.	**Appendix J – RFP Signature Page**: This component contains the signature document required for proposal submittal.

## 1.3.	MANDATORY OFFEROR REQUIREMENTS

1.3.1.	The Mandatory Offeror Requirements are intended to ensure that evaluation of the Technical Proposal can proceed and that the Offeror has the required system development, implementation, and operational experience. Any Offeror that does not meet the Mandatory Offeror Requirements may be considered non-responsive and may receive no further consideration.

1.3.2.	All Mandatory Offeror Requirements shall be met on the date of proposal submission.

1.3.3.	Failure, in whole or in part, to respond to a specific Mandatory Offeror Requirement may result in rejection of a proposal during the evaluation phase.

1.3.4.	The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 0.0.

## 1.4.	TERMINOLOGY

1.4.1.	Acronyms and abbreviations are defined at their first occurrence in this RFP. Definitions for acronyms, abbreviations, and other terminology used in all RFPs associated with the COMMIT project, as well as associated requirements in Appendix A – Requirements and Performance Standards Matrix, are contained in Appendix F – Glossary. This glossary will serve as the master source for terminology and definitions used in documents associated with the COMMIT project.

SECTION 2.0   OVERVIEW STATEMENT OF OBJECTIVES

2.1.   OVERVIEW

2.1.1.   As mentioned in Section 1.0, this procurement is taking an objectives-based approach. A Statement of Objectives (SOO) focuses on the "what" aspect of the various functions the Contractor services and technology solutions shall perform, rather than "how" the Contractor or technology shall perform those functions. This overview describes the objectives, strategy, and general scope of the work that the Department believes will achieve the best overall solution for the Colorado Medical Assistance program.

2.1.2.   This SOO is not inclusive of every possible duty, task, or Deliverable necessary to achieve success on this Contract. Therefore, Offerors should not assume that any perceived lack of detail in a specific area indicates that the Contractor will have no duties in that area. Offerors shall develop a solution that fulfills the Department's goals and requirements in a cost-effective manner, which may include details not specifically outlined in this RFP.

2.1.3.   This SOO describes the end result, thus allowing Offerors flexibility in proposing the details of how their solution meets the Department's goals. While the Department is encouraging creativity to promote innovative solutions, some details of the Offeror's solution may be subject to Department approval and/or certain constraints.

2.1.4.   Expected functionality and services are described under the Statement of Work (SOW) sections of this RFP, and requirements are provided in Appendix A – Requirements and Performance Standards Matrix. Requirements have been defined as Priority 1, Priority 2, Priority 3, and "Optional" (definitions for each are included in Section 11.5.2 of this RFP Body and in Appendix A – Requirements and Performance Standards Matrix). Priority 1, 2, and 3 requirements shall be included within the Offeror's proposed services and system capabilities.

2.1.5.   Due to the "abstract" nature of a SOO, Offerors shall specifically identify tasks and Deliverables in Appendix D – Offerors Response Worksheet that are part of their solutions, as well as tasks and Deliverables they believe are not included in their core service and system capability. This approach will help clarify cost, schedule, and implementation boundaries for both parties.

2.2.   PROCUREMENT GOALS

2.2.1.   The goal of this procurement is to redefine systems and business processes for the Colorado Medical Assistance program by procuring technical and business services to replace the Legacy System with a modern system and service delivery model. The service delivery model and modern system shall be both flexible and adaptable, and be able to easily interface with business intelligence and analytics tools to provide easy access to data and comprehensive reporting. In addition, the Department is seeking Fiscal Agent Operations Services with the expectation of excellent customer service and operational automation for both providers and the Department.

2.2.2.   The Department seeks to provide Department staff and business partners with the information management and analytics tools that will enable the Department to

manage and transform its Colorado Medical Assistance program to quickly adapt to and support the next decade of reform that is expected to occur in health care administration. As a result, new information technology systems and services, as well as modifications to current business processes to improve the Medicaid Information Technology Architecture (MITA) maturity levels, are required. In addition, effective professional services will be crucial to the success of program improvements.

2.2.3. The COMMIT project's leadership has established the following guiding principles, which will serve as the backdrop for this procurement. All decisions will be assessed against these principles on an ongoing basis to ensure that risks are mitigated appropriately, the procurement is successful, and that clients, the provider community and other stakeholders experience minimal impact.

2.2.3.1. **Adaptability**: Implement a flexible, rules-based, modular, Configurable solution to enhance decision-making and increase management efficiencies.

2.2.3.2. **Business Intelligence and Data Analytics**: Implement business intelligence and data analytic services to enable accurate, real-time data and reporting that will meet changing business and management needs. The solution should be enterprise centric, which would enable other health care and program data typically not found in a Legacy System to support enterprise decision-making.

2.2.3.3. **Service Focused**: Structure the procurement to focus on the delivery of services to provide an enhanced customer service experience for providers and clients.

2.2.3.4. **Performance-Based Contract**: Implement an incentive-based contract management structure that enables the Department to manage to performance-based service levels for the Contractor, without substantial increased cost to mitigate Offeror risk.

2.2.3.5. **Information Sharing**: Implement a solution that provides an easy to access and comprehensive "one-stop-shop" for providers.

2.2.3.6. **Realistic Project Schedule**: Structure the scheduled project activities to ensure a quality procurement and a successful implementation of the contracted services and supporting technology.

2.2.4. In addition to the guiding principles identified by Department leadership, the following objectives have been defined:

2.2.4.1. **Maximize Enhanced Federal Funding**: Maximize qualification for enhanced Federal Financial Participation (FFP) for MMIS development, implementation, and operations.

2.2.4.2. **Ensure Federal Standards Compliance**: Comply with the Centers for Medicare & Medicaid Services (CMS) requirements.

2.2.4.3. **Obtain Federal Certification**: Implement project management controls for the development and implementation for all systems to ensure CMS certification. Contractors will receive financial incentives for supporting timely CMS certification in order for the Department to fully qualify for enhanced federal funding.

2.2.4.4.   **Integrate with Statewide IT Systems**: Ensure that the MMIS is designed for integration with the State's Medicaid eligibility system (CBMS), Health Information Exchange, and Health Insurance Exchange as envisioned through the Affordable Care Act, and subsequent federal policies and regulations.

2.3.   PROJECT GOALS

2.3.1.   The Department's leadership team has established high-level project goals that are key factors in delivering a solution that will provide top value to the Department. The Department's Legacy System is over 20 years old, with components that are over 30 years old and based on a 1970s general design. As a result, many workarounds and manual processes have been developed to accommodate the antiquated system. Project stakeholders participated in a facilitated visioning session to determine a common "vision" for the future MMIS and service delivery model. In addition, various stakeholders participated in Colorado's MITA 2.01-based State Self-Assessment (SS-A) sessions to identify opportunities for improving business operations and to establish the transition goals necessary to achieve the vision. These transition goals have been translated to the business and system objectives that will be realized as a result of this RFP.

2.3.2.   Figure 2.3.2 conveys a summary of the Department's "As Is" and "To Be" business capability in each business area:

Figure 2.3.2 Level of Business Capability
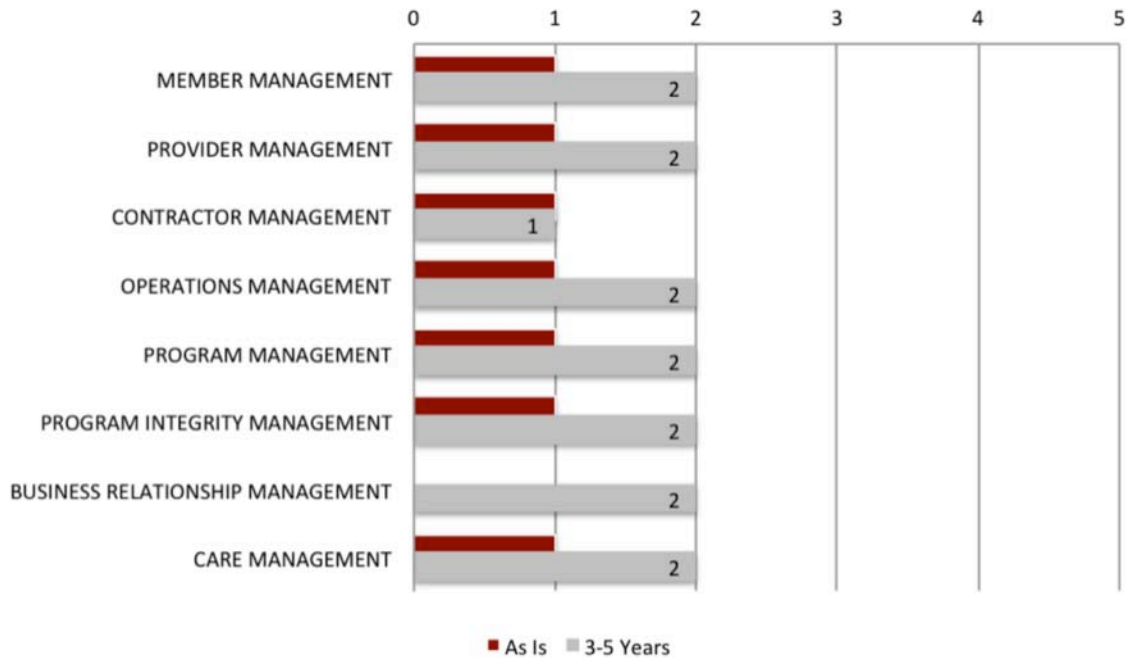
2.3.2. The Department is pursuing solutions that combine excellence and innovation in technology, business operations, and system implementation. Table 2.3.2 provides a description of the overall COMMIT project goals. Not all outcomes associated with project goals apply to the Core MMIS and Supporting Services; some goals will be achieved via the BIDM and PBMS RFPs. The Department expects proposed solutions to provide capabilities that will enable higher MITA maturity levels over time.

Table 2.3.2: Summary of Project Goals

Goal	Description
Audit Trail	Provide access to data changes and viewing history within the MMIS, BIDM, and PBMS records to allow the Department to understand the history of data changes, and to ensure HIPAA compliance. The online, human-readable audit trail should identify the effective and termination date for the data, identify who made the changes (e.g. individual or automated process), and the value of the data element for the identified data range.
Workflow Management	Implement automated solutions that support the establishment of work queues allowing in process documents to flow from one worker's queue to another.
Access to Data	Provide a real-time electronic case management system with centralized access to clients, providers, benefit plan(s), claims, and case management data for the Department's programs. An automated workflow will route applicable data and documentation to appropriate units/staff responsible for decisions on case management activities, based on defined access.

Goal	Description
Client Management	Create an online, electronic client System component and Web Portal that improves the Department's ability to manage client information and client related processes. CBMS will continue to be the master data source for eligibility determination, while the Core MMIS and Supporting Services will rely upon the eligibility determination to determine enrollment in the appropriate Health Benefit Plan, as well as for claims payment and reporting. The electronic client System component would interface with both systems to support determination of eligibility as well as Health Benefit Plan assignment. This functionality is optional for proposed solutions.
Provider Management	Create an online, electronic provider enrollment application through a Web Portal that will collect required information to support decisions regarding approval/denial of a provider's request to supply Medical Assistance. The online application would allow the electronic attachment of supporting documentation to allow efficient decision-making. The solution would leverage an automated workflow so that data and documentation could be routed to appropriate units responsible for decisions on provider enrollment applications. In addition, providers could use a Web Portal to submit updates to their information (e.g., address changes, updated licensing information).
Financial Management	Improve financial management processes by leveraging information available electronically to support more efficient budgeting and financial forecasting. Electronic financial management will leverage solutions used to support centralized data access and policy/utilization modeling. Modify System data that will be required for the BIDM to produce federally required reports through Configuration rather than modifying programming code.

Goal	Description
Health Benefit Plan Management	Through a rules-driven design, obtain the flexibility to create and modify Health Benefit Plans within the System, such that Department users can easily configure services, service limitations, prior authorizations, provider rates, and client cost sharing amounts within a Health Benefit Plan. This will allow the Department to define Health Benefit Plans unique to specific populations, as well as different payment methodologies and provider payments (or rates) for Health Benefit Plans. For example, payments to inpatient hospital providers under one Health Benefit Plan can be made on a per diem basis, while others can be made under a prospective diagnosis-related group (DRG) basis. In addition, the payment methodology could be the same across Health Benefit Plans, while provider rates of services differ between the Health Benefit Plans.
Utilization Tracking and Forecasting	Track utilization trends to support improved decision-making on where to allocate staff and program resources. The information collected and tracked over time will support forecasting and allow the Department to make more timely changes to policy to improve health care and financial outcomes. This goal will leverage solutions used to achieve centralized data access and policy/utilization modeling goals.
Electronic Communication Capabilities	Improve, standardize, and automate communications with clients, providers, and other agencies. The standardization of communications would allow the Department to move to electronic options for communications including a Web Portal and electronic messaging. In addition, standardization should support the ability to provide messaging in multi-language and multi-literate formats. These capabilities may result in timely communications that would lead to improved outcomes.

Goal	Description
Electronic Case Management	Implement an online, electronic case management solution within the Core MMIS and Supporting Services. The Case Management solution will replace the existing Benefits Utilization System (BUS) and DDDweb functionality. The solution will integrate with the Core MMIS and Supporting Services, but is not required to be native functionality.
Reporting Capabilities	Via the BIDM Contract, obtain a robust reporting solution that will leverage centralized access to data to improve reporting results. The Department expects that a solution would provide flexible reporting and business intelligence tools that provide a variety of graphical and data formats. The variety of formats will allow the Department to communicate data in a view appropriate for each audience. The solution will also provide options to automate reporting, including the ability of users to designate reports for generation at specific intervals, and the ability to set parameters for ad hoc reports. This also includes the ability to search on user-defined data elements.
System Flexibility	Create a solution that provides greater automation and is easily and quickly Configurable based on changing business requirements. The System should focus on Configuration changes rather than custom code development for business requirements (or Customization). The Contractor will need to be intimately familiar with its solution in order to make recommendations to best incorporate business requirement changes. This goal may also require an evaluation of the process to communicate the Department's requirements for a change. Making this process more efficient in achieving Department approval for changes will reduce the amount of time to get business requirements implemented in the System and increase accuracy of System transactions. Examples include the ability to make payments through benefit plans/services created or the ability to add new data fields to the System that can drive workflow and/or reporting capabilities.

Goal	Description
Reusability	Obtain a solution that, where practical, leverages existing technology and resources, and/or System components that can be transferred from an existing, CMS certified system across states, or from an existing commercial solution, to reduce implementation and operating costs. The solution implemented should provide a benefit to the Department and other states as future changes in technology and federal regulations can be shared across all partners via a "Software as a Service" delivery model. The System is not required to be previously CMS certified, however, all proposed solutions are expected to meet CMS certification requirements, as specified in the agreed upon project schedule, as defined and maintained under this Contract.

2.4.   CONTRACTOR RELATIONSHIP EXPECTATIONS

2.4.1.   Prime Contractor

2.4.1.1.   The Core MMIS and Supporting Services Contractor shall be the Prime Contractor and shall be solely responsible for integration of all Work to be performed under the COMMIT project, regardless of whether Subcontractors are used by the Contractor. The Prime Contractor shall work solely with the Department to perform all contract administration activities for this Contract, including tasks for which a Subcontractor may be responsible.

2.4.1.2.   If the Fiscal Agent Operations role or any other role is subcontracted, the Core MMIS and Supporting Services Contractor shall be the Prime Contractor and shall be solely responsible for integration of all Work to be performed under this Contract.

2.4.1.3.   The relationship with the Department and other Subcontractors shall be based on trust, confidentiality, objectivity, transparency, and integrity at all times. Nothing contained within this document or any Contract documents created as a result of any Contract awards derived from this RFP shall create any contractual relationships between any Subcontractor and the Department. All subcontracting relationships require the consent and approval of the Department prior to start of Work under the Contract.

2.4.2.   Contractor Relationship with other COMMIT project contractors and serving as the System Integrator

2.4.2.1.   The Core MMIS and Supporting Services Contractor shall also be responsible for the integration of all systems related to the COMMIT project.

2.4.3. The Department, in conjunction with all other COMMIT project contractors (Core MMIS and Supporting Services, BIDM, PBMS) will develop a formal agreement that specifies the roles and responsibilities of each Contractor as it relates to the COMMIT project.

2.4.4. Contractor relationship with Business Intelligence and Data Management (BIDM) Contractor

2.4.4.1. Core MMIS and Supporting Services Contractor staff will have an ongoing relationship with BIDM Contractor staff. As Prime Contractor, the Core MMIS and Supporting Services Contractor shall also be the System Integrator and ensure that Core MMIS and Supporting Services Contractor staff work cooperatively with key BIDM Contractor staff to ensure, to the extent within its control, the success of the project as it relates to Core MMIS and Supporting Systems Contractor provided services.

2.4.4.2. The Core MMIS and Supporting Services Contractor shall also ensure that all available data necessary to meet the BIDM RFP requirements are captured, maintained, and retained. System data are the principal assets for both information and reporting systems. With that in mind, the Core MMIS and Supporting Services Contractor shall ensure master data management and data synchronization between the MMIS and BIDM to the greatest extent possible. A draft of the BIDM RFP can be referenced in Appendix G – Procurement Library Content List.

2.4.5. Contractor relationship with Pharmacy Benefit Management System (PBMS) Contractor

2.4.5.1. The Core MMIS and Supporting Services Contractor staff shall have an ongoing relationship with PBMS Contractor staff. As Prime Contractor, the Core MMIS and Supporting Services Contractor shall also be the System Integrator and ensure, to the extent within its control, that Core MMIS and Supporting Services Contractor's staff works cooperatively with key PBMS Contractor staff to ensure the success of the project as it relates to Core MMIS and Supporting Systems Contractor provided services.

2.4.5.2. Core MMIS and Supporting Services Contractor shall ensure master data management and data synchronization between the MMIS and PBMS to the greatest extent possible. A draft of the PBMS RFP can be referenced in Appendix G – Procurement Library Content List.

2.4.6. The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 2.4.

SECTION 3.0   BACKGROUND INFORMATION

3.1.   OVERVIEW

3.1.1.   This section of the RFP provides an orientation to the Colorado Medical Assistance program's structure, existing contract, and current technologies. It is not intended to be a complete and exhaustive description.

3.1.2.   The Department of Health Care Policy and Financing

3.1.2.1.   The Department serves as the Medicaid Single State Agency, as defined by Code of Federal Regulations (CFR) Title 45 Section 205.100 (42 CFR 431.10). The Department develops and implements policy and financing for the Medicaid and CHP+ programs as well as a variety of other publicly funded health care programs for Colorado's low-income families, children, pregnant women, the elderly, and people with disabilities. Additional responsibilities include contracting for components of major administrative functions such as information and billing systems, managed care enrollment facilitation, and utilization review, and quality assurance to companies that specialize in these areas. For more information about the Department, visit www.Colorado.gov/HCPF.

3.1.2.2.   The Department is a Covered Entity under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) (United States Code [U.S.C.] Title 42 Section 1320d-1320d-842 [U.S.C. 1320d-1320d-8]) and its implementing regulations.

3.1.2.3.   Within the Department, the Claims Systems and Operations Division, provides oversight for the Core MMIS and Supporting Services Contractor, BIDM Contractor, and the PBMS Contractor. The Division consists of contract managers, project managers, system business analysts, and operations analysts who monitor Contractor and system performance, gather requirements for System and operation changes, and bridge communications between the Department's policy/program staff and the Contractor's technical and operational staff.

3.1.3.   The Governor's Office of Information Technology (OIT) also provides oversight for select large systems projects and includes Independent Verification and Validation (IV&V) services that are contracted for specific projects. The Department maintains direct oversight of the Core MMIS and Supporting Services, BIDM, and PBMS procurements and resulting contracts.

3.1.4.   The Department's most current organizational chart can be found in the Appendix G – Procurement Library Content List.

3.2.   CURRENT CONTRACT BACKGROUND

3.2.1.   Typically, MMIS services are competitively bid and purchased every eight (8) to ten (10) years. In a fiscal-agent operated state, it is typically covered by a base Contract of three, four, or five (3, 4, 5) years with the remaining period covered by option years that are exercised annually or in aggregate. Under its last procurement in June 2007, Colorado opted for a base Contract of three (3) years, followed by a request for CMS approval to exercise an option extension of five (5) years. To accommodate the

anticipated timelines provided under this RFP, CMS has approved the extension of the current Fiscal Agent contract for an additional one (1) year extension to June 30, 2016 and, if necessary, an additional year extension to June 30, 2017.

3.2.2. Xerox State Healthcare, LLC (formerly Affiliated Computer Services) has been administering the MMIS and Fiscal Agent services since 1995. Colorado's system was operational and certified under ACS's management in December 1998. The previous contractor, Blue Cross Blue Shield, operated Colorado's MMIS and acted as Fiscal Agent for the previous twelve (12) years.

3.3. TECHNOLOGY AND SYSTEMS TO BE REPLACED

3.3.1. This section of the RFP describes the COMMIT project components that are to be replaced. This section has been divided into two subsections to indicate technical and business services that are included under this RFP and those that are not.

3.3.2. Technical and Business Services for replacement under this RFP

3.3.2.1. MMIS

3.3.2.1.1. The current MMIS was designed and developed from 1996 to 1998. The system was implemented on December 1, 1998. Enhancements and modifications have since been implemented regularly to meet the evolving needs of the Department and to meet federal and/or State legislative and/or budgetary requirements. Since the initial implementation, subsequent enhancements include offering interactive claims, client eligibility inquiry, report/file retrieval through a Web Portal, provider reference information such as provider billing manuals, delivered through a provider services web site, email notification of provider bulletins, and other enhancements to support Fiscal Agent Operations. The Department does not plan to modify the existing system due to the significant changes, resources, and costs required to update the current MMIS.

3.3.2.2. Benefits Utilization System (BUS)

3.3.2.2.1. The BUS is a Case Management system for Home and Community Based Long Term Care clients and Nursing Facilities developed by the Department. The ULTC 100.2 is the intake form/assessment that health care providers and/or case managers use for recording daily living/acuity scores. The Department currently maintains the content of the ULTC 100.2 reports in the BUS. The BUS also contains Preadmission Screening and Resident Review (PASRR) information, Home Care Allowance and Instrumental Activities of Daily Living (IADL)/basic Activities of Daily Living (ADL) information, and Service/Care Planning for Preadmission Review.

