

Department of Health and Mental Hygiene
“Medicaid Program Electronic Health Records Audits”
DHMH/OPASS 15-14356
PRE-PROPOSAL CONFERENCE MINUTES
Date: February 18, 2015

DHMD Participants:

Queen Davis – Office of Procurement and Support Services (OPASS)
Charles Crisp – Office of Health Services
Paul Messino – Office of Health Services
Kale Sweeney – Office of Health Services
Alena Wheeler – Office of Health Services
Susan Harrison – Office of Health Services

Attendees:

Charles Skinner – Hamilton Enterprises LLC
Patrick Julian – Mercadien PC
Bryan Screws – Mercadien PC
Douglas Lee –End Result Consulting
Kenneth Jones – TG Associates CPA Firm
Bonnie Branham – Chesapeake HealthCare
Robert Whetzel – Chesapeake HealthCare
Felicia Benjamin – Global Strategies LLC
Netty Ghezai – Global Strategies LLC
Louis Bullock – SQN Systems
Michael Johnson – Myers and Stauffer LC
Amanda Hunte – CODEX HIM, LLC
Pamela Gray – SBT Company
Tiffany Montgomery – Maryland Institute of Science
Nazim Hamilton – Hamilton Enterprises LLC
Sara Smalley – Rufus Ingram, P.A.

Introduction:

Ms. Queen Davis opened the Pre-Proposal Conference held at 9:00 am at 201 West Preston St., Room L1, Baltimore, Maryland 21201, on February 18, 2015. Ms. Davis reminded everyone to sign in on the sign in sheet in case we need to reach you regarding this procurement.

Overview of Procurement Process:

Ms. Queen Davis introduced herself and began speaking:

I am here to help you understand the process for this procurement. Please be sure that your name, telephone and fax numbers, address and e-mail address are listed on the sign in sheet. If there is a need to contact you as a result of this meeting, we will be able to do so easily.

DHMH/Office of Health Services has issued this RFP to contract to assist in its mission to reduce Medicaid improper payments through the efficient identification of overpayments, underpayments, and actions to prevent future improper payments, as described in the **Scope of Work – Section 3** beginning on **pg. 30**.

Minutes will be taken of this meeting and will be distributed to everyone in attendance and to everyone known to have received a copy of the proposal. If you decide not to submit a proposal, we ask that you complete and return **pg. ii the Notice to Vendor Form** which is a feedback response that could be helpful in planning the Department's future procurements.

Subsequent to the pre-proposal conference, written questions will be accepted until there is insufficient time to do so before the due date. Also, questions and answers will be distributed to all vendors known to have received a copy of this proposal.

Questions and Answers as well as the minutes from this pre-proposal will be posted on eMM and the DHMH website. Please remember that in order to receive a contract award, a vendor must be "registered" on eMM. Registration is free. Please review Subsection 1.9 for details and website addresses.

Questions should be submitted no later than five (5) business days prior to the proposal due date. The Procurement Officer, based on the availability of time to research and communicate an answer, shall decide whether an answer can be given before the proposal due date. So try to get any questions to us ASAP.

The contract resulting from this solicitation will be for 3 years beginning on or about August 1, 2015. There are Three (3) one-year option periods.

The Procurement Method for this solicitation is **Competitive Sealed Proposal**.

Section 2 – Offeror Minimum Qualifications are located on pg. 29. There are two (2) listed. If minimum qualifications set forth in the RFP are not met, the Offeror's proposal will be rejected and will not be evaluated further.

Offerors are required to submit their responses to the RFP in two parts:

Volume I – Technical Proposal (separately sealed envelope)

Volume II – Financial Proposal (separately sealed envelope)

Each envelope shall bear the RFP Title and number, name and address of the Offeror, and closing date and time for receipt of the proposal. Pages of both volumes shall be consecutively numbered. The general format for this proposal is clearly stated under **Section 4 - Proposal Format**.

