REQUEST FOR PROPOSAL

MEDICAL CLAIMS THIRD PARTY ADMINISTRATOR (TPA) SERVICES

FOR MICHIGAN COUNTY HEALTH PLANS

MARCH 2010

SUBMIT PROPOSALS TO:

HEALTH PLAN MANAGEMENT SERVICES

ATTENTION: ADRIENA HALL

5656 S. CEDAR ST. SUITE 110

LANSING, MI  48911

(517) 887-4564
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1. Time is of the essence and any proposal or addenda pertaining thereto received after the announced time and date for submittal, whether by mail or otherwise, will be rejected. It is the sole responsibility of the Proposer for ensuring that their proposals are time stamped by Health Plan Management Services (HPMS) before the deadline indicated in Section II. Proposals and/or any addenda pertaining thereto, received after the announced time and date of receipt, by mail or otherwise, will be returned. However, nothing in this RFP precludes HPMS from requesting additional information at any time during the procurement process.

2. If you are an individual with a disability and require a reasonable accommodation, please notify HPMS at (517) 887-4564, three (3) working days prior to need.

3. Nothing herein is intended to exclude any responsible firm or in any way restrain or restrict competition. On the contrary, all responsible firms are encouraged to submit proposals.

4. Any proposal submitted MUST be signed by an individual authorized to bind the proposal. All proposals submitted without such signature may be deemed non-responsive and will be returned.

5. RFP PROCESS: Bidders are to submit written proposals which present their qualifications and understanding of the work performed. The proposer's proposal should be prepared simply and economically and should provide all the information which it considers pertinent to its qualifications for the project. Emphasis should be placed on completeness of services offered and clarity of content.

6. If you desire not to respond to this proposal, please forward your acknowledgment of NO PROPOSAL SUBMITTED to HPMS attention Adriena Hall.

7. MINORITY PROPOSERS: HPMS encourages all businesses, including minority and women-owned businesses, to respond to all Invitations to Bid and Requests for Proposals.

8. NONDISCRIMINATION CLAUSE: The bidder who is selected as the Bidder, as required by law, shall not discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions or privileges of employment, or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, sexual preference, disability, height, weight, or marital status.

   The bidder shall adhere to all applicable Federal, State, and local laws, ordinances, rules, and regulations prohibiting discrimination including, but not limited to, the following:

   A. The Elliott-Larsen Civil Rights Act, 1976 PA 453, as amended.


   Breach of this section shall be regarded as a material breach of the agreement.
9. **INDEMNIFICATION AND HOLD HARMLESS:** The bidder who is selected as the Bidder shall, at its own expense, protect, defend, indemnify, save, and hold harmless each County Health Plan (CHP), their Board of Directors, employees and agents with which it contracts from all claims, demands, losses, liabilities, costs, damages, and expenses including, but not limited to, all costs from administrative proceedings, court costs, and attorney fees that the County Health Plan, their Board of Directors, employees, and agents may incur as a result of the acts, omissions, or negligence of the Bidder or its employees, agents, or subcontactors that may arise out of the agreement.

The Bidder’s indemnification responsibility under this section shall include the sum of damages, costs and expenses which are in excess of the sum of damages, costs, and expenses which are paid out in behalf of or reimbursed to the County Health Plan, their Board of Directors, employees, and agents by the insurance coverage obtained and/or maintained by the Bidder.

10. **INSURANCE:** The bidder shall purchase and maintain insurance not less than the limits set forth below. All coverage shall be with insurance companies licensed and admitted to do business in the State of Michigan who have a minimum A. M. Best Company's Insurance Reports rating of A or A- (Excellent).

   **Worker's Disability Compensation Insurance** including Employers’ Liability Coverage in accordance with all applicable Statutes of the State of Michigan.

