

**Request for Information  
(RFI)**

**For**

**Cancer Management Services  
(Oncology & Radiation Therapy)**



**August 29, 2014**

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# 1 Introduction

This is a Request for Information (RFI) issued by the Alabama Medicaid Agency, hereafter referred to as the AGENCY. The AGENCY is interested in soliciting information from potential Vendors providing innovative solutions for a Cancer Management Services program, to deliver services defined as Oncology and Radiation Therapy (ORT), provided through freestanding diagnostic facilities, hospital outpatient facilities, and physician offices, excluding hospital inpatient and emergency room patients. These services are outlined in this RFI. Medicaid seeks to better understand and determine if there is a more efficient and cost effective delivery model available for these services. Title VII, section 7001(d) of P.L. 110-252 (Supplemental Appropriations Act of 2008) added a new section 1940 to the Social Security Act. Section 1940 requires all States to implement a system for verifying the assets of aged, blind or disabled applicants and recipients of Medicaid.

Through this RFI, the AGENCY is hoping to gain insight into solutions that have been or are being implemented. At the same time, the AGENCY encourages Vendors who may only have experience in particular segments of the services to consolidate responses with other Vendors, thereby providing a full picture of the products available. It is the intent of the AGENCY to solicit responses to this RFI in accordance with specifications contained in this document.

The issuance of this RFI does not obligate the AGENCY in any way to issue a Request for Proposal (RFP) or Invitation to Bid (ITB) for the solution, materials, and services described in this RFI. Vendors interested in receiving solicitations to bid should register with the State of Alabama. Information regarding Vendor registration can be found on the State Purchasing website:

<http://purchasing.alabama.gov/pages/vendors.aspx>.

## 1.1 Background

Congress created Medicaid in 1965, under the provisions of Title XIX of the 1965 amendments to the Social Security Act. Medicaid started in Alabama in 1970 as a State Department of Public Health (DPH) program. In 1977, the Alabama Medical Services Administration was made an independent State Agency. In 1981 it was renamed the Alabama Medicaid Agency. The AGENCY is responsible for assuring that Medicaid eligible Alabamians have the opportunity to request and receive Medicaid services by qualifying through an eligibility process. Providers of direct services are reimbursed for medical services received by Medicaid beneficiaries. The AGENCY makes reimbursement for different services and functions using Federal and State matching funds. The Federal Financial Participation's (FFP) Federal Medical Assistance Percentage match (FMAP) for specific Medicaid costs can be up to seventy-five percent (75%) or higher with most other administrative costs receiving fifty percent (50%) Federal funding. The remaining funding percentage is made up of State or other funding sources. Enhanced Federal match of ninety percent (90%) is also available for information systems projects, such as the modernization of the eligibility and enrollment system, for meeting requirements set out in State

Medicaid Manual (SMM), 11210 and 42 CFR-433.15 and complying with the seven conditions and standards as defined in the Centers for Medicare & Medicaid Services (CMS) publication *Enhanced Funding Requirements: Seven Conditions and Standards* of April 2011. As part of the state-federal partnership in administering the Medicaid and CHIP programs, CMS issues guidance in the form of letters to State Medicaid Directors, letters to State Health Officials (often regarding CHIP policy or financing issues), Informational Bulletins, and Frequently Asked Questions to communicate with States and other stakeholders regarding operational issues related to Medicaid and CHIP. In addition, CMS issues federal regulations that codify statutory provisions and also policies that have been previously outlined in sub-regulatory guidance.

During Fiscal Year (FY) 2010, there were 1,026,429 persons eligible for Medicaid in at least one month of the year. The average number of persons eligible for Medicaid per month was 851,199. The monthly average is the more useful measure of Medicaid coverage because it takes into account the length of eligibility. Of the 1,026,429 persons eligible for Medicaid in FY 2010, about eighty-five percent (85%) actually received care for which the AGENCY paid. These 872,465 persons are referred to as beneficiaries. The remaining persons incurred no medical expenses paid for by the AGENCY. Many of the individuals who had no medical expenses paid for by the AGENCY were partially eligible such as Qualified Medicare Beneficiaries (QMBs) only or Specified Low-income Medicare Beneficiaries (SLMBs).