3.3.2.2.2.   The BUS is a SQL Server based application with a web-based front end that is currently not integrated with the MMIS. The application contains almost 128,000 records and is utilized by more than 900 case managers and more than 52 different agencies. In addition, the BUS has a limited provider directory for Nursing Facilities and Case Management agencies. Due to the development of modern systems, existing BUS functionality will need to be incorporated into the Case Management component of the Core MMIS and Supporting Services solution.

3.3.2.3.   Division for Developmental Disabilities web (DDDweb)

3.3.2.3.1.   The DDDweb is a web-based application that is responsible for the direction, funding, and oversight of community services to persons with developmental disabilities within the State of Colorado. DDDweb is managed and maintained within the Colorado Department of Human Services (CDHS) and OIT. DDDweb is the principle source of data regarding person with developmental disabilities who are provided services with State or Medicaid funding through CDHS. DDDweb includes basic identification, client eligibility, disability, service, survey data, wait list, critical incident tracing, program quality and other management and planning information.

3.3.2.3.2.   The DDDweb is a SQL Server based application with a web-based front that was developed in 2007 with Visual Studio 2005 and ASP.NET using .Net Framework 2.0. The DDDweb creates and transmits developmental disabilities prior authorizations to the current MMIS in the National Standard Format (NSF) fixed-length 320 byte records.

3.3.2.4.   Electronic Data Interchange (EDI)

3.3.2.4.1.   The EDI provides automated transfer of data in a specific format following specific data content rules between a health care provider, the Department, and CMS. Due to the development of modern systems, the EDI will need to be replaced or modified to support the Core MMIS and Supporting Services.

3.3.3.   Other Technical and Business Services for Replacement *excluded* from this RFP

3.3.3.1.   Decision Support System (DSS)

3.3.3.1.1.   The current DSS provides information retrieval and reporting tools via business intelligence and performance management software that supports research, planning, monitoring, and evaluation of the Colorado Medical Assistance program's operation and performance. On a weekly basis, the Department and its affiliates download select data from the MMIS to the DSS to support various DSS functions. This does not provide a comprehensive or centralized view of all data required for reporting purposes or program analysis. As a result, the Department plans to replace it through a procurement that is separate from the Core MMIS and Supporting Services procurement.

3.3.3.1.2.   RFP Body Section 7.12 provides the Core MMIS and Supporting Systems Contractor responsibilities to ensure a successful interface with the BIDM.

3.3.3.2.   Pharmacy Benefits Management System (PBMS)

3.3.3.2.1.   The Department currently leases its PBMS from the current MMIS and Fiscal Agent Services Contractor and has determined it should be replaced. The Department plans to take advantage of the latest technology and functionality available for claims processing, drug utilization review, and other pharmacy benefit management functionality by replacing it through a procurement that is separate from the Core MMIS and Supporting Services procurement.

3.3.3.2.2.   RFP Body Section 7.12 provides the Core MMIS and Supporting Systems Contractor responsibilities to ensure a successful interface with the PBMS.

3.4.   COLORADO MEDICAL ASSISTANCE PROGRAM ENHANCEMENTS

3.4.1.   The Department completed its MITA 2.01-based State Self Assessment (SS-A) in April 2012, to identify opportunities for improving business operations and to establish the transition goals necessary to achieve its vision. In addition to transition goals, the Department also defined key technology and business services that would enhance the Colorado Medical Assistance program. Key program enhancements based on the MITA "To Be" planning are highlighted below:

3.4.1.1.   Enhance the capabilities of the MMIS and Supporting Services to improve the interface capabilities to CBMS.

3.4.1.2.   Enhance Web Portal features and provide single sign-on functionality for authorized users of the System.

3.4.1.3.   Centralize access to information including Long Term Care prior authorizations, screenings, and claims via providing all data to the BIDM.

3.4.1.4.   Enhance Medicaid payment processing, which includes pharmacy claims, through the System by reducing current manual workarounds.

3.4.1.5.   Use the services of a contractor via the BIDM Contract to implement a data warehouse with business intelligence tools to enhance analytics capabilities that support the Department's reporting and decision-making needs. These BIDM contractor supplied tools will also be utilized to provide an analytical database to support the Medicaid Accountable Care Collaborative (ACC) Program. Through data analytics and reporting activities, the business intelligence tools will assist the Department in assuring that the ACC Program goals are consistently met in an effective and efficient manner.

3.5.   PROJECT AND STATE RESOURCES

3.5.1.   The following list describes the primary entities and their role in this project:

3.5.1.1.   **The Department**: is responsible for the procurement, operation, and maintenance of the systems and processes that support the publicly funded Colorado Medical Assistance program. Select members of the Department comprise the Executive Sponsor role. A current Department organizational chart is included in Appendix G – Procurement Library Content List.

3.5.1.2. **The Claims Systems and Operations Division**: Within the Department, this Division manages the relationship with the Contractor. The Division Director and staff will be primarily responsible for the day-to-day project management and Contract management related to the implementation and operations of the System. The Division will also be responsible for overseeing the Contractor's performance and escalating project issues and/or risks to project sponsors as needed. In addition, the Division will coordinate the necessary Department and other State resources throughout the Contract term. A current Division organizational chart is included in Appendix G – Procurement Library Content List.

3.5.1.3. **Centers for Medicare & Medicaid Services (CMS)**: is a federal agency within the United States Department of Health and Human Services (DHHS) that administers the Medicare program and works in partnership with state governments to administer Medicaid, the State Children's Health Insurance Program (CHIP) and health insurance portability standards.

3.5.1.4. **Office of Information Technology (OIT)**: is primarily responsible for Colorado's Information Technology infrastructure and system security. OIT also contains the State's primary Project Management Office and promulgates the State's rules and policies regarding project management. OIT has no authority or control over the MMIS, but may provide information and be used as a resource on questions regarding information technology (IT) issues.

3.5.2. The project organization is as follows:

3.5.2.1. **Executive Sponsor(s)**: Consists of members of the Department. Executive Sponsor(s) will oversee the Core MMIS and Supporting Services implementation and provide overall direction for the COMMIT project. Executive Sponsor(s) have final decision making authority related to the project.

3.5.2.2. **Claims Systems and Operations Division's Project Management Office (PMO)**: A unit within the Claims Systems and Operations Division that manages various projects for the Department. It coordinates, manages, and oversees projects as well as sets agency-wide standards, practices, and policies for project execution. The PMO oversees the Department's projects including the COMMIT project (RFPs and resulting contracts), 5010/NCCI/ICD-10 efforts, as well as regular updates to the State's existing MMIS and process improvement projects.

3.5.2.3. **MMIS Project Manager**: Part of the Department's PMO and will oversee the MMIS Implementation and Operations project and the Contract for the Department, and will work with the Contractor to provide day-to-day coordination of all project tasks. The MMIS Project Manager will be the primary point-of-contact for the Contractor to the Department.

3.5.2.4. **Purchasing Services Section**: Oversees the solicitations for the Department and is the main point of contact for this procurement.

3.5.2.5. **Independent Verification and Validation (IV&V) Contractor:** The Department will identify resources to support IV&V services for this Contract.

3.5.3.   Department Responsibilities

3.5.3.1.   The Department will oversee Contractor activities as described in Appendix B – Project Phases Tables and Deliverables as described in Appendix A – Requirements and Performance Standards Matrix throughout the term of the Contract. The Department will review all Contract Deliverables and provide input into the design and content of each Deliverable. The Department will provide the Contractor with formal approval of each Deliverable, as described in Appendix A – Requirements and Performance Standards Matrix.

3.5.3.2.   The Department will act as a liaison between its Contractor(s) and other agencies and stakeholders. The Department will help facilitate communication between the parties to ensure the COMMIT project has a successful transition and implementation. The Department's COMMIT Project Manager will act as the primary contact point for the Contractor's account manager and will escalate necessary issues and risks to the appropriate Department stakeholders. The Department's COMMIT Project Manager will also coordinate the participation of Department and State stakeholders in Contractor sessions and meetings throughout the term of the Contract.

3.5.3.2.1.   The Department will work with the Contractor(s) to secure necessary access for Contractor staff to Department systems, tools, data, and reports required to support the Scope of Work.

3.5.3.2.2.   The Department will perform management duties associated with the management goals and general management strategy stated in this section with respect to all Department (or State) duties and all Department-led duties.

SECTION 4.0   CONTRACT GOALS AND STRATEGY

4.1.   OVERVIEW

4.1.1.   This section of the RFP provides a description of the COMMIT project's contract goals, terms, and scope. It is not intended to be complete and exhaustive.

4.2.   CONTRACT GOALS

4.2.1.   The Department's Contract strategy is reflected throughout this RFP, and was developed to encourage mutually beneficial outcomes. The Department plans to negotiate with the following goals in mind:

4.2.1.1.   Provide business opportunities that are fair to participants and deliver services and technologies at acceptable and competitive prices within the Department's budget.

4.2.1.2.   Foster collaborative, mutually beneficial partnerships. This includes the quick resolution of implementation or operational issues or delays in the project schedule without assigning blame to a person or party that negatively impacts the long-term relationship. In addition, to foster a positive partnership, the Department and contractors will engage in joint team building exercises with management and staff to foster trust and open communication.

4.2.1.3.   Discourage contractors from proposing prices and timelines for Design, Development and Implementation (DDI) below what can reasonably be achieved with the intention of making up the difference via the Change Management Process and various other business processes. The Evaluation Committee will determine if the Price Proposal is commensurate with the Technical Proposal and proposed project schedule based on research from recent MMIS implementations in other states and pre-defined evaluation criteria.

4.3.   CONTRACT TERMS

4.3.1.   The Department anticipates commencing initial Work under this Contract in November 2013. A detailed description of the proposed Contract Stages outlining the phased implementation is described in Section 5.2, Contract Stages. The Department's proposed implementation schedule, which is described later in this section, is moderately flexible, and will be revised as appropriate to align with the Offeror's proposed solution. The anticipated initial term for both DDI and operations of the resulting Contract is five (5) years, contingent upon funds being appropriated, budgeted, or otherwise made available, and other contractual requirements being satisfied. The resulting Contract may be renewed for additional increments of one (1) year and up to a total of three (3) additional years, at the sole discretion of the Department, contingent upon funds being appropriated, budgeted, or otherwise made available, and other contractual requirements, if applicable, being satisfied. The Department requires the Core MMIS and Supporting Services to successfully achieve CMS Certification as specified in the agreed upon project schedule, as defined and maintained under the Contract.

4.3.2.   A draft Contract is included as Appendix H – Draft Contract. The terms of the template Contract shall become contractual obligations following award of the Scope of Work. The Offeror affirms its willingness to enter into a Contract containing terms substantially similar to those in Appendix H – Draft Contract by submitting a proposal. The successful Offeror will have an opportunity to negotiate Contract terms, but the Department expects Offerors to redline the Draft Contract in Appendix H – Draft Contract, as part of the proposal submission, with the intent of making Contract negotiations more efficient. The Department will not negotiate Contract terms related to the HIPAA Business Associate Addendum, Colorado Special Provisions, or Paragraph 19P Limitations of Liability.

4.4.   CONTRACT SCOPE

4.4.1.   The general scope of this Contract includes:

4.4.1.1.   Core MMIS and Supporting Services.

4.4.1.2.   Fiscal Agent Operation Services.

4.4.1.3.   Medicaid Web Portal.

4.4.1.4.   Online Provider Enrollment.

4.4.1.5.   Case Management.

4.4.1.6.   Electronic Data Interchange (EDI).

4.4.1.7.   Electronic Document Management System (EDMS).

4.4.1.8.   Provider Call Center with Customer Relationship Management (CRM) Software.

4.4.1.9.   Help Desk, including Interactive Voice Response (IVR) software.

4.4.1.10.   Colorado Registration and Attestation

4.4.1.11.   General functionality of other systems or services that currently exist or will interface with the future MMIS.

4.4.1.12.   General IT functionality and business operations.

4.4.1.13.   Scope and duties described in other sections of this RFP.

4.4.2.   The scope of this Contract *does not* include:

4.4.2.1.   The COMMIT Pharmacy Benefits Management System (PBMS) RFP.

4.4.2.2.   The COMMIT Business Intelligence and Data Management Services (BIDM) RFP.

4.4.2.3.   Current Statewide Data and Analytics Contractor (SDAC).

4.4.3.   Additional details about current interfaces, system functionality, and system processes can be found in Interfacing Systems Documentation, MMIS System Documentation, and Operations Manual, referenced in Appendix G – Procurement Library Content List.

4.4.4.   Following Contract award, a formal Change Management Process will be established to address any requested changes to requirements or scope defined this RFP. The goal of this process is to address submission, review, and approval or rejection of all changes within realistic and agreed upon time periods that are reflective of the solution for the proposed change.

4.5.   FUTURE TECHNICAL AND BUSINESS SERVICES

4.5.1.   Specifically, the scope of the Core MMIS and Supporting Services includes the following functionality:

Table 4.5.1: Scope of Future Solution

Component	Functionality
Provider Re-enrollment	• Support the Provider screening, enrollment, re-enrollment, and validation process necessary to support the requirements for the Core MMIS and Supporting Services.
Online Provider Enrollment	• Implement Online Provider Enrollment and enrollment processes, via a Web Portal, as well as the function of active re-enrollment activities required by Fiscal Agent Operations. Web Portal requirements are contained in Sections 8.4 Provider Management, 8.14 Web Portal, and Section 9.5 Provider Management Services of Appendix A – Requirements and Performance Standards Matrix.
MMIS and Supporting Services	• Professional Services including System design, development, testing, implementation, configuration management, and maintenance support. • Ongoing maintenance support, which may include development and Configuration changes to support federal and/or State mandates, as well as Department directives, via the Change Management Process. • Claims processing that utilizes a modern, flexible rules engine. • Processing of all related electronic transactions (claims, authorizations, remittance, etc.). • Claims processing of paper claims. • Claims payment functionality (interface with Colorado Financial Reporting System (COFRS)). • Flexibility in establishing multiple payment methodologies for a single provider type. • Flexibility in managing benefit plans. • Provide and support electronic interfaces (internal and external). • Client Web Portal (optional). • Provide single sign-on (SSO) for contractors, providers, and clients between the various systems administered by the State and all associated systems provided by the Offeror.

Component	Functionality
	• NCCI and fraud detection capabilities (pre-processing). • Clinical claims editing capabilities. • Provide and support an Electronic Document Management System (EDMS) that can be expanded to be utilized by all employees in the Department. • Workflow management that is integrated with EDMS. • Provide and support an electronic client Case Management Tool that can be utilized by Department, providers and Medicaid Eligibility Technicians (replaces current BUS). • Services Oriented Architecture (SOA). • Client Management MITA business area. • Provider Management MITA business area. • Authorize Services/Prior Authorizations Request (PAR) MITA business process. • Reference Data Management (including procedure, diagnosis, fee schedule, and all other reference files needed to approve, process, and pay claims). • Provide the Third Party Liability (TPL) system of record. • Security and privacy. • Capture and provide to the BIDM all data that will be required to produce federal and State reports. • Provide to BIDM and Department staff any Fiscal Agent Operations support necessary to complete required reporting. • Support activities related to ongoing financial management processes. • Support required information, reporting, and other processes required by accounting services.
Electronic data interchange (EDI)	• Manage HIPAA mandated transactions. • Maintain HIPAA compliance. • Manage electronic claims submission. • Process inbound and outbound transactions in HIPAA compliant transaction formats. • Translate non-standard transactions into HIPAA compliant formats for entry into the Core MMIS and Supporting Services. • Interface with the Core MMIS and Supporting Services.
Fiscal Agent Services	• Maintain and manage mailroom and print center. • Maintain and manage a provider call center. • Provide and support Provider Customer Relationship Management (CRM) software licenses that can be expanded to be utilized by all employees in Department so that the Department's contact with

Component	Functionality
	providers can be noted in the same system as the Contract, which will allow communications with providers to be more efficient. • Support Online Provider enrollment, re-enrollment, and validation activities. • Manage paper and electronic claims receipt and adjudication. • Manage paper and electronic claims payment and adjustments. • Maintenance of client records and response to client inquiries (call center). • Support all business processes under the Provider Management MITA business area. • Support data access related to program integrity. • Support financial accounting and reporting. • Generate hospital cost settlements. • Support revenue collection (e.g., HIBI), TPL file maintenance, and other cost-avoidance activities. • Coordinate with the Department and outside auditors to provide access to data held in the MMIS (e.g., Payment Error Rate Measurement (PERM)).

4.6. INTERFACING SYSTEMS AND CONTRACTS

4.6.1. The description of interfacing systems, current contracts, and future initiatives in Table 4.6.4 is not intended to imply that the proposed solution be constructed in any specific manner. Offerors are encouraged to propose solutions that offer a more integrated approach to the Colorado Medical Assistance program than exists today.

4.6.2. Table 4.6.4 identifies the existing and planned contracts that will interface in some capacity with the Core MMIS and Supporting Services. The Contractor may be receiving information from, or sending information to the systems listed in Table 4.6.4.

4.6.3. Existing processes and functionality for systems listed in Table 4.6.4 will remain independent from the Core MMIS and Supporting Services solution, unless specifically outlined below or in Appendix A – Requirements and Performance Standards Matrix. As such, the Core MMIS and Supporting Services will process data as received and provide output as required based on the Core MMIS and Supporting Services functional specifications. The requirements, terms, and conditions of the contracts referenced in Table 4.6.4 are incorporated by reference only, and are not within the scope of this RFP.

4.6.4. The Department has actively pursued opportunities to collaborate with the organization responsible for the Health Information Exchange (HIE) and Health Benefit Exchange (HBE). The State's eligibility system (CBMS) will share data with the HIE. To ensure accurate MMIS eligibility data, the existing interface between

MMIS and CBMS will continue and will be expanded to provide additional information sharing and analytical capacity to improve programs and client health outcomes. The Department plans to participate in the upcoming HBE that will support member's insurance eligibility and enrollment activities, and continue collaboration with the HIE throughout the duration of this Contract.

Table 4.6.4 MMIS Interfacing Contracts and Systems

Contract	Description	Contractor	Effective Date	Base Year End Date	Option Year End Date
All Payer Claims Database (APCD)	This system will produce reports with claims data from dozens of insurance carriers, including Colorado Medical Assistance program. A unique element of the Colorado APCD will be the requirement that carriers provide fully identified Personal Health Information (PHI). The State is currently in the process of implementing an APCD. Although this system will remain separate, the Core MMIS and Supporting Services will need to interface with it as required.	Center for Improving Value in Health Care (CIVHC) and Treo Solutions	June 2011	June 2016	N/A

Contract	Description	Contractor	Effective Date	Base Year End Date	Option Year End Date
Benefits Utilization System (BUS)	The Case Management system for Home and Community Based Long Term Care clients and Nursing Facilities. This functionality will be included as part of this Contract in the Core MMIS and Supporting Services, replacing the current BUS system.	State-owned	N/A	N/A	N/A
Colorado Benefits Management Systems (CBMS)	The State's integrated eligibility system used to support eligibility determination and benefit calculations for State benefit programs. Although this system will remain separate, the Core MMIS and Supporting Services will need to interface with it as required.	State-owned with contract with Deloitte for operations	July 2008	June 2013	June 2017
Colorado Financial Reporting System (COFRS)	The State's financial system of record. This system is currently under review for redevelopment. Although this system will remain separate, the Core MMIS and Supporting Services will need to interface with it as required.	State-owned	N/A	N/A	N/A

Contract	Description	Contractor	Effective Date	Base Year End Date	Option Year End Date
Colorado Health Benefits Exchange (COHBE)	The Health Benefits Exchange is scheduled to launch in October 2013 and will establish a marketplace for Coloradans to shop for and purchase health insurance based on quality and price. Although this system will remain separate, the Core MMIS and Supporting Services will need to interface with it as required.	CGI	N/A	N/A	N/A
Health Information Exchange	The Statewide Health Information Exchange, through Colorado Regional Health Information Organization (CORHIO), offers the Department the opportunity to leverage a transport protocol and information exchange infrastructure to enhance and augment existing Medicaid initiatives in a scalable, repeatable fashion, facilitating current and future business requirements. Although this system will remain separate, the Core MMIS and Supporting Services will need to interface with it as required.	CORHIO	N/A	N/A	N/A

Contract	Description	Contractor	Effective Date	Base Year End Date	Option Year End Date
Prior Authorization Agencies	The Prior Authorization Agencies provide service authorization service to the Department. Although this system will remain separate, the Core MMIS and Supporting Services will need to interface with agencies as required.	MASSPRO	June 2012	June 2013	June 2017
Utilization Management Vendor	The Utilization Management Vendor provides reporting and analysis services on utilization trends and actions. Although this system will remain separate, the Core MMIS and Supporting Services will need to interface with it as required.	APS Healthcare	August 2011	June 2012	June 2016

Contract	Description	Contractor	Effective Date	Base Year End Date	Option Year End Date
Web Portal Vendor	Web-based application that will interface with the Core MMIS and Supporting Services. The Web Portal enables providers and other Department-designated entities to electronically send and receive secure HIPAA and non-standard transactions to the Department's MMIS and to verify client eligibility. The Web Portal will be replaced as part of this Contract.	CGI	September 2012	June 2013	June 2016
Statewide Data and Analytics Contractor (SDAC)	The SDAC provides an analytical database to support the Medicaid Accountable Care Collaborative (ACC) Program. This functionality will be included in the BIDM, replacing the current SDAC functionality.	Treo Solutions	May 2011	July 2013	June 2014

Contract	Description	Contractor	Effective Date	Base Year End Date	Option Year End Date
Recovery Audit Contractor (RAC)	The RAC provides review and recovery support to the Department to reduce improper Medicaid payments through the efficient detection and collection of overpayments, the identification of underpayments and the implementation of actions that will prevent future improper payments. Although this function will remain separate, the Core MMIS and Supporting Services will need to interface with it as required.	CGI/HMS	October 2011	October 2013	October 2017

4.6.5.   The Department's enterprise capabilities and associated business services do not currently provide the level of enterprise integration required to achieve the Department's goals for "To Be" MITA maturity levels. To improve the enterprise integration between contracts, programs, and applications the Department expects that the Contractor shall significantly improve the Department's capabilities by integrating and/or interface with the services in Table 4.6.4 with the proposed solution to the greatest practical extent.

