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Bidder/Offeror: _____

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STATE OF NORTH CAROLINA REQUEST FOR PROPOSALS

RFP #201000397

TITLE: Inmate Medical Management Services - Statewide

USING AGENCY: Department of Correction

ISSUE DATE: March 31, 2010

ISSUING AGENCY: Department of Administration

Sealed Proposals subject to the conditions made a part hereof will be received until **2:00 p.m. August 2, 2010**, for furnishing services described herein.

SEND ALL PROPOSALS DIRECTLY TO THE ISSUING AGENCY ADDRESS AS SHOWN BELOW:

<u>DELIVERED BY US POSTAL SERVICE (REGULAR/STANDARD MAIL ONLY)</u>	<u>DELIVERED BY ANY OTHER MEANS/SPECIAL DELIVERY/OVERNIGHT (BY ANY OTHER CARRIER)</u>
RFP NO. _____ NC DEPARTMENT OF ADMINISTRATION DIVISION OF PURCHASE AND CONTRACT 1305 MAIL SERVICE CENTER RALEIGH NC 27699-1305	RFP NO. _____ NC DEPARTMENT OF ADMINISTRATION DIVISION OF PURCHASE AND CONTRACT 116 WEST JONES STREET Room 4062 4 th Flr. RALEIGH NC 27603-8002

*******SPECIAL NOTE – PLEASE READ*******

The US Postal Service DOES NOT deliver any mail (US Postal Express Mail, Certified, Priority, Overnight, etc.) to our physical address of 116 West Jones Street.

IMPORTANT NOTE: Indicate firm name (“Technical Proposal” or “Cost Proposal”) and RFP number on the front of each sealed proposal envelope or package, along with the date for receipt of proposals specified above.

Bids submitted via telegraph, facsimile (FAX) machine, telephone, and electronic means, including but not limited to e-mail, in response to this Request for Proposals will not be acceptable.

Direct all inquiries concerning this RFP to:

Mildred Christmas
Division of Purchase and Contract
Administration Building, 4th Floor
116 W. Jones St.
<http://www.pandc.nc.gov>
Raleigh, NC 27603
919-807-4525
919-807-4509 (FAX)
mildred.christmas@doa.nc.gov

NOTE: Questions concerning the specifications in this Request for Proposals will be received until **Wednesday, May 12, 2010 at 1:00 pm**. **ALL QUESTIONS MUST BE SUBMITTED IN WRITING, EITHER BY EMAIL OR FAX TO THE ADDRESS OR NUMBER LISTED ABOVE. NO QUESTIONS WILL BE RECEIVED BY TELEPHONE.** A summary of all questions and answers will be posted on the Internet as an addendum, located under the RFP # being modified. **It is the offeror's responsibility to assure that all addenda have been reviewed and, if need be, signed and returned.**

<http://www.pandc.nc.gov/>

Within two days after notification of award of a contract, the vendor must register in NC E-Procurement @ Your Service (<http://vendor.ncgov.com>).

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1. PROCUREMENT OVERVIEW

1.1 DEFINITIONS

ADA Claim: American Dental Association Claim Form

Billed Charges: Usual and customary billed charges by provider on a medical claim.

Centers for Medicare and Medicaid Services (CMS): Formerly known as the Health Care Financing Administration (HCFA).

Claim: Medical claim form CMS-1450 (UB-04), CMS-1500, or CDT (Dental) Claim (may include crossover and secondary adjustment claims)

Clean Claim: A claim that complies with industry standard billing and coding guidelines and requirements, has no defect or impropriety requiring investigation prior to adjudication, and includes substantiating documentation when applicable.

CMS-1450: A uniform institutional provider bill.

CMS-1500: Non-institutional provider bill.

Cost Savings: The difference between the billed amount and the NCDOC amount negotiated or provider network rate.

Customer Service Representative: Dedicated Contractor staff to provide customer services to NCDOC HSS and MCM staff, NCDOC prison facility medical staff and medical providers.

Denied Claim: A claim denied based on incomplete or invalid information.

Duplicate claim: A claim previously submitted and/or processed for an encounter with the same inmate, by the same provider on the same date(s) of service. (see **Fragmented Claim** below.)

Excluded Services: Those health services and supplies that are not subject to payment as determined by agency policies for Inmate Healthcare Standards and Medicare coverage exclusions. (*NOTE: Agency policy may allow payment for some preventive and health maintenance items which are excluded by Medicare coverage guidelines.*)

Facility ID: An alphanumeric unique identifier code for NCDOC prison facilities.

Facility: Any detention facility (state prison unit) that houses NCDOC inmates.

Fragmented Claim: Multiple claims submitted for the same encounter (same inmate, same provider and same date(s) of service) instead of submitting a single claim with multiple lines.

Healthcare Common Procedure Coding System (HCPCS): An alphanumeric procedure and modifier coding system that is used primarily to identify products, supplies, and services not included in the CPT codes.

Health Services Section (HSS): The NCDOC Health Service Section responsible for health care programs and delivery for the inmate population within the care of the Department.

Inmate Health Care Standards: Reasonable and medically necessary care for inmates in the custody of the NCDOC, defining those inmate medical conditions that require treatment and those that are not routinely authorized for payment by the NCDOC.

ICD-9: International Classification of Diseases, 9th Revision (see also ICD-9-CM in acronyms)

ICD-10: International Classification of Diseases, 10th Revision (see also ICD-10-CM in acronyms)

Medical Claims Management (MCM): The NCDOC section within the Controller's Office with the responsibility for claims processing and payment.

Medicare: A group of medical programs administered and regulated by CMS.

National Correct Coding Initiative (NCCI) Edits: Edits and mutually exclusive code edits in the Coding Policy Manual for Medicare Services.

National Provider Identifier (NPI): A unique health identification number for covered health care providers.

NCDOC Inmate Number: A unique identifier for every inmate; eight characters and/or digits assigned by NCDOC. Please note that Temporary Inmate Numbers called “T” numbers are assigned initially until fingerprints are matched and intake processing is complete to determine whether or not the inmate has been incarcerated in the past under a different number. When this occurs, a merge process takes place to reassign the inmate’s information system-wide to match all information to a single Inmate Number. Interfaces to/from TPA software and data must be in place to support this merge process and numbering scheme.) Also referred to as “OPUS” number.

North Carolina False Claims Act: An act to deter and punish persons who make false or fraudulent claims for payment by the State and to provide remedies in the form of treble damages and civil penalties when money is obtained from the State by reason of such claims.

Offender Population Unified System (OPUS): A legacy mainframe computer system used by the NCDOC to track inmate custody status, movements, inmate demographics, record health care encounters and handle all other custody aspects of offenders managed by the NCDOC.

Offeror: The terms offeror, vendor, and contractor are used interchangeably throughout the RFP and are considered one and the same.

Provider Network: Physicians, hospitals, and other health care providers who contract to provide care to the NCDOC inmate population.

Prior Authorization: Assessment of appropriateness of a proposed medical service.

Reference File: Electronic compilation of data that is created and maintained by sources other than the Vendor. These files are required for system operation or as an information resource. Examples include, HCPCS codes, ICD-9, future ICD-10 codes, CPT Codes, Drug Formularies, Medicare/Medicaid Pricing Files.

Safekeeper: A prisoner held in any county jail who: poses a serious escape risk; exhibits violently aggressive behavior that cannot be contained and warrants a higher level of supervision; needs to be protected from other inmates and the county jail facility cannot provide such protection; is a female or a person 18 years of age or younger and the county jail facility does not have adequate housing for such prisoners; is in custody at a time when a fire or other catastrophic event has caused the county jail facility to cease or curtail operations; otherwise poses an imminent danger to the staff of the county jail facility or to other prisoners in the facility; or requires medical or mental health treatment.

Senate Bill 43, Part XIV, Section 66 of 1989 Session Law: The statute that grants the NCDOC authority to use Medicare pricing.

UB-04 Claim: See medical claim form CMS-1450.

Vendor: The terms vendor, contractor, and offeror are used interchangeably throughout the RFP and are considered one and the same.

