

**DEPARTMENT OF HUMAN SERVICES  
MED-QUEST DIVISION**

**NOTICE TO PROVIDE ACTUARY SERVICES**

**Solicitation No.: MQD-2021-001**

Pursuant to Hawaii Public Procurement Code, Chapter 103D-304, Hawaii Revised Statutes (HRS), the Department of Human Services (DHS), Med-QUEST Division (MQD) of the State of Hawaii plans to use actuary services to compute rates for the QUEST Integration Programs and Community Care Service Program, which may include but are not limited to medical and behavioral health services. These actuary services shall begin on July 1, 2020 through June 30, 2021 with the option of extending for not more than three (3) additional twelve (12) month periods or parts thereof. All actuarial calculations must be consistent with provisions of Regulation 42 CFR 434, 438, 447, and 460 and SMM 2089:

The lead Actuary shall be a Fellow of the Society of Actuaries (FSA) and a Member of the American Academy of Actuaries (MAAA).

**SCOPE OF WORK**

The scope of services that will be requested are, but are not limited to,

1. Development of Methodology for the Capitated Rates
2. Calculations of MCO specific rates for the 1115 waiver
3. Behavioral health rates under the Community Care Services (CCS)
4. Develop rates for budget neutrality purposes
5. Development of other carved-out rates as needed by the State
6. Work with CMS OACT to get rates approved
7. Resetting Risk Adjustment Factors
8. Assist in development of the medical RFP
9. Risk Share Settlements Calculation
10. PCP Enhancement Calculations
11. HIF payment Calculations
12. MCO Encounter Data Issues
13. In-person Rate Development Meetings

**SUBMITTAL REQUIREMENTS**

Those parties that are interested and capable of providing the professional services listed above should mail or hand deliver their statement of qualifications and expressions of interest together with a resume, which must include, but not limited to:

- 1) Transmittal Letter, (cover letter on letterhead) dated and signed by the offeror's authorized representative with authorization to bind firm by contract.
- 2) Attachment A-Professional Services Submittal Identification and Information Form providing the Offeror's information
  - a. If other than a Sole Proprietorship, the following evidence showing the undersigned individuals' authority to bind the Offeror;
  - b. If a partnership or joint venture, a certified copy of the partnership agreement or joint venture agreement, or applicable sections thereof.
  - c. If a limited liability company, a certified copy of the articles of organization, operating agreement, other official document, or applicable sections thereof
  - d. Other evidence as applicable.
- 3) The name of the firm or person, principle place of business, and location of all of its offices;

- 4) The age of the firm and its average number of employees of the past years;
- 5) The education, training, and qualifications of key members of the firm;
- 6) The names and telephone numbers of up to five clients who could be contacted, including at least two for whom services were rendered during the preceding year;
- 7) Any promotional or descriptive literature which the firm desires to submit;
- 8) A description or narrative of the individual/firm and statements of qualifications (education, training, licenses, and credentials) and experiences of the principles and staff members to be involved, and supporting data as it relates to the proposed project;
- 9) A list of similar projects for public agencies or private industry and completed within the last five years (including dates), the amount of the projects, and the scope of work performed, including corrective actions and other responses to notice of deficiencies undertaken and completed;
- 10) Professional fee structure shall include an itemized statement of services by type of activity, including personnel, supplies, travel, and hours dedicated to each task for each team member;
- 11) An affirmative statement as to whether the offeror, its principles or key employees presently, or in the past, are, or have been, involved in any debarment or suspension proceedings;
- 12) Capacity to accomplish the work in the required time; and
- 13) Any other pertinent data that should or may be considered in the evaluation of firm's qualifications.

### **SELECTION CRITERIA**

The selection criteria, in descending order of importance, are:

1. Experience and professional qualifications relevant to the project type;
2. Past performance on projects of similar scope for public agencies or private industry, including responding to corrective actions and other responses to notices of deficiencies;
3. Capacity to accomplish the work in the required time, and;
4. Any additional criteria relevant to DHS's needs or other conditions required to determine the Offeror qualified to provide the needed services.

### **GENERAL INFORMATION**

Offerors are advised that if awarded a contract under this solicitation, the Offeror shall, upon award of the contract, furnish proof of compliance with the following requirements of HRS, required to conduct business in the State:

1. HRS Chapter 237, tax clearance
2. HRS Chapter 383, unemployment insurance
3. HRS Chapter 386, workers' compensation
4. HRS Chapter 392, temporary disability insurance
5. HRS Chapter 393, prepaid health care

One of the following:

- Be registered and incorporated or organized under the laws of the State (hereinafter referred to as a "Hawaii business"); or
- Be registered to do business in the State (hereinafter referred to as a "compliant non-Hawaii business").

