

**STATE OF CONNECTICUT
OFFICE OF HEALTH STRATEGY**

**REQUEST FOR PROPOSAL (RFP)
FOR
HEALTH CARE COST GROWTH AND QUALITY BENCHMARKS AND PRIMARY
CARE SPEND TARGET CONSULTING SERVICES**

THIRD Addendum

RELEASE DATE 2/19/2020

The OHS's official responses to questions submitted as of noon, February 19, 2020 are as follows:

1. Stakeholder meetings:

- a. Should the Contractor expect to leverage existing stakeholder bodies (i.e. HISC, PTF, CAB) or will the Technical Advisory Board, the Quality Council and Health Care Cabinet be the main stakeholder bodies being consulted?

Response: The main stakeholder bodies being consulted are the Technical Advisory Board and the Quality Council. Other stakeholder bodies will be consulted as directed.

- b. Will Technical Advisory Board meetings be in person or virtual? If in person, what location is OHS considering?

Response: It is anticipated that Technical Advisory Board meetings will be in-person, with remote capabilities.

- c. Will the Contractor have input on the timing and frequency of the Technical Advisory Board meetings?

Response: The Contractor will be expected to make recommendations to OHS consistent with the service area(s) for which they have contracted, however, the board is expected to meet at least monthly.

- d. Will the Contractor need to regularly attend Health Care Cabinet meetings?

Response: It is expected that a Contractor will only need to attend Cabinet meetings as directed.

2. Deadline for Initial Benchmarks: The Executive Order requires development of annual health care cost benchmarks by December 2020.

- a. By what date does OHS expect the contractor to deliver the initial benchmarks in order to provide sufficient time for state review before the Executive Order's December 2020 milestone?

Response: In order to provide sufficient time for a thorough and inclusive review of the initial benchmarks, OHS would require the Contractor to deliver the initial benchmarks no later than October, 31, 2020.

- b. Does the December 2020 deadline anticipate a calculated benchmark based on existing data (as a proof of concept), new data collected specifically for this purpose, or the development of an approach to calculating the benchmark?

Response: The Contractor will be expected to provide proposed initial benchmarks calculated using all available data. However, OHS expects Contractor(s) to report concerning identified gaps in available data, the impact of said gaps to the calculation of the benchmarks, and to make recommendations for opportunities to enhance the data set for future benchmarks and oversight.

Contractors should familiarize themselves with Governor's Bill HB 5018. This bill provides additional guidance on expectations.

3. Hearings

- a. Could OHS offer more description about the timing, duration and content of the hearings?

Response: Consistent with OHS' goal of transparent, inclusive stakeholder engagement, one or two informational hearings may be scheduled throughout the benchmark development process to a) engage stakeholders not represented on the Technical Advisory Board, b) seek additional information with which to inform development of the benchmarks, and associated processes, and c) as may be indicated.

Accordingly, a Contractor should expect to participate in at least one or two informational public hearings, dependent on the service area for which it has contracted, to discuss the proposed benchmarks.

Contractors should familiarize themselves with Governor's Bill HB 5018. This bill provides additional guidance on expectations regarding public hearings that may be required. See answer to question 3b below.

- b. Do hearings need to be held before the initial benchmarks are presented?

Response: It is unclear what is meant by "presented" in the question. There is no requirement in the Governor's Executive Order #5 for hearing prior to the effective date of the initial benchmarks. However, OHS expects to hold an informational hearing prior to this and the primary care target effective dates, once the initial benchmarks and target have been presented to the Technical Advisory Board, which will occur by October 31, 2020. Prospective bidders

should recognize that the Connecticut General Assembly is in session, and that there may be legislation enacted that expand on or modify the process for the development and implementation of the cost growth benchmark or other provisions. Contractors should familiarize themselves with Governor's Bill HB 5018, which provides additional guidance on current expectations.

- c. Does OHS expect the hearings to occur in calendar 2020?

Response: OHS will have at least one informational hearing in CY 2020 on the proposed benchmarks. See answer 3b.

- d. Does OHS anticipate conducting more than one round of hearings during the initial contract term?

Response: See answer 3b.

- e. Does OHS envision conducting hearings similar to the annual Cost Trends Hearings conducted by the Massachusetts Health Policy Commission?

Response: Yes, but not until CY 2021. Contractors should familiarize themselves with Governor's Bill HB 5018. This bill provides additional guidance on expectations.

- f. What are OHS's expectations for presentations and deliverables in support of hearings? Will the contractor be required to prepare a briefing book based on tasks under sections 2.1, 2.2 and 2.3?