A brief transmittal letter prepared on the offeror's letterhead and signed by someone who is authorized to commit the offeror to the services and requirements of the RFP is requested. Be sure to include your FEIN or SSN, acknowledgement of addenda, if applicable and please include your e-mail address.

Subsection 4.4 lists all of the documents and information required to be submitted with **Volume I** – which is your **Technical Proposal**. And please give special attention to **Subsection 4.4.2** which list (Additional Required Technical Submissions).

A **10% MBE goal** has been established for this contract (See Section 1.33). Be sure to complete the MDOT Certified MBE Utilization and Fair Solicitation Affidavit (Attachment D1). **This attachment must be provided in a separately sealed envelope.**

If an offeror fails to submit Attachment D1 with the offer as required, the Procurement Officer shall deem the proposal non-responsive and shall determine that the offer is not reasonably susceptible of being selected for award.

A VSBE subcontract participation goal of 0.5% of the total Contract dollar amount has been established for this procurement. (See Section 1.41)

The following number of Technical Proposals are required: 1 unbound original; 4 copies; 1 electronic version (CD) in Microsoft Word Format; and a second electronic version in searchable PDF format (CD) for Public Information Act (PIA) requests. This copy shall be redacted so that confidential and/or proprietary information has been removed.

Please note that the contract shall not become effective until the Contract Affidavit is signed and returned after official notification.

Volume II - Financial Proposal shall contain all price information in the format specified in **Attachment F**. The number of copies for Volume II Financial Proposal is 1 unbound original, 4 copies, and 1 electronic version (CD) in MS Word of the Financial Proposal.

Your proposals will be evaluated by a committee organized for that purpose and will be based on the criteria set forth in the RFP under **Section 5 – Evaluation Criteria and Selection Procedure** (page 49).

The **Technical Criteria**, listed in descending order of importance, can be found in Subsection 5.2 (page 49) and the **Financial Criteria** listed in Subsection 5.3 (page 49).

As noted in Subsection 5.5 under **Selection Procedure** on (page 50) the contract will be awarded to the responsible Offeror that submitted the proposal determined to be the most advantageous to the State considering technical evaluation factors and price factors as set forth in the RFP. Unsuccessful offerors have the right to ask for a debriefing. **For the purpose of this solicitation, the technical and Financial will receive equal weigh.**

Within 5 days of being notified of its recommendation for award, the offeror must complete and submit Contract Affidavit set forth in Attachment C. If there is a question as to who your Resident Agent is, please contact the State's Corporate Charter Division at (410) 767-1330. The office is located at 301 W. Preston Street.

It is very important that you get your proposals to us by the date, time, and location listed. Your proposals are due no later than **Thursday, March 12, 2015 at 2 p.m. Local Time**. The address for receipt of proposals is listed on the Key Information Summary Sheet (page iii) **No proposals will be accepted after the specified due date and time.**

The three acceptable means of delivering a proposal are:

1. The U.S. Postal Service
2. Hand Delivery by Offeror - ask for receipt
3. Hand Delivery by Commercial Carrier - ask for receipt

And now, Mr. Paul Messino from the Office of Health Services will give you an overview of the project, after which he will address your question.

Mr. Paul Messino – Programmatic Overview:

Thank you for your participation in today's pre-Proposal conference.

The Department is issuing this RFP for a Contractor to review the State's current Medicaid EHR Incentive Program auditing document and protocol, create and update a full audit plan, and perform post-payment Medicaid Eligible Professional EHR Incentive Program audits. The Contractor will act as the State's EHR Incentive Program Eligible Professional post-payment auditor, using a developed Audit Plan.

To provide some background on the current Program, the American Recovery and Reinvestment Act of 2009 (ARRA) provides funding support (incentive payments) to Eligible Providers (EPs) and Eligible Hospitals (EHs) for adopting, implementing, upgrading and the subsequent meaningful use of certified EHRs. The Centers for Medicaid and Medicare Services (CMS) and the Department provide oversight of the EHR Incentive Program, as directed in ARRA. Maryland's State Medicaid Health Information

Technology Plan (SMHP) serves as Maryland's strategic plan for implementing and overseeing the Medicaid EHR Incentive Program.

