

**QUESTIONS/ANSWERS REGARDING RFP#1622 –DLTC-BC
FINANCIAL SERVICE AGENCY
Questions and Answers**

General Questions:

1. Question: Why did DHFS choose not to have a bidder's conference?

Answer: Having a bidder's conference is optional and the Department decided to clarify requirements through written questions and answers.

2. Question: Did the Department consider issuing this as a Request for Service (RFS) under the Statewide Consulting and Accounting Services Contract?

Answer: No. This RFP includes a training component and does not fall under the requirements of the RFS contract.

Section 1.1 Introduction and Background

3. Question: How does the State intend to market to individuals who are eligible for the SDS waiver and how will the vendor(s) chosen as the Financial Service Agency and Independent Consultant Agency be incorporated in the marketing?

Answer: Upon being found eligible for publicly funded long term care services at the ADRC, people will receive enrollment counseling and will be given the opportunity to enroll in the SDS waiver or in Family Care. This includes people who transition from the current waivers and those who are taken off the waitlist. Respondents may review information describing the ADRC role and other enrollment counseling details at: <http://www.dhfs.wisconsin.gov/LTCare/Generalinfo/RCs.htm> Both the FSA and the ICA involvement with participants of this program occurs after the individual has chosen the option.

4. Question: What is the average size of participant budgets? If that information is not available, what are the average historical expenditures for individuals eligible for the SDS waiver?

Answer: It is difficult to anticipate the average budget amounts at this time, as the work on setting budgets is now in progress. The final product will be an individualized budget for all ongoing waiver funded long term care supports and services that matches the projected expenditures for needed services for the person had she/he been served in the managed care program. The state will manage a separate fund to pay the cost of supports and services used infrequently (housing modification for example), and such services will not be a part of the individual's budget. The person using the SDS Waiver will have access to all Medicaid State Plan Services such as home health, personal care, durable medical equipment and supplies and therapies. These services are managed outside of the FSA and ICA contracts. The state is exploring how additional variables such as geographic residency influence budget needs.

5. Question: Has a budget format been established? Has the State established rules for participant budgets?

Answer: The budget assigned will be based on the person's functional needs information collected and logged into the Long Term Care Functional Screen by the ADRC. Supports and services used infrequently (housing modification for example) will be managed through a central fund and will not be a part of the ongoing individual budget calculation. As noted above, Medicaid State Plan Services are not included in the individual budget. All support and services paid must be listed on the ICA approved individual support and service plan for that participant. If this question refers to purchasing supports and services within the established budget, the FSA only pays based on the written, and ICA approved, Individual Support and Service Plan.

6. Question: The RFP states, "people will be given the opportunity to enroll in the SDS waiver or in Family Care". What are the rules around enrollment and disenrollment? For example, can an individual enroll and disenroll at will or are there specific timeframes and processes under which these actions can take place?

Answer: Participation in either the SDS Waiver or in managed care Family Care program is voluntary. Individuals have the option to participate as long as they desire, provided their eligibility continues. The state is committed to assuring that persons who leave one program and join the other will have their supports continue in place while the transition between programs occurs. Persons who decide to leave one program and join another will be offered enrollment counseling at the ARDC.

Section 1.2 Scope of the Project

7. Question: The RFP indicates that the FSA will complete Medicaid claims processing using the states encounter reporting system and 'other related claims payment functions'. Can you expand on the other related claims payment functions and how they are administered?

Answer: "Other related claims payment functions" is stated incorrectly in the RFP. The encounter reporting system is used to collect and validate data from the claims processing system that is used by the FSA. The RFP has been amended to reflect this correction. As amended, it now reads: "The FSA needs to be able to process claims and handle other claims support functions in a manner that will allow them to meet the encounter reporting requirements provided in the Implementation Guide for the Long Term Care Encounter Reporting Data Collection and Validation Utility (found on the website: <http://dhfs.wisconsin.gov/LTCare/Encounter>). Information at this website, while written for managed care organizations, serves as the same instruction for any respondent to the SDS Waiver FSA RFP. The encounter reporting system is used to collect and validate data from the claims processing system that is used by the FSA. The respondent shall describe the claims payment procedures and also claims payment software it will use to implement the program."

8. Question: Who will be responsible for paying the cost of criminal background checks? What are the estimates for the number of criminal background checks that will be required for the projected population?

Answer: The FSA disburses funds to pay the cost of the criminal background checks. Current rule requires that providers who engage in direct care with program participants have this check completed upon hiring, and every four years thereafter. The cost of these checks must be identified on the respondent budget page located on page 41 of the RFP.

Section 1.4 Who May Apply

9. Question: The materials mention the term co-employer. Are we correct in assuming that the other employer is not the FSA?

