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March 22, 2012

RFA 3402

Addendum #2

1. This is Addendum # 2 to Request for Application (RFA) 3402, Coordinated Care Organizations (CCOs).
2. RFA #3402 is hereby amended as follows:
 - a. Section 4.5 is replaced in its entirety with the following:

4.5 Public Posting of Application Submissions

The SPC will post on the OHA web portal each CCO Letter of Intent to Apply, Medicare Notice of Intent to Apply, and (subject to potential claims of confidentiality for designated portions) the Technical Application. OHA plans to post the CCO Letters of Intent to Apply on approximately April 3, 2012. The Technical Applications will be posted as they are received. OHA does not plan to post the Financial Applications.

- b. In accordance with Section 4.4 of the RFA, OHA provides the following questions and answers:

Question 1. Does the letter of support have minimum requirements?

Answer 1. No, OHA is asking for letters from key partners in the community that will be impacted by implementing CCO's

Question 2. What are the minimum requirements to become a CCO?

Answer 2. The questioner is encouraged to refer to the applicable sections of the RFA, and can go to website www.health.oregon.gov for additional information on this question.

Question 3. Will forming a CCO take place of current independent practice associations (IPAs) in this area and is there a good website to get basic CCO information from?

Answer 3. www.health.oregon.gov includes a number of links and supporting documentation.

Question 4. If the contract sign date is changing from 06/29/12 to 06/15/12 will the "Readiness Review" timeline change as well?

Answer 4. This question may warrant further consideration on the part of OHA, but as of

now the OHA projects Readiness Reviews will be conducted during the week of 06/25/12 because the 8/1/12 date on which first “wave” CCO’s start providing services does not change.

Question 5. Is there a prescribed level of process transparency required on behalf of applicants, e.g.: partners, federal funding, etc.

Answer 5. OHA emphasizes that transparency is certainly a goal, but there is not a prescribed level of process transparency. OHA reminds Applicants that Applications are subject to Oregon public records law, which allows some information to be exempt from public disclosure if it can be demonstrated in accordance with the law that the information is proprietary.

Question 6. I understand that the Letters of Intent will be posted. Can you say where they will be posted online when they are submitted?

Answer 6. Letters of Intent will be posted on approximately April 3, 2012, after the LOI deadline on April, 2, 2012. The LOI’s will be posted on the web portal: <http://cco.health.oregon.gov>

Question 7. Please clarify what you mean by including an electronic signature in the pdf documents.

Answer 7. OHA only asks that Applicants include an electronic signature that is readable by the Sole Point of Contact upon opening the Applicants’ Applications or other documents requiring signature.

Question 8. Will comments on the Core Contract be considered or is the Core Contract that is attached to the RFA the final version?

Answer 8. OHA will consider comments on the core contract. The Core Contract form released with the RFA is the final document but it can be modified, and likely will be as we go through this process of continuing to develop the Oregon Administrative Rules. Applicants can submit requests to modify the Core Contract during the period for Pre-Application Questions or Requests for Clarification (see RFA section 4.4 and Attachment 3). Applicants are encouraged to read the RFA and Core Contract carefully to identify which sections of the Core Contract are subject to negotiation.

Question 9. Will more than one CCO be accepted per region?

Answer 9. Yes, OHA has no expectation that it will limit a region to one CCO. If there is only one Applicant with a Service Area serving that region, then obviously there will be one CCO in that region, but OHA has no intent to restrict the number of CCO’s.

Question 10. How long is the letter of intent active if an organization is not applying for the first wave?

Answer 10. The LOI is effective for this initial year and there will be other “waves” of CCO’s

being implemented. OHA does need to receive the LOI by April 2, 2012, even if Applicant plans to submit its Application for later “waves” of implementation.

Question 11. Does the change with respect to Medicare alignment mean that a CCO does not have to file a letter of intent with CMS? Can you say a little more about how dual eligibles will be covered if the CCO does not elect to seek a CMS contract?

Answer 11. The participation in the Medicare Medicaid Alignment Demonstration is voluntary for CCO’s. That is relatively new development, so that is a recent change or clarification. OHA is encouraging all CCO’s to submit a Notice of Intent to Apply (NOIA) to CMS, as those notices are non-binding; if Applicants do not submit them by April 2nd, Applicants will not be allowed to participate in the Demonstration, however submitting a NOIA is not required by OHA.

Question 12. Can you say a little more about how dual eligibles will be covered if the CCO does not elect to seek a CMS contract?

Answer 12. At this point, OHA can say that people eligible for both Medicare and Medicaid will be covered in the same way that they are now. OHA is preparing to share additional information with Applicants about the implications of what it means to have the Medicare Medicaid Alignment Demonstration be voluntary at the earliest opportunity.

Question 13. Are you seeking innovations in care, and where are these considered, if so?

