



JAMES E. MCGREEVEY
Governor

State of New Jersey
DEPARTMENT OF THE TREASURY
DIVISION OF PURCHASE AND PROPERTY
PURCHASE BUREAU
P.O. Box 230
TRENTON, NJ 08625-0230

JOHN E. MCCORMAC, CPA
State Treasurer

TELEPHONE (609) 984-6241/TELEFAX (609) 292-5170

WEB SITE:
WWW.STATE.NJ.US/TREASURY/PURCHASE

July 12, 2004

To: All Interested Bidders

Re: RFP #: 05-X-34750
HEALTH BENEFITS COORDINATOR
MEDICAID MANAGED CARE PROGRAMS
Bid Due Date: **August 12, 2004** (2:00 p.m.)

ADDENDUM #1

The following constitutes Addendum #1 to the above referenced solicitation. This addendum is divided into the following parts:

Part 1: Answers to questions.

Part 2: Additions, deletions, clarifications and modifications to the RFP

It is the bidder's responsibility to ensure that all changes are incorporated into the original RFP.

All other instructions, terms and conditions of the RFP shall remain the same.

Sincerely,

Christine Weiland

Christine Weiland
Team Leader
Purchase Bureau
E-Mail: christine.weiland@treas.state.nj.us
Phone: (609) 984-6269
Fax: (609) 292-5170

PART 1
HEALTH BENEFITS COORDINATOR
MEDICIAD MANAGED CARE PROGRAMS
Bid Number 05-X-34750

Answers to Questions

Questions were submitted by the following firms:

Unisys Corporation
 Policy Studies Inc.
 ACS
 Automated Health Systems, Inc.

Note: Some of the questions have been paraphrased in the interest of readability and clarity. Each question is referenced by the appropriate RFP page number(s) and section where applicable. Further, all questions submitted, thus far, are not answered in this addendum. Additional addenda will be issued.

#	Page #	RFP Section Reference	Question	
1.			<p>Would the State please provide the following data:</p> <p>Number of HBCs presently employed by the incumbent contractor;</p> <ol style="list-style-type: none"> 1. Number of mailroom employees employed by the incumbent contractor; 2. Annual statistical summaries of eligibility applications received and their dispositions by category of eligibility and disposition status; 3. Annual number of phone calls received; 4. Average distribution of phone calls received by hour; 5. Annual number of documents mailed by type and program; 6. Annual number of home visits by geographic location; 7. Annual number of training sessions and individuals trained, by type of sessions and hours of training; 8. Annual number of premium billings, as well as refunds by program and amount; 9. Annualized statistics for the PSP program; 10. Annual number of managed care enrollments, by program, county of residence and HMO; 11. Annual number of grievances processed by disposition and program, and 12. Annual number of face-to face contacts at the county HBC sites, by program and site. 13. A listing of the CWA offices in which Maximus is currently co-located. 	<p>297 total employees</p> <ol style="list-style-type: none"> 1. 8 mailroom employees plus Mailhouse subcontractor. 2. Monthly totals in Document Review Room-NJHBC Program Monthly Report for May 2004. 3. 16,080 weekly average phone calls received. 4. Not available 5. Average of 137,000 documents/letters mailed monthly. 6. 125 DYFS home visits per month. 7. Monthly average of 6 days classroom training for new hire HBCs and 10 days eligibility/refresher training. 8. Monthly average of 31,000 premium billings. 9. Total households outreached since 6/01-21,466; total households enrolled 267. 10. Monthly stats available in Document Review Room. 11. Monthly average of 150 grievances processed; 75% upheld and 25% granted. 12. N/A 13. Current contractor co-located in each county.