Answer: Generally the “other employer” is not the FSA. Page 7 of the RFP document defines co-employer and employer of record/common law employer. Either of these two options may be utilized in this SDS Waiver Program. Co-employment is a support and service and as such, is listed on the Individual Support and Service Plan and is paid through the individual’s budget. An FSA also functioning as co-employer would be performing dual roles. Please see page 6 of the RFP document for details on the permissibility of such an arrangement.

10. Question: The RFP indicates that multiple proposals from a vendor will be permissible. Does this mean that one vendor can submit a proposal for the Financial Service Agency RFP and the same vendor can also submit a proposal for the Independent Consultant Agency proposal?

Answer: “Multiple proposals from one vendor will be permissible” means that a single respondent may submit more than one proposal for this RFP. It is also true however, that a single respondent may respond to each of the two RFPs issued to operate the new SDS Waiver Program. A respondent may only be selected for one of these functions and cannot be awarded both the FSA and the ICA contracts.

11. Question: What percentage of the population of the target groups would opt out of the alternative managed care model in order to utilize the SDS Waiver?

Answer: The percentage of persons now in managed care that will choose to participate in the SDS Waiver Program is unknown. Persons in these programs will, however, be offered the choice to participate in this program. The Department projects that approximately 5% of the managed care population eligible for this SDS Waiver Program will choose to access their publicly funded long term care supports and services through the SDS Waiver Program.

12. Question: As a way of helping the participant with their employees, can the FSA provide the choice of co-employment or Individual FEIN to the participant?

Answer: The respondent that proposes to serve as both the FSA and also in the provider role of co-employer must follow the provisions outlined in the RFP and described in Section 1.4 on page 6.

Section 1.6 Definitions

13. Question: Will monthly fees associated with co-employment or Individual FEIN be considered an administrative cost as well?

Answer: Co-employment is a service provided to participants on their request and is defined on page 7 and 8 of the RFP. Expense associated with this service is part of the participant's individualized support and service plan and is not an administrative cost.

Section 2.5 Proposal Organization and Format

14. Question: The final response is to be submitted in the form of 1 original and 5 copies and 1 disk. What type of disk is requested? IE zip, diskette, CD, etc.? And in what format? IE word doc, PDF?

Answer: A compact disk (CD) in PDF format is acceptable.

Section 4.21 Respondent's Organization, Capabilities, Qualifications, and Experience

Question 15: Your proposal requests a copy of the most recent audit. As a small closely held corporation, that is not publicly traded, an independent audit has not been required to conduct business in the past. Due to the lack of need or desire to make large expenditures for non productive activities, an independent audit has never been considered a cost effective element. Can this requirement be waived or post-pone until after contract implementation?

Answer: Respondents that have not had an audit must include a copy of their un-audited financial records in place of the audit. The scoring in the evaluation section will award the highest points in this category to the response that includes a copy of audit results indicating the respondent meets or exceeds generally accepted audit standards. The RFP has been amended accordingly.

Section 4.2.4 Project Work Plan

16. Question: What is the standard timeframe between billing for services and receiving payment?

Answer: The standard time frame between billing for services and receiving payment is thirty days.

17. Question: Bill paying services are addressed in the materials. What types of bill paying service is being requested? For example, the bills for payroll and payroll taxes only, bills for other providers of services, or are you also requiring personal bill paying services for the participant such as household bills (utilities, etc).

Answer: Paying bills refers only to bills generated by the providers listed on the approved Individual Support and Services Plan and other associated tax and accounting filing/ registration fees or as otherwise specified in the RFP. The FSA is not expected to perform representative payee functions for the program participant and, therefore, would not manage or disburse participant personal funds.

18. Question: Concerning payroll: What is the payroll frequency? Is the due date for mailing the paychecks the same for all?

Answer: The respondent must follow all laws, rules and regulations related to payroll. Respondents are expected to know what requirements apply to this activity. The FSA must comply with any and all requirements of any government entity must comply with these requirements. The requirement described in the RFP on page 22 does not change these requirements. Respondents are expected to propose how they will operate payroll and other related processes and also to describe how such processes will be part of their agency quality management plan.

19. Question: The programs we currently serve require the employees to mail the time sheets directly to our offices. Is this similar to what your program will require?

Answer: The respondent must follow all laws, rules and regulations related to time sheet processing to function as a statewide FSA. The respondent is expected to know what requirements apply to this activity, and to propose the processes and methods it will use to accomplish the task. The Division is aware of a variety of ways that SDS Programs across the country handle hourly time reporting and thus requests that the respondent describe the process and methods it will use. The respondent should provide sufficient detail regarding the process it will use and include a description of how program participants will be oriented to such processes.

20. Question: Other than obeying state minimum wage and overtime laws, are there any wage rate and benefit requirements imposed upon the FSA and its employees? Are they bound by any government employee pay scale?

