



STATE OF HAWAII

Department of Human Services

REQUEST FOR PROPOSALS (RFP)

**State of Hawaii Organ and Tissue Transplant  
Program (SHOTT)**

**RFP-MQD-2025-002**



**State of Hawaii**  
**Department of Human Services**  
**Med-QUEST Division**  
**Health Care Services Branch**

**Request for Proposals**  
**RFP-MQD-2025-002**

**To provide healthcare services for the State  
of Hawaii Organ and Tissue Transplant  
Program (SHOTT)**

**September 18, 2024**

Note: It is the Offeror's responsibility to check the public procurement notice website, the request for proposal (RFP) website, or to contact the Request-For-Proposal (RFP) point-of contact identified in the RFP for any addenda issued to this RFP. If this RFP was downloaded from the public website, each Offeror must provide contact information to the RFP contact person for this RFP. For your convenience, you may download the RFP Notice of Intent to Propose Form found in Appendix B, complete and e-mail or mail to the RFP contact person. The State shall not be responsible for any incomplete proposal submitted as a result of missing addenda, attachments or other information regarding the RFP.

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## **SECTION 1     Administrative Overview**

### **1.1 Purpose of the Request for Proposal**

- A. This Request for Proposals (RFP) solicits proposals from qualified Offerors with the purpose of selecting one contractor to provide care coordination and case management services and facilitate the delivery of transplant services under the State of Hawaii Organ and Tissue Transplant (SHOTT) Program. The Contractor shall be able to communicate and collaborate with the SHOTT patients, care team members, and transplant facilities. Offerors must be able to provide a system for the direction, coordination, monitoring, and tracking of services received for all Department of Human Services' (DHS) beneficiaries on a statewide basis, including managed care health plan beneficiaries and Medicaid's fee-for-service (FFS) beneficiaries. Proposals for a specific island or county will not be accepted.
- B. Offerors are advised that the entire RFP, any addenda, and the corresponding proposal shall be part of the contract with the successful Offeror. The Department of Human Services (DHS) reserves the right to modify, amend, change, add or delete any requirements in this RFP to serve the best interest of the State.
- C. If significant amendments are made to the RFP, the Offerors shall be provided at least ten (10) working days to submit their proposals.
- D. Offerors are encouraged to read each section of the RFP thoroughly. While sections may appear similar among RFP's, state purchasing agencies may add additional information as applicable. It is the responsibility of the Offeror to understand the requirements of each RFP and submit Written Technical Proposal Questions clarify their understanding if necessary.



## **1.2 Authority for Issuance of RFP**

- A. This RFP is issued under the authority of Title XIX of the Social Security Act, 42 USC Section 1396, et. seq. as amended, the implementing regulations issued under the authority thereof, Section 346-14 of the Hawaii Revised Statutes (HRS), and the provisions of the Chapter 103F, HRS.
- B. All Offerors are charged with presumptive knowledge of all requirements cited by these authorities, and submission of a valid executed proposal by any Offeror shall constitute admission of such knowledge on the part of such Offeror. Failure to comply with any requirement may result in the rejection of the proposal. DHS reserves the right to reject any or all proposals received or to cancel this RFP, according to the best interest of the State.

## **1.3 Issuing Officer**

- A. This RFP is issued by the State of Hawaii, Department of Human Services. The Issuing Officer or designated staff within DHS is the sole point of contact from the date of release of this RFP until the selection of a successful offeror. The Issuing Officer is:

Mr. Jon Fujii  
Department of Human Services  
Med-QUEST Division  
1001 Kamokila Boulevard, Suite 317  
Kapolei, Hawaii 96707  
Email: [jfujii@dhs.hawaii.gov](mailto:jfujii@dhs.hawaii.gov)

#### **1.4 Use of Subcontractors**

- A. In the event of a proposal submitted jointly or by multiple organizations, the organization that has the responsibility of providing SHOTT services shall be designated as the primary Offeror. The project leader shall be an employee of the primary Offeror and meet all the relevant experiences. All other participants shall be designated as Subcontractors. Subcontractors shall be identified by name and by a description of the services or functions they will be performing. The primary Offeror shall be wholly responsible for the entire performance whether or not subcontractors are used. The Primary Offeror shall sign the contract with DHS.
- B. If a Subcontractor is used, the Offeror has the ultimate responsibility and liability, and must ensure that their subcontractor(s) will provide the services according to the criteria of this RFP.

#### **1.5 Campaign Contributions by State and County Contractors**

- A. Pursuant to section 11-355, HRS, campaign contributions are prohibited from specified State or county government contractors during the term of the contract if the contractors are paid with funds appropriated by a legislative body. For more information, refer to the Campaign Spending Commission webpage ([www.hawaii.gov/campaign](http://www.hawaii.gov/campaign)).

#### **1.6 Organization of the RFP**

- A. This RFP is composed of ten sections plus appendices:

1. Section 1 – Administrative Overview – Provides general information on the purpose of the RFP, the authorities relating to the issuance of the RFP and the organization of the RFP.
2. Section 2 – RFP Schedule and Requirements – Provides information on the rules and schedules for procurement of this RFP.
3. Section 3 – Background and Department of Human Services Responsibilities – Describes the current medical assistance programs.
4. Section 4 – Scope of Services – Provides information on the services to be provided under the contract.
5. Section 5 - Fraud Waste and Abuse (FWA) and Remedies for Non-Performance – Provides information on fraud, waste, and abuse policies , and remedies for Non-Performance.
6. Section 6 – Readiness review – Provides information on readiness review requirements.
7. Section 7 – Special Terms and Conditions – Describes the terms and conditions under which the work will be performed.
8. Section 8 – Mandatory and Technical Proposal – Defines the required format of the technical proposal and the minimum information to be provided in the proposal.
9. Section 9 – Business Proposal – Defines the required format of the business proposal and the minimum information to be provided in the proposal.

10. Section 10 – Evaluation and Selection – Defines the evaluation process.

B. Various appendices are included to support the information presented in Sections 1 through 10.

## **Section 2 RFP Schedule and Requirements**

### **2.1 RFP Timeline**

- A. The delivery schedule set forth herein represents DHS’s best estimate of the schedule that will be followed. If a component of this schedule, such as Proposals Due date, is delayed, the rest of the schedule will likely be shifted by the same number of days. The proposed schedule is provided in Table 1: 2.1 below:

**Table 1: 2.1 Schedule of RFP Events**

<b>Action</b>	<b>Date</b>
Issue RFP	September 18, 2024
Orientation	September 26, 2024
Submission of Written Technical Proposal Questions	October 11, 2024
Written Responses to Technical Proposal Question	October 21, 2024
Notice of Intent to Propose	October 25, 2024
Proposal Due Date	November 25, 2024
Contract Award	December 9, 2024
Contract Effective Date	July 1, 2025

### **2.2 Orientation Conference**

- A. An orientation for Offerors in the reference to this RFP will be held on the date identified in Section 2.1 from 11:00 am Hawaii Standard Time (H.S.T.) to 12:00 pm at the Med-QUEST Division (MQD) Office, Kakuhihewa Building at 601 Kamokila Boulevard, #577A, Kapolei, Hawaii.
- B. In addition, Offerors may attend the orientation via teleconference.

Call-In Number:1-808-829-4853

Access Code – 218599962#

C. Impromptu questions will be permitted at the orientation and spontaneous responses provided at the discretion of the state purchasing agency. However, responses provided at the orientation conference are intended only as general direction and may not represent the official position of the state purchasing agency. Formal responses will be provided in writing. To ensure a written response, any oral questions should be submitted in writing following the close of the orientation conference, but no later than the submittal deadline for written questions indicated in Section 2.1, Submission of Written Questions.

## **2.3 Submission of Questions**

A. Offerors shall submit questions in writing via email to the following mailing address or email address:

Mr. Jon Fujii  
c/o Eric Nouchi  
Med-QUEST Division-Finance Office  
1001 Kamokila Boulevard, Room 317  
Kapolei, Hawaii 96707-2005  
E-mail address: enouchi@dhs.hawaii.gov

B. The written questions shall reference the RFP section, page and paragraph number in the format provided in Appendix A. Offerors must submit written questions by 2:00 p.m. (H.S.T.) on the date identified in Section 2.1, DHS shall respond to the written questions no later than the date identified in Section 2.1. No verbal responses shall be considered as official.

## **2.4 Notice of Intent to Propose**

- A. Potential Offerors shall submit a Notice of Intent to Propose to the Issuing Officer no later than the date identified in Section 2.1 at 2:00 p.m. (H.S.T.) using the format provided in Appendix B. The Notice of Intent to Propose shall be on the official business letterhead of the Offeror and shall be signed by an individual authorized to commit the Offeror to the work proposed. Submission of a Notice of Intent to Propose is necessary for the Issuing Officer to provide the proposal designated electronic submission site.
- B. Potential Offerors shall submit a Notice of Intent to Propose to the Issuing Officer no later than the date identified in Section 2.1 at 2:00 p.m., (H.S.T.) using the format provided in Appendix B. Submission of intent to propose is not a prerequisite for the submission of proposal, but it is necessary that the Issuing Officer receive the letter by this deadline to assure proper distribution of amendments, questions and answers and other communication regarding this RFP.
- C. The Notice of Intent to Propose can be emailed to the following email address with subject line: "The Notice of Intent to Propose for SHOTT RFP". Notice of intent can be mailed or email to:

Mr. Jon Fujii  
c/o Eric Nouchi  
Med-QUEST Division-Finance Office  
1001 Kamokila Boulevard, Room 317  
Kapolei, Hawaii 96707-2005  
Email Address: enouchi@dhs.hawaii.gov

## **2.5 Requirements to Conduct Business in the State of Hawaii**

A. Offerors are advised that if awarded a contract under this RFP, each Offeror shall, upon award of the contract, furnish proof of compliance with the following requirements of HRS, required to conduct business in the State:

1. HRS Chapter 237, tax clearance
2. HRS Chapter 383, unemployment insurance
3. HRS Chapter 386, workers' compensation
4. HRS Chapter 392, temporary disability insurance
5. HRS Chapter 393, prepaid health care
6. One of the following:
  - a. Be registered and incorporated or organized under the laws of the State (hereinafter referred to as a "Hawaii business"); or
  - b. Be registered to do business in the State (hereinafter referred to as a "compliant non-Hawaii business").

B. Offerors are advised that there are costs associated with compliance under this section. Any costs are the responsibility of the Offeror. Proof of compliance is shown by providing the Certificate of Vendor Compliance issued by Hawaii Compliance Express.



## **2.6 Hawaii Compliance Express (HCE)**

A. DHS utilizes the HCE to verify compliance with the requirements to conduct business in the State, upon award of the contract. The HCE is an electronic system that allows vendors, contractors, or service providers doing business with the State to quickly and easily demonstrate compliance with applicable laws. It is an online system that replaces the necessity of obtaining paper compliance certificates from the Department of Taxation (DOTAX) and Internal Revenue Service (IRS) tax clearance Department of Labor and Industrial Relations (DLIR) labor law compliance, and Department of Commerce and Consumer Affairs (DCCA) good standing compliance. There is a nominal annual fee for the service which is the responsibility of the Offeror. The "Certificate of Vendor Compliance" issued online through HCE provides the registered Offeror's current compliance status as of the issuance date and is accepted for both contracting and final payment purposes. See website:

<https://vendors.ehawaii.gov/hce/splash/welcome.html>

B. Pursuant to Office of Management and Budget (QMB) 2FR Section 180, no award of contract under this RFP shall be made if the Offeror, its subcontractors, and its principals have been suspended or debarred, disqualified or otherwise excluded from participating in this procurement.

## **2.7 Rules of Procurement**

A. To facilitate the procurement process, various rules have been established as described in the following subsections.

### **1. No Contingent Fees**

- a. No Offeror shall employ any company or person, other than a bona fide employee working solely for the Offeror or company regularly employed as its marketing agent, to solicit or secure this contract, nor shall it pay or agree to pay any company or person, other than a bona fide employee working solely for the Offeror or a company regularly employed by the Offeror as its marketing agent, any fee commission, percentage, brokerage fee, gift, or other consideration contingent upon or resulting from the award of a contract to perform the specifications of this RFP.

## 2. Restriction on Communication with State Staff

- a. Communication with State staff shall be consistent with requirements identified in Subchapter 4 Allowable Communication Section 3-143, Hawaii Administrative Rules (HAR).

### 1) Prior To Submittal Deadline:

Discussions may be conducted with Offerors to promote understanding of the purchasing agency's requirements.

### 2) After Proposal Submittal Deadline:

Discussions may be conducted with Offerors whose proposals are determined to be reasonably susceptible of being selected for award, but proposals may be accepted without discussions, in accordance with Section 3-143-403, Hawaii Administrative Rules (HAR).

## 3. RFP Amendments

- a. DHS reserves the right to modify, amend, change, add or delete any requirements in this RFP to serve the best interest of the State. DHS reserves the right to issue amendments to the RFP any time prior to the closing date for the submission of the proposals. In addition, addenda may also be made after proposal submission consistent with Section 3-143-301(e), HAR.
- b. Amendments shall be sent to all Offerors who submitted a Notice of Intent to Propose from DHS pursuant to Section 2.4.

#### 4. Costs of Preparing Proposal

- a. Any costs incurred by the Offeror for the development and submittal of a proposal in response to this RFP are solely the responsibility of the Offeror, whether or not any award results from this solicitation. The State of Hawaii shall provide no reimbursement for such costs.

#### 5. Provider Participation in Planning

- a. Provider participation in a State purchasing agency's efforts to plan for or to purchase health and human services prior to the State purchasing agency's release of a RFP, including the sharing of information on community needs, best practices, and providers' resources, shall not disqualify providers from submitting proposals if conducted in accordance with Sections 3-142-202 and 3-142-203, HAR, pursuant to Chapter 103F, HRS.

## 6. Disposition of Proposals

- a. All proposals become the property of the State of Hawaii. The successful proposal shall be incorporated into the contract. A copy of successful and unsuccessful proposal(s) shall be public record as part of the procurement file as described in Section 3-143-616, HAR, pursuant to Chapter 103F, HRS. The State of Hawaii shall have the right to use all ideas, or adaptations to those ideas, contained in any proposal received in response to this RFP. Selection or rejection of the proposal shall not affect this right.
- b. According to Section 3-143-612, HAR, Offerors who submit technical proposals that fail to meet mandatory requirements or fail to meet all threshold requirements during the technical evaluation phase may retrieve their technical proposal within thirty (30) days after its rejection from the purchasing agency. After thirty (30) days, the purchasing agency may discard the rejected technical proposal.

## 7. Rules for Withdrawal or Revision of Proposals

- a. A proposal may be withdrawn or revised at any time prior to, but not after, the Proposal Due Date specified in Section 2.1, provided that a request in writing executed by an Offeror or its duly authorized representative for the withdrawal or revision of such proposal is filed with DHS before the deadline for receipt of proposals. The

withdrawal of a proposal shall not prejudice the right of an Offeror to submit a new proposal.

- b. After the Proposal Due Date as defined in Section 2.1, all proposals timely received shall be deemed firm offers that are binding on the Offerors for ninety (90) days. During this period, an Offeror may neither modify nor withdraw its proposals without written authorization or invitation from DHS. Offerors may withdraw their bid without incurring penalties as described in Section 10.8.
- c. Notwithstanding the general rules for withdrawal or revision of proposals, the State purchasing agency may request that Offerors submit a final revised proposal in accordance with Section 3-143-607, HAR.

## **2.8 Confidentiality of Information**

- A. DHS shall maintain the confidentiality of proposals only to the extent allowed or required by law, including but not limited to Section 92F-13, HRS, and Sections 3-143-604 and 3-143-616, HAR.
- B. If the Offeror seeks to maintain the confidentiality of sections of the proposal, each page of the section(s) shall be marked as "Proprietary" or "Confidential." An explanation to DHS of how substantial competitive harm would occur if the information were released is required. If the explanation is sufficient, then to the extent permitted by the exemptions in Section 92F-13, HRS, the affected section may be deemed confidential. Such information shall accompany the proposal, be clearly marked, and shall be readily separable from the proposal to facilitate eventual public inspection of the non-confidential sections of the proposal.

- C. DHS shall maintain the confidentiality of the information to the extent allowed by law. Blanket labeling of the entire document as “proprietary,” however, shall result in none of the document being considered proprietary.

## **2.9 Acceptance of Proposals**

- A. DHS reserves the right to reject any or all proposals received or to cancel this RFP according to the best interest of the State.
- B. DHS also reserves the right to waive minor irregularities in proposals providing such action is in the best interest of the State.
- C. Where DHS may waive minor irregularities, such waiver shall in no way modify the RFP requirements or excuse an Offeror from full compliance with the RFP specifications and other contract requirements if the Offeror is awarded the contract.
- D. DHS also reserves the right to consider as acceptable only those proposals submitted in accordance with all technical requirements set forth in this RFP and which demonstrate an understanding of the requirements. Any proposal offering any other set of terms and conditions contradictory to those included in this RFP may be disqualified without further notice.

## **2.10 Submission of Proposals**

- A. Each qualified Offeror shall submit only one (1) proposal to provide SHOTT Program services statewide. In the event that more than one (1) proposal is submitted, DHS shall reject all proposals. The Proposal Application Identification (Form SPO-H-200) shall be completed and submitted with the proposal (Appendix C). The format and content of the proposal is specified in Sections 8 and 9.

