

**Florida Healthy Kids Corporation Attendees:**

Dr. Stephanie Haridopolos, Chair of the Board of Directors  
Mike Haridopolos, Former Florida Senate President  
Dr. Steve Freedman, Ad Hoc Board Member  
Rebecca Matthews, Chief Executive Officer  
Gavin Burgess, Chief Legal Officer  
Jeff Dykes, Chief Financial Officer  
Austin Noll, Chief Operating Officer  
Ashley Carr, Director of Communications  
Suzetta Furlong, Director of Plan and TPA Management  
Ginger Harris, Director of Accounting  
Dan McDaniel, Deputy Director of TPA Management  
Heather Napolitano, Event Coordinator and Executive Office Liaison  
David Roberts, KPMG  
Mike Russell, KPMG

**Vendor Attendees:**

Maggie Garret, Argus Dental and Vision  
Derek Jackson, Automated Health Systems  
Gail Trautmann, Automated Health Systems  
Willie Williams, Automated Health Systems  
Joe Wuenschell, Automated Health Systems  
Rick Stierwalt, Bill2Pay  
Kathy Wilson, Bill2Pay  
James (Jim) Van Avery, CMA  
Ed Weirich, Cognizant  
Cynthia Henderson, Cynergy  
Michael Johnson, Maximus  
Gina Padilla, Maximus  
Eric Ruben, Maximus  
Jay Wells, Maximus

**Meeting Notes (Paraphrased):**

Austin Noll welcomed attendees and introduced the newly appointed chair of the Florida Healthy Kids Corporation (FHKC or Corporation) Board of Directors, Dr. Stephanie Haridopolis; former Senate President, Mike Haridopolis; and CEO, Rebecca Matthews. Mr. Noll noted that the forum was being recorded to accurately record questions and send notes out after the meeting.

Mr. Noll described the four primary topics to be covered:

1. Corporation's role and how it fits within the Florida KidCare environment
2. Current services and operating model
3. Anticipated services and timeline for the procurement
4. Question and answer session

Mr. Noll explained FHKC is in the research and development phase of the procurement and things are subject to change. One of the main reasons for the forum is to discuss what the Corporation is thinking and to hear the questions interested vendors might have that may influence how FHKC structures the future invitation to negotiate (ITN).

Mr. Noll described the Corporation's role and how it fits into Florida KidCare. FHKC is a private, nonprofit organization created in 1990 by the Florida Legislature. The Corporation's mission is to provide access to affordable, high quality health and dental insurance for Florida's children.

To accomplish this goal, FHKC procures and manages health and dental plan contracts for a subset of the Children's Health Insurance Program (CHIP) population who are enrolled in Florida Healthy Kids. FHKC is also responsible for the eligibility, enrollment, web services, correspondence, marketing, and premium administration for all CHIP and full-pay programs (families pay the entire premium in the full-pay program).

Florida KidCare is the brand integrating children's Medicaid and three CHIP programs. The Corporation and three state agencies share responsibilities for Florida KidCare, and all are functional co-equals, working together to streamline the user experience through integrated business processes and technology.

FHKC is responsible for the Florida Healthy Kids program, with both a CHIP and full-pay component, as well as the services mentioned earlier. The Agency for Health Care Administration (AHCA) is responsible for Medicaid and the MediKids CHIP and full-pay components. The Department of Health (DOH) is responsible for the Children's Medical Services Plan (CMS Plan), which has CHIP and Medicaid components.

FHKC, AHCA, and DOH are each responsible for administering enrollment of their programs. The total enrollment for Florida KidCare is approximately 2.4 million children including Medicaid. About 227,000 children are enrolled in CHIP, with another 23,000 in full-pay, taking the total lives to about 250,000 in a given month.

The Department of Children and Families (DCF) is responsible for determining eligibility for the Medicaid program. FHKC's current third-party administrator exchanges multiple files with DCF for eligibility and application referrals to comply with the Affordable Care Act's "no wrong door" policy.

The chart on slide 6 was developed by age and the federal poverty level (FPL) guidelines for each of the programs. Across the horizontal axis, the ages are 0-1, 1-4, and 5-18. Up the vertical axis is the FPL calculated for families using household size and family income. Medicaid covers children below 133 percent or, if they are ages 0 to 1, up to 200 percent of the FPL. MediKids CHIP covers children ages 1 through 4 who are between 133 and 200 percent of the FPL and children above 200 percent are covered by the MediKids full-pay program. Florida Healthy Kids CHIP and full-pay are similar but are for children ages 5 through 18.