Response: OHS will require detailed explanation of the Contractor's recommendations, with objective evidence and citations, for any expected deliverables. However, specific requirements for content and format will depend on which service area the Contractor is performing, whether coordination with another Contractor that may be working on another service area, requests of the Technical Advisory Board or key stakeholders, or changes to state law or regulation.

4. Regulatory Support

- a. Will OHS need to issue regulations for data collection? If so, approximately when does OHS anticipate formally starting the process?

Response: OHS will focus initially on developing a methodology for developing the benchmarks and, following receipt of the data gap analysis recommendations, will evaluate opportunities for developing data policies and procedures. Contractors should familiarize themselves with Governor's Bill HB 5018. This bill provides additional guidance on expectations.

- b. Will OHS need to issue regulations to establish the benchmarks? If so, approximately when does OHS anticipate formally starting the process?

Response: No.

- c. What are the steps and mandatory time intervals in OHS regulatory process, that is, out for public comment, receiving public comment and issuing final regulations?

Response: See answer 4b

- d. Will the hearings referenced in section 2.6 of the RFP also include consideration of draft regulations that establish the benchmarks, specify data collection templates, provide a measurement strategy to identify outliers and a methodology for engaging with outliers?

Response: See answer 4b. Hearings may consider potential draft policies or procedures including data collection templates, measurement strategies, etc.

5. For routine deliverables, how much time should we allow between submitting drafts to OHS and receiving comments to incorporate into a final draft?

Response: Expectations for certain deliverables will vary based upon the task being reported on, consistent with demands of the project and time constraints, but contractors can expect that rapid turn around from draft to final document will be expected in some cases. OHS will provide feedback within ten days, unless urgency requires a quicker deadline.

6. On page 6, Section 2.3 A, can you clarify what is meant by the requirement to identify measurable market factors “needed to require modifying the target health care cost growth benchmarks, by how much and frequency”?

Response: See that answer to number 7. Market factors may include newly promulgated federal statutes and regulations, new state laws and regulations, new technologies or interventions, such as the introduction of a costly medication that is expected to be widely utilized that may impact one or more years of spending.

7. Are you seeking identification of the factors that should be considered in modifying the target benchmarks, and how those factors may affect the cost and frequency of use of the items measured?

Response: Yes.

8. The state requires analyses of cost drivers. What data would the contractor rely on for these analyses? What role does the state envision for its APCD, its hospital discharge data, and other data sources?

Response: OHS expects contractors to rely on OHS data identified in the question and other data available to the state via third party sources through contracts. To the degree permitted, OHS will provide data, including the above, to a Contractor as needed to complete the analysis and modeling work.

9. Our timeline for identifying trends/cost drivers in Connecticut's APCD data will depend in part on whether the data arrive to us analysis-ready. Can you share with us any information regarding the completeness, validity, and/or usability of

Connecticut's raw APCD data? Do you anticipate that these data will arrive to us in "clean" analytic files, or alternatively, should we allow time to conduct data quality checks and cleaning prior to our analyses?

Response: Contractor(s) will receive any data provided by OHS as clean, "analysis-ready" data files.

10. How many years of historical data are currently available in the APCDs, hospital discharge data, or other sources?

Response: The APCD contains claim data from Commercial, Medicaid, and Medicare payers for this project. Please see the dates below:

Description	Available Dates
Commercial	1/1/2012-9/30/2019
Medicaid	1/1/2012-9/30/2019
Medicare	1/1/2012-12/31/2017 (Medical), 1/1/2012- 12/31/2015 (Pharmacy)

Additional Data for each of the plan types is added once available.

11. Do the APCD, hospital data, or other data have service intensity/complexity adjusters associated with them, including groupers such as DRGs or APCs?

Response: The APCD has MS DRG groupings available. It does not have APCs.

12. Can we increase the page limit for the Project Narrative area to 10?

Response: Given the complexity of the proposal, bidders may submit up to 6 pages for the Project Narrative.

13. Can OHS articulate what tasks an actuary may be needed?

Response: Actuaries should expect to work with OHS and any other contractors or stakeholders, as directed by OHS, to develop and test cost growth benchmark and primary care target modeling, including the impact of utilization and pricing on health plan or provider costs. Actuarial services may be used to validate data reporting and validate current spending analyses.

14. How many years of data would be available from state data sources for us to process and analyze?

Response: See answer 10.

15. Is risk adjustment information or groupers already present in available data?

Response: See answer 11.

16. Should we include licensing fees in our budget, if propriety information is needed, such as APR DRGs, ACGs etc.?

Response: Contractors should include all costs for it expects would be necessary to complete its work, as proposed, inclusive of any such fees, although certain fees may not be necessary in certain circumstances (i.e. there is no need for additional licensure of proprietary tools).

17. Does the Technical Advisory Board have a pre-established schedule of meetings?

Response: See answer 1c.