4.6.6.   Additional information about existing interfaces can be found in Appendix G – Procurement Library Content List.

# SECTION 5.0   MANAGEMENT AND ORGANIZATION

5.1.   OVERVIEW

5.1.1.   The COMMIT project has been divided into Contract Stages and Project Phases. For ease of navigation through these terms, the following clarification is provided. Contract Stages refer to distinct categories that will assist in Contract management activities. These Contract Stages relate to the initial implementation and lead to the ongoing operation and maintenance of all procured solutions. Project Phases refer to the steps involved in working in tandem with the Department to follow the Core MMIS and Supporting Services implementation lifecycle into the Operations and Maintenance Phase.

5.2.   CONTRACT STAGES

5.2.1.   The Department has established Contract Stages based on the procurement strategy for the COMMIT project. The Contract Stages are described in Sections 5.2.6 through 5.2.11. Specific details regarding the Contractor duties and Deliverables shall be thoroughly addressed in Appendix D – Offeror's Response Worksheet. Proposed Project Phases are described in Section 5.3, and are not necessarily exclusive to a single Contract Stage; some Project Phases will occur in different Contract Stages, and most Project Phases will likely overlap. The Contract Stages are defined by the tasks performed and Deliverables completed rather than by a sequential timeline. During the Initiation and Planning Project Phase, the Contractor and the Department will establish and document entrance and exit criteria for each Contract Stage. Figure 5.2.4 represents a visual overview of how the Department envisions integration of the Contract Stages within the proposed implementation timeline. However, the Department expects Offerors to propose how the Contract Stages will integrate with their proposed implementation schedule that best aligns with their proposed solution.

5.2.2.   Proposed Contract Stages may occur concurrently, and may overlap in order to meet prioritized implementation Milestones, which include the ACA Provider Screening Rules (March 2016) and Core MMIS and Supporting Services Implementation.

5.2.3.   The Department has provided staffing data for available resources throughout the term of the Contract. The Department will notify the Contractor as early as possible regarding any Department resource constraints that may impact proposed Deliverables and/or of the timeline for the Core MMIS and Supporting Services Implementations. Offerors shall reference the organizational charts in Appendix G – Procurement Library Content List for Department organization structure and staffing data.

5.2.4.   Offerors will need to acknowledge that simultaneous Work in overlapping Contract Stages may negatively impact Department staff and the Offeror will need to minimize the schedule risk associated with Department resource constraints.

Figure 5.2.4: COMMIT Contract Stages and Implementation Timeline
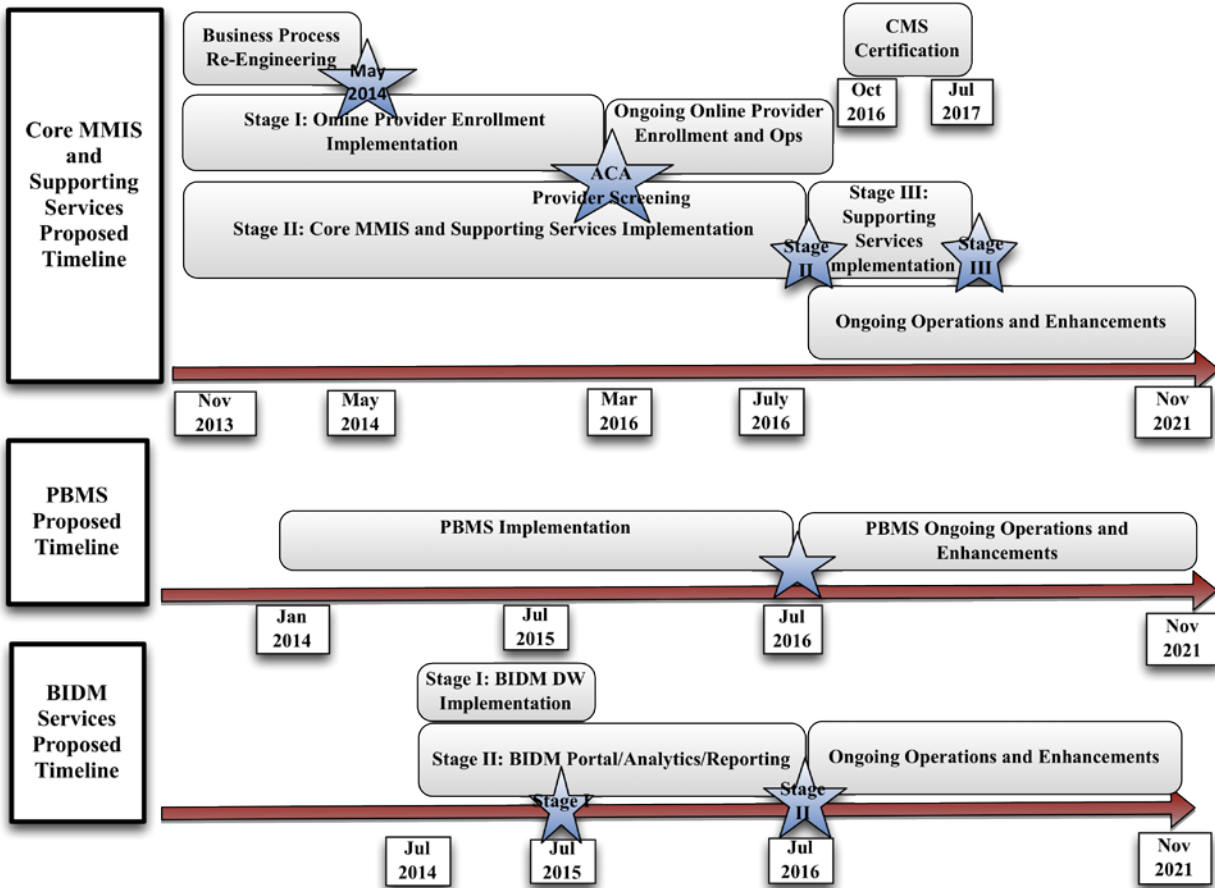
5.2.5. Procurement Activities

5.2.5.1.　The procurement activities include RFP development, RFP release, RFP evaluation, Contract award, and Contract negotiation. Procurement activities are currently in progress, and are not included in Figure 5.2.4. The Department is targeting completion of procurement activities related to this RFP during the third quarter calendar year (CY) of 2013.

5.2.6. Business Process Re-Engineering (BPR) Contract Stage

5.2.6.1.　The Department is proposing a six (6) month BPR Contract Stage following the Contract effective date. This stage will include a comprehensive review of the Colorado Medical Assistance program workflows, payment processes, and business processes to provide the Department with recommendations on how to best integrate those functions with the Contractor's Core MMIS and Supporting Services.

5.2.6.2.   Based on the results of the BPR effort, the Department, with support from the Executive Sponsor(s), will implement an internal Change Management Process to facilitate culture change within the Department and minimize the impact to staff as they transition from current workflows, payment processes, and business processes to the Contractor's Core MMIS and Supporting Services.

5.2.6.3.   Objective: Complete a comprehensive review of the Department's payment methodology and business processes against the Contractor's proposed solution and identify opportunities to provide greater efficiencies, reduce implementation schedule risk, improve alignment with MITA, and improve the overall quality of the delivered solution. This may occur in conjunction with Implementation Stage I and Implementation Stage II DDI activities for the Core MMIS and Supporting Services.

5.2.6.4.   Offeror's proposed BPR strategy shall be based on business processes that are consistent with current MITA CMS standards. At the time of this release, the current MITA 3.0 framework does not yet include member eligibility and enrollment business processes or capability matrices. Although this RFP will not be updated to reflect MITA 3.0, Offeror's responses shall be aligned with MITA 3.0 to the greatest extent practical. Any significant changes resulting from future MITA updates will be handled via the Change Management Process.

5.2.6.5.   The BPR Contract Stage may require the Contractor to interact with agencies external to the Department in order to obtain a comprehensive understanding of the enterprise. The Department will provide support to engage cooperation from external agencies, where necessary, to ensure a successful project.

5.2.6.6.   The BPR Contract Stage may occur in conjunction with discovery and requirements validation activities related to the Core MMIS and Supporting Services Contract. The resulting action plan will drive, and may impact, some DDI activities for Core MMIS and Supporting Services Stage I and Stage II Implementation. The BPR Contract Stage ends upon completion of all duties and approval of all Deliverables assigned to this stage. The Offeror may propose to use a Subcontractor(s) to complete this stage.

5.2.6.7.   The BPR Contract Stage may consist of a single Project Phase or multiple Project Phases, as determined by the Offeror's proposed strategy and schedule.

5.2.6.8.   The Department will evaluate the recommended changes resulting from the BPR Contract Stage, along with the corresponding schedule impacts, and initiate a change to the Contract if necessary. The Department expects any new requirements that may result from the BPR Contract Stage to be handled within the budget and Change Management Process as established under the Contract.

5.2.6.9.　　　　The BPR Contract Stage will not result in any Contract price renegotiations on behalf of the Department or the Contractor. The intent for the BPR is not for the Contractor to build the Core MMIS and Supporting Services based on the Department's current workflows, payment processes, and business processes, but rather for the Department staff to modify their current workflows, payment processes, and business processes to fully and efficiently utilize the Contractor's Core MMIS and Supporting Services.

5.2.6.10.　　　　Figure 5.2.6 represents a visual overview of the high-level BPR process.

5.2.6.11.　　　　The BPR Contract Stage goals include:

5.2.6.11.1.　　　　Evaluate the Department's current business processes against the Contractor's proposed solution and identify and document gaps.

5.2.6.11.2.　　　　Refine the Department's enterprise strategy by collaborating with OIT to integrate enterprise initiatives, where practical.

5.2.6.11.3.　　　　Develop a strategic, enterprise level plan that will accommodate the significant changes driven by health IT, health care reform, ASC X12 5010 Operating Rules, ICD-10 Operating Rules, and the Core MMIS and Supporting Services, BIDM, and PBMS RFPs.

5.2.6.11.4.　　　　Evaluate the current business processes for provider payment methods and determine how improvements can be made to align with future goals. This includes analysis of moving to other payment models rather than building the required functionality for the current provider payment methods into the Contractor's solution.

5.2.6.11.5.　　　　Evaluate and redefine how clients and benefits are structured to case client/benefit management, including PARs and defining Health Benefit Plans.

5.2.6.12.　　　　The expected output from the BPR Contract Stage is:

5.2.6.12.1.　　　　A Recommendations Report that identifies potential modifications with price and schedule implications. Impacts to the proposed timeline may be identified if recommendations from the BPR Contract Stage identify changes that materially affect Implementation Stage I and Stage II activities. The Department will work with the Contractor to evaluate the recommendations and determine the most beneficial modifications for implementation as part of DDI.

5.2.6.12.2.　　　　A Transition Action Plan, based on the Recommendations Report, that will provide the Department with a sequence of steps to be taken, or activities to be performed, for the implementation strategy to succeed. The Action Plan will also include metrics to assess the program improvements and potential implementation schedule reductions that are expected to result from the modifications.

5.2.6.13.　　　　The Department may separate activities in the BPR Contract Stage from other planning activities that will occur prior to the commencement of Implementation Stage I.

Figure 5.2.6 BPR Process Overview
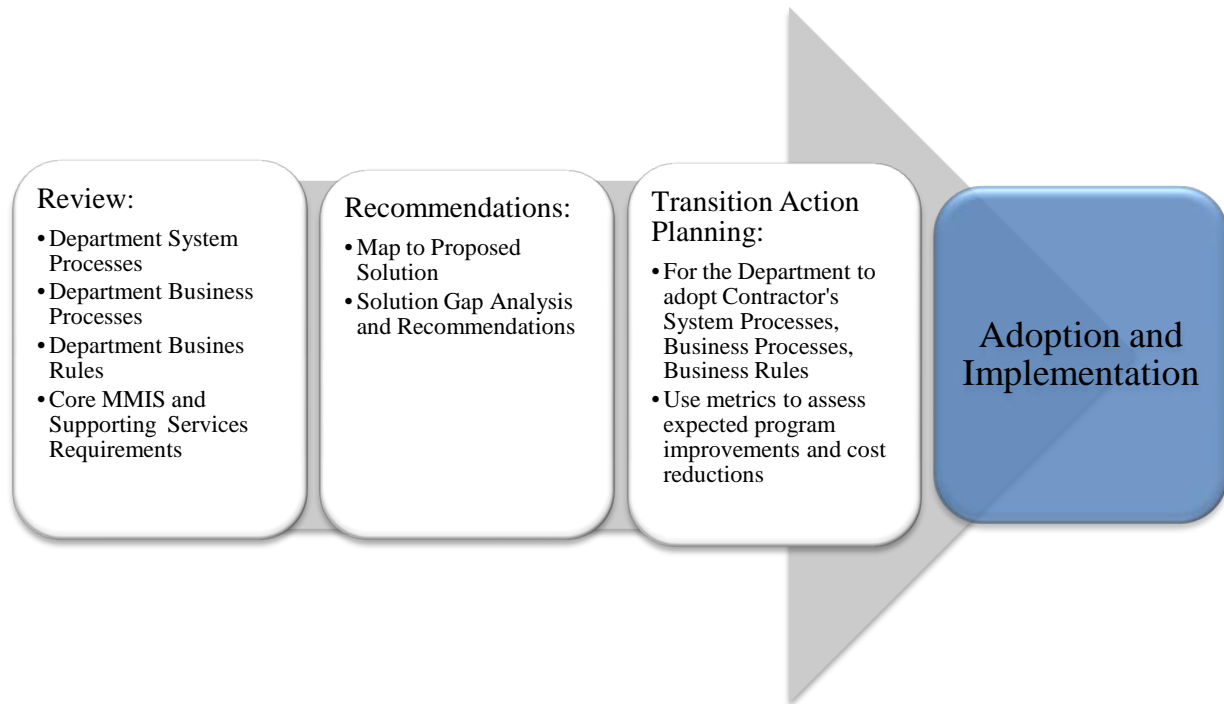
5.2.7. Implementation Stage I: Online Provider Enrollment

5.2.7.1. The Contractor's top priority upon beginning this stage shall be to complete the implementation of Online Provider Enrollment and enrollment processes. While the Department has proposed the Core MMIS and Supporting Services to be operational by July 2016, the Department's implementation of the Affordable Care Act (ACA) Provider Screening Rules shall be completed earlier. The Contractor is expected to work with the Department to implement ACA Provider Screening Rules, as mandated, and have enrollment and validation of providers completed by March 2016. A copy of the Department's State Plan Amendment to CMS can be referenced in Appendix G – Procurement Library Content List.

5.2.7.2. Operational support activities will be necessary for supporting Online Provider Enrollment and enrollment processes (re-enrollment and new provider enrollment) including implementation of the CRM system and Help Desk staff to support the ongoing changes. Offerors shall propose a strategy to meet this priority beginning with Implementation Stage I continuing through the Ongoing MMIS Operations and Fiscal Agent Operations Stage, as required within Appendix D – Offeror's Response Worksheet.

5.2.7.3. The Implementation Stage I goals include:

5.2.7.3.1. Support the provider re-enrollment/validation process required as part of the Core MMIS and Supporting Services implementation.

| 5.2.7.3.2. | Ensure that Online Provider Enrollment and enrollment processes are compliant with the ACA Provider Screening Rules (all providers shall perform the re-validation by March 2016). |

5.2.8.   Implementation Stage II: Core MMIS and Supporting Services Implementation

| 5.2.8.1. | Implementation Stage II may begin in conjunction with the BPR Contract Stage and/or Implementation Stage I. The Contractor will determine the extent of any overlap with the BPR Contract Stage or Implementation Stage I, as appropriate, to meet the prioritized implementation dates. This stage will conclude when all duties are completed, the Department has approved all Implementation Stage II Deliverables, and all defects discovered are repaired, approved, or have a disposition that is approved by the Department. |

| 5.2.8.2. | Implementation Stage II includes implementation of all functionality required to process and pay claims, be compliant with all rules and regulations, and assist the Department with initiation of CMS Certification activities. |

| 5.2.8.3. | The Core MMIS and Supporting Services Contractor will work with BIDM Contractor and PBMS Contractor to integrate the BIDM and PBMS into the Core MMIS and Supporting Services solution. The Department will provide support to engage cooperation from other contractors, where necessary, to ensure a successful project. |

| 5.2.8.4. | While the Department is proposing that Implementation Stage II be completed by July 2016, Offerors shall propose realistic project schedules with attainable dates and Milestones. |

| 5.2.8.5. | The Implementation Stage II goals include: |

| 5.2.8.5.1. | Improve the Department's understanding of the Contractor's baseline solution by providing overview training to the appropriate Department personnel. |

| 5.2.8.5.2. | Replace the existing system functionality via a successful DDI and be ready to begin claims processing. |

| 5.2.8.5.3. | Implement activities associated with performing Core MMIS and Supporting Services functions, operating and maintaining the Core MMIS and Supporting Services, and performing upgrades as required. |

| 5.2.8.5.4. | Perform duties required to efficiently and effectively manage the Department's Colorado Medical Assistance program. |

| 5.2.8.5.5. | Adapt to changing business needs and requirements that may occur during this phase by making changes according to the Change Management Plan to minimize rework and impacts to the project schedule. |

| 5.2.8.5.6. | Assessment of the completed action plan produced from the BPR Contract Stage for program improvements, efficiency gains, and reduced costs based on the pre-defined metrics. |

5.2.9. CMS Certification

5.2.9.1.	The Department realizes that CMS dependencies may impact certification activities associated with the CMS certification schedule. CMS Certification will be independent of the Contract Stages. Some CMS Certification planning activities shall begin prior to completion of Implementation Stage II activities, with the remaining CMS Certification activities occurring concurrently with Implementation Stage III.

5.2.9.2.	It is the Contractor's responsibility to make sure that the data, processes, and documentation required for the CMS Certification process are provided to CMS in a timely manner.

5.2.9.3.	The CMS Certification price shall be distributed across Implementation Stage II and Implementation Stage III, as determined by the Offeror.

5.2.9.4.	CMS Certification goals include:

5.2.9.4.1.	Complete required documentation and planning activities associated with the formal request for CMS Certification. The formal certification initiation request should be made to CMS approximately two (2) months after the beginning of claims processing (Operations).

5.2.9.4.2.	Inventory, prioritize, and plan for activities required to achieve CMS Certification.

5.2.9.4.3.	Achieve CMS Certification on the first attempt, retroactive to the first day of operations, as specified in the agreed upon project schedule defined and maintained under this Contract.

5.2.10.	Implementation Stage III: Supporting Services Implementation

5.2.10.1.	Activities in this stage begin at the same time as the Ongoing MMIS Operations and Fiscal Agent Operations Stage and following the conclusion of Implementation Stage II. Activities include technical support of CMS Certification, and the implementation of Core MMIS and Supporting Services that the Contractor did not prioritize for completion during Implementation Stage II that will improve functionality or meet additional Contract requirements.

5.2.11.	Ongoing MMIS Operations and Fiscal Agent Operations Stage

5.2.11.1.	The Ongoing MMIS Operations and Fiscal Agent Operations Stage shall begin upon completion of Implementation Stage III. This Contract stage will be heavily focused on improving MITA maturity levels and will include functionality to meet the Department's future processing capabilities.

5.2.11.2.	The intent of this Contract Stage is to improve the implemented solution with enhancements that will address the various business processes, improve enterprise integration, and focus on integration with data analytics tools to improve the management of patient outcomes.

5.2.11.3.		The Ongoing MMIS Operations and Fiscal Agent Operations Stage goals include:

5.2.11.3.1.		Performing all duties covered under Fiscal Agent Operations, including claims process and provider support, while meeting all performance standards.

5.2.11.3.2.		Enhance the Core MMIS and Supporting Services software to improve performance, incorporate greater flexibility, create efficiencies, or automate processes to increase MITA maturity levels. Upgrades and enhancements will be deployed on a scheduled basis.

5.2.11.3.3.		Review, prioritization, and implementation of Enhancements related to requirements identified via the Change Management Process will be performed during this Contract Stage. This includes Configuration and Customization changes (as authorized by the Department) identified to address new requirements for activities performed, or System functionality that are not considered part of the Contractor's Technical Proposal.

5.2.11.3.4.		System changes will be deployed on a scheduled, periodic basis with the exception of high priority changes that cannot wait until the next scheduled deployment date.

5.2.11.3.5.		Produce monthly reports of System changes that have been completed in the current month, including a twelve (12) month projection of projects and expected cost that will be implemented each month thereafter.

5.2.11.3.6.		Deploy routine changes to business rules and refinements of workflows. The effort associated with these changes shall be minimal enough as not to disrupt normal System operations or the maintenance effort itself.

5.2.11.3.7.		Implement software changes to comply with regulatory and legislative changes with specific implementation dates.

## 5.3.	COMMIT PROJECT PHASES

5.3.1.		This section identifies the various COMMIT Project Phases within the Contract Stages that may apply to the Contract term.

5.3.1.1.		Based on previous experience, the Department has proposed twelve (12) Project Phases that may apply throughout the duration of the Core MMIS and Supporting Services Contract. The proposed Project Phases are not necessarily sequential, and may overlap.

5.3.1.2.		Some testing activities will occur during the Testing Phase, as well as during Operations and Maintenance Phase.

5.3.1.3.		Offerors are encouraged to propose an alternative Software Development Life Cycle (SDLC) and associated Deliverables, based on their own methodology. Outcomes for the proposed Project Phases and Deliverables should be consistent with the Project Phase requirements outlined by the Department.

5.3.1.4.		As directed in Appendix D – Offeror's Response Worksheet, Offerors shall identify Quarterly Milestones that demonstrate progress towards functionality and/or System components that are connected to the Offeror's SDLC and

proposed implementation timeline. These Quarterly Milestones shall progressively lead to tangible functionality, and are intended to ensure that required DDI activities during the Implementation Contract Stages are on schedule and developed to Department specifications. The Quarterly Milestones will be linked to specific liquidated damages if the Quarterly Milestone is not achieved successfully by the Contractor (see Section 10.4 of this RFP Body).