Mr. Noll covered FHKC's current services and operating model. At a high level, FHKC is responsible for the administration and customer service for all CHIP and full-pay programs (CMS Plan, Florida Healthy Kids, and MediKids). FHKC works with sister agencies and has multiple service providers.

The third party administrator (TPA) has been Maximus since August 2013. The contract runs through September 2021. In the current model, the TPA provides a number of critical functions. One of the most important is serving as the information hub through its Customer Relationship Management system (CRM).

The TPA has many file exchanges through the CRM with state agencies, health and dental insurance carriers, and other organizations. Depending on the needs, these file exchanges occur daily, weekly, and monthly. Additionally, the TPA provides a variety of daily and monthly reports for enrollment, work requests, statistics, and system changes.

Beyond the CRM, the TPA provides the Florida KidCare service center, housing customer service representatives who handle a variety of call center functions. In 2018, customer service reps answered approximately 63,000 calls per month. Those calls ranged from updating account records, assisting with account status inquiries, and answering eligibility questions about the CHIP and full-pay programs. Questions specific to Medicaid or regarding health care providers and covered benefits are transferred to the appropriate organizations (e.g., DCF or insurance carriers).

The service center is also responsible for processing applications. In 2018, the TPA processed approximately 33,000 applications in a given month. During this process, they screen for Medicaid eligibility, determine CHIP eligibility, redetermine eligibility at a family's request, and handle the annual, family renewal process.

A vendor asked if applications are also taken over the phone. Mr. Noll replied that yes, applications can be taken over the phone. However, customer service reps generally assist families in completing the application through the website or answering questions about the paper application.

The TPA also receives payment information from FHKC's payment processing vendor. The TPA is responsible for posting premiums to family accounts, as well as reconciling balances, identifying refunds, and providing the appropriate financial reports to the Corporation's accounting team.

The service center is responsible for document control. They receive, scan, and attach documents to family accounts. The current TPA subcontracts outbound printed and mailed letters. On average, between 100,000 and 110,000 letters are mailed each month. There is a go-green option for email notices of these letters, and roughly another 40,000 letters are converted to PDF and made available to families through their online account each month.

On slide 10, Mr. Noll described the services provided by the payment processing vendor that accepts a variety of online payments through the Florida Healthy Kids website. Families may set up electronic premium payments through the secure family account portal or pay by phone using the IVR system. The TPA provides premium payment coupons, which families may send with checks, money orders, and cashier's checks to a lockbox. Families can also go to various kiosks throughout the state to make cash or money order payments. The payment processing vendor accepts these payments and submits a file to the TPA for posting to the respective family's account, with frequent reconciliation reports provided to FHKC staff.

The current web services vendor hosts and maintains our Corporate-owned Florida KidCare and Florida Healthy Kids websites. The Florida Healthy Kids website has a portal for CHIP and full-pay families to complete their online application and provide supporting documentation. The same website provides a

secure account portal where families can see their account balances, enrollment status, electronic correspondence, and make on-line payments. Each of these portals and interfaces must be HIPAA/HITECH and ADA compliant.

Mr. Noll described what FHKC is considering for the future, including some concepts FHKC will consider going through the procurement process. First, service quality must be delivered in the most cost effective and efficient manner possible. Second, FHKC is exploring and will determine whether consolidating the operating model using a single service provider for the services mentioned earlier or continuing to use multiple service providers ensures best value for the Corporation and Florida KidCare.

Third, the contract and operating model will need to be flexible so the Corporation can efficiently make any policy and program changes necessary, as well as implement technological advancements as they arise. FHKC is also looking for a service provider to continue transparency and accountability and maintain compliance with relevant HIPAA and HITECH laws, as well as other federal and state policies, rules, and regulations.

The first, and arguably the most critical component of the procurement and the scope of services is the CRM, which must support the multi-faceted technology and communication demands inherent in this dynamic market. The CRM should provide a versatile user interface and adapt to customer communication methods and multiple integrated environments. The CRM should allow for interactive engagements through the application, document storage and retrieval, and drive eligibility and enrollment outcomes.

