



Florida Healthy Kids Corporation

**INVITATION TO NEGOTIATE 2018-300-01
for
Medical Services and Coverage**

**ADDENDUM 6
December 4, 2018**

In accordance with subsection 3.P, Addendum 6 to ITN 2018-300-01 is as follows:

1. The Calendar of Events in subsection 1.F is replaced in its entirety as follows:

Event	Anticipated Date	Time (Eastern)
FHKC releases this ITN	08-08-18	
Respondent deadline to submit Letter of Intent and Attachment 5 Confidentiality and Nondisclosure Agreement	08-15-18	3:00 p.m.
Round 1 technical questions: Respondent deadline to submit questions regarding the ITN and attachments posted with the ITN via email to the issuing officer	08-20-18	3:00 p.m.
FHKC provides Attachments 2: FHK Databook, 3: FHK CDPS Acuity Study File, and 4: FHK Member Demographic Summary to Respondents comply with Section 3.E	08-23-18	
FHKC posts answers to Respondents' round 1 questions at https://www.healthykids.org/itn	08-27-18	

Event	Anticipated Date	Time (Eastern)
Round 2 data questions: Respondent deadline to submit questions related to Attachments 2: FHK Databook, 3: FHK CDPS Acuity Study File, and 4: FHK Member Demographic Summary via email to the issuing officer	08-29-18	3:00 p.m.
FHKC posts answers to Respondents' round 2 questions at https://www.healthykids.org/itn	09-07-18	
Respondent proposals due to FHKC	09-26-18	3:00 p.m.
Evaluations	09-26-18 - 11-02-18	
Respondent deadline to submit revised proposal, limited to responding to the ITN amendments set forth in Addendum 6, to the extent Respondent determines such revised proposal is necessary for consideration. See ITN subsection 3.P.	12-10-18	3:00 p.m.
Negotiations	12-17-18 - May 2019	
Notice of Contract Award – Board Meeting	06-06-19	9:00 a.m.
Contract Effective Date	01-01-20	12 midnight

- In order to clarify the intent of the ITN, increase the number of Respondents that have the ability to advance to the negotiation phase, and assist FHKC in determining the Respondents that will provide best value, subsection 7.F is replaced in its entirety as follows:

F. Scoring Network Access

For Section 6: Network Access, Respondents must achieve the minimum network access score in at least one Region or cluster to be eligible to move to the negotiation phase. This enables FHKC to assess whether a Respondent has the ability to develop a sufficient network.

The minimum network access score is the lower of:

- Ninety percent (90%) overall access in a Region (“overall” means across all Provider types specified in Attachment 1: Draft Contract, Section 24); or
- To account for areas of Provider scarcity, an access rate within the top fifty percent (50%) of all Respondents’ network access scores for a Region.

For scenarios 1 and 2, Respondents must meet one of these criteria in at least one Region to advance to the negotiation phase.

For scenarios 3 and 4, the overall network access score for a cluster will be based on the average access rate for all Regions in the cluster, weighted by projected enrollment. Respondents must meet one of the criteria above in at least one cluster to advance to the negotiation phase.

3. Section 7.G is replaced in its entirety as follows:

G. Other Considerations During the Evaluation Phase

Factors FHKC may consider during the evaluation phase include, but may not be limited to:

- Respondent's compliance status with requirements of other regulatory agencies in Florida (e.g., AHCA, Office of Insurance Regulation, and Department of Financial Services);
- Respondent's status as a current insurer with FHKC and/or status, including Region assignment, as a Medicaid managed care organization with AHCA;
- Sufficiency of the proposed provider network within a Region;
- Respondent's ability to develop a sufficient network in a Region or on a statewide basis;
- Respondent's ability to offer a sufficient statewide network;
- Respondent's compliance and performance status with FHKC if a current contractor or if a previous contractor;
- Existing or previous litigation or regulatory action by or against the State of Florida or an agency of the State of Florida, the United States Government or an agency of the United States Government, or FHKC;
- Respondent and its subsidiaries, Subcontractors or agents that would be engaged under this Contract are not de-barred or otherwise prohibited from contracting with FHKC, the State of Florida or from receiving federal or state funds;
- Reference checks conducted on Respondent's performance as an insurer for comparable contracts;
- Respondent's current and recent (defined as the most recent two-year period) financial status;

- Enrollee services functions;
- Quality assurance and medical case management services;
- Ability to meet access and appointment standards within the Region;
- Competitiveness of premium rates; and
- Past performance under HEDIS standards.

