

**REQUEST FOR INFORMATION
HEALTHCARE BENEFITS FOR POPULATIONS OF TILLMAN
AND COMANCHE COUNTIES**

SECTION 1: GENERAL INFORMATION

1.1 ANNOUNCEMENT

The Oklahoma Health Care Authority (OHCA), is issuing this Request for Information (RFI) to obtain information from the health insurance industry exploring the feasibility of creating a two-county pilot program allowing certain SoonerCare members to enroll in private health plans when cost-effective for the State. Interested parties are requested to submit a response outlining their available products and services. OHCA appreciates the assistance of vendors in this effort.

1.2 POINT OF CONTACT

This RFI is issued by OHCA and OHCA is the sole point of contact from the date of release of this RFI through the closing date as follows:

Oklahoma Health Care Authority
4545 N. Lincoln Blvd, Ste 124
Oklahoma City, OK 73105
Attention: Traylor E. Rains, J.D.
Phone (405) 522-7202
Fax (405) 530-3463

1.3 RFI CLOSING DATE

Responses submitted in accordance with this RFI must be received by OHCA no later than 4:30 PM Central Standard Time (CST) on Thursday, June 14, 2007. Responses must be mailed, e-mailed or faxed to the addresses and numbers above. All responses delivered or received by the closing time and date will be reviewed. Respondents may call the telephone number above to ensure that their submissions were received.

1.4 ANTICIPATED CONTRACT TERM & RENEWAL OPTIONS

This RFI does not obligate the State to release a bid to procure services for a quality rating system. However, should a bid be issued and awarded after the completion of the RFI process, the anticipated contract term would begin about July 1, 2008 for five (5) years (one year with four renewal options.)

1.5 ACCEPTANCE OF REPONSES

OHCA will accept all responses submitted according to the requirements and deadlines specified in the RFI.

1.6 COST OF PREPARING RESPONSES

A. All costs incurred by the Respondent for Response preparation and participation in this competitive process will be the sole responsibility of the Respondent. The State will not reimburse any Respondent for any such costs.

B. OHCA reserves the right to withdraw the RFI at any time during the procurement process. Issuance of this RFI in no way obligates the State to award or issue a contract or to pay any costs incurred by any Respondent as a result of such a withdrawal.

1.7 RETENTION OF RESPONSES

A. All responses submitted in response to this RFI become the property of the State and will not be returned. All material submitted by Respondents becomes the irrevocable and sole property of the State of Oklahoma.

B. All responses submitted and all information contained therein shall be subject to the Oklahoma Open Records Act, 51 O.S. §§24A.1 et seq. (1991). Pursuant to the provisions of Senate Bill 1592, the State Purchasing Director may designate any financial or proprietary information required under this RFI “confidential” and may reject all requests to disclose said information requested under the Open Records Act.

1.8 BIDDERS LIBRARY

The OHCA has established a procurement library containing information related to this procurement. The State reserves the right to add additional materials to the procurement library at any time until five (5) business days prior to the proposal due date. Items currently included in the procurement library are identified as follows:

- HB 2842
- Cost Study by PHPG

Interested parties may review this material on the OHCA website at www.okhca.org. To reach the Bidders’ Library, click “about us” at the top of the home page, then click “Procurement” in the list on the left side of the “about us” page.

SECTION II: BACKGROUND

Oklahoma Health Care Authority (OHCA) is the state agency that administers the Oklahoma Medicaid Program, known as SoonerCare. Medicaid is a federal and state entitlement program that provides funding for medical benefits to low-income individuals who have inadequate or no health insurance coverage. Medicaid guarantees coverage for basic health and long-term care services based upon income and/or resources. Created as Title XIX of the Social Security Act in 1965, Medicaid is administered at the federal level by the Centers of Medicare and Medicaid Services (CMS) within the Department of Health and Human Services (HHS). CMS establishes and monitors

certain requirements concerning funding, eligibility standards and quality and scope of medical services. States have the flexibility to determine some aspects of their own programs, such as setting provider reimbursement rates and the broadening of the eligibility requirements and benefits offered within certain federal parameters.

