

**West Virginia Mountain Health Trust Program  
State Strategy for Assessing and Improving Managed Care Quality  
Updated March 31, 2015**

**Section I: Introduction**

***Background and Purpose of Mountain Health Trust Program***

Mountain Health Trust (MHT) is West Virginia's Medicaid managed care program that has operated in the State since 1996. The program, which is administered by the Bureau for Medical Services (BMS or the Bureau), aims to improve access to high-quality health care for Medicaid beneficiaries by emphasizing the effective organization, financing, and delivery of primary health care services.

In the MHT program, eligible Medicaid beneficiaries living across the State of West Virginia may choose to receive their benefits through a participating managed care organization (MCO), which is a health plan that coordinates services for members, or the Physician Assured Access System (PAAS), the State's primary care case management system. An enrollee's options for selecting an MCO or a PAAS provider differ by county of residence, but BMS has consistently increased the number of choices available since the program's inception. Whether enrolled in an MCO or PAAS, beneficiaries will select a primary care provider (PCP) who will act as their medical home. The medical home promotes better quality, more patient-centered care by providing a continuous source of care that is coordinated and accessible to the member. The medical home concept is central to the MHT program.

MCOs provide enrollees with most acute and preventive physical health care services. Additionally, they provide a wide range of supplementary services, such as health service coordination, case management, and health education. Since the previous update of the Quality Strategy, the MCOs began administering the pharmacy benefit on April 1, 2013 and the children's dental benefit on January 1, 2014. **In addition, the MCOs will begin administering the behavioral health benefit on July 1, 2015.**

MHT currently serves children with special health care needs and low-income children and families. However, the vast majority of MHT enrollees are children; 83% are 19 years of age and younger. **BMS plans to expand the program to enroll the Affordable Care Act (ACA) expansion population on July 1, 2015.** The state also plans to enroll additional populations, including SSI beneficiaries, in the future.

***Mountain Health Trust Program Management Structure***

The Office of Managed Care, which is housed within BMS, administers the MHT program. The Director of this office oversees all aspects of the MHT program, including its quality activities. The Bureau receives input from several formal and informal groups to support its quality work.

BMS contracts with an external quality review organization (EQRO) to conduct annual, external independent reviews of the quality outcomes associated with, timeliness of, and access to services covered under each MCO Contract.

BMS also works with two groups that provide input on the direction of MHT-related quality activities.

- The Mountain Health Trust Task Force (Task Force): As part of its overall MHT quality approach, the Bureau formed a Mountain Health Trust Task Force (Task Force) comprised of Bureau staff, other state agency representatives, representatives of each MCO, and the Bureau's contractors (i.e., the enrollment broker, external quality review organization, actuarial and program administration consultant, and encounter data analyst). The Task Force meets at least quarterly to address opportunities for program improvement. As a result, BMS can quickly identify and resolve issues that could affect MHT program quality.
- Medicaid Services Fund Advisory Council (Council): The Council, which is coordinated within BMS, advises the Bureau on a range of issues, including the development and revision of the Quality Strategy. The Council includes providers, beneficiaries, legislators, and agency staff.

In addition, BMS is in frequent contact with numerous stakeholders, including advocates, legislators, providers, other state agencies, the MCOs, the enrollment broker, and the EQRO. These groups provide feedback on quality activities and programs on an ongoing basis both formally and informally. For instance, BMS regularly engages advocates to provide feedback on a variety of issues, including the Quality Strategy.

## **Section II: Quality Strategy Approach, Priorities, and Goals**

A robust approach to quality is integral to achieving the aims of the MHT program. It ensures that the MCOs provide access to high quality care that meets the program's standards for enrollees. Furthermore, it will coordinate the quality improvement work of BMS and the MCOs so that all involved entities will focus on shared priorities, and as a result, make greater quality gains. The Quality Strategy describes BMS' approach to delivering high-quality, accessible care to all MHT enrollees.<sup>1</sup>

BMS released the original Quality Strategy in 2008 and the document has been updated several times since. In the most recent version, which was released in June 2012, BMS aimed to transition from a monitoring and oversight approach to one focused on improvement and outcomes. This version goes further by outlining an approach, priorities, and goals that drive improvement in health care and outcomes. It includes all applicable elements from the Quality Strategy Toolkit for States that was released by the Centers for Medicare and Medicaid Services (CMS) in November 2012.

### ***Approach***

The Quality Strategy employs a three-pronged approach to improving the quality of health care delivered to beneficiaries in the MHT program:

1. **Monitoring:** BMS monitors MCOs for compliance with its managed care quality standards.
2. **Assessment:** BMS analyzes a variety of health care data to measure performance and identify focus areas for improvement, including indicators for specific diseases and populations.
3. **Improvement:** BMS and its vendors, including the MCOs and the enrollment broker, implement interventions that target priority areas to maximize the benefit for MHT enrollees.

This approach allows BMS to drive improvement in key health areas while maintaining the overall quality of the services that are currently being delivered by the MHT program.

### ***Priorities and Goals***

The Quality Strategy outlines five priorities for the MHT program. The priorities represent broad areas that will support the overarching aim of the MHT program – to provide access to high quality health care for all enrollees. BMS selected priorities that are flexible enough to accommodate changing conditions in the MHT program, such as an expansion in the benefits covered by MCOs, while providing a clear path to drive quality improvements.

1. Make care safer by promoting the delivery of evidence-based care
2. Engage individuals and families as partners in their care by strengthening the relationship between patients and their primary care provider
3. Promote effective communication and coordination of care
4. Promote effective prevention and treatment of diseases that burden MHT enrollees

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<sup>1</sup> Because an increasing percentage of MHT beneficiaries are enrolled in MCOs – a trend that is expected to continue – the Quality Strategy primarily focuses on care delivered by MCOs.

## 5. Enhance oversight of MCO administration

The priorities align with those identified by the National Quality Strategy, which was created under the Affordable Care Act and developed by the US Department of Health and Human Services. By coordinating its Quality Strategy with the National Quality Strategy, BMS increases the likelihood that its quality activities will coordinate with other national, state, or local health care improvement efforts.

Where appropriate, BMS has selected performance measures and improvement goals to correspond with the priorities. These performance measures indicate areas within each priority that BMS and the MCOs will focus on improving. BMS chose measures intended to provide the greatest benefit to MHT enrollees. The improvement goals will be set based on CY 2012 performance.

Finally, priorities, measures, and goals are associated with specific BMS and MCO activities. This will help ensure that BMS and MCO work is supporting quality improvement. The activities are described in greater detail throughout the Quality Strategy.

By aligning priorities, measures, and activities and setting achievable goals the Quality Strategy will drive quality improvement in the MHT program.

Table 1 outlines the structure of the Quality Strategy as described above. The five priorities are listed in the top row of the table. The corresponding measures, goals, and activities and interventions are listed in the column below each priority.

**Table 1: Quality Strategy Priorities, Measures, Goals, and Activities**

Priorities				
Make care safer by promoting the delivery of evidence-based care	Engage individuals and families as partners in their care by strengthening the relationship between patients and their primary care provider	Promote effective communication and coordination of care	Promote effective prevention and treatment of diseases that burden MHT enrollees	Enhance oversight of MCO administration
Measures				
	<ol style="list-style-type: none"> <li>Children and Adolescents' Access to PCP (12-24 months, 25 months-6 years, 7-11 years, and 12-19 years)</li> <li>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</li> </ol>	<ol style="list-style-type: none"> <li>Percentage of enrollees receiving care through a PCMH</li> </ol>	<ol style="list-style-type: none"> <li>Adult BMI Assessment</li> <li>Childhood Immunizations – Combination 3</li> <li>Comprehensive Diabetes Testing – HbA1c Control</li> <li>Annual Percentage of Asthma Patients with One or More Asthma-related Emergency Room Visits (ages 2-20)</li> <li>Prenatal and Postpartum Care – Postpartum Care</li> <li>Weight Assessment and Counseling for Nutrition and Physical Activity for Children/Adolescents – BMI Percentile and Counseling for Nutrition</li> <li>Medication Management for People with Asthma (Compliance 75%) – ages 5-11 and 12-18</li> <li>Medical Assistance with Smoking and Tobacco Use Cessation – Discussing Cessation Medications and Discussing Cessation Strategies</li> <li>Percentage of Eligibles That Received Preventive Dental Services (ages 1-20)</li> <li>Low Birthweight Rate</li> </ol>	SPR Compliance Rate
Goals				
	<p><b>Measure 1:</b> Achieve and/or maintain rates equal to or above the CY 2012 HEDIS 75th percentile by CY 2014.</p> <p><b>Measure 2:</b> Achieve rates equal to or above the CY 2012 HEDIS National Medicaid Average by CY 2014.</p>	<p><b>Measure 1:</b> Increase percentage by 5% annually</p>	<p><b>Measures 1, 2, 3, 6, 7, 8, and 9:</b> Achieve rates equal to or above the CY 2012 HEDIS National Medicaid Average by CY 2014.</p> <p><b>Measure 4:</b> Decrease rates by 5% compared to CY 2013 performance by CY 2016.</p> <p><b>Measure 5:</b> Achieve rates equal to or above the CY 2012 HEDIS 75th percentile by CY 2015.</p> <p><b>Measure 10:</b> Achieve rates equal to or above the CY 2012 national Medicaid average</p>	Achieve a 100% SPR compliance rate on major standards: enrollee rights and protections, grievance systems, quality assessment and performance improvement, and fraud and abuse

Activities and Interventions				
Require use of clinical practice guidelines	Enrollment outreach	MCO-based patient centered medical homes initiatives	Implement performance incentive program	Annual external quality review
Change payment policies for never events and hospital acquired infections	Ensure access to a primary care provider	Focus on case management	Implement performance improvement projects	Provider credentialing and recredentialing processes
Utilize prospective drug review	Promote enrollee engagement in treatment plans	Coordinate with health homes	Analyze HEDIS measures	Utilization management processes
	Review enrollee grievances and appeals	Promote use of treatment plans	Implement emergency department utilization collaborative	MCO reporting requirements
	Administer CAHPS survey	Promote use of electronic health records through the West Virginia Health Information Network	Implement diabetes collaborative	MCO contract requirements
				Fraud, abuse, and waste monitoring

### Section III: Development and Review of the Quality Strategy

BMS' process for developing and reviewing the Quality Strategy ensures that it drives meaningful improvement in clinical and preventive health areas that affect MHT enrollees. The process also provides a wide range of stakeholders, including beneficiaries, with the opportunity to review and provide feedback on draft versions of the document.

#### *Initial Development*

BMS reviewed the MHT program goals, the National Quality Strategy, and the Governor of West Virginia's goals to develop broad quality priorities that would be flexible to changing conditions within and outside of the MHT program.

To select the measures associated with the priorities, BMS reviewed MCO performance data, including HEDIS measures. The Bureau chose measures using the following criteria:

- Relevance to the core populations served by the MCOs, including children, children with special health care needs, and pregnant women
- Number of MHT members for which the measure is applicable
- Alignment with priority chronic diseases, including asthma, diabetes, and obesity
- Alignment with existing BMS and MCO quality improvement activities, including the performance incentive program
- Alignment with the Governor of West Virginia's statewide goals
- Inclusion in the core set of quality measures for children and adults in Medicaid and CHIP, a set of priority measures selected by the US Department of Health and Human Services and developed by leading quality organizations, including the National Committee for Quality Assurance (NCQA)
- Historical MCO performance on the measure compared with national benchmarks

- Whether the measure examines care processes, rather than health outcomes (members are often enrolled in the MHT program for a short period of time, so it can be difficult for MCOs to substantially affect the health statuses of members.)

BMS worked with its EQRO, which has experience with quality measurement and the MCOs, to determine reasonable, achievable improvement goals for the selected measures. The goals will be set based on CY 2012 performance.

### ***Stakeholder Input***

BMS solicited feedback on the Quality Strategy, including the priorities and selected measures, from many stakeholders, including beneficiaries, the MCOs, providers, advocates, and other State agencies. The Bureau requested feedback in both informal and formal settings, as described below.

- Advocates: BMS will solicit feedback from advocates and other interested stakeholders by inviting them to a public meeting to discuss the updates to the Quality Strategy.
- Managed Care Organizations: BMS will ask the MCOs to provide feedback on the Quality Strategy at the annual MCO Orientation Meeting. BMS will also request informal feedback from the MCOs throughout the drafting process.
- The Medical Services Fund Advisory Council: The Bureau will obtain the input of beneficiaries and other stakeholders by sharing the strategy with the Medicaid Services Fund Advisory Council at its quarterly meeting. The Council will also review and adopt the final version of the Quality Strategy, as is required when significant changes are made to the document.
- The Mountain Health Trust Task Force: BMS will obtain feedback from the Task Force at their quarterly meetings.

The stakeholder input process will be used to refine the Quality Strategy and obtain buy-in from relevant groups. BMS will continually revise the document as they receive feedback from stakeholders.

### ***Review***

BMS will conduct a full review of the Quality Strategy in conjunction with the biannual managed care waiver renewal process. A formal review will also be triggered by a significant change to the MHT program, which is defined as any major program expansion such as coverage of a new population or service. During a formal review, the Bureau will follow the same process outlined above.

While formal review will occur every two years, the Quality Strategy will be updated and evaluated as needed on an ongoing basis so that it better promotes quality improvement and serves the needs of enrollees.

The Bureau will submit a copy of the strategy to CMS whenever substantial changes are made and will submit reports on the implementation and effectiveness of the strategy as required.

## Section IV: State Standards

The Bureau’s first approach to promoting quality is assessment of MCO compliance with Federal and State quality standards, including those outlined in 42 CFR Subpart D. Monitoring compliance with these standards is key to providing high-quality, accessible care because the standards establish an infrastructure to drive quality improvement.

BMS uses prospective, concurrent, and retrospective methods to assure compliance with the managed care quality standards.