4. Subsection 8.A is replaced in its entirety as follows:

A. Competitive Negotiation Process

FHKC will establish a negotiation team to conduct negotiations with Respondents, assess the final value proposition of each Respondent, and make an award recommendation to the Board of Directors.

The goal of the negotiation process is to enable FHKC to determine which Respondent(s) offers best value to FHKC and to finalize the terms and conditions of a contract.

The negotiation team will develop a recommendation of award that will provide the best value to FHKC based on the Respondent's articulation of its approach, the ability of the approach to meet FHKC's needs and the requirements of this ITN, the Respondent's response to ITN Sections 4-7, the Respondent's overall pricing over the Contract term, and the Respondent's ability to provide value-add benefits and services.

The negotiation team will not be bound by phase one scoring and may consider any additional information that comes to its attention during the negotiations phase. The negotiation team will not engage in any scoring or the rescoring of evaluation criteria.

FHKC reserves the right to require physical attendance at negotiation sessions by representatives of Respondent. At a minimum, FHKC expects the following representatives to be in attendance: the account manager, executive officer and any other individual(s) who will perform a critical role in the day-to-day administration of the Contract. Respondent should limit its negotiation team for any in-person negotiation session to six individuals.

Any written summary of presentations or demonstrations provided by Respondents during negotiations must include a list of attendees, a copy of the agenda, and copies of any visuals or handouts, all of which become part of Respondent's proposal. Failure to provide any

information requested by FHKC during the negotiation process may result in termination of negotiations with Respondent.

During the negotiation phase, FHKC may request clarification and revisions to proposals, including best and final offers, until FHKC is satisfied best value has been achieved.

FHKC is the sole judge of which proposals provide the best solutions in terms of technical merits and price.

5. Subsection 8.C is replaced in its entirety as follows:

C. Award

After conducting negotiations, FHKC staff will develop a recommendation as to the award that will provide the best value. In so doing, FHKC staff will not engage in scoring, but will arrive at its recommendation by majority vote.

In the event approval and funding to blend subsidized and Full-pay Plan rates are approved (scenario 1), FHKC intends to recommend the award of Contracts for blended coverage to two Respondents per Region; one, both, or none of which may be statewide.

If approval and funding to blend rates are not approved, FHKC intends to recommend the award of Contracts for subsidized coverage (scenario 2) to two Respondents per Region. FHKC may award subsidized on a statewide basis.

For the standalone Full-pay Plan award (scenario 3 or scenario 4), FHKC intends to recommend the award for either one Contract statewide or one Contract for cluster A and one Contract for cluster B. Further, FHKC intends to guarantee an award of four subsidized Regions for cluster A and both subsidized Regions in cluster B, regardless of whether the award is by cluster or statewide.

FHKC staff will forward any award recommendation to the appropriate committee and/or the FHKC Board of Directors. The committee or the FHKC Board of Directors will determine whether to approve FHKC staff's recommendation for award. FHKC will post a Notice of Contract Award at FHKC's website for the date specified in Section 1.F, Calendar of Events and Deadlines, in this ITN.

6. Appendix B: FHKC Procurement Protest Procedures, is replaced in its entirety, as follows:

For purposes of these protest procedures, an “intended decision” means: (1) issuance of specifications in a request for proposals, invitation to negotiate, or any other procurement document, or any addenda; or (2) an intended contract award. Failure of a vendor to file a notice of intent to protest and a formal written protest as described in this appendix shall constitute a waiver of proceedings and waiver of any rights to contest FHKC’s intended decision. **The procedures in Chapter 120, Florida Statutes, do not apply to any FHKC procurement.**

STANDARDS FOR PROTEST

- (1) No submissions made after FHKC announces its intent to award a contract, reject all replies, or withdraw the solicitation that amend or supplement the reply will be considered by FHKC in a protest.
- (2) The burden of proof shall rest with the party protesting FHKC’s intended decision.
- (3) FHKC’s impartial decisionmaker must determine whether FHKC’s proposed action is contrary to its governing statutes or rules or to the specifications of the procurement. The burden of proof for the protestor is whether FHKC’s intended decision is clearly erroneous, contrary to competition, arbitrary or capricious.

PROTEST PROCEDURES

(1) PROTESTING PARTY PROCEDURES

(a) Any party who is substantially affected by FHKC’s intended decision as reflected in the issuance of specifications in a procurement or in any addenda must file a written notice of intent to protest with FHKC within seventy-two (72) hours after the posting of the procurement specifications document, or any addenda, excluding weekends and state holidays.

