

NMHIX RFP No. 2014/005
Response to Offeror’s Questions

Table of Contents

Overall Updates1
Written Responses to Questions Submitted:2
 Procurement Process Questions2
 Medicaid/HIX/No wrong door Questions.....2
 Contract, Financial Statements, Insurance and related Questions3
 Scope, training, communications policy and related questions6
 Cost Proposal Questions8

Overall Updates

On the bidder’s conference call on Tuesday October 7, NMHIX provided the following updates.

- After further consideration, NMHIX will be changing the contractual relationships between lead and other enrollment entities
 - NMHIX will still be selecting a “Lead” entity, however, NMHIX has decided to enter into contracts with each selected enrollment entity
 - All selected entities will enter into agreements directly with NMHIX and will invoice NMHIX using a template invoice
 - The lead will not be required to enter into ‘sub-contracts’ with other selected organizations but will be required to provide coordination, escalations support, reporting, etc.
- Some additional clarification on the Cost Proposal.
 - Entities have been asked to :
 - Staffing levels and estimated hourly rates
 - Administrative Costs General Enrollment Entities
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 - These costs will be used to create a ‘fixed fee contract offer’ for the Open Enrollment contract term
 - As part of that contract offer, NMHIX will be standardizing all the FTE rates based on information submitted by all enrollment entities (i.e. we will be offering all selected entities the same hourly rate for FTE)

Written Responses to Questions Submitted:

Procurement Process Questions

1. We have a strong corporate infrastructure and all legal agreements must be reviewed. For responses without a cost proposal, will an extension be possible to allow for internal review in our corporate compliance, security and risk, legal team and operations departments?

Unfortunately, no extensions will be granted at this time. If an organization seeks to propose changes to the standard contracts terms, they are requested to send those challenges or questions with their proposal. A final contract will be negotiated after notice of intent to award.

2. Can several potential enrollment entities group together under a single organization and submit a response as a “non-lead” entity?

Yes.

3. Is it possible to hire enrollment counselors on contract?

Yes.

Medicaid/HIX/No wrong door Questions

4. What are the expectations for how Enrollment Counselors should manage consumers they discover are Medicaid eligible? Will enrollment counselors be able to assist Medicaid eligible consumers with Medicaid enrollment, or will they be required to refer them to another agency?

We have received several questions about “No Wrong Door”. NMHIX will be complying with “no wrong door” provisions for Exchange/Medicaid enrollment.

The purpose of this RFP is for NMHIX enrollments and grant money cannot be used for targeted Medicaid enrollments. If through the course of business Enrollment Counselors encounter Medicaid eligible consumers and they are cross-trained and certified to enroll them in Medicaid, they should complete the Medicaid enrollment process. However, if the Enrollment Counselor is not cross-trained and certified to process Medicaid enrollment, they should refer to another agency or person who is.

When Entities are building your staffing models, we ask that you consider how much time each Enrollment Counselor would spend on Medicaid vs. Exchange and count them accordingly.

For example, if you have 10 FTEs that you would want to train as Enrollment Counselors and you think that they would spend estimated 50% of their time assisting Medicaid Enrollees and the other 50% assisting Exchange enrollees, then you should capture each of those 10 people as 50% FTEs on the cost proposal.

5. Will organizations that have a primary focus on working with Medicaid eligible populations (for example organizations that assist homeless individuals) be eligible for funding under this program? If an agency largely serves Medicaid eligible populations, will they still be eligible to receive funding to provide enrollment counseling services?

NMHIX intends to award contracts to organizations that will enroll Exchange eligible individuals. Exchange funds may not be used to attempt to enroll consumers in Medicaid, but we understand that individuals may be deemed eligible for Medicaid while screening for Exchange eligibility. NMHIX will be complying with “no wrong door” provisions for Exchange/Medicaid enrollment.

6. Is there a penalty for someone that enrolls into Medicaid?

No, there is no penalty, but we are asking organizations be thoughtful and mindful that Exchange money is to be used for Exchange enrollments.