1.2 ACRONYMS

AMA: American Medical Association

CDT: Current Dental Terminology (Copyrighted by the American Dental Association)

CMS: Centers for Medicare and Medicaid Services (formerly known as Health Care Financing Administration)

CMS-1450: Institution billing form UB04

CMS-1500: A non-institution billing form for physicians and ancillary services providers

CP: Central Prison

CPI: Consumer Price Index

CPT modifiers: Those two-digit alpha or numeric codes attached to CPTs

CPT: Current Procedural Terminology (Trademark of AMA)

DME: Durable Medical Equipment

DOC: North Carolina Department of Correction

DOS: Date of Service

DRG: Diagnostic Related Groups (CMS PPS Pricing Methods)

EIN: Employer Identification Number of the provider

EOB: Explanation Of Benefits (synopsis of claim information)

HCPCS: Healthcare Common Procedure Coding System

HCPCS Modifiers: Those two-digit alpha or numeric codes attached to HCPCS

HIPAA: **Health Insurance Portability Accountability Act**

HSS: Health Service Section

ICD-9-CM: International Classification of Diseases, 9th revision – Clinical Modification

ICD-10-CM: International Classification of Diseases, 10th revision – Clinical Modification

ICD-10-PCS: International Classification of Diseases, Procedure Coding System

IMMS: Inmate Medical Management Services

LOS: Length of Stay

NCCIW: North Carolina Correctional Institution for Women

NCDOC: North Carolina Department of Correction

NCGS § 90: The North Carolina statute that governs medicine and allied occupations practicing in the state

NCGS § 148-19: The North Carolina statute that authorizes the NCDOC to provide for inmate care and custody expenses

NCGS § 162-39: The North Carolina statute granting general authority to house and treat jail inmates in state prison institutions

NDC: National Drug Code

NPI: National Provider Identifier

OPUS: Offender Population Unified System

UB-04: CMS-1450

1.3 THE PROCUREMENT PROCESS

The following is a general description of the process by which a firm will be selected to provide services.

1. Request for Proposals (RFP) is posted on the internet via the State's Interactive Purchasing System (IPS).
2. A deadline for written questions is set for **Wednesday, May 12, 2010 at 1:00 p.m.** - Eastern Standard Time. (See cover sheet of this RFP for details.)
3. Proposals in one (1) original and twelve (12) copies and **one (1) electronic copy (CD)** will be received from each offeror in two (2) separate sealed packages - Technical Proposal and the Cost Proposal. Each original shall be signed and dated by an official authorized to bind the firm. Unsigned proposals will not be considered.

NOTE: No technical information shall be contained in the cost proposal. No cost information shall be contained in the technical proposal. **If any cost information is included in the technical proposal and/or if any technical information is included in the cost proposal, the offeror's entire proposal shall be rejected.**

4. All proposals must be received by the issuing agency not later than the date and time specified on the cover sheet of this RFP.
5. At that date and time the package containing the proposals from each responding firm will be publicly opened and the name of each offeror announced publicly. A notation will also be made whether a separate sealed cost proposal has been received. Cost proposals will be placed in safekeeping until opened at a later date.
6. Technical proposals will be evaluated first.
7. Upon completion of the technical evaluation, the cost proposals of those firms whose technical proposals have been deemed acceptable will be publicly opened. The total cost offered by each firm will be tabulated and become a matter of public record. Interested parties are cautioned that these costs and their components are subject to further evaluation for completeness and correctness and therefore may not be an exact indicator of an offeror's pricing position.
8. The evaluators may request oral presentations or discussion with any or all offerors for the purpose of clarification or to amplify the materials presented in any part of the proposal. Offerors are cautioned that the evaluators are not required to request clarification; therefore, all proposals should be complete and reflect the most favorable terms available from the Offeror. **Offerors that score 800 or above on their technical proposals shall be required to present oral presentations, all others will be eliminated from further consideration.** NCDOC encourages the Offerors to bring appropriate personnel to the oral presentation. Offerors must be prepared to answer detailed administrative and technical questions during the oral presentation. Oral presentations **scoring 30 points or less will not be considered for award.** Oral presentations will be conducted at 2020 Yonkers Road, Raleigh, North Carolina or within twenty miles of this location as determined by NCDOC. Offerors will be responsible for all costs associated with the presentation.

The NCDOC reserves the option to conduct site visits. The NCDOC may visit the Contractor, subcontractor, or reference sites for clarification, discussion, or demonstrations of the services as stated in the proposal.

9. Proposals will be evaluated according to completeness, content, experience with similar projects, ability of the offeror and its staff, the offeror's plan for completing the work, and cost.

The State reserves the right to waive informalities.

Technical Proposals shall meet the minimum Technical Requirements described in the RFP to be considered.

Each Proposal will be evaluated and scored in accordance with the Evaluation Criteria included in Exhibit D.

Offerors that score 800 or above on their technical proposals shall be required to present oral presentations; all others will be eliminated from further consideration.

Oral presentations scoring 30 points or less will not be considered for award.

Financial information, statements and/or documents submitted with a proposal shall be evaluated to determine: whether the offeror has sufficient ability to perform the contract; whether the offeror is able to meet its short term obligations, debts, liabilities, payroll, and expenses; whether offeror has provided complete, reliable and accurate financial information regarding its business operation; whether the offeror is financially solvent; and whether offeror has sufficient cash flow and/or available financing from a financial institution to perform the proposed contract for 60 days without receiving payment from the State. The financial statements, evidence of financial stability and/or guarantees will also be evaluated to determine the offeror's ability to: (1) financially perform the Contract with NCDOC withholding the specified retainage amounts for designated periods of time; (2) financially perform the Contract in the event there are deductions in the offeror's monthly Administrative fee to resolve unpaid network provider claims to which NCDOC previously paid offeror for those claims; and (3) financially perform the Contract in the event there are deductions in the offeror's monthly Administrative fee to resolve billing issues, disputed claims and/or discrepancies disclosed by audits.

The evaluators will randomly select at least three of offeror's references, but the evaluators reserve the right to contact all the references listed, if information from the three references contacted warrant further inquiry. The failure of the offeror to list all similar contracts in the specified period may result in the rejection of the offeror's proposal. The evaluators may check all public sources to determine whether offeror has listed all contracts for similar work within the designated period. If the evaluators determine that references for other public contracts for similar work were not listed, the evaluators may contact the public entities to make inquiry into offeror's performance of those contracts and the information obtained may be considered in evaluating offeror's proposal.

The NCDOC reserves the option to conduct site visits. The NCDOC may visit the Contractor, subcontractor, or reference sites for clarification, discussion, or demonstrations of the services as stated in the proposal.

Award of a contract to one offeror does not mean that the other proposals lacked merit, but that, all factors considered, the selected proposal was deemed most advantageous to the State.

In addition to any other evaluation criteria identified in the State agency's solicitation document, the agency shall, for purposes of evaluating proposed or actual contract performance outside of the United States, consider the following factors to ensure that any award will be in the best interest of the State:

- Total cost to the State
- Level of quality provided by the vendor
- Process capability across multiple jurisdictions
- Protection of the State's information and intellectual property
- Availability of pertinent skills
- Ability to understand the State's business requirements and internal operational culture
- Risk factors such as the security of the State's information technology
- Relations with citizens and employees
- Contract enforcement jurisdictional issues

10. Offerors are cautioned that this is a request for offers, not a request to contract. **Notwithstanding scoring, the State reserves the unqualified right to reject any and all offers** when such rejection is deemed to be in the best interest of the State.

THE STATE RESERVES THE RIGHT TO WAIVE INFORMALITIES.