(b) Any party who is substantially affected by FHKC’s intended decision to award a contract must file a written notice of intent to protest with FHKC within seventy-two (72) hours after the posting of the notice of intent to award, excluding weekends and state holidays. A substantially affected party is any party who submitted a proposal or response for the services that are at issue in the protest.

(c) The substantially affected party must file a formal written protest within five (5) business days after the date of the notice of intent to protest is filed.

(d) The formal written protest must state, with particularity, the facts and law upon which the protest is based. The issues to be addressed in any proceeding conducted pursuant to subsection (3) are limited to those timely raised in any formal written protest.

(e) If the protest can only be resolved in accordance with subsection (3) below and in lieu of a protest bond or filing fee, the substantially affected party shall be responsible for all associated impartial decisionmaker costs.

(f) Failure of a vendor to timely file a notice of intent to protest and formal written protest shall constitute a waiver of proceedings and waiver of any rights to contest FHKC's intended decision.

(g) If any substantially affected party decides to participate in the protest proceedings, that party must give notice within three (3) business days of the posting of the initial notice of the protest by FHKC.

(2) FHKC PROCEDURES

Upon receipt of a timely filed notice of intent to protest, FHKC must take the following steps:

(a) Immediately post the notice of protest in the same manner as the solicitation specifications or the notice of intended award were posted.

(b) Engage an outside, impartial decisionmaker, such as a mediator, to hear the protest if the protest is not resolved in accordance with paragraph (2)(c).

(c) Provide an opportunity to resolve the protest by mutual agreement between the parties within seven (7) business days. If the subject of a protest is not resolved by mutual agreement within the timeframe set forth in this paragraph or within an extended timeframe as mutually agreed upon by the parties, a protest meeting must be conducted with the impartial decisionmaker as set forth in subsection (3) below.

The filing of a notice of intent to protest or a formal protest shall not stop the procurement process or award process, unless the Chief Executive Officer, in consultation with corporate counsel, determines that doing so is in the best interest of FHKC.

(3) PROTEST RESOLUTION

(a) If the protest is not resolved pursuant to paragraph (2)(c) above, the impartial decisionmaker must commence a protest meeting within fifteen (15) business days of receipt of

FHKC's request to refer the matter to a protest meeting. The provisions of this subsection may be waived only upon stipulation by all parties.

(b) The impartial decisionmaker must render a written decision within thirty (30) business days of the protest meeting. The provisions of this paragraph may be waived only upon stipulation by all parties.

1. The written decision must include findings; based on these findings, the impartial decisionmaker may affirm or reject FHKC's intended decision.

2. If rejecting FHKC's intended decision, the impartial decisionmaker must simultaneously issue a recommendation to FHKC supported by findings.

3. FHKC may either accept or reject the impartial decisionmaker's recommendation.

a. If FHKC rejects the impartial decisionmaker's recommendation, FHKC must notify all parties in writing within five (5) business days after the recommendation is received, outlining the reason or reasons for rejecting the recommendation; and FHKC must either start the procurement process again or proceed with its intended decision consistent with its reason or reasons for rejecting the impartial decisionmaker's recommendation.

b. If FHKC accepts the impartial decisionmaker's recommendation, FHKC must post the recommendation and resolution in the same manner as the solicitation specifications or the notice of intended award were posted within five (5) business days after the recommendation is received.

(c) The impartial decisionmaker may permit the parties to submit proposed findings or draft orders or memoranda on the issues within a time designated by the impartial decisionmaker.

(d) A default must be entered against a party who fails to appear at a protest meeting as directed by the impartial decisionmaker, unless at least one of the following conditions exists:

1. Illness of a party, witness or attorney that would prevent attendance at the protest meeting;

2. An act of God that would prevent attendance at the protest meeting;

3. A designated threat to public safety that would prevent attendance at the protest meeting; or

4. Any other circumstance in the opinion of the impartial decisionmaker that would warrant a continuance of the protest meeting.

(e) An entry of default against a party is deemed the final decision of the impartial decisionmaker.

Any party who is substantially affected by FHKC's intended decision as reflected in the issuance of specifications in this procurement or in any addenda must file a written notice of intent to protest with FHKC within seventy-two (72) hours after the posting of the procurement specifications document, or any addenda, excluding weekends and state holidays.