#	Page #	RFP Section Reference	Question	
2.		Cover Letter	Will the State extend the bid proposal due date?	Bid opening remains August 12, 2004
3.	11	1.1	RFP Section 1.1., Purpose and Intent, p. 11, indicates that bidders must submit proposals for two options; the second option requires the contractor to perform eligibility determinations and all its associated processing functions for all programs including TANF Medicaid and New Jersey Family Care. Since this is a new scope of work, and a function not regularly performed by contractor staff, would the State allow potential bidders to visit existing County Welfare Agency (CWA) offices to observe the work and work processes currently performed by CWA staff?	No, the contractor will not be processing TANF cases. This function is currently done at the county welfare offices. The contractor will process for AFDC-Medicaid based on AFDC processing rules located at N.J.A.C. 10:69.
4.	11	1.1	<p>Paragraph 4 on page 11 of the RFP states that bidders must provide “two distinct proposals” that cover Option 1 and Option 2, and that the “bid proposals shall be clearly identified as with eligibility and without eligibility.” This paragraph appears to require that bidders submit two physically separate, stand-alone proposals.</p> <p>Paragraph 6 in the same section states that “Where appropriate or required, bidders proposals should detail any proposed revision that the implementation of Option 2 might necessitate in performing mail operations, imaging, screening or eligibility functions that are detailed within the scope of work.” This, together with paragraph 5, suggests that the state would accept a single technical proposal in which the differences between the approaches to Option 1 and Option 2 are clearly laid out.</p> <p>Please clarify these paragraphs as follows:</p> <p>a) Does the State require two physically separate, stand-alone technical proposals (one for Option 1, and one for Option 2) or a single technical proposal that identifies differences in approach between the two options?</p> <p>b) If two physically separate, stand-alone proposals are required, must each proposal independently meet all RFP requirements? In other words, should the proposal sections that will not differ between options, such as administrative forms, corporate background, etc., be duplicated across proposals?</p>	<p>Yes, this bid requires two separate and distinct proposals.</p> <p>Yes, language citing proposed revision in Option 2 used to demonstrate examples of operational procedures that might differ between 2 options</p> <p>Yes, two distinct proposals are required, however, obvious common procedures need not be duplicated, only differences.</p> <p>Yes, each proposal must independently meet all RFP requirements. Yes, since changes may result, i.e. transmitting vs. not transmitting data in affected volumes between CWA and contractor.</p>
5.	11	1.1	Are bidders required to bid on both Option 1 and Option 2? Will the State reject a proposal that contains a bid for one option but not the other?	Yes Yes
6.	14	1.3.1.1	Is the date of submission firmly fixed as three	As identified on the cover sheet of the RFP,

#	Page #	RFP Section Reference	Question	
			working days prior to the bidders conference or can questions be submitted up to the date of the bidders conference?	Bidders' written questions are due by 5:00pm on July 13, 2004. This is to allow time for the State to formulate answers to the questions.
7.	20	2.2	<p>2.2 CONTRACT SPECIFIC DEFINITIONS</p> <p>Contract Operational Date - A date six (6) months after the Contract Effective Date when the contractor is expected to have fully implemented its transition plan and the contract program is fully operational.</p> <p>Contract Transition Period - The six (6) month period from the contract effective date to the contract operational date during which the contractor performs its mobilization and transition plan.</p> <p>Do these statements imply that the start of operations will follow a six month Transition Period that begins on the award date? Assuming the award is 10/01/04, This would imply that the Transition Period would last until the start up date of 04/01/05.</p> <p>If this is the case, is the State intending to extend the existing MAXIMUS Contract?</p>	<p>Yes, start of operations will follow a six month transition period that begins on the award date.</p> <p>Yes, with an award date of 10/1/04, the transition period would last until the start up date of 4/1/04.</p> <p>This information is not available at this time.</p>
8.	27	3.1.2 3.1.2.1 3.1.2.2	Do the requirements for space, which are detailed here, include the requirements at 3.3.17 STATE MONITORING SPACE? Or are the requirements at 3.3.17 STATE MONITORING SPACE in addition to those stated in this section?	The requirements at 3.3.17 are in addition to the requirements at 3.1.2, 3.1.2.1, and 3.1.2.2.
	27	3.0	If the intent of this RFP is to consolidate all HBC services, which services are not consolidated in the current contract with Maximus?	There are no services not consolidated except in the instance of having all Plan A cases done by the counties.
9.	28	3.1.4 3.1.4.1	Assuming the contract start date is 10/1/04, does this imply that the final, State approved Policies and Procedures Manual will be due on approximately 03/01/05?	Yes.
10.	28	3.1.5 3.1.5.1	If operations start date is 4/1/05, what information would be audited in the Operational Year 2004 audit?	The operational year will be adjusted to correspond with the actual contract implementation dates. There would be no audit of operational year 2004.
11.	28	3.1.5.2	This requirement indicates that the contractor will be required to purchase a forensic audit in the event that the regular annual audit finds potential or actual fraud. However Requirement 3.12.1.1 I) on page 69 seems to indicate that the forensic audit will be required in all circumstances. Will the contractor be required to have a forensic audit in all years, or only when there is suspicion of fraud?	Only when there is suspicion of fraud.
12.	28	3.1.7.3	Will the State be able to accept electronic versions of the requested documents or must all documents supplied be the original hard	The State will accept electronic versions of the requested documents.