7. Are all Primary Entities (Lead, and Direct Enrollment) under this RFP considered “sub-recipients” of NMHIX Federal grant? Are Subcontractors of Primary Contractors considered Federal sub-recipients?

Yes, selected entities will be sub-recipients of NMHIX. Subcontractor of Enrollment Entities would also be considered to be sub-recipients and therefore subject to the same provisions.

Contract, Financial Statements, Insurance and related Questions

8. NMHIX’s sample standard contract requires \$5 million in liability and workmen’s comp insurance. Does every enrollment entity and subcontractor have to maintain these levels? If so, should the entity include the costs of complying in administrative costs?

Offerors who do not meet the coverage described in the sample contract should submit evidence of coverage and NMHIX evaluate the adequacy of the coverage.

9. Regarding insurance, is NMHIX willing to adjust the insurance requirements shown on pages 33 and 34 of the sample contract that was attached to RFP No. 2014/005 to be more in line with generally accepted insurance policy amounts for small enrollment organizations in New Mexico? (A small enrollment organization is defined for purposes of this question as one having

five or fewer employees)

Offerors who do not meet the coverage described in the sample contract should submit evidence of coverage and NMHIX evaluate the adequacy of the coverage.

10. I assume that an enrollment counselor is not a "professional" service and, therefore, professional liability insurance is not required. Please confirm

Offerors who do not meet the coverage described in the sample contract should submit evidence of coverage and NMHIX evaluate the adequacy of the coverage.

11. Automobile insurance - My organization has no owned or leased vehicles. All employees use their personal vehicles. Is there still a requirement that the organization provides coverage or verification that each individual's personal auto insurance meets the requirements adequate? Do we need to submit copies of each individual policy with the proposal or is it enough to affirm that there is coverage and proof is available upon request? If an individual's insurance meets the minimal state requirements but is not as high as what you require in the contract, can a waiver be obtained or must the individual increase their insurance coverage? (I ask that questions without knowing for sure what the minimal state requirements are or whether the contract requirements are equivalent or higher than minimum required by the state.)

An Offeror whose employees will use personal vehicles in the performance of services should verify that its employees maintain automobile insurance and identify the level of insurance maintained.

12. Is it the intent of the New Mexico Insurance Exchange to have corporations and entities with operational budgets in excess of one million dollars to be governed by the same insurance terms, conditions and amounts, as shown on pages 33 and 34 of the Sample Contract attached to RFP No. 2014/005, as smaller community entities whose operational budgets are significantly less than \$1,000,000, despite the fact that the smaller organizations have a proven history of being effective enrollment entities and who will carry out their duties effectively and efficiently.

NMHIX is accepting and considering proposals from organizational of all sizes. Offerors who do not meet the coverage described in the sample contract should submit evidence of coverage and NMHIX evaluate the adequacy of the coverage.

13. Page 18 of the Sample Contract (below) requires compliance with very expensive standards relative to Personally Identifiable Information requirements per if you "collect" PII among other actions. What is the definition of "collect?" Despite the disclaimer in the first paragraph below that you would not be expected to "collect" information can an enrollment entity perform its function

without collecting PII?

Offerors should apply a standard definition of the word 'collect'. It is expected that Enrollment Counselors will encounter and potentially collect PII in performing services.

14. Offers cannot be withdrawn after the proposal deadline. Should the "offer" assume that the responder and any included subcontractors will comply with all requirements of the attached sample contract and exhibits.

Yes.

15. Can my organization refuse to contract after submitting an offer based on expenses and requirements not clearly defined in the RFP and Sample Contract.

Yes.

16. Page 13 of RFP says NMHIX can negotiate other provisions in terms. Am I bound to accept?

No. But non-acceptance of terms may result in non-award.

17. Are there asset, income and/or employee requirements for the entity chosen as the Lead Enrollment Entity Organization?