Answer: The FSA employed staff agreements are not a part of this RFP other than staff must be in place as necessary to perform various functions that are requirements described in this RFP. FSA staff costs must be properly referenced in the budget section. The State does not impose a government pay scale on either the employees of SDS Waiver Program participants nor on the FSA staff.

21. Question: Could you please provide more detail on what is meant by participant support education, orientation, and skills training?

Answer: Participant support education, orientation, and skills training is described on pages 20 and 21 of the RFP. The State believes the current description is adequate. Respondents should consider the descriptions contained in the RFP to be the minimum requirements only. The respondent's description of content and examples of work in this area serve as part of the evaluation criteria in the area "work plan" as described on page 14 of the RFP document.

22. Question: In general how would we differentiate between the participant orientation, education and training the FSA must provide and that which the ICA must provide?

Answer: The SDS Waiver Program is designed to operate with two statewide entities – the FSA and the ICA. The FSA handles all FSA related orientation and skills training and the ICA handles all ICA related orientation and skills training. The

respondent should propose how it will plan to coordinate with the other entity on these functions to assure efficiency and communication between the two agencies. Additional information is found on page 21 of the RFP document.

23. Question: The proposal mentions Certified Medicaid Provider. We attempted to research this topic and only found how this relates to medical providers such as Doctors, Nurses, and Dentists. What type of certification is required of a “pencil pusher”?

Answer: This requirement is stated incorrectly in the RFP. The RFP should have stated that the respondent must sign a **Medicaid Provider agreement** prior to the commencement of the contract. Thank you for bringing this error to our attention. The RFP has been amended accordingly.

24. Question: The materials mention that we must provide proof that we have registered to be a State Financial Services Agency. Can you define appropriate registration requirement?

Answer: The RFP incorrectly stated that a separate registration for an FSA was required. The RFP should have stated: “The respondent must follow all laws, rules and regulations related to their functioning as the statewide FSA business.”

25. Question: What is the process for sending the FSA authorizations for services? What is the software that will be used? What is the State’s experience in using this software? Will there be an established period to test the transfer of authorizations?

Answer: Respondents are asked to create and then to describe several processes and systems they will create to make this program operational. The process for sending the FSA authorizations is one of these processes. This is a new program, and therefore there is no current software in use. The respondent should describe any software it intends to use in the response. Respondent testing of such software is appropriate, and such testing and improvement should be a component of the FSA Quality Management Plan

26. Question: Is the ICA and FSA work mutually exclusive? That is, could the Department contract with the same vendor for both the ICA work (as identified in RFP #1623) and the FSA work, or would separate vendors need to be selected?

Answer: The program design is such that the role of the ICA and FSA are mutually exclusive. Clearly close communication between these entities is essential and the respondent must address the interaction between the vendors in the response.

27. Question: Who will be responsible for paying the cost of provider compensation insurance for employees?

Answer: The respondent must follow all current law and regulation concerning requirements to carry provider compensation insurance(s). The cost of such payments are included in the cost of the individual’s approved support and service plan and are paid by the FSA as a part of its duty to expend funds according to the approved individual support and service plan of each participant.

Section 5.0 PRICING PROPOSAL ORGANIZATION

28. Question: Would the Division of Long Term Care consider a payment process under which the Financial Service Agency receives advance payments for services provided to consumers with periodic reconciliation?

Answer: The Division of Long Term Care believes it is unnecessary to “advance” payments to an FSA for it to pay the consumer’s service providers. A payment to these providers only occurs after the service is received in accordance with the support and services plan. An FSA may however present its case to the Department to seek to have advance payments for operating expenses it believes necessary. Such requests will be considered on a case-by-case basis. If approved, respondents may have a maximum of 3/12 of this portion of the approved budget paid in advance.

29. Question: Can we include the start up costs for the program in the proposed budget? Can they be paid as a separate cost, or included in the PMPM rate?

Answer: The PM/PM cost calculation should not include separately identified start up costs.

30. Question: Additional equipment and staff will be needed to begin servicing the program. If services are rendered for a month and the first invoice will not be paid for 30 or more days, this could create financial hardship for a small business. Is there any form of financial relief, such as an advance payment on the first invoice available?

Answer: An FSA respondent may present its case to the Division to seek to have advance payments for operating expenses it believes are necessary. Such requests will be considered on a case-by-case basis only. If approved, respondents may have a maximum of 3/12 of this portion of the approved budget paid in advance.

31. Question: Is it possible to replace the proposed method of PMPM with a per month or actual time and expense payment method?

Answer: The Department has projected the potential number of consumers that may select this program option to be 700, 1000 and 1500 respectively for the three covered years by this RFP. Respondents should base the budget part of their responses on these projected numbers. If the actual participation in this program differs significantly from the projected numbers, then the Department will negotiate any necessary rate adjustment during the contract period. The RFP has been amended accordingly.