5.3.1.4.1.   The Offerors shall propose at least one (1) Quarterly Milestone per quarter during Implementation Contract Stages in their response to this RFP. The Department and successful Offeror shall finalize the Quarterly Milestones, review schedule, and acceptance criteria during final Contract negotiations.

5.3.1.4.2.   The Quarterly Milestones do not need to be connected directly to any Contract Stage or Contract Phase, but are instead provided to executive leadership within the Department, State (e.g., Governor's Office, Colorado General Assembly), and CMS to verify that appropriate progress under the Contract during the Implementation Contract Stages is being made.

5.3.1.4.3.   Quarterly Milestones shall be established as specific Deliverables or achievements that can unambiguously measure the Contractor's progress for executive leadership who are not involved in the day-to-day DDI activities.

5.3.1.4.4.   Quarterly Milestones shall be effective from January 1, 2014 through the end of the Implementation Stage III (as established by the Offeror's proposed implementation timeline). The first Quarterly Milestone(s) shall be delivered on March 31, 2014 to demonstrate the Contractor's progress from January 1, 2014 to March 31, 2014, the second Quarterly Milestone(s) shall be delivered on June 30, 2014 to demonstrate the Contractor's progress from April 1, 2014 to June 30, 2014, and so on.

5.3.1.4.5.   Offeror's shall propose a reasonable reporting schedule for the Quarterly Milestones, such that the reporting on the Deliverable may occur within ten (10) to twenty (20) business days following the end of the quarter, as reporting on a Deliverable that is due the same day is unreasonable (e.g., a Quarterly Milestone delivered on March 31, 2014 may be reported by the Contractor to the Department on April 15, 2014).

5.3.1.4.6.   The Quarterly Milestones and reporting schedule shall be established through the Communication Management Plan.

5.3.1.5.   Each Project Phase and Quarterly Milestones shall be completed as proposed by the Offeror in response to Appendix D – Offeror's Response Worksheet.

5.3.2.   The Department proposed Project Phases are defined below:

5.3.2.1.   Initiation and Planning Phase: Based on historical data from prior MMIS implementations, it is evident that unrealistic schedule expectations typically result in inadequate planning, insufficient knowledge transfer, and insufficient collaboration between the parties involved. The Initiation and Planning Phase includes the Department's and Contractor's initial project planning and set up activities. This includes activities to promote project planning, bi-directional knowledge transfer, improving the Contractor's understanding of the Colorado

Medical Assistance program via familiarization activities, communication, and team-building activities to develop a collaborative working relationship between the Department and Contractor. The Contractor shall work with the Department to establish key project planning documents and Deliverables, including the, Work Breakdown Schedule, Risk Management Plan, Communication Management Plan, Change Management Plan, and Resource Management Plan as detailed in Appendix A – Requirements and Performance Standards Matrix. The duration of this Project Phase will depend on the complexity of the Contract Stage to which it applies.

5.3.2.2. Discovery and Requirements Validation/Requirements Elicitation Phase: In this Project Phase, the Contractor shall work with Department personnel to validate and further define the System architecture and requirements, and reconcile them against Contractor-proposed solutions. The primary Deliverables produced during this Project Phase are the Requirements Specification Document (RSD) and a Requirements Traceability Matrix (RTM), as detailed in Appendix A – Requirements and Performance Standards Matrix, to ensure requirements are adequately tracked and managed.

5.3.2.3. Design and Definition Phase: This Project Phase includes the development (for functionality not proposed as a COTS product) and validation of design specifications or product documentation for System screens, reports, data, interfaces, and business rules that conform to requirements that were validated during the Discovery and Requirements Validation/Requirements Elicitation Phase.

5.3.2.4. Development Phase: The Contractor shall develop the pieces of the Core MMIS and Supporting Services in this Project Phase if they are not part of the COTS product being Configured. The Contractor shall utilize development tools and established methodologies for maintaining control of the process and ensuring that the System components and architecture conforms to the requirements as documented in the prior Project Phases. The Development Phase shall include unit testing to verify that each basic component of the System is developed correctly in accordance with the design specifications.

5.3.2.5. Data Conversion Phase: The Contractor shall work with Department staff to convert data contained in legacy/source systems to the Core MMIS and Supporting Services according to the agreed upon Data Conversion Plan described in Appendix A – Requirements and Performance Standards Matrix. The Contractor shall plan, test, and manage the data conversion process. The Department will provide the Contractor with the appropriate access to external systems and Department staff necessary to fully execute the Data Conversion Plan.

5.3.2.6. Testing Phase: The Contractor shall test the replacement of Core MMIS and Supporting Services software and hardware for compliance with defined requirements. The Contractor shall ensure that all testing activities, as described in Appendix B – Project Phases Tables, are executed and that each System component meets or exceeds all of the functional, technical, security, and

performance requirements prior to implementing the Core MMIS and Supporting Services. The Department requires formal user acceptance testing (UAT). Offerors shall specifically address UAT within their proposal responses, as directed in Appendix D – Offeror's Response Worksheet. Department testers will be responsible for conducting UAT and signing off on the Core MMIS and Supporting Services functionality prior to it being released into production. Parallel testing activities in this Project Phase specifically relate to System functionality, and will be independent of parallel testing activities that will occur within the Fiscal Agent Operations scope. The Contractor may also propose additional tests that may maximize performance and/or operational readiness. All testing will be deemed complete only when written Department acceptance is obtained.

5.3.2.7.   Organizational Readiness and Training Phase: The Contractor shall train Department staff and any affected Department contractors in Core MMIS and Supporting Services functionality and business processes required for successful implementation. Authorized users shall be proficient in using the Core MMIS and Supporting Services in order to ensure effective and efficient business operations.

5.3.2.8.   Implementation and Rollout Phase: The Contractor shall deploy the Core MMIS and Supporting Services in compliance with the agreed upon implementation approach. The Contractor shall manage the end-to-end implementation and establish a clear plan, project guidelines, implementation approach, and governance structure. The Contractor shall also help develop and manage the rollout plan, which shall include detailed planning and roadmaps for all releases. This includes the development of release management processes for technology stacks, databases, and infrastructure. This Project Phase will be considered complete when the Department accepts the Core MMIS and Supporting Services as operational based on predefined acceptance criteria.

5.3.2.9.   Operations and Maintenance Phase: The Contractor shall conduct all activities applicable to the Operations and Maintenance Project Phase for the minimum base Contract. During this Project Phase, there shall be a Warranty Period, effective during the first year of the Ongoing MMIS Operations and Fiscal Agent Operations Stage, which shall begin on the day on which the System becomes operational and will terminate 365 calendar days later. The Warranty Period covers the agreed upon functionality and the Contractor shall be responsible to correct all Defects in order to allow the System to operate according to Department specifications. The Contractor does not necessarily need to correct all Defects during the Warranty Period, but all Defects identified by the Department or Contractor during the Warranty Period shall be corrected by the Contractor at its expense and at no additional cost to the Department, as agreed upon through the Change Management Process. The Contractor will maintain routine System performance and Fiscal Agent Operations while correcting the Defects.

5.3.2.10.   CMS Certification Phase: This Project Phase includes the Contractor's support of the CMS Certification process, which includes preparing for and demonstrating

that CMS Certification standards are met. The Contractor shall ensure that the Core MMIS and Supporting Services will meet CMS Certification approval for the maximum allowable Federal Financial Participation (FFP) and achieve CMS Certification.

5.3.2.11.   Enhancements Phase: The Contractor shall work with the Department to identify, prioritize, plan, define, develop, test, and implement changes or enhancements to the base release. The Department and Contractor will agree to Enhancements through the Change Management Process. Enhancements are defined as changes to the MMIS functionality outside of the contracted scope, and shall require a change request, as defined in the Change Management Plan in Appendix A – Requirements and Performance Standards Matrix.

5.3.2.12.   Turnover Phase: The Contractor may be required to transition operations of the Core MMIS and Supporting Services, at no additional cost to the Department or a new contractor, at the end of the term of the Contract. The primary activities in this Project Phase are focused on transition planning to ensure operational readiness for the Department and/or new contractor. This includes both a knowledge transfer period, and actual Core MMIS and Supporting Services turnover to the Department and/or new contractor. The Department shall sign-off on each defined Milestone to ensure that all Deliverables and exit criteria are fully executed based on agreed upon Contract terms. The Department will act as the Contractor's liaison to ensure participation from all parties during the Turnover Phase.

5.4. PROJECT PHASES INTEGRATION WITH CONTRACT STAGES

5.4.1.   Figure 5.4.1 represents the relationship between the Project Phases and Contract Stages.

Figure 5.4.1: Contract Stages with Project Phases
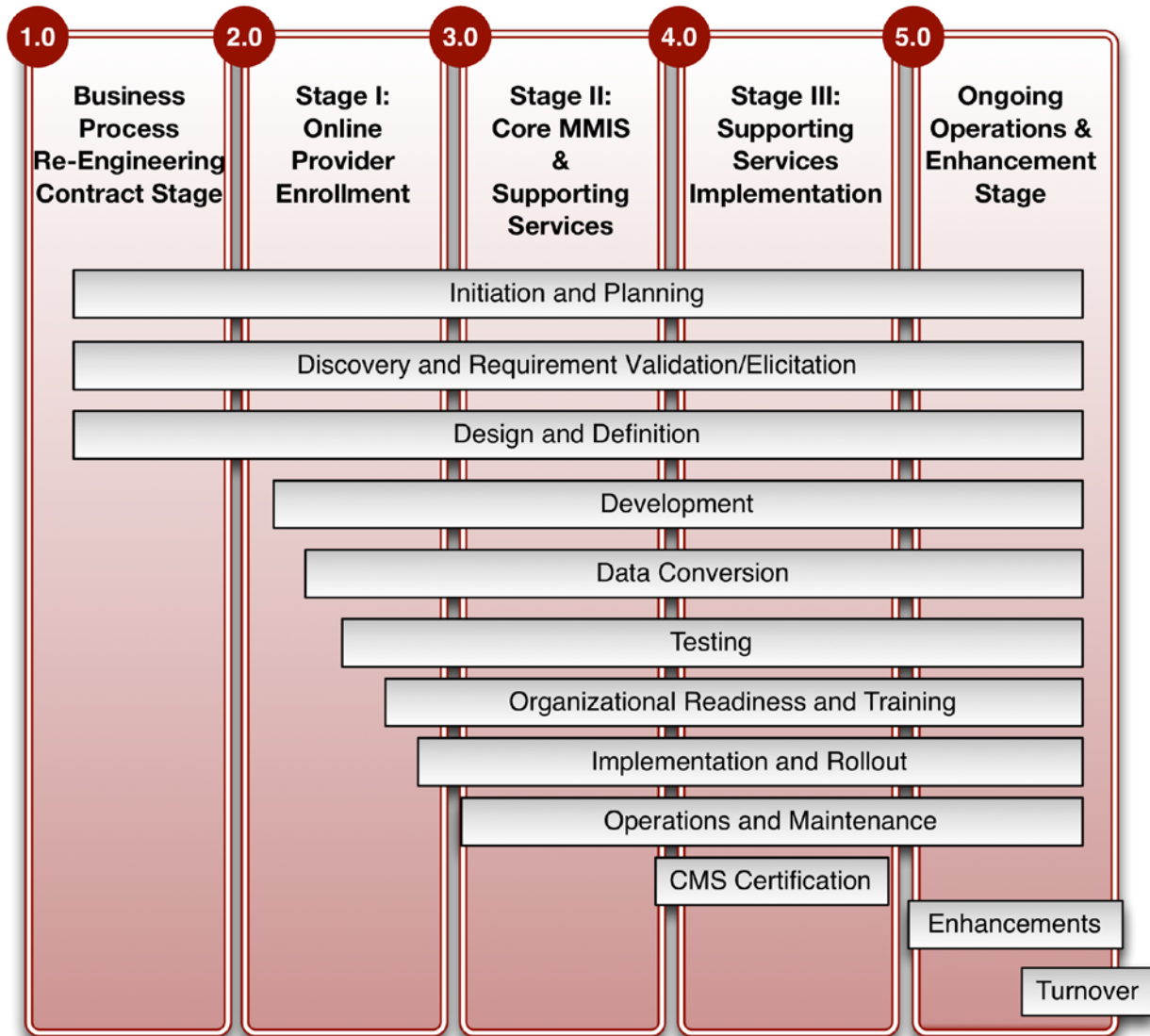
5.5.   FISCAL AGENT OPERATIONS

5.5.1.   The Contractor shall be responsible for operating a federally certifiable MMIS and providing services that meet or exceed all federal, State, and Department requirements included in this RFP for a minimum of the base Contract years. Fiscal Agent Operations tasks are grouped into the following service categories:

5.5.2.   Operations: The Contractor shall be responsible for operating and maintaining the following systems:

5.5.2.1.   MMIS.

5.5.2.2.   EDI solution.

5.5.2.3.   Provider Call Center and Help Desk, including Interactive Voice Response (IVR) software.

5.5.2.4.   Online Provider Enrollment.

5.5.2.5.   Electronic Document Management System (EDMS).

5.5.3.   Claims Processing: Support of the Department's claims receipt, entry, and reporting processes and the use of industry standard and Department-specific claim forms.

5.5.4.   Provider Support: Support services for the Colorado Medical Assistance Provider community, including, but not limited to, communication on Colorado Medical Assistance program, training, and provider management services.

5.5.5.   The Contractor will assume all Fiscal Agent Operations responsibilities and services as defined for the Contract in Appendix A – Requirements and Performance Standards Matrix, Section 9.0.

5.5.6.   Transition activities from the incumbent Fiscal Agent to the Contractor will start during the Testing Phase, and continue throughout the remaining Project Phases described in Section 5.3.

5.5.7.   Key activities that will occur during the transition are described in Sections 5.5.7.1 through 5.5.7.5.

5.5.7.1.   Fiscal Agent Operations Transition Planning: The Contractor shall lead the transition planning effort on behalf of the Department. Transition planning shall begin at the start of the Testing Phase and continue through the Implementation and Rollout Phase. The Contractor shall plan and facilitate discussions among stakeholders in the transition including the Department and the incumbent Fiscal Agent to make certain that all relevant activities and Milestones are captured in the Transition Plan. The Contractor shall be responsible for development of the Transition Plan, consolidation of relevant sections of the incumbent Fiscal Agent's Turnover Plan into the Contractor's Transition Plan, and maintenance of the consolidated Transition Plan, as detailed in Appendix A – Requirements and Performance Standards Matrix.

5.5.7.2.   Fiscal Agent Operations Parallel Testing: The Contractor shall demonstrate that the Core MMIS and Supporting Services are fully ready for operations. During Fiscal Agent Operations Parallel Testing, the Contractor will utilize input files

from the incumbent Fiscal Agent's claims processing activities and compare the output results to determine data integrity of the Core MMIS and Supporting Services. The Contractor shall be responsible for running prior cycles of standardized reports from the Core MMIS and Supporting Services to compare to reports from the Legacy System.

5.5.7.3. Fiscal Agent Operations Operational Readiness: The Contractor shall perform specific implementation and operations functions to ensure operational readiness. In preparation for operations, the Contractor will perform final file conversions, recruit, and train operations staff, and conduct any necessary provider and Department staff training.

5.5.7.4. Fiscal Agent Operations Implementation and Start of Operations: The Contractor shall be responsible for ensuring a successful implementation of the Core MMIS and Supporting Services and Fiscal Agent Operations that minimizes, to the greatest practical extent, negative impact on the Department and its authorized users.

5.5.7.5. Fiscal Agent Operations: The Contractor shall be expected to meet the responsibilities, Milestones, Deliverables, and performance expectations included in this RFP to ensure the successful implementation of Core MMIS and Supporting Services with minimal disruption to clients, providers, and Department staff. The Department will work with the Contractor to establish a specific date in which the Contractor will be responsible for processing claims. Any changes to requirements subsequent to the RFP release will be handled via the Change Management Process.

5.6. CONTRACT PERFORMANCE STANDARDS AND QUALITY MAINTENANCE PAYMENTS

5.6.1. Performance Standards have been outlined for several requirements listed within Appendix A – Requirements and Performance Standards Matrix. The Department expects the Contractor to meet or exceed the Performance Standards during the term of the Contract.

5.6.2. Some of the Performance Standards will be linked to Quality Maintenance Payments under the Contract. The Contractor shall receive a Quality Maintenance Payment following the successful completion of the Contract Requirement and by meeting the established Performance Standard associated with that specific Contract Requirement.

5.6.2.1. Quality Maintenance Payments do not provide the Contractor any additional reimbursement. Instead, the Contractor shall maintain the Performance Standards established under the Contract to receive the entire payment amount under the Contract.

5.6.2.2. The Department and successful Offeror will establish Quality Maintenance Payments, where specified, during Contract negotiations based on the Performance Standards detailed in the Appendix A – Requirements and Performance Standards Matrix and the successful Offeror's proposal.

5.6.3.   The Offeror's proposal shall propose the structure of the Quality Maintenance Payments, including the payment amount associated with each Performance Standard within the following guidelines:

5.6.3.1.   Upon completion of the BPR Stage, Implementation Stage I, Implementation Stage II, and Implementation Stage III, the Department will pay a Quality Maintenance Payment equal to seven percent (7%) of the total price of each Contract Stage.   Completion of the Contract Stage is the only Quality Maintenance Payment that shall be established for the BPR Stage, Implementation Stage I, Implementation Stage II, and Implementation Stage III Contract Stages. Figure 5.6.3.3 provides an example calculation for reference.

5.6.3.2.   A Quality Maintenance Payment equal to three percent (3%) of the Total Contract price for all Implementation Contract Stages (BPR Stage, Implementation Stage I, Implementation Stage II, and Implementation Stage III) will be paid upon completion of CMS Certification Project Phase, when CMS Certification is received and complete.

5.6.3.2.1.   Using the Quality Maintenance Payment Sample provided in Figure 5.6.3.3, the Quality Maintenance Payment for completion of the CMS Certification Project Phase would be calculated as follows: $80M x 3% = $2.4M.

5.6.3.2.2.   The Quality Maintenance Payment for completion of the CMS Certification Project Phase is reduced from the Implementation Stage II.

5.6.3.3.   Figure 5.6.3.3 provides an example calculation for reference for the Quality Maintenance Payment for BPR Contract Stage, Implementation Stage I, Implementation Stage II, and Implementation Stage III and completion of the CMS Certification Project Phase.

Figure 5.6.3.3: Quality Maintenance Payment Example

Contract Stage	A Licenses Price	B Total Stage Price	C Quality Maintenance Payment Amount = (B x 7%)	D Total of Fixed Monthly Payments = (B-A-C)	E Quality Maintenance Payment for CMS Certification Project Phase = (Sum of Column B x 3%)	F Adjusted Stage Price in Pricing Schedule = (B-E)
BPR	$10K	$2M	$140K	$1.85M	NA	$2M
Implementation Stage I	$100K	$20M	$1.4M	$18.5M	NA	$20M
Implementation Stage II	$100K	$50M	$3.5M	$46.4M	$2.4M (e.g., $80M x 3% in this example)	$47.6M (e.g., $50M - $2.4M in this example)
Implementation Stage III	$100K	$8M	$560K	$7.34M	NA	$8M
Total Contract Price for All Implementation Contract Stages	**$310K**	**$80M**	**$5.6M**	**$74.09M**	**$2.4M**	**$77.6M**

5.6.3.3.1.   Step 1: Offerors estimate Licenses Price for the Contract Stage based on their proposal and internal pricing processes.

5.6.3.3.2.   Step 2: Offerors estimate Total Stage Price for the Contract Stage based on their proposal and internal pricing processes.

5.6.3.3.3.   Step 3: Offerors calculate the Quality Maintenance Payment Amount for the Contract Stage using the formula: Total Stage Price x 7%.

5.6.3.3.4.   Step 4: Offerors calculate Fixed Monthly Payments using the formula: Total Stage Price – Quality Maintenance Payment Amount – Licenses Price

5.6.3.3.5.   For the Implementation Stage II Price, Offerors adjusted Price Schedule for the Implementation Stage II Contract Stage is derived by using the following formula: Implementation Stage II Price – Three Percent (3%) of the Total Contract price for All Implementation Contract Stages. The Pricing Schedule for this Contract Stage contains an additional line to assist Offerors with this calculation.

5.6.3.4.   To insure that the Contractor works assertively with the Department, other contractors, and CMS to achieve implementation and CMS Certification, Quality Maintenance Payments in the BPR Contract Stage, Implementation Stage I, Implementation Stage II, Implementation Stage III, and CMS Certification Project Phase will not be paid to the Contractor until the Contract Stage or CMS Certification Project Phase is determined complete by the Department even if Contract Stage or CMS Certification Project Phase cannot be determined complete for any reason, even if that reason is beyond the Contractor's control.

5.6.3.4.1.   If the Contractor believes that the Quality Maintenance Payment for the Implementation Contract Stages (excluding the CMS Certification Project Phase) should be paid to the Contractor and the payment is not being made due to reasons outside of the Contractor's control, the Contractor can use the Dispute Process described in Section 10.5 to resolve the issue and receive the Quality Maintenance Payment or a portion of the Quality Maintenance Payment prior the Department determining that the Implementation Contract Stage has been completed. The Dispute Process related to the non-payment of a Quality Maintenance Payment shall not begin until at least sixty (60) business days have passed from when the Contractor has notified the Department in writing that the Contractor believes the delay in paying the Quality Maintenance Payment is because of circumstances beyond the Contractor's control.

5.6.3.4.2.   The Contractor cannot use the Dispute Process to receive the Quality Maintenance Payment for the CMS Certification Project Phase prior to the Department officially receiving CMS certification of the MMIS, no matter the reason of the delay in the payment.

5.6.3.5.   Five percent (5%) of the total price for Ongoing MMIS Operations and Fiscal Agent Operations Stage on a State Fiscal Year (SFY) basis will be paid as Quality Maintenance Payments. Offerors are expected to propose Performance Standards, Service-level, and Operational-level agreements that will tie to Quality Maintenance Payments that add up to the full five percent (5%).

5.6.4.   The Offeror may propose that the Quality Maintenance Payments be paid on a Performance Standard that is measured on an annual, semi-annual, monthly, or quarterly basis, and not all Performance Standards need to be measured on the same time period (i.e., some Performance Standards may be measured on a monthly basis, while others on a quarterly and semi-annual basis). In addition, Performance Standards may be calculated mathematically as an average or moving average across periods as long as the Offeror proposes a structure that maintains that Quality Maintenance Payments are five percent (5%) of the total price for Ongoing MMIS Operations and Fiscal Agent Operations Stage on a SFY basis.