- B. The Offeror shall submit Mandatory, Technical and Business proposals in one (1) single electronic primary folder and a redacted version of the Mandatory, Technical and Business proposals, removing all confidential or proprietary information, in one (1) single electronic redacted version folder to the DHS proposal designated electronic submission site provided by the Issuing Officer. If there are discrepancies between the electronic primary folder and the electronic redacted version folder, the electronic primary folder will be the final version. The Issuing Officer shall receive both electronic primary and redacted version of the Mandatory, Technical and Business proposals no later than 2:00 p.m. (H.S.T.) on the Proposal Due Date specified in Section 2.1.
- C. The one (1) single electronic primary folder shall have three (3) subfolders with titles: Mandatory Proposal, Technical Proposal and Business Proposal.
- D. The Offeror shall submit the Mandatory, Technical and Business proposals to the designated electronic submission site as follows:
1. All proposals shall be submitted in a fully searchable Adobe Acrobat Portable File Format (PDF).
  2. The PDF submission shall not be password-protected or encrypted.
  3. Any forms and documents requiring signature(s) shall be scanned into the respective PDF files.
- E. The Offeror shall place the Mandatory Proposal, as described in Section 8.2, in the Mandatory Proposal subfolder as one (1) PDF file.

- F. For the Technical Proposal subfolder, the Offeror shall create one (1) PDF file for each evaluation category described in Section 8.3. Each file nomenclature shall be the same as the evaluation category (For example, Section 8.3.E Provider Network [insert Offeror name]). For each evaluation category PDF file submission, the Offeror shall include all appendices, graphics and attachments as required in this RFP or to support the responses only for the specific evaluation category. No video shall be included.
- G. The offeror shall place the Business Proposal, as described in Section 9, in Business Proposal subfolder as one (1) PDF file.
- H. The Offeror shall solely bear the whole and exclusive responsibility for assuring that the documents are received by the Issuing Officer and for assuring the complete, correctly formatted, legible, and timely transmission of all documents. The Offeror shall assume all risk that the Issuing Officer receiving equipment and system may be inoperative or otherwise unavailable at the time transmission is attempted.
- I. The Offeror file submissions to the DHS proposal designated electronic submission site can be reviewed or revised until 2:00 p.m. (H.S.T.) on the Proposal Due Date specified in Section 2.1.
- J. After the closing date and time, the DHS proposal designated electronic submission site will be closed to prevent further proposal submissions or revisions.

## **2.11 Disqualification of Offerors**

- A. An Offeror shall be disqualified and the proposal automatically rejected for any of the following reasons:



1. Proof of collusion among Offerors, in which case all bids involved in the collusive action shall be rejected and any Offeror participating in such collusion shall be barred from future bidding until reinstated as a qualified Offeror;
2. An Offeror's lack of responsibility and cooperation as shown by past work or services;
3. An Offeror's being in arrears on existing contracts with the State or having defaulted on previous contracts;
4. An Offeror shows any noncompliance with applicable laws;
5. An Offeror's delivery of proposal after the proposal due date and time;
6. An Offeror's failure to pay, or satisfactorily settle, all bills overdue for labor and material on former contracts with the State at the time of issuance of this RFP;
7. An Offeror's lack of financial stability and viability;
8. An Offeror's consistently substandard performance related to meeting the MQD requirements from previous contracts;
9. An Offeror's lack of sufficient experience to perform the work contemplated;
10. An Offeror's lack of a proper provider network; or
11. An Offeror's lack of a proper license to cover the type of work contemplated if required to perform the required services.

## **2.12 Irregular Proposals**

- A. Proposals shall be considered irregular and rejected for the following reasons including, but not limited to the following:
1. If either the proposal letter or transmittal letter is unsigned by an Offeror or does not include evidence of authority of the officer submitting the proposal to submit such proposal;
  2. If the proposal shows any non-compliance with applicable law or contains any unauthorized additions or deletions, conditional bids, incomplete bids, or irregularities of any kind, which may tend to make the proposal incomplete, indefinite, or ambiguous as to its meaning; or
  3. If the Offeror adds any provisions reserving the right to accept or reject an award, or to enter into a contract pursuant to an award or adds provisions contrary to those in the solicitation.

## **2.13 Rejection of Proposals**

- A. The State reserves the right to consider as acceptable only those proposals submitted in accordance with all requirements set forth in this RFP and which demonstrate an understanding of the issues involved and comply with the scope of service. Any proposal offering any other set of terms and conditions contradictory to those included in this RFP may be rejected without further notice.
- B. A proposal may be automatically rejected for any or more of the following reasons: (Relevant sections of the HAR for Chapter 103F, HRS, are parenthesized)

1. Rejection for failure to cooperate or deal in good faith (Section 3-141-201, HAR);
2. Rejection for inadequate accounting system (Section 3-141-202, HAR);
3. Late Proposals (Section 3-143-603, HAR);
4. Unauthorized Multiple or Alternate Proposals (Section 3-143-605, HAR);
5. Inadequate response to RFPs (Section 3-143-609, HAR);
6. Proposal not responsive (Section 3-143-610(a)(1), HAR); or
7. Offeror not responsible (Section 3-143-610(a)(2), HAR).

## **2.14 Cancellation of RFP**

- A. The RFP may be canceled and any or all proposals may be rejected in whole or in part, when it is determined to be in the best interests of the State. The State shall not be liable for any cost, expenses, loss of profits or damages whatsoever, incurred by the Offeror in the event this RFP is cancelled, or a proposal is rejected.

## **2.15 Opening of Proposals**

- A. Proposals, modifications to proposals, and withdrawals of proposals shall be date-stamped and, when possible, time-stamped upon receipt by DHS. All documents so received shall be held in a secure place by the State purchasing agency and not opened until the Proposal Due Date as described in Sections 2.1 and 2.10.
- B. Procurement files shall be open for public inspection after a contract has been awarded and executed by all parties.

## **2.16 Additional Materials and Documentation**

A. Upon request from the State purchasing agency, each Offeror shall submit any additional materials and documentation reasonably required by the State purchasing agency in its evaluation of the proposal.

### **1. Final Revised Proposal**

a. If requested, final revised proposals shall be submitted in the manner and by the date and time specified by the state purchasing agency. If a final revised proposal is not submitted, the previous submittal shall be construed as the Offerors best and final offer or proposal. The Offeror shall submit only the section (s) of the proposal that are amended, along with the Proposal Application Identification Form (SPO-H-200). After final revised proposals are received, final evaluations will be conducted for an award.

### **2. Cost Principles**

a. To promote uniform purchasing practices among state purchasing agencies procuring health and human services under HRS Chapter 103F, state purchasing agencies will utilize standard cost principles as outlined on the SPO website. See <http://spo.hawaii.gov>, search Keyword "Cost Principles". Nothing in this section shall be construed to create an exemption from any cost principle arising under federal law.

## **2.17 Award Notice**

- A. A notice of intended contract award, if any, shall be sent to the selected Offeror on or about the Contract Award date identified in Section 2.1. The successful Offeror receiving award shall enter into a formal written contract.
- B. The contract award is subject to the available funding. The award of a contract and any allowed renewal or extension thereof, is subject to allotments made by the Director of Finance, State of Hawaii, pursuant to HRS Chapter 37, and subject to the availability of State and/or Federal funds.
- C. Any contract arising out of this solicitation is subject to the approval of the Department of Attorney General as to form and to all further approvals, including the approval of the Governor as required by statute, regulation, rule, order, or other directive.
- D. The State of Hawaii is not liable for any costs incurred prior to the Commencement of Services to Beneficiary date identified in Section 2.1.

## **2.18 Protests**

- A. Offerors may file a Notice of Protest against the awarding of the contract. The Notice of Protest form, SPO-H-801, is available on the State Procurement Office (SPO) website. Only the following may be protested:
  - 1. A state purchasing agency's failure to follow procedures established by Chapter 103F, HRS;
  - 2. A state purchasing agency's failure to follow any rule established by Chapter 103F, HRS; and

3. A state purchasing agency's failure to follow any procedure, requirement, or evaluation criterion in the RFP.

B. The Notice of Protest shall be postmarked by the USPS or hand delivered to: (1) the head of the state purchasing agency conducting the protested procurement; and (2) the procurement officer who is conducting the procurement (as indicated in Table 2: 2.18 below) within five (5) working days of the postmark of the Notice of Findings and Decisions sent to the protestor. Delivery services other than USPS shall be considered hand deliveries and considered submitted on the date of the actual receipt by DHS.

**Table 2: 2.18 Notice of Protest Delivery**

<b>Procurement Officer</b>	<b>Head of State Purchasing Agency</b>
Name: Meredith Nicholas	Name: Ryan I Yamane
Title: Med-QUEST Division Assistant Administrator	Director, Department of Human Services
Mailing Address: P. O. Box 700190 Kapolei, Hawaii 96709-0190	Mailing Address: P. O. Box 339 Honolulu, Hawaii 96809-0339
Business Address: 601 Kamokila Boulevard, Room 518 Kapolei, Hawaii 96707	Business Address: 1390 Miller St, Room 209 Honolulu, Hawaii 96813

C. All protests are pursuant to Chapter 148 of Title 3, Hawaii Administrative Rules.

## **SECTION 3 Background and Department of Human Services Responsibilities**

### **3.1 Overview of Medical Assistance in Hawaii**

- A. MQD is the unit within the Department of Human Services (DHS) that administers the medical assistance programs. Medicaid, a federal and state partnership program created by Congress in 1965, provides medical assistance benefits to qualified uninsured and underinsured through the QUEST Integration (QI) program.
- B. Hawaii Medicaid covers approximately 335,000 individuals (approximately 280,000 in non-aged, non-disabled population and approximately 54,000 in its aged, blind, and disabled population). The basic eligibility requirements for Medicaid include being 1) a U.S. citizen or qualified alien; 2) a Hawaii resident; and 3) not residing in a public institution such as prison or the State psychiatric hospital. Most eligibility categories such as low-income adults, pregnant women and children have different income thresholds and are not subject to an asset limit.

### **3.2 Hawaii QUEST Integration**

- A. The QUEST Integration program is designed to improve the health care and to enhance and expand coverage for persons eligible for Medicaid and Children's Health Insurance Program (CHIP) by the most cost effective and efficient means with an emphasis on prevention and quality health care. (Because CHIP in Hawaii is operated as Medicaid expansion, Medicaid is used to represent both Medicaid and CHIP.) Certain other individuals' ineligible for these programs due to citizenship status may be eligible for other medical assistance and served through contracted health plans.

B. The health plan shall assist the State of Hawaii in this endeavor through the tasks, obligations and responsibilities detailed herein.

C. Originally implemented as the QUEST program in 1994, QUEST stands for:

**Q**uality care  
**U**niversal access  
**E**fficient utilization  
**S**tabilizing costs, and  
**T**ransforming the way health care is provided to QUEST beneficiaries.

D. The QUEST program was designed in 1994 to increase access to health care and control the rate of growth in health care costs.

E. The QUEST program has gone through many changes since 1994 that included expanding the populations covered by QUEST. In 2009, DHS implemented its QUEST Expanded Access (QExA) program that allowed its aged, blind, or disabled (ABD) population to also benefit from managed care.

F. In 2014, the QUEST Integration (QI) program combined several programs to include but not limited to QUEST, QUEST-ACE, QUEST-Net and QExA program into one-Statewide program providing managed care services to all of Hawaii's Medicaid population.

G. The goals of the QUEST Integration program are to:

1. Improve the health care status of the Medicaid beneficiary population;
2. Minimize administrative burdens, streamline access to care for enrollees with changing health status, and improve health outcomes by integrating programs and benefits;



3. Align the program with the Affordable Care Act (ACA);
4. Improve care coordination by establishing a “provider home” for beneficiaries through the use of assigned primary care providers (PCPs);
5. Expand access to home and community-based services (HCBS) and allow beneficiaries to have a choice between institutional services and HCBS;
6. Maintain a managed care delivery system that assures access to high quality, cost-effective care that is provided whenever possible, in the beneficiaries’ community, for all covered populations;
7. Establish contractual accountability among the State, the health plans and health care providers;
8. Continue the predictable and slower rate of expenditure growth associated with managed care; and
9. Expand and strengthen a sense of beneficiary responsibility and promote independence and choice among beneficiaries that leads to a more appropriate utilization of the health care system.

### **3.3 Department of Human Services (DHS)**

- A. DHS carries on the tradition of innovation by implementing the Hawaii Ohana Nui Project Expansion (HOPE) program initiative to develop and implement a roadmap to achieve this vision of healthy families and healthy communities. Under the HOPE initiative, DHS’s vision is that the people of Hawaii embrace health and wellness.

DHS's mission is to empower Hawaii's residents to improve and sustain wellbeing by developing, promoting and administering innovative and high-quality healthcare programs with aloha.

B. MQD is the organizational unit within DHS that is responsible for the operation and administration of the medical assistance programs including QUEST Integration programs.

C. For purposes related to this RFP, the basic functions or responsibilities of MQD include:

1. Developing and defining the medical, dental, behavioral health, and Long-Term Services and Supports (LTSS) benefits to be provided by the managed care plans;
2. Developing the rules, policies, regulations and procedures to be followed under QUEST Integration;
3. Negotiating and contracting with selected medical, behavioral health, and dental plans;
4. Determining initial and continued eligibility of beneficiaries;
5. Enrolling and disenrolling beneficiaries;
6. Monitoring the quality of services provided by the health plans and its providers;
7. Reviewing and analyzing utilization of services provided by the health plans and its providers;
8. Handling unresolved beneficiary grievances with the health plans and providers;

9. Analyzing the effectiveness of QUEST Integration in meeting its objectives;
10. Providing beneficiary information to its contractors;
11. Managing Kauhale On-Line Eligibility Assistance (KOLEA)
12. Managing the Hawaii Prepaid Medical Management Information System (HPMMIS);
13. Providing beneficiary information to the health plans;
14. Providing monthly capitation payments to health plans;
15. Managing the fiscal agent functions; and
16. Managing the State of Hawaii Organ and Transplant (SHOTT) Program.

### **3.4 State of Hawaii Organ and Tissue Transplant (SHOTT) Program**

- A. The SHOTT Program is for eligible QUEST Integration and Medicaid Fee for Service beneficiaries. The DHS provides medically necessary transplants through the SHOTT program which is paid on a Fee-For-Services basis. Covered transplants must be non-experimental, non-investigational for the specific organ or tissue and specific medical condition being treated. The SHOTT Program covers adults and children (from birth through the month of their 21st birthday). These transplants may include liver, heart, heart-lung, lung, kidney, kidney-pancreas, and allogenic and autologous bone marrow transplants regardless of the Medicaid beneficiary's Medicare eligibility. In addition, children may be covered for transplants of the small bowel with or without liver.

- B. Children and adults will be required to meet the specific medical conditions and criteria as determined by the State for the transplants in all cases. Included under the SHOTT Program are all services from the initial evaluation through the first annual visit following the last successful transplantation received by a beneficiary.

### **3.5 SHOTT Policy Memorandums**

- A. MQD issues policy memorandums to offer clarity on policy or operational issues or legal changes impacting the Offeror. The Offeror shall comply with the requirements of all the policy memorandums during the course of the contract and execute each memorandum when distributed by MQD during the period of the contract. The Offeror shall acknowledge receipt of the memoranda through electronic mail.

## **SECTION 4    Scope of Services**

### **4.1 Contractor's Role in Managed Care**

- A. The State of Hawaii defines a set package of transplant benefits that shall be provided to eligible beneficiaries, also referred to as members. The State of Hawaii Organ and Tissue Transplant (SHOTT) program Contractor shall provide for the direction, coordination, monitoring and tracking of the transplant services needed by the beneficiaries.
- B. The Contractor shall also provide the transplant members with a case manager, who assesses the beneficiary's transplant care needs and coordinates services to meet these needs. The Contractor shall coordinate with MQD regarding any and all issues as it relates to the eligibility of the beneficiaries in the SHOTT program.

### **4.2 Transplants**

- A. The Contractor shall offer the following transplants:

- 1. Children (Under 21 years of age)
  - a. Heart
  - b. Liver
  - c. Lung
  - d. Heart and Lung
  - e. Allogeneic Stem Cell Transplant
  - f. Autologous Stem Cell Transplant
  - g. Small Bowel with and without Liver

- h. Kidney
- i. Pancreas
- j. Pancreas and Kidney
- k. Intestinal

2. Adults (21 years of age or above)

- a. Heart
- b. Liver
- c. Lung
- d. Heart and Lung
- e. Allogeneic Stem Cell Transplant
- f. Autologous Stem Cell Transplant
- g. Kidney
- h. Pancreas
- i. Pancreas and Kidney
- j. Intestinal

B. Should Medicare approve additional transplants, the State of Hawaii will have the option of adding these transplants to the program.

C. The Contractor shall use the guidelines provided in Appendix D in providing transplants. These guidelines may be updated according to requirements established by the MQD.

### **4.3 Health Care services to be provided**

A. Proposal shall be for statewide services. There will be one Contractor selected to provide the following healthcare services:

1. Provide all healthcare related services (transplant, ancillary and dental) while beneficiaries are in the SHOTT program;
2. Care coordination and Case management;
3. Evaluation for transplant;
4. Counseling;
5. Interpreter services;
6. Translation services that the Contractor is aware the beneficiary needs for written materials in DHS required languages;
7. Transportation (air and ground);
8. Lodging;
9. Meals;
10. Crisis management;
11. Medication management;
12. Palliative care;
13. Post-transplant care;
14. Medical treatment referrals; and
15. Hotline 24-hour, 7 days a week.