#	Page #	RFP Section Reference	Question	
			copy document?	
13.	29	3.1.8	<p>Would the State please provide the addresses of the offices currently utilized for this purpose?</p> <p>If the need for client to access to county staff is much less than 40 hours per week at any given county location, will the vendor be required to operate and staff that location during the operational hours of the local CWA?</p>	<p>All 21 County Welfare Agencies.</p> <p>Contractor staffing hours must comply with CWA hours, however, depending on client population and need, it may not be necessary to staff the office daily.</p>
14.	29	3.1.8	How many and what are the locations of the CWAs that provide space for the current contractor? Please indicate which are provided free of charge.	All 21 County Welfare Agencies. They are all free of charge.
15.	29	3.1.8 3.1.11.1	<p>Are there any counties where Health Benefits Coordinators are not there for the entire duration of time during business days (i.e., approximately 40 hours/week), but rather provide coverage based on a schedule or calendar? If so, please identify these counties and locations, the number of days per month that they are staffed, and a sample calendar if possible.</p> <p>Please provide a numerical breakdown of the current number of Health Benefits Coordinators routinely operating in each of the counties?</p>	<p>Yes. Number of HBCs staffed at the counties varies by county depending upon population being served.</p> <p>Number is fluid based on need.</p>
16.	29	3.1.8 3.1.11.2	Will the State Contract Manager determine the need for an HBC at all CWAs prior to the submission of the bids? If not, is the vendor to assume that it must staff all CWAs with Health Benefits Coordinators? If so, what is the minimum configuration of Health Benefit Coordinators that the State will accept and how many hours per week must they be present at the CWA?	CWAs that service a large population, the HBC should maintain a daily presence. For CWAs that service a small population such as Hunterdon or Sussex, one day or ½ a day a week may be sufficient.
17.	29	3.2	Would the Department please provide information regarding the staffing plan utilized by the current contractor (including FTEs by position)?	Not available.
18.	29	3.2.1 3.2.1.3	Since we often attempt to hire employees of the incumbent contractor, do the current contractor's staff meet these minimum requirements?	Some employees do, not all.
19.	30	3.2.1.5	What is the monthly volume of Health Status Questionnaires? Of those, what percent receive exemptions?	Health Status questionnaires are called Exemption requests. Contractor receives a monthly average of 72 Exemption requests. 70% are denied, 30% are approved.
20.	30	3.2.2	Given the previous assumptions concerning the contract award date, does this imply that the complete organizational chart will be due on approximately 3/1/05?	Yes, a complete org. chart will be due 3/1/05.
21.	30	3.2.3	What is the fee associated with a criminal background check?	Please contact the State police.
22.	30	3.2.3	How long does it take for such checks to be	Unknown how long it takes for such checks to