Offerors are advised that there are costs associated with compliance under this section. Any costs are the responsibility of the Offeror. Proof of compliance is shown by providing the Certificate of Vendor Compliance issued by Hawaii Compliance Express (HCE).

The Offeror shall be prepared to submit an original consolidated Certificate of Vendor Compliance as proof of compliance with Section 3-122-112, Hawaii Administrative Rules. The Certificate of Vendor Compliance is issued by the Hawaii State Procurement Office via the online system, "Hawaii Compliance Express." See <http://vendors.ehawaii.gov/hce/> for more information.

The Offeror shall maintain insurance acceptable to the DHS in full force and effect throughout the term of this contract, until the DHS certifies that the Offeror's work has been completed satisfactorily.

Prior to or upon execution of the contract and any supplemental contracts, the Offeror shall provide to the DHS certificate(s) of insurance, including any referenced endorsements, dated within thirty (30) days of the Contract effective date to satisfy the DHS that the insurance provisions of this contract have been complied with. Upon request by the DHS, Offeror shall furnish a copy of the policy(ies) and/or updated Certificate of Liability Insurance including referenced endorsement(s) necessary for DHS to verify the coverages required by this section.

The policy or policies of insurance maintained by the Offeror shall be written by insurance companies licensed to do business in the State of Hawaii or meet the requirements of Section 431:8-301, et seq., HRS, if utilizing an insurance company not licensed by the State of Hawaii.

The policy(ies) shall provide at least the following limit(s) and coverage:

<b>Coverage</b>	<b>Limits</b>
Commercial General Liability	Per occurrence, not claims made <ul style="list-style-type: none"> <li>• \$1 million per occurrence</li> <li>• \$2 million in the aggregate</li> </ul>
Automobile	May be combined single limit: <ul style="list-style-type: none"> <li>• Bodily Injury: \$1 million per person, \$1 million per accident</li> <li>• Property Damage: \$1 million per accident</li> </ul>
Workers Compensation / Employers Liability (E.L.)	<ul style="list-style-type: none"> <li>• Workers Comp: Statutory Limits</li> <li>• E.L. each accident: \$1,000,000</li> <li>• E.L. disease: \$1,000,000 per employee, \$1,000,000 policy limit</li> <li>• E.L. \$1 million aggregate</li> </ul>
Professional Liability, if applicable	May be claims made: <ul style="list-style-type: none"> <li>• \$1 million per claim</li> <li>• \$2 million annual aggregate</li> </ul>

Each insurance policy required by this contract shall contain the following clauses, which shall also be reflected on the certificate of insurance:

1. "The State of Hawaii is an additional insured with respect to operations performed for the State of Hawaii."
2. "Any insurance maintained by the State of Hawaii shall apply in excess of, and not contribute with, insurance provided by this policy."

Automobile liability insurance shall include excess coverage for the Offeror's employees who use their own vehicles in the course of their employment.

The Offeror shall immediately provide written notice to the DHS should any of the insurance policies required under the Contract be cancelled, limited in scope, or not be renewed upon expiration.

Failure of the Offeror to provide and keep in force the insurance required under this section shall be regarded as a material default under this contract, entitling the DHS to exercise any or all of the remedies provided in this contract for a default of the Offeror.

The procuring of such required policy or policies of insurance shall not be construed to limit Offeror's liability hereunder nor to fulfill the indemnification provisions and requirements of this contract. Notwithstanding said policy or policies of insurance, Offeror shall be liable for the full and total amount of any damage, injury, or loss caused by Offeror in connection with this contract.

If the Offeror is authorized by the DHS to subcontract, subcontractors are not excused from the indemnification and/or insurance provisions of this contract. In order to indemnify the State of Hawaii, the Offeror agrees to require its subcontractors to obtain insurance in accordance with this section.

All interested parties shall submit their statement of qualifications and expressions of interest to, Ms. Renee Souza, DHS/MQD-Finance Office, 1001 Kamokila Boulevard, Suite 317, Kapolei, Hawaii 96707. The completed statement of qualifications and expressions of interest must be received by the DHS/MQD Finance Office or delivered to the above address by April 9, 2020, 2:00 p.m. Hawaii Standard Time (HST). Please mail or deliver one (1) original, one (1) copy, one (1) electronic version stored on a USB flash drive, and one (1) redacted electronic version stored in a USB flash drive. All confidential and proprietary information should be marked as "Proprietary" or "Confidential". Proprietary or confidential information includes, but is not limited to, business, financial information, medical records, and patient information.

Any questions regarding this notice should be directed to Renee Souza at (808) 692-7973.

Pankaj Bhanot  
Department of Human Services