All activities under the Contract resulting from this RFP will be guided by direction in law and rule from the Department of Health and Human Services, including all current and future rulemaking associated with the Medicare and Medicaid EHR Incentive Program. A Final Rule published July 28, 2010, details the requirement for implementing the Medicaid EHR Incentive Program. On September 4, 2012, CMS published a Final Rule that specifies the Stage 2 criteria that EPs, EOs, and Critical Access Hospitals (CAHs) must meet in order to continue to participate in the Medicare and Medicaid EHR Incentive Program.

The Department recommends reviewing each requirement thoroughly and to consider the differences in how you would need to develop processes that are specific to Medicaid service areas. I will use this time to highlight a few areas of note.

Under Section 3.2.2.1 Assessment of Pre-Payment Audit Methodology and Creation of Pre-Payment Audit Plan Document: The Contractor will assess the Pre-Payment Audit methodology and processes that the Department currently utilizes for Adopt, Implement, and Upgrade (AIU) and Meaningful Use (MU) attestations. After understanding and assessing the methodology and processes, the Contractor will offer recommendations by developing a Pre-Payment Audit Plan document section in the overall Audit Plan.

Under Section 3.2.2.2 Creation of Post-Payment Audit Plan Document: In accordance with **Section 3.2.2.9 Deliverable Schedule**, the Contractor shall develop and submit a Post-Payment Audit Plan document that includes a Post-Payment Eligibility Verification Assessment for AIU and MU and both on-site and desk reviews for AIU and MU attestations.

Under Section 3.2.2.3 The Audit Plan: After the Department approves the Pre- and Post-Payment audit plans, the Contractor will combine both Pre- and Post-Payment sections into a single audit document. The State will submit this document for CMS approval. Once CMS approves, the Audit Plan will become the Department's official audit document. The Contractor is responsible for updating the Audit Plan at least yearly or as dictated by the Department according to changes in policy or regulation.

Under Section 3.2.2.4 Monthly Audits and Recoupments: The Contractor shall conduct Post-Payment Audits in accordance with the Department-approved Audit Plan that is created, and shall provide the Contract Monitor with documented findings for each audit conducted. The Contract Monitor reserves the right to request submission of work papers for current or closed audits.

Under Section 3.2.2.5 Monthly Audit Report: The Contractor shall provide a monthly audit report detailing the outcome of each audit conducted to date under the Contract. The monthly audit report shall also include the current status of all outstanding deliverables to date and/or activities, including,

but not limited to assessments, analysis and audits that are in progress. The monthly report shall include estimated completion dates for each audit in progress.

The Contractor shall submit the specific deliverables outlined in **Section 3.2.2.9 Deliverable Schedule**, in accordance with the timeframes outlined, in support of completion of the activities described in all of Section **3.2 Scope of Work- Requirements**.

You will note in the **Office and Staffing Requirements Section 3.2.3**, the Contractor shall implement its staff and organizational chart as proposed in its **Technical Proposal Section 4.4.2.7** that mirrors best industry practices for the EHR Incentive Program's post-payment audits. Key positions include a Project Manager and an Audit Manager, in addition to any qualified audit staff assigned to the project (**see subsection II. General Staffing Requirements**)

Under Section 3.2.2.8 Appeals: In the event of an appeal, the Contractor shall provide assistance to the Department by assigning an Audit Manager or class of employee approved by the Department and suggesting the process of addressing the appeal. The Contractor shall provide support to the Department until resolution of the appeal is achieved. Appeals may occur up to six (6) years after an audit is completed.

In your proposals, bidders should highlight areas of expertise in each of these requirements and strategies that you would employ for implementation of this contract. We look forward to receiving your proposals.

Ms Davis: Before we go any further and answer any questions you may have. I said 6 copies of your proposal are required, we only require 4. I apologize for that.