**Table 2: Methods for Determining Compliance with Quality Standards**

<b>Prospective Methods</b>	<ul style="list-style-type: none"><li>• BMS MCO certification</li><li>• MCO contracts with the State of West Virginia</li><li>• BMS review of MCO provider network</li><li>• West Virginia State Insurance Commission MCO licensing</li></ul>
<b>Concurrent Methods</b>	<ul style="list-style-type: none"><li>• Review of quarterly reports and encounter data</li><li>• Monitoring of enrollment broker activities, including disenrollment</li></ul>
<b>Retrospective Methods</b>	<ul style="list-style-type: none"><li>• Annual external quality review, including validation of performance improvement projects, validation of performance measures, and compliance review</li><li>• Review of HEDIS and CAHPS results</li><li>• Review of encounter data and annual reports</li><li>• Review of complaint, grievance, and appeals filings</li></ul>

The quality monitoring strategies described above are used to determine whether MCOs are meeting the minimum required standards of the Mountain Health Trust program, commensurate with federal and state laws and regulations. The minimum standards are described in the MCO Contract and are compliant with the final Medicaid managed care regulations issued by the Centers for Medicare and Medicaid Services on June 14, 2002. The quality of care standards are summarized below. References to specific sections of the waiver and relevant contracts are noted where appropriate.

### ***Access Standards***

#### Availability of Services (§438.206)

The Bureau ensures that all applicable services covered under the State Plan are available and accessible to MCO enrollees. The MCOs provide to enrollees, directly or through arrangements with others, all of the covered services described in Exhibit A of the MCO Contract, included in Exhibit G. **Presently non-emergency transportation services are excluded from MCOs’ capitation rates, but remain covered Medicaid services for persons who are enrolled in the MCO (the Bureau will continue to pay the transportation broker on a PMPM basis).** The Bureau plans to include medical services for ACA expansion and SSI enrollees in the MCO benefit package in the future. MCOs must ensure that enrollees are aware of how to access carved-out services.



The Bureau ensures, through its contracts, that each MCO meets the requirements shown in the table below. MCOs are required to submit quarterly assurance of adequacy through a PCP panel and specialist availability report. On an annual basis, the Bureau requires MCOs to submit their full provider networks for re-evaluation. The Bureau measures and compares the networks against established FFS benchmarks. The full MCO Statement of Work (MCO Contract Article III) is included in Exhibit G.

Requirement	Regulatory Citation	MCO Contract Reference
<p>a. Maintain and monitor a network of appropriate providers that is supported by written agreements and is sufficient to provide adequate access to all services covered under the contract, considering the following:</p> <ul style="list-style-type: none"> <li>• The anticipated Medicaid enrollment.</li> <li>• The expected utilization of services, taking into consideration the characteristics and health care needs of specific Medicaid populations represented in the particular MCO.</li> <li>• The numbers and types (in terms of training, experience, and specialization) of providers required to furnish the contracted Medicaid services.</li> <li>• The numbers of network providers who are not accepting new Medicaid patients.</li> <li>• The geographic location of providers and Medicaid enrollees, considering distance, travel time, the means of transportation ordinarily used by Medicaid enrollees, and whether the location provides physical access for Medicaid enrollees with disabilities.</li> </ul>	438.206(b)(1)	Article III, Section 2.1
<p>b. Provide female enrollees with direct access to a women's health specialist within the network for covered care necessary to provide women's routine and preventive health care services. This is in addition to the enrollee's designated source of primary care if that source is not a women's health specialist.</p>	438.206(b)(2)	Article III, Section 2.1
<p>c. Provide for a second opinion from a qualified health care professional within the network, or arranges for the enrollee to obtain one outside the network, at no cost to the enrollee.</p>	438.206(b)(3)	Article III, Section 5.1
<p>d. If the network is unable to provide necessary services, covered under the contract, to a particular enrollee, the MCO must adequately and timely cover these services out of network for the enrollee, for as long as the MCO is unable to provide them.</p>	438.206(b)(4)	Article III, Section 5.2
<p>e. Require out-of-network providers to coordinate with the MCO with respect to payment and ensures that cost to the enrollee is no greater than it would be if the services were furnished within the network.</p>	438.206(b)(5)	Article III, Section 5.2

<b>Requirement</b>	<b>Regulatory Citation</b>	<b>MCO Contract Reference</b>
f. Demonstrate that its providers are credentialed.	438.206(b)(6)	Article III, Section 2.1
g. Meet and require its providers to meet State standards for timely access to care and services, taking into account the urgency of the need for services.	438.206(c)(1)(i)	Article III, Section 2.1
h. Ensure that the network providers offer hours of operation that are no less than the hours of operation offered to commercial enrollees or comparable to Medicaid fee-for-service, if the provider serves only Medicaid enrollees.	438.206(c)(1)(ii)	Article III, Section 2.1
i. Make services included in the contract available 24 hours a day, 7 days a week, when medically necessary.	438.206(c)(iii)	Article III, Section 2.1
j. Establish mechanisms to ensure compliance by providers.	438.206(c)(iv)	Article III, Section 2.1
k. Monitor providers regularly to determine compliance.	438.206(c)(v)	Article III, Section 2.1
l. Take corrective action if there is a failure to comply.	438.206(c)(vi)	Article III, Section 2.1
m. Participate in the Bureau's efforts to promote the delivery of services in a culturally competent manner to all enrollees, including those with limited English proficiency and diverse cultural and ethnic backgrounds.	438.206(c)(2)	Article III, Section 2.1

Assurances of Adequate Capacity and Services (§438.207)

The Bureau ensures through its contracts that each MCO gives assurances and provides supporting documentation that demonstrates that it has the capacity to serve the expected enrollment in its service area in accordance with the Bureau's standards for access to care. The Bureau ensures that each MCO meets the requirements shown in the table below.

After the Bureau reviews the documentation submitted by the MCO, the Bureau will certify to CMS that the MCO has complied with the Bureau's requirements for availability of services. The Bureau will make available to CMS, upon request, all documentation collected by the Bureau from the MCO.

Requirement	Regulatory Citation	MCO Contract Reference
a. Submit documentation to the Bureau, in a format specified by the Bureau to demonstrate that it complies with the following requirements: <ul style="list-style-type: none"> <li>• Offers an appropriate range of preventive, primary care, and specialty services that is adequate for the anticipated number of enrollees for the service area.</li> <li>• Maintains a network of providers that is sufficient in number, mix, and geographic distribution to meet the needs of the anticipated number of enrollees in the service area.</li> </ul>	438.207(b)	Article III, Section 2.1
b. Submit the documentation described in paragraph (b) of this section as specified by the Bureau, but no less frequently than the following: <ul style="list-style-type: none"> <li>• At the time it enters into a contract with the Bureau.</li> <li>• At any time there has been a significant change (as defined by the Bureau) in the MCO’s operations that would affect adequate capacity and services, including--               <ul style="list-style-type: none"> <li>○ Changes in MCO services, benefits, geographic service area or payments; or</li> <li>○ Enrollment of a new population in the MCO.</li> </ul> </li> </ul>	438.207(c)	Article III, Section 2.1

Coordination and Continuity of Care (§438.208)

The Bureau ensures through its contracts that each MCO complies with the requirements regarding coordination and continuity of care, including procedures to deliver primary care to and coordinate health care service for all MCO enrollees and assess Medicaid enrollees identified as having special health care needs. The Bureau ensures that each MCO meets the requirements shown in the table below.

The Bureau has mechanisms to identify persons with special health care needs, defined as individuals with complex or serious medical conditions. Identification is a multi-step process. Persons with special health care needs (adults and children) are identified by the enrollment broker during the health assessments conducted as part of the enrollment process. Enrollment counselors review all health assessment forms and record any information on medical conditions, physician preferences, or potential health problems in a comment field on the enrollment screen. Counselors conducting enrollment over the telephone also record any health assessment information in this field. This information, along with copies of the health assessment forms, is forwarded to MCOs with the enrollment rosters. The MCOs also identify children who have special needs regardless of their enrollment in the State’s Children with Special Health Care Needs Program, which is a separate State-run program that provides medical services and care coordination to individuals under the age of twenty-one who meet specified financial and medical eligibility criteria.

As stated in the MCO Contract Statement of Work, the MCOs must have procedures in place for identifying persons with special health needs. The MCO shall use appropriate health care professionals in assessing those conditions, identifying medical procedures to address and/or monitor these conditions, and developing treatment plans appropriate for those enrollees determined to need a course of treatment or regular care monitoring. The treatment plan must be developed by the enrollee's primary care provider with participation from the enrollee and in consultation with any specialists caring for the enrollee and shall meet applicable quality assurance and utilization standards. The MCOs approve the treatment plan as expeditiously as the enrollee's health condition requires. These treatment plans must be time-specific and updated periodically by the primary care provider. Furthermore, the MCOs must have mechanisms in place to follow-up with enrollees that do not adhere to their treatment plans.

Requirement	Regulatory Citation	MCO Contract Reference
a. Ensure that each enrollee has an ongoing source of primary care appropriate to his or her needs and a person or entity formally designated as primarily responsible for coordinating the health care services furnished to the enrollee.	438.208(b)(1)	Article III, Section 5.3
b. Coordinate the services the MCO furnishes to the enrollee with the services the enrollee receives from any other MCO.	438.208(b)(2)	Article III, Section 5.3
c. Share with other MCOs serving the enrollee with special health care needs the results of its identification and assessment of that enrollee's needs to prevent duplication of those activities.	438.208(b)(3)	Article III, Section 5.3 and Section 5.6
d. Ensure that in the process of coordinating care, each enrollee's privacy is protected in accordance with the privacy requirements in 45 CFR parts 160 and 164 subparts A and E, to the extent that they are applicable.	438.208(b)(4)	Article III, Section 5.6 and Section 5.10
e. Implement mechanisms to assess each Medicaid enrollee identified as having special health care needs in order to identify any ongoing special conditions of the enrollee that require a course of treatment or regular care monitoring. The assessment mechanisms must use appropriate health care professionals.	438.208(c)(2)	Article III, Section 5.6
f. For enrollees with special health care needs who are determined through assessment to need a course of treatment or regular care monitoring, the treatment plan produced by the MCO must be: <ul style="list-style-type: none"> <li>• Developed by the enrollee's primary care provider with enrollee participation, and in consultation with any specialists caring for the enrollee;</li> <li>• Approved by the MCO in a timely manner, if this approval is required by the MCO; and</li> <li>• In accord with any applicable State quality assurance and utilization review standards.</li> </ul>	438.208(c)(3)	Article III, Section 5.6

<b>Requirement</b>	<b>Regulatory Citation</b>	<b>MCO Contract Reference</b>
g. Have a mechanism in place to allow enrollees to directly access a specialist (for example, through a standing referral or an approved number of visits) as appropriate for the enrollee's condition and identified needs (for enrollees with special health care needs determined through an assessment by appropriate health care professionals to need a course of treatment or regular care monitoring).	438.208(c)(4)	Article III, Section 5.6

Coverage and Authorization of Services (§438.210)

The Bureau ensures through its contracts that each MCO complies with the requirements regarding coverage and authorization of services. Exhibit A of the MCO Contract identifies, defines, and specifies the amount, duration, and scope of each service that the MCO is required to offer.

The Bureau ensures that each MCO meets the requirements shown in the table below.

<b>Requirement</b>	<b>Regulatory Citation</b>	<b>MCO Contract Reference</b>
a. Ensure that the services are sufficient in amount, duration, or scope to reasonably be expected to achieve the purpose for which the services are furnished.	438.210(a)(3)(i)	Article III, Section 5.4
b. May not arbitrarily deny or reduce the amount, duration, or scope of a required service solely because of diagnosis, type of illness, or condition of the beneficiary.	438.210(a)(3)(ii)	Article III, Section 5.4
c. May place appropriate limits on a service: <ul style="list-style-type: none"> <li>• On the basis of criteria applied under the State plan, such as medical necessity; or</li> <li>• For the purpose of utilization control, provided the services furnished can reasonably be expected to achieve their purpose</li> </ul>	438.210(a)(3)(iii)	Article III, Section 5.4
d. Specify what constitutes "medically necessary services" in a manner that: <ul style="list-style-type: none"> <li>• Is no more restrictive than that used in the Bureau Medicaid program as indicated in State statutes and regulations, the Bureau Plan, and other State policy and procedures; and</li> <li>• Addresses the extent to which the MCO is responsible for covering services related to the following: <ul style="list-style-type: none"> <li>• The prevention, diagnosis, and treatment of health impairments.</li> <li>• The ability to achieve age-appropriate growth and development.</li> <li>• The ability to attain, maintain, or regain functional capacity.</li> </ul> </li> </ul>	438.210(a)(4)	Article III, Section 1.1 and Article II, Section 1

Requirement	Regulatory Citation	MCO Contract Reference
e. Have in place, and follow, written policies and procedures for the processing of requests for initial and continuing authorizations of services.	438.210(b)(1)	Article III, Section 5.4
f. Have in effect mechanisms to ensure consistent application of review criteria for authorization decisions; and consult with the requesting provider when appropriate.	438.210(b)(2)	Article III, Section 5.4
g. That any decision to deny a service authorization request or to authorize a service in an amount, duration, or scope that is less than requested, be made by a health care professional who has appropriate clinical expertise in treating the enrollee's condition or disease.	438.210(b)(3)	Article III, Section 5.4
h. Notify the requesting provider, and give the enrollee written notice of any decision by the MCO to deny a service authorization request, or to authorize a service in an amount, duration, or scope that is less than requested. The notice must meet the requirements of 438.404.	438.210(c)	Article III, Section 5.4 and Section 3.8
i. Provide notice for standard authorization decisions as expeditiously as the enrollee's health condition requires and within State-established timeframes of 14 calendar days following receipt of the request for service, with a possible extension of up to 14 additional calendar days, if: <ul style="list-style-type: none"> <li>• The enrollee, or the provider, requests extension; or</li> <li>• The MCO justifies (to the Bureau upon request) a need for additional information and how the extension is in the enrollee's interest.</li> </ul>	438.210(d)(1)	Article III, Section 5.4
j. For cases in which a provider indicates, or the MCO determines, that following the standard timeframe could seriously jeopardize the enrollee's life or health or ability to attain, maintain, or regain maximum function, the MCO must make an expedited authorization decision and provide notice as expeditiously as the enrollee's health condition requires and no later than 3 working days after receipt of the request for service. The MCO may extend the 3 working days time period by up to 14 calendar days if the enrollee requests an extension, or if the MCO justifies (to the Bureau upon request) a need for additional information and how the extension is in the enrollee's interest.	438.210(d)(2)	Article III, Section 5.4
k. Compensation to individuals or entities that conduct utilization management activities is not structured so as to provide incentives for the individual or entity to deny, limit, or discontinue medically necessary services to any enrollee.	438.210(e)	Article III, Section 5.4

## ***Structure and Operation Standards***

### Provider Selection (§438.214)

The Bureau ensures through its contracts that each MCO implements written policies and procedures for selection and retention of providers and that those policies and procedures include, at a minimum, the requirements of the regulation. The Bureau has established a uniform credentialing and recredentialing policy that each MCO must follow and ensures that each MCO meets the requirements shown in the table below. Detailed MCO credentialing requirements are contained in Article III of the MCO Contract, which is included as Exhibit G.