Alabama's population grew from 4,838,286 in 2010 to 4,876,660 in 2011. The segment of the population eligible for Medicaid services has risen from twenty-one and 2 tenths percent (21.2%) in FY 2010 to twenty-two percent (22.0%) in FY 2011.

Medicaid is responsible for administration of the Alabama Medicaid Program under a federally approved State Plan for Medical Assistance. The mission of the Agency is to provide a system of financing health care for eligible Alabamians in accordance with established statutes and Executive Orders. This goal is accomplished by providing a system, which facilitates access to necessary and high quality preventive care, acute medical services, long term care, health education, and related social services. Through teamwork, the Agency strives to operate and enhance a cost efficient system by building an equitable partnership with health care providers, both public and private.

Medicaid's central office is located at 501 Dexter Avenue, Montgomery, Alabama 36104 (mailing address is P.O. Box 5624, Montgomery, Al 36103-5624). The majority of Medicaid's budgeted administrative positions are located at this site. The central office personnel are responsible for data processing, program management, financial management, program integrity, general support services, professional services, and recipient eligibility services. For certain recipient categories, eligibility determination is made by Medicaid personnel located throughout the State.

## **1.2 RFI Purpose**

The AGENCY is seeking responses to the information requests in this RFI. The AGENCY is open to different approaches and solutions regarding how a Vendor's recommended solution would function, should the AGENCY decide to procure an ORT.

The objectives of this RFI are to:

- Provide information that the AGENCY will use to create a conceptual design of a potential ORT Request for Proposal (RFP)
- Solicit information regarding the range of products that would be suitable for use in an ORT
- Understand the implementation and ongoing maintenance costs associated with an ORT

It is important that the potential Vendors understand that the AGENCY is seeking information from entities that have direct experience with ORTs and State welfare eligibility or medical claims processing systems in order to maximize the value and relevance of the information provided. Medicaid has listed the general program objectives in section 1.3 below.

### **1.3 Program Objectives and Capabilities**

Medicaid would like to more efficiently manage the ORT program using prior authorizations and evidenced-based best practices so as to provide an opportunity to improve outcomes and realize equitable cost savings. The recipient populations listed below are potential target groups. We are interested in approaches for:

- a) Each group individually
  - b) Any combination of the groups
  - c) All groups combined.
- Certified children through the SOBRA (Sixth Omnibus Budget Reconciliation Act) Program
  - Certified recipients through the Medicaid for Low Income Families Program (MLIF)
  - Refugees
  - Certified recipients for Supplemental Security Income (SSI)

Medicaid currently has two programs that utilize an approach that is outlined below that engages third party partners to manage these same recipient populations. The program functions are:

- A. Perform Quality Assurance Monitoring
- B. Reporting
- C. Web Interface
- D. Call Center
- E. Management Criteria And Protocol
- F. Provider Incentive Program
- G. Inquiries And Complaints
- H. Informal Review And Fair Hearing
- I. Monitoring
- J. Performance Standards
- K. Corrective Action Plans
- L. Utilization Studies

The focus of the RFI is to gather information for the possible procurement for the development and implementation of a Cancer Services Management program for Oncology and Radiation Treatment provided through freestanding diagnostic facilities, hospital outpatient facilities, and physician offices, excluding hospital inpatient and emergency room patients.

The Agency is seeking information regarding a Cancer management system to achieve the following:

- a. To maintain access to quality services by ensuring that recipients receive the most clinically appropriate cancer study.
- b. To apply Agency approved guidelines, which are based on nationally accepted, evidence-based clinical guidelines, to make coverage decisions regarding cancer services.
- c. To operate a call center to respond to prescriber's request for prior authorization of cancer studies.
- d. To educate prescribers whose requests for cancer studies are denied or approved other than as requested about why the study was not covered and, if applicable, which study is indicated by guidelines.
- e. To realize cost savings through the appropriate utilization of oncology and radiation therapy services.

