

STATE OF NEW HAMPSHIRE
2016 NHCHIS QAHC-03
REQUEST FOR PROPOSALS

INTRODUCTION

The New Hampshire Insurance Department (NHID) is requesting proposals for a Contractor to perform consulting services for the NHID.

The NHID seeks support with quality assurance (QA) testing of the New Hampshire Comprehensive Health Information System (NHCHIS), and developing and maintaining updated SAS code for the rates produced on the www.nhhealthcost.org website.

CONTRACT PERIOD

The Contractor will provide services between the date of Governor and Council approval of the contract through until June 30, 2018, subject to legislative approval of the next biennial budget.

GENERAL INFORMATION/INSTRUCTIONS

Electronic proposals will be received until 4 pm local time, on April 29, 2016, at the New Hampshire Insurance Department, 21 South Fruit Street, Suite 14, Concord, New Hampshire, 03301. Emails should be sent to alain.couture@ins.nh.gov and include in the subject line: RFP for HealthCost and QA Services.

Proposals should be prepared simply and economically, providing a straightforward, concise description of bidder capabilities to satisfy the requirements of the RFP. Emphasis should be on completeness and clarity of content.

QA Testing and Support

The NHID promulgates data collection rules, specified in the NHID administrative rules: Ins 4000 UNIFORM REPORTING SYSTEM FOR HEALTH CARE CLAIMS DATA SETS <http://www.nh.gov/insurance/legal/documents/ins4000adopted.pdf> requiring health insurance carriers and third party administrators (TPAs) to submit medical, dental, and prescription claims data, and enrollment files to the state periodically. The data are collected in order to create the NHCHIS (<http://www.gencourt.state.nh.us/rsa/html/XXXVII/420-G/420-G-11-a.htm>). The data include information on fewer than 600,000 currently insured members at any point in time. For additional information on the NHCHIS, please view the website: <http://nhchis.org>.

The Contractor shall be available to perform QA testing of the data consolidated and sent to the NHID by the state's vendor, currently Milliman. The Contractor shall have direct responsibility to the NHID, but also serve as a resource for the DHHS in working with the data consolidator. The Contractor shall participate in routine conference calls with the state's data consolidation vendor as needed.

The Contractor shall be available to perform QA testing related to the data processing or consolidation services, vendor edits and processes, compliance with administrative rules, or any other factor that may impact the HealthCost website or various data analyses performed by the NHID. A listing of publicly available analyses by the NHID is here: <http://www.nh.gov/insurance/reports/index.htm>.

The data consolidator utilizes various minimums and maximums, as well as other data receiving testing mechanisms in order to eliminate major data integrity issues at the point of data submission between the carrier/TPA and the data consolidator. When requested to do so, the Contractor shall serve as a resource to the NHID by providing advice and recommendations for any deviations from the established carrier specific threshold levels, as requested by a carrier/TPA. The Contractor shall not be responsible for managing the relationship between the NHID and the carrier/TPA, but is expected to support the NHID by providing expertise and recommendations for obtaining carrier/TPA data reporting compliance with claims submission rules and effective data submission practices.

Normally, data extracts are produced for the NHID/DHHS on a quarterly basis in text format, and the QA process needs to take place with each extract. The Contractor should anticipate that at least one QA session will take place quarterly, and potentially two per quarter when data issues are identified and the extract needs to be recreated by the data consolidation vendor.

At a minimum, the Contractor shall test the data to confirm that fields are populated when appropriate and that the values are reasonable. Specifically:

- Carrier identifier, insurance product (e.g. HMO, PPO, etc.), policy type (e.g. fully insured vs. self-funded), and market information (e.g. exchange products, small group, non-group, large group);
- Distribution of professional and institutional claims;
- Provider charges, plan paid, copayment, coinsurance, deductible, and calculated allowed amounts (e.g. values are positive, allowed amounts are less than charges);
- Diagnosis and procedure fields;
- Dates of service and paid dates;
- Claims adjusted, denied, marked as primary, or otherwise flagged with specific indicators;
- Health care provider fields (billing and servicing) include useable NPI or other indicator;
- Member identifiers match among different data files (claims and membership files, and Rx and Medical as necessary);
- Check for duplicate records;
- Missing date ranges;
- Member demographics (DOB, Gender, zip code); and
- That the number of records, members, fields, and date ranges within the data received by the NHID are equal to what is indicated by the data consolidator.

The Contractor should be prepared to document issues that should be addressed or recognized by the data consolidation vendor until resolved, including providing examples of the finding. If the data consolidation vendor, DHHS, the Contractor, and the NHID agree the issue cannot be resolved efficiently or within available resources, including a resubmission by the carrier/TPA, the Contractor is responsible for documenting the issue in central location so that users of the data both at the NHID and elsewhere are aware of the anomaly.