Prohibited Communications:

FROM THE ISSUANCE DATE OF THIS RFP THROUGH THE DATE THE CONTRACT IS AWARDED, EACH OFFEROR (INCLUDING ITS SUBCONTRACTORS AND/OR SUPPLIERS) IS PROHIBITED FROM HAVING ANY COMMUNICATIONS WITH ANY PERSON INSIDE OR OUTSIDE THE USING AGENCY, ISSUING AGENCY, OTHER GOVERNMENT AGENCY OFFICE, OR BODY (INCLUDING THE PURCHASER NAMED ABOVE, DEPARTMENT SECRETARY, AGENCY HEAD, MEMBERS OF THE GENERAL ASSEMBLY AND/OR GOVERNOR'S OFFICE), OR PRIVATE ENTITY, AND THE COMMUNICATION DISCUSSES THE CONTENT OF OFFEROR'S PROPOSAL OR QUALIFICATIONS, THE CONTENTS OF ANOTHER OFFEROR'S PROPOSAL, ANOTHER OFFEROR'S QUALIFICATIONS OR ABILITY TO PERFORM THE CONTRACT, AND/OR THE TRANSMITTAL OF ANY OTHER COMMUNICATION OF INFORMATION THAT HAS THE EFFECT OF DIRECTLY OR INDIRECTLY INFLUENCING THE EVALUATION OF PROPOSALS AND/OR THE AWARD OF THE CONTRACT. OFFERORS NOT IN COMPLIANCE WITH THIS PROVISION SHALL BE DISQUALIFIED FROM CONTRACT AWARD, UNLESS IT IS DETERMINED THAT THE BEST INTEREST OF THE STATE WOULD NOT BE SERVED BY THE DISQUALIFICATION. AN OFFEROR'S PROPOSAL MAY BE DISQUALIFIED IF ITS SUBCONTRACTOR AND SUPPLIER ENGAGE IN ANY OF THE FOREGOING COMMUNICATIONS DURING THE TIME THAT THE PROCUREMENT IS ACTIVE (I.E., THE ISSUANCE DATE OF THE PROCUREMENT TO THE DATE OF CONTRACT AWARD). ONLY THE DISCUSSIONS, COMMUNICATIONS OR TRANSMITTALS OF INFORMATION AUTHORIZED BY THE ISSUING AGENCY IN THIS RFP OR GENERAL INQUIRIES TO THE PURCHASER REGARDING THE STATUS OF THE CONTRACT AWARD ARE EXEMPT FROM THIS PROVISION.

1.4 INTRODUCTION

The North Carolina Department of Correction (hereinafter referred to as the NCDOC) requires the services of one (1) vendor to provide Inmate Medical Management Services (IMMS) for inmates in the custody of the NCDOC throughout the state of North Carolina. Basic services provided by the Vendor shall include a statewide integrated health care delivery system that provides cost-effective, clinically appropriate care and timely processing and payment of medical claims. These services shall include a provider network, specialty care services, and a web-based prior authorization system. The intent of this contract is for the vendor to provide as much outpatient specialty care on-site at NCDOC facilities as possible.

The vendor must work in partnership with the NCDOC and the NCDOC's agents and contractors to provide medically necessary inmate health care while continually improving quality of care, accessibility, timeliness, and cost effectiveness, as well as complying with the required NCDOC Health Services medical policies and industry health care standards. Under North Carolina State Medicaid Guidelines, if an inmate is admitted as an inpatient to a community-based hospital for a minimum of twenty-four (24) hours, the inmate may be eligible for Medicaid. The NCDOC will be responsible for ensuring Medicaid eligibility verification and communicating this information to the Vendor.

The following areas are excluded from this RFP: primary care, dialysis, on-site laboratory services, obstetrics, gynecology, general dentistry, diet, imaging (such as EKG, MRI, etc.). The management and primary medical care services conducted at Central Prison Hospital and Mental Health Facility and the North Carolina Correctional Institution for Women Healthcare Facility will remain the responsibility of the NCDOC. Additional information regarding Central Prison Hospital and the NCCIW Healthcare Facility is provided below for informational purposes.

1.5 BACKGROUND

The North Carolina Department of Correction has a core mission to:

- Protect the public
- Manage offenders in constitutional, legal and policy driven procedures
- Offer offenders opportunities to make life skill changes that will facilitate their successful transition back into the community

A critical responsibility for the NCDOC is to provide inmate health care per community treatment standards and its constitutionally mandated requirements. The NCDOC has established a system of in-house health services, both medical and mental health, that are recognized as responsive to this mandate. The legislative appropriations to build and operate new health treatment facilities reflect the history of NCDOC and its core mission of providing constitutionally mandated care to offenders. NCDOC expects any vendor service delivery to support its core mission to provide community standards and policy driven health services to offenders in its custody.

The general health care challenges within any community are echoed and magnified in the correctional environment. Costs for outside hospitals and external providers continue to skyrocket. Increased health care spending within the correctional environment is fueled by an aging offender population and unhealthy lifestyles. Managing inmate health care in a cost-effective manner that addresses the health needs of those incarcerated while ensuring that the best value is obtained for tax dollars spent is a major goal of the NCDOC.

The NCDOC provides all levels of health services at each of the 71 prison facilities across the State. Medical sections located within each of the correctional facilities throughout the State are viewed as public health stations that significantly impact the health status of the larger community. The approximate average annual population is 40,000 inmates. In fiscal year 2008 – 2009, 30,350 inmates were admitted and 29,316 exited the NCDOC Prison System.

There are four (4) skilled nursing infirmaries in the NCDOC. They are located at Central Prison in Raleigh, N.C., the North Carolina Correctional Institution for Women in Raleigh, N.C., Piedmont Correctional Institution in Salisbury, N.C. and Western Youth Correctional Institution, Morganton, N.C. Additionally, there is a 100 bed long-term care facility in Asheboro, N.C.

Central Prison Hospital and Mental Health Facility

This project was established to allow the NCDOC more in-house healthcare services in an effort to better control healthcare costs. The five-story 167,000 square foot regional medical center is a combination of a comprehensive diagnostic clinic and support service departments as well as a 120 bed inpatient medical/surgical sub-acute hospital that will operate as an enhanced infirmary. Both Central Prison inmates and region based transported inmate patients will use the services of this facility, which will include a diagnostic clinic, laboratory, radiology, dental, dialysis, pharmacy, physical therapy, emergency, pre/post op, surgical, medical records and administrative operations. The five-story 149,000 square foot 220 bed mental health facility is designed around a three-level treatment program which allows for focused treatment, based on therapeutic needs. The three levels are crisis, intensive, and residential, with each level isolated in its own housing pod consisting of cells and adjacent treatment areas.

Anticipated problems that are expected to be addressed with the new construction projects are external inmate healthcare costs, reduction in cases sent off-site, lack of availability of services within the prison facilities, antiquated healthcare treatment areas with no excess capacity and inability to meet Americans with Disabilities Act compliance.

Necessary changes in operations will affect patient transportation issues, medical equipment costs, internal Utilization Review processes, changes in staffing patterns for all disciplines (custody and healthcare) and patient flow.

Projected benefits of these efforts are decreased off-site services which are expected to reduce the exposure of inmates in the community, reduced length of stay off-site for cancer patients with our ability to do chemotherapy at the regional medical center, on-site operating room for same day surgeries and endoscopy suite to further decrease the cost of routine procedures.

This facility has a tentatively scheduled completion date of July 2011.

North Carolina Correctional Institution for Women (NCCIW) Healthcare Facility

This project was established to allow the NCDOC more in-house healthcare services in an effort to better control healthcare costs. The three-story 102,000 square foot healthcare facility will provide both infirmary and mental health programs serving both inpatient as well as outpatient needs. This facility is scheduled to be completed by May 2011.

Problems that are expected to be addressed are a fast growing female population with associated healthcare needs, lack of adequate housing for females with specific healthcare needs, externally driven inmate healthcare costs, a reduction in cases sent off-site, a lack of available services within the prison facilities, antiquated healthcare areas with no excess capacity and an inability to meet Americans with Disabilities Act compliance.

Necessary changes in operations will also affect transportation issues, medical equipment costs, internal UR processes, changes in staffing patterns for all disciplines (custody and healthcare) and patient flow.

N.C.G.S. 148-19 mandates that the NCDOC provide health services to inmates, including diagnostic services. Also, the Constitution of the United States, under the Eighth Amendment, mandates that inmates have access to quality healthcare provided by competent medical professionals at a standard of care equal to that in the community.

As required by North Carolina Session Law 2009-0575¹, the NCDOC is issuing this Request for Proposals (RFP) for a vendor to process claims for health services provided to inmates in the custody of the NCDOC, to provide medical management services to the NCDOC, and to develop and manage a specialty medical professional and facility provider network to serve the medical needs of inmates statewide.

Service sites to be included under this contract are listed in Appendix 1. Additional information about the facilities may be found at <http://www.doc.state.nc.us/>. (Under the "Divisions" heading click on "Prisons" for an alphabetized list, and to access the map, click on "Prison Directory and Map" under the "General Information" heading.)