   **Commercial General Liability Insurance** on an “Occurrence Basis” with limits of liability not less than $1,000,000 per occurrence and/or aggregate combined single limit. Coverage shall include the following: (A) contractual liability; (B) products and completed operations; (C) independent contractors’ coverage; (D) broad form general liability endorsement or equivalent.

   **Motor Vehicle Liability Insurance**, including Michigan No-Fault Coverage, with limits of liability of not less than $1,000,000 per occurrence combined single limit Bodily Injury and Property Damage. Coverage shall include all owned vehicles, all non-owned vehicles and all hired vehicles.

   **Cancellation Notice** - All insurances described above shall include an endorsement stating the following: “It is understood and agreed that thirty (30) days advanced written notice of cancellation, non-renewal, reduction and/or material change shall be sent to each County Health Plan listed in Table 1 below.”

   **Proof of Insurance** - The bidder shall provide to each County Health Plan at the time the contracts are returned for execution, two (2) copies of certificates of insurance for each of the policies mentioned above. If so requested, certified copies of all policies will be furnished.

11. **RIGHT OF REJECTION:** HPMS reserves the right to reject any or all proposals, to waive any informalities or irregularities in proposals and/or to negotiate separately the terms and conditions of all or any part of the proposals as determined to be in the best interests of the County Health Plans.

12. **STANDARD FORMS:** Any preprinted contract forms the bidder proposes to include as part of the contract resulting from this proposal must be submitted as part of the proposal. Any standard contract provisions not submitted as part of the proposal and subsequently presented for inclusion may be rejected. The County Health Plans reserve the right to accept or reject in whole or in part any form contract submitted by a bidder and/or to require that amendments be made thereto, or that an agreement drafted by the County Health Plans be utilized.

13. **ADVICE OF OMISSION OR MISSTATEMENT:** In the event it is evident to a bidder responding to this RFP that HPMS has omitted or misstated a material requirement to this RFP and/or the services required by this RFP, the responding bidder shall advise Adriena Hall at (517) 887-4564 of such omission or misstatement.
14. COST OF PREPARATION: Neither HPMS nor the County Health Plans shall pay any costs incurred in the proposal preparation, printing or demonstration process. All costs shall be borne by the bidders.

15. NOTIFICATION OF WITHDRAWAL OF PROPOSAL: Proposals may be withdrawn prior to the date and time specified for proposal submission with a formal written notice by an authorized representative of the bidder. Proposals submitted will become the property of HPMS after the proposal submission deadline.

16. RIGHTS TO PERTINENT MATERIALS: All responses, inquiries and correspondence relating to this RFP and all reports, charts, displays, schedules, exhibits, and other documentation produced by the bidders that are submitted as part of the proposal shall become the property of HPMS after the proposal submission deadline.

17. FURTHER INFORMATION: Questions about the proposal process should be directed to Adriena Hall at (517) 887-4564 or by e-mail at akrul@ingham.org
I. OVERVIEW OF REQUEST FOR PROPOSALS FOR MEDICAL CLAIMS THIRD PARTY ADMINISTRATOR

Health Plan Management Services (HPMS) provides administrative services to sixteen (16) County Health Plans that service 39 counties in Michigan. County Health Plans are not insurance but provide health care services to Adult Benefits Waiver recipients who are enrolled by the state of Michigan. County Health Plans also provide basic coverage and pharmacy programs to low income, uninsured residents in the County Health Plans’ service area.

The County Health Plans are seeking competitive bids for a Medical Claims Third Party Administrator (TPA) to provide cost efficient claim processing, exceptional customer service, timely and accurate reporting, and other associated administrative functions. HPMS, as the representative agent for the County Health Plans, will coordinate the review process of the combined interests of the County Health Plans in accepting, reviewing, and recommending a single Contractor to administer claims processing for each County Health Plan. It is fully expected that each County Health Plan will accept the recommendation of the TPA Selection Committee, but bidders should note that each County Health Plan retains the right to alternative arrangements. The selected Contractor will execute individual contracts and business associate agreements with each of the sixteen (16) County Health Plans to provide medical claims processing to County Health Plan members. See Exhibit A for a list of County Health Plans and enrollment by plan.
II. SUBMISSION AND BIDDING REQUIREMENTS

Bidders are invited to respond to this Request for Proposal (RFP) by submitting a proposal which addresses, in full, each item in the Technical Proposal Questionnaire Section V, each item in the Cost Proposal Section VI, and appropriate exhibits in section VII. Proposals which do not completely address requests will be considered non-responsive and will be excluded from consideration.