#### **4.4 Care Coordination and Case Management**

A. The care coordination and case management responsibilities include but are not limited to:

1. Provide a system for direction, coordinating, monitoring, and tracking of services by each beneficiary
2. Assist the beneficiary's physician with coordinating of services for them
3. Must be available on a 24-hour basis and can be reached within one-half (1/2) hour after a call is placed
4. Must be a resident(s) of the State of Hawaii
5. Provide the beneficiary with a clear and adequate information on how to obtain services and make informed decisions about their transplant health needs
6. Coordinate and integrate the beneficiary's transplant care and services with the health plan and primary care provider or fee for service provider
7. Achieve continuity of beneficiary's care
8. Assist the beneficiary to obtain transplant care and ensure that these services are received in a timely manner
9. Ensure that an active system of outreach is in place to provide the flexibility needed to reach beneficiaries requiring services, such as the homeless, or others, who might not access services without impairments, lack of transportation, etc.



10. Facilitate beneficiary compliance with recommended transplant treatment
11. Assure that the beneficiary has adequate caregiver support for post-transplant care
12. Provide support to the caregiver so that they may care for the beneficiary
13. Provide care coordination and case management services from the notice of possibly becoming a transplant candidate to approximately one year after the transplant was performed
14. Be responsible for arranging interpreter services and shall assist beneficiary in obtaining needed services
15. Demonstrate the capability to provide effective communication and translation services as necessary, so that the beneficiaries understand their condition, the suggested treatments and the effect of the treatment on their condition including side effects
16. Must also inform its beneficiaries of the availability of these services. The Contractor may not require the beneficiary to use a friend or family member for interpreter services
17. The Contractor shall arrange for interpreter services as defined in Section 4.13.B for beneficiaries that speak a language other than English. The Contractor shall provide sign language and teletypewriter (TTY) services to beneficiaries with a hearing impairment.

18. The Contractor shall inform beneficiaries of their rights to the grievance and appeal process in Section 4.15. The Contractor shall address beneficiary's issues.

19. The Contractor shall mail a member identification (ID) card to all new SHOTT members within ten (10) days of their approval into the SHOTT Program. The member ID card must, at a minimum, contain the following information:

- a. Member Number;
- b. Member name;
- c. Effective date;
- d. Third Party Liability (TPL) information
- e. Patient services telephone number

B. Through collaboration with MQD, the Contractor shall develop a standard pamphlet, at minimum, with the following:

- 1. Services provided by the MQD SHOTT Program;
- 2. All MQD SHOTT Program phone numbers;
- 3. Language assistance;
- 4. Office address;
- 5. Office hours;
- 6. Website information to educate the Medicaid beneficiaries, QI health plans, and the Providers; and

7. Compliance Information (civil rights, discrimination, language assistance).

C. The Contractor shall develop a Medicaid SHOTT Program website.

Website shall include, but not limited to the following:

1. Services provided by the MQD SHOTT Program;
2. All MQD SHOTT Program phone numbers;
3. Office address;
4. Office hours;
5. Compliance Information (civil rights, discrimination, language assistance);
6. MQD SHOTT Program grievance and appeal contact information;
7. Frequent asked questions; and
8. Electronic direct link communication function

#### **4.5 Certifying and Credentialing Providers**

A. Contractor shall:

1. Develop and maintain a sufficient provider network to provide the required transplant services needed by beneficiaries in a timely manner. It is expected that the Contractor will provide qualified providers to meet the transplant needs of the beneficiaries.
2. The Contractor shall demonstrate that its network providers are credentialed as required under 42 CFR 438.214. The

Contractor will follow the most current National Committee for Quality Assurance (NCQA) credentialing and re-credentialing standards including delegation and provider monitoring and oversight.

3. Contract with and utilize only Medicare-certified facilities for transplant procedures to be performed on children and adults.
4. Be required to contract with Medicare-certified Hawaii facilities. Priority will be given to in state facilities, however, if there are limitations in the scope of service, out of state facilities may be considered.
5. Have a minimum of eighty percent (80%) of its transplant provider network located in either Hawaii or along the West Coast of the continent of the United States, excluding territories, for transplant procedures for children and adults.
6. Have followed the established criteria for selecting and contracting with transplant providers supplied by the State of Hawaii.
7. Have a sufficient provider network such that beneficiaries are able to obtain the needed services within an acceptable period of time, including meeting the management and clinical needs of the severely handicapped population.
8. Specifically identify how care coordination will be performed, either through identifying employees or a care coordination agency contracted with the responding company.
9. Provide the most current list of all contracted providers within the Contractor's network to be utilized for this RFP. The list

shall be organized by State and for each contracted provider listed the Contractor must identify:

- a. Name of the facility
- b. Address of the facility including the city and state where the facility is located
- c. Identify the type(s) of transplants each facility is contracted to perform. Identify whether the facility is on contract to provide transplant services for adults, children or both
- d. Date of most recent Medicare certification and the type of transplant the facility has received certification

10. Negotiate rates on behalf of the State of Hawaii Medicaid Program. Prior to implementation of rates they must be approved by the State.

#### **4.6 Coordination of Other Benefits**

- A. Reimbursement from the third party shall be sought unless the Contractor determines that recovery would not be cost effective. For example, the Contractor may determine that the amount it reasonably expects to recover will be less than the cost of recovery. In such situations, the Contractor shall document the situation and provide adequate explanations to DHS.
- B. The Contractor shall coordinate benefits with other coverage, both public and private, which are or may be available to pay transplant expenses on behalf of any beneficiaries including:

1. Continuing cost avoidance of the plans accident and workers' compensation benefits
  2. Reporting all incident cases incurring medical and transplant expenses in excess of five hundred dollars (\$500.00) to DHS
  3. Providing a list of transplant expenses, in the format requested by DHS, for recovery purposes
  4. Recovering transplant expenses incurred by beneficiaries from all other TPL resources
  5. Informing DHS of TPL information uncovered during the course of normal business operations
  6. Providing DHS the total cost avoidance and amounts collected from TPL's in the quarterly SHOTT Financial report as described in Section 4.9.
  7. Developing procedures for determining when to pursue TPL recovery.
  8. Negotiating contracts and letters of agreement with transplant facilities
- C. The Contractor shall coordinate with MQD and the QUEST Integration Managed Care health plans on care coordination, person center health management, program transitions, and other available services including Social Determinants of Health.

#### **4.7 Reimbursement**

- A. The method of reimbursement from DHS to the Contractor shall be an administrative rate based on an average monthly volume. Should

the transplant candidates increase beyond the specified volumes listed in Section 9.1, the reimbursement will move to the next tier level. In addition, the Contractor will also receive reimbursement for processing of non-transplant related claims. The Contractor shall be reimbursed based on the lines processed for payment on the CMS 1500 and header level on the UB-04 forms and other claim forms.

- B. The Contractor shall also receive reimbursement from DHS for the benefits paid for by the Contractor for transplant and non-transplant related claims. These benefits are pass through payments and do not affect the contract amount.

#### **4.8 Processing of Benefit Cost**

- A. The Contractor shall request funds from the Med-QUEST Finance Office. Within forty-five (45) days of receipt of the payment, the Contractor shall make the necessary payments to the providers.

#### **4.9 Reporting Requirements**

##### **A. General Requirements**

1. After contract execution, the awarded Contractor shall submit to DHS all requested reports identified below and, in the timeframe, identified in this section. In addition, the Contractor shall comply with all additional requests from DHS, or its designee, for additional data, information and reports. In the event the Contractor is under a corrective action plan (CAP), the Contractor may be required to submit certain reports more frequent than stated in this section.
2. All reporting data shall be submitted to DHS in electronic format of either Word 2010 or lower (.docx), or Excel 2010 or

lower (.xlsx). Reporting data shall not be submitted with read only or protected formatting.

3. Any report containing identifying patient information, the Contractor must submit in a manner that is compliant with the Health Insurance Portability and Accountability Act of 1996 and the Business Associate Agreement.
4. The requirement that the Contractor provide the requested data is a result of the terms and conditions established by CMS. The State shall perform periodic reviews to endure compliance. The State is required to have provisions in its contracts with the Contractor for the provision of the data and is authorized to impose financial penalties if the data is not provided timely and accurately according to the time frames identified, as described below.
5. DHS reserves the right to request additional data, information and reports from the Contractor, as needed, to comply with CMS requirements and for its own management purposes.
6. The Contractor shall submit the following reports (as indicated in Table 3: 4.9) below electronically to DHS to the SHOTT Managed File Transfer (MFT) or Secured File Transfer Protocol (SFTP) site according to the specified schedule.



**Table 3: 4.9 Reporting Table**

<b>Category</b>	<b>Report</b>	<b>RFP Section</b>	<b>Due Dates</b>	<b>Reviewer</b>
Administration	SHOTT Encounter Data Report	4.9.H	Monthly (start date to be determined)	HAO
Administration & Financial Reports	SHOTT Quarter Financial Report	4.9.B	October 31 January 31 April 30 July 31	Financial Office
Administration & Financial Report	SHOTT Annual Financial Report	4.9.B	July 31	Finance Office
Member Services	SHOTT Patient Report	4.9.C	November 15 February 15 May 15 August 15	HCSB
Member Services	SHOTT Program Management Report	4.9.D	October 31 January 31 April 30 July 31	HCSB
Member Services	SHOTT Member Grievance & Appeals Report	4.9.E	January 31  July 31	HCSB
Provider Network and Services	SHOTT Provider Grievance & Appeals Reports	4.9.F	January 31  July 31	HCSB
Provider Services	SHOTT Fraud, Waste, and Abuse	4.9.G	October 31 January 31 April 30 July 31	HCSB

7. The Contractor shall also provide the state with ad hoc reports within thirty (30) days of the requested information.

**B. SHOTT Financial Reporting Guide**

1. The Contractor shall submit financial information on a regular basis in accordance with the Contractor Financial Reporting Tool provided by DHS.

2. The financial information shall be analyzed and compared to industry standards and standards established by DHS to ensure the financial solvency of the Contractor. DHS may also monitor the financial performance of the Contractor with on-site inspections and audits.
3. The Contractor shall, in accordance with generally accepted accounting practices, prepare financial reports that adequately reflect all direct and indirect expenditures and management and fiscal practice related to the Contractor's performance of services under this contract.
4. The Contractor shall submit these reports on electronic media in the format specified by DHS. The information shall, at a minimum, include:
  - a. SHOTT Financial Report (Quarterly and Annually)
    - 1) Transplant Related Incurred Claims
    - 2) Transplant Related Paid Claims
    - 3) Non-Transplant Related Incurred Claims
    - 4) Non-Transplant Related Paid Claims
    - 5) Cost Avoidance Payments

C. SHOTT Patient Report

1. The Contractor shall submit to DHS Patient Reports. Reports shall include information on individual beneficiary, transplant type, services, status and any other quality measures that DHS deems necessary.

2. The Contractor shall submit these reports on electronic media in the format specified by DHS. The information shall, at a minimum, include:

a. Patient Reporting Requirements (Quarterly)

- 1) Medicaid ID
- 2) Date of Birth
- 3) Diagnosis
- 4) Transplant Type
- 5) Transplant Facility
- 6) Date of Referral
- 7) Date of Acceptance into Program
- 8) Date of Acceptance by Facility
- 9) Date Denied or Withdrawn
- 10) Date of Transplant
- 11) Current Patient Status
- 12) Wait-list Time by Patient

D. SHOTT Program Management Report

1. The Contractor shall submit to DHS Program Management Reports. Reports shall include information on transplant(s) cost, savings, outcomes and any other measures that DHS deems necessary.

2. The Contractor shall submit these reports on electronic media in the format specified by DHS. The information shall, at a minimum, include:

a. Program Management Reporting Requirements  
(Quarterly)

- 1) Number of Total Transplants Performed for each reporting quarter
- 2) Total enrolled Transplant Beneficiaries in Program
- 3) Total number of Transplant Beneficiaries disenrolled in program
- 4) Total cost of Transplants by procedure (not to include patients where SHOTT is secondary payor)
- 5) Total Savings by Transplant Type
- 6) Total Overall Savings for Program
- 7) Travel cost
- 8) Lodging cost
- 9) Meal cost

E. SHOTT Member Grievance and Appeal Report

1. The Contractor shall submit Member Grievance and Appeals Reports. The requirement of Member Grievance and Appeal shall comply with Section 4.15. Reports shall be submitted on electronic media in the format specified by DHS. The information shall, at a minimum, include:

a. Member Grievance and Appeal Reporting Requirements  
(Semi-Annually)

- 1) The number of grievance and appeals by type;
- 2) Type of assistance provided;
- 3) Administrative disposition of the case;
- 4) Listing of unresolved appeals originally filed in previous quarters;
- 5) Member outcome.

F. SHOTT Provider Grievance and Appeal Report

1. The Contractor shall submit Provider Grievance and Appeals Reports. The requirement of Provider Grievance and Appeal shall comply with Section 4.16. Reports shall be submitted on electronic media in the format specified by DHS. At minimum, the reports shall include:

a. Provider Grievance and Appeal Report Requirements  
(Semi-Annually)

- 1) The number of grievance and appeals by type;
- 2) Provider ID number and name;
- 3) Type of grievance(s) or appeal(s);
- 4) Provider outcome.

G. SHOTT Fraud Waste and Abuse (FWA) Report

1. The Contractor shall submit the FWA Report. The requirement of this report shall comply with Section 5.1.B.2 on a quarterly basis. Reports shall be submitted on electronic media in the format specified by DHS.

#### H. SHOTT Encounter Data Report

1. The Contractor shall obtain all necessary data from its providers to submit encounter data for all services rendered to SHOTT Members under this Contract.
2. The Contractor shall prepare to report detailed data at the member, provider, and claims levels, including but limited to:
  - a. Procedure codes
  - b. diagnostic codes
  - c. provider and member identifiers
  - d. allowed and paid amounts for services
  - e. units and place of service codes
  - f. various date fields to support calculations of performance metrics.
3. DHS may establish acceptance criteria to assure data quality; if a data file is rejected., the contractor shall be required to resubmit data within ten (10) days pf receiving the notification of rejection. Reporting requirements and technical assistance will be provided by DHS after the contract is awarded. DHS will inform the Contractor the start date of this report and method of submission.

#### **4.10 Contractor Personnel**

##### **A. Medical Director**

1. The Contractor shall have in place a Medical Director who is located and licensed in the State of Hawaii, with experience working with the Medicaid program and population, to provide clinical consultation to the transplant case management team. The Medical Director shall reside in the State of Hawaii and be employed or contracted in at least a quarter (0.25) full-time equivalent (FTE) position. The Medical Director shall work closely with the MQD Medical Director and transplant facilities providers and contractors when applicable.

##### **B. Supporting Staff and Systems**

1. The Contractor's office shall be located in the State of Hawaii. It should have in place in Hawaii adequate organizational, management, and administrative systems that are capable of implementing and fulfilling all contractual obligations for this RFP.
2. The Contractor shall be responsible to ensure that appropriate medical care is provided to the transplant beneficiary, as well as address all areas related to quality of care. The Contractor must have staff located in Hawaii and work closely with the Med-QUEST medical director and transplant facility and participate in any committees relating to the QUEST Integration program when requested by DHS.
3. The Contractor shall ensure adequate staff are available and assigned to appropriate areas to fulfill the required functions

specified in this Contract. The Contractor shall increase staffing in specific areas if determined by DHS that contractual requirements are not being met.

4. The Contractor staff shall include but not limited to the following:

- a. Transplant Coordinator
- b. Case Management Staff
- c. Clerical Staff

5. The Contractor shall have staff to perform the required services to include, but not limited to:

- a. Coordinate and manage the provision of necessary services to the transplant beneficiary;
- b. Oversee the administrative and operational requirements of transplant and transplant-related services;
- c. Investigate beneficiary and provider grievance and appeals; and
- d. Provide appropriate and timely claims history data and meet reporting requirements.

#### **4.12 Authorization and Approval Process**

A. The processes listed below may be modified with the agreement of the Contractor and DHS.



1. In all cases, children and adults will be required to meet the specific medical conditions for transplants. The MQD shall determine whether a transplant evaluation is warranted utilizing the Forms Specified and applicable medical information. See Appendix E (Transplant Evaluation Form).
2. The Contractor may refer to DHS guidelines related to transplant services in Chapter 8 of the Medicaid Provider Manual found on the Med-QUEST Division website at <http://www.medquest.hawaii.gov>.
3. Physicians within the community and QUEST Integration health plans identify persons who meet the medical conditions for a transplant evaluation. They will be instructed to follow the Medicaid requirements for the SHOTT program.
4. For QUEST Integration beneficiaries, the health plan submits forms that may include the Aid to Disabled Review Committee (ADRC) application packet: DHS Form 1180, 1127, 1128, 1144 and Transplant Evaluation Form (Appendix E), as required, to the MQD ADRC coordinator for disability determination. Not all QUEST Integration beneficiaries (those in the low-income adult group) will have an ADRC application packet submitted.
5. In order to refer a patient to the SHOTT program, the referring physician completes a DHS 1144 'Request for Medical Authorization' requesting a transplant evaluation and the Transplant Evaluation Form (Appendix E) as well as submit appropriate medical information documenting the

beneficiary's medical condition, including result of lab tests, studies, clinical notes, etc.

6. The QI beneficiary will be disenrolled from the health plan and transitioned to the SHOTT program once approved for transplantation. The effective date of enrollment is the date the MQD medical director signed DHS 1144.
7. For a Medicaid FFS beneficiary, the physician should complete a DHS 1144 'Request for Medical Authorization' requesting a transplant evaluation and the Transplant Evaluation Form (Appendix E) as well as submit appropriate medical information documenting the beneficiary's medical condition, including result of lab tests, studies, clinical notes, etc.