In 2005 OHCA implemented the O-EPIC (Oklahoma Employer / Employee Partnership for Insurance Coverage) Employer Sponsored Insurance (ESI) Program whereby the state pays a part of the employer-sponsored health plan premiums for eligible employee's working for qualified Oklahoma small businesses with fewer than 50 employees. In order for the Oklahoma small business to be qualified they must offer their employees a health plan that meets all O-EPIC ESI qualifications. Coverage is provided directly by the private health plan.

For those Oklahomans who are not otherwise eligible to participate in an O-EPIC employer-sponsored qualified health plan, the O-EPIC Individual Plan (IP) was made available in 2007. In order to be qualified for the O-EPIC IP, the individual must meet all O-EPIC IP qualifications and remit monthly premiums based on a sliding scale of annual household income. Coverage is provided directly by the state (OHCA) through the network of SoonerCare contracted providers.

During its most recent session, the Oklahoma State Legislature enacted House Bill 2842 (HB2842) – The Oklahoma Medicaid Reform Act of 2006. One provision of HB2842 directed the Oklahoma Health Care Authority (OHCA) to develop a mechanism for enrolling a portion of the non-aged SoonerCare member population into private health plans, when such enrollment would be cost effective for the program. The legislation specifically states:

“Provide Medicaid consumers who are younger than sixty-five (65) years of age and considered insurable more options in the selection of a health care plan that meets the needs of consumers and allows consumers to exercise greater control over the medical care that consumers receive. For purposes of this section “insurable” means that the cost of enrolling an individual in a private plan is equal to or less than the cost to the state of the individual remaining in the current Medicaid program.

“(OHCA shall) develop an actuarially sound cost per Medicaid consumer within different age groups and other relevant categories including health status to provide medically necessary services which may be separated to cover comprehensive care, enhanced services, and catastrophic care. This cost would be converted into a credit or instrument of value for the Medicaid consumer to purchase qualified health insurance policies.” (See *Bidders' Library for HB 2842*, Section 2 and Section 3, #1-4 for additional specific language.)

HB2842 instructed OHCA to begin with a two-county pilot program. OHCA has selected Comanche County, which includes Lawton, and neighboring Tillman County for the pilot.

In January 2007, OHCA retained the Pacific Health Policy Group (PHPG) to analyze expenditures in the two counties and calculate per member per month (PMPM) costs for SoonerCare members covered by HB2842. These PMPM costs are to be used as the credit or instrument of value with which the SoonerCare member can purchase private health plan coverage. (See *Bidder's Library*)

SECTION III: SCOPE OF THE RFI

This section sets forth the nature and scope of the services requested under this RFI. OHCA is seeking information related to the creation of a pilot program to provide for a more efficient and effective service delivery system that enhances quality of care and client outcomes in the SoonerCare (Oklahoma Medicaid) program. The overall goals of the pilot program are to: 1) provide more options in the selection of a healthcare plan that meets the needs of consumers; 2) allows consumers to exercise greater control over the medical care they receive; 3) stabilize SoonerCare expenditures; and 4) introduce competition as a factor that lowers costs. (See *Bidder's Library* for HB 2842, Section 2 and Section 3, #1-4 for additional specific language.)

OHCA intends to pilot this service delivery system for the following purposes: 1) to determine the interest and availability of private health plans who would provide cost-effective healthcare coverage to SoonerCare members; 2) to determine potential methods of transitioning coverage for current SoonerCare members to private health plans; 3) to assess the effectiveness and suitability of private health plan coverage; and 4) to incorporate SoonerCare member education and counseling and to allow SoonerCare members more choice of their enrollment into a private health plan.

3.1 Please determine and discuss your agency's willingness to provide comparable healthcare benefits to Oklahoma SoonerCare sample populations.