5.6.4.1.   A Performance Standard that occurred (or measures performance) in June 2017 or 4th Quarter of SFY 2016-17 may actually be paid in July 2017 or the 1st Quarter of SFY 2017-18, but will be priced in the Ongoing MMIS Operations and Fiscal Agent Operations Stage for SFY 2016-17 pricing schedule.

5.6.5.   At minimum, Offeror's are required to propose Quality Maintenance Payments for the following Contract requirements within the Ongoing MMIS Operations and Fiscal Agent Operations Stage:

5.6.5.1.   A staff retention Performance Standard that aligns with the Offeror's corporate staff retention strategy and goals, and is also focused on retaining both knowledge and quality, productive Systems and Fiscal Agent Operations staff.

5.6.5.2.   Appendix A – Requirements and Performance Standards Matrix Requirement 1023: Provide a Business Continuity and Disaster Recovery Plan and Adhere to the Implementation of the Plan as Necessary. Performance Standards are as follows:

5.6.5.2.1.   Mission critical services (priority 1) will not be interrupted. Core services that shall be maintained with limited service disruption (priority 2) and shall be recovered within eight (8) hours. Systems and data where service disruption will cause serious injury to government operations, staff, or citizens (priority 3) shall be recovered within forty-eight (48) hours. Systems and data required for moderately critical agency services and IT functions where damage to government operations, staff, and citizens would be significant but not serious (priority 4) shall be recovered within five (5) business days. Systems and data required for less critical support systems (priority 5) shall have a recovery timeframe mutually agreed upon by the Department and Contractor(s). The alternative site shall be fully operational within five (5) business days of the primary business becoming unsafe or inoperable. The call center shall be fully operational within twenty-four (24) hours.

5.6.5.3.   Appendix A – Requirements and Performance Standards Matrix requirement 1476: Maintain and staff a provider communications/relations function including, but not limited to, toll-free telephone lines, e-mail communications, webinar communication, and toll-free fax communication. Provide a message informing provider about hold/wait time. Performance Standards are as follows:

5.6.5.3.1.   [The Provider Call Center shall be] Staffed from 8:00 a.m. to 5:00 p.m. Mountain Time, Monday through Friday (excluding State holidays).

5.6.5.3.2.   Maintain a sufficient number of telephone lines, technology, and personnel so that at least ninety-five percent (95%) of all calls are answered/queued within fifteen (15) seconds, and no more than five percent (5%) of answered calls are on hold for more than one (1) minute.

5.6.5.4.   Appendix A – Requirements and Performance Standards Matrix requirement 1521: Capture, store and maintain data necessary to: Correctly adjudicate claims/encounters; Perform online claim/encounter corrections; Maintain and perform edits and audits; Allow online claims/encounters adjustments; Allow online access to claims/encounters history; Correctly price all claims/encounters at the detail service line and header level; Allow online access to suspended claims/encounters; Provide and allow online access to claims/encounters adjudication and status reporting; and Maintain claims/encounters history. Performance Standards are as follows:

5.6.5.4.1.   For claims submitted electronically by the provider:

5.6.5.4.1.1.   Ninety-five percent (95%) of all Clean Claims shall be adjudicated for payment or denial within seven (7) business days of receipt.

5.6.5.4.1.2.   Ninety-nine (99%) of all Clean Claims shall be adjudicated for payment or denial within ninety (90) calendar days of receipt.

5.6.5.4.1.3.   Non-Clean Claims shall be adjudicated within thirty (30) calendar days of the date of correction of the condition that caused it to be unclean.

5.6.5.4.1.4.   All claims shall be adjudicated within twelve (12) months of receipt by the Contractor, except for those exempt from this requirement by federal timely claims processing regulations.

5.6.5.4.2.   For claims submitted on paper by the provider:

5.6.5.4.2.1.   Ninety-five (95%) of claims/encounters shall be direct data entered by the Contract accurately.

5.6.5.5.   Appendix A – Requirements and Performance Standards Matrix requirement 1832: Complete Provider Enrollment process (including any necessary re-validation and screening) by providing notification (electronic or by paper letter) of acceptance/rejection as a Colorado Medical Assistance program provider. Require providers that have been terminated to re-enroll in the program and meet all Department policies and instructions.

5.6.5.5.1.   Performance Standards are as follows: Notify enrolling provider of any missing or incomplete enrollment information within five (5) business days of identifying missing or incomplete enrollment information at any time throughout the enrollment, credentialing, and verification process.

5.6.5.5.2.   Finalize enrollment process within five (5) business days when provider has submitted all necessary documentation.

5.6.6.   Offeror's may propose additional Quality Maintenance Payments (in addition to those listed in Section 5.6.5) related to additional Performance Standards created by the Offeror as long as the total Quality Maintenance Payments in the Offeror's proposal equals five percent (5%) of the total price for Ongoing MMIS Operations and Fiscal Agent Operations Stage on a SFY basis.

5.6.6.1.   All proposed Quality Maintenance Payments shall be determined by metrics that are measurable on a monthly, quarterly, semiannual, or annual basis.

5.6.6.2.   All proposed Quality Maintenance Payments shall be determined by metrics that are within the complete control of the Offeror and not contingent upon actions by the Department, other Department contractors, or others not under the direct control of the Offeror.

5.6.6.3.   The completion of time specified Deliverables or other Contract documents (i.e., delivery on an annual business plan by a specified date) shall not be eligible for Quality Maintenance Payments.

5.7. LOCATION OF CONTRACT FUNCTIONS AND PERSONNEL

5.7.1.   The Department does not require DDI activities to be performed within Colorado, or by staff located in Colorado. However, a local site with facilities within one (1) mile of the Department shall be provided for collaboration, project planning, and other DDI activities as needed will be required for all Contract Stages.

5.7.2.   The Department does require that the Fiscal Agent Operations and staff performing those activities be performed locally (within one (1) mile of the Department), but will allow additional Provider Call Center and Help Desk functions be performed outside of the local office or Colorado only to facilitate expanded operating hours or to accommodate periods of high call-volume.

5.7.3.   The Contractor's Key Personnel are expected to be located locally (within one (1) mile of the Department), but will allow Key Personnel working on DDI activities to be located outside of Colorado during the Implementation Contract Stages if the DDI activities are also performed outside of Colorado.

5.7.4.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 5.7. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

5.7.5.   The Contractor may not perform Work related to this Contract outside of the United States and its territories. All business operations services shall also be performed in the United States or its territories. At no time shall the Contractor maintain, use, transmit, or cause to be transmitted information governed by privacy laws and regulations outside the United States and its territories.

SECTION 6.0 CONTRACT PERSONNEL AND SPECIFIED JOB DUTIES

6.1. OVERVIEW

6.1.1. The Department expects the Contractor to meet personnel expectations by developing and maintaining appropriate staffing levels throughout the term of the Contract and adjusting its resources, as necessary, to maintain the required level of service. However, the Contractor may provide a staffing model with Key Personnel who will perform more than one of the specified job duties specified in this section, except for the Account Manager, Systems Manager, and Fiscal Agent Operations Manager.

6.1.2. The Department has identified a list of key job duties that are required throughout the various Project Phases over the Contract term. These job duties shall be performed by Key Personnel, but can be shared amongst Key Personnel roles (i.e., does not necessarily require separate people) where practical and allowed. The Account Manager, Systems Manager, and Fiscal Agent Operations Manager job duties cannot be shared by the same Key Personnel. The Contractor shall provide qualified staff to perform the activities required in this RFP and further described in Appendix A – Requirements and Performance Standards Matrix.

6.1.3. The Key Personnel required to perform the job duties of this Contract are listed by proposed Contract Stage in Table 6.1.3.

Table 6.1.3 Key Personnel by Proposed Contract Stage

Key Personnel	BPR	Stage I: Online Provider Enrollment	Stage II: Core MMIS and Supporting Services Implementation	Stage III: Supporting Services Implementation	Ongoing MMIS Operations and Fiscal Agent Operations Stage
Account Manager	X	X	X	X	X
BPR Manager	X	X	X	X	
DDI Manager		X	X	X	
Publication Manager		X	X	X	X
Systems Manager					X

Key Personnel	BPR	Stage I: Online Provider Enrollment	Stage II: Core MMIS and Supporting Services Implementation	Stage III: Supporting Services Implementation	Ongoing MMIS Operations and Fiscal Agent Operations Stage
Operational Transition and Readiness Manager		X	X	X	X
Fiscal Agent Operations Manager		X	X	X	X
Compliance Manager	X	X	X	X	X

6.1.4. Other Key Personnel shall be identified in the Offeror's proposal indicating the Contractor's commitment to team stability. As commitment and continuity are important factors in success of the Contract, the Department will consider assignment of highly qualified Key Personnel to any additional positions as a commitment to reduce risk under the Contract. The proposed staffing plan should be focused on retaining both quality staff and knowledge.

6.1.5. The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 6.0. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

6.2. PERSONNEL AVAILABILITY AND REPLACEMENT

6.2.1. The Contractor shall provide a Resource Management Plan that includes its approach for maintaining appropriate staffing levels throughout the term of the Contract and adjusting its resources as necessary to maintain the required level of service. Any updates shall be maintained as described in Section 7.2 of this RFP Body and Appendix A – Requirements and Performance Standards Matrix, Section 7.2.

SECTION 7.0   CONTRACTOR'S GENERAL REQUIREMENTS

7.1.   OVERVIEW

7.1.1.   This section outlines the global requirements for the Contractor Statement of Work. Requirement subgroups that are described within this section include:

7.1.1.1.   Project management and reporting requirements.

7.1.1.2.   Communication requirements.

7.1.1.3.   Deliverable requirements.

7.1.1.4.   Training requirements.

7.1.1.5.   Security and confidentiality requirements.

7.1.1.6.   Audit requirements.

7.1.1.7.   Compliance with federal standards requirements.

7.1.1.8.   Disaster recovery and business continuity requirements.

7.1.1.9.   Data retention requirements.

7.1.1.10.   Technical requirements.

7.1.1.11.   System interface requirements.

7.1.1.12.   Rules engine requirements.

7.1.1.13.   Workflow management requirements.

7.1.1.14.   Data management requirements.

7.1.1.15.   Application environment requirements.

7.1.1.16.   System performance requirements.

7.1.1.17.   Enterprise architecture requirements.

7.1.1.18.   User interface and navigation requirements.

7.1.1.19.   Online help requirements.

7.1.1.20.   Alert requirements.

7.1.1.21.   System reporting requirements.

7.1.1.22.   Other technical requirements.

7.1.2.   All requirements that shall be included within the proposed services, systems, and enterprise architecture can be found in the Appendix A – Requirements and Performance Standards Matrix. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

7.2. PROJECT MANAGEMENT AND REPORTING REQUIREMENTS

7.2.1.   The primary project management and reporting goals are:

7.2.1.1.   Achieve program success by the proper application of project management functions of planning, organizing, staffing, monitoring, and controlling.

7.2.1.2.   Maintain transparency of project management functions and project results so that all parties remain properly informed.

7.2.1.3.   Foster collaboration between the Department, the Contractor(s), and other project stakeholders while maintaining independence.

7.2.2.   The Department has identified specific Project Management and Reporting responsibilities critical to the success of the COMMIT project. The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 7.2. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

7.3. CONTRACTOR RESPONSIBILITIES REQUIREMENTS

7.3.1.   The Department has identified specific Contractor responsibilities that will apply throughout the Contract term.

7.3.2.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 7.3. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

7.3.3.   In addition, the Department has identified specific Contractor responsibilities and Deliverables associated with the COMMIT Project Phases. The Contractor shall review the guidelines listed in Appendix B – Project Phases Tables for development of their proposal response.

7.4. DELIVERABLE REQUIREMENTS

7.4.1.   Thorough documentation of the expectations for the execution and operation of this Contract will be achieved through the creation and submission of planning documents and project artifacts that meet Department specifications. These Deliverables are intended to set expectations and provide transparency between the Department and Contractor for the duration of the Contract. The Department and the Contractor will define the criteria for achieving the expected high-quality Deliverables, which will be used as exit criteria for many of the COMMIT Project Phases.

7.4.2.   The Contractor shall review the guidelines listed in Appendix B – Project Phases Tables for development of their proposal responses. During the Initiation and Planning Phase, the Contractor and the Department will establish and document entrance and exit criteria for each project phase, as well as approval criteria for project Deliverables.

7.4.3.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 7.4. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

7.5.   TRAINING REQUIREMENTS

7.5.1.   Training for the Core MMIS and Supporting Services is crucial to the success of the COMMIT project. Required training will facilitate the Department's understanding of the Contractor's baseline System, and will provide users with the necessary skills to perform their daily functions.

7.5.2.   Given the wide spectrum of users, training materials and methods of delivery will vary, and a single training method is not suitable for every user. Multiple training methods tailored to various types of users, learning styles, and level of education will be important for improving training outcomes.

7.5.3.   On-going training for System and process changes and updates are expected in order to ensure that users maintain current, relevant, and thorough knowledge on the functionality of the Core MMIS and Supporting Services.

7.5.4.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 7.5. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

7.6.   SECURITY AND CONFIDENTIALITY REQUIREMENTS

7.6.1.   Information managed by the Department contains sensitive information. Security breaches and other risks to any data maintained by the Department or the Department's contractors are unacceptable. The Contractor has the duty to protect the Department's data from loss or unauthorized disclosure.

7.6.2.   The security principles driving the Core MMIS and Supporting Services are:

7.6.2.1.   Confidentiality: Prevent disclosure to unauthorized persons or systems.

7.6.2.2.   Integrity: Data cannot be modified without detection.

7.6.2.3.   Availability: Access is not inappropriately blocked or denied.

7.6.2.4.   Authenticity: Validation that a message, transaction or exchange of information is from the source it claims to be from.

7.6.2.5.   Non-repudiation: Parties to a transaction cannot deny their participation in the transaction.

7.6.2.6.   Auditability: Track and log data changes including the user or system making the change. Track and log inquiries, views, or access of data that may require such tracking as a result of law, policy, or data use agreements including the user or system making the inquiry, viewing the data, or accessing the data along with the date and time of the inquiry, view, or access. This is further described in Section 7.7 of this RFP Body.

7.6.3.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 7.6. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

7.7.   AUDIT REQUIREMENTS

7.7.1.   The ability to audit actions performed by authorized users and/or internally by the System is critical to support efforts to maintain data and System integrity, protect data accuracy, and preserve an accurate historical record of the changes made in the System.

7.7.2.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 7.7. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

7.8.   COMPLIANCE WITH FEDERAL STANDARDS REQUIREMENTS

7.8.1.   Compliance with MITA

7.8.1.1.   MITA-enabling guidelines, processes, and tools provide a framework for the continuous improvement of service delivery and business processes based on efficient technology utilization. MITA depicts this evolution as a progression of maturity levels that reflect the Department's ability to execute business functions in the rapidly changing health care environment. The Department will use MITA as a tool to assist with the strategic application of technology and enhancements that provide value and contribute to continuous improvement in the Colorado Medical Assistance program's maturity.

7.8.1.2.   Although the structure of this RFP and its requirements are aligned with existing information as it is published for MITA 2.01, the Department will update its SS-A to MITA 3.0 within the acceptable timeline indicated by CMS. Offerors will be expected to support MITA 3.0 business processes and capabilities, via the Change Management Process, if required during the applicable Contract Stages.

7.8.1.3.   While not mandating any particular architectural solution, the Department supports the MITA principles as the basis for the Core MMIS and Supporting Services. The Department intends for the Core MMIS and Supporting Services to align with MITA and have the capability, corporate planning, support, and vision to achieve successive MITA maturity levels.

7.8.2.   Compliance with the CMS Seven Standards and Conditions

7.8.2.1.   The Department intends to align its Core MMIS and Supporting Services capabilities with those identified by the CMS Seven Standards and Conditions. These capabilities are required to receive enhanced FFP. Additional information about the requirements for this funding can be accessed via the following link: http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Data-and-Systems/Downloads/EFR-Seven-Conditions-and-Standards.pdf

7.8.3.   The Colorado Medical Assistance program shall comply with other existing or new federal and/or State legislation. In addition, the Core MMIS and Supporting Services shall meet systems and operational compliance with ongoing legislation passed at the federal and/or State level, using the Change Management Process.

7.8.4.   Within HIPAA, there are two separate rules governing privacy and security. The Privacy Rule pertains to the rights of individuals to safeguard the privacy of their health care information; compliance is under the jurisdiction of the Office for Civil Rights. The Security Rule pertains to the requirements of facilities, systems, and processes to safeguard information for which it is liable.

7.8.5.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 7.8. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

7.9.   DISASTER RECOVERY AND BUSINESS CONTINUITY REQUIREMENTS

7.9.1.   Disaster recovery and business continuity planning increases the Contractor's ability to recover from a disaster and/or unexpected event and resume or continue operations.

7.9.2.   For purposes of this RFP, "disaster" means an occurrence(s) of any kind that adversely affects, in whole or in part, the error-free and continuous operation of the Core MMIS and Supporting Services, and/or affects the performance, functionality, efficiency, accessibility, reliability, and security of the System. Disaster events may include natural disasters, human error, computer virus, or a malfunctioning of the hardware or electrical supply.

7.9.3.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 7.9. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

7.10.   DATA RETENTION REQUIREMENTS

7.10.1.   The Department will enforce data retention compliance with federal and State requirements, and will approve all data retention plans.

7.10.2.   Data requirements are provided to ensure that data that will never be purged or will be purged on a different schedule. The Department will approve, in advance, all data purge schedules and procedures.

7.10.3.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 7.10. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

7.11.   TECHNICAL REQUIREMENTS

7.11.1.   The Department seeks a modern System to support the business functions of the Colorado Medical Assistance program and other supporting programs. The Department's vision for the Core MMIS and Supporting Services solution is based on business processes, business rules, and data and metadata management that promote a modular component-based design. The design should enhance interoperability across service components and with external applications and data sources.

7.11.2.   The Department's vision for Configurable solutions that require minimal Customization are reflected in the general criteria for the Core MMIS and Supporting Services:

7.11.2.1.   Implement a rules-driven design that is supported with appropriate technology and provides authorized users the ability to make updates from within the System.

7.11.2.2.   Provide an approach to Configuration that can be easily managed by the System's average business user.

7.11.2.3.   Use business rules management, business process management, and business activity monitoring tools to improve the Department's ability to respond to business changes.

7.11.2.4.   Minimize the cost of changes to the business rules and business processes.

7.11.2.5.   Support the integration of new technology over time in a way that minimizes the impact to the Core MMIS and Supporting Services.

7.11.2.6.   Provide system components and solutions that lengthen the System's life span and reduce the cost and organizational disruption created when components are frequently replaced.

7.11.3.   Technical requirements outlined in Appendix A – Requirements and Performance Standards Matrix pertain to several different areas comprised of functions and processes that will support System interfaces, System performance, infrastructure, workflow management, desktop publishing, data management and quality control for various business areas for the Department. The requirements are designed to protect and maintain the data and applications necessary for ongoing operations, efficiencies, performance, and quality control.

7.11.4. The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 7.11. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

7.12. SYSTEM INTERFACE REQUIREMENTS

7.12.1. The Core MMIS and Supporting Services will have the ability to interface with other systems to improve the bi-directional flow of information. The Core MMIS and Supporting Services will be expected to send and receive data and store portions of the data received locally to the Core MMIS and Supporting Services solution set. In addition, the Core MMIS and Supporting Services will integrate and interact with other health information technologies currently under development.

7.12.2. Offerors shall not assume that the other interfacing systems will make changes to accommodate their solutions. The Department expects Offerors to propose how their solution will meet interoperability requirements both within their own System and with components outside their System. The scope of these requirements includes, but is not limited to, the interfacing systems listed in 7.12.2.1 through 7.12.2.8:

7.12.2.1. Health Benefits Exchange.

7.12.2.2. Prior Authorization Web Portal.

7.12.2.3. Colorado Benefits Management System (CBMS).

7.12.2.4. Colorado Financial Reporting System (COFRS).

7.12.2.5. All Payer Claims Database (APCD).

7.12.2.6. Colorado Regional Health Information Organization (CORHIO). Data Interaction should be in the format of the accepted HIE standards for the CORHIO (CCD, HL7, XDS.b).

7.12.2.7. BIDM.

7.12.2.8. PBMS.

7.12.3. The Core MMIS and Supporting Services Contractor will be responsible for providing all required Core MMIS and Supporting Services data to the interfacing systems listed in 7.12.2, as necessary. The Core MMIS and Supporting Services Contractor will also be responsible for interfacing with the systems listed in 7.12.2, as necessary, to obtain required data for input into the Core MMIS and Supporting Services.

7.12.4. The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 7.12. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

7.13. RULES ENGINE REQUIREMENTS

7.13.1.   The rules engine and associated Business Process Management software for the Core MMIS and Supporting Services will require flexibility and the capacity to support the diverse and complex Colorado Medical Assistance program. The Department supports implementation of a rules engine that provides Department users the ability to make ad-hoc Configuration changes, to the greatest extent practical.

7.13.2.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 7.13. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

7.14. WORKFLOW MANAGEMENT REQUIREMENTS

7.14.1.   To increase operational efficiencies and the quality of the Colorado Medical Assistance program, the Department's vision of a modern System will assist in process improvement by offering automation and workflow management tools.

7.14.2.   It is critical that the Core MMIS and Supporting Services utilizes a workflow management tool that provides:

7.14.2.1.   Technologies that support the tracking, assignment, notification, escalation and management of requests, interactions and relationships with providers, clients, and other stakeholders.

7.14.2.2.   Configurable template-driven and event-driven correspondence.

7.14.2.3.   Capabilities to configure and generate alerts and notifications using a variety of access channels that can be managed by authorized users.

7.14.2.4.   Capabilities that allow data to be monitored and managed, ensuring that approaching deadlines are identified and met.

7.14.2.5.   User defined reporting capabilities that will assist supervisors in managing caseloads, workflow processes, staff Work performance, and quality assurance.