A. Questions

Bidders may submit questions in writing via mail, fax, and/or email until March 22, 2010 at 5:00 p.m. No questions will be accepted after that time, nor will questions submitted by telephone or direct inquiry to HPMS or County Health Plans. Written response to all questions will be provided by HPMS to all invited bidders, bidders submitting questions, and bidders requesting a copy of responses, by March 29, 2010 at 5:00 p.m.

SUBMIT QUESTIONS BY
MARCH 22, 2010 AT 5:00 P.M. TO:
NAME: Adriena Hall
FAX: (517) 394-4590
EMAIL: akrul@ingham.org
ADDRESS: Health Plan Management Services
5656 S. Cedar St. Suite 110
Lansing, MI 48911

B. Submission of RFP

Twelve (12) hard copies (one shall be marked “Original”) and two (2) electronic copies of the bidder’s proposal must be received by April 16, 2010 at 5 p.m. Proposals received after the designated time will not be opened or considered.

Proposal text should be in Microsoft Word format and written in Times New Roman 12-point font. Proposal data must be in Microsoft Excel with fields appropriately formatted as text or numbers. Electronic versions must be submitted on a CD or flash drive.

SUBMIT TWELVE (12) HARDCOPIES AND TWO (2) ELECTRONIC COPIES OF PROPOSAL BY APRIL 16, 2010 AT 5:00 P.M.

Health Plan Management Services
Attention: Adriena Hall
5656 S. Cedar St. Suite 110
Lansing, MI 48911
Re: Medical Claims Third Party Administrator
C. Other

In responding to each question, the proposal must follow the same enumeration as outlined in the RFP questions.

All proposed fees and costs must be disclosed in the proposal.

Bidders may be disqualified for failure to adhere to the RFP submission, bidding requirements, and/or instructions.

The County Health Plans prefer to conduct business directly with a TPA. HPMS will not accept proposals that include services of an agent or broker, or any agent or other commissions or procurement fees.

III. RFP REVIEW AND BIDDER SELECTION TIMELINE

Upon receipt and evaluation of the responses, bidders will be required to make an in-person presentation to the TPA Selection Committee. Bidders should anticipate presenting between May 24-28, 2010 at HPMS.

The TPA Selection Committee reserves the right to reject any or all proposals if it is deemed in the best interests of the County Health Plans, and is not bound to recommend a proposal on the basis of lowest quoted price alone.

The following milestones and dates will be adhered to during the selection and implementation process.

<table>
<thead>
<tr>
<th>Milestone</th>
<th>Date Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>Release RFP</td>
<td>March 15, 2010</td>
</tr>
<tr>
<td>Questions Due by 5:00 p.m.</td>
<td>March 22, 2010</td>
</tr>
<tr>
<td>Written Response to Bidder Questions by 5:00 p.m.</td>
<td>March 29, 2010</td>
</tr>
<tr>
<td>Proposals Due</td>
<td>April 16, 2010</td>
</tr>
<tr>
<td>Presentations to TPA Selection Committee</td>
<td>May 24-28, 2010</td>
</tr>
<tr>
<td>Site Visit</td>
<td>June 7-11, 2010</td>
</tr>
<tr>
<td>Notice of Recommendation</td>
<td>June 18, 2010</td>
</tr>
<tr>
<td>Contracts Developed with County Health Plans</td>
<td>July-December 2010</td>
</tr>
<tr>
<td>Implementation</td>
<td>July-December 2010</td>
</tr>
<tr>
<td>Start-up</td>
<td>January 1, 2011</td>
</tr>
</tbody>
</table>

The winning bidder will be notified by letter and email the week of June 21-25, 2010.