B. MQD will:

1. Check beneficiary's eligibility in the MQD HPMMIS or Kauhale (community) On-Line Eligibility Assistance (KOLEA) system.
2. Perform an initial review to determine that all required documentation is received.
  - a. If additional information is needed, the MQD transplant coordinator will follow up with the referring party and instruct them to provide the additional information. No further action will be taken by MQD until the required information is received.
  - b. When all documents are received, the MQD transplant coordinator will then submit the SHOTT packet to the MQD medical director for review.

3. The MQD medical director reviews the Form 1144 and the supporting documentation and makes a determination. If additional information is required, the MQD will obtain the additional information from the beneficiary's health plan/physician.
4. The MQD medical director approves or denies the transplant evaluation request on Form 1144 and the following shall occur:
  - a. If the request for the transplant evaluation is not approved to move forward to SHOTT, the agency that makes the referral (i.e., health plan, hospital, referring physician) is notified by MQD. A Copy of Form 1144 indicating a denial is returned to the referring physician who informs the beneficiary.
  - b. If the request for the transplant evaluation is approved to move forward to SHOTT:
    - 1) The MQD notifies the SHOTT program coordinator/case manager as well as the agency making the referral (i.e., health plan, hospital, referring physician) of the approval.
    - 2) Customer Service Branch (CSB) changes health plan enrollment for the beneficiary.
    - 3) The MQD transmit approved SHOTT casefile via MTP to the SHOTT coordinator/case manager. Approved SHOTT casefile to include the approved and signed

Form 1144, and all the supporting documentation to SHOTT.

5. Upon receipt of the approved Form 1144, the SHOTT Contractor contacts the beneficiary and explains their role as the SHOTT program coordinator/case manager and eligible SHOTT program services.
6. SHOTT Contractor sends a standard form letter to the beneficiary notifying him/her of the approval and conversion into the SHOTT program.
  - a. If transplant criteria are met:
    - 1) The SHOTT Contractor assumes financial responsibility from the date that Form 1144 was signed and approved by the MQD medical director.
    - 2) The SHOTT Contractor is responsible for coordinating care for transplant services, to include a caregiver, transportation, lodging, and interpreter services.
    - 3) The beneficiary will be asked about Social Security Income information if it is not documented on the SHOTT Case Information Form (CIF).
- C. Throughout the referral process, the MQD and the SHOTT coordinator will communicate closely regarding the status of all referred beneficiaries.
- D. The Contractor shall be required to process claims for transplant and non-transplant services. The Contractor shall pay all claims in a timely basis in accordance with 1902(a)(37)(A) of the Social Security

Administration (SSA). The Contractor shall ensure that ninety percent (90%) of clean claims for payment are paid within thirty (30) days of the date of receipt of such claims and that ninety-nine percent (99%) of clean claims are paid within ninety (90) days of the date of receipt of such claims. A clean claim is one for which no further written information or substantiation is required in order to make payment. It is the responsibility of the Contractor to educate providers on appropriate claims submission. Inappropriate submission of claims to the Contractor, shall not relieve them of their timely payment guideline.

- E. The Contractor shall be responsible for reimbursing transplant and non-transplant-related claims according to the Medicaid reimbursement schedule as maintained by MQD.

#### **4.13 Other Services to be Provided**

##### **A. Travel, Lodging, and Meals**

1. The Contractor shall make all transportation (air and ground), lodging and meal arrangements for a transplant beneficiary and one attendant (if needed) while traveling for evaluation or transplant services. The Contractor shall coordinate with DHS to work with DHS' contracted Travel Company; however, the Contractor is responsible for the coordination services. DHS will be responsible for the reimbursements for authorized transportation, lodging and meal services.
2. The Offer may find information related to transportation services in Chapter 16 of the Medicaid Provider Manual found on the MQD website at

<https://medquest.hawaii.gov/en/plans-providers/fee-for-service/provider-manual.html>

3. The Contractor shall be responsible to inform and educate the beneficiaries of these services. DHS will provide the Contractor with a detailed procedure on how to initiate these services, (i.e. coupons, payment voucher, etc.) prior to the implementation of this contract.
4. If a request for transportation or meals and lodging does not meet the Authorization criteria, the Contractor shall deny the service. Any denial should be documented by beneficiary name, types of service requested, and reason for denial. A denial of services log or report shall be provided to DHS on a monthly basis.

#### B. Language Assistance

1. The Contractor shall make available to each beneficiary, including individuals with Limited English Proficiency (LEP), oral interpretation services, sign language services and Telecommunication Device for the Deaf (TDD) services. This must be provided at no cost to the SHOTT beneficiary. The Contractor shall provide free language services to SHOTT beneficiaries whose primary language is not English. This can include services such as qualified interpreters.
2. The Contractor is prohibited from requiring or suggesting that LEP SHOTT beneficiaries provide their own interpreters or utilize friends or family members.

3. The Contractor shall meet the following oral interpretation special requirements:

a. Provide free aids and services to SHOTT beneficiaries to include but not limited to:

1) Qualified sign language interpreters;

2) TTY/TDD services; and

3) Written information in other formats (large print, audio, accessible electronic formats, other formats).

b. Offer oral interpretation services to SHOTT beneficiaries with LEP regardless of whether the beneficiary speaks a language that meets the threshold of a prevalent non-English language; and

c. Document the offer of an interpreter regardless of whether the SHOTT beneficiary indicated an ability to provide his or her own, and whether the SHOTT beneficiary declined or accepted the interpreter service.

#### C. Required Written Material

1. The Contractor shall use easily understood language and formats for all SHOTT beneficiaries written material;

2. The Contractor shall make all written materials with taglines in the prevalent non-English languages in the state, as well as large print, explaining the availability of written translation or oral interpretation to understand the information provided. Large print means printed in a font size no smaller than 18 points. Written materials must also be made available in

alternative formats upon request of the beneficiary at no cost, and in a manner that takes into consideration the beneficiary's special needs, including those who are visually impaired or have limited reading proficiency. Auxiliary aids and services must also be made available upon request of the beneficiary at no cost. The Contractor shall notify all SHOTT beneficiaries that information is available in alternative formats at no cost and provide information on how to access those formats.

3. The Contractor shall make all written information for beneficiaries available in languages that comply with Section 1557 of the Patient protection and Affordable Care Act. When the Contractor is aware that the beneficiary needs written information in one of these alternative languages, the Contractor shall send all written information in this language (not English) to the SHOTT beneficiaries within seven (7) days of the request or within seven (7) days of the next business day following the request if the request is made outside of business hours. Small-sized publications and communications (i.e. post cards, brochures, and pamphlets) shall include at a minimum tagline in the following four non-English languages: Ilocano, Vietnamese, Chinese (Traditional), and Korean. The Contractor may provide information in other prevalent non-English languages based upon its beneficiary's population, and as required in Title VI of the Civil Rights Act of 1964, 42 U.S.C. Section 2000d, 45 CFR Part 80.



4. All written materials distributed to SHOTT beneficiaries shall include a language block that informs the beneficiary that the document contains important information and directs the beneficiary to call the Contractor to request the document in an alternative language or to have it orally translated. The language block shall be printed, at a minimum, in the non-English languages identified in paragraph three (3) of this section.
5. All written materials shall be worded such that the materials are understandable to a beneficiary who reads at the 6<sup>th</sup> (6.9 or below) grade reading level. Suggested reference materials to determine whether this requirement is being met are the:
  - a. Fry Readability Index;
  - b. PROSE The Readability Analyst (software developed by Education Activied, Inc.);
  - c. McLaughlin SMOG Index; or
  - d. Flesch-Kincaid Index.
6. All written material including changes or revisions must be submitted to DHS for prior approval before being distributed. The Contractor shall also receive prior approval for any changes in written materials provided to the SHOTT beneficiaries before distribution.

#### D. Hotline

1. The Contractor shall have Case Manager staff, residing in Hawaii, be available on a twenty-four (24) hours, seven (7)

days a week, to take calls and make arrangements for the transplant services.

2. The Contractor Hotline staff shall be available to the SHOTT beneficiaries, providers and MQD staff between 7:45 a.m. to 4:30 p.m. Hawaii Standard Time (H.S.T.), Monday through Friday, excluding State holidays.

#### E. Data Collection and Analysis

1. DHS may require the Contractor to collect and analyze data to improve the utilization and quality of the SHOTT Program.

### **4.14 Beneficiary and Contractor's Responsibilities**

- A. The Contractor may find information related to the transplant services in Chapter 8 of the Medicaid Provider Manual found on the MQD website at <https://medquest.hawaii.gov/en/plans-providers/fee-for-service/provider-manual.html>.
- B. Furthermore, the Contractor is required to provide consultation and input to DHS as required regarding amendments to the provider manual as it relates to transplant services.
- C. As part of the education conducted by DHS, beneficiaries shall be notified that they are to provide the Contractor and DHS with any information affecting their beneficiary status. DHS shall describe the information that is to be provided and explain the procedures to be followed during its educational sessions and in its printed material. The Contractor shall also explain the information and the procedures to be followed by the beneficiaries during the orientation process.

D. It is expected that not all beneficiaries will remember to provide DHS with the information on changes to their status. Therefore, it is important for the Contractor, which may have more contact with the beneficiaries, to forward such information to DHS on a timely basis and inform the beneficiary of his/her responsibility to report changes directly to DHS. The Contractor shall complete the required 1179 form for changes in beneficiary status and forward the information to the designated DHS representative on a daily basis. DHS will identify the appropriate codes to be used to identify death, births, adoptions, changes in health status (e.g., pregnancy or permanent disability), etc., and the record layout.

#### **4.15 Beneficiary Grievance and Appeals Process**

- A. The Contractor shall have a beneficiary grievance and appeals process for the timely and effective resolution of any disputes between the Contractor and the beneficiary. The process shall include any beneficiary grievances and appeals. Beneficiaries may use the grievance process to resolve issues and problems with the Contractor, a provider, or other concerns. Beneficiary grievances and appeals shall be resolved by the SHOTT program within thirty (30) days of the day following the date of submission.
- B. The Contractor shall address, log, track and trend all expressions of dissatisfaction, regardless of the degree of seriousness and regardless of whether the beneficiary or provider expressly requests filing the concern or requests remedial action. The formal grievance system must be utilized for any expression of dissatisfaction and any unresolved issue.
- C. The Contractor shall acknowledge receipt of each filed grievance and appeal in writing within five (5) business days of receipt of the

grievance or appeal. The SHOTT program shall have procedures in place to notify all beneficiaries in their primary language of grievance and appeal resolutions. These procedures shall include written translation and oral interpretation.

- D. The Contractor shall ensure 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 must be given timely and accessible peer to peer option that discusses the denial and be made and reviewed by a healthcare professional that has appropriate medical knowledge and clinical expertise in treating the beneficiary's condition or disease.
- E. The Contractor shall ensure that individuals who make decisions on grievances and appeals were not involved in any previous level of review or decision-making, nor is a subordinate of any such individual. The individual making decisions on grievances and appeals shall be healthcare professionals who have the appropriate clinical expertise, as determined by the State, in treating the beneficiary's condition or disease. These decision makers on grievances and appeals of adverse benefit determination shall take into account all comments, documents, records, and other information submitted by the beneficiary and/or their representative without regard to whether such information was submitted or considered in the initial adverse benefit determination. This requirement applies specifically to reviewers of:
  - 1. An appeal of a denial based on issues of medically necessary or medical necessity;

2. A grievance regarding denial of expedited resolution of an appeal; or
  3. A grievance or appeal that involves clinical issues.
- F. The Contractor shall have beneficiary grievance and appeal system policies and procedures and submit these to DHS for review and approval. The Contractor shall submit to DHS any proposed updated copy of these policies and procedures within thirty (30) calendar days of any modification for review and approval. Changes must be approved by DHS prior to implementation.

#### **4.16 Provider Grievance and Appeals Process**

- A. The Contractor shall have policies and procedures for a provider grievance system that includes provider grievances and provider appeals for all SHOTT services for providers in Hawaii and out-of-state providers. Provider grievances and provider appeals shall be resolved within sixty (60) days of the day following the date of submission to the SHOTT program. The SHOTT program shall give providers thirty (30) days from the decision of the grievance to file an appeal. Providers may utilize the provider grievance system to resolve issues and problems with the SHOTT program (this includes a problem regarding a beneficiary). A provider may file a grievance or appeal on behalf of a beneficiary.
- B. The grievance and appeals process shall provide for the timely and effective resolution of any disputes between the SHOTT program and provider(s).
- C. The Contractor shall have provider grievance and appeal system policies and procedures submitted to DHS for review and approval.

The Contractor shall submit to DHS any proposed updated copy of these policies and procedures within thirty (30) calendar days of any modification for review and approval. Changes must be approved by DHS prior to implementation.

- D. The Contractor failure to comply with any requirement in this Section may be subject to all available remedies set forth in Section 5.2.

## **SECTION 5 Fraud Waste and Abuse (FWA) and Remedies for Non-Performance**

### **5.1 Fraud, Waste and Abuse (FWA)**

#### **A. Administrative Requirements**

1. Pursuant to 42 CFR Part 455 (Program Integrity: Medicaid) and 42 CFR Part 438, Subpart H (Additional Program Integrity Safeguards), the Contractor, including its Subcontractors, shall implement and maintain arrangements or procedures that are designed to detect and prevent fraud, waste, and abuse, consistent with all the requirements of 42 CFR §438.608. This program shall include internal controls, policies, procedures, and standards of conduct for the prevention, detection, reporting, and corrective action for known or suspected cases of FWA in the administration and delivery of services under this Contract.

#### **2. Coordination with the State**

a. In order to facilitate cooperation with the State, the Contractor shall establish either in-house or by contract with another entity, to investigate possible acts of FWA for all services provided under the Contract, including those services provided by Subcontractors.

b. The designated Contractor staff and applicable Subcontractors shall work cooperatively with DHS, the State of Hawaii Medicaid Fraud Control Unit (MFCU), the Office of the Inspector General (OIG) and CMS, and any other law enforcement agencies, as appropriate, to administer effective FWA practices and participate in any

subsequent legal actions. The Contractor shall take part in coordination activities within the State to maximize resources for FWA issues. Contractor cooperation shall include access to the Contractor's place of business during normal business hours and provision of requested information, including financial records, medical records, claims, and internal reports of action taken, such as investigative, corrective, and legal actions. The Contractor shall also provide access to their employees and consultants for interviews, at no charge to the State, including but not limited to: those with expertise in the administration of the SHOTT program, or medical and pharmaceutical matters, or those who are in any matter related to an investigation.

- 1) The Contractor shall include a designated staff and one secondary contact person for program integrity and investigation-related records,
- 2) Documents, data, media, or other information requests. Requests will be sent to the designated Contractor contact person(s) in writing by email, fax, or mail, and will provide the specifics of the information being requested.
- 3) The Contractor shall respond to the appropriate DHS staff member within the timeframe designated in the request. If the Contractor is unable to provide all of the requested information within the designated timeframe, the Contractor may request an extension



in writing (email) to the DHS requestor no less than two (2) business days prior to the due date.

3. The Contractor's response shall include data for all data fields as requested by DHS. The data shall be provided in the order and format requested. If any data field is left blank, an explanation shall accompany the response. The Contractor shall not add or delete any additional data fields in its response. The Contractor Compliance Officer and designated staff shall attend FWA training sessions as scheduled by the MFCU or DHS.
4. In the event that FWA is identified, the Contractor shall participate in meetings with state Program Integrity, Investigations, or Fraud Control personnel, the Department's RAC, and with other Contractor compliance staff. Using a pre-defined template provided by DHS, the Contractor shall prepare a written update on cases, audits, recoveries, and trends. The Contractor shall submit the completed template by the requested due date to DHS program integrity staff. The designated Contractor staff shall participate in discussions and share Contractor activities and findings.
5. Contractor shall be compliant with the following requirements as directed by DHS:
  - a. Within fifteen (15) business days of receipt of information from DHS on a questionable billing pattern, or provider with questionable claims patterns, the Contractor shall complete and submit an analysis of the provider's billing history related to the claims pattern. The analysis shall include, but

is not limited to, the review time period, number of claims reviewed, number of claims with the specific claim pattern identified by DHS or a Contractor, total dollars for reviewed claims, and dollars identified for the specific claim pattern or allegation. The completed analysis shall be submitted to the program integrity representative designated by DHS.

- b. If DHS terminates a provider's participation in the Medicaid program, a written notice of the termination will be provided by DHS to all Contractors. The Contractor shall discontinue services from the provider.

- 6. In addition to reporting requirements related to prompt and timely information on FWA described in Section 5, the Contractor shall provide compiled reports on FWA activities to DHS as described in Section 4.9.

#### B. Investigating Suspected Fraud, Waste, and Abuse

- 1. If the Contractor receives a complaint of suspected Medicaid FWA from any source or identifies any questionable practices by the Providers, it shall conduct a preliminary investigation to determine whether there is sufficient basis to warrant a further investigation by DHS and/or the MFCU. If the findings of a preliminary investigation give the Contractor reason to believe that an incident of FWA has occurred in the SHOTT Program, the Contractor shall promptly refer any potential FWA that it identifies to DHS. Contractor are required to report all incidences of suspected FWA to DHS within fourteen (14) days of making such a determination. It is possible the Contractor may need to report the suspected activity

immediately, such as when patient safety is at risk, evidence is being destroyed, or there is ongoing significant monetary loss. Criminal intent to commit fraud is not determined by either DHS or the Contractor. Based on all the evidence gathered, DHS or the Contractor only determines that an identified activity has the potential to be fraudulent and is likely not the result of an unintentional error.