Utilization statistics are provided in the table below:

<b>Oncology Utilization and Member Information</b>								
	<b>Year</b>	<b># of Eligibles with Cancer</b>	<b># Chemo Procedures</b>	<b>Chemo Dollars</b>	<b># Chemo prescriptions</b>	<b>Chemo Prescription Dollars</b>	<b># Radiation Therapy</b>	<b>Radiation Therapy Dollars</b>
<b>SOBRA</b>	Jul 2011- June 2012	4,338	237	\$ 63,057.83	246	\$66,021.37	182	\$ 61,649.26
	July 2012- June 2013	5,969	342	\$165,173.51	309	\$177,690.43	309	\$156,652.40
	July 2013- Dec 2013	1,562	209	\$64,120.58	179	\$123,478.15	185	\$45,301.38
<b>MLIF</b>	Jul 2011- June 2012	1,763	214	\$ 422,011.59	193	\$101,612.11	522	\$160,644.08
	July 2012- June 2013	2,082	516	\$926,700.76	239	\$223,440.21	872	\$328,372.87
	July 2013- Dec 2013	849	293	\$ 690,295.65	159	\$201,354.68	619	\$248,976.40
<b>Refugees</b>	Jul 2011- June 2012	82	-	\$ -	9	\$150.14	-	\$ -
	July 2012- June 2013	103	21	\$ 14,330.95	18	\$33,078.46	3	\$602.00
	July 2013- Dec 2013	32	-	\$ -	6	\$405.07	-	\$ -
<b>SSI</b>	Jul 2011- June 2012	17,237	8,374	\$14,010,163.43	6,021	\$3,640,181.53	16,136	\$5,204,087.27
	July 2012- June 2013	18,802	10,267	\$18,528,261.25	7,150	\$6,526,436.87	18,243	\$5,990,325.62
	July 2013- Dec 2013	9,903	4,877	\$ 9,018,555.50	3,465	\$4,032,588.49	9,298	\$2,738,165.16

The Diagnosis codes included in these statistics are located in Appendix A.

Medicaid is encouraging the RFI response to include any comments or suggestions that should be considered in a possible ORT management program.

## Request for Information Procedure

This request requires any Vendor wishing to submit information to respond to this RFI by 5:00 pm CST, September 25, 2014. As described in Section 1.7, the AGENCY will accept an electronic copy of the RFI response including any additional materials the Vendor would like to attach to highlight their service or product offerings, such as:

- Marketing brochures and materials
- Videos
- Website links
- Webinars
- Time limited access privileges to content or systems.

### 1.4 Relevant Dates

<b>Event</b>	<b>Due Date</b>
Issue RFI	August 29, 2014
Deadline of Submission	September 25, 2014
Preliminary RFI Response Analysis (Internal)	October 9, 2014
Follow-up Questions to Vendors (if applicable)	October 16, 2014

### 1.5 RFI Coordinator

Tobias Mense  
Center for Advanced Technologies, Auburn Montgomery  
400 South Union St., Montgomery, AL 36104  
(334) 244 - 3091  
[Tobias.Mense@medicaid.alabama.gov](mailto:Tobias.Mense@medicaid.alabama.gov)

### 1.6 Questions

Any technical or procedural questions regarding this RFI must be submitted to the RFI Coordinator via email. Responses to questions will be made to the Vendor by the RFI Coordinator within three working days of receipt of question and will be shared with all Vendors.

### 1.7 Response Format

Vendors must submit a softcopy of the response on CD/DVD or USB flash drive to the to the RFI Coordinator.

