



Landon State Office Building
900 SW Jackson Street, Room 900-N
Topeka, KS 66612

Department of Health
and Environment
Division of Health Care Finance

Phone: 785-296-3981
Fax: 785-296-4813
www.kdheks.gov/hcf/

Robert Moser, MD, Secretary
Kari Bruffett, Director

Sam Brownback, Governor

March 27, 2012

Chris Howe, Director of Purchases
Department of Administration
900 SW Jackson, RM 102N
Topeka, KS 66612

Attention: Tami Sherley, Procurement Officer
Subject: Bid Event Number EVT0001028
KanCare Managed Care Services

Dear Mr. Howe:

The technical proposals of Amerigroup Kansas (Amerigroup), Coventry Health Care of Kansas (Coventry), Sunflower State Health Plan (Sunflower), UnitedHealthCare Community Plan of Kansas (United), and WellCare of Kansas (WellCare) received on January 31, 2012, were carefully and fully reviewed by the Evaluation Committee from February 1 through March 7, 2012. The cost proposals were released on March 14 and were carefully and fully reviewed by the Evaluation Committee from March 15 through March 21, 2012.

The evaluation committee was composed of members representing the Kansas Department of Health and Environment- Division of Health Care Finance, the Kansas Department of Social and Rehabilitation Services, and the Kansas Department on Aging.

This report is presented in three sections: A summary, the committee's feedback on the technical proposals, and a review of cost proposals. The evaluation committee's feedback on the technical proposals includes identified strengths and weaknesses from each proposer. The committee's review of the cost proposals includes a brief overview of the cost proposals, and a recommendation that all five (5) vendors be invited to face to face negotiations.

Summary

The Evaluation Committee finds that the five proposals are responsive to the RFP, and all five Proposers show significant experience in performing similar services. The proposals demonstrate the Proposers' commitment to researching and understanding the RFP. In the following section, specific areas of the Proposers' technical responses are detailed, indicating significant strengths and weaknesses for each proposal. Weaknesses highlight areas we will address further with the Proposers.

Evaluation Committee Feedback on Technical Proposals

Proposers for Further Consideration

The following firms, listed in alphabetical order, have illustrated their capabilities to perform the type of services the State is seeking.

Amerigroup

This Proposer provided a very detailed and thorough response to nearly all RFP requirements. The Proposer demonstrated significant experience in serving similar populations in other states.

Strengths:

- Amerigroup describes substantial experience in other states in working with long term care, CHIP and substance use disorder populations and services.
- Amerigroup has never missed an implementation deadline.
- The proposal's plan for health literacy promotion was generally well rounded and included member education, targeted outreach, care management, and disease management components.
- Amerigroup will use data from State immunization registries to supplement their vaccination information and increase EPSDT compliance rates.
- The plan for quality management included a hands-on approach. Care managers will be deployed in the field with tools to collect and enter information from any environment.
- Amerigroup's approach to care coordination included intensive care support for members with high medical needs, especially targeting seniors and the physically disabled. The proposal's plan for transitioning members to its health plan ensured minimal disruptions of care to KanCare populations.
- The Proposal included a detailed plan and workable strategies for increasing cultural competence among providers and staff.
- The Proposer demonstrated the willingness and the ability to include current community-based providers as health homes.
- Amerigroup submitted an outstanding approach to their member advisory committee structure.
- They have a strong provider quality incentive program that includes shared savings and has been operational for two years in other states. This plan has mechanisms to encourage providers to participate in the program.

Weaknesses:

- The Amerigroup proposal did not acknowledge or describe their process for handling provider grievances.
- This proposal had few details on how to monitor quality of care for disabled populations.
- The proposal's quality management section did not demonstrate a full understanding of home and community based waiver programs.
- Amerigroup's proposed prior authorization system is not fully automated.
- The proposal did not provide evidence of network development for dental, vision, obstetrics and mental health providers.

Coventry

This Proposer demonstrated important strengths in the areas of behavioral health services and network development. The response lacked detail in certain areas, but acknowledged and agreed to comply with the key RFP requirements.