No, organizations of all sizes are welcome to apply for either Enrollment Entity Status or Lead Enrollment Entity. The only organizations that are prohibited from submitting a proposal are insurance issuers and producers per NMSA 1978, § 59A-23F-4(F).

18. What if an organization doesn't have audited financial statements? Is there any ability to waive this requirement? If not, what is the minimal requirement - specifically? Is the inability to provide such an audited report a disqualification?

NMIX has a responsibility to ensure that financial control measures are in place for any organizations that would be sub-recipients of NMIX federal grants. We have received several questions about whether other financial reports will be accepted beside audited financial statements. NMIX is willing to consider other materials (in lieu of audited financial statements) such as annual financial report or other similar materials.

19. Records Retention –Why is the Records Retention period 10 years? Federal agencies per OMB Circular A-110 can require Grantees to retain records for only 3 years after the final expenditure report is filed unless litigation has been filed. With respect to real property the time limit is 3 years after final disposition. Maintaining records for 10 years is an unreasonable burden on the grant recipient.

45 CFR 155.1210 requires an exchange and contractors to maintain certain records for 10 years.

20. Under what authority are the records subject to inspection by the State Auditor? Are grants of Federal funds between NMHIX and my non-profit organization under the authority and scrutiny of the State Auditor? Why must Recipients/grantees submit audit reports to the State Auditor?

NMHIX is a quasi-government entity and subject to state and federal laws.

21. Who is required to obtain an independent audit? The contract states the contractor would be required to contract for any required independent audits including but not limited to OMB Circulars....I have no idea if this contract clause applies to us or not.

NMHIX as a recipient of federal grants must follow certain rules for sub-recipient monitoring per OMB Circular A-133, Section 400(d). Enrollment Entities are considered sub-recipients and therefore these provisions apply.

On an annual basis, NMHIX will communicate with the sub-recipients whether it has exceeded the threshold for requiring an audit under OMB Circular A-133 (currently \$500,000 in total federal expenditures in a year).

Scope, training, communications policy and related questions

22. What Training will be required? Will Enrollment Counselors be required to attend in-person trainings? Will this include training for CACs and recertification of CACs?

For this open enrollment period, all selected Enrollment Counselors will be required to take the federally facilitated marketplace Navigator training online. Instructions for completing the training can be found here: <http://marketplace.cms.gov/technical-assistance-resources/training-materials/assister-training-instructions.pdf>

Enrollment Entities may separately decide to provide additional/supplemental training or materials to Enrollment Counselors, but they will not be required to do so. All supplemental training materials will need to be approved by NMHIX.

23. Are all the current certifications void or are their current navigator number still valid? Who administers those numbers and what is the process to update

In 2014, OSI issued the Healthcare Guide Certificate of Completion. NMHIX is in touch with OSI to determine what parts of the certification process need to be completed annually. Additionally, all Enrollment Counselors are required to go through annual training (per CMS).

24. Will enrollment counselors be able to be present at community events that are

coordinated by outreach entities in communities throughout the state?

Yes, Enrollment Counselors will be able to present at community events, but they are not required to do so. NMHIX Communications and Outreach Director will be coordinating community events with the outreach partners. Enrollment Counselors will be given standard presentations templates and other toolkit materials to support this effort. Please note that all Enrollment Counselors will be asked to comply with the NMHIX Communications Policy which is currently being updated.

25. Will enrollment entities be asked to set goals for enrollments to be successfully completed in their respective scopes of work?

No. NMHIX will not be setting enrollment goals for each enrollment entity. Enrollment Entities will be required to submit activity reports that will track enrollment.

26. Will enrollment counselors be able set appointments directly with uninsured consumers in real time and do those appointments in real time in community settings?

It is the desire of NMHIX to have a tracking, referral and reporting database for 2015 Open Enrollment and encourages suggestions from bidders (especially Lead Enrollment Entities) on how to achieve real-time appointment setting.