IV. CONTRACT TERM

County Health Plans would prefer an initial term of three (3) years commencing on January 1, 2011 and ending on December 31, 2013, with the opportunity for annual renewal.
V. TECHNICAL PROPOSAL/QUESTIONNAIRE

Bidder response to each requirement should be formatted using each section number and heading (section number, title, followed by response). Be as specific as possible in addressing all of the elements described in this section of the RFP.

A. Description of Organization Submitting Response to the RFP

1. State the full name and address of the bidder organization and, if applicable, the branch office, subcontractor, or other subordinate elements that shall perform, or assist in performing, the work hereunder.

2. Provide an organizational chart including the names and titles of key personnel related to this proposal.

3. Indicate whether the bidder operates as an individual, partnership or corporation; if as a corporation, include the state in which it is incorporated.

4. State whether the bidder is licensed to operate in the State of Michigan as a TPA. If licensed, submit a copy of Michigan license.

5. Provide the organization’s Equal Opportunity Employment and Nondiscrimination Policy. Disclose any conclusive findings of violations of Federal, State or Local equal opportunity statutes, ordinances, rules/regulations, or policies within the past three (3) years.

6. Describe company policies that ensure services are provided in a culturally sensitive manner, without regard to the member’s age, sex, race, creed, sexual orientation, national origin, ancestry, marital status, sexual preference or physical or mental handicap.

7. Indicate if the bidder has been cited and/or fined within the last five (5) years by any Federal, State or Local regulatory agency. If so, provide the following information:
   a) Date of citation/fine
   b) Identity of the agency issuing the citation or fine
   c) Description of the violation
   d) Final rulings of agency

8. Provide annual audited financial reports for the most recent fiscal year available.

9. Indicate, by complete address, the site or sites from which the bidder shall perform the relevant tasks embodied in this proposal. Specifically identify the location where the following activities will take place:
   a) Systems activities
   b) Claims processing

10. List all subcontractors and a complete description of work to be subcontracted and explain how the bidder can assure that these relationships will not create a conflict of interest with the County Health Plans.

11. Identify and describe terms (weekly, monthly, quarterly, etc.), methods, and conditions for billing the County Health Plans. Provide sample copies of billings.

12. Briefly describe the bidder’s policies and procedures concerning the Health Insurance Portability and Accountability Act (HIPAA) and Health Information Technology and Clinical Health Act (HITECH) procedures.

13. Indicate that the bidder understands that gratuities and kickbacks are prohibited.
B. Staffing
HPMS will expect the selected bidder to participate in face-to-face meetings as needed (approximately quarterly), conference calls, and email communication (daily if needed) with HPMS, or its designees, for purposes of exploring claim processing issues and problem solving.
1. Describe the organization’s capacity to meet the above mentioned expectations.
2. Identify and provide a brief biography of key staff that will represent the bidder during the development, implementation, and operational phases of the contract.
3. Identify by name and title the person that will have authority for day-to-day decision-making regarding this contract.

C. References
1. Provide a list and letters of reference from three (3) major accounts similar to the County Health Plans and describe the services provided for these clients. Include number of covered lives, services provided, and duration of the relationship. Provide the name, address, and phone number of the responsible official of the client organization who may be contacted.
2. Provide a list of two (2) major accounts that have terminated your services in the last five (5) years and a brief explanation of the reason for the terminations. Provide the name, address, and phone number of the responsible official of the client organization who may be contacted. If no accounts have terminated your services in the last five (5) years, please indicate that as well.

