Payment Integrity - Fraud Waste and Abuse
Request for Proposal

Background

CenCal Health (CCH) is a Non-Profit Community Based Health Care Organization contracted with the State of California to administer Medi-Cal benefits through local care providers in Santa Barbara and San Luis Obispo counties. We provide health coverage for 1 in 4 people in Santa Barbara County, and 1 in 5 in San Luis Obispo County. We have been in operation since 1983 and are recognized nationally as the oldest Medicaid managed care program of its kind in the country. Our mission is to improve the health and well-being of the communities we serve by providing access to high-quality health services, along with education and outreach for our members.

Opportunity Description

CenCal Health is in the market for a collaborative engagement with a vendor offering comprehensive services in Payment Integrity, including Fraud, Waste, and Abuse management. This partnership will be pivotal in the establishment of a solid Payment Integrity Program that integrates extensive Fraud, Waste, and Abuse prevention components.

CenCal Health is on a quest for a reliable vendor that can deliver first-rate services in the Payment Integrity - Fraud Waste and Abuse sector, thereby enabling the organization to efficiently manage and process claims.

Currently, CenCal Health provides coverage to approximately 228,679 members under its Medi-Cal program.

The selection will favor a vendor that not only aligns with but also amplifies our organizational values and mission, contributing significantly to our strategic vision. CenCal Health is eager to find a vendor, or multiple vendors, poised to support and achieve our key strategic goals in this space.

- Deliver value through innovation, including innovative payment models with aligned incentives.
- Provide core competencies in administrative and clinical services including population health management.
- Achieve and maintain high member and provider satisfaction.
- Define and monitor quality measures that distinguish true improvement.

1

- Establish a strong foundation to ensure long-term success.
- Be fully invested in working with CenCal Health to develop flexible solutions that meet our business and strategic needs.

The ideal Vendor will provide or arrange for a suite of Payment Integrity - Fraud Waste and Abuse services supported by comprehensive clinical support, claim adjudication, prior authorization (coverage determination) fulfillment, data analysis, and reporting capabilities. This should include both pre & post-pay services for payment integrity, clinical chart reviews (DRG, Short Stay, Readmission), a comprehensive FWA package that includes identification of leads for investigation, robust reporting as well as data mining capabilities, and ideally also include Coordination of Benefits & Other Health Coverage (COB & OHC) verification capabilities.

RFP Administration Terminology

1. **Company** refers to CenCal Health.
2. **Contract**, **Agreement**, or **Management Services Agreement** refer to the formal agreement that the Company and Vendor may enter at the conclusion of the Request for Information process.
3. **Medi-Cal** is California's Medicaid program, which provides needed health care services for low-income individuals including families with children, seniors, persons with disabilities, foster care, pregnant women, and low-income people with specific diseases such as tuberculosis, breast cancer, or HIV/AIDS. Medi-Cal is financed equally by the state and federal government.
4. **Response(s)** refers to the response submitted by the entity or entities in response to this Request for Information.
5. **Vendor(s)** refers to the entity or entities submitting a response to this Request for Information.

Response Requirements

Vendor must submit a complete and thorough response to this RFP. Each response should include a clear, concise, and complete description of the Vendor's ability to meet the requirements, as defined in the RFP.

A Vendor may submit a response to provide the full complement of services using a subcontractor or subcontractors. In such cases, the Vendor must indicate when another entity will carry out the specified requirement, the entity's qualifications, and experience, and how it will do so. Furthermore, for each subcontractor, the response should include a list of each subcontracted entity's name, address, and contact person.

The Vendor remains responsible for performance and quality of the specified requirement and must explain its oversight processes and procedures.
If the Vendor has any limitation on its ability to perform a service and the Vendor will not subcontract with another entity to carry out the service requirement, the Vendor must

indicate the limitation and explain how the Vendor will address such limitation prior to the "go live" date of the contract.

An officer or other official of the Vendor who has legal authority to commit the entity to the performance of the proposed services must sign the Signature Page and submit it with the completed response.

Where repetition occurs in the RFP (regarding similar responses to requests for information), the Vendor need not repeat the answers. However, reference should be made to the exact location in the response where the information was previously provided.

Response Procedure and Timeline

Upon receipt of this RFP, all interested Vendors must complete and send the Intent to Respond provided in the RFP Packet attached below via electronic mail to: **CenCal-RFP@cencalhealth.org** by 02/5/24 at 5:00 PM PST.
Also, all interested Vendors must complete and submit the state issued Business Associate Agreement (BAA) and Non-Disclosure Agreement (NDA) provided in the RFP Packet via electronic mail to **CenCal-RFP@cencalhealth.org** by 2/19/24 at 5:00 PM PST.

Note: The BAA must be accepted without redlines.