1.6 PROPOSAL TIMELINE

All proposals for the Inmate Medical Management Services RFP will be received in accordance with the information listed by the North Carolina Department of Administration, Division of Purchase and Contract ("P&C"); however, the proposed timeline is as follows:

Activity	Responsibility	Date or Timeframe*
RFP Posted on Interactive Purchasing System	Division of Purchase & Contract (P&C)	March 31, 2010
Deadline for Written Questions	Offerors	May 12, 2010
Responses to Written Questions/RFP Addenda	NCDOC	June 15, 2010
Proposal Due Date	P & C	August 2, 2010
Evaluation of the Technical Proposals	NCDOC	August 3– October 15, 2010
Oral Presentations (if necessary)	Offerors	October 18 – 29, 2010
Recommendation to P & C to open cost proposals	NCDOC	November 17, 2010
Opening of Cost Proposals	P & C	December 8, 2010
Recommendation to P&C for Award Contract	NCDOC	December 20, 2010
Award of Contract	P & C	January 14, 2011
Implementation Plan Coordination	NCDOC & Contractor	January 14, 2011 through February 14, 2011
Service Development Period	Contractor	February 15, 2011 through February 14, 2012
Go-Live Date	Contractor	February 15, 2012

***NOTE: These dates are subject to change. After the contract Implementation Plan Coordination period, dates will not be changed unless mutually agreed upon.**

¹ 15A (SECTION 19.20(b)) The Department of Correction, in consultation with the State Health Plan, shall issue a Request for Proposals (RFP) for a contractor to process claims for medical services provided to inmates in the custody of the Department, to provide medical management services to the Department, and to develop and manage a medical professional and facility provider network to serve the medical needs of inmates. The State Health Plan shall provide the Department with any technical and consultative assistance in developing and evaluating the RFP. The Department shall issue the RFP by April 1, 2010. The Department shall not enter into any long-term contracts for claims processing or health care services before or during the pendency of the RFP process, except as may be required under subsection (a) of this section.

1.7 OBJECTIVES

1.7.1 GENERAL OBJECTIVES

This RFP contains a high-level Statement of Objectives (SOO) Section as well as detailed requirements. The NCDOC encourages offerors to propose solutions and innovative approaches to achieve those solutions that are consistent with the objectives set forth in the SOO and that meet the requirements in this solicitation.

The RFP is organized in the following broad, required categories throughout the document:

- Provider Network
- Prior Authorization
- Claims Management
- Financial Management
- Call Center Services
- Technical
- Project Management and Training
- Reporting

The key objectives of this RFP (not listed in priority order) are to:

- Supplement the NCDOC's primary care medical staff with the vendor's statewide preferred specialty provider network
- Provide more NCDOC on-site specialty clinics and reduce the need to transport inmates off-site to receive specialty medical services
- Leverage the Telemedicine Program that is currently deployed in the prison facilities (Maury Correctional Institution and Alexander Correctional Institution)
- Reduce the number of unplanned and/or preventable specialty care visits, emergency services, and hospital stays
- Replace the numerous, existing, individual contracts with hospitals, physicians, etc. with one larger vendor contract
- Reduce the overall cost of inmate medical care and be able to better predict future costs
- Standardize the reimbursement rate of inmate medical care costs across the State, regardless of where the services are received geographically or by what medical care provider
- Use the vendor's system for relevant business processes (in particular, prior authorizations, claims processing, and reporting) while still meeting State and regulatory requirements
- Improve the efficiency and effectiveness of prior authorization, medical claims management, processing and reimbursement.
- Provide more robust reporting than is presently available today

1.7.2 FINANCIAL MANAGEMENT OBJECTIVES

The NCDOC wants to receive fair prices at the time of the solicitation as well as throughout the life cycle of the service and their operations. In conjunction with evaluating the cost and schedule realism, offerors shall describe their cost and schedule models and processes in sufficient detail so that the NCDOC can understand how these models will influence future costs.

1.7.3 PROJECT MANAGEMENT OBJECTIVES

To ensure an efficient and fiscally responsible implementation, the NCDOC must fully understand the offeror's project management strategy, execution plans, and on-going status to accomplish the desired RFP's intent. The NCDOC is willing to consider using the vendor's templates, processes, and procedures whenever practical. Samples shall be provided as part of the Technical Proposal. Vendors may use additional tools and processes to manage the project, and all results and reports from those tools and processes shall be made available to the NCDOC.

Offerors shall describe how they perform planning and how they control execution via the use of cost, schedule, performance (scope and quality), staffing, risk, and issue metrics and reporting, as well as the methods they use to ensure the quality of these data. The NCDOC will expect near-real-time access to all of this information electronically.

It is the NCDOC's desire to use the turnkey approach (as opposed to a phased implementation) to implement the services statewide on February 15, 2012 or a day that is mutually agreed upon by both the successful vendor and the NCDOC.

1.7.4 TECHNICAL OBJECTIVES

- Architecture
While not mandating any particular architectural solution, the NCDOC advocates that the principles described in the North Carolina Statewide Technical Architecture (STA) describe characteristics associated with high-quality software systems. Offerors shall propose systems that align with these principles and practices as much as is technically and fiscally reasonable. The NCDOC encourages web-based solutions that are designed using either a 3/N-tier or Service-Oriented Architecture (SOA) approach. Offerors shall identify any elements of their designs that appropriately would not meet these constraints and explain why this is so.
- Rules Engine
One of the key architectural aspects of the system will be managing business rules, edits, and other similar control information. The ability to change this information rapidly and cost-effectively provides the opportunity to respond to legislation and programmatic direction while preventing claims being paid using out-of-date rules. Offerors shall propose solutions that externalize the management of these rules as much as practical, such as using a business rules engine. Additionally, offerors shall propose methods to allow the analysis of changes to these rules without changing the production system and shall describe how changes will be tested thoroughly prior to their implementation in the production system.
- System Interfaces
The NCDOC is responsible for providing medical care throughout an inmate's period of incarceration. Offenders are continuously added and removed from NCDOC control. As a result, the vendor's proposed system must include a bidirectional interface with the NCDOC proprietary offender data system, known as the Offender Population Unified System (OPUS). Details of the required interfaces are provided in the requirements section.
- Security
The process must ensure that an adequate level of security is built into the system and supported by secure processes that will ensure compliance with all applicable Federal and State regulations. Breaches of security that compromise these data are unacceptable. Additionally, to the greatest extent practical, the proposed systems shall use a single sign-on for users, including those users who are not State employees (e.g., providers, etc.).
- User Interface, Navigation, and Workflow
User interface design is important because the more intuitive the user interface is, the easier it is to navigate the system, train people, and reduce support costs. Workflow management, a predetermined, standardized set of automated workflow procedures used to pass information, documents, or tasks from one person or system component to another person or system component, is included in the user interface and navigation section.
- Testing
The vendor shall plan and execute complete and coherent testing and quality assurance programs. These efforts shall include process controls, defect removal, and a full range of testing activities from unit testing through system and parallel testing. This program should emphasize the removal of defects at the earliest practical stage as well as continual improvement. An Integrated Test Facility is required.

The State shall be responsible for the planning and direction of the NCDOC portion of the User Acceptance Test (UAT) with the support of the vendor. This test will occur after the completion of the vendor's system testing and will include functional testing and operational readiness testing. Other vendors providing services to the NCDOC may also participate to a limited degree, based on availability. Software and system updates will be limited during this test to those required to successfully complete the testing; however, the vendor will be asked to make at least one (1) change to the system during this test to evaluate the change management process and its impact on operations. Users manuals and training will be evaluated as part of the UAT.
- System/Software Maintenance and Modifications
Vendor shall maintain the system so it meets the requirements specified in the Request for Proposals (RFP). The system shall be modified when the NCDOC and/or vendor determine that an additional requirement must be met or when there is a modification to an existing requirement.
- System Availability
The system shall be accessible and available to authorized users in compliance with the contract.

2. SERVICE OVERVIEW

2.1 OPERATIONS MANAGEMENT OVERVIEW

The vendor shall be responsible for the delivery and support of all operational services in the most efficient and effective manner. Since actions taken by the vendor reflect directly upon the State of North Carolina, it is imperative that the vendor uphold the highest standards of performance, integrity, customer service, and fiscal accountability. Offerors shall describe their approach to operations management and how it will succeed.