<b>Requirement</b>	<b>Regulatory Citation</b>	<b>MCO Contract Reference</b>
a. Follow a documented process for credentialing and recredentialing of providers who have signed contracts or participation agreements with the MCO.	438.214(b)(2)	Article III, Section 2.1
b. Must not discriminate against particular providers that serve high-risk populations or specialize in conditions that require costly treatment.	438.214(c)	Article III, Section 2.1
c. May not employ or contract with providers excluded from participation in Federal health care programs under either section 1128 or section 1128A of the Act.	438.214(d)	Article III, Section 2.1
d. Must comply with any additional requirements established by the Bureau.	438.214(e)	Article III, Section 2.1

### Enrollee Information (§438.218)

Enrollee information requirements are part of the Bureau's overall quality strategy. The MCO Contract Statement of Work, Article III, contains requirements for enrollee information as specified in 42 CFR 438.10. The full MCO Contract is included in Exhibit G.

### Confidentiality (§438.224)

The Bureau ensures through its contracts that each MCO uses and discloses such individually identifiable health information in accordance with the privacy requirements in 45 CFR parts 160 and 164, subparts A and E, to the extent that these requirements are applicable. The MCO Contract Statement of Work (Article III, Sections 3.6 and 5.10), contains requirements that are consistent with 42 CFR Part 431 Subpart F.

### Enrollment and Disenrollment (§438.226)

The Bureau ensures through its contracts that each MCO complies with the enrollment and disenrollment requirements and limitations. The MCO Contract Statement of Work (Article III, Section 3.2) contains requirements that are consistent with 42 CFR 438.56.

Grievance Systems (§438.228 and §438.416)

The Bureau ensures through its contracts that each MCO has in effect a grievance system that meets the requirements of 42 CFR Part 438 Subpart F. Detailed MCO grievance requirements are contained in the MCO Contract Scope of Work (Article III, Section 3.8). The State requires MCOs to maintain records of grievances and appeals and reviews this information through the MCO quarterly reporting process, as required in the MCO Contract and included within Exhibit G. The State reviews the grievances and appeals report each quarter and, in conjunction with the EQRO, conducts annual audits of the grievances and appeals reports and MCO processes to ensure compliance with regulations and timeframes.

The Bureau delegates to the MCO responsibility for notice of action under Subpart E of Part 431 of this chapter. The Bureau or its contractor reviews or audits each delegated MCO and its providers and subcontractors to ensure that they are notifying enrollees and providers in a timely manner.

Subcontractual Relationships and Delegation (§438.230)

The Bureau ensures through its contracts that each MCO complies with requirements regarding subcontractual relationships and delegation. Detailed MCO delegation requirements are contained in the MCO Contract Scope of Work (Article III, Section 9) and included in Exhibit G to this strategy.

<b>Requirement</b>	<b>Regulatory Citation</b>	<b>MCO Contract Reference</b>
a. Oversee and be accountable for any functions and responsibilities that it delegates to any subcontractor.	438.230(a)(1)	Article III, Section 9
b. Evaluate the prospective subcontractor's ability to perform the activities to be delegated before any delegation.	438.230(b)(1)	Article III, Section 9
c. Have a written agreement for each delegated activity that specifies the activities and report responsibilities delegated to the subcontractor; and provides for revoking delegation or imposing other sanctions if the subcontractor's performance is inadequate.	438.230(b)(2)	Article III, Section 9
d. Monitor the subcontractor's performance on an ongoing basis and subject it to formal review according to a periodic schedule established by the Bureau, consistent with industry standards or State MCO laws and regulations.	438.230(b)(3)	Article III, Section 9
e. Take corrective action if the MCO identifies deficiencies or areas for improvement.	438.230(b)(4)	Article III, Section 9



### ***Measurement and Improvement Standards***

#### Practice Guidelines (§438.236)

The Bureau ensures through its contracts that each MCO complies with requirements regarding practice guidelines. Detailed MCO practice guidelines requirements are contained in the MCO Contract Scope of Work (Article III, Section 5.8).

<b>Requirement</b>	<b>Regulatory Citation</b>	<b>MCO Contract Reference</b>
a. Adopt practice guidelines that meet the following requirements: <ul style="list-style-type: none"><li>• Are based on valid and reliable clinical evidence or a consensus of health care professionals in the particular field.</li><li>• Consider the needs of the MCO's enrollees.</li><li>• Are adopted in consultation with contracting health care professionals.</li><li>• Are reviewed and updated periodically as appropriate.</li></ul>	438.236(b)	Article III, Section 5.8
b. Disseminate the guidelines to all affected providers and, upon request, to enrollees and potential enrollees.	438.236(c)	Article III, Section 5.8
c. Ensure that decisions for utilization management, enrollee education, coverage of services, and other areas to which the guidelines apply are consistent with the guidelines.	438.236(d)	Article III, Section 5.8

#### Quality Assessment and Performance Improvement Program (§438.240)

The Bureau ensures through its contracts that each MCO has an ongoing quality assessment and performance improvement program for the services it furnishes to its enrollees. Detailed MCO quality assessment and performance improvement requirements are contained in the MCO Contract Scope of Work (Article III, Section 6), included in Exhibit G.

If CMS, in consultation with states and other stakeholders, specifies performance measures and topics for performance improvement projects to be required by states in their contracts with MCOs, the Bureau will incorporate these performance measures and topics into the QAPI program requirements.

The Bureau will review, at least annually, the impact and effectiveness of each MCO's quality assessment and performance improvement program. The review will include the MCO's performance on the standard measures on which it is required to report and the results of each MCO's performance improvement projects. The Bureau requires that an MCO have in effect a process for its own evaluation of the impact and effectiveness of its quality assessment and performance improvement program.

The Bureau ensures that each MCO meets the requirements shown in the table below.

Requirement	Regulatory Citation	MCO Contract Reference
a. Conduct performance improvement projects. These projects must be designed to achieve, through ongoing measurements and intervention, significant improvement, sustained over time, in clinical care and nonclinical care areas that are expected to have a favorable effect on health outcomes and enrollee satisfaction.	§438.240(b)(1)	Article III, Section 6.2
b. Submit performance measurement data.	§438.240(b)(2)	Article III, Section 6
c. Have in effect mechanisms to detect both underutilization and overutilization of services.	§438.240(b)(3)	Article III, Section 6
d. Have in effect mechanisms to assess the quality and appropriateness of care furnished to enrollees with special health care needs.	§438.240(b)(4)	Article III, Section 6
e. Measure and report annually to the Bureau its performance, using standard measures required by the Bureau	§438.240(c)(1)	Article III, Section 6.2
f. Have an ongoing program of performance improvement projects that focus on clinical and nonclinical areas, and that involve the following: <ul style="list-style-type: none"> <li>• Measurement of performance using objective quality indicators.</li> <li>• Implementation of system interventions to achieve improvement in quality.</li> <li>• Evaluation of the effectiveness of the interventions.</li> <li>• Planning and initiation of activities for increasing or sustaining improvement.</li> </ul>	§438.240(d)(1)	Article III, Section 6.2
g. Report the status and results of each project to the Bureau as requested. Each performance improvement project must be completed in a reasonable time period so as to generally allow information on the success of performance improvement projects in the aggregate to produce new information on quality of care every year.	§438.240(d)(2)	Article III, Section 6.2

Health Information Systems (§438.242)

The Bureau ensures, through its contracts, that each MCO maintains a health information system that collects, analyzes, integrates, and reports data and can achieve the objectives of this subpart. The system must provide information on areas including, but not limited to, utilization, grievances and appeals, and disenrollments for other than loss of Medicaid eligibility. The requirements for MCO health information systems are contained in the MCO Contract Scope of Work (Article III, Section 6.4).

The Bureau ensures that each MCO meets the requirements shown in the table below.

Requirement	Regulatory Citation	MCO Contract Reference
a. Collect data on enrollee and provider characteristics as specified by the Bureau, and on services furnished to enrollees through an encounter data system or other methods as may be specified by the Bureau.	§438.242(b)(1)	Article III, Section 6.4
b. Ensure that data received from providers is accurate and complete by: <ul style="list-style-type: none"> <li>• Verifying the accuracy and timeliness of reported data;</li> <li>• Screening the data for completeness, logic, and consistency; and</li> <li>• Collecting service information in standardized formats to the extent feasible and appropriate.</li> </ul>	§438.242(b)(2)	Article III, Section 6.4
c. Make all collected data available to the Bureau and upon request to CMS, as required.	§438.242(b)(3)	Article III, Section 6.4

## **Section V: Assessment**

The Bureau's second quality approach involves evaluating the quality of care that is currently being delivered to MHT enrollees. This allows BMS to determine the areas where MCOs are performing poorly so that they can efficiently invest resources to promote improvement in struggling areas. Additionally, assessment plays a role in monitoring MCO compliance with quality standards.

BMS uses several methods to assess the quality of care being delivered by MCOs, including the following:

- Evaluation of the quality and appropriateness of care: BMS has procedures in place to ensure that high quality, appropriate care is delivered to all MHT enrollees, including those with special health care needs, regardless of their race, ethnicity, and primary language spoken.
- Performance measurement: The Bureau requires MCOs to collect and report measures from the Healthcare Effectiveness Data and Information Set (HEDIS) and the Consumer Assessment of Healthcare Providers and Systems (CAHPS) surveys.
- External quality review: BMS contracts with an external quality review organization (EQRO) to conduct independent evaluations of MCO performance, in accordance with federal regulations.
- MCO reports: MCOs are required to submit several reports to BMS, which allows the Bureau to monitor MCO quality.

### ***Quality and Appropriateness of Care***

The Bureau has established procedures for assessing the quality and appropriateness of care and services furnished to all Medicaid enrollees under the MCO contracts as required by 42 CFR §438.204(b)(1). Many of these procedures are performed by the EQRO, whose activities are described later in this section and described in the Project Specifications section of the External Quality Review Organization Request-for-Proposal (Attachment A to this strategy). Other procedures are described elsewhere in this strategy, particularly in Section IV.

BMS has additional procedures in place to ensure that individuals with special health care needs, which the Bureau defines as enrollees who are funded by Title V, receive quality, appropriate care. These procedures are also described in the Section IV of this document.

In accordance with 42 CFR §438.204(b)(2), the Department of Health and Human Resources (DHHR) collects information on the race, ethnicity, and primary language spoken of each Medicaid enrollee at the time of initial determination of Medicaid eligibility and enters the data into the State's eligibility system, RAPIDS. This information is then sent to the MCOs through a HIPAA compliant transmission. The enrollment broker reviews the information to assess the demographics of the MHT population and recommends appropriate changes to the enrollee materials and cultural competence programs.

### ***Performance Measurement***

Performance measurement is key to monitoring and improving quality. It allows BMS to understand the quality of care currently being delivered to MHT enrollees and evaluate MCO performance overtime.

Therefore, the Bureau requires the MCOs to calculate and report a variety of performance measures as specified in the MCO contract (Article III, Section 5).

Most importantly, BMS requires the MCOs to report HEDIS and CAHPS measures, which indicate the quality of care delivered by and enrollee satisfaction with the MHT program. More specifically, the MCOs must collect and report measures in the following areas:

- Screening and preventive care (e.g. childhood immunizations)
- Chronic care (e.g. asthma and diabetes management)
- Access, availability and timeliness of care (e.g., access to primary care)
- Utilization (e.g., emergency department utilization)
- Enrollee satisfaction measures (e.g., satisfaction with physician and health plan)

Of the measures that MCOs are required to report, BMS has selected a small set and outlined associated improvement goals as described in Section II. The limited set of measures is a central part of the Quality Strategy because they will focus BMS and its vendors' quality improvement activities. The measures and goals are outlined in table 3 below.

**Table 3: Quality Strategy Selected Measures and Goals**

Measure	Goal	2013 MHT (CY 2012) Rate	Goal Rate <sup>2</sup>
Adult BMI Assessment	Achieve rates equal to or above the CY 2012 HEDIS National Medicaid Average by CY 2014	64.5%	67.6%
Childhood Immunizations – Combination 3	Achieve rates equal to or above the CY 2012 HEDIS National Medicaid Average by CY 2014	63.3%	72.1%
Children and Adolescents' Access to PCP (12-24 months, 25 months-6 years, 7-11 years, and 12-19 years)	Achieve and/or maintain rates equal to or above the CY 2012 HEDIS 75th percentile by CY 2015	97.6%	97.8%
		91.1%	91.2%
		93.5%	93.3%
		92.0%	91.8%
Comprehensive Diabetes Testing – HbA1c Control	Achieve rates equal to or above the CY 2012 HEDIS National Medicaid Average by CY 2014	38.6%	46.5%
Annual Percentage of Asthma Patients with One or More Asthma-related Emergency Room Visits (ages 2-20)	Improve rates by 5% compared to CY 2013 performance by CY 2016	-	-
Low Birthweight Rate	Achieve rates equal to or above the CY 2012 national Medicaid average	-	8.2%
Medical Assistance with Smoking and Tobacco Use Cessation – Discussing Cessation Medications	Achieve rates equal to or above the CY 2012 HEDIS National Medicaid Average by CY 2014	38.9%	45.8%
Medical Assistance with Smoking and Tobacco Use Cessation – Discussing Cessation Strategies	Achieve rates equal to or above the CY 2012 HEDIS National Medicaid Average by CY 2014	38.1%	41.1%

<sup>2</sup> The goal rates are based on the national HEDIS 2012 (CY 2011) Medicaid results.

