

Client Alert August 8, 2024

#### <u>Responses to Questions and Amendment Issued for</u> <u>Statewide Fiscal Intermediary RFP</u>

UPDATE: In our haste to keep the industry updated, there was a typo in our earlier Newsletter. Note that DOH stated that the cost of background checks should <u>NOT</u> be factored into a bidder's cost proposal.

The Department of Health has posted the responses to written questions submitted in connection with the CDPAP Request for Proposals (RFP) #20524: New York State Fiscal Intermediary Services, issued June 17, 2024. In addition to the Responses, DOH issued Amendment #3 which contained substantive amendments to the RFP.

#### The Submission date for Proposals is August 21, 2024 at 4pm. The anticipated contract date remains as October 1, 2024.

#### Amendments:

- Among other modifications, the Amendment attempts to provide clarification on the requirement of providing FI services on a "statewide basis in at least one other state, which means "that the entity is currently engaged in a contract with the single State agency established or designated to administer or supervise the administration of the State's Medicaid program in a state other than New York, to be a provider of fiscal intermediary services throughout the entire geographic area of the subject state."
- 2. Section 5.4 and Attachment F of the RFP have been revised to include an additional "Initial Transition Cost" proposal requirement. Transition Costs are related to Transition Activities the Statewide FI would incur in connection with the transition of consumers and PAs, including activities such as educating consumers about the transition, assisting consumers to educate their PAs, and onboarding PAs (including transferring documentation from their current FI).
- 3. RFP cost proposals now must include 2 all inclusive prices: (1) an all inclusive PMPM to provide FI Administrative services and (2) an all inclusive PMPM to complete the Transition Activities, which can only be billed within the first 12 months of the contract.
- 4. Attachment B of the RFP has been revised to eliminate the "check all that

apply" option related to the Applicant's eligibility to submit a bid, so by signing the Attachment, the bidder is attesting that it meets all of the eligibility requirements (and also attests to "Joint Employer" role).

#### Some interesting answers to questions:

- 1. The DOH is still determining the implementation and specifics of a background check requirement for PAs and DOH states that the cost of background checks should <u>NOT</u> be factored into a bidder's cost proposal.
- 2. DOH will not provide specific information on current or projected service hours, numbers of PAs involved in CDPAP, or projected growth of the program.
- 3. Annual CDPAP spending in CY2023 was approximately \$4.5 Billion.
- 4. DOH and the Statewide FI will work collaboratively to remedy any "perceived" conflict of interest.
- 5. A LHCSA licensed by NY DOH and NY managed care organizations are not eligible bidders.
- 6. The Statewide FI cannot limit the number of hours a PA can work.
- 7. The PMPM in the Cost Proposal will be in effect for the 5 year contract term. There will be no opportunity to negotiate an increase during the contract term.

This is not a complete list of the amendments or responses and you are urged to review these documents.

We will provide more information related to the responses and amendment once we have completed our analysis.

The Responses and Amendment can be found here.

Please contact our office with your questions.

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