The vendor shall acquire and maintain the required staff needed to perform their duties. This includes hiring key professional staff required to successfully manage all components of the service requirements. Where specific professionals are identified in the requirements (e.g., Medical Director), these reflect the minimum requirements. If additional staffing capacity is needed in any business area, it is the vendor's responsibility to acquire this capacity. Additionally, the vendor shall be responsible for all training and education required to ensure qualified and competent staff. This includes any continuing education and training requirements needed to address future changes.

Offerors shall describe their planned organization, key personnel, along with the key roles and responsibilities. To facilitate communication and coordination, the NCDOC expects a significant amount of collaboration, down to the team lead level, within the vendor's organization. This collaboration should allow for rapid response to issues and changing needs while maintaining sufficient quality control over operations. To maintain broad-based, strategic communications with the NCDOC, offerors shall propose a plan for operations management reviews, including their frequency and general content.

The offerors shall describe the methods and metrics to be used for evaluating performance as well as the method for communicating this information to the NCDOC. The NCDOC requires methods that provide "dashboard"-like reporting capabilities and trend analyses with online access for management staff. The vendor shall give the NCDOC near-real-time access to performance metrics and internal performance measurements. The vendor shall also provide the NCDOC with significant visibility into ongoing operations.

2.2 PROVIDER NETWORK OVERVIEW

The vendor shall provide a managed, stable, high-quality network or networks of individual, group, and hospital health care providers to provide medical services when it is deemed appropriate and approved by NCDOC Health Services. The network or networks shall be sufficient in number, mix, and geographic distribution to meet the needs of all NCDOC inmate facilities.

2.3 PRIOR AUTHORIZATION OVERVIEW

The vendor shall provide all NCDOC facilities with bidirectional web portal access for prior authorization requests. The requests will be submitted to the vendor for adjudication in accordance with NCDOC Medical Policies and Procedures. The prior authorizations will be sorted by medical necessity and will be processed by the vendor as approved, denied, or in-process. The authorization results will be communicated back to the initiator via the same web portal. Selected NCDOC staff shall have full rights and the ability to adjudicate any prior authorization requests.

It is the intent of the NCDOC that all prior authorization requests be processed fully within the vendor's system. It should be noted that durable medical equipment and non-formulary pharmacy items will be treated as "pass-through" items. These items are provided by the NCDOC; therefore, approval authority for these items should be made by NCDOC staff using the vendor's service.

2.4 CLAIMS MANAGEMENT OVERVIEW

NCDOC seeks a consolidated claims processing solution which will result in improved customer service, maximized efficiencies and reduced operational costs to the NCDOC. The vendor shall implement procedures that maximize claims processing efficiencies. The vendor shall receive and process all claims in a variety of media including paper, electronic and Web Portal. The vendor's claims processing solution shall support online, real-time adjudication and inquiry of claims. Under North Carolina State Medicaid Guidelines, if an inmate is admitted as an inpatient to a community-based hospital for a minimum of twenty-four (24) hours, the inmate may be eligible for Medicaid. The NCDOC will be responsible for ensuring Medicaid eligibility verification and communicating this information to the vendor. The vendor shall be responsible for rejecting inpatient hospitalization claims for Medicaid-eligible inmates and notifying providers to submit their claims directly to North Carolina Medicaid.

2.5 FINANCIAL MANAGEMENT OVERVIEW

Vendor will maintain all fiscal records in accordance with generally accepted accounting principles (GAAP). The vendor shall maintain accurate control of payments, perform internal audits, and process provider payments, refund checks, adjustments and recoupments.

NCDOC and its duly authorized representatives shall have access to such fiscal records and other books, documents, papers, plans, and writings of the vendor that are pertinent to this contract to perform examinations and audits and make excerpts and transcripts. Vendor will retain and keep accessible all such fiscal records, books, documents, papers, plans, and writings for a minimum of five (5) years, or such longer period as may be required by applicable law. Fiscal records shall include, but are not limited to, all records necessary to verify the amount paid for any and all claims.

2.6 CALL CENTER OVERVIEW

The vendor shall provide Call Center Services to include, but not be limited to, claim and prior authorization status and inquiry. The Call Center shall provide live support in addition to automated voice response services. Incoming calls to the Call Center will be from multiple locations and could be received simultaneously.

2.7 TECHNICAL OVERVIEW

NCDOC seeks a sound technical solution that satisfies all of the requirements within the RFP while complying with applicable Federal and/or State legal requirements. The technical section has been broken down into smaller, logical components for ease of organization - architecture, security, and system usage.

2.8 PROJECT MANAGEMENT AND TRAINING OVERVIEW

Vendor shall align their project management approach with the project's inherent complexity so the desired results can be achieved. Project management controls should be proposed that are consistent with minimizing the project's risks and inefficiencies which would negatively impact the RFP's objectives. Management of scope, time, and risk are critical to effectively achieving the expected outcomes of cost, schedule, deliverables, and quality.

The vendor shall provide a cohesive and responsive training program to ensure that users can be efficient and effective while using the services and/or system. The NCDOC is looking for innovative and proven methods of training that best meet the requirements.

2.9 REPORTING OVERVIEW

Vendor shall provide robust report functionality that includes such items as automatic generation of standardized reports, flexibility in customizing reports, capability to sort by various options, ad-hoc reports, and the capability to download data and reports through secured Internet access.

2.10 SUBCONTRACTORS

The Vendor may use subcontractors, but the subcontractor(s) shall be under the same contractual and legal obligations as the vendor (e.g., HIPAA, Executive Order 24 (gifts to state employees), etc.) in performing the scope of work that was subcontracted. The Vendor shall identify to NCDOC, in its proposal, all subcontractors (i.e., name, contact information and the scope(s) of work subcontracted), as well as after contract award if vendor desires to add or change subcontractors.

3. VENDOR REQUIREMENTS/SCOPE OF WORK

Within this section, words such as “include,” “includes,” “including,” “e.g.,” or “for example” are deemed to be followed by the phrase “without limitation.”

3.1 GENERAL REQUIREMENTS

3.1.1 REGULATORY COMPLIANCE

Vendor shall ensure that their service is in compliance with all applicable regulations, statutes, and policies concerning the protection of personally identifiable information and/or financial information. Regulations, statutes and policies include, without limitation:

- 42 U.S.C. § 1320(d) (Public Health, Approval of Special Projects)
- 42 CFR Parts 2, 51, 431 (Confidentiality of Mental Health and Substance Abuse information)
- 42 CFR Parts 430-502 (Applicable to Medicare/Medicaid)
- 42 U.S.C. § 1396d(a) [1905(a) of the Social Security Act]
- 45 CFR Parts 160, 164 (Health Insurance Portability and Accountability Act)
- Title VI of the Civil Rights Act of 1964, 42 U.S.C. §§ 2000d, *et. seq.*
- Financial Accounting Standards Board GAAP
- N.C.G.S. §§ 75-60, *et seq.* (Identity Theft Protection Act)
- 10A NCAC Chapters 21 & 22, Medical Assistance
- 10A NCAC 26B (Confidentiality Rules For Mental Health, Developmental Disabilities And Substance Abuse Services)
- NC OSCIO. 2004. Application Security Policy with Guidelines, Statewide Information Technology Policy.
- NC OSCIO. 2005. NC State Technical Architecture, Security Domain
- NC OSCIO. 2005. NC State Technical Architecture, Enterprise Management Domain
- NC OSCIO. 2008. NC Statewide Information Security Manual.
- NCDOC. 2009. Information Security Manual
- State Privacy and Security Policies
- Federal Section 508(<http://www.section508.gov>)
- North Carolina False Claims Act, Session Law 2009-554
- N.C.G.S. §§ 58-3-171 Uniform Claim Form
- NCAC 12.1501 Uniform Claim Form

3.1.2 BUSINESS ASSOCIATE AGREEMENT

Vendor shall provide a Business Associate Agreement with NCDOC to ensure compliance with industry standards. This agreement shall be mutually agreed upon by NCDOC and the successful vendor.