2. The Contractor shall use the report form provided by DHS to report or refer suspected cases of Medicaid FWA. At a minimum, this form shall require the following information for each case:
  - a. Subject (name and ID number);
  - b. Source of complaint;
  - c. Type of provider;
  - d. Contractor contact;
  - e. Contact information for Contractor staff with practical knowledge of the workings of the relevant programs;
  - f. Date reported to the State;
  - g. Description of suspected intentional misconduct, with specific details:
    - 1) Category of service.
    - 2) Factual explanation of the allegation. (The Contractor should provide as much detail as possible concerning the names, positions, and contact information of all

relevant persons; a complete description of the alleged scheme as it is understood by the Contractor, including, when possible, one or more examples of specific claims that are believed to be fraudulent; the manner in which the Contractor came to learn of the conduct; and the actions taken by the Contractor to investigate the allegations.)

3) Date(s) of conduct. (When exact dates are unknown, the Contractor should provide its best estimate.)

- h. Specific statutes, rules, regulations, or policies violated includes all applicable federal/Medicaid violations as well as Contractor policy violations;
- i. Amount paid to the provider during the past three (3) years or during the period of the alleged misconduct, whichever is greater;
- j. Sample/exposed dollar amount when available;
- k. Legal and administrative disposition of the case; and
- l. Copies of any and all communications between the Contractor and the provider concerning the conduct at issue (including, provider enrollment documentation, and any education given to the provider as a result of past problems; as well as advisory bulletins, policy updates, or any other general communication to the provider community regarding questionable behavior. Letters, emails, faxes, memorandums, and phone logs are all sources of communication).

m. In addition to the information required on the form, this report shall include any and all evidence obtained by the Contractor in its preliminary investigation including but not limited to, copies of claims and medical records reviewed, summary of interviews conducted, and copies of audit results or review board determinations.

3. The required form and additional information shall be submitted to DHS within the timeframes required by DHS.
4. When it is determined that an investigation has the potential to be fraudulent, the Contractor shall not: contact the provider who is the subject of the investigation about any matters related to the investigation; attempt to negotiate any settlement or agreement; or accept any item of monetary value or otherwise offered by the provider (or its representative) who is the subject of the investigation in connection with the incident.

#### C. Employee Education About False Claims Recovery

1. The Contractor shall establish written policies and procedures for its employees (including management, Subcontractors, providers, and agents) that provide detailed information about the False Claims Act and any other federal and state laws described in Section 1902(a)(68) of the Act, including whistleblower protections, administrative remedies for false claims, any state laws pertaining to civil or criminal penalties for false claims and statements, and whistleblower protections under such laws, with respect to the role of such laws in preventing and detecting FWA in federal healthcare

programs. The Contractor shall include in any employee handbook a description of the laws and the rights of employees to be protected as whistleblowers.

D. The Contractor's failure to comply with the requirements of Section 5 may subject the Contractor to all available remedies set forth in Section 5.2, in addition to any other legal remedy.

## **5.2 Remedies for Non-Performance of Contract**

### **A. Understanding and Expectations**

1. The Contractor shall comply with all terms, conditions, requirements, performance standards and applicable State and Federal laws as set forth in this Contract or any amendments thereto including any rules, policies, or procedures incorporated pursuant to this Contract.
2. DHS reserves the right to seek any legal or equitable remedy for any violation of the Contract or non-compliance with State or Federal law or regulation by the Contractor or its Subcontractors.

### **B. Remedial Considerations**

1. If any of the Contractor's performance under the contract does not conform to the Contract requirements, then DHS may pursue remedies for correcting violations or non-performance. At any time and at its sole discretion, DHS may impose or pursue one or more remedies for each violation or item of non-performance. DHS may impose additional remedies if the Contractor fails to comply with the originally imposed remedy.

### C. Notice of Concern and Opportunity to Cure

1. Should DHS determine that the Contractor or a Subcontractor is in violation or non-performance of any requirement of the Contract, DHS may issue a "Notice of Concern" prior to the imposition of remedies against the Contractor as set forth in Section 5.2.
2. DHS will provide the Contractor with the written Notice of Concern detailing the nature of the violation or non-performance, any action DHS seeks to impose against the Contractor, and, if applicable, the method and timeframes by which the Contractor may dispute the claim of violation or non-performance and the imposed actions.
3. The Contractor shall within ten (10) business days (or another date approved by DHS) of receipt of the written Notice of Concern, provide DHS a written response that:
  - a. Explains the reasons for the deficiency, the Contractor's plan to remediate the violation or non-performance, and the date and time by which the violation or non-performance will be cured; or
  - b. If the Contractor disagrees with DHS' findings, its reasons for disagreeing with those findings.
4. If the Contractor fails to timely contact DHS regarding the Notice of Concern, DHS shall proceed to additional remedies contained in this Contract.

5. The Contractor shall confirm in writing the date that the violation or non-performance was resolved and the actions the Contractor took to remediate the deficiency(ies).
6. The Contractor's proposed cure is subject to the approval of DHS.

#### D. Notice of Concern and Corrective Action Plan

1. Should DHS determine that the Contractor or a Subcontractor is in violation or non-performance of any requirement of the Contract, DHS may issue a Notice of Concern to the Contractor specifying the violation or non-performance and requesting a Corrective Action Plan be filed by the Contractor within ten (10) business days following the date of the Notice of Concern. DHS reserves the right to require a more accelerated timeframe if the deficiency warrants a more immediate response.
2. The Corrective Action Plan shall provide the following information at a minimum:
  - a. The names of the individuals who are responsible for implementing the Corrective Action Plan.
  - b. A description of the deficiency(ies) and the cause of the deficiency(ies) that resulted in need for Corrective Action.
  - c. A detailed approach for addressing the existing deficiency(ies) and prevention of the repeated and/or similar deficiency(ies) in the future.



- d. The timeline for implementation, establishment of major milestones and correspondence dates to the Department, and notification of completion of Corrective Actions.
3. The Corrective Action Plan shall be submitted by the deadline set forth in DHS request for a Corrective Action Plan.
4. The Corrective Action Plan shall be subject to approval by DHS, which may accept the Corrective Action Plan as submitted, may accept the Corrective Action Plan with specified modifications, or may reject the Corrective Action Plan in full within ten (10) business days of receipt.
5. DHS may extend or decrease the timeframe for Corrective Action depending on the nature of the specific deficiency.
6. The Contractor shall update the Corrective Action Plan on an ongoing basis and report progress to DHS on a frequency to be determined by DHS.
7. Notwithstanding the submission and acceptance of a Corrective Action Plan, the Contractor remains responsible for achieving all written performance criteria.
8. DHS' acceptance of a Corrective Action Plan under this section will not:
  - a. Excuse the Contractor's prior substandard performance;
  - b. Relieve the Contractor of its responsibility to comply with performance standards, warranties, or representations; or

- c. Prohibit DHS from assessing additional remedies or pursuing other appropriate remedies for continued substandard performance.

#### E. Administrative Actions

1. At its discretion, DHS may impose one or more of the following remedies for each item of violation or non-performance and will determine the scope and severity of the remedy on a case-by case basis:
  - a. Conduct accelerated monitoring of the Contractor. Accelerated monitoring includes more frequent or more extensive monitoring by DHS or its agent;
  - b. Require additional, more detailed, financial and/or programmatic reports to be submitted by the Contractor;  
or
  - c. Require additional and/or more detailed financial and/or programmatic audits or other reviews of the Contractor.

## **SECTION 6 Readiness Review**

### **6.1 Overview**

A. Offeror shall comply with all readiness review activities required by DHS. Readiness Review requires the Offeror to submit to DHS required documents identified below by the required due date listed in this Section. Documents include the following:

1. Staffing Chart;
2. Policies and Procedures for Care Coordination and Case Management (of the Beneficiary and with other Providers) as described in Section 4.4;
3. Policies and procedures for printed material on orientation and educational sessions as described in Section 4.14;
4. Policies and procedures for travel, lodging, meals, language assistance as described in 4.13;
5. Policies and Procedures for Reporting Requirements as described in Section 4.9;
6. Policies and Procedures for grievance and appeal request from the Medicaid Beneficiary and the Provider; as described in Sections 4.15 and 4.16; and
7. SHOTT Website; as described in Section 4.4.C.

B. The Offeror shall comply with all readiness review activities required by DHS in Table 5: 6.1, below. This includes, but is not limited to, submitting all required review documents identified in the table below by the required due date, participating in any on-site review activities

conducted by DHS, and submitting updates on implementation activities. DHS reserves the right to request additional documents for review and approval during readiness review.

**Table 5: 6.1 Readiness Review Timeframes**

<b>Document</b>	<b>RFP Reference Section</b>	<b>Due Date</b>
Staffing Chart	4.10 Offeror Personnel	10 days after contract executed date
Care coordination and case management policies and procedures	4.4 Care Coordination and Case Management	30 days after contract executed date
SHOTT Program Orientation and Beneficiaries Education	4.14 Beneficiary and Offeror's Responsibilities	30 days after contract executed date
Travel, Lodging, Meals, and Language Assistance (interpretation and written materials) policies and procedures	4.13 Other Services to be Provided	30 days after contract executed date
Reporting requirements policies and procedures	4.9 Reporting Requirements	30 days after contract executed date
Member grievance and appeals policies and procedures	4.15 Beneficiary Grievance and Appeals Process	30 days after contract executed date
Provider grievance and appeals policies and procedures	4.16 Provider Grievance and Appeals Process	30 days after contract executed date
SHOTT Website	4.4 Care Coordination and Case Management	30 days before the contract implementation date

## **SECTION 7 Special Terms and Conditions**

### **7.1 Overview**

A. DHS and the Offeror agree to the following amendment to the General Conditions and additional Special Conditions. The following documents form an integral part of the written contract between the Offeror and DHS (hereafter collectively referred to as “the Contract”):

1. Contract for Health and Human Services: Competitive Purchase of Service (AG Form 103F1 (10/08)) (see Appendix F), including General Conditions for Health & Human Services Contracts (AG Form 103F (10/08) (see Appendix F), any Special Conditions, attachments, and addenda;
2. this RFP, appendices, attachments, and addenda, which shall be incorporated by reference; and
3. the Offeror’s technical proposal submitted in response to this RFP form, which shall be incorporated by reference.

B. References to “General Conditions” in this Section 7 are to the General Conditions for Health & Human Services Contracts attached as Appendix F.

### **7.2 Conflict Between Contract Documents, Statutes and Rules**

A. Replace General Condition 7.5, Conflict between General Conditions and Procurement Rules, with the following:

1. Contract Documents: In the event of a conflict among the Contract documents, the order of precedence shall be as follows: (1) Contract for Health and Human Services: Competitive Purchase of Service (AG Form 103F1), including

all general conditions, special conditions, attachments, and addenda; (2) the RFP, including all attachments and addenda, as amended; and (3) applicant's proposal. In the event of a conflict between the General Conditions and the Special Conditions, the Special Conditions shall control.

2. Contract and Statutes: In the event of a conflict between the language of the Contract, and an applicable statutes, the latter shall prevail to allow the State to fully comply with the statute.
3. Contract and Procurement Rules/Directives: In the event of a conflict between the Contract and the Procurement Rules or a Procurement Directive, the Procurement Rules or any Procurement Directive in effect on the date this Contract became effective shall control and are hereby incorporated by reference.
4. The sections of the rules and regulations cited in this RFP may change as the rules and regulations are amended for MQD. No changes shall be made to this RFP due to changes in the section numbers.

### **7.3 Subcontractor Agreements**

A. Replace General Condition 3.2, Subcontracts and Assignments, with the following:

1. The Offeror may negotiate and enter into contracts or agreements with subcontractors to the benefit of the Offeror and the State. All such agreements shall be in writing. No subcontract that the Offeror enters into with respect to the

performance under the Contract shall in any way relieve the Offeror of any responsibility for any performance required of it by the Contract.

2. The Offeror shall submit to DHS for review and prior approval, all subcontractor agreements related to the provision of covered benefits and services and beneficiary services activities to beneficiaries (e.g., call center) and provider services activities and payments to providers. In addition, DHS reserves the right to inspect all subcontractor agreements at any time during the Contract period.
3. The Offeror shall notify DHS in writing at least ninety (90) days prior to adding or deleting subcontractor agreements or making any change to any subcontractor agreements which may materially affect the Offeror's ability to fulfill the terms of the Contract.
4. The Offeror shall provide DHS with immediate notice in writing by registered or certified mail of any action or suit filed against it by any subcontractor, and prompt notice of any claim made against the Offeror by any subcontractor that, in the opinion of the Offeror, may result in litigation related in any way to the Contract with the State of Hawaii.
5. Additionally, no assignment by the Offeror of the Offeror's right to compensation under the Contract shall be effective unless and until the assignment is approved by the Comptroller of the State of Hawaii, as provided in Section 40-58, HRS, or its successor provision.

B. All subcontractor agreements must, at a minimum:

1. Describe the activities, including reporting responsibilities, to be performed by the subcontractor and require that the subcontractor meet all established criteria prescribed and provide the services in a manner consistent with the minimum standards specified in the Offeror's contract with the State;
2. Require that the subcontractor fulfill the requirements of 42 CFR Section 438.6 that are appropriate to the service delegated under the subcontract;
3. Include a provision that allows the Offeror to:
  - a. Evaluate the subcontractor's ability to perform the activities to be delegated;
  - b. Monitor the subcontractor's performance on an ongoing basis and subject it to formal review according to a periodic schedule (the frequency shall be stated in the agreement) established by DHS and consistent with industry standards or State laws and regulations;
  - c. Identify deficiencies or areas for improvement; and
  - d. Take corrective action or impose other sanctions including, but not limited to, revoking delegation, if the subcontractor's performance is inadequate.
4. Require that the subcontractor submits to the Offeror a tax clearance certificate from the Director of the DOTAX, State of Hawaii, showing that all delinquent taxes, if any, levied or



accrued under State law against the subcontractor have been paid;

- a. Include a provision that the Offeror shall designate itself as the sole point of recovery for any subcontractor;
- b. Include a provision that neither the State nor the Offeror members shall bear any liability of the Offeror's failure or refusal to pay valid claims of subcontractors;
- c. Require that the subcontractor track and report complaints against them to the Offeror;
- d. Require that the subcontractor fully adhere to the privacy, confidentiality and other related requirements stated in the RFP and in applicable federal and state law;
- e. Require that the subcontractor follow all audit requirements as outlined in Section 7.17 inclusive. The actual requirements shall be detailed in the agreement;
- f. Require that the medical records be retained in compliance with Section 7.4. The actual requirements shall be detailed in the agreement;
- g. Require that the subcontractor comply with all requirements related to confidentiality of information as outlined in Section 7.16. The actual requirements found in this section shall be detailed in the agreement.
- h. Require that the subcontractor notify the Offeror and the MQD of all breaches of confidential information relating to Medicaid applicants and recipients, as Offeror members.

The notice to the State shall be within two (2) business days of discovery of the breach and a written report of the investigation and resultant mitigation of the breach shall be provided to the State within thirty (30) calendar days of the discovery of the breach.

#### **7.4 Retention of Medical Records**

A. The following is added to the end of General Condition 2.3, Records Retention:

1. The Offeror and its providers shall retain all medical records, in accordance with 42 CFR 438.3(h), for a minimum of ten (10) years from the final date of the Contract period or from the date of completion on any audit, whichever is later. For minors, the Offeror shall retain all medical records during the period of minority plus a minimum of ten (10) years after the age of majority.
2. The Offeror shall include in its subcontracts and provider agreements record retention requirements that are at least equivalent to those stated in this section.
3. During the period that records are retained under this section, the Offeror and any subcontractor or provider shall allow the state and federal governments full access to inspect and audit any records or documents, and the premises physical facility, and equipment where Medicaid-related activities or work is conducted, to the extent allowed by law.

## **7.5 Responsibility For Taxes**

A. In addition to the requirements of General Condition 3.4.4, PROVIDER's Responsibilities, subject to its corporate structure, licensure status, or other statutory exemptions, Offerors may be liable for, or exempt from, other federal, state, and/or local taxes including, but not limited to, the insurance premium tax (chapter 431, Article 7, Part II, HRS). Each Offeror is responsible for determining whether it is subject to, or exempt from, any such federal, state, or local taxes. DHS makes no representations whatsoever as to the liability or exemption from liability of the Offeror to any tax imposed by any governmental entity.

## **7.6 Full Disclosure**

### **A. Business Relationships**

1. The Offeror warrants that it has fully disclosed all business relationships, joint ventures, subsidiaries, holding companies, or any other related entity in its proposal and that any new relationships shall be brought to the attention of DHS as soon as such a relationship is consummated. The terms and conditions of CMS require full disclosure on the part of all contracting Offerors and providers.
2. The Offeror shall not knowingly have a director, officer, partner, or person with more than five percent (5%) of the Offeror's equity, or have an employment, consulting, or other agreement with such a person for the provision of items and services that are significant and material to the entity's contractual obligation with the State, who has been debarred, suspended or otherwise excluded from participating in

procurement activities under the Federal Acquisition Regulation or from participating in non-procurement activities under regulations issued under Executive Order No. 12549 or under guidelines implementing Executive Order No. 12549. The Offeror shall not, without prior approval of DHS, lend money or extend credit to any related party. The Offeror shall fully disclose such proposed transactions and submit a formal written request for review and approval.