27. Will the Exchange consider applications for Enrollment Entities who wish to have outreach staff certified as Certified Application Counselors who are not required to serve a specific number of hours as Enrollment Counselors but who are able to assist in a volunteer capacity? Why is the full RFP needed if we are not compensated? I would suggest an abbreviated format for our type of company.

Enrollment Entities that would like to have volunteers certified as Enrollment Counselors with no payment associated can simply add to the Cost Proposal a zero cost head count of FTE/PTEs.

As a reminder, as stated in the RFP; for the 2015 Open Enrollment Period and beyond, NMHIX will rename the organizations that provide assistance as “Enrollment Entities” and the individuals from those organizations as “Enrollment Counselors.” The terms Healthcare Guide/In-Person Assistor, Navigator, and Certified Application Counselors (CACs) will become ‘back-office’ terminology – all consumer facing documents will refer to Enrollment Counselors.

Additionally, the selection, training and certification processes and the privacy and security standards for all Enrollment Entities and Enrollment Counselors will be the same, regardless of funding structure. For 2015 Open Enrollment, NMHIX will use the Federally-Facilitated Marketplace Assister training for all Enrollment Counselors.

28. Are enrollment counselors allowed to engage in outreach activities to advertise their availability for enrollment assistance to the constituents served by their organizations? Will outreach activities be included in their hourly rate?

As stated in the RFP, Enrollment Entities will not be asked to conduct marketing, paid media or public relations; however communications toolkits will be available to Enrollment Entities to help spread the word should they decide to participate in outreach. Additionally, Enrollment Entities will be asked to help coordinate Enrollment Counselors on-site support events around the state. The responsibility to coordinate and plan those events will not be part of the scope of work for Enrollment Entities, though they are welcome to help and will be asked to provide input and best practices to NMHIX.

Additionally, Enrollment Entities will be asked to comply with NMHIX Communications Policy (currently being updated by NMHIX) regarding brand guidelines and policies around speaking to media.

Cost Proposal Questions

29. For the non-lead enrollment organizations, is there a cap on the number of enrollers or amount of funding that non-lead enrollers can receive under their contract? For example, will non-lead enroller organizations be limited to contracting for no more than \$20,000 or limited to no more than 5 full-time enrollers?

No.

30. Can you provide more guidance on the "Administrative" costs line item on the Cost Proposal for non-Lead entities? I don't see anywhere in the narrative portion of the RFP to explain or justify those costs; what can or can't be included; what format you will allow or are expecting (i.e. hourly rate, flat fee, % of direct costs of counselors). Any guidance would be appreciated.

Administrative costs should include fringe and overhead required of the Enrollment Entity to employ manage Enrollment Counselors. This could include time for supervisors, reporting, training, technology, etc.

This should be a fixed estimate cost for the contract period based on the number of Enrollment Counselors you are proposing providing. NMHIX anticipates using this information to offer fixed cost contracts to selected Enrollment Entities.

31. Is there a max amount to be awarded to any one organization?

No.

32. On the RFP question session on Tuesday October 7, 2014 you said you would offer all approved responders to the RFP the same hourly rate based on averages or some other formula. Will NMHIX be offering the same overhead rate based on averages? For example a small organization may propose a lower hourly rate for a small number of employees but due to having to acquire an audit, comply with security and pay fringe benefits may have a proposed overhead rate of over 50% of salary. How would that be reconciled versus an organization proposing a higher hourly rate but lower overhead rate that makes the total cost per guide lower than the small organization? Should the hourly rate include Payroll Tax and Fringe benefit Costs or should that be included in overhead.

Administrative costs should include fringe and overhead required of the Enrollment Entity to employ manage Enrollment Counselors. This could include time for supervisors, reporting, training, technology, etc.

This should be a fixed estimate cost for the contract period based on the number of Enrollment Counselors you are proposing providing. NMHIX anticipates using this information to offer fixed cost contracts to selected Enrollment Entities.