Once the QA programs are written, unless new anomalies are detected, the maximum amount of time the Contractor should need for QA testing of a clean file is four hours per quarterly extract received from the data consolidator. QA testing and transfer of the analytical file to the NHID must be complete within one week of the Contractor receiving the data file from the data consolidator, unless the Contractor receives approval from the NHID for an extended period of time.

The Contractor shall assist as needed and requested by the NHID, with modifying the data as necessary from the data consolidation vendor and creating normalized SAS datasets for use by the NHID or another contractor of the NHID.

The proposal shall include all of the requirements in this RFP for testing of the data extracted and provided by the data consolidation vendor to the NHID and the development of the analytical SAS data sets.

HealthCost

The NHID is the owner of the NH HealthCost website (www.nhhealthcost.org) and the Contractor will be responsible assisting the NHID with revising and/or developing the SAS programming code used to calculate the cost estimates and quality information on the website. The NHID does not use any proprietary software programs, algorithms, black box technology, or other confidential information to produce the rates on the HealthCost website, and the Contractor cannot rely on any such technology or product when further developing the methodology and supporting programs. Any code or product produced by the Contractor in support of this project agreement is the property of the NHID and any reference by the vendor to the work performed on the HealthCost project shall describe HealthCost as a State initiative, specifically as a transparency initiative developed by the NHID, and that any work performed by the vendor is as an independent contractor of the State. The SAS code developed for producing rates on HealthCost is available to anyone, and the Contractor cannot copyright or otherwise inhibit the NHID or any interested party from obtaining, sharing, and using the work product produced under this project. The current SAS code can be obtained by sending a request to alain.couture@ins.nh.gov.

Proposals should include resources to test the algorithms for accuracy and to work with the NHID to make any changes so that rates can be produced as efficiently, accurately, and timely as possible. These changes may include adjustments to the rate calculation methodology, changing “bundled” services to the unbundled approach, or general revisions to the methods of developing rate estimates. The Contractor’s primary focus will be on services reported with rates provided on an unbundled basis. Please note that the “unbundled” methodology may include the

combination of a professional and technical component.

Proposals that include potential changes to the existing methodology for providing rate estimates will be considered.

Periodic updates shall take place on a quarterly basis for cost estimates, and less frequently for all other measures. Currently, all non-cost measures are updated annually.

The SAS programs used to create cost estimates and provider quality information are used to create output files that will be loaded to the HealthCost website by the website vendor, currently the University of New Hampshire Web and Mobile Development team (WMD). The Contractor is responsible for ensuring the output files are checked for reasonability and accuracy prior to each transfer of data to the website developer. This includes, but is not limited to:

- spot checking that a provider listed for a service is a provider that offers the service
- analyzing cost estimates to ensure that any costs that appear unusually high or low are investigated
- assisting with revisions to the programming to address unusual situations that may result in misleading estimates.

To ensure rate estimates are valid, the Contractor may need to perform additional analyses using the claims data outside of the programs developed for HealthCost, perform internet research, or contact a health care provider directly to understand billing or service delivery practices. The Contractor is also responsible for verifying that the website developer loads the data files correctly.

After the initial reprogramming as needed, the Contractor shall be available to assist with general maintenance to the SAS code used to produce the HealthCost rates, including routine debugging and changes, or investigating specific questions that may arise about the estimates associated with a particular health care provider or insurance carrier. Maintenance may include, among other things, changes to the underlying CPT codes or modifiers used to identify specific procedures, dates of service used with the input data, additions or modifications to the carriers/TPAs or providers included in the output, procedures included to calculate rates, modifications or enhancements to the rate calculation methodology, and general maintenance to the provider files. The NHID has hired a vendor that is responsible for assisting the NHID with identifying provider associations, and the Contractor may be expected to work with this vendor to incorporate the recommended associations into the HealthCost programming and utilize accurate provider affiliations on the website. The Contractor shall provide assistance to the vendor identifying provider affiliations by providing guidance on the format and layout of the reference tables so that the Contractor and the NHID can efficiently make use of the information provided by the vendor. This may include using the NHCHIS to identifying high volume providers based on specific services that either exist, or are anticipated to be included in the HealthCost output. The contract with the vendor performing the provider affiliation work can be obtained by sending a request to alain.couture@ins.nh.gov.