**Table 3: Quality Strategy Selected Measures and Goals**

Measure	Goal	2013 MHT (CY 2012) Rate	Goal Rate <sup>2</sup>
Medication Management for People with Asthma (Compliance 75%) – ages 5-11	Achieve rates equal to or above the CY 2012 HEDIS National Medicaid Average by CY 2014	38.0%	25.4%
Medication Management for People with Asthma (Compliance 75%) – ages 12-18	Achieve rates equal to or above the CY 2012 HEDIS National Medicaid Average by CY 2014	35.1%	25.1%
Percentage of Eligibles That Received Preventive Dental Services (ages 1-20)	Achieve rates equal to or above the CY 2012 HEDIS National Medicaid Average by CY 2014	-	-
Prenatal and Postpartum Care – Postpartum Care	Achieve rates equal to or above the CY 2012 HEDIS 75th percentile by CY 2015	63.9%	70.1%
Weight Assessment and Counseling for Nutrition and Physical Activity for Children/Adolescents – BMI Percentile	Achieve rates equal to or above the CY 2012 HEDIS National Medicaid Average by CY 2014	37.3%	51.9%
Weight Assessment and Counseling for Nutrition and Physical Activity for Children/Adolescents – Counseling for Nutrition	Achieve rates equal to or above the CY 2012 HEDIS National Medicaid Average by CY 2014	46.4%	55.1%
Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life	Achieve rates equal to or above the CY 2012 HEDIS National Medicaid Average by CY 2014	67.5%	71.9%

National Performance Measures

BMS understands the importance of aligning its performance measure requirements with those of other national, state, and local entities. As a result, the Bureau has required the MCOs to report relevant measures included in the Initial Core Set of Health Care Quality Measures for Children in Medicaid and CHIP and the Initial Core Set of Health Care Quality Measures for Medicaid-Eligible Adults (i.e., measures related to services delivered by the MHT program). Table 4 outlines the Core Measures that BMS currently uses.

BMS will also incorporate any national performance measures and levels that may be identified and developed by CMS in consultation with states and other relevant stakeholders into the Quality Strategy and into the MCO Contract during the next MCO Contract revision. Bureau requirements for MCO performance measures and levels are contained in the MCO Statement of Work (MCO Contract Article III, Section 6) and included in Exhibit G to this strategy.

**Table 4: Medicaid Core Measures Used by BMS**

<b>Initial Set of Health Care Quality Measures for Children in Medicaid and CHIP</b>	
Prenatal and Postpartum Care: Timeliness of Prenatal Care	X
Frequency of Ongoing Prenatal Care	X
Percentage of Live Births Weighing less than 2,500 Grams	X
Cesarean Rate for Nulliparous Singleton Vertex	X
Childhood Immunization Status	X
Immunizations for Adolescents	X
Weight Assessment and Counseling for Nutrition and Physical Activity for Children/Adolescents: Body Mass Index Assessment for Children/Adolescents	X
Developmental Screening in the First Three Years of Life	X
Chlamydia Screening in Women	X
Well-Child Visits in the First 15 Months of Life	X
Well-Child Visits in the 3rd,4th, 5th, and 6th Years of Life	X
Adolescent Well-Care Visit	X
Total Eligibles Who Received Preventive Dental Services (ages 1-20)	X
Child and Adolescent Access to Primary Care Practitioners	X
Total Eligibles Who Received Dental Treatment Services (ages 1-20)	X
Ambulatory Care: Emergency Department Visits	X
Pediatric Central-line Associated Bloodstream Infections-Neonatal Intensive Care Unit and Pediatric Intensive Care Unit	X
Follow-Up Care for Children Prescribed Attention Deficit Hyperactivity Disorder (ADHD) Medication	X
Follow-up After Hospitalization for Mental Illness	
CAHPS Health Plan Survey v 4.0- (child version including Medicaid and children with chronic conditions supplemental items)	X
<b>Initial Core Set of Health Care Quality Measures for Medicaid Eligible Adults</b>	
Flu Shots for Adults Ages 50-64 (Collected as part of HEDIS CAHPS Supplemental Survey)	X
Adult BMI Assessment	X
Breast Cancer Screening	X
Cervical Cancer Screening	X
Medical Assistance with Smoking and Tobacco Use Cessation (Collected as part of HEDIS CAHPS Supplemental Survey)	X
Screening for Clinical Depression and Follow-Up Plan	
Plan All-Cause Readmission	X
PQI 01:Diabetes.Short-term Complications Admission Rate	X
POI 05:Chronic Obstructive Pulmonary Disease (COPD) Admission Rate	X
PQI 08:Congestive Heart Failure Admission Rate	X
PQI15:Adult Asthma Admission Rate	X
Chlamydia Screening in Women Ages 21-24	X
Follow-Up After Hospitalization for Mental Illness	
PC-01:Elective Delivery	X
PC-03:AntenatalSteroids	X
Controlling High Blood Pressure	X
Comprehensive Diabetes Care: LDL-C Screening	X
HIV Viral Load Suppression	X
Comprehensive Diabetes Care: Hemoglobin A1c Testing	X
Antidepressant Medication Management	
Adherence to Antipsychotics for Individuals with Schizophrenia	
Annual Monitoring for Patients on Persistent Medications	X
CAHPS Health Plan Survey v 4.0-Adult Questionnaire with CAHPS Health Plan Survey v 4.H- _NCQA Supplemental	X
Care Transition-Transition Record Transmitted to Health Care Professional	X
Initiation and Engagement of Alcohol and Other Drug Dependence Treatment	X
Prenatal and Postpartum Care: Postpartum Care Rate	X

**External Quality Review (EQR)**

BMS contracts with an External Quality Review Organization (EQRO) to conduct annual, external, independent reviews of the timeliness of, access to, and quality outcomes related to the services covered under each MCO Contract.<sup>3</sup> The EQRO performs three mandatory external quality review (EQR) activities, as specified by the Balanced Budget Act and described in table x.

The EQR activities provide the Bureau with important information about MCO performance, including whether the MCOs are meeting the access, structure and operations, and measurement and improvement standards required by the MCO contracts and outlined in Section IV of this document. They also ensure MCO quality measurement and improvement activities are being conducted in accordance with industry standards and that each MCO provides care that is comparable to the care provided by other MCOs participating in the MHT program and commercial health plans.

**Table 5: External Quality Review Activities**

An operational system review of each MCO	<p>This activity assesses MCO compliance with Federal and State Medicaid managed care regulations regarding:</p> <ul style="list-style-type: none"> <li>• Enrollee rights</li> <li>• Quality assessment and performance improvement activities</li> <li>• Enrollee and provider grievance systems</li> <li>• Fraud and abuse detection</li> </ul> <p>A successful audit demonstrates that the MCOs have policies, procedures, and documentation in place that meet the requirements and ensure quality, accessible, and timely care for enrollees.</p>
Validation of performance measures produced by each MCO	Performance measure validation ensures that MCOs are producing accurate, reliable data. This ensures that BMS can use the data to compare, benchmark, and monitor MCOs.
Validation of the performance improvement projects conducted by the MCOs	MCOs are required to have at least two performance improvement projects (PIPs), which are meant to achieve significant, sustained improvement in clinical or nonclinical care areas, at all times. PIP validation ensures that the MCOs follow PIP best practices, including selecting measures, conducting barrier analysis, and developing and implementing appropriate interventions for the target population. The MCO submits quarterly reports to BMS and the EQRO on each PIP's progress and the EQRO validates all PIPs on an annual basis.

EQR Review Process

<sup>3</sup> BMS currently contracts with the Delmarva Foundation to perform EQRO functions. The Delmarva Foundation contract is for the period between 2012 and 2016. The Project Specifications for the EQRO are included as Attachment A to this strategy.



The operational systems compliance review is conducted by a team of EQRO analysts and clinicians who conduct an on-site evaluation and review MCO documentation on the MCO's processes for quality assurance, enrollee information, utilization management, credentialing, enrollee rights, health education, and fraud and abuse. The validation activities for the performance improvement projects and the performance measures are conducted according to the CMS-approved protocols and the NCQA HEDIS® audit methodology.

Upon completion of the external review, the EQRO develops and submits a detailed report of findings and recommendations for quality improvement to BMS and the MCOs. Quality improvement plans are developed by the MCO for each component of the external review that does not meet the minimum required standards set forth in the MCO Contract or that resulted in any quality concerns. The quality improvement plans must address timelines and corrective action steps for remediation of the quality concern. BMS monitors corrective action plans on a quarterly basis to ensure that the MCO is addressing all areas identified as needing improvement.

The EQRO creates a systems performance review, performance measure validation, and performance improvement project report for each MCO on an annual basis. They also compile an Annual Technical Report, which includes comprehensive information on quality, access, and timeliness of care in the MHT program. It also highlights the program's strengths and challenges and identifies opportunities to improve MCO performance. These reports provide BMS with the results of all EQR activities for use in planning. For instance, BMS uses the reports to select measures for the Quality Strategy and the Performance Incentive Program and to monitor the progress of the MHT program at both the MCO and program level.

#### Duplication of Standards

As allowed by the CMS "non-duplication" regulation (42 CFR §438.360), the EQRO contractor will review the Medicare and Medicaid standards for instances where structural and operational standards overlap between the Medicare review and the EQR Medicaid review (such as credentialing and recredentialing procedures, using practice guidelines, reporting processes to the MCO Board of Directors, approval of the Quality Improvement Committee). In these cases, the EQRO will base its reporting on the Medicare findings to avoid duplication. For example, because the credentialing and recredentialing procedures used for Medicare and Medicaid are the same and the process used by Medicare for review of provider credentialing is substantially the same as that used by the EQRO for Medicaid, the EQRO would use the Medicare review for the requirements that are the same. The MCO will continue to be subject to EQRO review of those activities that are unique to the Medicaid program, such as review of grievance and appeals processes, timelines, notifications regarding state fair hearing processes, and EPSDT outreach and notices. The State and the EQRO will monitor, on an ongoing basis, the Medicare standards and processes for review to determine where it is appropriate to use the Medicare review to avoid duplication.

The CMS "non-duplication" regulation also gives states the authority to use information obtained from a private accreditation review to demonstrate compliance with the operational review standards. States

can deem private accreditation organization standards as equivalent to state standards, and MCOs who have been accredited can be exempt from demonstrating compliance with deemed standards during the EQRO's operational systems review. This mechanism was designed to prevent duplication of mandatory compliance review for certain standards that are also required by national accrediting organizations, such as the National Committee for Quality Assurance (NCQA).

Since January 2014, all MCOs that participate in the MHT program have been required to achieve NCQA accreditation. This provides an opportunity to reduce the burden associated with compliance reviews on MCOs. In cases where the state or federal standard is less stringent than the NCQA requirement, BMS can use NCQA's assessment in place of the EQR compliance review. Therefore, the Bureau requested that the EQRO compare federal and state standards with those required by NCQA and provide BMS with recommendations on which standards can be deemed using NCQA accreditation.<sup>4</sup> In addition to comparing the NCQA and federal/state standards, BMS asked the EQRO to consider MHT program priorities, past MCO performance, and the MCOs' NCQA accreditation rating level when recommending which standards to deem. Based on these criteria, the EQRO recommended not deeming any of the compliance standards for the first year. However, BMS and the EQRO will revisit deeming in 2015.

### ***MCO Reports***

MCOs are required to submit annual, monthly, quarterly, and periodic reports to BMS as described in the MCO Statement of Work, which is included within Exhibit G. These reports provide information that allows the Bureau to monitor the MCOs.

#### Monthly Reports

MCOs are required to submit monthly reports that summarize information from the previous month and must be submitted to BMS by the 15th of the following month to which they apply. This allows BMS to monitor quality and fraud and abuse activities to identify issues quickly. Currently, MCOs are required to submit reports on the following:

- Health care professionals, institutions, or suppliers denied credentialing, suspended, or terminated due to concerns about provider fraud, integrity, or quality deficiencies
- Suspected fraud and abuse cases
- Third party liability information

#### Quarterly Reports

MCOs are required to submit certified quarterly reports that summarize information from the previous quarter and must be submitted to BMS no later than 45 calendar days after the close of the quarter to which they apply. This allows BMS to identify and respond to any potential problems (such as a high number of grievances or a drop in the size of the network) in a timely fashion. Currently, MCOs are required to submit summary reports on the following:

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<sup>4</sup> NCQA publishes the NCQA Medicaid Managed Care Toolkit: Standards Crosswalk on an annual basis. The document compares NCQA accreditation standards with federal regulations.

- Medicaid enrollment and membership
- Children with special health care needs
- Provider access and availability (PCP and specialist)
- Grievances and appeals
- Utilization of health care services
- Member and provider services functions
- Financial performance
- EPSDT services

#### Periodic Reports

MCOs must provide BMS with uniform data on a regular basis, as described in the MCO Statement of Work (MCO Contract Article III, Section 5.11). These include the following reports:

- Enrollment composition
- Member satisfaction
- HEDIS performance
- Financial performance
- Required reportable diseases

#### Annual Reports

MCOs must also annually measure and report its performance to the Bureau , using standard measures required by the Bureau, and report the status and results of each performance improvement project to the Bureau as requested. Specific requirements are included in the MCO Contract, included in Exhibit G to this strategy.

## **Section VI: Improvement and Interventions**

BMS' third quality approach is implementing interventions to improve the quality of care in targeted areas. Interventions include the following:

- Improvement programs and activities that improve the quality of care in focus areas identified by the Quality Strategy priorities and selected measures
- Sanctions that address areas in which MCO performance is deficient

In general, BMS gives the MCOs the freedom to choose, design, and implement interventions so that they best suit the needs of their enrollees. However, in some instances the Bureau provides more specific guidance to the MCOs. This may change as BMS continues to refine its quality approach.

### ***Quality Improvement Programs***

Based on the results of the assessment activities, BMS and the MCOs have implemented a range of quality improvement programs. Each program is linked with at least one of the Quality Strategy priorities described in Section II so that they will drive improvement in priority areas and improve MCO performance on the selected measures.

The improvement programs are specifically designed to target the MHT population and are formally and informally evaluated on a continual basis to ensure that they are improving quality. BMS will alter their quality improvement programs in response to changes in the MHT program and new information about care quality.

### **Performance Withhold Program**

BMS is replacing their performance incentive program with a performance withhold program to better drive quality improvement in the MHT program. Under the withhold program, MCOs must earn back 5% of their capitation payment by meeting benchmarks on 10 selected quality measures. Because MCOs are required to earn part of their capitation based on performance, they will be more incentivized to invest necessary resources in appropriate quality improvement programs.

The Bureau selected measures for the performance withhold program to address key MHT populations and prevalent and/or high-cost health conditions. Additionally, they chose measures that were well-tested, could reasonably be expected to drive improvement, and widely used so that they could be benchmarked against national averages. Several of the indicators are also included in the Quality Strategy's set of selected measures. The 10 selected measures are listed below:

- Well Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life
- Asthma
  - Medication management for people with asthma (age 5-11)
  - Medication management for people with asthma (age 12-18)
  - Annual percentage of asthma patients 2 – 20 years old with one or more asthma-related ER visits

- Obesity
  - Adult BMI assessment
  - Weight assessment and counseling for nutrition and physical activity for children/adolescents – BMI percentile
  - Weight assessment and counseling for nutrition and physical activity for children/adolescents – Counseling for nutrition
- Healthy Birth Outcomes/Smoking during pregnancy
  - Medical assistance with smoking and tobacco use cessation – Advising smokers to quit
  - Medical assistance with smoking and tobacco use cessation – Discussing cessation strategies
  - Postpartum care

MCOs will receive a portion of the withheld capitation if they meet or exceed the national Medicaid averages on the above measures. Each measure is worth up to 0.5 percent of the capitation based on the MCO’s performance. The complete structure for earning back the withheld capitation is described in the chart below.