Enclosed within the RFP packet is a copy of CenCal Health's Master Services agreement (MSA) template for your review. CenCal Health's expectation is that these terms and conditions will be included in the final service agreement between CenCal Health and the awarded vendor. Prior to submission of a response, CenCal Health is willing to answer questions for the purpose of discussing the RFP and to give the Vendor the opportunity to better understand the service requirements cited in the RFP. CenCal Health encourages Vendors to submit all questions via electronic mail to **CenCal-RFP@cencalhealth.org** by 3/4/24 at 5:00 PM PST. CenCal Health will strive to share question responses by 3/12/24 at 5:00 PM.

Proposals must be submitted electronically via secure email to **CenCal-RFP@cencalhealth.org** by 3/25/23 at 5:00 PM PST.

CenCal Health is not responsible for any technical problems that may prevent or delay submissions of responses by the specified time on the due date. Vendors are encouraged to submit responses early to avoid missing the deadline. Responses submitted after the deadline will not be accepted.

CenCal Health reserves the right to extend the deadline for the RFP submissions at any point before the original due date by providing written communication to the prospective vendors. Similarly, CenCal Health retains the authority to modify the schedule after the proposals have been submitted as deemed necessary.

Table 1. RFP Timeline

RFP Issuance	1/22/24
Vendor's Intent to Respond due via email to CCH	2/5/24
Vendor's NDA/BAA due via email to CCH	2/19/24
Vendor Questions Due to CenCal via email	3/4/24
Answers to Vendor Questions Released	3/12/24
Vendor Response Due Date	3/25/24
Vendor Response Review and Scoring Period	4/9/24
Vendors Notified of Invitation to Participate in Virtual Interviews/Demos	4/16/24
Virtual Interviews and Demos	4/30/24
Successful Vendor Notified	5/10/24

1: General questions

Please complete the following table:

Question	Answer
Full Legal Company Name	
Address	
Remit to Address (if different than above)	
Primary Contact Name	
Primary Contact Telephone Number	
Primary Contact Fax Number	
Primary Contact Email Address	
Company Web Address	
DUNS #	
Employer Tax Identification Number	
State of Incorporation	
Year Founded	
Number of Employees	
Type of Organization (Sole Proprietorship, Partnership, Corporation)	
Holding Status (Public, Private, Subsidiary)	
If Subsidiary, Parent Company Name and Address	
If Public, Exchange, and 52 Week High/Low	
Does your company possess all licenses and/or permits required by local, state, or Federal authorities applicable to your business?	

2: Payment Integrity and Fraud, Waste & Abuse (PI FWA) RFP related questions

1. Do you have existing "non-compete" agreements in place that may impact your ability to provide services to CenCal?

2. Does your organization currently operate in California? If so, where and in which lines of business?

3. If your organization is privately held, please provide audited financial statements including balance sheet, income statement, and statement of cash flows from the last two years that support the financial viability of your company. If your organization has investors of more than 5% of equity in the company, please also include their financial statements and identify any corporate health care affiliations of those investors.

4. Please provide a credit rating agency report.

5. Has your organization acquired, been acquired by, or merged with another organization in the past three (3) years? If yes, please explain.

6. If applicable, please explain how your organization fits into the corporate structure of your parent company and/or other subsidiaries. Provide an organizational chart.

7. If your organization will utilize subcontractors to carry out any of the proposed services, identify each subcontractor you intend to utilize and for each:

   a. Include a list of each subcontracted entity's name, address, and contact person.

   b. Indicate the specific service(s) that the subcontractor will deliver, the subcontractor's qualifications and experience, how it will deliver the service, and how long the subcontractor's been delivering the service(s) to clients.

   c. Provide specifics of circumstances where you have partnered with the subcontractor to offer a more comprehensive suite of services to clients.

   d. Furthermore, please provide a summary of how you oversee and monitor your subcontractors' performance and compliance with contractual requirements and Federal and state regulations.

8. How many clients do you currently serve? Please list by type of client (health Plan, Provider Organizations etc.) line of business (Commercial, Medi-Cal, other Medicaid, Medicare, etc.) and include information about membership size.

9. How many years has your organization been providing Payment Integrity - Fraud Waste and Abuse services to Medi-Cal (other Medicaid, or Medicare Managed Care) health plans? Describe your relative success with programs of

6

this nature and identify any failures.

10. Does your organization utilize offshore resources? If so, where and for what services?

11. Has your organization been under a corrective action plan(s) imposed by a client, state Medicaid or Federal Medicare agency in the past five (5) years? If so, please summarize each corrective action plan, who imposed it, when it arose, the steps taken and time required to complete it, and the outcome.

12. What is your client retention and growth rate over the past five (5) years? Have you lost any clients in this time? If so, why?