3. The Offeror shall include the provisions of this section in any subcontract or provider agreement.

#### B. Litigation

1. The Offeror shall disclose any pending litigation both in and out of Hawaii to which they are a party, including the disclosure of any outstanding judgment.

### **7.7 Conflict of Interest**

- A. The following is added to the end of General Condition 1.7, Conflicts of Interest:

1. No official or employee of the State of Hawaii or the federal government who exercises any function or responsibilities in the review or approval of the undertaking or carrying out of the programs shall, prior to the completion of the project, voluntarily acquire any personal interest, direct or indirect, in the Contract. All officials or employees of the State of Hawaii shall be bound by Chapter 84, HRS, Standards of Conduct.
2. The Offeror shall not contract with the State of Hawaii unless the conflict of interest safeguards described in 42 CFR 438.58

and in Section 27 of the Office of Federal Procurement Policy Act (41 U.S.C § 423) are in place and complies with the requirement described in Section 1902 (a)(4)(c) of the Social Security Act, applicable to contracting officers, employees, or independent contractors.

## **7.8 Employment of Department Personnel**

- A. The Offeror shall not knowingly engage any persons who are or have been employed within the past twelve (12) months by the State of Hawaii to assist or represent the Offeror for consideration in matters which he/she participated as an employee or on matters involving official action by the State agency or subdivision, thereof, where the employee had served.

## **7.9 Fiscal Integrity**

- A. The Offeror warrants that it is of sufficient financial solvency to assure DHS of its ability to perform the requirements of the Contract. The Offeror shall comply with the solvency standards established by the State Insurance Commissioner for private health maintenance organizations or Offerors licensed in the State of Hawaii, and shall, upon request by DHS, provide financial data and information to prove its financial solvency.

## **7.10 Term of the Contract**

- A. This is a multi-term contract solicitation that has been deemed to be in the best interest of the State by the Director of DHS in accordance with Section 3-149-302(c), HAR. The Contract is for the initial term from the date of contract effective date as specified in Section 2.1 to June 30, 2028. Unless terminated, the Contract may be extended without the necessity of re-bidding, for not more than three (3)

additional twelve (12) month periods or parts thereof, only upon mutual agreement of the parties in writing. The Offeror shall not contract with the State of Hawaii unless safeguards at least equal to Federal safeguards (41 USC 423, section 27) are in place.

- B. The State of Hawaii operates on a fiscal year basis, which runs from July 1 to June 30 of each year. Funds are available for only the first fiscal period of the Contract ending June 30 in the first year of the initial term. The contractual obligation of both parties in each fiscal period succeeding the first fiscal period is subject to the appropriation and availability of funds to DHS.
- C. The Contract will be terminated only if funds are not appropriated or otherwise made available to support continuation of performance in any fiscal period succeeding the initial fiscal period of the Contract; however this does not affect either the State's rights or the Offeror's rights under any termination clause of the Contract. The State shall notify the Offeror, in writing, at least sixty (60) days prior to the expiration of the Contract whether funds are available or not available for the continuation of the Contract for each succeeding contract extension period. In the event of termination, as provided in this paragraph, the Offeror shall be reimbursed for the unamortized, reasonably incurred, nonrecurring costs.
- D. The Offeror acknowledges that other unanticipated uncertainties may arise that may require an increase or decrease in the original scope of services to be performed, in which event the Offeror agrees to enter into a supplemental agreement upon request by the State. The supplemental agreement may also include an extension of the period of performance and a respective modification of the compensation, as allowed by law.

## 7.11 Liability Insurance Requirements

- A. The Offeror shall maintain insurance acceptable to DHS in full force and effect throughout the term of this contract, until DHS certifies that the Offeror's work has been completed satisfactorily.
- B. Prior to or upon execution of the Contract and any supplemental contracts, the Offeror shall provide to DHS certificate(s) of insurance, including any referenced endorsements, dated within thirty (30) days of the effective date of the Contract necessary to satisfy DHS that the insurance provisions of this contract have been complied with. Upon request by DHS, Offeror shall furnish a copy of the policy(ies) and/or updated Certificate of Liability Insurance including referenced endorsement(s) necessary for DHS to verify the coverages required by this section.
- C. The policy or policies of insurance maintained by the Offeror shall be written by insurance companies licensed to do business in the State of Hawaii or meet the requirements of Section 431:8-301, et seq., HRS, if utilizing an insurance company not licensed by the State of Hawaii.
- D. The policy(ies) shall provide at least the following limit(s) and coverage detailed in Table 6: 7.11 below:

**Table 6: 7.11 Insurance Coverage**

Coverage	Limits
Commercial General Liability	Per occurrence, not claims made <ul style="list-style-type: none"><li>\$1 million per occurrence</li><li>\$2 million in the aggregate</li></ul>
Automobile	May be combined single limit: <ul style="list-style-type: none"><li>Bodily Injury: \$1 million per person, \$1 million per accident</li><li>Property Damage: \$1 million per accident</li></ul>

Workers Compensation / Employers Liability (E.L.)	<ul style="list-style-type: none"> <li>Workers Comp: Statutory Limits</li> <li>E.L. each accident: \$1,000,000</li> <li>E.L. disease: \$1,000,000 per employee, \$1,000,000 policy limit</li> <li>E.L. \$1 million aggregate</li> </ul>
Professional Liability, if applicable	May be claims made: <ul style="list-style-type: none"> <li>\$1 million per claim</li> <li>\$2 million annual aggregate</li> </ul>

E. Each insurance policy required by this contract shall contain the following clauses, which shall also be reflected on the certificate of insurance:

1. "The State of Hawaii is an additional insured with respect to operations performed for the State of Hawaii."
2. "Any insurance maintained by the State of Hawaii shall apply in excess of, and not contribute with, insurance provided by this policy."

F. Automobile liability insurance shall include excess coverage for the Offeror's employees who use their own vehicles in the course of their employment.

G. The Offeror shall immediately provide written notice to DHS should any of the insurance policies required under the Contract be cancelled, limited in scope, or not be renewed upon expiration.

H. Failure of the Offeror to provide and keep in force the insurance required under this section shall be regarded as a material default under this contract, entitling DHS to exercise any or all of the remedies provided in this contract for a default of the Offeror.

I. The procuring of such required policy or policies of insurance shall not be construed to limit Offeror's liability hereunder nor to fulfill the indemnification provisions and requirements of this contract.



Notwithstanding said policy or policies of insurance, Offeror shall be liable for the full and total amount of any damage, injury, or loss caused by Offeror in connection with this contract.

- J. If the Offeror is authorized by DHS to subcontract, subcontractors are not excused from the indemnification and/or insurance provisions of this contract. In order to indemnify the State of Hawaii, the Offeror agrees to require its subcontractors to obtain insurance in accordance with this section.

### **7.12 Waiver of Subrogation**

- A. Offeror shall agree by entering into a contract with DHS to provide a Waiver of Subrogation for the Commercial General Liability, Automobile Liability, and Workers Compensation policies. When required by the insurer or should a policy condition not permit Offeror to enter into a pre-loss agreement to waive subrogation without an endorsement, the Offeror shall agree to notify the insurer and request the policy be endorsed with a Waiver of Subrogation in favor of DHS. This Waiver of Subrogation requirement shall not apply to any policy, which includes a condition specifically prohibiting such an endorsement, or voids coverage should Offeror enter into such an agreement on a pre-loss basis.

### **7.13 Modification of Contract**

- A. The following is added as General Condition 4.1.4:
  1. All modifications of the Contract shall be modified accordingly by a written amendment signed by the Director of DHS and an authorized representative of the Offeror. If the parties are unable to reach an agreement within thirty (30) days of the Offeror's receipt of a contract change, the MQD Administrator

shall make a determination as to the Contract modifications and the Offeror shall proceed with the work according to a schedule approved by DHS, subject to the Offeror's right to appeal the MQD Administrator's determination of the Contract modification and price under Section 7.19, Disputes.

#### **7.14 Conformance with Federal Regulations**

- A. Any provision of the Contract which is in conflict with Federal Medicaid statutes, regulations, or CMS policy guidance is hereby amended to conform to the provisions of those laws, regulations, and federal policy. Such amendment of the Contract shall be effective on the effective date of the statutes or regulations necessitating it, and shall be binding on the parties even though such amendment may not have been reduced to writing and formally agreed upon and executed by the parties.

#### **7.15 Termination of the Contract**

- A. The Contract may terminate or may be terminated by DHS for any or all of the following reasons in addition to the General Conditions in Appendix F:

1. Termination for Default;
2. Termination for Expiration of Modification of the Programs CMS; or
3. Termination for Bankruptcy or Insolvency

- B. Termination for Default;

1. The failure of the Offeror to comply with any term, condition, or provision of the Contract or applicable requirements in

Sections 1932, 1903(m) and 1905(t) of the Social Security Act shall constitute default by the Offeror. In the event of default, DHS shall notify the Offeror by certified or registered mail, with return receipt requested, of the specific act or omission of the Offeror, which constitutes default. The Offeror shall have fifteen (15) days from the date of receipt of such notification to cure such default. In the event of default, and during the above-specified grace period, performance under the Contract shall continue as though the default had never occurred. In the event the default is not cured within fifteen (15) days, DHS may, at its sole option, terminate the Contract for default. Such termination shall be accomplished by written notice of termination forwarded to the Offeror by certified or registered mail and shall be effective as of the date specified in the notice. If it is determined, after notice of termination for default, that the Offeror's failure was due to causes beyond the control of and without error or negligence of the Offeror, the termination shall be deemed a termination for convenience under General Condition 4.3 in Appendix F.

2. DHS' decision not to declare default shall not be deemed a waiver of such default for the purpose of any other remedy the Offeror may have.

#### C. Termination for Expiration of the Programs by CMS;

1. DHS may terminate performance of work under the Contract in whole or in part whenever, for any reason, CMS terminates or modifies the programs. In the event that CMS elects to terminate its agreement with DHS, DHS shall so notify the Offeror by certified or registered mail, return receipt

requested. The termination shall be effective as of the date specified in the notice.

#### D. Termination for Bankruptcy or Insolvency

1. In the event that the Offeror shall cease conducting business in the normal course, become insolvent, make a general assignment for the benefit of creditors, suffer or permit the appointment of a receiver for its business or its assets or shall avail itself of, or become subject to, any proceeding under the Federal Bankruptcy Act or any other statute of any State relating to insolvency or the protection of the rights or creditors, DHS may, at its option, terminate the Contract. In the event DHS elects to terminate the Contract under this provision it shall do so by sending notice of termination to the Offeror by registered or certified mail, return receipt requested. The termination shall be effective as of the date specified in the notice.
2. In the event of insolvency of the Offeror, the Offeror shall cover continuation of services to beneficiaries for the duration of period for which payment has been made, as well as for inpatient admissions up until discharge. Beneficiaries shall not be liable for the debts of the Offeror. In addition, in the event of insolvency of the Offeror, beneficiaries may not be held liable for the covered services provided to the beneficiary, for which the State does not pay the Offeror.

#### E. Procedure for Termination

1. In the event the State decides to terminate the Contract, it shall provide the Offeror with a pre-termination hearing. The State shall:
  - a. Give the Offeror written notice of its intent to terminate, the reason(s) for termination, and the time and place of the pre-termination hearing; and
  - b. Give the Offeror's members written notice of the intent to terminate the Contract, notify members of the hearing, and allow them to disenroll immediately without cause.
2. Following the termination hearing, the State shall provide written notice to the Offeror of the termination decision affirming or reversing the proposed termination. If the State decides to terminate the Contract, the notice shall include the effective date of termination. In addition, if the Contract is to be terminated, the State shall notify the Offeror's members in writing of their options for receiving Medicaid services following the effective date of termination.
3. In the event of any termination, the Offeror shall:
  - a. Stop work under the Contract on the date and to the extent specified in the notice of termination;
  - b. Complete the performance of such part of the work as shall not have been terminated by the notice of the termination;
  - c. Notify the beneficiaries of the termination and arrange for the orderly transition to the new Offeror(s), including timely provision of any and all records to DHS that are

necessary to transition the Offeror's members to another Offeror;

- d. Promptly supply all information necessary for the reimbursement of any outstanding claims;
- e. Place no further orders or enter into subcontracts for materials, services, or facilities, except as may be necessary for completion of the work under the portion of the Contract that is not terminated;
- f. Terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the notice of termination;
- g. Assign to DHS in the manner and to the extent directed by the MQD Administrator of the right, title, and interest of the Offeror under the orders or subcontracts so terminated, in which case DHS shall have the right, in its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts;
- h. With the approval of the MQD Administrator, settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, the cost of which would be reimbursable, in whole or in part, in accordance with the provisions of the Contract;
- i. Take such action as may be necessary, or as the MQD Administrator may direct, for the protection and preservation of any and all property or information related

to the Contract which is in the possession of the Offeror and in which DHS has or may acquire an interest; and

- j. Within thirty (30) business days from the effective date of the termination, deliver to DHS copies of all current data files, program documentation, and other documentation and procedures used in the performance of the Contract at no cost to DHS. The Offeror agrees that DHS or its designee shall have a non-exclusive, royalty-free right to the use of any such documentation.

#### F. Termination Claims

1. After receipt of a notice of termination, the Offeror shall submit to the MQD Administrator any termination claim in the form and with the certification prescribed by the MQD Administrator. Such claim shall be submitted promptly but no later than six (6) months from the effective date of termination. Upon failure of the Offeror to submit its termination claims within the time allowed, the MQD Administrator may, subject to any review required by the State procedures in effect as of the date of execution of the Contract, determine, on the basis of information available to him/her, the amount, if any, due to the Offeror by reason of the termination and shall thereupon cause to be paid to the Offeror the amount to be determined.
2. Upon receipt of notice of termination, the Offeror shall have no entitlement to receive any amount for lost revenues or anticipated profits or for expenditures associated with this or

any other contract. The Offeror shall be paid only the following upon termination:

- a. At the Contract price(s) for the number of members enrolled in the Offeror at the time of termination; and
  - b. At a price mutually agreed to by the Offeror and DHS.
3. In the event the Offeror and DHS fail to agree, in whole or in part, on the amount of costs to be paid to the Offeror in connection with the total or partial termination of work pursuant to this section, the MQD Administrator shall determine, on the basis of information available to DHS, the amount, if any, due to the Offeror by reason of the termination and shall pay to the Offeror the amount so determined.
4. The Offeror shall have the right to appeal any such determination made by the MQD Administrator as stated in Section 7.19, Disputes.

#### **7.16 Confidentiality of Information**

- A. In addition to the requirements of General Condition 8, the Offeror understands that the use and disclosure of information concerning applicants, beneficiaries or members is restricted to purposes directly connected with the administration of the Hawaii Medicaid program, and agrees to guard the confidentiality of an applicant's, beneficiary's or member's information as required by law. The Offeror shall not disclose confidential information to any individual or entity except in compliance with the following:



1. 42 CFR Part 431, Subpart F;
2. The Administrative Simplification provisions of HIPAA and the regulations promulgated thereunder, including but not limited to the Security and Privacy requirements set forth in 45 CFR Parts 160, 162 and 164, (if applicable);
3. Section 346-10, HRS; and
4. All other applicable federal and State statutes and administrative rules, including but not limited to:
  - a. Section 325-101, HRS, relating to persons with HIV/AIDS;
  - b. Section 334-5, HRS, relating to persons receiving mental health services;
  - c. Chapter 577A, HRS relating to emergency and family planning services for minor females;
  - d. 42 CFR Part 2 relating to persons receiving substance abuse services;
  - e. Chapter 487J, HRS, relating to social security numbers; and
  - f. Chapter 487N, HRS, relating to personal information.
  - g. Session Laws of Hawaii, Act 139(16), relating to insurance
5. Access to beneficiary identifying information shall be limited by the Offeror to persons or agencies that require the information in order to perform their duties in accordance with this contract, including the U.S. Department of Health

and Human Services (HHS), the Secretary, DHS and other individuals or entities as may be required by DHS. (See 42 CFR Section 431.300, et seq. and 45 CFR Parts 160 and 164.)

6. Any other party shall be granted access to confidential information only after complying with the requirements of state and federal laws, including but not limited to HIPAA, and regulations pertaining to such access. The Offeror is responsible for knowing and understanding the confidentiality laws listed above as well as any other applicable laws. The Offeror, if it reports services to its members, shall comply with all applicable confidentiality laws. Nothing herein shall prohibit the disclosure of information in summary, statistical or other form that does not identify particular individuals, provided that de-identification of protected health information is performed in compliance with the HIPAA Privacy Rule.

B. Federal and State Medicaid rules, and some other Federal and State statutes and rules, including but not limited to those listed above, are often more stringent than the HIPAA regulations. Moreover, for purposes of this contract, the Offeror agrees that the confidentiality provisions contained in Chapter 17-1702, HAR, shall apply to the Offeror to the same extent as they apply to MQD.

C. As part of the contracting process, the Offeror shall sign a Business Associate Agreement (BAA) found in Appendix G to assure compliance with HIPAA regulations.

D. The Offeror shall implement a secure electronic mail (email) encryption solution to ensure confidentiality, integrity, and

authenticity of email communications that contain information relating to members.