<b>MCO Performance Compared to National Medicaid Average</b>	<b>Percent of Withheld Capitation Earned Back</b>
Under National Medicaid Average	0.00%
Equal to National Medicaid Average	0.25%
Greater than or equal to 1% above the National Medicaid Average	0.30%
Greater than or equal to 2% above the National Medicaid Average	0.35%
Greater than or equal to 3% above the National Medicaid Average	0.40%
Greater than or equal to 4% above the National Medicaid Average	0.45%
Greater than or equal to 5% above the National Medicaid Average	0.50%

Performance Improvement Projects

Performance improvement projects (PIPs) are designed to achieve significant, sustained improvement in clinical or nonclinical care areas that are important to MHT enrollees. They are crucial pieces of MCO quality programs and allow specific areas of concern to be targeted for improvement.

In SFY 2014, BMS increased the number of PIPs that MCOs are required to have in place from two to three. As part of this requirement, the state also required the MCOs to participate in two PIP collaboratives – one focused on improving diabetes care and one focused on reducing inappropriate usage of the emergency department. For these collaboratives, the MCOs will work together to implement coordinated interventions and use the same performance measures to track progress. As a

result, they present the opportunity to create systemwide changes and even greater improvements in the quality of care delivered to enrollees.

Each MCO also runs their own PIP project, which allows them to focus on the needs of their specific enrolled population. These PIPs focus on increasing compliance with adolescent well-care visits, improving childhood obesity care, and increasing compliance with childhood immunizations.

#### Disease Management Programs

All MHT MCOs have developed disease management programs to help enrollees with diabetes, asthma, and other chronic conditions live healthier lives. The programs are specifically designed to address disease management issues commonly encountered by the Medicaid population. They incorporate self-management education, member outreach, case management, and clinical support services. The programs engage patients in their care and promote effective care coordination.

#### Coordination with Health Homes

West Virginia will be implementing a health home model for individuals who are suffering from bipolar disorder and are at risk for Hepatitis B and/or C. The health home will deliver services that augment clinical care, including comprehensive care management and coordination and identification of appropriate community resources. **The state may also implement additional health home models in the future.**

#### NCQA Accreditation

Beginning in 2014, all MCOs were required to be accredited by the National Committee for Quality Assurance (NCQA). NCQA has a rigorous accreditation process and its standards support continuous quality improvement. This accreditation requirement will enhance BMS oversight of MCO administration by adding an additional layer of review. It will also reduce some of the burden associated with EQR compliance reviews.

#### ***Intermediate Sanctions***

The State contract establishes intermediate sanctions under certain circumstances as required by 42 CFR 438.700. The State contract awards the MCO due process protections including a notice of sanction (42 CFR 438.710). The State contract informs the MCOs that the State must notify CMS of any sanctions imposed (42 CFR 438.724). In addition, the State retains authority to impose additional sanctions at its discretion under State statutes or State regulations (42 CFR 438.702(b)). The State exercises this authority by monitoring the following key dimensions to determine areas of the potential non-performance:

- Member enrollment and disenrollment
- Provision of coverage and benefits
- Operational requirements
- Quality assurance, data, and reporting

- Payment provisions
- Subcontractor oversight
- Other business terms

The following remedies are currently incorporated into the SFY14 MCO contract:

- Corrective action plans
- Financial penalties
- Suspension of new enrollment or disenrollment
- Withholding from capitation payments
- Receivership by state Medicaid agency
- Termination or non-renewal of contract

## Section VII: Health Information Technology

A strong health information technology system drives quality improvement by supporting quality monitoring, assessment, and improvement activities. BMS has an information system that aids initial and ongoing operation and review of the Quality Strategy. The information system includes the Medicaid eligibility and claims/expenditures systems, the Medicaid managed care enrollment system, and the encounter data system. Each system component is described in more detail below:

- Medicaid eligibility and claims/expenditure systems. The Medicaid eligibility system provides data that is used to determine which Medicaid beneficiaries are eligible for enrollment in the Mountain Health Trust program. The eligibility and claims systems are used to ensure that fees for carved-out services for Mountain Health Trust enrollees are paid appropriately. These systems provide information that is used in the Mountain Health Trust rate-setting process. Data from the eligibility and claims systems are also used to provide comparison information on the Medicaid fee-for-service system and the Physician Assured Access System (PAAS), which is used by the State to evaluate the performance of the Mountain Health Trust program as part of ongoing quality monitoring efforts.
- Medicaid managed care enrollment system. The managed care enrollment system is maintained by the contracted enrollment broker and linked to the State's Medicaid Management Information System (MMIS). The enrollment information system includes information on past and current MHT-enrolled beneficiaries, including current and past MCO assignments, whether individual enrollment in the current MCO was voluntary or assigned, and current primary care provider assignments. The enrollment system tracks reasons for disenrollments and plan switches. This system also includes information on provider networks, so that the enrollment broker can assist beneficiaries in selecting a primary care provider. As noted above, the State collects and shares with the MCOs information on the race, ethnicity, and primary language spoken for each Medicaid enrollee.
- Encounter data system. The encounter data system exchanges information between the eligibility and claims systems. MCOs participating in the Mountain Health Trust program are required to submit encounter data for all defined benefit package services rendered monthly, no later than 90 calendar days after the end of the quarter in which the encounters occurred. All encounters are submitted in electronic or magnetic format, consistent with the formats and coding conventions of the CMS 1500 and UB04. The Bureau reviews all encounter data for timeliness and usability and performs longitudinal analysis to make sure that the data are complete and accurate. The analysis uses Healthcare Effectiveness Data and Information Set (HEDIS®) measure definitions corresponding to the year of data, where possible, to ensure consistency and comparability to other encounter data studies.

Specifically, each of the components in the information system provides the State with an "early warning system" to monitor general quality throughout the Medicaid managed care program. Medicaid eligibility is determined and maintained by the State DHHR. The eligibility system identifies the race, ethnicity, and primary language of each enrollee, which the State provides to the MCO. The managed care enrollment fields are updated and maintained by the enrollment broker. The enrollment broker



tracks reasons for provider changes and plan disenrollments, which can be signals of enrollee dissatisfaction.

In addition to the systems described above, the West Virginia Health Information Network, a public-private partnership established in 2006, is working to build a secure health information exchange for the State. This system will allow physicians, hospitals, laboratories, and other providers and stakeholders to share health information. It will improve care quality for MHT enrollees by promoting care coordination.

## **Section VIII: Delivery System Reforms**

The MHT program has consistently delivered high quality services to its enrollees. As a result, BMS decided to expand the MHT program to include pharmacy services and children's dental.<sup>5</sup> Participating MCOs began delivering the pharmacy benefit on April 1, 2013 and the children's dental benefit on January 1, 2014. These changes ensure that enrollees' pharmacy and children's dental services are coordinated with the other health benefits that they receive through their MCOs.

In addition to the quality monitoring and improvement activities that are performed for all benefits, BMS and the MCOs have taken additional steps to ensure that quality of these new services.

### ***Pharmacy***

BMS decided to include the pharmacy benefit into the MHT program to improve the quality and coordination of care received by enrollees. Allowing the MCOs to administer the pharmacy benefit provides several opportunities for care improvement. For instance, the MCOs will be able to develop more complete care plans for enrollees since they will have access to all of the prescriptions the enrollee is taking.

During the initial benefit transition period, the Bureau increased monitoring of the pharmacy benefit to ensure that enrollees continually received high-quality pharmacy services. BMS required the MCOs to submit interim reporting so that they could closely monitor benefit delivery and ensure that there were no gaps in care for enrollees.

As with all services delivered by the MCOs, the Bureau monitors the quality of the pharmacy services to ensure that they are equal to or exceed the quality of services delivered by the Medicaid Fee-for-Service (FFS) program. BMS will use the following HEDIS measures to assess the quality of the pharmacy services:

- Appropriate Testing for Children With Pharyngitis (CWP)
- Appropriate Treatment for Children With Upper Respiratory Infection (URI)
- Avoidance of Antibiotic Treatment in Adults With Acute Bronchitis (AAB)
- Pharmacotherapy Management of COPD Exacerbation (PCE)
- Use of Appropriate Medications for People with Asthma (ASM)
- Medication Management for People With Asthma (MMA)
- Persistence of Beta-Blocker Treatment After a Heart Attack (PBH)
- Disease-Modifying Anti-Rheumatic Drug Therapy for Rheumatoid Arthritis (ART)
- Antidepressant Medication Management (AMM)
- Follow-Up Care for Children Prescribed ADHD Medication (ADD)
- Annual Monitoring for Patients on Persistent Medications (MPM)
- Antibiotic Utilization (ABX)
- Relative Resource Use for People With Asthma (RAS)

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<sup>5</sup> The pharmacy expansion became effective on April 1, 2013.

BMS compares MCO performance on the above pharmacy measures with relevant benchmarks, including the national Medicaid average and similar indicators used by the State's Medicaid FFS program. If the measure results indicate deficient MCO performance, BMS will implement appropriate quality improvement activities to remedy any identified problems.

The MCOs use prospective drug review to reduce the likelihood that enrollees will experience adverse drug reactions. Prospective drug review identifies potential problems with enrollees' prescriptions, including drug interactions, incorrect dosages, and allergies.

### ***Children's Dental***

BMS decided to include children's dental services in the MHT program to improve the quality and coordination of care received by enrollees.

During the transition period, BMS required the MCOs to submit interim reporting to closely monitor benefit delivery and ensure that there were no gaps in care for enrollees. Such reporting included metrics on claims processing, member and provider services call center volume, and member and provider grievances and complaints.

BMS will use the following performance measures to monitor the quality of the children's dental services.

- Annual Dental Visit
- Percentage of Eligibles That Received Preventive Dental Services (ages 1-20)
- Percentage of Eligibles That Received Dental Treatment Services (ages 1-20)

As with the pharmacy metrics, BMS compares MCO performance on the above dental measures with relevant benchmarks and will implement appropriate quality improvement activities to remedy any deficient areas.

The MCOs will ensure that children receive appropriate dental screenings by performing outreach to children and their families, primary care physicians, and dental providers. Each MCO has specific policies and procedures to promote adherence to preventive dental screenings, but common activities include provider education, phone calls, and mail reminders.

### ***Behavioral Health Services***

The MCOs will begin delivering the behavioral health benefit on July 1, 2015. Inclusion of the benefit will allow for increased coordination of behavioral health and medical services, which will improve overall quality of care for enrollees.

During the transition period, BMS will increase monitoring, particularly of the provider network, to ensure enrollee access to quality behavioral health services. The state will require biweekly behavioral health network reporting, as well as reports on service utilization, grievances and appeals, and member services.

After implementation, BMS will use the following HEDIS measures to monitor the quality of the behavioral health services being delivered to members:

- Adherence to Antipsychotic Medications for Individuals with Schizophrenia
- Antidepressant Medication Management
- Cardiovascular Monitoring for People with Cardiovascular Disease and Schizophrenia
- Diabetes Monitoring for People with Diabetes and Schizophrenia
- Diabetes Screening for People with Schizophrenia or Bipolar Disorder Who Are Using Antipsychotic Medications
- Follow-Up After Hospitalization for Mental Illness
- Follow-Up Care for Children Prescribed ADHD Medication
- Identification of Alcohol and Other Drug Services
- Initiation and Engagement of Alcohol and Other Drug Dependence Treatment
- Mental Health Utilization

BMS will evaluate performance on the measures listed above to determine whether any should be included as a priority measure in the strategy in the future.

## **Section IX: Conclusion**

The MHT program has consistently used the medical home model to provide enrollees with access to quality health care services. MCOs perform near or above the national Medicaid average on HEDIS measures that look at access to primary and preventive care, and adults and children enrolled in the program report high levels of satisfaction with the care they receive. However, the MHT program continues to face many challenges, including the relatively low health status of West Virginians in general and disparities in care quality and access between rural and urban settings.

As a result, BMS has developed a quality approach that ensures that the MHT program will continue to deliver quality, accessible care to enrollees while simultaneously driving improvement in key areas. The Quality Strategy outlines how the Bureau will monitor MCO compliance with Federal and State standards, assess the quality of the MHT program, and implement interventions to improve the care being delivered to enrollees. Specifically, it will promote the following key quality priorities:

1. Make care safer by promoting the delivery of evidence-based care
2. Engage individuals and families as partners in their care by strengthening the relationship between patients and their primary care provider
3. Promote effective communication and coordination of care
4. Promote effective prevention and treatment of diseases that burden MHT enrollees
5. Enhance oversight of MCO administration

The Bureau will continue to refine the Quality Strategy based on the results of its monitoring, assessment, and improvement activities to ensure it effectively drives improvement in the areas most integral to the MHT program. Additionally, as its quality infrastructure becomes more sophisticated, BMS aims to transition from a focus on process measures to outcome measures. The Bureau will also remain adaptable to the continually changing health care quality landscape so that its approach remains aligned with other national, statewide, and local initiatives.

**Attachment A:**

**2012 External Quality Review Organization Request for Proposal**

# REQUEST FOR PROPOSAL

(Bureau for Medical Services and RFP#)

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Section 1:	General Information
Section 2:	Project Specifications
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## SECTION 1: GENERAL INFORMATION

**1.1 Purpose:** The Bureau for Medical Services, hereinafter referred to as the “Bureau” or “BMS,” is soliciting proposals pursuant to **West Virginia Code §9-2-9b** and the Medicaid Services Contracts Purchasing Methodology and Manual to obtain the services of an External Quality Review Organization (EQRO) for the West Virginia Mountain Health Trust Medicaid managed care program in accordance with the attached specifications.

**1.2** By signing and submitting its proposal, the successful Vendor agrees to be bound by all the terms contained in this Request For Proposal (RFP).