D. Benefit Plan Design
The County Health Plans currently offer 30 medical benefit plan designs. Some of the plan designs may be similar. These benefits typically include primary care, specialty care, outpatient laboratory, outpatient radiology, and other specific services that are listed in a benefit design for each plan. The bidder must be able to manage additional plan designs at no additional cost to the County Health Plans.

The selected bidder must provide benefits exactly as they currently exist. Each County Health Plan may periodically re-evaluate its medical benefit and/or reimbursement rates and, when appropriate, make changes. The bidder must be able to accommodate these change requests. If the bidder will assess charges for these changes, the bidder should note the basis for charges and unit costs in Exhibit B.

Describe the following:
1. The time frame benefit changes typically can be implemented. Include any restrictions (i.e. changes requiring claim to be manually processed).
2. Ability to update and maintain new modifiers, CPT codes, HCPCS codes, revenue codes, etc. when recognized by the State of Michigan, and industry, as appropriate.
3. Ability for HPMS to make benefit changes directly into the bidder’s claim processing system.
E. Claims Processing

The selected Bidder shall be responsible for processing all medical claims for the County Health Plans’ members consistent with a defined medical benefit plan.

1. Bidder must complete the following table illustrating claims processing capacity based on its 2009 book of business excluding internal clients.

<table>
<thead>
<tr>
<th>ITEM</th>
<th>MEASURE FOR EXTERNAL BUSINESS</th>
</tr>
</thead>
<tbody>
<tr>
<td># claims processed in 2009</td>
<td></td>
</tr>
<tr>
<td>% of claims paid</td>
<td></td>
</tr>
<tr>
<td>% of claims denied</td>
<td></td>
</tr>
<tr>
<td>Standard claims processing turnaround time from date received to date paid/rejected</td>
<td></td>
</tr>
<tr>
<td>% of claims paid/rejected within 30 days from date of receipt</td>
<td></td>
</tr>
</tbody>
</table>

2. Describe the following:
   a.) Ability to receive electronic and paper claims such as a UB-04 and CMS-1500 form.
   b.) Electronic claim clearinghouses the bidder currently uses.
   c.) Ability for each County Health Plan to have a unique electronic payer identification number.
   d.) Ability to adjudicate clean claims automatically. Include percentages of fully automated, semi-automated, and manually adjudicated claims.
   e.) All claims processing software currently used. Include names and versions of the software.
   f.) Ability to provide on-line claim statusing to providers.
   g.) Ability to process clean claims according to restrictions in age, diagnosis, procedure code, revenue code, modifier, provider classification, provider network restrictions, or place of service.
   h.) Ability to process clean claims according to member eligibility.
   i.) Ability to reject/limit claims based on service frequency or monetary maximums.
   j.) Ability to return or inform CHP providers of unprocessable paper and/or electronic claims. Include the timeframe providers can be expected to be notified.
   k.) Provide an algorithm or chart documenting the bidder’s claim processing flow.
   l.) Previous experience processing claims for a Medicaid product.
   m.) Previous experience processing claims under the Outpatient Prospective Payment System (OPPS) mechanism.
   n.) Ability for HPMS to process claims within the bidder’s claims adjudication software.
   o.) How and when HPMS will be notified if the claim processing time frame does not meet the CHP standard (30 days from receipt).

F. Project Implementation

Bidders must submit a proposed work plan and implementation timeline to meet the expected January 1, 2011 effective date (start-up). The work plan must address all transition activities and the extent that HPMS and County Health Plan staff will be required to assist. Include any anticipated interaction with current Bidder.
G. Eligibility/System Access
HPMS, on behalf of the CHPs, hosts an eligibility and member enrollment system. HPMS also maintains a data warehouse for all claims data.

1. Preferred Eligibility Access
   The desired way to communicate eligibility and enrollment information with the bidder is to set up a direct connection between the SQL Server database at HPMS and the bidder’s systems. This would eliminate the need to send files, and ideally enable enrollment and claims information to be shared in real-time.