3.1.3 SOFTWARE LICENSES

Vendor shall identify and supply all software licenses that will be incorporated into any part of the vendor's system or equipment that will be furnished to the NCDoc. The vendor shall provide a copy of all such proposed software license agreements that will fully reflect all terms and conditions relative to the use of such software upon installation at NCDoc. The vendor's cost proposal shall include the cost of such licenses, and its maintenance proposal shall include any costs of renewing or maintaining these licenses.

3.1.4 OPERATIONAL PERFORMANCE EVALUATION/MEETINGS

3.1.4.1 Vendor shall attend and participate in meetings as deemed necessary by the NCDoc, including but not limited to quarterly quality management meetings to reinforce operational relationships, report results, and identify and resolve issues of concern. The vendor's designated representative for this contract shall also attend and participate in regularly scheduled joint problem solving and program development meetings which may result from any reports and/or action plans presented.

3.1.4.2 A comprehensive evaluation of the vendor will be performed by NCDoc or its designee annually, at a minimum.

3.1.4.3 As part of the evaluation meetings, vendor shall describe their efforts in reducing medical costs to NCDoc as well as future initiatives/strategies.

3.1.5 SUBCONTRACTORS

The vendor may use subcontractors, but the subcontractor(s) shall be under the same contractual and legal obligations as the vendor (e.g., HIPAA, Executive Order 24 (gifts to state employees), etc.) in performing the scope of work that was subcontracted. The vendor shall identify to NCDoc, in its proposal, all subcontractors (i.e., name, contact information and the scope(s) of work subcontracted), as well as after contract award, if vendor desires to add or change subcontractors.

3.2 PROVIDER NETWORK REQUIREMENTS

3.2.1 REQUIREMENTS

3.2.1.1 The Vendor shall establish a provider network across North Carolina for the delivery of inmate health care **for all custody levels** outside of the NCDoc primary care physician scope such as, but not limited to: consults, specialty care services, and inpatient and outpatient facility services. These services shall be provided by network providers on-site at NCDoc facilities in a clinical setting or at the network providers' facilities. The vendor's network shall be accredited by national standards, and employ North Carolina board certified medical staff throughout the life of the contract. When the vendor's network and the accrediting body have differing standards for the same activity, the higher standard shall apply. (Refer to Appendix 2)

3.2.1.2 Network inadequacy is defined as any failure to provide health care services within the vendor's network. One of the measures for network inadequacy will be any authorization requests for services outside of the network. The vendor will submit a corrective action plan for instances of network inadequacies within five (5) days. The vendor will respond to any inquiries raised by NCDoc concerning any aspect of network inadequacies within five (5) business days of receipt. **In any instance of a network inadequacy, the vendor shall become responsible for securing the medical care out of the network. These out-of-network events will not result in an increased reimbursement rate.**

3.2.1.3 The vendor shall adjust the provider network and services as necessary to compensate for changes made by the NCDoc due to facility capacities, acuity levels, and custody levels. These changes may occur frequently over the life of the contract. NCDoc shall keep the vendor informed in a timely manner regarding new prison facilities in North Carolina and any other significant movement of inmates that may alter the requirements of the Provider Network. The vendor is required to modify/expand the Provider Network to meet these changes prior to the opening of a new facility.

3.2.1.4 The vendor shall have an active provider education program for all providers in the network. This program will be designed to enhance the providers' awareness of NCDoc Health Services policies and procedures regarding inmate health care.

3.2.1.5 The vendor shall inform network providers through network agreements that they agree to being reported to the NCDoc Health Services as a network provider rendering medical services to NCDoc inmates. The agreement will give NCDoc the right to directly contact the provider and request that they provide care to NCDoc inmates on a case by case basis. The vendor shall require network providers who accept NCDoc inmates, to serve as a participating provider and accept assignment with the NCDoc.

- 3.2.1.6 Any inmate's medical information/record generated for any medical service provided by any provider in the network shall be provided to the NCDOC at the NCDOC's request. Any referral request by the network provider for additional medical services must be referred to the NCDOC primary care physician for review. If deemed appropriate the NCDOC primary care physician shall request prior authorization for the additional referral.
- 3.2.1.7 The vendor shall ensure that NCDOC inmates have no liability for amounts billed for reimbursement of medical services by the network and non-network providers. Network providers shall accept benefit assignment and accept payment at the contracted rate as payment in full. Network providers shall be advised that the NCDOC reserves the right to deny any charges, fees or bills for services not preapproved and/or not directly related to the actual treatment of the inmates (e.g., unless preapproved, NCDOC may not reimburse network providers for peer review, file reviews by non-treating medical personnel, quality control/assurance, loss/risk mitigation review, legal reviews, multiple billings by multiple physicians, nurses, technicians for the same consult, unless preapproved or in the event of a medical emergency, etc.). It is the intent of this RFP that all incidental charges, fees and expenses relating to a network providers quality control and loss/risk mitigation shall be included in the medical rate to be used in submitting claims.
- 3.2.1.8 The vendor shall establish and maintain an accurate, up-to-date, online, regional list of network providers including their specialty, sub-specialty, work address, work fax number, work telephone number, and proximity to the requesting location. The vendor shall provide easy access to this list, updating it bi-weekly with any changes.
- 3.2.1.9 The vendor shall maintain documentation which verifies that personnel who are required to be licensed or certified possess current licenses and/certifications throughout the life of the contract. The vendor shall provide such documentation to the NCDOC, when requested.

3.2.2 DEVELOPMENT

- 3.2.2.1 The offeror shall describe its approach to network development in order to provide a stable, high-quality network which supplements services provided by the NCDOC. The description shall include how the network sizing model will support NCDOC across North Carolina, including how the number and specialty of providers in each Region will be determined; how the sizing supports NCDOC inmates health care needs and capacity to ensure that NCDOC primary care providers have ready access to specialty care providers. Vendor will demonstrate how it will determine the number of specialty care providers and medical facilities is appropriate considering the growing inmate population across North Carolina.
- 3.2.2.2 The offeror shall describe how it will develop the network to ensure that access standards (in terms of specialty availability, appointment wait time, office wait time and availability of inpatient and outpatient facilities) are achieved across the provider network at the start of health care delivery and continuously maintained thereafter. The vendor shall provide its methods of measuring and monitoring that will occur to ensure that all access standards are being met.
- 3.2.2.3 The offeror shall describe its methodology to identify, monitor, report, and correct instances of network inadequacy. The vendor shall document how it will meet, track, and report performance inadequacies of the provider network.
- 3.2.2.4 The Offeror shall describe how it will adjust provider networks and services to compensate for changes in inmate population and custody levels, including short notice changes and how this will be coordinated with NCDOC Health Services. This description shall include how NCDOC inmates will continue to receive quality health care during any provider network adjustments.

3.2.3 MANAGEMENT

- 3.2.3.1 The offeror shall describe its medical management network for health care received by NCDOC inmates. The vendor shall describe how it will ensure that care provided is medically necessary, appropriate and complies with NCDOC Health Services policies and guidelines.
- 3.2.3.2 The offeror shall describe its provider network of professional staff and how it will establish and maintain experienced and qualified medical personnel in order to meet the requirements of this contract. The vendor shall describe the structure of the provider network specific to inpatient and outpatient hospital facilities denoting any specialty care centers at the hospital.
- 3.2.3.3 The vendor shall ensure that all network providers and their support staff gain sufficient understanding of NCDOC requirements, policies and procedures to allow them to carry out the requirements of this contract in an efficient and effective manner which promotes quality affordable health care for NCDOC inmates. The vendor shall have the responsibility for delivering necessary information to network providers across North Carolina. The method of delivery shall be at the discretion of the vendor.
- 3.2.3.4 The vendor shall collaborate with the NCDOC Chief of Health Services and designated Health Services representatives to ensure and coordinate the most efficient mix of health care delivery between the NCDOC primary care physician and the vendor's network.

- 3.2.3.5 The offeror shall describe how it will operate its Quality/Management Control Program which results in demonstrable quality improvement of health care provided to NCDOC inmates. The vendor shall describe its continuous quality improvement plan including its planned quality improvement initiatives and patient safety initiatives. The vendor shall describe how it will develop and implement policies and procedures to identify potential quality issues, resolve identified problems, and provide ongoing monitoring of the care and treatment of NCDOC inmates.
- 3.2.3.6 The offeror shall describe how they will ensure the provider network services are fully operational and available at the go-live date.