Please specify your agency's willingness to participate in accordance with sample population categories:

- Aid Category Groups
- Age and Gender
- Disease Types (6)

3.2 If willing, please discuss current, or the development of, rules, policies, and/or procedures which ensure healthcare access and benefits comparable to SoonerCare at premiums equal to or less than per member per month (PMPM) costs established in the State of Oklahoma HB 2842 PMPM Cost Analysis Methodology and Findings, performed by the Pacific Health Policy Group, April 2007.

- 3.3 If NOT willing, please discuss why your agency is unwilling or unable to provide healthcare benefits comparable to SoonerCare at premiums equal to or less than per member per month (PMPM) costs established in the State of Oklahoma HB 2842 PMPM Cost Analysis Methodology and Findings, performed by the Pacific Health Policy Group, April 2007.

SECTION IV: RESPONSE SUBMISSION CONTENT / REQUIREMENTS

4.1 SUBMISSION OF RESPONSES

- 4.1.1 Please clearly indicate the name, title, mailing address, and telephone number of the authorized agent with the authority to submit the response and to answer official questions concerning the response. Please include e-mail addresses and fax numbers in your submission if Respondent is available to answer questions via email or fax.
- 4.1.2 Respondents mailing their proposals or using a commercial delivery service should allow sufficient time for delivery of their proposals by the time specified. Delivery of the Proposals is at the Respondents' expense.
- 4.1.3 Please prepare your Responses in accordance with the requirements stated in this section of this RFI.

4.2 RESPONSE FORMAT

4.2.1 FORMATTING

Please organize your response as follows:

- 1) Cover page with organization name, contact information and signature as described in 4.1.1;
- 2) Table of contents;
- 3) Answers to written questions numbered as below;
- 4) Cost estimate for products and services and;
- 5) Attachments.

Please note that the Respondent is **NOT** required to answer all of the questions below. The Respondent may choose which questions to answer based on the organization's particular interests, expertise, and experience.

4.2.2 WRITTEN QUESTIONS

- A) Please describe the ability or inability of your private health plan(s) to provide SoonerCare members:
- 1) Private health plan coverage in the pilot counties that does not exceed the PMPM amounts referenced in the PHPG 2007 analysis. Include in your response any allowances for the following:
 - (a) Cost Sharing Provisions;
 - (b) Aid Category Groups;
 - (c) Age and Gender Considerations; and
 - (d) Health Status / Disease Types Considerations.
 - 2) Private health plan coverage that meets minimum access and coverage requirements (e.g. federal and state), commensurate with SoonerCare. Include in your response any allowances for the following:
 - (a) Access to medically necessary services;
 - (b) Coordination of preventative, acute and long term care services;
 - (c) Consumer education and choice of private health plan coverage as an alternative to SoonerCare coverage; and
 - (d) Systems designed to reduce unnecessary service utilization.
 - 3) The option to purchase private health plan coverage through an employer-sponsored health plan.
 - 4) A personal health account system whereby monies deposited into the account shall only be used by the member to defray health-related costs including but not limited to co-payments, non-covered benefits, and wellness initiatives.
- B) Please describe any organizational procedures and administrative policies which support the ability or inability of your private health plan(s) to participate in the pilot program.
- C) Optional: Please share any additional information pertaining to the ability or inability of your private health plan(s) to participate in the pilot program.

4.2.3 COST ESTIMATE

Please provide a general estimate of how you would calculate costs for the products and services outlined in Section 4.2.2. Respondents and OHCA acknowledge that providing a cost range does not bind nor obligate either party

in any way. The cost range is simply a tool to be utilized by OHCA to determine the cost effectiveness of issuing a bid in the future.

4.2.4 DEMONSTRATION OF PRODUCTS AND SERVICES AND KEY PERSONNEL INTERVIEWS

Based on the response to RFI questions, OHCA may invite some Respondents to make oral presentations and conduct demonstrations of some of their products and services. OHCA may also request telephone interviews with key personnel.

Thank you for your help.