

Clarification Questions for State of Arkansas RFP 13-2

Question 1. Who is your current Bill Review and PPO provider today?

Answer: Systemedic/USABLE

Question 2. Annually, what are your total number of medical bills to be processed (I believe you noted 20,000 in the RFP but want to make certain) billed medical charges, fee schedule savings, CPT savings, PPO savings and out of network negotiated savings results and percentages?

Answer: Several months for Calendar Year 2012 are below:

Month	Billed Charges	Total Savings	# of Bills Reviewed	Net Savings %
January	\$ 917,582.69	\$537,465.09	1,626	52.74%
February	\$ 1,207,196.21	\$698,063.22	1,700	52.49%
March	\$ 1,252,251.78	\$727,836.39	1,866	53.22%
April	\$ 1,228,438.42	\$810,178.87	1,663	60.76%
May	\$ 1,357,580.75	\$838,295.45	1,754	56.45%
June	\$ 1,353,262.99	\$822,162.94	1,593	
July	\$ 1,256,340.17	\$783,848.95	1,777	56.90%
August				
September	\$ 1,637,265.06	\$959,820.42	1,813	53.85%
October	\$ 1,088,219.74	\$609,689.63	1,798	51.41%
November	\$ 1,406,871.31	\$865,233.91	1,613	56.37%
December				

Question 3. Annually, how many referrals/transactions do you have for telephonic case management, utilization management, field case management, physician consultation, IME-PEER review and precertification?

Answer: In Fiscal Year 2012 (July 1, 2011 through June 30, 2012) we had the following number referrals:

On-Site Case Management 53
Telephonic Case Management 18
Pre-Certification 79
Peer Review 1 (We prefer to utilize IME's for which we don't track #'s)

Question 4. Annually, how many lost time and medical only Workers' Compensation claims does the Department experience?

Answer: The number of claims received in Calendar Year 2012 were as follows:

Medical-only: 2,895
Incident-only: 47
Lost-Time: 742

2nd Set of Questions:

Question 1. Page 9, section 30.5

Definitions of poor performance:

1. Erroneously denying all or part of more than 3 bills per month:

Question: We often have "reconsiderations" where a provider challenges a reduction and/or denial. It is part of the normal course of business in bill review and we are required to submit a response. If we accept under reconsideration a change that we had perviously denied, are you going to consider that as "erroneously denying all or part" of a bill? What is your definition of "denial"?

Answer: Reconsiderations that are corrected will not be considered as an erroneous denial. An erroneous denial would be one which goes through the entire appeal process with the Arkansas Workers' Compensation Commission resulting in a decision that is adverse to the decision by the contractor.

2. Conducting improper utilization review on more than one case per year:

Question: What is considered an "improper utilization review"? There are many gray areas where UR's might be challenged. Can you give us additional clarification on what is considered "improper"?

Answer: An improper utilization review would be one where utilization review is undertaken and additional fees are charged for by the contractor without authorization from Public Employee Claims Division staff.

Page 11, Section 40.1

Item V - Certification Statement

Question: We understand what the Independent Price Determination is (item IV) as it is described in section 40.5; we understand what the Proposal Price Certifying Statement is (item VI) as it is described in section 40.6. However, the Certification Statement (item V) does not have a corresponding section to describe what it is. Can you clarify?

Answer: An Independent Price Certification Statement in the proposal is sufficient to meet the requirements and as long as it is contained in the proposal this will requirement will be deemed to have been met.

3. CPT Pricing Comparison

Network discounts are based on contractual arrangements between the provider and the network. In order to accurately reflect pricing, we would need provider name and tax id # for each CPT code provided. Without knowing who the providers are, there is no way we can determine final allowed amount to be paid to the provider after PPO discounts.

Answer: We are working on providing data showing the vendor for the CPT pricing comparison. If it cannot be provided then we will ask for average CPT pricing for clinics, and not hospitals.

3rd Set of Questions:

Question 1. UR vs Precert: In an earlier email to you, we discuss UR vs. Precert and you mentioned they were interchangeable and would most likely be changed on the RFP, yet it appears they were not. Could you give us some clarification of your meaning/description of Utilization Management vs Precertification as it pertains to the breakdown in the point structure

Answer: UR should be considered interchangeable with precertification.

Question 2. Presentation: Will there be opportunity for finalists to give a presentation. It did not appear to be the case based on the language in the RFP but wanted to ask the question.

Answer: Offerors will be given an opportunity to give a presentation if they desire.

Question 3. Section 40 – Required Tabs: Under this section, a required tab includes V. Certification Statement, however there is no separate description of what is to be included under this particular tab as it is for others. Please provide explanation.

Answer: This is the Independent Price Certification.

Question 4. Addition Sections Not Accounted for Under Req. Tabs: You only require the tabbed sections in section 40, yet there are other sections that need to be answered in the RFP but there is no tab that seems an appropriate place to include eg. Section 50 General Terms and Conditions. Where would you like additional sections addressed or included on the RFP if they are not accounted for under the required tabs? (Layout)

Answer: As long as all required information is provided with the proposal if something is not in exact order the proposal will not be disqualified.

Question 5. FNOI: Per a prior conversation, you said that you would notify us if anyone requested FNOI. To date we have not heard anything in this regard and wanted to see if anyone had done so.

Answer: Contractual services for providing FNOI is being requested in separate RFP 13-1. No one has requested to provide FNOI services under this RFP.