3.2.4 SERVICE DELIVERY

3.2.4.1 Access to Services

The vendor shall comply with NCDOC requirements and make available and accessible, facilities, service locations, service sites and Specialty Providers sufficient to provide all medical services to inmates in all areas of North Carolina in a manner that promotes continuity of care, with the exception of primary care, dialysis, on-site laboratory services, obstetrics, gynecology, general dentistry, diet, imaging (such as EKG, MRI, etc.)

3.2.4.2 Geographic Access

3.2.4.2.1

The vendor shall establish and maintain provider contract agreements to ensure reasonable proximity of participating providers to inmates so as to prevent unreasonable barriers to access, and promote continuity of care. Any geographic issues that would prevent this coverage must be reported immediately to NCDOC Health Services along with a corrective action plan. The vendor shall actively solicit the establishment of sufficient numbers of contracts to support NCDOC's efforts to ensure public security, a safe environment for provision of Covered Services, and to promote secure provider facilities.

3.2.4.2.2

Contractor must ensure hospital services and/or specialty medical care is available at the closest location to the correctional facility and whenever possible within 30 minutes or 30 miles travel. Exceptions to the standard may be granted if the contractor documents that no other hospital/specialty medical care is accessible within the 30 minutes or 30 miles travel time, and NCDOC grants pre-approval in writing.

3.2.4.3 24 hour Availability of Services

The vendor shall support NCDOC's effort to ensure that inmates have a point of access to facility services on a 24-hour per day basis.

3.2.4.4 The vendor and NCDOC shall make their best efforts to ensure that the following minimum standards are met:

3.2.4.4.1 Routine appointments for specialty care shall not exceed four (4) weeks.

3.2.4.4.2 Urgent appointments shall not exceed 48 hours.

3.2.4.5 Coordination and Continuity of Care

The vendor shall have policies and procedures to ensure timely coordination of the provision of Covered Services to inmates to promote and assure service accessibility, attention to individual needs, continuity of care, and fiscal and professional accountability.

The vendor shall have an effective case management system. This system must include procedures and a Provider Network to address inmates with special health care needs who may require services from multiple providers.

3.2.4.6 Vendor Staffing in North Carolina

Vendor shall provide two (2) concurrent review nurses and one (1) Account Manager that is North Carolina based pursuant to vendor's proposal. Vendor agrees to base the nurses at locations as mutually agreed by the successful vendor and NCDOC.

3.2.4.7 Review

At least quarterly, but at any time necessary as determined by NCDOC, NCDOC shall evaluate vendor's performance relative to the requirements outlined in this service delivery section. If NCDOC determines that a service delivery problem exists that negatively impacts the provision of Covered Services to inmates, NCDOC will require a corrective action plan and may seek other remedial actions.

The vendor shall maintain documentation that verifies personnel who are required to be licensed or certified throughout the life of the contract possess current licenses and/certifications. The vendor shall provide such documentation to the NCDOD, when requested.

3.2.5 TERMINATION OF NETWORK

3.2.5.1 The vendor shall maintain its network of providers until the date the contract expires, the date after the last extension expires, or for up to 120 days following any early termination/cancellation of the contract for any reason.

3.2.5.2 Continuation of Network

The vendor shall continue up to 120 days following any termination of the contract (by default or for convenience), cancellation of the contract (for any reason including lack of funding), vendor's bankruptcy and/or any other premature end of vendor's contract regardless of which party to the contract may be at fault for the end of the contract. The vendor's agreements with its network providers shall include the following provisions:

3.2.5.2.1

The network providers shall continue to provide medical services at the reimbursement rates set by the vendor's contract with NCDOD for up to 120 days following the early termination/cancellation of vendor's contract with NCDOD.

3.2.5.2.2

In the event of the early termination/cancellation of vendor's contract with NCDOD, the network providers shall submit requests for preapproval, claims and/or billings to vendor for up to 120 days, unless directed to submit such requests for preapproval, claims and/or billings to NCDOD.

3.2.5.2.3

In the event of the early termination/cancellation of vendor's contract with NCDOD, vendor may continue to process payments of network provider claims or NCDOD may assume the responsibility of processing and paying network provider claims. If NCDOD assumes the responsibility of processing and paying network provider claims, then it shall pay with network provider claims within 45 days and such payments shall be subject to availability of funds (i.e., payments may be later than 45 days, in which case NCDOD will provide the network provider with notice of the delay).

3.2.5.3 Compensation

3.2.5.3.1

Vendor Compensation-If vendor was not in default at the time of the early termination or cancellation of the contract, vendor has not filed for bankruptcy, and NCDOD has available funds, vendor may receive reduced monthly administrative fees to continue to administer the network, but vendor shall obtain NCDOD's prior approval as the administrative services of the vendor and/or its subcontractors that are necessary to maintain and administer the network for up to 120 days following the termination/cancellation of the contract.

If vendor has been declared in default of the contract or has filed for bankruptcy, then NCDOD will assume administration of the network and pay the network providers directly for up to 120 days and will pay any of vendor's subcontractors for any licensing fees and/or service fees to maintain any electronic services needed to administer the network, maintain any databases and/or web portals.

3.2.5.3.2

Network Provider Compensation-The network providers shall continue to be compensated at the rates set in the contract for up to 120 days following the early termination or cancellation of the contract. Unless vendor continues to provide limited administrative services during this 120-day period, the network providers shall submit all claims to the NCDOD personnel designated in any notice to the network providers advising them of the early termination/cancellation of vendor's contract. Payments to the network providers will be within 45 days of NCDOD's receipt of proper invoices, but shall also be subject to the availability of funds which may delay payment.

3.3 PRIOR AUTHORIZATION REQUIREMENTS

3.3.1 Vendor shall provide a secure prior authorization component that will be accessible to all NCDOD facilities through a Web Portal. (Refer to Appendix 3)

3.3.2 Vendor shall provide a bidirectional interface that will allow communication between all NCDOD facilities and the vendor.

3.3.3 Vendor shall only require the NCDOD user to enter the inmate's OPUS number. The vendor shall automatically populate other demographic fields (name, DOB, gender, race, weight, etc.) using the data supplied through the Demographic Data Interface.

- 3.3.4 Prior authorization must be capable of incorporating additional approval criteria as dictated by NCDOC.
- 3.3.5 Vendor shall provide a means to receive and adjudicate prior authorization requests and adjustments using but not limited to NCDOC medical policies and procedures in addition to Evidence Based Criteria.
- 3.3.6 Vendor shall use qualified medical personnel as appropriate based on the type of request needed for review of all prior authorizations that do not meet the criteria for automatic authorization.
- 3.3.7 Vendor shall provide secure electronic submissions of prior authorizations between NCDOC and the vendor.
- 3.3.8 Vendor shall provide receipt and response of prior authorization and referral requests and adjustments at industry standards.
- 3.3.9 Vendor shall receive and manage prior authorization, override, and referral requests via telephone, mail, and fax in addition to standard web based submissions.
- 3.3.10 Vendor shall create and maintain electronic copies of all prior authorizations, overrides, and referral requests.
- 3.3.11 Vendor shall electronically link supporting documentation to prior authorization, override, and referrals.
- 3.3.12 Vendor shall ensure that evidenced-based criteria are met for specialty care services in the areas of medical, dental, and mental health.
- 3.3.13 Vendor shall provide entry, inquiry, updates, and reporting for prior authorizations, and referrals.
- 3.3.14 Vendor shall provide online, real-time update and adjudication of prior authorization requests by NCDOC.
- 3.3.15 Vendor shall accept and process frequent and regular requests from NCDOC for prior authorization data and return required information for all authorizations granted since last successful request. Interface must be real or near-real time and available during all production hours.
- 3.3.16 Vendor shall provide a secure online entry of NCDOC overrides and referrals.
- 3.3.17 Vendor shall provide for the entry of comments (free-form text) within a prior authorization, referral, or override.
- 3.3.18 Vendor shall provide tracking of prior authorization date of receipt, date of decision, denial/reduction in service reason, and decision notification date.
- 3.3.19 Vendor shall generate prior authorization statistical processing reports detailing submissions that indicates the date and time file received, date and time processed, number of transactions received, number of transactions processed, number of transactions updated, and number of transaction errors, listing each error transaction and error reason.
- 3.3.20 Vendor shall ensure each keyed prior authorization, referral, and override by vendor or NCDOC, has a complete audit trail.
- 3.3.21 Vendor shall retain prior authorizations for inmates for five (5) years from last occurrence online and an additional five (5) years near-line.
- 3.3.22 Vendor shall retain overrides and referrals for each inmate for five (5) years from last occurrence online and an additional five (5) years near-line.
- 3.3.23 Vendor shall assign system-generated unique prior authorization, referral, and override numbers to approved, pending, and denied requests.
- 3.3.24 Vendor shall generate notification for approved, denied, reduced, or pending prior authorization requests.
- 3.3.25 Vendor shall provide automatic review of prior authorization and referral requests for providers who are determined to be on suspension or under restriction.
- 3.3.26 Vendor shall provide a mechanism to request prior authorization inmate history by name and/or inmate ID number.
- 3.3.27 Vendor shall receive and determine resolution (e.g. authorization, denial, or pending) of prior authorization and override requests, including retroactive requests based on NCDOC-approved medical criteria and medical judgment. In disputed requests NCDOC shall remain the final arbiter.