The softcopy CD/DVD or USB flash drive of the response must contain the following:

- 1.7.1 One (1) complete copy of the Proposal in searchable Adobe Acrobat PDF format
- 1.7.2 One (1) complete copy of the Proposal in Microsoft Word 2003 or later format

## **1.8 Submission**

Responses to the RFI may be hand-delivered or mailed to the RFI Coordinator. Responses will not be accepted over the phone. All responses must be received before the Deadline of Submission as stated in Section 2.1.

Vendors responding to this RFI will not be precluded from bidding on any future AGENCY procurements, including cancer management.

## **1.9 Review and Rejection of RFI Responses**

The AGENCY reserves the right to reject any and all responses, in whole and in part, received in response to this RFI at any time. Issuance of the RFI in no way constitutes a commitment by the AGENCY to award any contract. This RFI is designed to provide Vendors with the information necessary for the preparation of informative response proposals. This RFI process is for the AGENCY's benefit and is intended to provide information to assist in the development of a competitive RFP procurement. The RFI is not intended to be comprehensive and each Vendor is responsible for determining all factors necessary for submission of a comprehensive response. The RFI response will not be subject to an RFP type evaluation but only to a review of suggested solution, performance, and cost (cost may be estimated by the Vendor but Vendor must state that it is an estimated or approximate cost), of the solution offered and of abilities to perform services that may be of use to the AGENCY.

## **1.10 No Obligation to Issue RFP or ITB**

This RFI is an inquiry only and no contract or agreement will be entered into as a result of this process. By responding to this document or otherwise participating in this process, no contract or agreement will be formed and no legal obligation between the AGENCY and the Vendor will arise. Individual firms or teams that have not responded to this RFI will not be precluded from participating in any future solicitation processes in relation to the project. The issuance of this RFI does not obligate the Agency in any way to issue an RFP or any other procurement for the solution, materials, and services described in this RFI.

## **1.11 Disclosure of RFI Contents**

Responses and supporting documents are kept confidential. Vendors should be aware that any information in a response may be subject to disclosure and/or reproduction under Alabama law. Designation as proprietary or confidential may not protect any materials included within the response from disclosure if required by law. Vendors should mark or otherwise designate any material that it feels is proprietary or otherwise confidential by labeling the page as "CONFIDENTIAL" on the bottom of the page. Vendors must also state any legal authority as to why that material should not be subject to public disclosure under Alabama open records laws and is marked as "CONFIDENTIAL". By way of illustration but not limitation, "Proprietary Information" may include trade secrets, inventions, mask works, ideas, processes, formulas, source and object codes, data, programs, other works of authorship, know-how, improvements, discoveries, developments, designs and techniques.

It is the sole responsibility of the Vendors to indicate information that is to remain confidential. The AGENCY assumes no liability for the disclosure of information not identified by the Vendors as confidential.

### **1.12 Copyright Permission**

By submitting a response, the Vendor agrees that the AGENCY may copy the response for purposes of facilitating the analysis of the response or to respond to requests for public records. By submitting a response, the Vendor consents to such copying and warrants that such copying will not violate the rights of any third party.

### **1.13 Cost and Expenses**

Each Vendor is responsible for its own costs and expenses related to this process, including cost and expenses associated with preparing and submitting a response to this RFI, participating in the process, the provision of any additional information. No costs related to this RFI will be reimbursable from the AGENCY.

## **2 RFI Requirements**

### **2.1 Executive Summary**

Vendors should respond to this section with a summary of their overall Technical Approach, Methodology, and Organization and Staffing for an Oncology Management Services at the AGENCY. The Executive Summary should condense and highlight the contents of the Technical Approach in such a way as to provide a broad understanding of the entire informative response proposal.

### **2.2 Company Background**

Vendors should respond to this section with a brief description of their company or organization, products and services, history, names of governmental entities for which the Vendor has performed oncology management services, and any other information deemed relevant.