- E. All breaches of confidential information relating to Medicaid enrollees, as Offeror members, shall be reported to the MQD. The Offeror shall notify the MQD within two (2) business days following actual knowledge of a breach of confidentiality, including any use or disclosure of confidential information, any breach of unsecured PHI, and any Security Incident (as defined in HIPAA regulations) of which the Offeror becomes aware with respect to PHI in the custody of the Offeror. In addition, the Offeror shall provide the MQD with a written report of the investigation and mitigation efforts within thirty (30) calendar days of the discovery of the breach. The Offeror shall work with MQD to ensure that the breach has been mitigated and reporting requirements, if any, or complied with. The actual requirements found in this section shall be detailed in all provider and subcontractor agreements.

### **7.17 Audit Requirements**

- A. The state and federal standards for audits of DHS designees, contractors and programs conducted under contract are applicable to this subsection and are incorporated by reference into the Contract. DHS, the HHS, the Secretary, CMS, the Office of the Inspector General, the Comptroller General, and their designees may, at any time, inspect and audit any records, inspect the premises, physical facilities, and equipment of the Offeror and its subcontractors, subcontractor's contractor, or providers where Medicaid-related activities or work is conducted. There shall be no restrictions on the right of the State or Federal government to conduct whatever inspections and audits are necessary to assure quality,

appropriateness or timeliness of services and reasonableness of their costs. The right to audit shall exist for ten (10) years from the final date of the Contract period or from the date of completion of any audit, whichever is later.

#### B. Accounting Records Requirements

1. The Offeror shall, in accordance with generally accepted accounting practices, maintain fiscal records and supporting documents and related files, papers and reports that adequately reflect all direct and indirect expenditures and management and fiscal practices related to the Offeror's performance of services under the Contract.
2. The Offeror's accounting procedures and practices shall conform to generally accepted accounting principles and the costs properly applicable to the Contract shall be readily ascertainable from the records.

#### C. Inclusion of Audit Requirements in Subcontracts

1. The provisions of Section 7.17 and its associated subsections shall be incorporated in every subcontract/provider agreement.

### **7.18 Ongoing Inspection of Work Performed**

A. DHS, the State Auditor of Hawaii, the Secretary, the U.S. Department of Health and Human Services (HHS), CMS, the General Accounting Office (GAO), the Comptroller General of the United States, the Office of the Inspector General (OIG), Medicaid Fraud Control Unit (MFCU) of the Department of the Attorney General, State of Hawaii, or their authorized representatives shall have the right to

enter into the premises of the Offeror, all subcontractors and providers, or such other places where duties under the Contract are being performed, to inspect, monitor, or otherwise evaluate the work being performed and have access to all records. All inspections and evaluations shall be performed in such a manner to not unduly delay work. This includes timely and reasonable access to the personnel for the purpose of interview and discussion related to the records. All records and files pertaining to the Offeror shall be located in the State of Hawaii at the Offeror's principal place of business or at a storage facility on Oahu that is accessible to the foregoing identified parties.

#### **7.19 Disputes**

- A. The parties shall first attempt to resolve all disputes arising under this contract by informal resolution. Where informal resolution cannot be reached, the Offeror shall submit a written request for dispute resolution (by certified mail, return receipt requested) to the Director of DHS or the Director's duly authorized representative. The Offeror shall be afforded the opportunity to be heard and to present evidence in support of its position in the dispute. The Director of DHS or the Director's authorized representative shall issue a written decision within ninety (90) days of the Offeror's written request. The decision of the Director of DHS or the Director's authorized representative shall be final and binding and may only be set aside by a State court of competent jurisdiction where the decision was fraudulent, capricious, arbitrary, or grossly erroneous as to imply bad faith.
- B. Pending any subsequent legal proceedings regarding the final decision, including all appeals, the Offeror shall proceed diligently in

the performance of the Contract in accordance with the Director's final decision.

- C. Any legal proceedings against the State of Hawaii regarding this RFP or any resultant contract shall be brought in a State court of competent jurisdiction in the City and County of Honolulu, State of Hawaii.

## **7.20 Liquidated Damages, Sanctions and Financial Penalties**

### **A. Liquidated Damages**

1. In the event of any breach of the terms of the Contract by the Offeror, liquidated damages shall be assessed against the Offeror in an amount equal to the costs of obtaining alternative medical benefits for its members. The damages shall include, without limitation, the difference in the administrative fee paid to the Offeror and the fee paid to a replacement Offeror.
2. Notwithstanding the above, the Offeror shall not be relieved of liability to the State for any damages sustained by the State due to the Offeror's breach of the Contract.
3. DHS may withhold amounts for liquidated damages from payments to the Offeror until such damages are paid in full.

### **B. Sanctions**

1. DHS may impose sanctions for non-performance or violations of contract requirements. Sanctions shall be determined by the State and may include:
  - a. Imposing civil monetary penalties (as described below);

- b. Suspending enrollment of new beneficiaries with the Offeror;
  - c. Suspending payment;
  - d. Appointment of temporary management (as described in Section 7.20.C); or
  - e. Terminating the Contract (as described in Section 7.15).
2. DHS will provide written notice that explains the basis and nature of the sanction. The Offeror may dispute the finding through procedures identified in Section 7.19.
  3. The civil or administrative monetary penalties imposed by the DHS on the Offeror shall not exceed the maximum amount established by federal statutes and regulations.
  4. The civil monetary penalties that may be imposed on the Offeror by the State are as follows:

<b>Number</b>	<b>Activity</b>	<b>Penalty</b>
1	Misrepresentation of actions or falsification of information furnished to the CMS or the State	A maximum of one hundred thousand dollars (\$100,000) for each determination
2	Failure to implement requirements stated in the Offeror's proposal, the RFP or the Contract, or other material failures in the Offeror's duties	A maximum of fifty thousand dollars (\$50,000) for each determination
3	Misrepresentation or false statements to beneficiaries, potential beneficiaries or providers	A maximum of twenty-five thousand dollars (\$25,000) for each determination
4	Violation of any of the other applicable requirements of Sections 1903(m), 1905(t)(3) or	A maximum of twenty-five thousand dollars (\$25,000) for each determination

<b>Number</b>	<b>Activity</b>	<b>Penalty</b>
	1932 of the Social Security Act and any implementing regulations	
5	Not enrolling a beneficiary because of a discriminatory practice	A maximum of fifteen thousand dollars (\$15,000) for each beneficiary the State determines was not enrolled because of a discriminatory practice
6	Failure to comply with the claims processing standard required in Section 4.7	A maximum of five thousand dollars (\$5,000) for each determination of failure
7	Failure to report confidentiality breaches relating to Medicaid applicants and recipients to DHS by the specific deadlines provided in Section 7.16	One hundred dollars (\$100) per day per beneficiary. A maximum of twenty-five thousand dollars (\$25,000) until the reports are received
8	Failure to provide accurate information, data, and reports to DHS by the specified deadlines provided in Section 4.9	Two hundred dollars (\$200) per day until all required information, data, and reports are received

### C. Special Rules for Temporary Management

1. The sanction of temporary management may be imposed by the State as allowed or required by 42 CFR 438.706, if it finds that:
  - a. There is continued egregious behavior by the Offeror, including, but not limited to, behavior that is described in 42 CFR 438.700, or that is contrary to any requirements of Sections 1903(m) and 1932 of the Social Security Act;
  - b. There is substantial risk to the beneficiary's health; or
  - c. The sanction is necessary to ensure the health of the Offeror's members while improvements are made to remedy violations under 42 CFR 438.700 or until there is an orderly termination or reorganization of the Offeror.
2. The State shall impose temporary management if it finds that the Offeror has repeatedly failed to meet the substantive requirements in Sections 1903(m) and 1932 of the Social Security Act. The State may not delay imposition of



temporary management to provide a hearing before imposing this sanction.

3. The State may not terminate temporary management until it determines that the Offeror can ensure that the sanctioned behavior will not recur.
4. In the event the State imposes the sanction of temporary management, members shall be allowed to disenroll from the Offeror without cause.

## **7.21 Compliance with Laws**

A. In addition to the requirements of General Condition 1.3, Compliance with Laws, the Offeror shall comply with the following:

1. Wages, Hours and Working Conditions of Employees Providing Services

- a. Pursuant to Section 103-55, HRS, services to be performed by the Offeror and its subcontractors or providers shall be performed by employees paid at wages or salaries not less than the wages paid to public officers and employees for similar work. Additionally, the Offeror shall comply with all applicable Federal and State laws relative to workers compensation, unemployment compensation, payment of wages, prepaid healthcare, and safety standards. Failure to comply with these requirements during the Contract period shall result in cancellation of the Contract unless such noncompliance is corrected within a reasonable period as determined by DHS. Final payment under the Contract shall not be made unless DHS has determined that the noncompliance has been corrected. The Offeror shall complete and submit the Wage Certification provided in Appendix C.

## 2. Compliance with other Federal and State Laws

a. The Offeror shall agree to conform to the following federal and state laws as affect the delivery of services under the Contract including, but not limited to:

- 1) Titles VI, VII, XIX, and XXI of the Social Security Act;
- 2) Title VI of the Civil Rights Act of 1964;
- 3) The Age Discrimination Act of 1975;
- 4) The Rehabilitation Act of 1973;
- 5) The Americans with Disability Act;
- 6) The Patient Protection and Affordable Care Act of 2010;
- 7) Chapter 489, HRS (Discrimination in Public Accommodations);
- 8) Education Amendments of 1972 (regarding education programs and activities);
- 9) Copeland Anti-Kickback Act;
- 10) Davis-Bacon Act;
- 11) Debarment and Suspension;
- 12) All applicable standards, orders or regulations issued under section 306 of the Clean Air Act (42 USC 1857 (h)), section 508 of the Clean Water Act (33 USC 1368), Executive Order 11738, and Environmental

Protection Agency regulations (40 CFR part 15) and the Federal Water Pollution Control Act, as amended (33 U.S.C. Section 1251, et seq.);

13) The Byrd Anti-Lobbying Amendment (31 U.S.C. Section 1352); and

14) E.O. 11246, "Equal Employment Opportunity," as amended by E.O. 11375 "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulations at 41 C.F.R. part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor".

- b. The Offeror shall comply with any and all applicable Federal and state laws that pertain to beneficiary's rights and ensure that its employees and contracted providers observe and protect those rights.
- c. The Offeror shall recognize mandatory standards and policies relating to energy efficiency that are contained in any State energy conservation plan developed by the State in accordance with the Energy Policy and Conservation Act (Pub. L. 94-163, Title III, Part A).
- d. The Offeror shall include notice of grantor agency requirements and regulations pertaining to reporting and patient rights under any contracts involving research, developmental, experimental or demonstration work with respect to any discovery or invention which arises or is developed in the course of or under such contract, and of

grantor agency requirements and regulations pertaining to copyrights and rights in data.

## **7.22 Miscellaneous Special Conditions**

### **A. Use of Funds**

1. The Offeror shall not use any public funds for purposes of entertainment or perquisites and shall comply with any and all conditions applicable to the public funds to be paid under the Contract, including those provisions of appropriate acts of the Hawaii State Legislature or by administrative rules adopted pursuant to law.

### **B. Prohibition of Gratuities**

1. Neither the Offeror nor any person, firm or corporation employed by the Offeror in the performance of the Contract shall offer or give, directly or indirectly, to any employee or designee of the State of Hawaii, any gift, money or anything of value, or any promise, obligation, or Contract for future reward or compensation at any time during the term of the Contract.

### **C. Publicity**

1. General Condition 6.1 is amended to read as follows:  
Acknowledgment of State Support. The Offeror shall not use the State's, DHS's, MQD's name, logo or other identifying marks on any materials produced or issued without the prior written consent of DHS. The Offeror also agrees not to represent that it was supported by or affiliated with the State of Hawaii without the prior written consent of DHS.

#### D. Force Majeure

1. If the Offeror is prevented from performing any of its obligations hereunder in whole or in part as a result of major epidemic, act of God, war, civil disturbance, court order or any other cause beyond its control, the Offeror shall make a good faith effort to perform such obligations through its then-existing facilities and personnel; and such non-performance shall not be grounds for termination for default.
2. Neither party to the Contract shall be responsible for delays or failures in performance resulting from acts beyond the control of such party.
3. Nothing in this section shall be construed to prevent DHS from terminating the Contract for reasons other than default during the period of events set forth above, or for default if such default occurred prior to such event.

#### E. Attorney's Fees

1. In addition to costs of litigation provided for under General Condition 5.2, in the event that DHS shall prevail in any legal action arising out of the performance or non-performance of the Contract, or in any legal action challenging a final decision under Section 7.19, the Offeror shall pay, in addition to any damages, all of DHS' expenses of such action including reasonable attorney's fees and costs. The term "legal action" shall be deemed to include administrative proceedings of all kinds, as well as all actions at law or in equity.

#### F. Time is of the Essence

1. Time is of the essence in the Contract. As such, any reference to "days" shall be deemed calendar days unless otherwise specifically stated.

## **SECTION 8 Mandatory and Technical Proposal**

### **8.1 Overview**

- A. The Offeror shall comply with all content and format requirements for the technical proposal. The proposal shall be in a letter size format (8 ½" by 11"), one and a half (1.5) line spacing, and with text no smaller than 11-point Verdana font. For graphics and diagrams, text shall be no smaller than 10-point Verdana font. The pages shall have at least one-inch margins. All proposal pages shall be numbered and identified with the Offeror's name and the respective evaluation category section.
- B. The Offeror shall answer all questions as part of the narrative in the order that they appear in each subsection. The question shall be restated above the response. The maximum page numbers includes restating the question. The question may be stated single spaced with text no smaller than eleven (11) point Verdana font. All the referenced attachments shall be placed after the narrative responses for that subsection of the Mandatory Requirements responses and each evaluation category of the Technical Proposal responses. Graphics, flowcharts, diagrams, and other attachments do not count toward the maximum page limits.
- C. Any responses in excess of the maximum page limits shall not be reviewed. Any documentation not specifically requested shall not be reviewed. Providing actual policies and procedures in lieu of a narrative shall result in the Offeror receiving the lowest rating score for that response.
- D. The following sections describe the required content and format for the mandatory and technical proposals. These sections are designed

to ensure submission of information essential to understanding and evaluating the proposal.

## **8.2 Mandatory Requirements**

A. The mandatory proposal shall include the following items:

1. Proposal forms (Appendix C)
2. Transmittal letter
3. Financial Status

B. Proposal Forms

1. The proposal letter (refer to Appendix C) shall be signed by an individual authorized to legally bind an Offeror and be affixed with a corporate seal. If applicable, please provide a Corporate Resolution or a certificate of authority to sign on behalf of the company.
2. Proposal Letter (refer to Appendix C) shall include a Corporate Resolution or a certificate of authority to sign on behalf of the company; and
3. If the proposal forms are incomplete, the proposal will be rejected and not be scored and will be returned to the Offeror since this is part of the mandatory requirements established in Section 10.3.

C. Transmittal Letter

1. The transmittal letter shall be on official business letterhead and shall be signed by an individual authorized to legally bind the Offeror. It shall include:



- a. A statement indicating that the Offeror is a corporation or other legal entity. All subcontractors shall be identified and a statement included indicating the percentage of work to be performed by the prime Offeror and each subcontractor, as measured by percentage of total contract price. If subcontractors will not be used for this contract, a statement to this effect shall be included;
- b. A statement that the Offeror is registered to do business in Hawaii and has obtain a State of Hawaii General Excise Tax License. Provide the Hawaii Excise Tax number (if applicable);
- c. A statement identifying all amendments and addenda to this RFP issued by the issuing office and received by the Offeror. If no amendments or addenda have been received, a statement to that effect should be included;
- d. A statement of affirmative action that the Offeror does not discriminate in its employment practices with regard to race, color, religion, creed, ancestry, marital status, age, sex including gender identity or expression, sexual orientation, national origin, arrest and court records, or mental or physical handicap, except as provided by law;
- e. A statement that neither cost nor pricing is included in this letter or the technical proposal;
- f. A statement that no attempt has been made or will be made by the Offeror to induce any other party to submit or refrain from submitting a proposal;

- g. A statement that the person signing this proposal certifies that he or she is the person in the Offeror's organization responsible for, or authorized to make, decisions as to the prices quoted, that the offer is firm and binding, and that he or she has not participated and will not participate in any action contrary to the above conditions;
  - h. A statement that the Offeror has read, understands and agrees to all provisions of this RFP; and
  - i. A statement that it is understood that if awarded the Contract, the offeror's organization will deliver the goods and services meeting or exceeding the specifications in the RFP and amendments.
  - j. If any page is marked "Confidential" or "Proprietary" in the Offeror's proposal, an explanation to DHS of how substantial competitive harm would occur if the information is released.
2. If the transmittal letter is incomplete, the proposal will be rejected and not be scored and will be returned to the Offeror since this is part of the mandatory requirements established in Section 10.3.

#### D. Financial Status

1. The financial status of an Offeror and related entities shall be reviewed in order to determine the financial solvency of the organization. Quality care cannot be provided without adequate resources. If an Offeror does not have adequate

resources and fails to meet the financial requirements, the proposal shall not be scored and be returned to the Offeror.

## 2. Audited Financial Statements

a. Audited Financial statements for the applicable legal entity and any subcontractor that is providing at a minimum of twenty percent (20%) of the work shall be provided for each of the last two years, including at a minimum:

- 1) Balance Sheets
- 2) Statements of Income
- 3) Federal Income Tax returns
- 4) Cash on hand

b. If an Offeror seeks confidentiality on a part of a submission, each page of the section of that submission which is sought to be protected must be marked as "Proprietary" and an explanation of how substantial competitive harm would occur if that information was released upon request. If the explanation is sufficient, then, to the extent permitted by the exemptions in Section 92F-13, HRS, 45 CFR Part 5, Office of Information Practices, or a Court, the affected section may be deemed confidential. Blanket labeling of the entire document as "Proprietary," however, is inappropriate.