#	Page #	RFP Section Reference	Question	
			processed and returned? May an entity other than the State Police be used to conduct a criminal background check?	be processed and returned. Contact the State police. The State police are the only entity to be used to conduct criminal background checks.
23.	30	3.2.3	Do all members of the contractor's transition team (who will not be a member of the ongoing Operations staff) need this background check? If so, isn't it possible that this could delay the beginning of the Transition Period?	No, members of the contractor's transition team (who will not be a member of the ongoing Operations staff) do not need a background check.
24.	30	3.2.3	Paragraph 5 of this section mentions "sign-in sheet". Does this preclude the use of an electronic badge system for entry?	No use of a sign-in sheet does not preclude electronic badge system for entry.
25.	31	3.3.1.1	Please clarify the phrase "potentially pre-mandatory"? Are changes in how populations are defined (Re: mandatory, voluntary or potentially pre-mandatory status) anticipated by the Division?	See definition of pre-mandatory in RFP definitions.
26.	31	3.3.1.1	Please clarify the terminology "geographic settings in the State".	Geographical settings means county location in terms of mandated managed care enrollment.
27.	32	3.3.1.1 Bullet 9	Do the technical issues refer to the screening, imaging or tracking done by the CWAs or the contractor? If it refers to the CWAs, how will that information be made available to the contractor?	The technical issues refer to the work done by the Contractor.
28.	32	3.3.1.1 Bullet 9	Please explain in greater detail how this process works, particularly in terms of CWA and contractor responsibilities and interventions.	Contractor's tracking system must provide detailed information on all cases that are referred to the CWA, such as date application received, date referred to CWA, how referred to CWA, which CWA was sent case material and reason referral was made.
29.	32	3.3.2	Is it correct to assume that the definition of "convenient to DMAHS staff corresponds with the earlier stated requirement of being located within 30-mile radius of DMAHS' offices on Quakerbridge Road?	Yes.
30.	32	3.3.2	What telecommunications vendor is used for the purchase of (e.g., AT&T, MCI, Verizon, etc.) the current "800" numbers?	AT&T
31.	32	3.3.3	Will the winning bidder be required to take-over other "800" numbers that are associated with the current contractor? If so, how many?	Yes, the 800 number currently in use belongs to the State. There is one 800# and one TTY 800#.
32.	32-33	3.3.4	Is the current contractor operating the call center during the same hours as those required in this requirement? Does the statement "at least two late evenings per week per the State's direction." Refer back to the earlier Requirement 3.1.1 (page 27), that "The contractor shall operate a toll free number to be fully active Monday through Friday from 8:00 a.m. until 5:00 p.m. in addition to at least two late evenings per week from 5:00 p.m. until 8:00 p.m.?" If not, please explain exactly what the requirement entails.	Yes. Yes, the requirement is the same.
33.	33	3.3.6	Please define "contractual start date". Does this mean the contractual operational start date?	Yes.

#	Page #	RFP Section Reference	Question	
34.	33	3.3.8	Can this “reportable hard copy version” be forwarded to the State as a printable electronic document if the format, etc. is agreed upon in advance between the contractor and the State?	Yes.
35.	33	3.3.9 3.3.9.1	Please clarify “...an electronic/hardcopy...” Does this imply that this document can be maintained in either format or must it be maintained in both formats?	Either format, preferably electronic.
36.	33	3.3.10	Please provide a breakdown of the percent of calls, by language? In addition, would the Department please detail the number of Spanish calls received each month over the past two years?	Not available
37.	34	3.3.14 3.3.14.2	Can the 10% volume be reduced if the contractor can provide proof of reaching or exceeding thresholds, or service levels established by the State?	Unknown at this time.
38.	34	3.3.15 3.3.15.1	The written documentation should be supplied within one (1) business day of what activity?	The written documentation should be supplied within one (1) business day of remedial coaching and/or training when poor operator performance is identified.
39.	34	3.3.16	Will the State please clarify/define the following terms used in this requirement: <ul style="list-style-type: none"> Automated voice recording Synchronized screen capture On-line evaluation Comprehensive reporting. 	<p>*An automated voice recording system means that all calls into the 800# are recorded and can be retrieved for review at a later date.</p> <p>*Synchronized screen capture means that as the individual operators on the 800# are monitored, the monitor can access the same screens and data that the operator is using to provide customer service.</p> <p>*On-line evaluation is an assessment tool that can be used by supervisors and QA staff as they monitor calls.</p> <p>*Comprehensive reporting means that the system is capable of a variety of issuing standard and customized reports concerning operator activity.</p>
40.	34	3.3.16 3.3.16.1	<p>In order to accurately estimate the likely peak and valleys of call activities, will the State provide daily statistics for a one-year period of call volumes?</p> <p>Would the Department please provide call volume statistics by month, by day and by hour for the past two years?</p> <p>Would the Department please provide monthly data regarding the number of calls needing translation services via the AT&T Language Line (or comparable service) for the past two years?</p> <p>What is the average talk time per call for the 4,500 calls/day? Please provide data for the past two years.</p>	<p>Not available</p> <p>The average weekly call volume statistics are 15,322. Hourly and daily statistics are not available for the past two years.</p> <p>Not available</p> <p>The current average length of inbound calls is 4.2 minutes.</p>
41.	35	3.3.18	Please clarify the phrase “...evaluated weekly on an aggregate basis.”	Daily performance standards reporting and service levels will be averaged weekly to get a weekly determination of service level and performance standards.