A RFP is generally used for the procurement of services in situations where price is not the sole determining factor and the award will be based on a combination of cost and technical factors (Best Value). Through its proposal, the bidder offers a solution to the objectives, problem, or need specified in the RFP, and defines how it intends to meet (or exceed) the RFP requirements.

**1.2.1 Compliance with Laws and Regulations:** The Vendor shall procure all necessary permits and licenses to comply with all applicable Federal, State, or municipal laws, along with all regulations, and ordinances of any regulating body.

The Vendor shall pay any applicable sales, use or personal property taxes arising out of this contract and the transactions contemplated thereby. Any other taxes levied upon this contract shall be borne by the Vendor. It is clearly understood that the Bureau and State of West Virginia are exempt from any taxes regarding performance of the scope of work of this contract.

**1.3 Schedule of Events:**

Vendor’s Written Questions Submission Deadline. ....xx/xx/xx  
Mandatory Pre-bid Conference .....xx/xx/xx

Addendum Issued .....xx/xx/xx  
Bid Opening Date .....xx/xx/xx  
Oral Presentation (*Bureau Option*) .....xx/xx/xx

**1.4 Mandatory Pre-Bid Conference:** A mandatory pre-bid will be conducted on the date listed below:

**Date:**  
**Time:**  
**Location:**  
**Telephone Number:**

All interested Vendors are required to be represented at this meeting. **Failure to attend the mandatory pre-bid shall result in the disqualification of the bid.** No one person may represent more than one Vendor.

All potential Vendors are requested to arrive prior to the starting time for the pre-bid conference. Vendors who arrive late, but prior to the dismissal of the technical portions of the pre-bid conference will be permitted to sign in. Vendors who arrive after conclusion of the technical portion of the pre-bid, but during any subsequent part of the pre-bid will not be permitted to sign the attendance sheet.

An attendance sheet will be made available for all potential Vendors to complete. This will serve as the official document verifying attendance at the mandatory pre-bid. Failure to provide your company and representative name on the attendance sheet will result in the disqualification of your bid. The Bureau will not accept any other documentation to verify attendance. The Vendor is responsible for ensuring they have completed the information required on the attendance sheet. The Bureau will not assume any responsibility for a Vendor's failure to complete the pre-bid attendance sheet. In addition, all potential Vendors are asked to include their email address and fax number.

**1.5 Inquiries:** Inquiries regarding specifications of this RFP must be submitted in writing to the Office of Purchasing with the exception of questions regarding the proposal submission which may be oral. The deadline for written inquiries is identified in the Schedule of Events, Section 1.3. All inquiries of specification clarification must be addressed to:

WV Department of Health and Human Resources  
Office of Purchasing  
ATTN: Donna D. Smith  
One Davis Square, Suite 100  
Charleston, West Virginia 25301  
donna.d.smith@wv.gov  
Telephone (304) 957-0218 Fax (304) 558-2892

**No contact between the Vendor and the Bureau is permitted without the express written consent of the Office of Purchasing.** Violation may result in rejection of the bid. The Buyer named above is the sole contact for any and all



inquiries after this RFP has been released.

- 1.6 Verbal Communication:** Any verbal communication between the Vendor and any Bureau personnel is **not** binding, including that made at the mandatory pre-bid conference. Only information issued in writing and added to the RFP specifications by an official written addendum by the DHHR Office of Purchasing is binding.
- 1.7 Addenda:** If it becomes necessary to revise any part of this RFP, an official written addendum will be issued by the DHHR Office of Purchasing.

## **SECTION TWO: PROJECT SPECIFICATIONS**

- 2.1 Location:** The Bureau is located at 350 Capitol Street, Room 251, Charleston WV 25301.

**2.2 Background and Current Operating Environment:**

Mountain Health Trust (MHT) is a Medicaid managed care program that has operated in the State of West Virginia under 1915(b) waiver authority since 1996. The program emphasizes the effective organization, financing, and delivery of primary health care services as a means to improve Medicaid beneficiary access to care and enhance quality through the provision of coordinated services. MHT includes a primary care case management program known as Physician Assured Access System (PAAS) and a capitated managed care organization (MCO) program. MHT is overseen by the Office of Healthcare Policy and Managed Care Coordination within the Bureau for Medical Services.

The program currently enrolls mandatory and optional Temporary Aid to Needy Families (TANF), Aid to Families with Dependent Children (AFDC)-related populations under Section 1937 benchmark authority, also known as Mountain Health Choices (MHC) or 1915(b) waiver authority, also known as Mountain Health Trust (MHT), of the Social Security Act. Additional populations and/or services may be considered for future managed care enrollment and benefit expansion.

The Medicaid Managed Care Program emphasizes the effective organization, financing, and delivery of primary health care services as a means to improve Medicaid beneficiary access to care and enhance quality through the provision of coordinated services. BMS has developed comprehensive capitated risk contracts with qualified Managed Care Organizations (MCOs) for serving Mountain Health Trust enrollees. Currently, there are three such contractors, each of which is a licensed MCO under the West Virginia Department of Insurance. Two MCOs, Carelink and The Health Plan of the Upper Ohio Valley, have participated in the MHT program since its inception. UniCare of West Virginia began enrolling beneficiaries in November 2003. Since Calendar Year (CY) 2004, the external quality review has included all three MCOs. It is anticipated that additional MCOs will express interest and begin providing

services for WV Medicaid members due to federally mandated Medicaid expansion.

MCOs provide enrollees with most acute and preventive physical health care services.

MCOs also provide and proactively manage a wide range of additional services, including service coordination, case management, health education and outreach, to ensure the delivery of quality health care services. Other services, such as prescription drugs, behavioral health, nursing facilities, dental services, and non-emergency transportation, are available through fee-for-service Medicaid. As of June 2010, there were approximately 165,000 beneficiaries enrolled in managed care plans which operate in all 55 WV counties, and 9,000 members that are enrolled in the PAAS program.

The State employs an enrollment broker to assist Medicaid beneficiaries in understanding their choices and selecting a MCO or PAAS provider. TANF beneficiaries in counties with two or more contracted MCOs must choose between one of the MCOs. In addition, in certain rural counties with only one MCO, TANF beneficiaries must enroll in that MCO. TANF beneficiaries in other counties with only one contracted MCO can choose between the MHT program and the PAAS program; non-choosers are assigned to the MCO in their county. The enrollment broker assists beneficiaries in choosing between MCOs or between a MCO and the PAAS program, depending on the beneficiary's county of residence, and in selecting a primary care provider.

Information regarding county configuration may be found at:

[www.wvdhhr.org/medicalservices/managedcare/expansionmap](http://www.wvdhhr.org/medicalservices/managedcare/expansionmap).

**2.3 Qualifications and Experience:** Vendors will provide in **Attachment A: Vendor Response Sheet** information regarding their firm and staff qualifications and experience in completing similar projects; references; copies of any staff certifications or degrees applicable to this project; proposed staffing plan; descriptions of past projects completed entailing the location of the project, project manager name and contact information, type of project, and what the project goals and objectives were and how they were met.

**2.4 Project and Goals:** The project goals and objectives are:

2.4.1 For the Bureau for Medical Services to obtain the services of an experienced independent vendor or External Quality Review Organization to conduct external review of the quality of health care delivered to Mountain Health Trust managed care organization's enrollees. The vendor will provide review services that will satisfy the federal requirement specified in 42 CFR Parts 433 and 438: Medicaid Program; External Quality Review of Medicaid Managed Care Organizations; Final Rule.

**Scope of Work:** The scope of work is to conduct external quality reviews utilizing the Center for Medicare & Medicaid Services (CMS) protocols or approaches that are consistent with the CMS protocols, with input from the Bureau for Medical Services to:

- Identify any issues or problems regarding access, quality, and utilization;
- Verify MCO compliance with program systems and clinical requirements, as outlined in the MCO contract;
- Identify "best practices" and work with MCOs to improve results; and
- Provide Bureau for Medical Services with a comprehensive report that can be used as part of Bureau for Medical Services' overall quality strategy.

## **2.5 Mandatory Requirements**

The following mandatory requirements must be met by the Vendor as a part of the submitted proposal. Failure on the part of the Vendor to meet any of the mandatory specifications shall result in the disqualification of the proposal. The terms "must," "will," "shall," "minimum," "maximum," or "is/are required" identify a mandatory item or factor. Decisions regarding compliance with any mandatory requirements shall be at the sole discretion of the Bureau.

### **2.5.1 Mandatory: Must comply with requirements listed in Attachment D.**

#### **2.5.2 Mandatory: Validation of Performance Improvement Projects**

Validation of performance improvement projects (PIP) is required by 42 CFR (Code of Federal Regulations) §438.358(b)(1). Vendor must conduct validation of performance improvement projects required by the State to comply with requirements set forth in 42 CFR §438.240(b)(1) and that were underway during the preceding 12 months.

The goal of health care performance improvement projects (PIP) is to assess and improve processes, and thereby outcomes, of care. PIP must be designed, conducted, and reported in a methodologically sound way to assure confidence in the reported improvements. The vendor will be responsible for:

2.5.2.1 Assessing the study methodology for conducting the PIP.

2.5.2.2 Verifying actual PIP study findings (the State and EQRO will determine together if this task is feasible), and

2.5.2.3 Evaluating overall validity and reliability of study results.

#### **2.5.3 Mandatory: Validation of Performance Measures**

The validation of performance measures is required by 42 CFR §438.358(b)(2). Vendor must validate MCO performance measures reported (as required by the State) or MCO performance measure calculated by the State during the preceding 12 months to comply with requirements set forth in 42 CFR §438.240(b)(2).

Bureau for Medical Services will provide the EQRO with information concerning the performance measures to be calculated by the MCOs; the specifications to be followed in calculating these measures; and the manner and the mechanisms for reporting these measures to Bureau for Medical Services. The Vendor's responsibilities will include:

- 2.5.3.1 Developing an understanding of State requirements.
- 2.5.3.2 Preparing the MCOs for onsite activities.
- 2.5.3.3 Based on a determination of necessity by the State, conducting an assessment or reviewing the results of a prior assessment of the MCOs' information systems.
- 2.5.3.4 Reviewing and assessing the MCOs' procedures for collecting and integrating data.
- 2.5.3.5 Evaluating MCO processes to produce performance measures.
- 2.5.3.6 Evaluating the MCOs' processes for State reporting.
- 2.5.3.7 Producing required reports for the State and conducting any necessary follow-up with the MCOs.

#### **2.5.4 Mandatory: Compliance Review**

The compliance review is required by 42 CFR §438.358(b)(3). Vendor will conduct an annual review to determine the MCOs' compliance with the standards established by the State to comply with the requirements of 42 CFR §438.204(g), as well as other components of the MHT MCO contract.

The annual compliance review will consist of comparison of MCO quality policies and procedures to the MHT quality management program standards in the current MCO contract. The Vendor will identify areas to review, in accordance with federal and State requirements, conduct meetings with the MCOs, and set timeframes for compliance reviews.

Using document review and interviews with MCO personnel, Vendor tasks for conducting the compliance review will include:

- 2.5.4.1 Planning for compliance monitoring activities.
- 2.5.4.2 Obtaining background information from Bureau for Medical Services.
- 2.5.4.3 Reviewing documents.
- 2.5.4.4 Conducting interviews.
- 2.5.4.5 Collecting any other necessary information.
- 2.5.4.6 Analyzing and compiling findings, and
- 2.5.4.7 Reporting results to Bureau for Medical Services.

As allowed in 42 CFR §438.360, in an effort to avoid duplication, Bureau for Medical

Services may exercise its authority to rely on other review results, such as Medicare or private accreditation reviews, as part of the MHT compliance review. Other review results will be used in cases, as determined appropriate by Bureau for Medical Services, where structural and operational standards overlap between the Medicaid review and the EQR Medicaid review (such as credentialing and recertification procedures, using practice guidelines, reporting processes to the MCO Board of Directors, approval of the Quality Improvement Committee). To assist the State in this determination, the Vendor will monitor the Medicare and private standards and processes for review and make recommendations to Bureau for Medical Services as to where it may be appropriate to use the Medicare or private review to avoid duplication.

The MCOs will be required to provide to the State all the reports, findings, and other results of the Medicare or private accreditation review applicable to the Medicaid standards, from the previous three year period. The State will provide these reports to the Vendor. The MCO will continue to be subject to the Vendor review of those activities that are unique to the MHT program, such as review of grievance and appeals processes, timelines, and notifications regarding state fair hearing processes and Medicaid's Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) outreach and notices.

Information provided by the Vendor to Bureau for Medical Services must accurately and reliably summarize the performance of each MCO in each quality management area and identify areas for corrective action and performance improvement. The vendor will notify MCOs of the preliminary review findings and request corrective action plans for each area in which the MCO has not demonstrated sufficient compliance. The vendor may provide clarification and/or technical assistance to MCOs as necessary to develop and implement corrective action plans. It should then review the corrective action plans and incorporate these additional findings into the report.

## **2.5.5 Mandatory: Reports and Meetings with the State**

### **2.5.5.1 EQRO Workplan**

Vendor must develop an organized, integrated plan to evaluate the quality of MCOs participating in the West Virginia MHT program, incorporating each of the previously described tasks. The workplan must be submitted to Bureau for Medical Services, prior to beginning external quality review (EQR) activities. The workplan should specifically address how the vendor will conduct all EQR activities and reporting requirements in the most efficient way for both State and MCO staff.

### **2.5.5.2 Technical Report**

The Vendor will provide a detailed technical report that describes the manner in which the data from all activities conducted in accordance with 42 CFR §438.358, which are listed under Tasks 3.2.1, 3.2.2, and 3.2.3, were aggregated and analyzed, and conclusions were drawn as to the quality, timeliness, and access to the care furnished by the MCO. The report must also include the following for each activity conducted in accordance with 42 CFR §438.358:

2.5.5.2.1 Objectives.

2.5.5.2.2 Technical methods of data collection and analysis.

2.5.5.2.3 Description of data obtained.

2.5.5.2.4 Conclusions drawn from each of the data.

All reports will not disclose the identity of any individual patient. As required in 42 CFR §438.364, the State will make copies of the report available to interested parties.

### **2.5.5.3 Annual Plan-Specific Reports**

The Vendor will provide an annual plan-specific report to include:

2.5.5.3.1 An assessment of each MCO's strengths and weaknesses with respect to the quality, timeliness, and access to health care services furnished to Medicaid recipients.

2.5.5.3.2 Recommendations for improving the quality of health care services furnished by each MCO based on the evaluation of the EQR activities.