3. If the Financial Status is incomplete or is determined that the Offeror does not have adequate resources, the proposal will

be rejected and not be scored and will be returned to the Offeror since this is part of the mandatory requirements established in Section 10.3.

### **8.3 Technical Proposal**

A. These sections are designed to ensure submission of information essential to understanding and evaluating the proposal. There is no intent to limit the content of the proposal, which may include any additional information deemed pertinent.

1. The technical proposal shall include the following sections:

- a. Executive summary
- b. Company background and experience
  - 1) Background of the company
  - 2) Company experience
  - 3) Data Processing
- c. Organization and staffing
  - 1) Organization charts
  - 2) Personnel resumes
- d. Provider network
- e. Case management
- f. Data Collection

B. Executive Summary (limit to 4 pages)

1. The executive summary shall clearly and concisely condense and highlight the contents of the proposal and provide DHS with a broad understanding of the entire proposal. The executive summary shall explain how the Offeror will implement the SHOTT program consistent with the requirements of this RFP if a contract is awarded to them.
2. Executive Summary shall:
  - a. Provides a broad understanding of the proposal
  - b. Clearly and concisely condenses the proposal
  - c. Highlights the contents of the proposal
  - d. Identifies how the Offeror will implement the SHOTT program consistent with the RFP requirements if a contract is awarded to them.

C. Company Background and Experience (limit to 6 pages)

1. The company background and experience section shall include for an Offeror and each subcontractor (if any): the background of the company, its size and resources (gross revenues, number of employees, type of businesses), and details of company experience relevant to this RFP.
2. For each subcontractor (if any), the Offeror shall include within this section of the proposal, a break-down of responsibilities and functions, that describe and clearly illustrate the percentage of work (scope of services required under this RFP) to be performed by the subcontractor.
  - a. Background of the Company shall include:

1) A description of the history of the company and Offeror including:

- a) A general description of the primary business of your organization and its beneficiary base
- b) A brief history and current company ownership including the ultimate parent organization and major shareholders/principals. Include date incorporated or formed and corporate domicile. An out-of-state Offeror must become duly qualified to do business in the State of Hawaii before a contract can be executed
- c) Ownership of the company, including the officers of the Corporation, and the names and address of its registered agent
- d) Home office location and all other offices (by city and state)
- e) Location of office from which any contract would be administered
- f) Name, address and telephone number of the Offeror's point of contact for a contract resulting from this RFP
- g) Number of employees both locally and nationally
- h) The size of organization in assets, revenue and people

i) The areas of specialization

b. Company Experience

1) The details of company experience including subcontractor experience, relevant to the proposal shall cover and include but not limited to:

a) Experience in coordinating services for beneficiaries prior to and after receiving a transplant

b) Working with transplant facilities

c) Experience in coordinating travel with beneficiary and companion, including meals, lodging and transportation services

d) Claims processing on a timely basis

e) Hawaii Medicaid experience

f) Experience implementing a program of the nature and size required by this contract.

c. Data Processing

1) The Offeror shall explain the adequacy of their system to collect, maintain and process the required information. This section shall also include explanations as to any modifications or expansions needed in order to meet the specified data requirements.

D. Organization and Staffing (limit to 4 pages excluding organization chart and resumes)

1. The organization and staffing section shall include organization charts of proposed personnel and resumes of all management, supervisory and key personnel. The information should provide the State with a clear understanding of the organization, functions of key personnel and on-site personnel during start-up and on-going operations.
2. The Offeror shall provide an estimate of the proposed number of staff, hours and resources to be engaged to complete the contracted activities.

a. Organization Charts

1) The organization charts shall show:

- a) Organization chart which shows the structure of the project team and identifies the proposed project personnel
- b) Relationships of an Offeror to related entities
- c) All proposed key personnel, including an indication of their major areas of responsibility and position within the organization
- d) Geographic location of the Offeror's personnel
- e) Estimates of man hours for each individual, including a description of major areas of responsibility for each individual



b. Staffing

1) The resumes of key personnel proposed shall include, if applicable:

- a) Experience with the Hawaii Medicaid program
- b) Experience in managed care systems
- c) Length of time with a Offeror or related organization
- d) Length of time in the transplant care industry
- e) Previous relevant experiences
- f) Relevant education and training
- g) Names, position titles and phone numbers of references who can provide information on the individuals' experience and competence
- h) Other relevant experience

2) Resumes should be provided, at a minimum, for the Medical Director, Transplant Coordinator, Case Manager(s), Administration/Program Director, and financial officer. An Offeror shall identify an individual within the organization who will be the key contact person for MQD. The resume for this individual shall be included with any other relevant resumes.

c. Organization and Staffing shall also include:

- 1) Past and current management experience for similar services of like projects in scope
- 2) Ability to provide high-quality transplant services
- 3) Relevant program experience and success in performing projects of similar scope to that described herein
- 4) Competence of proposed key professionals and other employees
- 5) Qualifications of personnel including education, experience with transplant populations, length of time with the organization, and Hawaii Medicaid experience. (Resumes of all key personnel must be provided.)
- 6) Capability of organizational and administrative systems in Hawaii to implement contractual obligations for this RFP
- 7) Sufficient staff and resources identified and allocated to fulfill the requirements of the Contract.

E. Provider Network (limit to 4 pages)

1. This section of the proposal shall provide information on an Offeror's provider network statewide. All components of the network shall be described in sufficient detail to allow DHS to determine whether such a network is sufficient to provide the required services and that adequate resources are available

to serve the anticipated population. The descriptions shall include:

- a. Names of the providers/provider types
  - b. Names and locations of the Facilities
  - c. Provider address (location where service is provided)
  - d. Language spoken by providers
  - e. Wheelchair access
2. Offerors are expected to provide a listing of providers who the Offeror intends to contract with if a contract is received from the State. The Offeror is expected to begin contracting with providers soon after the award date.
  3. In order to demonstrate an adequate provider network, prior to implementation, the Offeror will be required to submit a listing of its provider network with which it has contracts in place. The State will consider signing of providers who the Offeror intends to send letters of intent if the Offeror can demonstrate that it will not be able to finalize all contracts prior to implementation. The Offeror must demonstrate that most providers who signed letters of intent are in fact contracting with the Offeror.

F. Case Management (limit to 6 pages)

1. The Offeror shall explain how its case management system complies with Section 4.4, including but not limited to:

- a. Provide a system for direction, coordinating, monitoring, and tracking of services by each beneficiary
- b. Assist the beneficiary's physician with coordinating of services for them
- c. Must be available on a twenty-four (24) hour basis and can be reached within one-half (1/2) hour after a call is placed
- d. Must be a resident(s) of the State of Hawaii
- e. Provide the beneficiary with a clear and adequate information on how to obtain services and make informed decisions about their transplant health needs
- f. Coordinate and integrate the beneficiary's transplant care and services with the health plan and primary care provider or fee for service provider
- g. Achieve continuity of beneficiary's care
- h. Assist the beneficiary to obtain transplant care and ensure that these services are received in a timely manner
- i. Ensure that an active system of outreach is in place to provide the flexibility needed to reach beneficiaries requiring services, such as the homeless, or others, who might not access services without impairments, lack of transportation, etc.
- j. Facilitate beneficiary compliance with recommended transplant treatment

- k. Assure that the beneficiary has adequate caregiver support for post-transplant care
- l. Provide support to the caregiver so that they may care for the beneficiary
- m. Provide care coordination and case management services from the notice of possibly becoming a transplant candidate to one year after the transplant was performed
- n. Be responsible for arranging interpreter services and shall assist beneficiary in obtaining needed services
- o. Demonstrate the capability to provide effective communication and translation services as necessary, so that the beneficiaries understand their condition, the suggested treatments and the effect of the treatment on their condition including side effects
- p. Must also inform its beneficiaries of the availability of these services. The Offeror may not require the beneficiary to use a friend or family member for interpreter services
- q. The Offeror shall arrange for interpreter services as defined in Section 4.13.B for beneficiaries that speak a language other than English. The offeror shall provide sign language and TTY services to beneficiaries with a hearing impairment.
- r. The Offeror shall inform beneficiaries of their rights to the grievance and appeal process. The Offeror shall address beneficiary's issues.

- s. Describe staff functions, interactions and internal coordination.
- t. Include plan for monitoring and coordinating needed clinical and other services to support the member in the community.
- u. The Offeror shall mail a member identification (ID) card to all new SHOTT members within ten (10) days of their approval into the SHOTT Program. The member ID card must, at a minimum, contain the following information:
  - 1) Member Number;
  - 2) Member name;
  - 3) Effective date;
  - 4) Third Party Liability (TPL) information
  - 5) Patient services telephone number

G. Data collection (limit to 3 pages)

- 1. The offeror shall explain how data is collected to analyze the needs of the SHOTT population.
- 2. The offeror shall explain how they can use the data to manage the utilization and quality of the SHOTT Program.

## **SECTION 9 Business Proposal**

### **9.1 Administrative Rate**

- A. The Offeror shall submit an administrative rate for which it will provide all of the services required by this RFP. The rates should be based on an average monthly volume not to exceed 100. If the volume exceeds 100, the Offeror and DHS shall enter into negotiation for a new rate.
- B. In addition, the Offeror shall submit a price per claim or claim line for transplant and non-transplant related claims.
- C. The offer submitted will be the Offeror's best and final offer. The business proposal shall include the schedules in Appendix H.
- D. Anticipated Transplant Volume
  - 1. Up to 60 per year
  - 2. 61 to 80 per year
  - 3. 81-100 per year

## **SECTION 10 Evaluation and Selection**

### **10.1 Introduction**

- A. The evaluation of proposals received in response to the RFP will be conducted comprehensively, fairly and impartially. Structural, quantitative scoring techniques will be utilized to maximize the objectivity of the evaluation.

### **10.2 Evaluation Process**

- A. DHS shall establish an evaluation committee that shall evaluate designated sections of the proposal. The committee shall consist of members who are familiar with the program and the minimum standards or criteria for the particular area. Additionally, DHS may, at its discretion, designate additional representatives to assist in the evaluation process. The committee shall evaluate the proposal and document their comments, concerns and questions.

### **10.3 Mandatory Proposal Evaluation**

- A. Each proposal shall be evaluated to determine whether the requirements as specified in this RFP have been met. The proposal shall first be evaluated against the following:
  - 1. The Offeror successfully met all of the requirements set for in Section 2.10;
  - 2. All information required in Section 8.2, has been submitted;  
and
  - 3. The proposal contains the required information in the proper order.



- B. A proposal must meet all mandatory requirements prior to the technical evaluation. Any proposal that does not meet all mandatory requirements shall be rejected.

#### 10.4 Technical Proposal Evaluation

- A. DHS shall conduct a comprehensive, fair, and impartial evaluation of all Offeror proposals. DHS may reject any proposal that is incomplete or in which there are significant inconsistencies or inaccuracies. Each Offeror is responsible for submitting all relevant, factual, and correct information with their proposal to enable the Committee to afford each Offeror the maximum score based on the proposal submitted by the Offeror.

#### 10.5 Evaluation Categories and Points

- A. The technical proposal evaluation categories and points described in Table 7: 10.5 below:

**Table 7: 10.5 Technical Evaluation and Points**

<b><u>Evaluation Categories</u></b>	<b>Available Points</b>
<b>Proposal Letter</b>	Pass/Fail
<b>Transmittal Letter</b>	Pass/Fail
<b>Financial Status</b>	Pass/Fail
<b>Proposal Application</b>	
Executive Summary	10 points
Company Background and Experience	15 points
Organization and Staffing	15 points
Provider Network	20 points
Case Management	15 points
Data Collection	5 points
Business Proposal	20 points
<b>TOTAL POSSIBLE POINTS</b>	<b>100 points</b>

## 10.6 Scoring

A. Each evaluated category shall be given a rating score using the following rating system in Table 8: 10.6.A below:

**Table 8: 10.6.A Rating Methodology**

<b>Rating Score</b>	<b>Description</b>
<b>5</b>	<b>Excellent.</b> The proposal response addresses the criterion in a clear and highly comprehensive manner. The proposal response meets the requirements and clearly adds significant value to the requirements listed in the RFP. Demonstrates expert level knowledge and understanding of the subject matter.
<b>4</b>	<b>Very Good.</b> The proposal response addresses the criterion in a highly comprehensive manner. The proposal response meets the requirements and may add some value to the requirements listed in the RFP. Demonstrates a strong knowledge and understanding of the subject matter, but not at the expert level.
<b>3</b>	<b>Good.</b> The proposal response addresses the criterion well. The proposal response clearly minimally meets the requirements. Demonstrates minimally adequate knowledge and understanding of the subject matter.
<b>2</b>	<b>Fair.</b> The proposal response addresses the criterion in a general manner. The proposal response may minimally meet the requirements and/or there no more than two concerning weaknesses. Ambiguously demonstrates minimally adequate knowledge and understanding of the subject matter.
<b>1</b>	<b>Poor.</b> The proposal response addresses the criterion in a general manner but there are concerning weaknesses. The proposal response may minimally meet the requirements and there is more than two concerning weakness. Ambiguously demonstrates some knowledge and understanding of the subject matter.
<b>0</b>	<b>Very Poor.</b> The proposal response fails to address the criterion or the criterion cannot be assessed due to missing or incomplete information, or because the response was overly ambiguous, conflicting, or confusing.

B. The Offeror must receive a rating score of three (3) for each Evaluation Category or the proposal will not be considered technically acceptable and shall be rejected. Those proposals that do not meet the minimum points to pass each of the required criteria shall be returned to the Offeror with a letter of explanation.

- C. The rating score (0-5) shall represent the corresponding conversion factor used to calculate the points awarded for each Evaluation Category listed in Section 10.5, as detailed below in Table 9: 10.6.B:

**Table 9: 10.6.B Conversion Factor**

<u>Rating Score</u>	<u>Conversion Factor</u>
0	0
1	25%
2	50%
3	75%
4	88%
5	100%

- D. The total maximum number of points available for each Evaluation Category will be multiplied by the applicable conversion factor, based on the rating score given, to determine the number of points awarded for the Evaluation Category. The points awarded for each Evaluation Category shall be totaled to yield a final score. The Offeror with the highest final score shall be awarded the Contract.
- E. Scoring will be based on the entire content of the proposal and the information as communicated to the evaluators. The information contained in any part of the proposal may be evaluated by DHS with respect to any other scored section of the proposal. Lack of clarity and inconsistency in the proposal will impede effective communication of the content and may result in a lower score.
- F. The broad criteria for each Evaluation Category are listed below and includes consideration of the specific elements identified in Section 8. MQD reserves the right to add, delete or modify any criteria in accordance with applicable procurement rules.

- G. All proposals that meet a minimum score of seventy-five percent (75%) on the technical proposal evaluation shall be evaluated according to Section 9 for its business proposal.

## **10.7 Business Proposal Evaluation**

- A. Each proposal will be examined to ensure that all required pricing schedules have been included by the Offeror. Proposals will be evaluated to ensure that reasonable firm fixed prices have been assigned. The points given are set forth in Table 10: 10.7 below:

**Table 10: 10.7 Business Proposal Points**

	<b>Lowest Proposal</b>	<b>2<sup>nd</sup> Lowest Proposal</b>	<b>3<sup>rd</sup> Lowest Proposal</b>	<b>4<sup>th</sup> Lowest or More</b>
Two Offerors	20	15		
Three Offerors	20	15	10	
Four Offerors	20	15	10	0

## **10.8 Contract Award**

- A. The technical and business proposal scores will be combined to determine the winning proposal. The Offeror with the highest score will be awarded the Contract.
- B. Upon selection of the Offeror, DHS shall initiate the contracting process. The Offeror shall be notified in writing that the Contract is awarded and that DHS intends to contract with them. This letter shall serve as notification that the applicant should begin to develop its programs, materials, policies and procedures for the program.
- C. The Contract shall be awarded no later than the Contract Award date identified in Section 2.1. If an Offeror requests to withdraw its proposal, it must be requested in writing to the MQD before the close of business (4:30 p.m. H.S.T.) on the Contract Award date identified

in Section 2.1. After that date, the State expects to enter into a contract with the Offeror.

## **APPENDIX A – WRITTEN QUESTIONS FORMAT**

## **APPENDIX B – NOTICE OF INTENT TO PROPOSE**

## **APPENDIX C – PROPOSAL FORMS**

**PROPOSAL APPLICATION IDENTIFICATION FORM SPO-H-200**

**PROPOSAL LETTER**

**CERTIFICATION FOR CONTRACTS, GRANTS, LOANS AND  
COOPERATIVE AGREEMENTS**

**DISCLOSURE STATEMENT**

**FINANCIAL REPORTING/PLANNING**

**CONTROLLING INTEREST**

**BACKGROUND CHECK INFORMATION**

**OPERATIONAL CERTIFICATION SUBMISSION**

**GRIEVANCE SYSTEM**

**INSURANCE REQUIREMENTS**

**WAGE CERTIFICATION**

**PROVIDER STANDARDS OF CONDUCT**



## **APPENDIX D – ORGAN AND TISSUE TRANSPLANT GUIDELINES**

## **APPENDIX E – TRANSPLANT EVALUATION FORM**

## **APPENDIX F – GENERAL TERMS AND CONDITIONS**

## **APPENDIX G – BUSINESS ASSOCIATE AGREEMENT**

## **APPENDIX H – BUSINESS PROPOSAL**