The CRM must maintain financial transactions and compute account balances, as well as distribute and receive data, documents, and reports. Further, it is important that the CRM be able to interface with other vendors, sister agencies, partners, and other software as necessary.

Each of these CRM objectives should optimize the customer experience.

FHKC expects the call function of a service center will operate much as it does today and would like to see proposals for enhanced communications technology, such as online chat, inbound and outbound text messaging services, and direct customer service center lines for return callers. FHKC expects callers will continue to use an IVR to be connected to a customer service representative.

The service center will also process applications, corresponding documents, and electronic data for eligibility determinations. The center will continue to conduct redeterminations, renewals, and Medicaid screenings much as they do today. Once a determination is made, the service center will update and maintain family accounts, which also includes posting premium payments, and making address, income, household, and other maintenance changes as necessary.

The service center will also develop and use an intuitive knowledge base tool. Customer service representatives (CSRs) would then use the tool in their interactions with family by phone, email, and chat. Additionally, FHKC would like to see this integrated with a public-facing website, which would provide a list of frequently asked questions to the public.

Although the Corporation may entertain a separate response specific to a correspondence vendor, it anticipates the service center would be responsible for document intake, retention, and account posting, as well as preparing and sending outbound letters and emails. The selected vendor will work

with FHKC to develop a comprehensive, strategic communications plan for targeted communications and to mitigate any issues that could delay enrollment. Examples include notices for income verification documentation and reaching out to families who have a late payment.

FHKC is exploring website hosting and design option services through this procurement. Redesigning the public facing website to modify the online Florida KidCare application and providing a more streamlined process to potential enrollees are anticipated.

The Corporation anticipates having a portal, similar to today's, that integrates with a CRM and gives families access to details about their enrollment status, allows them to make payments, view and upload documents, and complete their annual renewal.

FHKC intends to explore online chat functionality, both on the public facing site and behind the portal, to give families another channel for assistance. Interfacing the websites and portals with the knowledge base system and using call and chat analytics to populate frequently asked questions on the website will also be explored. Future sites must maintain HIPAA and ADA compliance.

Slide 17 lists required services for this procurement, including posting premiums to family accounts and accurate billings based on enrollment. The vendor will prepare premium refund reports and electronic files for FHKC's accounting office to process. The vendor will maintain all accounts including payments, charges, and adjustments and will reconcile expenditures and revenues monthly. The vendor will work closely with FHKC's finance and accounting team on all financial transactions and provide a variety of reports to ensure accuracy and accountability of family account balances. The Corporation is subject to Florida's unclaimed property laws and is required to remit dormant funds to the state.

The Corporation is governed by a Board of Directors, so the first step in the procurement timeline is to receive Board approval to launch the ITN, anticipated in June of this year. FHKC will allow a Question and Answer period, when vendors will be able to submit questions about the ITN, followed by responses from FHKC, evaluations, and negotiations. The contract "go live" date is October 1, 2021. The reason for this long process is to give FHKC and the vendor(s) 15 to 16 months to transition so children maintain their enrollment if we move from one vendor to another.

Mike Russell from KPMG assisted with facilitating the Question and Answer session.

### **Question and Answer Session Notes (Modified for Clarity)**

**Question:** Have you thought about releasing a draft ITN release to give vendors a chance to comment or provide feedback before the final one is released?

**Answer:** We have not, but that is the purpose of this forum to talk through things that could be possibilities. There is a little bit of time between now and the release when some of this work will be taking place. That could be a consideration, but right now is not a consideration.

**Question:** On the cash kiosks, who maintains those and operates them? Is it the payment operating company or the TPA?

**Answer:** Bill2Pay manages the kiosks.

**Question:** Will we also be able to get electronic copies of these documents as there are other people in our organizations that we would probably like to look at them so that we can send back some thoughtful questions?

**Answer:** Certainly. Please make sure we have everyone's email addresses and we will send out electronic copies of these materials to everyone. Questions can be submitted through January 22. The slide deck and other materials are in your white folder, so if you review the materials and have other questions after this forum, you are welcome to submit questions to us by January 22 and we will respond to them. We will make sure everyone in attendance gets copies of those so you are all on equal footing.