2.5.5.3.3 An assessment of the degree to which each MCO has addressed effectively the recommendations for quality improvement made by the Vendor during the previous year's EQR.

2.5.5.3.4 A description of the objectives of the study and the technical methods of data collection and analysis.

2.5.5.3.5 Synthesis of results of all aspects of review and evaluation, including an assessment of how each plan is faring as compared to prior years' quality performance results.

2.5.5.3.6 Evaluations for actions to be taken by plans and timeframes for corrective actions to be implemented.

Reports should be developed so that Bureau for Medical Services staff can use the reports to develop on-going review and evaluation strategies for each plan and communicate the results of the final report along with these strategies to each plan. The vendor must submit draft MCO reports of the findings from the EQR activities for the Bureau to examine prior to the development of the annual plan-specific reports.

### **2.5.5.4 MCO Comparison Report**

Vendor will provide a report to include comparative information about all MCOs, in a format as agreed upon by the State.

#### **2.5.5.5 Periodic Meetings and Status Reports**

Vendor's project manager will attend monthly half-day meetings of the Mountain Health Trust Task Force. In addition, the vendor will attend two half-day meetings with the Bureau each month to report progress. The vendor will provide quarterly written status reports to Bureau for Medical Services.

#### **2.5.6 Mandatory: Review of MCO's Performance Improvement Projects**

Vendor must assist with the review of the MCOs' PIPs, as directed by the State. This assistance may include, but is not limited to, the following tasks:

2.5.6.1 Review of MCOs' PIP design (e.g., project selection and rationale).

2.5.6.2 Review of MCOs' performance measurement data.

2.5.6.3 Evaluation of PIPs' success against defined quality goals.

2.5.6.4 Monitoring of performance indicators after completion of the PIP to ensure sustained improvements.

#### **2.5.7 Mandatory: Development of Performance Measures for Other Populations**

Vendor must assist with the development of performance measures for Aged, Blind, and Disabled and Special Needs populations.

2.5.7.1 Review of performance measurement data.

2.5.7.2 Evaluation of success against defined quality goals, and

2.5.7.3 Monitoring of performance indicators to ensure sustained improvements.

#### **2.5.8 Optional Services**

The following additional services may be requested at a future time during the contract period. The response shall detail the process the Vendor will utilize to accomplish the goals of the Bureau. Individual pricing of these services will also be submitted separately from the services previously outlined.

##### **2.5.8.1 Evaluate Home and Community Based Programs**

##### **2.5.8.2 Readiness Review and Annual Oversight for the Program of all Inclusive Care for the Elderly (PACE), which consists of:**

2.5.8.2.1 Develop readiness review tool and performance measures.

2.5.8.2.2 Annual on-sight visit required that consists of a comprehensive assessment of the organization.

2.5.8.2.3 Fiscal soundness.

- 2.5.8.2.4 Comprehensive assessment of organization capacity to furnish all PACE services to all enrolled participants.
- 2.5.8.2.5 Detailed analysis of organization with all significant requirements of Sections 1894 and 1934 of the Social Security Act. (For the text of the Sections, see [http://www.ssa.gov/OP\\_Home/ssact/title18/1894.htm](http://www.ssa.gov/OP_Home/ssact/title18/1894.htm) and [http://www.ssa.gov/OP\\_Home/ssact/title19/1934.htm](http://www.ssa.gov/OP_Home/ssact/title19/1934.htm))
- 2.5.8.2.6 Any regulations or other elements that CMS or the State authorizing agency find necessary.
- 2.5.8.3 Assist with a Pay for Performance (P4P) Model** and evaluation for both providers and members in Mountain Health Choices Program.

2.6 Oral Presentations (Bureau Option): BMS has the option of requiring oral presentations of all Vendors participating in the RFP process. If this option is exercised, it would be listed in the Schedule of Events (Section 1.3) of this RFP. During oral presentations, Vendors may not alter or add to their submitted proposal, but only clarify information.

## **SECTION THREE: VENDOR PROPOSAL**

3.1 **Economy of Preparation:** Proposals should be prepared simply and economically providing a straightforward, concise description of the Vendor's abilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of the content.

3.2 **Incurring Cost:** Neither the Bureau nor any of its employees or officers shall be held liable for any expense incurred by any Vendor responding to this RFP, including but not limited to preparation, delivery, or travel.

3.3 **Proposal Format:** Vendors should provide responses in the format listed below:

**Title Page:** State the RFP subject, number, Vendor's name, business address, telephone number, fax number, name of contact person, e-mail address, and Vendor signature and date.

**Table of Contents:** Clearly identify the material by section and page number



**Attachment A:**

**Complete Attachment A: Vendor Response Sheet** included in this RFP. Provide the following: firm and staff qualifications and experience in completing similar projects; references; copies of any staff certifications or degrees applicable to this project; proposed staffing plan; descriptions of past projects completed entailing the location of the project, project manager name and contact information, type of project, and what the project goals and objectives were and they were met.

Vendor must provide credible, detailed evidence of other experience in providing EQR services to other state Medicaid managed care programs and additional capabilities in providing the required services. Vendors must provide details of the background of the company/organization, the size and location of the company/organization, and the experience, capabilities, and resources of the company/organization which qualify and enable them to provide the service.

Vendor must meet the competence and independence requirements as specified in 42 CFR §438.354.

Vendor should provide three (3) Vendor references from similar projects within the last five (5) years should be included along with a detailed description of the work performed for each reference. Each referenced project must include at least one key staff member proposed for this project. References should also include:

- The names of the staff members who worked on the project.
- The time period of the project.
- The scheduled and actual completion date.
- The organization name, address, and current telephone number, and
- A specific contact person (name, title, and role in overseeing the Vendor's performance).

Vendor should provide a functional organizational chart indicating the proposed project structure. Indicate on the chart or separately the name of each proposed staff member and the percentage of time each proposed staff member will be dedicated to this project, expressed in full-time employees (FTE). If nurse reviewers or other primary data collection staff will be hired after the contract is awarded, provide the number of FTEs the vendor plans to hire. Key project staff to be listed (vendor titles may differ) may include:

- Project director and/or project manager;
- Medical director and/or medical consultant;

- Health data analyst;
- Information system or database manager; and
- Nurse reviewer and/or other reviewers.

Vendor should provide job descriptions and resumes for the key project staff referenced above and any other staff who will work on any part of this contract, including optional tasks, specifying experience with vendor (or subcontractor) and relevant education, experience, and training.

Vendor should provide names, titles, and telephone numbers of at least two (2) persons not employed by the vendor who can give information on the project manager's experience and competence as related to the scope of work for this project.

If there is a subcontractor agreement, provide a copy of the agreement and a summary of the subcontractor's size, resources, location, and responsibilities under the contract. The primary contractor will assume ultimate responsibility for all subcontracted work.

The Department of Health and Human Resources reserves the right to reject any staff proposed or later assigned to the project and require the successful Vendor to remove them from the project. Whenever possible, the successful Vendor will notify the department within two (2) weeks prior to replacing any key staff.

**Attachment B: Complete Attachment B: Mandatory Specification Checklist**

included in this RFP. By signing and dating this attachment, the Vendor acknowledges that they meet or exceed each of these specifications as outlined in Section Two: Project Specifications, Part 2.5. The Bureau reserves the right to require documentation detailing how each is met at its discretion.

Also, describe the approach and methodology proposed for this project. This should include how each of the goals and objectives listed is to be met.

Vendor must provide a proposed workplan, by task, discussing its approach to providing EQR services. An approach should be provided for each mandatory and each optional activity included in the Scope of Work. The workplan must demonstrate a clear grasp of the overall project and services to be provided with specific action steps that will guarantee the successful

provision/completion of services. This workplan must detail how the vendor will perform/complete the services required in Section Two: Project Specifications, while dealing with any problems, unforeseen events, and opportunities the Vendor may encounter.

An explanation of how the Vendor will perform required activities in an efficient manner with regard to MCO and BMS staff time should be included. The workplan should also discuss, for each task, what functions staff will perform and what, if any, support will be needed from the Bureau.

**Attachment C:** Complete **Attachment C: Cost Sheet** included in this RFP  
and submit in a separate sealed envelope. Cost should be clearly marked.

The Vendor must submit cost information for the first year of the contract and for each renewal period.

Costs should be broken out by task, including start-up costs, for each year. The cost proposal, with the bidder's name, title, date, and signature, should be included with the technical proposal or attached thereto and shall contain:

- a) The total amount proposed including a "not to exceed" figure. The total "not to exceed" cost is to contain all direct and indirect costs including travel and out of pocket expenses.
- b) Optional Services, which may or may not be purchased by the agency.
- c) The Vendor will provide an all-inclusive hourly rate, for the pricing of additional services that the Department may purchase. The all-inclusive hourly rate will include all direct and indirect costs, to include travel and out of pocket costs.
- d) The Vendor is to submit costs following the cost proposal template, as laid out in Attachment C.
- e) If applicable, sign and submit the attached Resident Vendor Preference Certificate with the proposal.

**Attachment D:** Complete **Attachment D: Special Terms and Conditions** included in this RFP. By signing and dating this attachment, the Vendor acknowledges that they agree to meet or exceed each of the specifications in Part 5.12 as outlined in this Attachment.

**Oral Presentations:** If established by BMS in the Schedule of Events (Section 1.3) all Vendors participating in this RFP will be required to provide an oral presentation based on the criteria set in Section 2.6. During oral presentations, Vendors may not alter or add to their submitted proposal, but only to clarify

information.

- 3.4 **Proposal Submission:** Proposals must be received in **two distinct parts:** technical and cost.

**Technical proposals** must not contain any cost information relating to the project.

**Cost proposal** shall be sealed in a separate envelope and will not be opened initially.

Bureau procurement policies require that all proposals (technical and cost) must be submitted to the DHHR Office of Purchasing **prior** to the date and time stipulated in the RFP as the opening date. All bids will be time and date stamped to verify official time and date of receipt.

3.4.1 Vendors should allow sufficient time for delivery. In accordance with ***the Medicaid Services Contracts Purchasing Methodology and Manual***, the Bureau cannot waive or excuse receipt of a proposal, which is delayed or late for any reason. Any proposal received after the bid opening date and time will be immediately disqualified.

**Vendors responding to this RFP shall submit:**

One original technical and cost proposal plus xx convenience copies to:

WV Department of Health and Human Resources  
Office of Purchasing  
ATTN: Donna D. Smith  
One Davis Square, Suite 100  
Charleston, West Virginia 25301  
donna.d.smith@wv.gov  
Telephone (304) 957-0218 Fax (304) 558-2892

The outside of the envelope(s) or package(s) for both the technical and the cost proposals should be clearly marked:

Vendor: \_\_\_\_\_  
Buyer: \_\_\_\_\_  
Req#: \_\_\_\_\_  
Opening Date: \_\_\_\_\_  
Opening Time: 1:30 p.m.

- 3.5 **Purchasing Affidavit:** In accordance with Medicaid Services Contracts Purchasing Methodology and Manual, all bidders must submit an affidavit regarding any debt owed to the State of West Virginia. The affidavit must be signed and submitted prior to award. It is preferred that the affidavit be submitted with the proposal.

- 3.6 **Resident Vendor Preference:** DHHR Office of Purchasing will make the

determination of the Resident Vendor Preference, if applicable. Resident Vendor Preference provides an opportunity for qualifying Vendors to request at the time of bid preference for their residency status. Such preference is an evaluation method only and will be applied only to the cost bid in accordance with Medicaid Services Contracts Purchasing Methodology and Manual. A certificate of application is used to request this preference. A West Virginia Vendor may be eligible for two 2.5% preferences in the evaluation process.

- 3.7 **Technical Bid Opening:** The DHHR Office of Purchasing will open and announce only the technical proposals received prior to the date and time specified in the RFP. The technical proposals shall then be provided to the Bureau evaluation committee.
- 3.8 **Cost Bid Opening:** The DHHR Office of Purchasing shall schedule a date and time to publicly open and announce cost proposals once the Bureau evaluation committee has completed the technical evaluation and it has been approved by the DHHR Office of Purchasing.

## **SECTION FOUR: EVALUATION AND AWARD**

4.1 **Evaluation Process:** Proposals will be evaluated by a committee of three (3) or more individuals against the established criteria with points deducted for deficiencies. The Vendor who demonstrates that they meet all of the mandatory specifications required; and has appropriately presented within their written response and/or during the oral demonstration (if applicable) their understanding in meeting the goals and objectives of the project; and attains the highest overall point score of all Vendors shall be awarded the contract. The selection of the successful Vendor will be made by a consensus of the Bureau evaluation committee.

4.2 **Evaluation Criteria:** All evaluation criteria is defined in the specifications section and based on a 100 point total score. Cost shall represent a minimum of 30 of the 100 total points.

The following are the evaluation factors and maximum points possible for technical point scores:

<b>A. (Qualifications and experience)</b>	<b>(#) Points Possible</b>
<b>B. (Approach and methodology)</b>	<b>(#) Points Possible</b>
<b>C. (Oral interview, if applicable)</b>	<b>(#) Points Possible</b>
<b>D. Cost</b>	<b><u>30 Points Possible</u></b>
<b>Total</b>	<b>100 Points Possible</b>

Each cost proposal cost will be scored by use of the following formula for all Vendors who attained the minimum acceptable score:

$$\frac{\text{Lowest price of all proposals}}{\text{Price of Proposal being evaluated}} \times 30 = \text{Price Score}$$

4.2.1 Technical Evaluation: The Bureau evaluation committee will review the technical proposals, deduct points where appropriate, and make a final written recommendation to the DHHR Office of Purchasing.

4.2.2 Minimum Acceptable Score: Vendors must score a minimum of 70% of the total technical points possible. All Vendors not attaining the minimum acceptable score (MAS) shall be disqualified and removed from further consideration.

4.2.3 Cost Evaluation: The Bureau evaluation committee will review the cost proposals, assign appropriate points, and make a final recommendation to the DHHR Office of Purchasing.

4.3 **Independent Price Determination**: A proposal will not be considered for award if the price in the proposal was not arrived at independently without collusion, consultation, communication, or agreement as to any matter relating to prices with any competitor unless the proposal is submitted as a joint venture.

4.4 **Rejection of Proposals**: The Bureau reserves the right to accept or reject any or all proposals, in part or in whole at its discretion. The Bureau further reserves the right to withdraw this RFP at any time and for any reason. Submission of or receipt of proposals by the Bureau confers no rights upon the bidder nor obligates the Bureau or State of West Virginia in any manner.