In addition to the responsibilities identified above, proposals are expected to include the

following potential Contractor responsibilities, depending on support requested by the NHID:

- Developing expertise with the HealthCost rate estimate methodologies.
- Testing of a sample of the current HealthCost estimates for reasonability and accuracy.
- Rewriting as needed and as requested by the NHID, current SAS code in order to improve the accuracy, efficiency and timeliness of the rates and other information, including accommodating changes to:
 - the source databases,
 - the health care provider files, and
 - the logic for showing radiology cost estimates as “unbundled” with the facility and professional payment rates combined into one overall cost estimate.
- Updating the cost estimates on HealthCost on a quarterly basis.
- Updating the Statewide Rates Report and the lab market basket report included on HealthCost, on a quarterly basis.
- Updating the Quality Measures included on HealthCost on an annual basis.
- Ensuring that all SAS programs include extensive documentation and that the code is easily understandable by an analyst with intermediate level SAS skills.
- Utilizing SAS programming so that all fields included on the consumer and employer sections of the website are produced with rates and related information, including “precision of the cost estimate” and “typical patient complexity.” The “typical patient complexity” field is based on the chronic illness and disability payment system (CDPS), a diagnostic classification system that runs in SAS. The current version of the software used with HealthCost is based on ICD-9, and will need updating with a current version of the CDPS that is based on ICD-10 codes.
- Researching anomalies in the data as appropriate when calculations produce results that are not expected, whether identified by the Contractor, the NHID, a provider, an insurance carrier, or another interested party.

While the majority of the work that may be performed by the Contractor is for the rate estimates designed for consumers (currently about 148 services/items), the responsibilities listed above may also apply to the “statewide rates” information available on the website. This section is designed for health care providers and insurance carriers, and the methodology differs from the rate estimates produced for consumers.

The NHID will be seeking an additional vendor to perform research and development to expand the number and nature of the procedures available with rate estimates on HealthCost, including using various methodologies to show general health care utilization patterns. This research and development vendor will be responsible for recommending new procedures, and developing the specifications for including the new procedures to be added to NHHealthCost.org.

If determined by the NHID to be necessary, the Contractor selected under this RFP for QA and HealthCost support will be responsible for creating the new SAS programming to include the newly identified procedures, rates, and related information on HealthCost and maintaining the code once it is completed. Proposals should include resources budgeted separately for these tasks, as described below.

In some cases, the Contractor will be responsible for working directly with the vendor under contract with the NHID to maintain the website, currently WMD at the University of New Hampshire.

The proposal shall identify a specific person or persons assigned to the responsibilities outlined in the proposal, and any changes to the assignment of responsibilities to this person(s) during the course of the contract shall be approved first by the NHID.

Project Costs

The NHID has established maximum project costs, including budgets for specified tasks included under the contract. The budgeted amounts are intended to provide guidance to potential bidders, and successful proposals cannot exceed the amounts allocated for:

- the entire project
- operational tasks
- development work to modify programming or rewrite existing code
- development work to add new procedures and providers to the output
- the percent split between the analyst/programmer and project management.

Additionally, the development work is funded by a federal grant to the NHID and the Contractor must provide invoices that separately identify development work and operational costs.

Within the provided limitations, bidders are free to develop a budget that allocates the number of hours associated with staff, identified by name and title, and the distribution of the projected number of hours associated with the tasks.

Proposals will be evaluated based on the experience, skills, and expertise of staff, as well as the per hour rate for the hours budgeted to complete those tasks. During the course of the project, the Contractor and the NHID will work closely to determine the actual Contractor resources that will be necessary to complete the work, and the Contractor should not assume the entire budget will be expended. While proposals must include an estimate of the total number of hours, the NHID recognizes the actual number of hours needed is impossible to estimate, and in reviewing proposals, emphasis will be on the hourly rate and the expected ability of the staff to complete tasks efficiently. The not-to-exceed amounts are intended to protect both the NHID and the Contractor from over exposure.

Development Work

Development tasks include SAS programming changes to the HealthCost rate estimate algorithms for efficiency, accuracy, and timeliness of the rates, and new SAS code necessary to incorporate new services and rates. The NHID estimates that the distribution of resources needed to satisfy the requirements for these tasks are included in the table below. Bidders are welcome to submit a proposal that differs from these distributions, but must include a breakdown of the tasks, estimated total hours, and per hour rate.

Development Tasks R&D of Rate Estimates Methodology	Percent of Resources
Researching existing HealthCost code and methodology	14%
Testing rates and analyzing underlying data	14%
Reprogramming and testing	72%

Project management = 15% or \$7,800
 Programmer/analyst = 85% or \$44,200
 Total budget not to exceed = \$52,000

Development Tasks for Expansion of Services	Percent of Resources
Assisting with outside vendor recommendations for changes	100%

Project management = 15% or \$5,700
 Programmer/analyst = 85% or \$32,300
 Total budget not to exceed = \$38,000

Operational Work

Tasks include quality assurance testing and routine maintenance and updates to the SAS code in support of HealthCost. The NHID expects that the distribution of resources needed to satisfy the requirements under this section are included in the table below. Bidders are welcome to submit a proposal that differs from these distributions, but must include a breakdown of the tasks, estimated hours, and per hour rate.