7.14.3.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 7.14. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

7.15. DATA MANAGEMENT REQUIREMENTS

7.15.1.   Professional principles of data management, data security, data integrity, and data quality control will be enforced in the Core MMIS and Supporting Services. It is critical that the data are timely, accurate, usable, easily accessible, and secure.

7.15.2. The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 7.15. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

7.16.   APPLICATION ENVIRONMENT REQUIREMENTS

7.16.1. To support various concurrent activities related to the Contract and its Project Phases, the Core MMIS and Supporting Services will need to include various isolated application environments to support development, simulation, testing, and production deployment.

7.16.2. The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 7.16. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

7.17.   SYSTEM PERFORMANCE REQUIREMENTS

7.17.1. The Department will need a solution that operates twenty-four (24) hours a day for seven (7) days a week, and provides uninterrupted access to services to the greatest affordable extent.

7.17.2. The Department supports efforts to balance the Core MMIS and Supporting Services availability and performance with price and value, as warranted by the appropriate trade-offs.

7.17.3. The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 7.17. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

7.18.   ENTERPRISE ARCHITECTURE REQUIREMENTS

7.18.1. The Department is not mandating any particular architectural solution. However, the Core MMIS and Supporting Services solution should reflect design principles associated with high quality systems.

7.18.2. The overall technical strategy is driven by the COMMIT project goals. The project goals emphasize the use of services, adaptability, information sharing, interoperability, and Configuration over Customization. As a result, the Department does not expect that the Core MMIS and Supporting Services will require significant amounts of software Customization. The goal of these requirements is not to specify the details of how to design and develop the System architecture; rather it is to ensure that the Core MMIS and Supporting Services is designed to ensure a long lifespan and acceptable life-cycle maintenance costs.

7.18.3. Adaptable and extensible design principles will enable the Department to quickly respond to federal and State mandates (laws and regulations) and changes required by the Colorado Medical Assistance program. As a result, the cost and effort required to implement enhancements should be reduced and the architecture will enable extensions to functionality without requiring extensive or broad changes to the Core MMIS and Supporting Services.

7.18.4. The Department's high-level goals for the Core MMIS and Supporting Services technology and overall architecture are:

7.18.4.1. Enterprise Perspective: Promote an enterprise view that aligns technologies with the Colorado Medical Assistance program business processes.

7.18.4.2. Interoperability and Integration: Develop systems that can communicate effectively and promote interoperability and common standards.

7.18.4.3. Improved Master Data Design and Management: Promote efficient sharing, management, and stewardship of data across the enterprise.

7.18.4.4. Wide-ranging Availability: The technology should work to minimize the existing barriers that exist between the Department, providers, clients, and stakeholders. The solution should work to overcome tracking and communication challenges across the enterprise by providing tools that deliver asynchronous communication, provide timely alerts and notifications, support the development of social and collaborative environments, and provide users the information they need when they need it in the manner that is accessible for them.

7.18.5. The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 7.18. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

7.19. USER INTERFACE AND NAVIGATION REQUIREMENTS

7.19.1. Navigation tools that make daily functions easier to perform and improve the user's overall experience by increasing ease of System use will increase the Core MMIS and Supporting Services value to end-users. In addition, the use of real-time and automated user interfaces will improve Department users' ability to make accurate and timely decisions.

7.19.2. The Contractor shall adhere to the requirements and performance expectations listed in Appendix A –Requirements and Performance Standards Matrix, Section 7.19. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

7.20. ONLINE HELP REQUIREMENTS

7.20.1. Online assistance to providers, clients, and Department staff is a critical function for job performance. Online help features will assist users in accessing correct, relevant information in a timely manner.

7.20.2.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 7.20. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

7.21.   ALERT REQUIREMENTS

7.21.1.   Comprehensive, Configurable alert and notification functionality will assist System users in conducting their daily activities. Alerts and notifications will be used to advise of System downtime and content changes, manage workflow, and for other purposes as defined by the Department.

7.21.2.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 7.21. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

7.22.   SYSTEM REPORTING REQUIREMENTS

7.22.1.   In order to complete its daily operational and business functions and comply with federal and State policies and System reporting requirements, the Core MMIS and Supporting Services will include reporting functionality for numerous data elements. This includes standard, ad hoc, and Customizable reporting capabilities necessary for System monitoring and assessment. For purposes of this RFP, ad hoc reports refer to reports that users can define, save, and run at will. Customizable reports refer to reports that typically require some degree of development, and are automated once they are created. The Department expects the Core MMIS and Supporting Services to provide reports required for daily operational functions, as well as those required for federal and State system compliancy. The BIDM RFP reporting scope includes reports and associated business intelligence tools that will provide data used for analysis, prediction, decision support, and expanded functionality as it relates to operational and business functions. The BIDM RFP reporting scope includes federal and State reports required for program and financial functions (e.g., CMS 64, CMS 372, MSIS).

7.22.2.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 7.22. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

7.23. OTHER TECHNICAL REQUIREMENTS

7.23.1. The Department has identified other technical requirements that include those related to HIPAA transactions, electronic exchange via mobile devices, automated letter generation, the learning management system (LMS), software licensing, and general equipment requirements. Some, but not all, of these requirements may be optional. All optional requirements are indicated as such in Appendix A – Requirements and Performance Standards Matrix.

7.23.2. The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 7.23. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

SECTION 8.0   CORE MMIS STATEMENT OF WORK

8.1.   OVERVIEW

8.1.1.   The primary Core MMIS and Supporting Services functional requirements were derived as a result of translating business and System requirements into areas that align with the MITA business areas. As a result, the requirements are a reflection of the functional equivalent processes. The following areas are included in the Core MMIS and Supporting Services:

8.1.1.1.   Client Management.

8.1.1.2.   Provider Management.

8.1.1.3.   Operations Management.

8.1.1.4.   Program Management.

8.1.1.5.   Business Relationship Management.

8.1.1.6.   Program Integrity.

8.1.1.7.   Care Management.

8.1.1.8.   Managed Care.

8.2.   ADDITIONAL CORE MMIS FUNCTIONAL REQUIREMENTS

8.2.1.   Beyond the MITA business areas the following Core MMIS and Supporting Services functional requirements are included:

8.2.1.1.1.   Electronic Data Interchange (EDI).

8.2.1.1.2.   Electronic Document Management System (EDMS).

8.2.1.1.3.   Case Management.

8.2.1.1.4.   Web Portal.

8.2.1.1.5.   Colorado Registration and Attestation.

8.3.   CLIENT MANAGEMENT

8.3.1.   Client Management functionality supports the ability to capture, manage, and maintain demographic and eligibility information for the Department's prospective or enrolled clients and support the eligibility and enrollment business processes for the Colorado Medical Assistance program. Client Management also supports business processes involved in communications between the Department and the prospective or enrolled clients. Communication management functions include, but are not limited to, client correspondence and notifications, outreach and education, and client appeal management.

8.3.2. Client Management functional areas are listed in Section 8.3.2.1 through 8.3.2.6:

8.3.2.1. Client eligibility processing: Includes the acceptance, validation, and processing of real-time and batch client eligibility determination. CBMS will continue to determine client eligibility, while the Core MMIS and Supporting Services will determine and assign enrollment in the appropriate Health Benefit Plan.

8.3.2.2. Client enrollment/disenrollment: Provides the System's ability to assign clients into the appropriate Colorado Medical Assistance program for which they are eligible and then enroll clients into the appropriate Health Benefit Plan and generates inquiry, review, reporting and workflow actions relating to that enrollment. This functional area also provides the ability to dis-enroll clients that are no longer eligible for a Colorado Medical Assistance program or dis-enrolled clients from a Health Benefit Plan.

8.3.2.3. Client information and case management: Allows authorized representatives to access, view, edit, manage client data, and perform client-related tasks.

8.3.2.4. Client communications and outreach: Manages client correspondence and notifications related to client enrollment, benefits, services, etc. Clients shall have the ability to access information through an online Portal and perform basic management actions such as updating client information.

8.3.2.5. Client grievance and appeals management: Supports and manages client grievances and appeals.

8.3.2.6. Client information/eligibility reporting: Provides authorized users the ability to easily query the client data to retrieve client data including, but not limited to, basic demographic data, historical program eligibility data, TPL data, benefit data and other data.

8.3.3. The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 8.3. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

8.4. PROVIDER MANAGEMENT

8.4.1. Provider Management functionality dynamically supports and manages demographics and provider information, enrollment, billing, and reimbursement functions related to the providers participating in the Colorado Medical Assistance program (generally referred to as "providers").

8.4.2. The functional areas for Provider Management are listed in Sections 8.4.2.1 through 8.4.2.8:

8.4.2.1. General provider management: Supports collection and management of provider information and data, including maintaining an up-to-date online directory of providers.

8.4.2.2.   Provider enrollment: Provides the ability to support provider enrollment functions, including automated provider enrollment functions that will track and report provider applications throughout the provider enrollment process. It is the Department's objective to make this process as efficient and accurate as possible to encourage participation of qualified providers. Contractor activities also include credentialing and source verification from appropriate licensure, certification, or other authorities to support Department participation criteria and requirements.

8.4.2.3.   Provider billing: Supports provider billing in a variety of approved formats, including electronic and paper claims.

8.4.2.4.   Provider reimbursement: Supports multiple provider reimbursement functions and options that allow the Department flexibility to determine the best model to reimburse providers.

8.4.2.5.   Provider communications and outreach: Supports issuance and management of provider correspondence and notifications. This includes the establishment of provider affiliations within and across lines of business, associating individual providers with provider groups, billing agents, etc.

8.4.2.6.   Provider training: Provider training activities ensure providers have access to the most current Core MMIS and Supporting Services information and associated business policies for prior approval and submissions.

8.4.2.7.   Provider grievance and appeals: Supports and manages the Provider grievance and appeal business processes.

8.4.2.8.   Provider reporting: Provides the ability for authorized users to easily query the provider data to retrieve provider data including, but not limited to, specialty, language, claims information, etc.

8.4.3.   As detailed in Section 5.2.7 of this RFP Body, the Contractor's top priority upon the effective date of this Contract shall be to complete and implement Online Provider Enrollment so that all providers are enrolled, re-enrolled, and validated no later than March 2016. Online Provider Enrollment and enrollment processes will support the Provider Re-enrollment/validation process that is required by ACA Provider Enrollment Screening Rules.

8.4.4.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 8.4. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

8.5. OPERATIONS MANAGEMENT

8.5.1. The functional areas for the Core MMIS and Supporting Services Operations Management are listed in Sections 8.5.1.1 through 8.5.1.6:

8.5.1.1. General financial management: Supports claims related financial processing including claim payment processing, adjustment processing, refunds, recoupments, TPL payments from other payers, drug rebates (as received from manufacturers based on the Contractor's invoices and financial actions), accounts payables and receivables, and cash receipt processing.

8.5.1.2. Claims receipt and management: Supports the Department's claims receipting, entry, and reporting processes.

8.5.1.3. Service authorization: Supports Prior Authorization and referrals to provide a cost containment and utilization review mechanism for the Colorado Medical Assistance program.

8.5.1.4. Cost recoveries: Initiates, manages, and tracks recovery of payments and overpayments.

8.5.1.5. Reference data management: The reference data repository provides a consolidated source of information used extensively throughout the Core MMIS and Supporting Systems to:

8.5.1.5.1. Define applicable code sets for HIPAA compliance.

8.5.1.5.2. Value validation and description resolution for non-HIPAA coded fields.

8.5.1.5.3. Define System wide edits, claims edits, and Prior Authorizations and referral edits.

8.5.1.5.4. Define claims, Prior Authorizations, and referral audits.

8.5.1.5.5. Define valid procedure code to procedure modifier combinations.

8.5.1.5.6. Define various baseline fee schedules by service codes, including ASC, APC, DRG, HCPCS, CPT, and ICD.

8.5.1.5.7. Define EOB codes and text descriptions.

8.5.1.5.8. Payment information management and reporting: Provides a centralized data repository that allows authorized users to easily query the financial data and generate financial reports.

8.5.1.6. Stakeholders currently use multiple access channels (e.g., call center, interactive voice response, mail, fax) to interact with the Colorado Medical Assistance program.

8.5.2. The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 8.5. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

8.6.   PROGRAM MANAGEMENT

8.6.1.   Program Management functionality supports the Department's strategic planning, policy-making, monitoring, and oversight activities. In addition to system functionality that supports program operations, these activities depend heavily on access to timely and accurate data, as well as the use of analytical tools.

8.6.2.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 8.6. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

8.7.   BUSINESS RELATIONSHIP MANAGEMENT

8.7.1.   Business Relationship Management functionality will contribute to the improvement and expansion of interoperability standards between the Department and its partners. Although most of the Department's business processes in this area are currently manual, the end goal is to ensure that the processes are automated and standardized to the greatest extent possible, which includes a central and secure location to manage the exchange of data between the Department and its partners as defined in Appendix A – Requirements and Performance Standards Matrix. Business Relationship Management functionality will have some overlap with components of Program Management functionality.

8.7.2.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 8.7. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

8.8.   PROGRAM INTEGRITY

8.8.1.   Program Integrity functionality shall support the Department's ability to monitor program compliance for business activities such as auditing and tracking medical necessity and appropriateness/quality of care, fraud and abuse, erroneous payments and administrative abuses. This includes the identification of providers, health plans and/or clients who may be committing fraud, waste, or abuse of services and/or billing practices. The end goal is to develop a process that utilizes data collected from operations in conjunction with the BIDM to identify patterns that can lead to improvements in the Colorado Medical Assistance program or the detection and correction of misuse and abuse of the program.

8.8.2.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 8.8. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

8.9. CARE MANAGEMENT

8.9.1. Care Management functionality supports the collection of business processes related to managing the health of the Medicaid population, establishing cases, managing cases, and managing the registry. Care Management functionality also supports the collection of information about the needs of the individual client, plan of treatment, targeted outcomes, and the individual's health status. This includes processes that support individual care management and population management, which promote health education and awareness. The Core MMIS and Supporting Services shall have the ability to accept and store immunization information on Colorado Medical Assistance program patients (MITA 3.0).

8.9.2. Specifically, the Care Management requirements pertains to the following areas:

8.9.2.1. Waivers, other long-term care benefits and services, and benefits utilization services.

8.9.2.2. Health Management.

8.9.2.3. Disease Management.

8.9.2.4. Early and Periodic Screening, Diagnosis, and Treatment (EPSDT).

8.9.2.5. Population Management.

8.9.2.6. Patient Self-Directed Care Management.

8.9.2.7. Immunization and other registries.

8.9.2.8. Waiver Program Case Management.

8.9.3. The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 8.9. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

8.10. MANAGED CARE

8.10.1. Managed care functionality supports the administration of a variety of different managed care service delivery models, including, but not limited to, full-risk managed care payment, primary care managed care payment, primary care case management, managed care agreements, preferred provider organization (PPO) agreements, Prepaid Health Plan (PHP) agreements, contractor contracting arrangements, Accountable Care Organization (ACO), Intermediary Service Organizations (ISO), and utilization-controlled fee-for-service arrangements. This functionality also includes Prepaid Inpatient Health Plan (PIHP), Prepaid Ambulatory Health Plan (PAHP), Managed Care Organization (MCO), Primary Care Case Management (PCCM), as well as improvements/Enhancements as they are implemented.

8.10.2.   The Managed Care program needs System flexibility to:

8.10.2.1.   Allow for and manage the differences in the program policy through establishing multiple Health Benefit Plans.

8.10.2.2.   Identify clients and providers participating in various managed care programs.

8.10.2.3.   Maintain and display managed care-covered and non-covered services and benefit limited services in the Core MMIS and Supporting Services for each managed care entity.

8.10.2.4.   Process electronic transactions and encounters received from Managed Care Entities.

8.10.2.5.   Coordinate with the Managed Care Entities and Department contractors to transmit and receive managed care-related information via system interfaces.

8.10.3.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 8.10. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

8.11.   ELECTRONIC DATA INTERCHANGE (EDI)

8.11.1.   The Department's objective is to implement a versatile process to send and receive all compliant transactions through an EDI exchange and translate data for other enterprise applications, regardless of platform. This flexibility would provide ability for both structure and information to be extracted directly from the database tables.

8.11.2.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 8.11. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

8.12.   ELECTRONIC DOCUMENT MANAGEMENT SYSTEM (EDMS)

8.12.1.   The Department intends to implement an integrated automated workflow and Electronic Document Management System that provides comprehensive document storage and easy access to all documents from the user's desktop.

8.12.2.   Department business processes require a document imaging system that will image all paper forms and documents received from providers, clients, and other internal and external entities that provide information and/or correspondence.

8.12.3.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 8.12. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

8.13. CASE MANAGEMENT

8.13.1. Case Management is a collaborative process that facilitates recommended treatment plans to ensure that the appropriate medical care is provided to disabled, ill, or injured individuals. The Department's primary focus is Long Term Care with the capability to expand into all clients. The Case Management program needs the flexibility to:

8.13.1.1. Include the evaluation of a medical condition.

8.13.1.2. Create PARs based on special case issues.

8.13.1.3. Develop and implement a plan of care.

8.13.1.4. Allow the coordination of medical resources.

8.13.1.5. Communicate health care needs to the individual.

8.13.1.6. Monitor an individual's progress.

8.13.1.7. Promotion of cost-effective care.

8.13.2. The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 8.13. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

8.14. WEB PORTAL

8.14.1. The Web Portal is a Web-based application that will interface with the proposed Core MMIS and Supporting Services. The Web Portal enables providers and other Department-designated entities to electronically send and receive secure HIPAA and non-standard transactions to the Department's Core MMIS and Supporting Services, and to verify client eligibility by accessing information sent from CBMS to the Core MMIS and Supporting Services. Transmissions include the submission of claims for processing and payment, submission of requests for eligibility verification and submission of requests for Prior Authorizations. The Web Portal allows users to manage their claims and access a number of standardized reports, and it affords the Department the ability to post messages concerning events that may affect Web Portal users.

8.14.2. The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 8.14. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

8.15. COLORADO REGISTRATION AND ATTESTATION

8.15.1. The Colorado Registration and Attestation functionality supports HITECH and is making available incentive payments to eligible Medicaid providers that adopt and successfully demonstrate Meaningful Use (MU) of a certified Electronic Health Records (EHR) technology for allowable costs associated with the implementation, operation, and maintenance of this technology.

8.15.2.	The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 8.15. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

SECTION 9.0 FISCAL AGENT OPERATIONS STATEMENT OF WORK

9.1. OVERVIEW

9.1.1.   The Fiscal Agent Operations (FAO) includes:

9.1.1.1.   General operational requirements such as financial obligations.

9.1.1.2.   Contract management.

9.1.1.3.   Supporting functions (e.g., mailroom, courier, etc.).

9.1.1.4.   Provider customer relationship management.

9.1.1.5.   Claims receipt and payment.

9.1.1.6.   Reference data management.

9.1.1.7.   Other operational responsibilities, including report production.

9.1.2.   These general operational requirements help to ensure appropriate health of the overall System and that the operations of the Core MMIS and Supporting Services and Colorado Medical Assistance program run efficiently and effectively, meeting Department and federal requirements.

9.1.3.   This section includes requirements for the following Fiscal Agent Operations activities:

9.1.3.1.   Fiscal Agent Operations Business Requirements.

9.1.3.2.   Claim/Encounter Related Services.

9.1.3.3.   Prior Authorization Services.

9.1.3.4.   Provider Management Services.

9.1.3.5.   Third Party Liability Support Services.

9.1.3.6.   Program Integrity Support Services.

9.1.3.7.   Client Premium Management Services.

9.1.3.8.   Electronic Document Management System Support.

9.1.3.9.   Workflow Management Support.

9.1.3.10.   Call Center and Customer Relationship Management (CRM) Services.

9.1.3.11.   Help Desk Services.

9.1.3.12.   Mailroom Services.

9.1.3.13.   Online Document Repository Support.

9.2.   FISCAL AGENT OPERATIONS BUSINESS REQUIREMENTS

9.2.1.   The Core MMIS and Supporting Services will provide services that meet or exceed all federal, State, and Department requirements included in this RFP. Any changes to these requirements subsequent to this RFP release will be handled via the Change Management Process.   Fiscal Agent Operations includes the Operation and Maintenance of the systems listed in Sections 9.2.1.1 through 9.2.1.6:

9.2.1.1.   MMIS.

9.2.1.2.   EDI solution.

9.2.1.3.   Call Center and Help Desk, including Interactive Voice Response (IVR) software.

9.2.1.4.   Web Portal.

9.2.1.5.   Electronic Document Management System (EDMS).

9.2.1.6.   Colorado Registration and Attestation.

9.2.2.   The Department will monitor Contractor performance for Fiscal Agent Operations for compliance with federal, State, and Department requirements, and will notify the Contractor of changes to those requirements that may affect operations.

9.2.3.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 9.2. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

9.3.   CLAIM/ENCOUNTER RELATED SERVICES

9.3.1.   The Department's claims/encounter-related services include the receipt of claim/encounter data, adjudication, edit and pricing of claims and encounters, as well as the generation of claims processing-related operational reports. Claims/encounter-related services also include payments to providers, Managed Care Entities, other agencies, insurers, and Medicare premiums, as well as support the receipt of payments from other insurers, providers, and client premiums.

9.3.2.   The Contractor shall also provide support services that will increase the ease and efficiency with which claims are received, ultimately creating a simplified process for providers and the Department.

9.3.3.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 9.3. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

9.4. PRIOR AUTHORIZATION SERVICES

9.4.1.   Prior Authorization Services includes support services for the Colorado Medical Assistance program and its Prior Authorization agencies to assist in the coordination, standardization of processing, and tracking of Prior Authorization Request (PAR) data.

9.4.2.   Written Department rules and/or policies stipulate the services covered and not covered by the Colorado Medical Assistance program, specify PAR requirements for each service area, and list the criteria under which the services may be authorized or denied.

9.4.3.   There are several authorizing agents including, but not limited to, contractors for nursing facilities and private duty nursing authorizations, and acute care services. The Division for the Developmentally Disabled is responsible for Prior Authorization of Developmental Disabilities (DD), Targeted Case Management (TCM), and other home and community-based service programs.