4.5 **Vendor Registration**: Vendors participating in this process should complete and file a Vendor Registration and Disclosure Statement (Form WV-1) and remit the registration fee. Vendor is not required to be a registered Vendor in order to submit a proposal, but the **successful bidder must** register and pay the fee prior to the award of an actual purchase order or contract.

## **SECTION FIVE: CONTRACT TERMS AND CONDITIONS**

5.1 **Contract Provisions**: The RFP and the Vendor's response will be incorporated into the contract by reference. The order of precedence shall be the contract, the

RFP and any addendum, and the Vendor's proposal in response to the RFP.

- 5.2 **Public Record:** All documents submitted to the DHHR Office of Purchasing related to purchase orders or contracts are considered public records. All bids, proposals, or offers submitted by Vendors shall become public information and are available for inspection during normal official business hours in the DHHR Office of Purchasing after the bid opening.

5.2.1 Risk of Disclosure: The only exemptions to disclosure of information are listed in **West Virginia Code** §29B-1-4. Any information considered a trade secret must be separated from the Vendor submission and clearly labeled as such. Primarily, only trade secrets, as submitted by a bidder, are exempt from public disclosure. The submission of any information to the Bureau by a Vendor puts the risk of disclosure on the Vendor. The Bureau does not guarantee non-disclosure of any information to the public.

5.2.2 Written Release of Information: All public information may be released with or without a Freedom of Information request; however, only a written request will be acted upon with duplication fees paid in advance. Duplication fees shall apply to all requests for copies of any document. The fees are determined in accordance with DHHR Policy 2510.

- 5.3 **Conflict of Interest:** Vendor affirms that neither it nor its representatives have any interest nor shall acquire any interest, direct or indirect, which would compromise the performance of its services hereunder. Any such interests shall be promptly presented in detail to the Bureau.

- 5.4 **Vendor Relationship:** The relationship of the Vendor to the Bureau and State of West Virginia shall be that of an independent contractor and no principal-agent relationship or employer-employee relationship is contemplated or created by this contract. The Vendor as an independent contractor is solely liable for the acts and omissions of its employees and agents.

Vendor shall be responsible for selecting, supervising, and compensating any and all individuals employed pursuant to the terms of this RFP and resulting contract. Neither the Vendor, nor any employees or subcontractors of the Vendor, shall be deemed to be employees of the Bureau or State of West Virginia for any purpose whatsoever.

Vendor shall be exclusively responsible for payment of employees and contractors for all wages and salaries, taxes, withholding payments, penalties, fees, fringe benefits, professional liability insurance premiums, contributions to insurance and pension, or other deferred compensation plans, including but not limited to, Workers' Compensation and Social Security obligations, licensing fees, *et cetera* and the filing of all necessary documents, forms, and returns pertinent to all of the foregoing.

Vendor shall hold harmless the Bureau and State of West Virginia, and shall

provide the Bureau and State of West Virginia with a defense against any and all claims including, but not limited to, the foregoing payments, withholdings, contributions, taxes, Social Security taxes, and employer income tax returns.

The Vendor shall not assign, convey, transfer, or delegate any of its responsibilities and obligations under this contract to any person, corporation, partnership, association, or entity without expressed written consent of the Bureau.

5.4.1 Subcontracts/Joint Ventures: The Vendor may, with the prior written consent of the Bureau, enter into subcontracts for performance of work under this contract.

5.4.2 Indemnification: The Vendor agrees to indemnify, defend, and hold harmless the Bureau and State of West Virginia, their officers, and employees from and against: (1) Any claims or losses for services rendered by any subcontractor, person, or firm performing or supplying services, materials, or supplies in connection with the performance of the contract; (2) Any claims or losses resulting to any person or entity injured or damaged by the Vendor, its officers, employees, or subcontractors by the publication, translation, reproduction, delivery, performance, use, or disposition of any data used under the contract in a manner not authorized by the contract, or by Federal or State statutes or regulations; and (3) Any failure of the Vendor, its officers, employees, or subcontractors to observe Federal or State laws including, but not limited to, labor and wage laws.

5.4.3 Governing Law: This contract shall be governed by the laws of the State of West Virginia. The Vendor further agrees to comply with the Civil Rights Act of 1964 and all other applicable laws and regulations as provided by Federal, State, and local governments.

5.5 shall **Term of Contract and Renewals:** This contract will be effective upon award and extend for the period of one (1) year, at which time the contract may, upon mutual consent, be renewed. Such renewals are for a period of up to one (1) year, with a maximum of two (2) one-year renewals, or until such reasonable time thereafter as is necessary to obtain a new contract. The "reasonable time" period shall not exceed (12) months. During the "reasonable time" period, Vendor may terminate the contract for any reason upon giving the Bureau ninety (90) days written notice. Notice by Vendor of intent to terminate will not relieve Vendor of the obligation to continue providing services pursuant to the terms of the contract.

5.6 **Non-Appropriation of Funds:** If funds are not appropriated for the Bureau in any succeeding fiscal year for the continued use of the services covered by this contract, the Bureau may terminate the contract at the end of the affected current fiscal period without further charge or penalty. The Bureau shall give the Vendor written notice of such non-appropriation of funds as soon as possible after the Bureau receives notice.



No penalty shall accrue to the Bureau or State of West Virginia in the event this provision is exercised.

- 5.7 **Changes:** If changes to the contract become necessary, a formal contract change order will be negotiated by the Bureau and the Vendor.

As soon as possible, but not to surpass thirty (30) days after receipt of a written change request from the Bureau, the Vendor shall determine if there is an impact on price with the change requested and provide the Bureau a written statement identifying any price impact on the contract. The Vendor shall provide a description of any price change associated with the implementation.

**NO CHANGE SHALL BE IMPLEMENTED BY THE VENDOR UNTIL SUCH TIME AS THE VENDOR RECEIVES AN APPROVED WRITTEN CHANGE ORDER FROM THE DHHR Office of PURCHASING.**

- 5.8 **Price Quotations:** The price(s) quoted in the Vendor's proposal will not be subject to any increase and will be considered firm for the life of the contract unless specific provisions have been provided in the original specifications.

- 5.9 **Invoices and Progress Payments:** The Vendor shall submit invoices, in arrears, to the Bureau at the address on the face of the purchase order labeled "Invoice To." Progress payments may be made at the option of the Bureau on the basis of percentage of work completed if so defined in the final contract.

- 5.10 **Liquidated Damages:** The Vendor agrees that liquidated damages shall be imposed at the rate of \$1,000.00 (per day, per week, per unit, or some other agreed measure) for failure to provide deliverables, meet milestones identified to keep the project on target, or failure to meet specified deadlines. This clause shall in no way be considered exclusive and shall not limit the Bureau or State of West Virginia's right to pursue any other additional remedy which the Bureau or State of West Virginia may have legal cause for action.

- 5.11 **Contract Termination:** The Bureau may terminate any contract resulting from this RFP immediately at any time the Vendor fails to carry out its responsibilities or to make substantial progress under the terms of this RFP and resulting contract. The Bureau shall provide the Vendor with advance notice of performance conditions which may endanger the contract's continuation. If after such notice the Vendor fails to remedy the conditions within the established timeframe, the Bureau shall order the Vendor to cease and desist any and all work immediately. The Bureau shall be obligated only for services rendered and accepted prior to the date of the notice of termination.

The contract may be terminated by the Bureau with thirty (30) days prior notice.

- 5.12 **Special Terms and Conditions:**

5.12.1 Bid and Performance Bonds

5.12.2 Insurance Requirements: The Vendor as an independent contractor is solely liable for the acts and omissions of its employees and agents. Proof of insurance shall be provided by the Vendor at the time the contract is awarded. The Vendor shall maintain and furnish proof of coverage of liability insurance for loss, damage, or injury (including death) of third parties arising from acts and omissions of the part of the Vendor, its agents, employees in the following amounts: *(categories/amounts as appropriate)*

5.12.3 License Requirements: Provide certification that Vendor is registered with the Secretary of State's Office to do business in West Virginia; provide evidence that Vendor is in good standing with the State Agency of Employment Programs as to Unemployment Compensation and Worker's Compensation coverage or exempt from such coverage. Additional evidence of licensure may be required based on the scope of services solicited.

5.13 **Record Retention (Access and Confidentiality):**

Vendor shall comply with all applicable Federal and State rules, regulations, and requirements governing the maintenance of documentation to verify any cost of services or commodities rendered under this contract by the Vendor. The Vendor shall maintain such records a minimum of five (5) years and make such records available to Bureau personnel at the Vendor's location during normal business hours upon written request by the Bureau within ten (10) days after receipt of the request.

Vendor shall have access to private and confidential data maintained by the Bureau to the extent required for the Vendor to carry out the duties and responsibilities defined in this contract. Vendor agrees to maintain confidentiality and security of the data made available and shall indemnify and hold harmless the Bureau and the State of West Virginia against any and all claims brought by any party attributed to actions of breach of confidentiality by the Vendor, subcontractors, or individuals permitted access by the Vendor.

*5.14 HIPAA Compliance*

BMS contracts require that Vendors agree to become a business associate of the BMS, and therefore the vendor must have policies and procedures in place consistent with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) standards for privacy and security of protected health information (45 CFR Parts 160 and 164) and any other applicable Federal and/or State law relating to the privacy or security of information. The West Virginia Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, is hereby made part of the agreement.

## Attachment A: Vendor Response Sheet

*Provide a response regarding the following: firm and staff qualifications and experience in completing similar projects; references; copies of any staff certifications or degrees applicable to this project; proposed staffing plan; descriptions of past projects completed entailing the location of the project, project manager name and contact information, type of project, and what the project goals and objectives were and how they were met. See Section 3.3 Proposal Format for additional information.*

**Section 2.4.1:** For the Bureau for Medical Services to obtain the services of an experienced independent vendor or External Quality Review Organization to conduct external review of the quality of health care delivered to Mountain Health Trust managed care organization's enrollees. The vendor will provide review services that will satisfy the federal requirement specified in 42 CFR Parts 433 and 438: Medicaid Program; External Quality Review of Medicaid Managed Care Organizations; Final Rule.

Vendor Response:

## Attachment B: Mandatory Specification Checklist

List mandatory specifications contained in Section 2.5:

- The Vendor is to crosswalk each RFP requirement (A) to the site where it is addressed in its proposal (Columns B and C).

A		B	C
RFP Requirements		Proposal Section	Proposal Page No.
2.5	<b>Mandatory Requirements</b>		
2.5.1	<b>Compliance with requirements listed in Attachment D</b>		
2.5.2	<b>Validation of Performance Improvement Projects</b>		
2.5.2.1			
2.5.2.2			
2.5.2.3			
2.5.3	<b>Validation of Performance Measures</b>		
2.5.3.1			
2.5.3.2			
2.5.3.3			
2.5.3.4			
2.5.3.5			
2.5.3.6			
2.5.3.7			
2.5.4	<b>Compliance Review</b>		
2.5.4.1			
2.5.4.2			
2.5.4.3			
2.5.4.4			
2.5.4.5			
2.5.4.6			
2.5.4.7			
2.5.5	<b>Reports and Meetings with the State</b>		
2.5.5.1			
2.5.5.2			
2.5.5.2.1			
2.5.5.2.2			
2.5.5.2.3			
2.5.5.2.4			
2.5.5.3			
2.5.5.3.1			
2.5.5.3.2			
2.5.5.3.3			
2.5.5.3.4			
2.5.5.3.5			
2.5.5.3.6			
2.5.5.4			
2.5.5.5			
2.5.6	<b>Review of MCOs' Performance Improvement</b>		

A		B	C
RFP Requirements		Proposal Section	Proposal Page No.
	<b>Projects</b>		
2.5.6.1			
2.5.6.2			
2.5.6.3			
2.5.6.4			
2.5.7	<b>Development of Performance Measures for Other Populations</b>		
2.5.7.1			
2.5.7.2			
2.5.7.3			

I certify that the proposal submitted meets or exceeds all the mandatory specifications of this RFP. Additionally, I agree to provide any additional documentation deemed necessary by the Bureau to demonstrate compliance with said mandatory specifications.

\_\_\_\_\_  
 (Company)

\_\_\_\_\_  
 (Representative Name, Title)

\_\_\_\_\_  
 (Contact Phone/Fax Number)

\_\_\_\_\_  
 (Date)

## Attachment C: Cost Sheet

Cost information below as detailed in the RFP and submitted in a separate sealed envelope. Cost should be clearly marked.

Mandatory Services	Year 1	Year 2	Year 3	Total \$
Start-Up Costs				
2.5.2 Validation of Performance Improvement Projects				
2.5.3 Validation of Performance Measures				
2.5.4 Compliance Review				
2.5.5 Reports and Meetings with the State				
2.5.6 Review of MCO's Performance Improvement Projects				
2.5.7 Development of Performance Measures for Other Populations				
Total Not to Exceed per Year				

Optional Services	Year 1	Year 2	Year 3	Total \$
2.5.8.1 Evaluate Home and Community Based Programs				
2.5.8.2 Readiness Review and Annual Oversight for PACE				
2.5.8.3 Assist with a P4P Model and Evaluation				
Total Not to Exceed per Year				

**All-inclusive Hourly Rate for Pricing Additional Services:**

(For bid purposes only assume 100 hours. The Agency and Vendor will jointly determine a 'not-to-exceed number of hours, time frame, and staff for each service. The vendor must agree to provide a Statement of Work and estimation of effort and receive Bureau approval of the actual 'not-to-exceed' hours, time frame, and staff prior to work beginning)

Hourly Rate \_\_\_\_\_ X 100 hours = \_\_\_\_\_

**Overall Grand Total for Cost Proposal for Mandatory Services, Optional Services, & Additional Services.**

**Overall Grand Total**                      \$ \_\_\_\_\_

---

Vendor

---

Signature

Date

If applicable, sign and submit the attached Resident Vendor Preference Certificate with the proposal.

## Attachment D: Special Terms and Conditions

*If a vendor's proposal includes proprietary language within the technical proposal, an electronic copy omitting any proprietary language for publishing to the DHHR website should be submitted. PPACA requirements for contracting related to ownership disclosure.(once vetted though Legal)*

I certify that I have acknowledged the additional contract provisions contained in Attachment D and that the proposal meets or exceeds all additional requirements as listed.

\_\_\_\_\_  
(Company)

\_\_\_\_\_  
(Representative Name, Title)

\_\_\_\_\_  
(Contact Phone/Fax Number)

\_\_\_\_\_  
(Date)