### **2.3 Solution**

In this Section, the Vendor should provide a high level description of how their ORT solution provides the AGENCY with an ORT solution that fulfills the requirements listed in this RFI, including and specifically addressing the following:

- 2.3.1 A description of how the proposed ORT solution, meets all requirements of the Alabama Medicaid Agency as outlined in Section 1 of this RFI.
- 2.3.2 A explanation of the advantages and/or disadvantages of focusing Cancer Management Services on a single population, such as SSI only.
- 2.3.3 A description of specific cancer treatment programs that are better candidates for a prior authorization management services from the listed group in Appendix A.
- 2.3.4 A description of the reasonable cost savings expectations of a successful cancer management program with the present utilization data in the table in Section 1.3 on page 7.
- 2.3.5 A high-level management description that includes issues and challenges of a cancer management program.

### **2.4 Cost Structure**

Vendors should submit an estimation of costs, using a similar format below, with a brief description of the available flat fee cost models. The RFI response will not be subject to an RFP type evaluation but only to a review of suggested solution, performance, and cost (cost may be

estimated by the Vendor but Vendor must state that it is an estimated or approximate cost), of the solution offered and of abilities to perform services that may be of use to the AGENCY.

Using the data and population numbers in the table in RFI section 1.3 on page 7, please provide a Cost Breakdown Description similar to the example below:

Costs	Program Years	
	<u>2011-12</u>	<u>2012-13</u>
Medicaid Program Costs	1.00	1.05
Vendor Program Costs	.85	.87
<b>Gross Program Savings</b>	<b>.15</b>	<b>.18</b>
Vendor Administrative Costs	.07	.07
<b>Net Program Savings</b>	<b>.08</b>	<b>.11</b>

## APPENDIX A

DIAGNOSIS CODE	DIAGNOSIS
1629	MALIGNANT NEOPLASM OF BRONCHUS AND LUNG,
1539	MALIGNANT NEOPLASM OF COLON, UNSPECIFIED
1749	MALIGNANT NEOPLASM OF BREAST (FEMALE), U
1977	MALIGNANT NEOPLASM OF LIVER, SPECIFIED A
1985	SECONDARY MALIGNANT NEOPLASM OF BONE AND
1623	MALIGNANT NEOPLASM OF UPPER LOBE, BRONCH
185	MALIGNANT NEOPLASM OF PROSTATE
1540	MALIGNANT NEOPLASM OF RECTOSIGMOID JUNCT
1533	MALIGNANT NEOPLASM OF SIGMOID COLON
1744	MALIGNANT NEOPLASM OF UPPER-OUTER QUADRA
1541	MALIGNANT NEOPLASM OF RECTUM
1983	SECONDARY MALIGNANT NEOPLASM OF BRAIN AN
1950	MALIGNANT NEOPLASM OF HEAD, FACE, AND NE
20300	MULTIPLE MYELOMA, WITHOUT MENTION OF HAVING ACHIEVED REMISSION
1970	SECONDARY MALIGNANT NEOPLASM OF LUNG
1748	MALIGNANT NEOPLASM OF OTHER SPECIFIED SI
20280	OTHER MALIGNANT LYMPHOMAS, UNSPECIFIED S
1410	MALIGNANT NEOPLASM OF BASE OF TONGUE
1991	OTHER MALIGNANT NEOPLASM OF UNSPECIFIED
1741	MALIGNANT NEOPLASM OF CENTRAL PORTION OF
1624	MALIGNANT NEOPLASM OF MIDDLE LOBE, BRONC
1460	MALIGNANT NEOPLASM OF TONSIL
1830	MALIGNANT NEOPLASM OF OVARY
1579	MALIGNANT NEOPLASM OF PANCREAS, PART UNS
1611	MALIGNANT NEOPLASM OF SUPRAGLOTTIS
1962	SECONDARY AND UNSPECIFIED MALIGNANT NEOP
19889	SECONDARY MALIGNANT NEOPLASM OF OTHER SP
1622	MALIGNANT NEOPLASM OF MAIN BRONCHUS
1532	MALIGNANT NEOPLASM OF DESCENDING COLON
1625	MALIGNANT NEOPLASM OF LOWER LOBE, BRONCH