Mr. Messino: Are there any questions?

Questions from Attendees:

Mr. Paul Messino then mentioned that we did receive the following two questions prior to the meeting, and they will be part of the minutes.

1. Is this the first time the bid is being offered?

The answer is yes.

2. Can we have a copy of any previous bid award?

Since we haven't had any prior bids we don't have anything to release at this point in time.

Charles Skinner: Is there an anticipated level of effort per year or staffing wise? Did you have a minimum number of people you are looking for?

Paul Messino: We don't know how many staff; that's something you'll propose. But we did outline the estimated audits of 500 per year.

Pat Julian: My first question is on pg 31, "Maryland has assigned hospitals to CMS" – so will all auditing for hospitals be done by CMS?

Paul Messino: Yes all hospitals will be audited by CMS.

Attendee: Are the 500 estimated audits per year 500 individual eligible providers or 500 including groups?

Paul Messino: That's 500 people.

Michael Johnson: We actually submitted a series of questions last week. RFP Section 3.1, page 31 - The RFP indicates that post-payment audits began in late 2013. Please indicate what program years have been audited and if there is a current back-log of audits to be conducted by the selected vendor?

Paul Messino: So we have done 91% of program years 2010, 2011, and 2012 audits. There are less than 40 left at this point. For Program Year 2013, we are about 18% complete. That consists of 229 individual providers.

Michael Johnson: What about Meaningful Use? The state is not conducting anything at this point?

Paul Messino: Correct

Michael Johnson: The next question is in regards RFP Section 3.2, page 33 - Can the contract monitor indicate whether the required weekly and bi-weekly meetings can be held predominately via conference call? This is helpful to the responding vendors when determining overall cost– can you indicate if you would be ok with predominance of teleconference or in person?

Kale Sweeney: I think that's something we can discuss. I think early on that in-person meetings would be favorable, but subsequently teleconference would be fine.

Michael Johnson: Next question in regards to RFP Section 3.2, page 33 - What system is used for the SLR? HP? XEROX? Internal?

Paul Messino: Right now we have a product by CSC and CSNI and it is called eMIPP. You can see it on our website if you just Google it. It's from CSC and CSNI, those are our vendors.

Michael Johnson: Can you confirm that they can provide a full export for all the fields?

Paul Messino: Yes we can do a data dump.

Michael Johnson: My next question is regarding RFP Section 3.2.3, page 38 - Will the state accept requisite project management experience as a substitute for a PMP designation?

Queen Davis- If it's in the RFP it's required.

Michael Johnson: The next question is also on page 38, it references the audit manager and the project manager and indicates that they must be employed 100% of the time of this contract – is that indicating that they must be employed throughout the duration or that they must only work on the Maryland EHR contract?

Paul Messino: Let us talk about it and get back to you. And if it's changed it will be an addendum to the RFP.

White hair: We have the same question.

Michael Johnson: The next question I had is on page 39 – referencing background checks – If a prospective vendor conducts a background check (including criminal) on all associates before hiring will that satisfy this requirement, or must new background checks be conducted on any associate assigned to this project?

Paul Messino: That's something we should also discuss.

Michael Johnson: My next question is on pg 43 Section 3.9 it indicates that a SOC 2 Type II style report is required for this procurement, typically that's highly unusual for a contract; these engagements are typically reserved for contracts where an IT system is a significant part of the engagement. Furthermore, such an audit could cost the vendor up to 20-25 percent of the anticipated total contract value of this engagement. Will the state consider modifying this requirement such that it is not required?

Queen Davis: DBM suggested and preferred that we have it in there. We can discuss it and see if it can be adjusted.

Susan Harrison: Can I ask what you are proposing in lieu of the SOC 2 Type II?

Michael Johnson: So your SOC 2 is typically system testing, so it would need clarity. What we would propose is something such that SOC compliance or some other sort of compliance testing should be a substitute that would be sufficient to show that. The cost for the vendor to go out and prove that would be about 25% of the entire procurement.