9.4.4.   Approved PARs are submitted through EDI or manually entered in a Department-specified format by one or more Utilization Management contractors. The Department, its affiliates, or the Contractor can also manually enter PAR requests. Currently, the Department's Contractors submit PARs through an interface with the electronic transmission system HIPAA standardized transaction formats. The Department intends to automate the PAR process to the greatest practical extent, via the Core MMIS and Supporting Services implementation.

9.4.5.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 9.4. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

9.5. PROVIDER MANAGEMENT SERVICES

9.5.1.   Provider Management Services include, but are not limited to, Colorado Medical Assistance program communications, provider training, and operations of the Web Portal as described in Section 8.14 of this RFP Body. These services also include conducting provider re-enrollment and ongoing scheduled re-enrollments in accordance with ACA Provider Screening Rules.

9.5.2.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 9.5. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

9.6. THIRD PARTY LIABILITY SUPPORT SERVICES

9.6.1.   The Contractor shall provide support services to associate and identify other sources of payment for health benefit services. The Contractor shall make its best efforts to ensure that all applicable primary coverage, other than Medicaid, is entered and

maintained in the MMIS to support cost avoidance on claims for members with other primary coverage, rather than recovered solely via pay and chase. TPL services are currently comprised of a combination of client eligibility information received from CBMS and pay and chase services provided by a recovery contractor. CGI holds the Medicaid Recovery Audit Contractors (RAC) contract, with HMS as the subcontractor.

9.6.2. The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 9.6. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

9.7. PROGRAM INTEGRITY SUPPORT SERVICES

9.7.1. Program Integrity Support Services include, but are not limited to, providing access to data related to providers, health plans, and/or clients who may be committing fraud, waste, or abuse of services and/or billing practices.

9.7.2. The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 9.7. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

9.8. CLIENT PREMIUM MANAGEMENT SERVICES

9.8.1. Client Premium Management Services include, but are not limited to, supporting invoicing processes that retrieve client premium information, perform required data manipulation according to the Department's business rules, format the results into the required output format, and produce client premium invoices as directed by the Department.

9.8.2. The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 9.8. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

9.9. ELECTRONIC DOCUMENT MANAGEMENT SYSTEM SUPPORT

9.9.1. EDMS services will help the Department reduce its reliance on paper and support the objective to provide centralized access to Colorado Medical Assistance program data. The Department's objective is to maximize productivity in claims processing and program management.

9.9.2. The Contractor shall operate the EDMS technologies as described in Section 8.12 above in order to maximize document management and reporting capabilities.

9.9.3.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 9.9. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

9.10.   WORKFLOW MANAGEMENT SUPPORT

9.10.1.   Workflow Management services support the use of Workflow Management technologies (as described in Section 7.14) to maximize efficiencies in business processes, Work assignments, status tracking, and escalation. The Department's objective is to maximize productivity in claims processing and program management.

9.10.2.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 9.10. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

9.11.   CALL CENTER AND CUSTOMER RELATIONSHIP MANAGEMENT (CRM) SERVICES

9.11.1.   Call Center and Customer Relationship Management (CRM) Services for the Colorado Medical Assistance program will be accessible to providers to obtain answers to questions, get information on claims, submit applications, renewals, and changes over the phone. Call Center Services include technology and/or services that provide:

9.11.1.1.   Integration of call center technologies (such as a CRM) with the Core MMIS and Supporting Services.

9.11.1.2.   A tracking mechanism for call center, results, volume, and effectiveness.

9.11.1.3.   Improvement of agency communications.

9.11.1.4.   Support for multiple languages.

9.11.1.5.   Search capabilities that speed access to needed information across the System/solution through easy-to-use search and phonetic matching.

9.11.1.6.   Integrated online help and training throughout the System.

9.11.2.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 9.11. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

9.12.   HELP DESK SERVICES

9.12.1.   Help desk services will be accessible to users via telephone, e-mail, and via the Web Portal. It is critical that help desk services can provide answers and responses, without limitation, for items such as:

9.12.2.   Inquiries on System processes and System troubleshooting from providers, the Department and Contractor users.

9.12.2.1.   General and technical support and questions.

9.12.2.2.   Electronic Data Interchange (EDI)-related questions and issues.

9.12.2.3.   Use of the Web Portal by providers, members, Department, and Contractor users.

9.12.2.4.   Password reset procedures.

9.12.2.5.   Application and software support.

9.12.3.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 9.12. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

9.13.   MAILROOM SERVICES

9.13.1.   Mailroom Services require a mailroom and print center to support provider relationship management, claims adjudication, and required client communication functions.

9.13.2.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 9.13. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

9.14.   ONLINE DOCUMENT REPOSITORY SUPPORT

9.14.1.   The scope of Fiscal Agent Operations includes an online document repository and collaboration tool, such as Microsoft SharePoint, that will be shared with the Department and its Contractors to manage all communication, documentation, project notes, and artifacts.

9.14.2.   The Contractor shall adhere to the requirements and performance expectations listed in Appendix A – Requirements and Performance Standards Matrix, Section 9.14. A formal Change Management Process will be established following Contract award to address any requested changes to requirements or scope defined in Appendix A – Requirements and Performance Standards Matrix.

SECTION 10.0   COMPENSATION AND INVOICING

10.1. COMPENSATION

10.1.1.   Offerors are asked to propose pricing based on their solution delivery approach within each Contract Stage using the pricing schedules in Appendix E – Pricing Schedules. For evaluation comparison, the proposed Contract Stages are listed in Sections 10.1.1.1 through 10.1.1.5.

10.1.1.1.   Business Process Re-Engineering (BPR) Contract Stage.

10.1.1.2.   Implementation Stage I: Online Provider Enrollment.

10.1.1.3.   Implementation Stage II: Core MMIS and Supporting Services Implementation.

10.1.1.4.   Implementation Stage III: Supporting Services Implementation.

10.1.1.5.   Ongoing MMIS Operations and Fiscal Agent Operations Stage.

10.1.2.   Quality Maintenance Payments will be made at the end of each specific Contract Stage (per the Offeror's proposed completion date) for all Implementation Contract Stages. Quality Maintenance Payments will be made annually during the Ongoing MMIS Operations and Fiscal Agent Operations Stage. If the Contractor completes the Contract Stage earlier than proposed, they will receive the full payment and if they complete the Contract Stage later than proposed, the Contractor will still receive the full payment. However, monthly payments will cease (for the months past the proposed completion date) and the Quality Maintenance Payments, as defined in Section 5.6, will not be paid until the Contract Stage is completed. This payment structure provides an incentive for the Contractor to complete the Contract Stage on schedule, but does not directly penalize the Contractor by reducing the total payment. The distinction is that the Contractor has a loss of cash flow (monthly payments cease after the proposed completion date) and the loss of potential interest that could have been earned by having the Quality Maintenance Payment paid early or on schedule.

10.1.3.   If the Contractor completes the Contract Stage earlier than proposed, they will still receive full payment.

10.1.4.   The Contractor shall reference Appendix E – Pricing Schedules for additional compensation information.

10.2. INVOICING

10.2.1.   The Contractor shall adhere to the Invoicing requirements listed in Appendix A – Requirements and Performance Standards Matrix, Section 10.2.

10.2.2.   The Contractor shall reference Appendix E – Pricing Schedules for additional information referenced by invoicing requirements listed in Appendix A – Requirements and Performance Standards Matrix, Section 10.2.

10.3. PAYMENT

10.3.1.　Each Deliverable shall be reviewed by the Department and shall require formal approval from the Department before acceptance of the Deliverable. The Contractor shall allow for at least ten (10) business days following receipt, per Deliverable, in any project plan for the Department to review and document their findings. Based on the review findings, the Department may approve, reject portions of the Deliverable, reject the complete Deliverable, or request that revisions be made to the Deliverable. Unless otherwise agreed to by the Department in writing, the Contractor shall be required to submit all revisions of the Deliverable within five (5) business days following the receipt of the Department comments and requests for revisions or clarifications. The Department shall have an additional five (5) business-day review period for revisions that are resubmitted.

10.3.2.　The Department will remit payment to the Contractor, for all amounts shown on an invoice, within forty-five (45) calendar days of the Department's acceptance of that invoice. The Department will not make any payment on an invoice prior to its acceptance of that invoice.

10.3.3.　The Department will review the invoice, and compare the information contained in the invoice to the Department's information. The Department will not accept an invoice until it has reviewed the information contained on the invoice and determined that all amounts are correct.

10.3.4.　If the Department determines that all information on an invoice is correct, the Department will notify the Contractor of its acceptance of the invoice.

10.3.5.　If the Department determines that any information on an invoice is incorrect, the Department will notify the Contractor and specify any incorrect information. The Contractor shall correct any information the Department determined to be incorrect and resubmit the invoice to the Department for review.

10.3.6.　The Department will review the invoice to ensure that all corrections have been made.

10.3.7.　If all information on the invoice is correct, the Department will accept the invoice.

10.3.8.　If any information on the invoice is still incorrect, then the Department will return the invoice to the Contractor for correction and resubmission.

10.3.9.　If the Contractor believes that the calculation or determination of any payment is incorrect, the Contractor shall notify the Department of the error within thirty (30) business days of receipt of the payment or notification of the determination, as appropriate. The Department will review the information presented by the Contractor and may make changes based on this review. The determination or calculation that results from the Department's review shall be final. No disputed payment shall be due until after the Department has concluded its review.

10.3.10.　All payments for the final month of the Contract shall be paid to the Contractor no sooner than ten (10) business days after the Department has determined that the Contractor has completed all of the requirements of the Turnover Phase

10.4. LIQUIDATED DAMAGES

10.4.1. Liquidated damages may be deducted by the Department from any money payable to the Contractor pursuant to this Contract related to the Contractor's failure to meet Quarterly Milestones (described in Section 5.3.1.4). Under these circumstances, the Department will notify the Contractor in writing of any claim for remedies at least thirty (30) calendar days prior to the date when sums will be deducted and over what period.

10.4.1.1. If the Contractor's failure to meet a Quarterly Milestone is considered severe enough to negatively impact the timeline for development or implementation of the System or the continued Operation of the System, the Department may assess damages in the amount of $4,000 per business day that the event occurs.

10.4.1.2. If the Contractor's failure to meet a Quarterly Milestone is not considered severe enough to negatively impact the timeline for development or implementation of the System or the continued Operation of the System, the Department may assess damages in the amount of $1,000 per business day that the event occurs.

10.4.1.3. Liquidated damages may process through the Dispute Process (described in Section 10.5) if the Contractor believes they are not at fault or if the liquidated damages are not assessed correctly (e.g., per business day amount, the number of business days accessed under the liquidated damages).

10.4.2. Following July 1, 2017, liquidated damages shall be imposed if claims processing is not fully operational and the Core MMIS and Supporting Services are not Operational as described in Section 8.0 Core MMIS Statement of Work and Section 9.0 Fiscal Agent Operations Statement of Work, and the Contractor is determined to be at fault for the delay based on the outcome resulting from the Dispute Process (as described in Section 10.5). Liquidated damages will be assessed on a monthly basis the incremental difference between the amount that shall be paid to the current MMIS contractor and the contractual amount to be paid to the Core MMIS and Supporting Services Contractor. The Core MMIS and Supporting Services Contractor will not be paid any amount during the specified delay.

10.4.3. If CMS Certification is not granted within eighteen (18) months of the start of claims processing by the Core MMIS and Supporting Services, and the Contractor is determined to be at fault for the delay based on the outcome resulting from the Dispute Process (as described in Section 10.5) the Contractor will reimburse the Department an amount equal to the difference between the 75% Federal Financial Participation Rate for a CMS Certified System and the 50% Federal Financial Participation Rate the Department incurred for operating a non-CMS Certified System during the period the System is not certified by CMS.

10.4.4. Liquidated damages will be assessed via the remedies Dispute Process (as described in Section 10.5) for any BIDM or PBMS implementation delays or unmet Contractual obligations that impact the Core MMIS and Supporting Services implementation.

10.5. REMEDIES AND DISPUTE PROCESS

10.5.1.   The Contractor and the Department will follow the Dispute Process as outlined in Section 10.5.2. The Dispute Process will be used for all disputes or disagreements between the Department and Contractor.

10.5.1.1.   Type 1 Disputes are considered severe enough to negatively impact the timeline for development or implementation of the System or the continued Operation of the System. The Contractor's failure to meet a Quarterly Milestones is considered a Type 1 Dispute. In addition, any dispute that impacts the Contractor's timing or amount of a Quality Maintenance Payment is considered a Type 1 Dispute.

10.5.1.2.   Type 2 Disputes are considered less severe than a Type 1 Dispute or do not have a direct financial impact on either party. Any dispute not considered a Type 1 Dispute is a Type 2 Dispute.

10.5.2.   The Department and Contractor are expected to resolve disputes at the lowest level possible and as quickly as possible to maintain a positive working relationship and maintain the timeline for implementation of the System. If the dispute cannot be resolved, the parties shall escalate the dispute in the following manner.

10.5.2.1.   Level 1: The dispute will be discussed and resolved by the Department's Division Director of the Claims Systems and Operations Division and the Contractor's Account Manager. If the dispute is not resolved at this level, the parties shall escalate it to Level 2. During the Implementation Contract Stages this process will take no longer than ten (10) business days for Type 2 disputes and five (5) business days for Type 1 disputes.

10.5.2.2.   Level 2: The dispute will be discussed and resolved by the Executive Director of the Department or his or her written Designee and the Chief Executive Officer of the Contractor or his or her written Designee. Should the dispute not be resolved at this level, the parties will escalate it to Level 3. During the Implementation Contract Stages this process will take no longer than twenty (20) additional business days for Type 2 disputes and ten (10) business days for Type 1 disputes.

10.5.2.3.   Level 3: Any dispute unresolved in Level 1 and 2 will be escalated to the Colorado Purchasing Director. He or she will engage both parties in binding arbitration. The written decision of the Purchasing Director will be final. During the Implementation Contract Stages, this process will take no longer than twenty (20) additional business days for Type 2 disputes and ten (10) business days for Type 1 disputes.

10.5.2.4.   During the Ongoing MMIS Operations and Fiscal Agent Operations Stage, the time to escalate a dispute from Level 1 to Level 2 to Level 3 may be modified by through a Contract Amendment, if a longer period to resolve disputes prior to entering binding arbitration is desired by both parties.

10.5.3.   To initiate the Dispute Process, the Division Director of the Claims Systems and Operations Division or the Contractor's Account Manager shall issue a notice to the other in writing, as defined in the Communication Management Plan.

10.5.4.   The Dispute Process is available to both parties and it shall be used to resolve any issues under the Contract including, but are not limited to:

10.5.4.1.   All contract requirements covered the Scope of Work of the Contract.

10.5.4.2.   The payment of Quality Maintenance Payments.

10.5.4.3.   Assessment and calculation of liquidated damages.

10.5.4.4.   Withholding or denial of payment.

10.5.4.5.   Removal of a Key Personnel or Subcontractors under the Contract.

10.5.4.6.   Termination for Cause and/or Breach or Early Termination in the Public Interest.

10.6. BUDGET

10.6.1.   The Department has a maximum available amount for this project that has been separated into two distinct budget pools that are non-negotiable. Any proposal that has a total price that exceeds the Department's maximum available amount may be rejected without further consideration. Any proposal that has a total price that exceeds the Department's maximum available amount in a budget pool or attempts to move money from one pool to another (e.g., proposing to move money from the DDI Budget Pool into the Operations Budget Pool) may be rejected without further consideration.

10.6.2.   The two distinct budget pools are defined in Sections 10.6.2.1 through 10.6.2.2.

10.6.2.1.   DDI Budget Pool. This pool provides the maximum funding available to cover the Core MMIS and Supporting Services DDI activities in the Implementation Contract Stages (covering the BPR Contract Stage, Implementation Stage I, Implementation Stage II, and Implementation Stage III). Based on information provided in this RFP, the estimated expenditure of these funds will occur from November 1, 2013 (estimated Contract start date) to June 30, 2017 (estimated completion of all DDI activities).

10.6.2.1.1.   During Implementation Stage I, some of the Contractor's price may not be eligible for enhanced federal funding at 90% federal funds, as provider enrollment activities may be considered operations activities. Offeror's proposals will need to estimate these operations activities in the pricing schedule until the start of the Ongoing MMIS Operations and Fiscal Agent Operations Stage, when the pricing will then be incorporated into the Fiscal Agent Operations pricing.

10.6.2.2.   Operations Budget Pool. This pool provides the maximum funding available per State Fiscal Year (SFY) to cover Core MMIS and Supporting Services Operations activities in the Ongoing MMIS Operations and Fiscal Agent Operations Stage. Funds within the Operations Budget Pool shall be priced as either Fiscal Agent Operations or Enhancements to the System. Based on information provided in this RFP, the estimated expenditure of these funds will occur between July 1, 2016 (estimated Core MMIS and Supporting Services Operations start date) and June 30, 2021 (estimated end of Contract).

10.6.2.2.1.	Fiscal Agent Operations Pricing: Under the Offeror's proposal (as specified in Appendix E – Pricing Schedules) these funds are directly associated to Fiscal Agent Operations (which includes the Operation and Maintenance of the System) under the Fiscal Agent Operations Statement of Work as described in Section 9.0 of this RFP Body, and Appendix A – Requirements and Performance Standards, Sections 9.1 through 9.14.
10.6.2.2.1.1.	Contractor responsibility to provide estimates for price and schedules to support changes to Fiscal Agent Operations and the System proposed by legislation (i.e., fiscal notes requests from the Colorado General Assembly), Department budget requests, Department initiatives, and Enhancements shall be included in the Fiscal Agent Operations Pricing.
10.6.2.2.1.2.	Maintenance activities and staff performing these activities are included in the Fiscal Agent Operations Price and shall be performed by the Contractor within the Ongoing MMIS Operations and Fiscal Agent Operations Stage at no additional cost to the Department.
10.6.2.2.1.3.	The Department is unable to provide the current utilization of hours for Maintenance activities for the incumbent contractor.
10.6.2.2.1.4.	Examples of Maintenance activities are:
10.6.2.2.1.4.1.	Monitoring and maintaining interface activities to ensure all interface data are received through the appropriate channels correctly and timely.
10.6.2.2.1.4.2.	Assuring all System parameters and other information in System tables are updated correctly and timely.
10.6.2.2.1.4.3.	Assuring that claims/encounters and provider payments are processed efficiently and correctly.
10.6.2.2.1.4.4.	Correcting Defects to the System.
10.6.2.2.1.4.5.	Adding/Updating Provider Reimbursement Rates on a routine schedule as requested by the Department through a Transmittal.
10.6.2.2.1.4.6.	Adding/Updating National Uniform Claim Committee, National Uniform Billing Committee, American Dental Association Dental Current Dental Terminology codes, American Medical Association Current Procedural Terminology, Healthcare Common Procedure Coding System, and ICD-10 codes on a routine schedule as requested by the Department through a Transmittal.
10.6.2.2.1.4.7.	Updating accounting/general ledger codes on a routine schedule as requested by the Department through a Transmittal.

10.6.2.2.2. Enhancements to the System Pricing: Under the Offeror's proposal (as specified in Appendix E – Pricing Schedules) these funds are directly associated to functional changes or performance improvements that require Configuration or Customization (including activities related to requirements gathering, design, development, testing, deployment, documentation, etc.) to the System.

10.6.2.2.2.1. During the Ongoing MMIS Operations and Fiscal Agent Operations Stage, some of the Contractor's price may be eligible for enhanced federal funding at 90% federal funds as Enhancements may be considered DDI activities. Offeror's proposals shall estimate these DDI activities and shall propose a budget based on ten thousand four hundred (10,400) hours for Enhancements to the System during the Ongoing MMIS Operations and Fiscal Agent Operations Stage. When pricing the Price Schedule K found in Appendix E – Pricing Schedules, Offerors shall include staffing levels and hours to perform Configuration and Customization activities; only Configuration Staff and Customization Staff shall be counted towards the 10,400 hours to provide consistency in the Offerors' proposals. In addition to staff dedicated to performing Configuration and Customization activities, based on the Offeror's experience and approach, they shall propose Support Staff (Testing and Validation Staff, Business Analyst Staff, Technical Writing and System Documentation Staff, and Project Management Staff) required in order to deliver 10,400 hours of Customization and Configuration. Based on the Offeror's proposal, the payment for these services under the Contract will not be based on a number of hours, but rather that the Contractor maintains the staffing resources as proposed (including additional staff to support Configuration and Customization at 10,400 hours per year).

10.6.2.2.2.2. Hourly Labor Categories provided in Price Schedule K is only to be used if the Department purchases additional Enhancement hours or requires a Contract Amendment.

10.6.2.2.2.3. Under the current contract, the Department has 14,850 hours annually for Enhancements.

10.6.2.2.2.4. Contractor's estimates for price and schedules to support changes to Fiscal Agent Operations and the System proposed by legislation (i.e., fiscal notes requests from the Colorado General Assembly), Department budget requests, Department initiatives, and Enhancements shall be included in the Fiscal Agent Operations Pricing and not under Enhancements to the System Pricing.

10.6.2.2.2.5. If the basis of the estimate used for the initial Price Proposal for DDI activities that will occur during the Ongoing MMIS Operations and Fiscal Agent Operations Stage is no longer applicable at the time the Work is required, due to requirements changes or other strategic changes for the COMMIT project, the Contractor may propose changes or revise resource estimates via the Change Management Process.

10.6.2.2.3.   Pricing for the Ongoing MMIS Operations and Fiscal Agent Operations Stage shall include pricing for the Fiscal Agent Operations (including Maintenance activities) and Enhancements to the System within the Operations Budget Pool by SFY, and are not considered in addition to the Operations Budget Pool maximum annual amount.

10.6.3.   Offerors will provide a fixed price for the Contract Stages (through Appendix E – Pricing Schedules) that includes all personnel, overhead, profit, travel, equipment usage, network communications, and other miscellaneous costs. Only the amounts in the Pricing Schedules will be paid to the Contractor and Offerors shall not assume any additional payment beyond that proposed in Pricing Schedules.

10.6.3.1.   The Department has established pricing thresholds for each Contract Stage, based on the DDI Budget Pool ($80,300,000), to ensure adequate distribution of cost over the Contract term. To prevent an Offeror from proposing the entire price in a single Implementation Contract Stage, the pricing thresholds are listed in Sections 10.6.3.1.1 – 10.6.3.1.4.