13. Provide a summary of qualifications that show current or successful implementation of a PI FWA Services Agreement.

3: References

14. Please provide at least three (3) references from previous or current clients for whom you have provided services similar to those requested in this RFP. The Vendor is encouraged to include clients having similar geographies and lines of business/industry as CenCal, particularly with county-owned health plans. Please provide the following information for each reference:

   a. Client Name

   b. Contact Name

   c. Phone Number

   d. Email Address

   e. Plan Type

   f. Covered Lives

   g. Products

   h. Lines of Business

   i. PI FWA Services provided.

   j. Pricing Methodology

   k. Start date and, if applicable, end date of the relationship

4: Account Team and Implementation

15. Describe the proposed staffing structure for the scope of work. Include functions of the proposed staffing qualifications of staff. Identify whether resources are dedicated or shared.

16. Describe your account management approach, including communication

7

strategies and timeframes, escalation procedures, account management processes, and meeting frequencies.

17. Describe how the account team and reporting capabilities will provide ongoing, active recommendations to CenCal to manage and reduce costs over time.

18. Describe the transition process if a member of the account team leaves the account or the organization.

19. Submit a sample implementation plan including typical timelines, activities, and the type of information that Vendor requires during a PI FWA implementation.

5: Pre -Pay and Post-Pay

20. Describe your approach to Payment Integrity, specifically regarding Pre-Payment and Post-Payment focus and the types of issues you target for identification.

21. Assuming both Pre & Post are offered, to what degree are you able to achieve synergies between your Pre-Payment Integrity and Post-Payment Integrity solutions when both are implemented? Please describe how you leverage files and interfaces between your Pre-Payment Integrity and Post-Payment Integrity solutions.

22. Describe your strengths and advantages in the Payment Integrity market, highlighting key differentiators.

23. Beyond traditional claim edits, what incremental Payment Integrity issues are identified and addressed with your solution?

24. List and describe the platform's reporting capabilities for standardized and ad-hoc reports; does it have graphing and illustration capabilities?

6: Claim Edits

25. Can unique rules/edits be applied to a specific insurance plan, or lines of business? (i.e. Allowing more units/quantities per policy for certain providers or provider types)?

26. Does your organization offer a prepay manual review service to prevent improper claim payment of professional and facility claims outside of standard claim editing? Does it require a medical record? Describe the process and how it works with automated claim editing, your experience, and results. (i.e.

8

Duplicates, Overlapping Services, Unbundling).

7: Data Mining

27. Describe what concepts you provide as a part of your data mining services and how your approach to Data Mining differs from the competitors.

28. Please describe your recovery management and appeals process.

8: Coordination of Benefits

29. Does your organization offer a prepay solution to identify payment responsibility/coordination of benefits errors and prevent payment of associated claims? Is it a software solution that your clients use, a managed service, or other? Describe the process and how it works with claim editing, your experience, and results.

30. Please provide an overview of the techniques used to recover COB-related overpayments. Explain any techniques used to reduce client abrasion during recovery of COB-related overpayments.

9: Clinical Chart Review – Diagnosis-Related Group (DRG), Short Stay & Readmissions

31. Please describe your process for isolating charts with the highest probability of overpayment and how you go about minimizing provider abrasion.

32. Describe your appeal process, your percentage rate of appeals and the percentage overturned for both pre-payment and post-payment.

10: Fraud, Waste & Abuse (FWA)

33. Explain your software's capabilities to detect new and emerging FWA schemes with Medi-Cal programs and identify member/provider fraud. What synergies/integrations are available, if any, with your other payment integrity solutions?

34. Explain whether the organization offers a prepay solution to identify suspicious providers and emerging fraud, waste and abuse schemes/patterns and prevent

payment of associated claims? Is it a software solution that your clients use, a managed service, or other? Describe the process and how it works with claim editing, your experience, and results.

11: IT/Data security

35. Are you certified or compliant with relevant IT security standards (e.g., ISO 27001, NIST, GDPR, SOC, HIPAA) if applicable, list current level of compliance.

36. Does the software offer an API or other interoperability components that may support integration of quality considerations, member outreach, review of e-Prior Auths/Gold Carding systems. If offered, what systems/products do you currently work with?

37. How do you ensure the confidentiality, integrity, and availability of sensitive data and information?

38. What measures do you have in place to ensure that only authorized personnel can access PII and PHI data?

39. Do you use subcontractors or third-party service providers? If so, how do you ensure they comply with data protection and security requirements?

40. What is your incident response process, and how quickly can you respond to security incidents?

41. What SLAs can you offer for response times, system uptime, and incident resolution?

Signature Page

I am authorized to sign this document and submit the attached response to the CenCal Health PI FWA Request for Information (RFP) on behalf of:

Requirement	Vendor Response
Vendor's Corporate Name	
Vendor's Corporate Address	
Vendor's Corporate Telephone	
Vendor's Email Address	

My signature constitutes acceptance of the terms and conditions of this RFP.

Signature   _____

Printed Name/ Title _____

Date _____

Email Address _____

Telephone_____