Susan Harrison: I'm saying that you suggest what you propose if you are suggesting a lesser requirement and then we can take it back to our legal and SOC experts because they have to give you the waiver and not us.

Michael Johnson: My next question is with regards to the trust principles listed for ii: Confidentiality, Integrity, Availability, and Auditability. Auditability is not a principle for this type of report. Can the state please clarify?

Michael Johnson: Page 48 regarding the letters of intended commitment – is that required for each key personnel included in the proposal who are employees of the prime contractor or are they only needed from proposed subcontractors?

Queen Davis: I would assume that's for the key personnel, the ones that are actually listed.

Michael Johnson: My next question is somewhat of a follow-up from my colleague with regards to the 500 estimated cases. Can the state provide historical reference on what percentage of those are groups? That changes the amount of work that needs to be done due to eligibility. It would be helpful to get some historical information on average out of the 500 which are groups.

Paul Messino: So are you looking for a percentage of the number that you will be auditing? Or do you want to try and do bins of group sizes? Submit a question with exactly how you want us to cut it and we will do it in that way.

Patrick Julian: Can we get that data?

Paul Messino: Yes we will make it available to everyone.

Patrick Julian: Also, can you differentiate between AIU and MU because there is a big cost differential going forward?

Paul Messino: If you can just submit the question.

Michael Johnson: My next question is a general question with regards to the timing – does the state allow an attestation tail at the end of each program year, because there is a requirement for when each reporting period starts?

Paul Messino: Yes so we have a 90 day attestation tail. So we allow them to attest up to the end of March. And I think that is inside the RFP.

Michael Johnson: And then my last question is with regards to your current pre-payment and post-payment audit procedures – would the state be agreeable to providing a copy to selected vendors of your current procedures so we can look at what you've done today. It will certainly help.

Paul Messino: CMS does not allow us to share our audit strategy so we can't do that. We base our audit strategy on CMS's toolkit. Then there are tweaks to our specific system but overall it follows the Toolkit.

Michael Johnson: That's all the questions I had for today.

Attendee: Would the vendor used have direct access to your system to directly work with the data?

Paul Messino: Not at this point. When we are partners you can request how to make this easier.

Attendee: Also, the individual attestations and registration of people under audit, do we have the ability to get the data?

Paul Messino: Not get the raw data, but you could go into our system as an admin. We could have an admin profile.

Doug Lee: What kind of system do you use now?

Paul Messino: It's the eMIPP system from CSC and CSNI. It's basically a web based tool that has a front end interface. And then there are a bunch of back-end databases that our vendor pools for us.

Doug Lee: Do you have any data mining tool or ability to run statistical analysis?

Paul Messino: No, straight attestations.

Michael Johnson: Paul, do you have the ability to validate numerators?

Paul Messino: Yes we do. We run a report to validate numerators.

Michael Johnson: And the state would provide a way to access these reports?

Paul Messino: Yes

Attendee: Do you have a budget report?

Queen Davis: We don't have an exact budget.

Felicia from Global Strategies: Can MBE's be part of multiple bids?

Queen Davis: Yes.

Ken Jones: In the scope of services and qualifications, a required one year minimum of Medicaid audit – we wanted to know if we were a sub, could we hire a manager to actively represent requirements. Would that meet the requirements in RFP?

Queen Davis: Well it would be your company that we're looking at not the sub, because the state wouldn't have a contract with the sub. The prime has to meet the minimum requirements.

Queen Davis: Any more questions? If we've received any questions that have not been answered I will check the email and solicitation website. Any questions that we do not get to you with the minutes will be subsequently posted if they have not been answered.

Attendee: If you respond to the question, but it is not clear, can we ask a follow up question?

Queen Davis: Absolutely, if it's substantial and relevant to the proposals. We do ask that you give us at least 5 business days so that we have enough time to respond.

Closing:

Queen Davis: I thank you all for coming and wish you all good luck and this meeting is adjourned.

Meeting Adjourned at: 9:39 AM