



INVITATION FOR BID NUMBER AEPA IFB #009-G
MEDICAID BILLING

PART B – SPECIFICATIONS

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1. Scope of Bid

AEPA agencies are seeking proposals and bid prices leading to contracts for professional services and related software tools that will enable constituent school districts and other eligible buying agencies to conduct third-party Medicaid billing and, where applicable, the billing of private insurers.

Medicaid is a federal/state funded medical assistance program for low-income families through Title XIX of the Social Security Act. Education agencies may qualify for fees or for reimbursement of their costs of providing certain health, medical, administrative and outreach services to their eligible students.

Proposals and bid prices are solicited for one or more service providers capable of providing a complete suite of services and tools that includes:

1. Analysis & Work Flow Recommendations
2. Outreach to Eligible Students
3. Training & Education
4. On-Line Data Capture
5. On-Line Billing
6. Reporting
7. Appeals Assistance

Each bidder's response to this solicitation is required to reveal the breadth of the provider's offerings and capabilities in each of seven areas enumerated above.

For Medicaid billing, each state may have its own eligibility standards, determining the type, amount, duration, and scope of services; and setting the rate of payment for services. Each proposal must explicitly describe the contractor's ability to provide services and tools related to each state's unique standards and requirements.

2. Anticipated AEPA Member Agency Participation

| State | Participate (Yes/No/Undecided) | Estimated annual Volume | State | Participate (Yes/No/Undecided) | Estimated Annual Volume |
|--------------|---|------------------------------------|--------------|---|------------------------------------|
| California | Yes | \$5,000,000 | New Jersey | Undecided | |
| Colorado | Yes | Unknown | New Mexico | Yes | Unknown |
| Connecticut | Yes | \$15,000 | North Dakota | Yes | Unknown |
| Florida | No | N/A | Ohio | No | N/A |
| Indiana | Yes | Unknown | Oregon | Yes | Unknown |
| Iowa | No | N/A | Pennsylvania | No | N/A |
| Kansas | No | N/A | Texas | No | N/A |
| Kentucky | Yes | Unknown | Virginia | Yes | Unknown |
| Michigan | Yes | Unknown | Washington | No | N/A |
| Minnesota | Yes | Unknown | Wyoming | NO | N/A |
| Missouri | Yes | Unknown | | | |
| Montana | Yes | \$20,000 | | | |
| Nebraska | Yes | Unknown | Total | | \$5,035,000 |

Participating in the solicitation does not guarantee that an AEPA Member Agency will enter into a contract with any vendor. Each AEPA Member Agency will make that determination after reviewing AEPA recommended bids. The AEPA Member Agency's contracting decision shall be final.

Estimated first year volume for this solicitation is provided above where available. AEPA Member Agencies anticipate that purchase volume will increase in contract years 2-4. This information is provided as an aid to vendors in preparing bids only. It is not to be considered a guarantee of volume under this IFB. The successful vendor's discount and pricing schedule shall apply regardless of the volume of business under the contract.

3. Glossary of Terms

AEPA Member Agency: A state cooperative purchasing agency recognized by AEPA to represent a specified state in contracting activities associated with this solicitation.

Contracting AEPA Member Agency: An AEPA Member Agency that enters into a contract as a result of this solicitation.

Member: A public school district or other qualifying agency authorized to use the contracts of an AEPA Member Agency.

Vendor: Individual or entity providing goods and services to AEPA members based on the specifications of this solicitation.

Service Provider: Individual or entity providing goods and services to AEPA members based on the specifications of this solicitation.

Medicaid: A federal/state funded medical assistance program for low-income families

4. Special Terms & Conditions

The following are in addition to the applicable standard terms and conditions. Please review these carefully. Any exceptions to these terms and conditions shall be clearly stated in writing and included with the bid response.

4.1 General

- 4.1.1 By responding to this solicitation, the vendor agrees to and will be solely responsible for doing the research to ascertain that its solution meets or exceeds all federal, state and local regulations, rules, standards and requirements. This includes compliance with all HIPAA requirements and action to ensure the privacy of student and family data from unauthorized users.
- 4.1.2 The successful vendor must give AEPA members the benefit of all general price reductions extended to its other customers at any time during the period of this contract or any extension thereof. Written notice will be made to AEPA members in the event of a decrease in the prevailing contract price or fee and will become effective immediately.
- 4.1.3 The successful vendor must abide by all applicable federal, state, and local laws, codes, and ordinances governing any area(s) in which any service is rendered and must have all required permits, licenses, agreements, tariffs, bonding and insurance required by same. No claims for additional payment will be approved for changes required to comply with any such requirements.
- 4.1.4 If the vendor intends to utilize independent agents/distributors, subcontractors and/or third-party agents to perform and/or provide any part of the products and services offered herein, the vendor must clearly state and identify all associated costs with these providers.
- 4.1.5 Responses must clearly identify all charges and components necessary for performance of the contract even if such are not specifically addressed in any paragraph or sub-paragraph or form that is a part of this request.
- 4.1.6 Optional services must be identified separately and must include clear descriptions of proposed services.
- 4.1.7 A vendor must include a software solution(s) capable of being used for data collection, billing and reporting, and it must contain components which allow any participating member to obtain, compile, analyze, report, and submit all the various information required by federal, state and local oversight agencies in the pursuit of Medicaid dollars.
- 4.1.8 Any software required to implement the proposed solution(s) must utilize the latest desktop CPU, operating systems and networking technology. All equipment must meet or exceed all current industry standards.
- 4.1.9 The vendor must provide a technical support system that will facilitate the troubleshooting and resolution of problems and/or issues that may arise with AEPA member based Server and Workstation hardware or software, and application software components of the proposed solution(s).
- 4.1.10 Vendors must provide a product or mix of products in a manner that will allow contract participants to migrate to emerging technologies/services and between legacy technologies with no penalty charge associated with maintaining the most appropriate selections of goods and services throughout the life of the contract.