Operational Task	Percent of Resources
Develop QA testing programs	14%
Perform QA testing on clean files (4-8/yr for 3 yrs)	32%
Investigate and document issues identified	40%
Potentially run update programs and check HealthCost estimates before and after website load	14%

Project management = 15% or \$13,200
 Programmer/analyst = 85% or \$88,000
 Total budget not to exceed = \$101,200

Evaluation of the submitted proposals will be accomplished as follows:

- (A) General. An evaluation team will judge the merit of proposals according to the general criteria defined herein.

Officials responsible for the selection of a Contractor shall insure that the selection process accords equal opportunity and appropriate consideration to all who are capable of meeting the specifications.

Failure of the applicant to provide in its proposal all information requested in the Request for Proposal may result in disqualification of the proposal.

(B) Specific. A comparative scoring process will measure the degree to which each proposal meets the following criteria:

- (1) Specific skills of the individual needed to perform the tasks outlined in the RFP and the proposal. The proposal must include a listing of references for recent engagements by the vendor that reflect the skills appropriate for work on this project, including telephone numbers and specific persons to contact.
 - i. Experience and expertise with
 1. writing code in SAS for other users,
 2. using health insurance claims data, including charge, paid and cost sharing data fields,
 3. importing and exporting data files, and
 4. working with health care provider data files.
 - ii. Proven ability to train and provide technical assistance and communicate effectively.
 - iii. Familiarity with various health insurance data sources.
 - iv. Ability to work with data extensively and independently.
 - v. Demonstrated ability to work collaboratively with government agencies and other vendors.

25 percent

- (2) General qualifications and related experience of the individual identified in the proposal. Knowledge of health care administrative data, health insurance carrier/TPA claims processing systems, data consolidation services and health insurance generally, demonstrated through experience. Good communication skills and demonstrated ability to work in collaboration with other vendors, both industry and regulatory personnel in New Hampshire. Industry experience is preferred. The proposal must include a summary of experience, including a current resume for each individual expected to perform work under the proposal, and samples of SAS code.

25 percent

- (3) Timeframe and deliverables. The proposal must include a Work Plan and specify a timeframe in which the Contractor commits to project deliverables as they are developed. The proposal should be specific about the steps that will be taken by the Contractor. The Contractor is welcome to identify periods of time that they will have reduced resources available, or other considerations that will allow resource planning during the term of the contract.

25 percent

- (4) Derivation of cost for the staff time. The proposal should include the hourly rate for individuals, and an estimate of the amount of time each person(s) might be expected to expend on the project. The proposal must include each development and operational budget section identified in this RFP, and the specific staff, hours associated with those budgets. Proposals shall be evaluated with substantial emphasis on the per hour rate, project timeline estimates, and the hours associated with staff expertise. The response required pursuant to this part shall be sufficiently detailed to create a general expectation of ability for the contractor to complete the tasks within the not to exceed amounts provided, and total project cost of \$191,200.

25 percent

- (C) Conflict of Interest. The applicant shall disclose any actual or potential conflicts of interest.
- (D) Other Information. The New Hampshire Insurance Department will accept written questions related to this RFP from prospective bidders with the deadline being April 11, 2016. Questions should be directed to Al Couture via email: alain.couture@ins.nh.gov. A consolidated written response to all questions will be posted on the New Hampshire Insurance Department's website www.nh.gov/insurance, by April 15, 2016.

The successful bidder or bidders will be required to execute a state of New Hampshire Contract. A form P-37 contains the general conditions as required by state of New Hampshire purchasing policies and the Department of Administrative Services. Although this standard contract can be modified slightly by mutual agreement between the successful bidder and the New Hampshire Insurance Department, all bidders are expected to accept the terms as presented in this RFP. If the bidder requires any changes to the P-37, those changes need to be identified in the proposal.

The selection of the winning proposal is anticipated by April 27, 2016, and the NHID will seek to obtain all state approvals by late-April. Please be aware that the winning bidder will need to provide all signed paperwork to the NHID by May 6, 2016 in order for deadlines to be met.

Proposals received after the above date and time will not be considered. The state reserves the right to reject any or all proposals.

Bidders should be aware that New Hampshire's transparency law, RSA 9-F, requires that state contracts entered into as a result of requests for proposal such as this be accessible to the public online. Caution should be used when submitting a response that trade secrets, social security numbers, home addresses and other personal information are not included.