**Question:** You commented that you are going to be open to the consolidation of different services. Can you give me an idea of how many services there are today? What were you envisioning? What companies or what services are not part of this or are subcontracts within this that you would like to see consolidated?

**Answer:** Today, our web services vendor contract is separate from our TPA vendor, so the client account portals are maintained by one vendor. They do tightly integrate with our TPA, but they are separate today, so that is one area we are looking at.

**Question:** Can you identify that vendor?

**Answer:** Jellybean, an entity out of Tallahassee. The CRM platform we have today is behind the scenes with the client portal in a different environment.

**Question:** Except for the kiosk, is there anything else around the payment and collection system where there are subcontractors or other vendors involved?

**Answer:** The payment processing vendor is Bill2Pay, and they are responsible for processing the electronic payments. They have the interaction and integration points already, processing all electronic payments, such as recurring and automatic deductions.

**Question:** Generally, would that kind of information be in the ITN?

**Answer:** We will have detailed specifications about how each of these interact, as well as the detailed scope of services.

**Question:** Is there anything that would be prohibitive of releasing the ITN because you seem like you have enough time and there are a lot of details that, the sooner we could see them, the better. And separately would be the Terms and Conditions that you're going to attach – that would be another thing – is there a mechanism for us to see those and comment on those, or should we just refer to something you have put out prior and nothing has changed?

**Answer:** This is certainly an idea we can take back and discuss internally, as well as with our Board. This is also an ITN process. It is not a request for proposal (RFP), so the initial scope may be modified somewhat through negotiations. If we have a modified scope after negotiations, we will request modified pricing at the end. You will have more of an opportunity during the ITN process to provide feedback.

**Question:** Do you anticipate that you would have an oral demonstration during the ITN process? We have participated, like many here, with an ITN before. Do you anticipate, and do you have any sense of how you will determine those invitations? Are you going to pare it down and say, we anticipate that it will be two or three vendors, would that be spelled out in the ITN? Are you going to have orals or are you going to have demos like that?

**Answer:** We anticipate a variety of opportunities. My understanding is that we would first have evaluations and the scoring results would determine who goes forward. We would then lay out the next steps as far as demonstrations and the negotiation phase.

**Question:** We've seen in other states where, as the state moves forward with its integrated eligibility system, the way eligibility is determined for CHIP changes and becomes largely a function of that eligibility system. Can you give a little bit of insight into future plans for the eligibility determinations for the CHIP and Healthy Kids programs specifically in Florida?

**Answer:** It is kind of a two-step process today. Our TPA makes the final eligibility determinations and enrollment for the CHIP and full-pay programs; however, there is what we call the "rules engine" housed within DCF. After household size and income are determined, that family's information is sent through a web service to DCF to make an eligibility determination and the results come back to our TPA. In some ways we are integrated, but not fully integrated, if that makes sense.

**Question:** It does. Are there any plans to become fully integrated? Is that a vision at some point down the road or not at this point?

**Answer:** We have a committee within our Board of Directors called the Operational Efficiency and Integration Committee looking at ways to streamline processes and business decisions that would drive us towards more seamless integration to maintain continuous enrollment for children going from one program to another (e.g., Medicaid and CHIP). Each process is being reviewed currently.

**Question:** Oftentimes in ITNs of this size and scope, one of the things we see that works out for the advantage of the client and the contractors is two rounds of Q&A. If your timeline considers and allows for that, we find that to be beneficial for both parties, so I'll add that as a note to consider.

**Answer:** We will take that into consideration. As mentioned, it is a draft timeline and subject to change.

**Question:** Have there been any preliminary thoughts toward minimum mandatory qualifications for bids or mandatory experience requirements tied to the ITN?

**Answer:** Those requirements are still being developed. In large part, it goes to deciding if we go with a single service provider or multiple service providers and looking at those specifications will help inform some of the minimum requirements. If we carve out a certain piece it might be different in scale and scope from one entity to another.

**Question:** How about some of the relative scoring criteria or ranking of criteria within the ITN?

**Answer:** That is still being developed, but we will make sure we are transparent in what and how we are going to evaluate.

**Question:** A question regarding the handoff between the TPA and the payment processing vendor: are the actual, physical funds, and the bank account handled with the payment processing vendor?