- 4.1.11 The transaction fees described in Section A, Section IV, Member Agency Specific Terms and Conditions are applicable to all services, licenses, commissions, fees and reimbursements billed to a member school district by the vendor for all its third-party billing services -- direct and indirect. The fee is not calculated on the member amount claimed or billed to Medicaid, but on the amount billed to the school district member by the vendor for all its services and products.
- 4.1.12 In making its award recommendations, evaluators will use the price proposals as criteria for 60 percent of their decision. The other 40 percent of their decision will be derived from the quality of responses to meeting specifications (Section 5.2) and describing whether the solution contains desirable features (Section 5.2).

4.2 Installation

- 4.2.1 If vendor's software solution is not a hosted solution, vendor is responsible for the coordination and installation of software tools on a member's servers or workstations in such a way that no adverse effect is taken on existing member data or applications.
- 4.2.2 If vendor's software solution is not a hosted solution, software offered must allow contract participants to migrate to emerging technologies/services and between legacy technologies with no penalty charge associated with maintaining the most appropriate selections of goods and services throughout the life of the contract.

5. Specifications

5.1 Mandatory Requirements

The following requirements are the mandatory minimum requirements that a proposal must address and that a vendor must describe in the bid response form. The proposal and solution must describe the vendor's solution to:

- 5.1.1 Analyze and make recommendations related to a school district's Medicaid-eligible populations, eligible services, work flow, billing rates, record keeping, Medicaid revenue potential, and potential for private-insurance billing.
- 5.1.2 Reach out to eligible students and families, some of whom are known and some unknown, to maximize the potential pool of constituents for whom Medicaid funds can be claimed.
- 5.1.3 Train and educate school district staff, administration and board on:
- Medicaid rules and regulations
 - Workflow procedures
 - Reporting and claiming procedures
 - Use of software tools
 - Legislative and administrative action related to the program
 - Appeals process
- 5.1.4 Use software to capture a record of service encounters, outreach and administrative tasks.
- 5.1.5 Use of software to conduct on-line billing and claims, issue reports and oversee the program.
- 5.1.6 Create reports necessary for the school district to stay compliant with federal/state rules and for the school district administration to view trends, manage services and take action to create and maintain an exemplary program.

5.1.7 Assist the school district in making appeals and under taking post-billing strategies to maximize its potential to receive every dollar to which it is entitled.

5.2 Desirable attributes, qualities and services

The following is a list of qualities and attributes that are desirable in a solution proposed by vendors. The presence and depth of such features in a proposal will contribute points toward a favorable evaluation of the proposal.

- a. Provides software that is a hosted web-based solution
- b. Obtains pre-approval for the Medicaid service billing solution and service reimbursement rates from respective state and federal governments
- c. Converts recorded service encounters into appropriate billing codes
- d. Implements administrative cost-reporting mechanisms
- e. Designs and operates staff time studies
- f. Implements unique activities to increase the number of students identified as enrolled in the Medicaid program
- g. Implements compliance reviews of internal processes and audit assistance for all local, state, and federal audits
- h. Tracks and updates student Medicaid eligibility information by exchanging Medicaid eligibility request and response files with the state, if allowed in a state
- i. Integrates software with district's legacy student database system
- j. Provides technical and customer service assistance for a full business-day in all times zones of the continental United States
- k. Provides reconciliation and adjustment activities related to incomplete or erroneous service
- l. Collects third-party insurance information
- m. Assists in resolving issues regarding claims made to private insurance carriers
- n. Maintains a history of service rate changes as they occur with the effective start and end dates for each and accounts for service rate changes as they occur
- o. Applies state-defined maximum allowed units of service per day per service code per child
- p. Flags any unbilled service encounters for further investigation
- q. Automatically generates replacement claims to handle late submission of encounters, retroactive rate changes, and the voiding of encounters billed in error
- r. Electronically submits claims to the state Medicaid agency, as opposed to producing paper claims
- s. Electronically notifies a billing clerk when any sort of processing anomaly has occurred
- t. Provides on-line code books

6. Pricing

6.1 Fee for Primary Services

Pricing for medical billing services must be stated on the bid form as a percentage formula, that is the service fee, stated as the percent of total dollar volume of successful claims made to the Medicaid Billing agency.

6.2 Other Fees for Service

Bidders must explicitly provide a schedule of fees they will charge for ancillary services or consultation. If such services are covered by the "Fee for Primary Services in Section 6.1, then the bidder must explicitly state there are no additional fees or report zero on the appropriate line of the bid form.

On the bid form, bidders must specifically address any applicable fee, charges, hourly rates, etc. they would charge for the following services.

- Analysis and Work Flow Recommendations
- Outreach to Eligible Students
- Software Customization
- Training and Education
- Software Licenses
- Software Hosting
- Appeals Representation
- Customer Service Calls
- Other

6.3 Fee Increases

Bidders may annually request an increase in their enumerated fees for service as bid, not to exceed the percent increase in the national Consumer Price Index for the previous applicable 12-month period. The percentage Fee for Primary Services may not be changed during the term of the contract.

(End of Part B)