#	Page #	RFP Section Reference	Question	
42.	35	3.3.18	Is the current contractor held to the same performance standards as those stated in this requirement? If not, what are the performance standards under the current contract? Is the current contractor meeting contractual performance standards with its current staff?	The current contract standards are 90% of calls answered within 90 seconds. This information is not available at this time.
43.	35	3.3.19	With regards to the final bullet, "ensure a maximum hold time will not exceed 45 seconds, after a call has been answered, are the 45 seconds in addition to the times specified at 3.3.18?	Yes the 45 seconds is in addition to the times specified in 3.3.18.
44.	36	3.3.29	The call center volumes do not appear to be in the Document Review Room. Would you please indicate which document includes this information or publish this information separately?	We will publish this information separately.
45.	37	3.4.1.2	This section notes that mail shall be processed and date stamped daily, Monday-Saturday. As call center operations are Monday-Friday (as per pp. 32-33, Section 3.3.4 Hours of Operation), may mail received Saturday be processed and date stamped on Monday?	Yes, mail received on Saturday shall be processed and date stamped on the following Monday.
46.	37	3.4.1.2	It is anticipated that many documents will be received in the field offices, CWAs, community sites during presentations, home visits, etc. What are the requirements for imaging these documents?	All documents received by the contractor must be imaged and entered into the contractor's tracking system within 2 business days of receipt by the contractor.
47.	37	3.4.1.2	Please clarify the meaning of the statement: "all State...employees". Does this mean only DMAHS employees or some other limited set of State employees?	This means any State employee.
48.	37	3.5.1.1	Please describe what is meant by the statement: "...the contractor shall further screen applications for existing Medicaid coverage."	The contractor shall screen all NJFC applications to ascertain if the applicant is currently receiving Medicaid benefits already. This is accomplished by doing look-ups on the State Medicaid eligibility file.
49.	37-38	3.5.1.2	What fee are the CWAs currently paid for processing applications? Is this fee to be paid by the contractor?	No the contractor will not pay this fee.
50.	37-38	3.5.1.2	In terms of Plan A and "0" Income Cases, how are applications forwarded to the CWAs (e.g., fax, electronic, hard copy, etc.)? Would you please provide more detail as to how this process operates?	Cases are forwarded to the county hard copy. Urgent cases may be faxed. Each county has designated a contractor liaison to work with the contractor liaison for the forwarding and receiving of county cases.
51.	39	3.5.1.7	Please detail the State's facilities that require access to the EPMS. How will this access be accommodated by the State?	The State's facilities would be the Division of Medical Assistance and Health Services at Quakerbridge Plaza as well as monitoring staff co-located with the contractor. Access means real time access.
52.	39	3.5.1.10	What is the volume of presumptive eligibility forms received per week/month/year?	Average 900 per month.
53.	40	3.5.1.12	Please describe how the accuracy rate will be determined.	Accuracy rate will be determined by evaluating a sample of cases using contract standards for timeliness as well as assess that case was processed to the correct Program Status Code, appropriate letters were generated and mailed and all documents