Strengths:

- Coventry plans to use an established subcontractor (ValueOptions) for behavioral health.
- The proposal for provision of Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) includes establishing a dental home for children and enhanced personal assistance for any child with an abnormal finding during the screening.
- The response includes a strong approach for conducting health risk assessments for behavioral health members, including the use of a best-practice screening tool for substance abuse.
- Coventry has a strong provider credentialing plan in place that is also effective for behavioral health and disability providers.

- The response to quality management was member-focused and recognized the importance of the MCO-member relationship and non-traditional, non-medical outcomes of care.
- The Proposer's care management principles include real member engagement, multi-disciplinary coordination with care across all traditional and non-traditional providers, and the use of co-located behavioral and physical health care.
- Coventry includes a comprehensive training and development plan for their customer service staff.
- Coventry offers to adapt one of their current commercial products to serve as a Medicaid off-ramp program.

Weaknesses:

- The proposal generally relies on Coventry's extensive provider network for the existing HealthWave contract to demonstrate sufficient access, but does not detail how additional geographic areas and service providers will be brought in to their network.
- Coventry provided little detail to demonstrate their plan or ability to meet the RFP requirements for HIT and HIE. The proposal did not discuss how the proposer would assist in collection of data related to demonstrating meaningful use of EHR.
- The proposal did not demonstrate an understanding of federal transportation regulations.
- The proposal did not demonstrate understanding that long term care is more comprehensive than nursing facilities.
- Coventry's approach to health homes focused heavily on primary care providers as the health home leader, omitting other community based service providers.

Sunflower

This proposal provided a detailed response describing their experience providing programs of similar scope in other states. However, in certain areas the Proposer lacked understanding of Kansas-specific programs.

Strengths:

- This proposal discussed hiring people with disabilities to promote cultural competency.
- Sunflower described a solid approach to serving hard to reach populations, including pre-programmed cell phones, hiring diverse staff, and adding minority members to their advisory committees.
- The response provides evidence of support for their approach from major provider groups.
- They include a commitment to hiring a full time EPSDT coordinator to increase compliance.
- Sunflower's value-added services demonstrated some understanding of the Kansas populations to be served under this RFP. Specific services included practice visits to an OB-GYN or dentist appointments for the developmentally disabled population and pet therapy for long term care beneficiaries.
- The proposal included a very well defined plan for HIT and HIE.
- Sunflower proposes developing a separate member advisory council for members with developmental disabilities or long term care needs. All of their member advisory councils have a detailed reporting structure so their input will be considered by Sunflower's Quality Improvement Committee.
- The Proposer describes a strong approach to coordinating care for nursing facility residents, and is working with the Kansas Health Care Association to develop performance based outcomes in this area.
- Sunflower would utilize their "CentAccount" program, which provides incentives on a debit card to promote healthy behavior and member engagement.
- The Proposer has strong claim processing systems and auditing systems in place and is well-versed in industry standards.
- The Proposer described a strong commitment to customer service and several innovative approaches in this area.

Weaknesses:

- The proposal did not demonstrate a strong understanding of mental health and substance use disorder services and populations.
- The proposal states that Sunflower would limit members to changing their primary care provider once every six months.

- The quality management proposal included little information or understanding of the State's pay for performance program.
- The proposal did not demonstrate understanding of RFP requirements for the pharmacy program.
- The proposal's response did not meet all RFP requirements for grievances and appeals.
- Sunflower proposes to exclusively utilize a co-location model to treat co-occurring mental health and substance use disorder diagnoses, which may not fit this population's needs.
- The Proposer relies on the NCQA Patient-Centered Medical Home approach to health homes, which is not as inclusive as the health home model required by the RFP.
- Sunflower's proposal states that they have not yet developed a program integrity program.
- Sunflower's plan for their member advisory council does not include standing membership, and would randomly select members for participation.

United

The response provided by United was extensive and thorough. The proposer described strong strategies for meeting the RFP requirements in a number of important areas.