**Answer:** Yes, that is correct.

**Question:** So there's no actual custody of funds within the TPA process?

**Answer:** No.

**Question:** I'm looking at your call center numbers and you're showing 1.6M calls annually and roughly 60,000 or so monthly. Is that all live agent call volume or is that IVR/some automated/not strictly live agent?

**Answer:** Sixty-three thousand are to a live agent. That total count given includes calls going to the payment processing vendor or informational-type recorded messages. I think that works out to about 45 to 50 percent of calls go into the IVR and are handed off to a CSR.

**Question:** Understood. Is there a talk time that is currently established with these?

**Answer:** We do have average talk time stats, but I do not have those with us today.

**Question:** Could we request to have, because obviously these buckets are important, the lengths of call per different type of call. The more of that information greatly determines what goes into the cost model, so if that's in a library at the time or however you're going to do it, the more detail the better for any vendor.

**Answer:** Certainly, and we have gone through different procurements other than our TPA and we try to provide as much detailed information as we can without disclosing the operating costs of the existing vendor. We will do our best to provide as much detail as possible in the ITN for everyone.

**Question:** Is there a location where you would prefer the service center to be?

**Answer:** That is an area we're still discussing. Our current service center is based out of Florida. Florida jobs is an important topic for our state legislators and governor. That might be a point we will consider, but we are still determining how the ITN is going to be scored and evaluated.

**Question:** So there is a potential that for overflow during reapplications or things like that some could go out of the state, but in preponderance of the operation, you're tending to think you'd want it in Florida?

**Answer:** That is where we are probably leaning. Again, the final specification is something yet to be determined.

**Question:** Just to share an observation as you start naming key personnel, I looked at a request recently in which they wanted the name, person, and a commitment for 12 months that the person would be available. In today's marketplace, being able to ensure we have people in place for 12 months – and quite often in zero unemployment marketplaces – is extremely difficult to do. There are key positions I know are important, but having those standing by, especially on a protracted timeline, is something I'm not sure I can deliver – that any of us here are going to be able to deliver. It was different 5 years ago. This marketplace is different today. And I'm not sure how that translates today, because it's what do you need and I'm just saying it is becoming a reality that people aren't just waiting for a job like they were 5 years ago. I just throw that out as you start looking at key staff from your perspective. It's critical.



But from a marketplace perspective, it is a far bigger challenge for everyone to be able to secure those people.

**Answer:** We have discussed this area a little bit, and we are continuing to wrap our heads around the fact that the marketplace is a more fluid. As you mentioned, there are certain personnel and key positions that we want identified, but we also recognize that we need some flexibility on our side.

**Vendor:** And always reserving the right that you have first right of refusal – that we get someone in there until you're happy with them. I mean, you always have that right and we would ultimately want to meet that. It's a nice problem to have, and it's economy driven, but it's also becoming a problem that every vendor is starting to see affecting our ability to commit someone and we have no control. Some people leave.

**Question:** Based on the work you've done to date with combining services, is there any preference so far in terms of which ones you want to combine or are you still working through that process?

**Answer:** What we're attempting here is to provide as much flexibility as possible. We could still have different vendors. If it's the leading technology and leading opportunity, leading practice if you will, for us, then we may explore that. However, there are entities in the room today that have a broader service offering that could potentially provide the full scale of services. We want to be able to look at both. We will let the ITN ultimately drive the decisions on that and going through the ITN process will help inform the right way to go for the future.

**Question:** Can you explain the payment mechanism for the current vendor, whether it's per application, fixed fee, or some combination of the two and whether you're considering that same model for the next ITN?

**Answer:** The payment model is currently mixed. There is a fixed fee, as well as a per member per month enrollee fee, along with an application fee. The exact payment model and how we will develop it for the future is still being discussed. There are a variety of ways to structure this, as I think each of you is aware. Some states have a fixed fee for the entire term of the contract. It is the same dollar amount every year, no matter what. Others are like us, where the fees are fluid based on enrollment and the application volume. We are still exploring the exact model and our ideal but also welcome that through some of the discussions and through negotiations.

**Question:** Do you have any areas of challenge you have been facing that you are trying to address overall.? What are the challenges making you, your CFO and CEO say, "I want to deliver a better product"? What are those two to three things that say, "I truly am committed to this population and my mission"? What is it that you would love to see done differently to make you deliver a better product?