   Describe the following:
   a.) The bidder’s capabilities for a real-time or direct communication between HPMS regarding claims data and eligibility.
   b.) If a real-time system is not possible, describe other electronic communication technologies that would allow automated connectivity.
   c.) The bidder’s willingness to absorb the cost of equipment required for data sharing, if needed.

2. Alternate Eligibility Access
   If a direct connection between HPMS and the bidder’s system is not possible, file transfers will be necessary.

   a.) The selected bidder will be expected to accept eligibility files daily from HPMS, which will have multiple groups of active members. Describe the time of day files can be sent from HPMS in order to update the eligibility file prior to the next day.
   b.) Indicate timeframe for updating records when eligibility information is received.
   c.) Describe how the bidder will notify HPMS that an eligibility file is not loaded by the designated time.
   d.) Describe the process the bidder will use to notify HPMS of any enrollment file errors.
   e.) Describe, in detail, the bidder’s eligibility file requirements.
   f.) Provide sample record layout.
   g.) HPMS seeks the ability to view and/or update member status within the bidder’s claim adjudication system. Describe bidder’s capacity for this feature.

3. Describe how each County Health Plan account will be identified and distinguished in the bidder’s system.

4. Describe how different benefit designs within each County Health Plan will be identified and distinguished within the bidder’s system.

5. Describe the bidder’s ability to accept member identification numbers that are alpha-numeric and at least ten characters in length.

6. HPMS uses group numbers to assign members to a provider. Describe the bidder’s ability to use group numbers that are alpha-numeric and at least six characters in length.

7. Describe how the bidder will provide access for claim processing and inquiry.

8. Describe what training on the bidder’s claim processing and reporting software will be offered to HPMS. Include information on who will conduct the training, how often training will be provided, and where the training will take place.
H. Analysis and Reporting

The County Health Plans and HPMS have a wide variety of reporting and data needs.

Describe the following:
1. Ad hoc reporting capabilities and turnaround times.
2. All on-line access and user query capacities.
3. The reporting tools that will be available to the County Health Plans and HPMS including access to online reporting using COGNOS or similar query tools.
4. Ability to generate and verify 837 encounter data files for HPMS on behalf of the County Health Plans at no additional cost based on the following information:
   a) The files must be formatted as defined by ASC X12N 837 standards and the State of Michigan. Please see the following link for more information about 837 encounter data submission for county health plans: [http://www.michigan.gov/mdch/0,1607,7-132-2945_24020-36737--,00.html](http://www.michigan.gov/mdch/0,1607,7-132-2945_24020-36737--,00.html). Both institution and professional claims must be submitted to the State of Michigan.
   b) The monthly encounter reports must be submitted to HPMS no later than the 20th of each month.
   c) Error reports will be returned to the bidder by HPMS one week after the reports are submitted to HPMS. The bidder will be expected to analyze and explain errors identified on the error reports by the 10th day of the month following initial submission of the reports.
   d) Ability of the bidder to provide all National Provider Identifier (NPI) information as required by State and Federal entities. This currently includes billing and rendering provider NPI numbers.
5. Ability to provide a weekly complete claims file.
6. Ability to provide reports based on Health Care Effectiveness Data and Information Set (HEDIS) standards.
7. HPMS expects the bidder to generate and provide a set of standard claim reports (monthly and quarterly/yearly) for each plan. Provide a sample package of monthly, quarterly, and annual utilization and financial reports.

I. Provider Network

Describe the following:
1. Bidder’s capability to allow each County Health Plan to maintain multiple provider networks within the bidder’s system.
2. Bidder’s ability to maintain and update provider information such as payment name and address, tax identification number, provider specialty, provider network, and group and individual NPIs.
3. Method bidder uses to add and update provider information internally and externally.
4. Ability for HPMS to update and add provider information directly into the bidder’s claim adjudication software.
5. Capacity to limit a member to a specific provider or provider network.