Strengths:

- United proposes a strong approach to utilizing physician extenders.
- The Proposer describes a strong plan for monitoring provider performance. All providers receive information on their profile, gaps in care for their patients, and how they compare to similar providers. United also shares best practices from high-performing providers with others in their peer group.
- United has a national initiative similar to the Money Follows the Person program, to identify nursing facility members who could be integrated back into the community.
- The proposal describes how United will work with Empower Kansas to help people with disabilities obtain employment.
- The proposal includes several incentives for telehealth, telemedicine and telepsychiatry.
- The proposed plan for health literacy is strong and includes several innovative strategies.
- United is using a highly-experienced subcontractor (Logisticare) for transportation services.
- The approach to member advocates is a significant strength.
- United appears very experienced in coordinating care from a non-medical perspective. They were the only proposer that included Screening, Brief Intervention, and Referral to Treatment (SBIRT), to identify substance use disorder issues in a physical health setting.
- The proposal demonstrates excellent understanding of the Medicaid payment structure and a solid approach to timely claims payment.

Weaknesses:

- The Proposer does not provide adequate evidence that they will ensure conflict free case management.
- United has made little progress in contracting with home and community based and substance use disorder providers, or Community Mental Health Centers.
- The quality management section of the proposal did not include a sufficient discussion of Kansas-specific quality measurements, particularly for non-physical health metrics. This section also did not give sufficient attention to supporting providers that are small or non-traditional.
- United does not propose a discrete member advisory committee, but rather a larger stakeholder advisory committee that is not devoted exclusively to members.

WellCare

The WellCare proposal lacked detail in many areas of the response, but described valuable ideas and certain innovative strategies for addressing some of the major goals of the KanCare program.

Strengths:

- WellCare plans to become a Medicare Advantage Plan.

- They propose to help pay the salary of a physician for a provider's office unable to meet access requirements.
- The Proposer will offer evergreen (non-expiring) contracts to nursing facilities, HCBS, and home health providers.
- The Proposer notes that they will contract with any willing provider that meets credentialing requirements and will accept Medicaid rates.
- The proposal commits to providing Regional Member Engagement Centers in six locations across Kansas, which would allow members to walk in to a facility and receive assistance or ask questions.
- The proposal included a description of how they would plan to divert nursing home level of care patients to lower cost levels of care upon discharge from the hospital, and addressed the Promoting Excellent Alternatives in Kansas (PEAK) nursing facility program.
- The Proposer will provide technical assistance to providers for the purpose of compliance/quality assurance of medical records.

Weaknesses:

- The proposal did not fully address pharmacy program requirements.
- The proposal focused on assisted living services, but did not take into account any other services needs of the elderly population.
- WellCare did not demonstrate adequate progress in the proposal toward meeting the provider network standards.
- WellCare's response for HIE was brief, and did not detail how they will participate in or encourage their providers to participate in statewide HIE.
- The Proposer does not include sufficient discussion of Kansas specific quality measures.
- WellCare does not describe their approach to using member advocates to help members address grievances and appeals.
- More detail is needed in this proposal to ensure WellCare will work with existing case managers and other professionals.
- The response to health homes is insufficient overall, and would use Patient-Centered Medical Homes, rather than the more comprehensive health homes required by the RFP.
- The proposal did not demonstrate the ability to meet RFP requirements for preventing and reporting consumer fraud and abuse.
- WellCare did not submit a member advisory committee plan.
- The utilization management plan does not appear member or provider friendly.
- The proposal lacks details in the Innovative Ideas section of the RFP.

Cost Proposal Review

After a comprehensive review of the cost proposals, the Evaluation Committee found that all five (5) proposers' cost responses were comprehensive and addressed the requirements of the RFP. After carefully considering the combined information gathered from both the cost and technical proposals, we recommend that all five proposers be invited to negotiations.

At this time we would like to invite all five (5) proposers to face to face negotiations. Face to face negotiations will be held the week of April 2-6, 2012.

Respectfully,



Kari M. Bruffett, Director
Division of Health Care Finance
Kansas Department of Health and Environment