**Answer:** I'm going to answer communications to families. Communications occur, but not just through our TPA. Because we have the integrated model with our sister agencies, we are all communicating in our own fashion to the families, so one of the core objectives here is to help us develop the strategic communication plan across the board so we can seamlessly communicate to families using the mediums they are most comfortable and familiar with at the right time.

**Question:** Do you anticipate any significant changes to the SLAs that are currently in place?

**Answer:** We have brought KPMG onboard to assist us in identifying standards in the industry. We are looking at a variety of contracts through several states, and some of those will inform our proposed

service level agreements; however, the final set of SLAs is something we intend to be negotiated and finalized through the ITN process.

**Question:** You were talking about working with different agencies. Is this going to include how you're communicating effectively across those agencies? Is there anything that you're envisioning where, for example, one of your members moved between different types of service agencies, someone might come from mixed families so they're part of AHCA/Medicaid or are an adult and the children are moving through programs? Are there any thoughts on how to consolidate that communication so that if someone pulls it up, regardless of where the history originates, you will almost have a continuous view of it? So you can actually reproduce who these children are no matter where they move or what they're part of and their family. I'm looking for more of a member view that's holistic versus where it is now.

**Answer:** We're certainly not at that point today. I mentioned the Operational Efficiency and Integration Committee that has charged ground level staff from the respective agencies to review processes, as well as communications to make sure we are aligning our processes as best as possible. As you can imagine, with a complicated Medicaid and CHIP universe, that is going to take time. Where we are with this timeline, again, is that our current contract ends September 30, 2021. We would expect any vendor that comes on to keep this in mind – and that goes back to being able to adapt as we go through policy changes and the like – so we could work through these changes together. We would look to the vendor as a partner to help identify ways that might streamline some of the communication.

**Question:** Do any of your staff use the vendor's CRM, and if so, for what reasons?

**Answer:** Our staff do use the vendor's CRM. We have customer service issues are elevated from the customer service center to our staff to work through and assist families. We conduct research on disputes. A dispute resolution process is identified in our Florida Statutes which we adhere to as well. We also provide information for public records requests or general audits.

**Question:** Is there established funding for the program? Is there a budget tied to it? How do you see it growing over the term of the contract? I guess that's another question, are you looking at another 5-year term on the contract or something else?

**Answer:** There are multiple questions here. First, our enrollment is forecasted through the State Caseload Estimating Conference which is similar, if you're familiar, to the Medicaid process. The caseload is about from the time this contract would start – so 2021 or about two years out – and it is looking like an average of about 6 percent growth on an annual basis across the entire CHIP and full-pay universe. Earlier months, or shorter-term forecasts are a little more aggressive than that as approved by the state's economists. To your question about the funding, the CHIP funding bill passed last year. We are funded and have the state and federal share. Each year, we go before the Social Services Estimating Conference with the financial outlook and go through that process to ensure we have appropriate Florida funding for our program. As to the contract term, we are exploring the structure and length of the contract. Again, different states have done different things. We've seen some that have a five and five, some that have a five, three, two, and so the exact structure is something we're looking at and something we could negotiate.

**Question:** Along the same thing – getting it budgeted – I've seen where the states have put a number out there and actually said, "This is what we're budgeting." It's kind of like, "We're not going above that

number,” so they give us some sense of where they are, so they can stay within the budget unless they actually declare that’s impossible. It gives us all a kind of a high-end point. Have you ever considered putting that into the ITN? Some states do that, where they say that this is the number. You can come under it if you want, but you can’t go over it.

**Answer:** The overall funding for the program is set by state budget because we have the state and federal match. That component comes up each year. However, we have had times where our enrollment, especially recently, has grown beyond the original forecast. We go through estimating conferences three to four times a year, affording us an opportunity to update the budget and in the subsequent legislative sessions we are able to true-up the finances. Since we are on a per member per month basis across the board, whether it's a managed care organization or TPA, this process gives us flexibility and, so far, we have seen the state legislature is willing to work with us to get the appropriate funding.

Mr. Noll thanked everyone for attending and reminded them to send any subsequent questions to the email address on the last page of the slide deck, [TPAIssuingOffice@healthykids.org](mailto:TPAIssuingOffice@healthykids.org), by January 22.