J. Customer Support

Describe the following:
1. Telephone customer service support capabilities related to provider electronic claim submission and set up.
2. Capabilities to provide dedicated customer service to HPMS. Include standard response time to HPMS inquiries and issues.
K. Reimbursement
Describe the following abilities to:
1. Receive, implement, and update fees schedules from MDCH.
2. The bidder must be able to manage a minimum of one customized fee schedule according to plan design or provider contract per County Health no additional charge. Indicate how the bidder will meet this requirement.
3. Implement a capitated payment structure.
4. Incorporate copayments into the service reimbursement.
5. Allow HPMS to manually override reimbursement rate on a case by case basis.

L. Prior Authorization and Medical Review
Some County Health Plans’ benefit designs require prior authorization (PA) and/or medical review for certain services or high dollar amount claims.

Describe the following abilities to:
1. Process claims for services that require a PA.
2. Upload County Health Plan authorization records into the bidder’s claim adjudication system.
3. Allow HPMS staff to access and over-ride the prior authorization requirement.
4. Pend claims for release only by HPMS or designated County Health Plan staff.

M. Payment Recovery
Describe the following:
1. Ability to recover claims paid to providers for members who are retroactively enrolled in Medicaid/other insurance coverage or claims paid in error including the sending of refund request letters and implementing claim payment takebacks.
2. The frequency with which recovery can occur.
3. The limitations of this process, if any.
4. Ability to provide a report of recovered monies for each County Health Plan.
5. Ability to receive and post refund checks to the bidder’s claim payment system.

N. Auditing
Describe the following:
1. How the bidder will assure claims not on the benefit plan are not paid in error.
2. How the bidder will notify HPMS that a claim has been paid in error.
3. How the bidder will correct a claim paid in error.
4. The bidder must provide HPMS a monthly audit/report of claims paid in error for each County Health Plan. Provide a sample report.
5. The frequency a system benefit audit is performed.
6. Any other additional audits the bidder routinely performs.
7. The County Health Plan will negotiate reasonable performance standards and penalties with the winning bidder. The bidder should indicate their standard performance measures and associated penalties, if applicable.

O. Remittance Advices (RA)
Describe the following:
1. Ability to prepare unique RAs and checks, per County Health Plan, detailing all approved and non-approved claims.
2. Amount of time to complete RA/check set up and testing. Include information on initial and subsequent changes.
3. Ability and time frame to send RAs to providers and members.
4. Information provided on the bidder’s standard RA and include a sample RA.
5. Ability of HPMS to customize rejection messages.
6. The County Health Plan requires notification of the transfer amount required for each check run. Describe the bidder’s funds transfer process.
7. Ability to conform to Federal regulations to provide calendar year end 1099s.
8. Ability providers will have to receive their RA and payments electronically.

P. System Recovery
   Describe the following:
   1. Backup process and storage policy related to the claims database.
   2. Bidder’s disaster recovery plan.

Q. Other “Value-Added”
   Describe any other value-added services or qualities that the bidder can recommend, implement, or provide in the context of this RFP. Be as specific as possible.

VI. COST PROPOSAL
   HPMS requests the pricing associated with this RFP be firm proposal costs remaining open and in effect for a period of not less than 180 days from the proposal due date as well as any extensions agreed to in the course of contract negotiations.

   **There is no funding available for start-up costs or advance payments prior to implementation.**

   Bidder must complete table “Unit Cost and Fees” found in Exhibit B.