10.6.3.1.1.   The proposed fixed price for the BPR Contract Stage shall be at least 0.5% but no greater than 2.0% of the total DDI Budget Pool.

10.6.3.1.2.   The proposed fixed price for the Implementation Stage I shall be at least 5.0% but no greater than 20.0% of the total DDI Budget Pool.

10.6.3.1.3.   The proposed fixed price for the Implementation Stage III shall be at least 5.0% but no greater than 20.0% of the total DDI Budget Pool.

10.6.3.1.4.   There is no minimum or maximum percentage of the proposed fixed price for the Implementation Stage II.

10.6.3.2.   Postage costs related to mail are not included in the fixed price, as those costs will be passed through directly to the Department on a monthly basis.

10.6.4.   The Contractor's price related to provider enrollment activities that continue following the end of Implementation Stage I and continue into Ongoing MMIS Operations and Fiscal Agent Operations Stage are included in the Operations Budget Pool and do not need to be separately identified.

10.6.5.   If the actual volume of claims/encounters increases by greater than twenty percent (20%) from the forecasted claims/encounters estimate provided in this RFP, the Contractor may request a change to the Contract pricing for the next SFY, but there is no guarantee that the Department will have the available funding to increase the Contract price or amend the contract to meet the Contractor's request. Any increase in the Contract price may require a formal budget action that shall be approved by the Department and the Colorado General Assembly, so there is no guarantee that the Contract price will increase for any reason, including those outside the control of the Contractor.

10.6.6. The Department's maximum available amount for the two distinct budget pools is listed in Section 10.6.3.1 through 10.6.3.2.

10.6.6.1. DDI Budget Pool: $80,300,000 total.

10.6.6.2. Operations Budget Pool: $25,000,000 per SFY.

10.6.7. Please be aware that the Department proposed the following estimated budget amount for the Core MMIS and Supporting Services DDI activities to the Colorado General Assembly on November 1, 2012. The Department's budget request does not contain funding beyond SFY 2016-17, as the base operating price for the Core MMIS and Supporting Services is already in the Department's budget and does not need to be specially requested through this budget request. Based on the Offeror's proposal and resulting Contract, the Department may request adjustments to the budget by SFY through the Department's budget process. These figures are provided for information only so the Offerors are aware that the Department has requested the necessary funds to support this RFP and resulting Contract. These figures are not provided to drive the pricing schedules submitted by the Offeror. Only the amounts in 10.6.6 are relevant to the Offeror's proposal.

10.6.7.1. SFY 2013-2014: $9,300,000.

10.6.7.2. SFY 2014-2015: $25,500,000.

10.6.7.3. SFY 2015-2016: $25,500,000.

10.6.7.4. SFY 2016-2017: $20,000,000.

SECTION 11.0   EVALUATION

11.1. EVALUATION PROCESS

11.1.1.   Proposal evaluation will result in a recommendation for award of the Contract under this RFP. The award will be made to the Offeror whose proposal, conforming to this RFP, will be most advantageous to the State of Colorado, price, and other factors considered.

11.1.2.   The Department will conduct a comprehensive and impartial evaluation process for all proposals received that meet the Mandatory Offeror Requirements, as described in Section 1.3 and Appendix A – Requirements and Performance Standards Matrix, and do not exceed the maximum available amount for any budget pool. The objective of the evaluation process is to determine the proposal that most effectively meets the Department's goals and requirements. Failure of an Offeror to provide any required information and/or failure to follow the response format set forth in this RFP may result in reduced scoring and/or disqualification of the proposal. It is the Offeror's responsibility to ensure that all required materials are included in the proposal submission.

11.1.2.1.   Price Proposals that exceed the maximum available amount in any budget pool may disqualify the Offeror's proposal from evaluation.

11.1.2.2.   Price Proposals that transfer money from one pool to another (e.g., proposing to transfer money from the DDI Budget Pool into the Operations Budget Pool) may disqualify the Offeror's proposal from evaluation.

11.1.2.3.   Price Proposals that are clearly not commensurate with the requirements and narrative response as provided in the Offeror's Technical Proposal may disqualify the Offeror's proposal from evaluation.

11.1.3.   Offerors should not assume that they will have an opportunity to participate in solution demonstrations and oral presentations or to make revisions to their proposals. Therefore, Offerors should submit their most favorable proposal as the initial proposal. Offerors may be invited to participate in solution demonstrations and oral presentations based on their written proposals. New materials, solutions, and/or approaches may not be introduced during the solution demonstration and oral presentations. Therefore, Offerors are cautioned to ensure that their proposals adequately convey the soundness of their approach and understanding of the requirements.

11.1.4.   Failure of a proposal to comply with the requirements of this RFP may result in the proposal being disqualified as a non-responsive proposal. Such disqualification may occur at any point.

11.2. EVALUATION COMMITTEE

11.2.1.   An Evaluation Committee will be established prior to opening the received proposals. The Department has established measures to ensure the integrity of the evaluation process, including selecting committee members who do not have a conflict of interest regarding this RFP, facilitating independent review of proposals, requiring evaluation of proposals based on content, and ensuring the fair and impartial treatment of all Offerors.

11.2.2.   The sole objective of the Evaluation Committee is to conduct reviews of the submitted proposals along with other information that may be requested, to hold frank and detailed discussions among themselves, and to recommend a Contract award based on the proposal that is most advantageous to the State.

11.2.3.   The Evaluation Committee will evaluate proposals to determine if each Offeror met the Mandatory Offeror Requirements. The Evaluation Committee may disqualify the Offeror's proposal from evaluation if the Mandatory Offeror Requirements are not met.

11.2.4.   The Evaluation Committee will judge the merits of each proposal received in accordance with the evaluation criteria. Criteria are weighted as described in Table 11.5.1.1, reflecting their relative importance.

11.2.5.   The Evaluation Committee may check the Offeror's references as part of the evaluation process. Reference checks may not be limited to the specific references cited in the proposal, and may include others, as deemed appropriate by the Evaluation Committee.

11.2.6.   The Evaluation Committee may, if it deems necessary, ask for clarifications, conduct site visits, or request best and final offers from the Offerors. Such presentations and related travel for site visits will be at the Offeror's expense. The Evaluation Committee may adjust its scoring based on the results of such activities, if any. However, proposals may be reviewed and determinations made without such activities, and Offerors should be aware that the opportunity for further explanation might not exist. Therefore, it is important that initial proposals be complete.

11.3. INITIAL EVALUATION

11.3.1.   All proposals will be reviewed for compliance to Sections 11.3.1.1 through 11.3.1.4:

11.3.1.1.   Offeror's proposal was submitted by the proposal submission deadline.

11.3.1.2.   Offeror included the appropriate number of USB devices and electronic proposal copies.

11.3.1.3.   Offeror included all required documents.

11.3.1.4.   Offeror was registered with the State of Colorado's BIDS Website prior to the due date and time.

11.4.   EVALUATION PROCESS

11.4.1.   After initial evaluation and RFP compliance is established, the Department will conduct a multi-phased evaluation process which will consist of the following:

11.4.1.1.   Phase I: Evaluation of the Technical Proposal.

11.4.1.1.1.   All Technical Proposals received will be evaluated and scored. The full Evaluation Committee will discuss the Technical Proposal scores provided by each evaluator and score the Technical Proposal.

11.4.1.1.2.   The scores from Phase I: Evaluation of the Technical Proposal will be utilized in eligibility consideration for participation in Phase II: Solution Demonstrations and Oral Presentations. The Offeror achieving the highest score on the Technical Proposal and all Offerors achieving scores within 10% of the highest score will be invited to participate in Phase II: Solution Demonstration and Oral Presentation.

11.4.1.1.3.   Any Offeror not invited to participate in Phase II: Solution Demonstration and Oral Presentation may submit a protest, as outlined in Appendix C – Administrative Information.

11.4.1.2.   Phase II: Solution Demonstration and Oral Presentation

11.4.1.2.1.   All Offerors invited to participate in Phase II: Solution Demonstration and Oral Presentation will be allocated no more than two (2) business days to provide a solution demonstration and an oral presentation addressing topics specified by the Evaluation Committee and/or the Department.

11.4.1.2.2.   In addition to the criteria defined in Section 11.6, Offerors will be required to demonstrate functionality utilizing Department-defined scenarios to showcase their proposed solution and validate the narrative provided within the written proposal. The Department does not require that the demonstrated System be in Production; however, Offerors shall be able to exhibit end-to-end functionality that reflects day-to-day activities of the Department. The Department will provide scenarios in advance of solution demonstrations and oral presentation.

11.4.1.2.3.   Phase II: Solution Demonstration and Oral Presentation will be evaluated and scored using pre-defined criteria. Following the Solution Demonstration and Oral Presentations, the Evaluation Committee will re-score the Technical Proposal evaluated in Phase I. The Evaluation Committee may use exactly the same scores received in Phase I or adjust any score, including the Offeror's Response to Requirements in Attachment A. Using the weights assigned in Table 11.5.1.1, the combined scores for the Solution Demonstration and Oral Presentation and the Technical Proposal will be considered the new total score for that Offeror.

11.4.1.2.3.1.   The scores in the Offeror's Technical Proposal for Corporate Qualifications, Corporate Capabilities and Commitment, Financial Stability, and Understanding of Solicitation and Project Goals are only used in Phase I and do not carry over to Phase II.

11.4.1.3. Phase III: Price Proposal Evaluation

11.4.1.3.1. After completion of Phase II: Solution Demonstration and Oral Presentation, Price Proposals will be evaluated based on the completed pricing schedules contained in Appendix E – Pricing Schedules.

11.4.1.3.2. Evaluators will score the Price Proposal criteria of suitability and alignment for the technical approach against the Offeror's Pricing Schedules.

11.4.1.4. Phase IV: Best and Final Offer (BAFO) Requests and Evaluation

11.4.1.4.1. The Evaluation Committee may request best and final offers from the Offerors during the Proposal Evaluation Phase to clarify Offerors' Price Proposals. Requests for best and final offers are at the discretion of the Evaluation Committee, and not all Offerors may be requested to present a best and final offer. All Offerors asked to participate in Phase II: Solution Demonstration and Oral Presentation may be contacted with BAFO requests.

11.4.1.4.2. An Offeror's response to a BAFO request will be evaluated and may, at the discretion of the Evaluation Committee, cause a change to that Offeror's Technical Proposal and/or Price Proposal score. The change in score will become the new and final total score for that Offeror.

11.4.2. This process is further illustrated in Figure 11.4.2.

11.4.3.

Figure 11.4.2: Evaluation Process

Phase 0: Initial Evaluation and Compliance	Phase I: Evaluation of the Technical Proposal	Phase II: Solution Demonstrations and Oral Presentations	Phase III: Price Proposal Evaluation	*Phase IV: Best and Final Offer (BAFO) Request and Evaluation
Activities • Evaluate compliance with submission requirements and Mandatory Requirements • Qualifying Offerors progress to Phase I	**Activities** • Evaluation Committee reviews and scores Offerors' Technical Proposal • Compile Evaluation Scores • Qualifying Offerors progress to Phase II	**Activities** • Conduct solution demonstrations and oral presentations • Evaluation Committee re-scores sections of the Technical Proposal based on solution demonstrations and oral presentations • Combine Phase II scores with Phase I for the new total score • All Offerors progress to Phase III	**Activities** • Open Offerors' Price Proposals • Evaluation Committee designee scores Offeror's Price Proposal • Evaluation Committee reviews and scores the Price Proposal criteria of suitability and alignment for the Technical Proposal against the Offeror's Pricing Schedules	**Activities, if necessary** • Evaluation Committee requests Offerors' BAFO of all Phase II and Phase III qualifying Offerors • Offerors submit BAFO • Evaluation Committee reviews and re-scores Technical Proposal and/or Price Proposal • New and final total score is calculated

*Phase IV is not mandatory and is at the sole discretion of the Evaluation Committee

11.4.4. Announcement of Intent to Award

11.4.4.1. Upon completion of Phase I, Phase II, Phase III, and Phase IV, if conducted, the Evaluation Committee will recommend an Offeror for Contract award.

11.4.4.2. Once the Evaluation Committee's recommendation for award has been approved, the Department will issue a "Notice of Intent to Make an Award" announcement to all Offerors.

11.4.4.3. Only bidders invited to participate in Phase II, Phase III, and Phase IV, if conducted, may submit a protest after the "Notice of Intent to Make an Award" announcement. The protest shall be submitted as directed in Appendix C – Administrative Information.

11.5. EVALUATION CRITERIA

11.5.1. The Department will conduct a comprehensive evaluation of the proposals to determine whether all critical elements described in this RFP have been addressed, the capabilities of the Offeror, the quality of each approach proposed, and any other aspect determined relevant by the Department.

11.5.1.1. Technical Proposal evaluations will involve the point scoring of responses in each Technical Proposal Section described in Table 11.5.1.1 below, according to pre-established scoring criteria. Each criterion has been assigned a predetermined weight to reflect the relative importance of that criterion to the overall score. The seven (7) areas and a summary of the weights are shown in Table 11.5.1.1.

Table 11.5.1.1: Summary of Technical Proposal Scoring Criteria

Technical Proposal Evaluation Criteria	Phase I	Phase II	Weight (% of Total Possible Points)
Corporate Qualifications – Background & Experience	10.0%	0.0%	10.0%
Reference Checks and Corporate Capabilities and Commitment	2.5%	0.0%	2.5%
Financial Stability	2.5%	0.0%	2.5%
TECHNICAL APPROACH			
Understanding of Solicitation and Project Goals	2.5%	2.5%	5.0%
Requirements: Quantitative Scoring of Appendix A	15.0%	15.0%	30.0%

Technical Proposal Evaluation Criteria	Phase I	Phase II	Weight (% of Total Possible Points)
Requirements and Technical Proposal Narrative: • Qualitative Scoring of Attachment A (Offeror's Approach to Requirements) • Department Scenarios • Key Personnel • Approach to Project Phases • Approach to Contractor General Requirements • Approach to MMIS Statement of Work • Approach to Fiscal Agent Operations Statement of Work • Business and Technical Innovation and "Optional" Requirements	10.0%	10.0%	20.0%
Solution Demonstrations and Oral Presentations	0.0%	10.0%	10.0%
Total Overall Value Of Technical Proposal Evaluation	42.5%	37.5%	80.0%

11.5.1.2.   Except for the completed Appendix A – Requirements and Performance Standards Matrix, Evaluators will score all other items in Table 11.5.1.1 using the evaluation criteria developed by the Department. Each item will receive a score from zero to ten (0-10), with ten (10) being the highest score possible and zero (0) indicating the Proposal is non-responsive on a given item.

11.5.2.   Appendix A Requirements Scoring Summary: For the Requirements and Technical Proposal Narrative criteria, Offerors will be scored based on a quantitative methodology and receive points based on their ability to deliver the specific requirement within the Offeror's Price and in which Contract Stages the requirement will be completed.

11.5.2.1.   The Department has established a priority for the requirements and assigned points accordingly. Offerors will indicate the timeframe in which they shall satisfy each requirement within Appendix A – Requirements and Performance Standards Matrix, and should consider the priority level assigned to each requirement.

11.5.2.2.   Within the Technical Proposal, the Offeror will describe how the requirement will be fulfilled. The Evaluation Committee will review the requirements against the Offeror's narrative proposal and award the assigned points based on the Offeror's description of how they will fulfill each requirement. The Evaluation Committee will also determine the feasibility of the Offeror meeting the requirement within the timeframe indicated in their response to Appendix A – Requirements and Performance Standards Matrix.

11.5.2.3.   If the Evaluation Committee concurs, through majority or consensus opinion as determined appropriate by the Evaluation Committee, that the Offeror's response meets the requirement and that the Offeror can meet the requirement within the specified Contract Stage, then the appropriate point will be assigned for that specific requirement.

11.5.2.4.   The total points assigned for the evaluation of Appendix A – Requirements and Performance Standards Matrix will be the sum of points assigned for each requirement. Therefore, Offerors are advised through their Technical Proposal to fully and clearly explain and justify how the requirements in Appendix A – Requirements and Performance Standards Matrix will be met. Table 11.5.2.9 demonstrates the mechanism for calculating the final score for the Requirements and Proposal Narrative section of the Technical Proposal.

11.5.2.5.   Priority 1: These requirements are necessary to make the System and Fiscal Agent Operations efficient and effective, such that they do not introduce any new manual processes and help the Department increase its capability levels on the MITA Maturity Model. Some of these requirements are components of the Medicaid Enterprise Certification Toolkit (MECT) Checklist, and may be necessary for CMS Certification.

11.5.2.6.   Priority 2: These requirements focus on achieving the Department's mission and vision that include enhancements beyond the basics of claims processing, which eliminates or reduces current manual processes and integrates new technologies into the enterprise.

11.5.2.7.   Priority 3: These requirements are considered necessary to enhance user and provider functionality, as well as business processes. Priority 3 requirements are determined to significantly improve the Department's operations and Fiscal Agent Operations, user experience, provider interactions, and customer service.

11.5.2.8.   Optional: The Department has identified requirements that are not critical for achieving CMS Certification, operating a federally certified MMIS, or administering the Colorado Medical Assistance program. These have been classified as Optional. The Department sees these Optional requirements as an opportunity for Offerors to provide additional functionality by leveraging existing

technology solutions or components. Offerors will receive points for Optional requirements that can be met within the proposed base price and provided at no additional cost to the Department. If Optional requirements can be met, but outside of the base price, and if the Offeror can provide pricing, Offerors shall indicate that in Appendix E – Pricing Schedules. However, Offerors will not receive points for Optional functionality that is not included in the base price, and it will not be included in the proposal evaluation.

11.5.2.9.   The Department expects Priority 1 and Priority 2 System requirements to be implemented in Implementation Stage I or Implementation Stage II. If a proposal receives a point for a Priority 1 requirement that can be met in the base price, but the Offeror proposes to defer the requirement to the Ongoing MMIS Operations and Fiscal Agent Operations Stage, the Evaluation Committee will the remove the point(s). This evaluation methodology is intended to discourage Offerors from deferring critical functionality to the Ongoing MMIS Operations and Fiscal Agent Operations Stage.

Table 11.5.2.9 Requirements Scoring Summary Table

	BPR Stage	Implementation Stage I	Implementation Stage II	Implementation Stage III	Ongoing MMIS Operations and Fiscal Agent Operations Phase	Not Met
Priority 1	1.50	1.50	1.50	1.25	1.00	0.00
Priority 2	1.25	1.25	1.25	1.25	1.00	0.00
Priority 3	1.00	1.00	1.00	1.00	1.00	0.00
Optional	1.00	1.00	1.00	1.00	.75	0.00

11.5.3.   The evaluation of Price Proposals in Phase III: Price Proposal Evaluation will be based on the completed pricing schedules contained in Appendix E – Pricing Schedules. All of the criteria shall be included for the price quoted, inclusive of all personnel, overhead, travel, equipment usage, and other miscellaneous costs for the Contract period quoted.

11.5.4.   The evaluation of the Price Proposals will involve the scoring of responses in each of six (6) areas, according to pre-established criteria for scoring. The six (6) areas and their overall weights are shown in Table 11.5.4.

Table 11.5.4: Summary of Price Proposal Criteria

Price Proposal Evaluation Criteria	Weight (% of Total Possible Points)
BPR Stage price, Total Implementation Stage I price, Total Implementation Stage II price, Total Implementation Stage III price	3.5%
Total Ongoing MMIS Operations and Fiscal Agent Operations Stage for FY 2016-17 through FY 2020-21 price	12.0%
Hourly Rates for Changes	0.5%
Suitability and Alignment of Technical Approach to Implementation Contract Stages Price and Approach to Quality Maintenance Payments in Ongoing MMIS Operations and Fiscal Agent Operations Stage	4.0%
Total Overall Value Of Price Proposal Evaluation	20.0%

11.5.5. Evaluators will score the final Price Proposal criteria of suitability and alignment for the technical approach against the DDI price, based on a 0-10 (zero to ten) scoring scale.

11.5.6. Evaluators will score the Hourly Rate for Changes against industry standards, based on a 0-10 (zero to ten) scoring scale.

11.5.7. The Offeror with the lowest Total Lump Sum Price proposed for each pricing component will receive the maximum score for that component, based on the weights in Table 11.5.4.

11.5.8. Scores for the subsequent Offerors will be calculated using the following formula:

11.5.9. Score = (N/Z) x Y

11.5.9.1. N = the lowest Total Lump Sum Price for the pricing worksheet item proposed by an Offeror.

11.5.9.2. Z = the Total Lump Sum Price for the pricing worksheet item proposed by the Offeror being evaluated.

11.5.9.3. Y = the maximum points possible for applicable component.

11.5.9.4. Scores will be rounded to the nearest two decimal points (e.g., 4.51).

11.6. SOLUTION DEMONSTRATIONS AND ORAL PRESENTATIONS

11.6.1.   The Evaluation Committee will hold oral presentations during the Proposal Evaluation Phase to clarify and/or demonstrate specific area(s) of Offerors' Proposals or to see live demonstrations of the proposed solutions. Oral presentations are at the option of the Evaluation Committee, and not all Offerors may be requested to present. At the sole discretion of the Evaluation Committee, Offerors whose Technical Proposals are within ten percent (10%) of the highest scoring technical proposal (after initial technical proposal review) may be asked to make oral presentations to the Evaluation Committee. The Evaluation Committee may change the ten percent (10%) threshold to limit the number of oral presentations or expand the number of oral presentations to increase competition. Offerors will be notified at least ten (10) business days in advance if selected for Phase II: Solution Demonstrations and Oral Presentations.

11.7. BEST AND FINAL OFFERS

11.7.1.   The Evaluation Committee may request best and final offers from the Offerors during the Proposal Evaluation Phase to clarify Offerors' Price Proposals. Requests for best and final offers are at the discretion of the Evaluation Committee, and not all Offerors may be requested to present a best and final offer. At the sole discretion of the Evaluation Committee, Offerors whose Technical Proposals are within ten percent (10%) of the highest scoring Technical Proposal (after initial Technical Proposal review) may qualify to provide a best and final offer to the Evaluation Committee. The Evaluation Committee may change the ten percent (10%) threshold to limit the number of best and final offers or expand the number of a best and final offers to increase competition. Offerors will be notified ten (10) business days in advance if selected to submit a best and final offer.