#	Page #	RFP Section Reference	Question	
				related to the case were evaluated by contractor staff and processed correctly.
54.	40	3.5.1.11	Who currently is responsible for maintaining the NJ FamilyCare web site? Will this responsibility change under this contract?	The Department of Human Services maintains the NJFC Website. No the responsibility will not change.
55.	40	3.5.1.11	Must a consumer be able to complete the application and submit it to the contractor on-line, or would a downloadable application for printing and subsequent completion be sufficient?	The consumer must be able to complete the application and submit it to the contractor on-line.
56.	40	3.5.1.13	How does the current contractor assure access to the Department of Labor files mentioned in this section? What type of access is it (e.g., phone, fax, on-line look ups)?	The State arranges for the contractor to have access to the Department of Labor files for on-line look-ups.
57.	40	3.5.1.14	Please provide clarification about the NJFC identification cards described in paragraph "b" of this section. Specifically, who generates and mails these cards?	The initial eligibility card for NJFC is mailed by the contractor. Subsequent monthly cards are mailed by the State.
58.	40	3.5.1.14	Also in paragraph "b" of this section, please clarify how the process of sending a reminder letter to someone with an incorrect address functions.	If a forwarding address is listed on the returned mail, the contractor would send the letter using the forwarding address. If there is no forwarding address, the contractor must review the address to make sure there is no missing information or typos and resend to the same address.
59.	41	3.5.1.19	Should vendors assume that any unanticipated increase in level of work effort would result in a revision of the price of the contract to recognize the increased work effort?	See Attachment 5, page 105, -Price Schedule in the RFP.
60.	41-42	3.5.1.22	In order to plan for appropriate staff for this requirement, what is the anticipated volume of Renewal Notification letters expected over the first twelve months of the contract by month?	An average of 6000 renewal kits are mailed monthly.
61.	42	3.5.1.26	What is the scope of these audits and how often are they performed?	The scope of the audit would depend on study or research needed. How often is subject to program changes or needs.
62.	42-43	3.5.1.29	Please provide a complete explanation of when and how this process operates.	A notice of Creditable Coverage Certificate availability and phone number to call to get the certificate is included in the customer's NJFC termination notice.
63.	43	3.6.1.1	Who is the State advertising contractor? Could you provide a copy of the current outreach plan?	The DHS advertising contractor is MWW. The current outreach plan is not available.
64.	43	3.6.1.2	Please define the term "outreach" as it pertains to this section and identify the populations to be outreached.	For this section outreach should focus on post enrollment managed care education for the NJFC, AFDC and SSI population.
65.	44	3.6.1.4	How many and in what regions were such events held in the past year? Is the required number of at least two health fairs per year statewide or per region or county? Does the State expect this number to increase or remain constant?	3-5 Health Fairs a year Events are statewide 10-15 enrollment events per month. Events will remain constant
66.	44	3.6.1.5	With respect to the 4 th bullet, are any eligibility categories targeted for mandatory managed care enrollment – or any other related status change?	ABD are targeted for mandatory enrollment with DYFS and dual eligibles (both Medicaid and Medicare) targeted but not mandatory.
67.	44	3.6.1.5	What is the phase-in schedule and what is the current status of this schedule?	As of July 2004, no definitive timetable or schedule has been determined.
68.	44 –	3.6.1.6	In the 16 th bullet, please describe what	Electronic and hard copy.

#	Page #	RFP Section Reference	Question	
	45		process is used to notify the MCOs of enrollment notification.	
69.	44 – 45	3.6.1.6	Is the SSI population in mandatory or voluntary status? Please elaborate.	SSI population is mandatory, however, there is no auto assignment of SSI except in Camden county.
70.	45	3.6.1.6	What is the automatic assignment algorithm to be used for the auto-assignments?	Not available. The auto assignment is done by the State.
71.	45	3.6.1.6	What is the contractor's staffing level and is it sufficient?	There are 44 field HBCs. This is not sufficient now that the DYFS population has been added as an outreach target.

PART 2
HEALTH BENEFITS COORDINATOR
MEDICIAD MANAGED CARE PROGRAMS
Bid Number 05-X-34750

Additions, Deletions, Clarifications and Modifications to the RFP

No change

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1.			
2.			
3.			