VII. EXHIBITS
   A. Plan Enrollment and Claim Statistics
   B. Unit Cost and Fees
## EXHIBIT A: Plan Enrollment and Claim Statistics

Table 1

<table>
<thead>
<tr>
<th>County Health Plan Enrollment and Claims Processing by Plan</th>
<th>Enrollment as of 2/1/10</th>
<th>Claims processed 3/1/09-2/28/10</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Plan A</td>
<td>Plan B</td>
</tr>
<tr>
<td>Barry-Eaton Health Plan</td>
<td>532</td>
<td>923</td>
</tr>
<tr>
<td>Berrien Health Plan</td>
<td>926</td>
<td>768</td>
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<tr>
<td>Branch Hillsdale St. Joseph Health Plan</td>
<td>825</td>
<td>1587</td>
</tr>
<tr>
<td>Calhoun Health Plan</td>
<td>1,302</td>
<td>939</td>
</tr>
<tr>
<td>Coalition Health Access Program</td>
<td>529</td>
<td>N/A</td>
</tr>
<tr>
<td>Ingham Health Plan</td>
<td>1,659</td>
<td>10,582</td>
</tr>
<tr>
<td>Ionia Health Plan</td>
<td>341</td>
<td>284</td>
</tr>
<tr>
<td>Jackson Health Plan</td>
<td>821</td>
<td>785</td>
</tr>
<tr>
<td>Kalamazoo County Health Plan</td>
<td>1,576</td>
<td>1,576</td>
</tr>
<tr>
<td>Lenawee Health Plan</td>
<td>367</td>
<td>N/A</td>
</tr>
<tr>
<td>Livingston Health Plan</td>
<td>422</td>
<td>898</td>
</tr>
<tr>
<td>Mid-Michigan Health Plan</td>
<td>757</td>
<td>938</td>
</tr>
<tr>
<td>Monroe County Health Plan</td>
<td>668</td>
<td>1,464</td>
</tr>
<tr>
<td>Northern Health Plan</td>
<td>988</td>
<td>2,612</td>
</tr>
<tr>
<td>Tencon Health Plan</td>
<td>1,707</td>
<td>2,875</td>
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<tr>
<td>Washtenaw Health Plan</td>
<td>1,695</td>
<td>6,076</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>15,115</td>
<td>32,307</td>
</tr>
</tbody>
</table>
EXHIBIT B: UNIT COST AND FEES

Bidder must complete the following table with its unit costs for the services and transactions indicated. For the services not included in your claim processing cost, put the cost for the service in the unit cost column.

<table>
<thead>
<tr>
<th>Type of Service of Fee / Basis of Cost</th>
<th>Basis</th>
<th>Unit Cost 2011</th>
<th>Unit Cost 2012</th>
<th>Unit Cost 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Claims Processing and Associated</td>
<td>Per Claim (specify if different pricing for paper vs. electronic claim)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Claims Processing and Associated</td>
<td>Per Member Per Month (PMPM)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Benefit Changes- Specify basis</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Standard Monthly Reports- Specify basis</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Custom Reporting- Specify basis</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payment Recovery of Claims (Medicaid and other insurance) - Specify basis</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provider Mailings-Specify basis</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Initial RA/Check Set Up</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subsequent Changes to Check Signatures and Logos</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Return of Non-Processable Claims to Provider</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Services (Identify) - Specify basis</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Services (Identify) - Specify basis</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Services (Identify) - Specify basis</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Services (Identify) - Specify basis</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
SIGNATURE SHEET
(Please type or print clearly in ink only)

****TO BE COMPLETED BY PROPOSER AND SUBMITTED WITH PROPOSAL****

My signature certifies that the proposal, as submitted, complies with all Terms and Conditions as set forth in RFP. My signature also certifies that the accompanying proposal is not the result of, or affected by, any unlawful act of collusion with another person or company engaged in the same line of business or commerce.

I hereby certify that I am authorized to sign as a Representative for the Firm:

Complete Legal Name of Firm: ____________________________

Order from Address: __________________________________________

Remit to Address: __________________________________________

Federal Tax ID: __________________________________________

Signature: __________________________________________

Name (type/print): __________________________________________

Title: __________________________________________

Telephone: __________________ Fax: __________________

Date: __________________________________________