Answer 13. OHA recommends that the questioner go to web portal and review the RFA. OHA notes that there is an entire section, a non-mandatory section –Appendix H, that describes the OHA interest in finding innovations in care. OHA asks that applicants put forth those innovations as part of the Application process.

Question 14. Can you have more than one CCO in a county?

Answer 14. Yes

Question 15. If we already have a HPMS login, are we required to submit a CMS User ID Connectivity Form?

Answer 15. No, Applicants will not be required to submit a User ID Connectivity Form. For entities that are submitting a NOIA for the Medicare-Medicaid Alignment Demonstration, once an Applicant submits a NOIA, the Applicant will receive a confirmation by email, which will tell the Applicant whether it is required to submit a CMS User ID Connectivity Form or whether the Applicant already has access through your Medicare Advantage product. For entities that *do* need to mail in the CMS User ID Connectivity Form, they will need to mail the CMS User ID Connectivity Form by April 9th, 2012.

Question 16. Will OHA allow participation in the Medicare-Medicaid Alignment Demonstration project with a start date after 1/1/13?

Answer 16. OHA is in discussions with CMS about what flexibility CMS may allow on a start

date for participation in the Demonstration later than January 1, 2013, but OHA does not have any further information to share at this time. At this time the Demonstration project is slated to begin 1/1/13 for those CCO Applicants that meet the qualifications.

Question 17. Will there be financial incentives for applicants in first wave compared to later applicants?

Answer 17. At this point in time OHA has no plan for financial incentives to enter in the first “wave”.

Question 18. What are the expectations as part of the initial RFA submission?

Answer 18. OHA expects complete response to all of the questions in the RFA, within the limits of the page limits. OHA believes it should be clear from the RFA what could be provided in the CCO Readiness Review process but OHA will issue some clarification on this question to make sure that it is clear.

Question 19. Are you expecting one letter of intent per CCO contract?

Answer 19. Yes.

Question 20. Does the LOI need to be in the exact format as outlined in the RFA; i.e., the question and a response from the applicant?

Answer 20. Yes. The LOI template was included in the RFA because that’s the way OHA wants to receive the information; OHA wants to receive this information from all the CCOs in a consistent manner.

Question 21. When you say web portal, did you mean the www.health.oregon.gov or are you referring to a different website?

Answer 21. OHA refers to health.oregon.gov. The phrase “web portal” refers to <https://cco.health.oregon.gov>, which is where RFA documents actually reside. If you go to health.oregon.gov you can get to a variety of places with related information.

Question 22. What happens to existing MCO contracts in those service areas where a new CCO is certified -- particularly if the MCO is not part of the new CCO?

Answer 22. The existing MCO can continue in business for a period of time. By statute MCO contracts can be extended through June, 2014, and if necessary OHA could renew those MCO contracts through 2017. OHA would review with the MCO to determine whether they wanted to continue. And if so, MCO’s would only have to meet all the contractual requirements and statutory requirements for being an MCO and then they would be allowed to continue.

Question 23. What programs and services are not included in the capitated portion of the global budget?

Answer 23. OHA refers the questioner to Appendix F of the RFA, which describes the global budget and what is in it now. As part of the financial application and the rate setting process, there will be more granularity with respect to what is out of the capitated portion of the global budget, which may actually change a little bit geographically depending on the particular circumstances in a region.

Question 24. What is the status on the state's waiver request to not have to use actuarially sound payment rates to fund the CCOs?

Answer 24. OHA did not ask for a waiver or flexibilities around actuarial soundness. OHA believes actuarial soundness is still a requirement. The flexibility that OHA did ask for was to move to a fixed budget, so OHA begins with the actuarially sound rates with the flexibility of fixed budgets for future years.

Question 25. We've been getting mixed messages about the MCO contracts. We've heard that MCO contracts may require us to meet CCO requirements even if we aren't ready to become a CCO. Can you confirm this?

Answer 25. There are some requirements identified in HB 3650 for MCOs to take on in order to advance health system transformation. OHA is currently working out how OHA is going to implement these requirements. OHA is identifying which of those requirements it is reasonable to ask MCOs to undertake immediately and which are going to have to be deferred. Additional information will be provided in writing on this topic.

Question 26. For those MCO's that do become a CCO on Aug. 1st, will they be able to continue to contract with providers that are "late adopters" to the PCPCH qualification. This may affect capacity during late 2012 and 2013.

Answer 26. Yes, such a CCO will be able to continue to contract with the kinds of providers about which the questioner inquires. There is no prohibition to contracting with primary care providers that are not actually a PCPCH.

Question 27. When you get back to us in writing about the MCO contract, can you give us an estimated date that we'll know more?

Answer 27. Yes OHA will be able to do that, but we don't know the date today.

Question 28. Will there be both CCO and MCO's coverage in the same areas/counties?

Answer 28. There may well be. OHA does not know for sure, but there may well be.

3. All other terms, provisions, and conditions of this RFA remain unchanged.