- 3.3.28 Vendor shall notify the NCDOD monthly when it takes more than one (1) business day from receipt to process and render a decision on a non-emergency prior authorization and override request that does not require additional research or additional information.
- 3.3.29 Vendor shall notify the NCDOD monthly when it takes more than one (1) business day from receipt of all required information to process and render a decision on a non-emergency prior authorization and override request that required additional information or research.
- 3.3.30 Vendor shall notify the NCDOD when it takes more than five (5) business days to process and/or render a decision on a prior authorization request for retrospective days.
- 3.3.31 Vendor shall evaluate and determine prior authorization adjudication for:
- Admissions
 - Consults
 - Dental - Endodontics and Oral Surgery
 - Orthotics
 - Outpatient
 - Procedures
- 3.3.32 Vendor shall set up all transplants for an automatic review by the NCDOD Medical Director or NCDOD designee.
- 3.3.33 The following medical services or items will be excluded from vendor's prior authorization responsibility:
- Lab Services
 - Dialysis
 - Obstetrics
 - Gynecology
- 3.3.34 Vendor shall provide capability for requests for non-formulary pharmacy items to be entered in the prior authorization component. Process will include current initial NCDOD evaluation criteria and allow supporting documentation in a free form text area. Process will allow NCDOD to approve, deny, or return requests for additional information.
- 3.3.35 The Vendor shall implement and maintain a unified work queue process to optimize the efficiency of the prior authorization process, including but not limited to, alerts to notify stakeholders of status changes and required interactions, direct access to pending and completed prior authorization requests, business rules for prioritization and allocation of responsibility, and work item monitoring and reassignment.
- 3.3.36 Vendor shall ensure verification of inmate eligibility.
- 3.3.37 Vendor shall provide NCDOD with a methodology for determining an acceptable rate of accuracy when rendering prior authorization decisions.
- 3.3.38 Vendor shall respond to a requesting provider within one (1) hour for a telephone request for an emergency override.
- 3.3.39 Vendor shall update the prior authorization record(s) to reflect the services paid on the claim, including units, amount paid, and the number of services still remaining to be used.
- 3.3.40 Vendor shall provide capability for requests for durable medical equipment items to be entered in the prior authorization component. Process will include current initial NCDOD evaluation criteria and allow supporting documentation in a free form text area. These will be "pass-through" prior authorizations and will allow NCDOD staff to directly approve, deny or return requests for additional information.

3.4 CLAIMS MANAGEMENT REQUIREMENTS

3.4.1 CLAIMS PROCESSING

- 3.4.1.1 Vendor shall maintain an online, real-time automated claims processing system that effectively adjudicates all claims and determines appropriate reimbursement per the terms in the awarded contract. Vendor shall describe how the processing system will be implemented in relation to the Provider Network and prior authorization sections. Processing system shall support automated and manual claims processing and check-writing. Processing of claims shall be in accordance with Medicare standards and generally accepted healthcare industry practices.
- 3.4.1.2 Vendor shall be able to receive and process all claims in a variety of media including paper, electronic and Web Portal. Offeror shall describe process for accepting and processing these claims in accordance with all relevant standards and regulations.

- 3.4.1.2.1 - For community-hospital inpatient services only, the vendor is responsible for verifying inmate Medicaid eligibility against the information provided by NCDOC. If it is a Medicaid-eligible claim, the vendor shall reject the claim and issue an EOB instructing the provider to submit the claim to North Carolina Medicaid.
- 3.4.1.2.2 - For all non-inpatient service claims for Medicaid-eligible inmates, the vendor shall pay the claims in accordance with the standard contract terms.
- 3.4.1.3 The Vendor shall assign a unique number for each claim, adjustment, and financial transaction that contains date of receipt, batch number and sequence of document within the batch, upon receipt of each claim and adjustment.
- 3.4.1.4 The unique claim number shall identify each claim and provide the ability to reference the actual date of receipt of the claim by the Vendor.
- 3.4.1.5 Vendor shall track all claims, adjustments, and financial transactions from receipt to final disposition.
- 3.4.1.6 Vendor shall adjudicate a new-day claim to the fullest extent possible in order to identify all errors and omissions.
- 3.4.1.7 Vendor shall detect duplicate, unbundled, upcoded, and fragmented claims and take appropriate corrective action. Vendor shall address claims in a broad range of services: surgical, surgical assistance, medical (e.g., office care) and diagnostic services (e.g., X-Ray, lab)
- 3.4.1.8 Vendor shall apply Medicare standards and generally accepted health care industry practices to identify and deny payment for claims with cosmetic procedures, duplicate charges, experimental procedures, incidental procedures, inclusive care, invalid CPT/modifier combinations, invalid codes, mutually exclusive procedures, obsolete codes, unlisted procedures, unbundling and all other non-covered reimbursement drivers.
- 3.4.1.9 Vendor shall provide and enable editing to prevent duplicate entry of claims.
- 3.4.1.10 Vendor shall edit claim detail identifying all error codes for claims that fail daily edit processing at initial processing of the claim to minimize the need for multiple re-submissions of claims.
- 3.4.1.11 Vendor shall perform CLIA editing based on the provider CLIA number and the CLIA number for the service.
- 3.4.1.12 Vendor shall perform diagnosis editing by line item.
- 3.4.1.13 Vendor shall provide individual paper and electronic claim overrides on edits.
- 3.4.1.14 Vendor shall maintain edit disposition to deny claims for services with an inactive NCDOC Inmate Identification Number (OPUS number).
- 3.4.1.15 Vendor shall apply appropriate edits to any claim detail that is processed independent of the original claim.
- 3.4.1.16 Vendor shall edit for prior authorization and ensure an active prior authorization number is on file.
- 3.4.1.17 Vendor shall maintain edit disposition to deny claims that do not have a valid prior authorization.
- 3.4.1.18 Vendor shall edit for NCDOC Inmate Identification Number (OPUS number) and ensure number is active.
- 3.4.1.19 Vendor shall provide front-end claim adjustment, or crossover denials when required attachments are not present.
- 3.4.1.20 Vendor shall return to submitters an acknowledgement of all electronic submissions and claim status within twenty-four (24) hours of original receipt.
- 3.4.1.21 Vendor shall identify all claim details and link these details to the original claim, including claim detail lines that have been processed independent of the original claim.
- 3.4.1.22 Vendor shall generate and submit Explanation of Benefit statements to providers electronically or via paper.
- 3.4.1.23 Vendor shall provide notification of appeal rights to providers.
- 3.4.1.24 Vendor shall have a multi-tiered provider appeals process and describe such in their proposal.
- 3.4.1.25 Vendor shall link free-form notes from all review outcomes and directions to the claim.
- 3.4.1.26 Vendor shall create a financial transaction to correct overpayments, link to original transaction, and apply to offset future payments.
- 3.4.1.27 Vendor shall process all provider-initiated adjustments within forty-five (45) calendar days of receipt; however, if the claim requires a review by the NCDOC, the forty-five (45) calendar days shall suspend until the claim is returned to the Vendor.

- 3.4.1.28 Vendor shall make payments in compliance with State regulations. The Vendor shall pay any penalties, interest, and/or court cost and attorney fees arising from any claim made by a provider against the vendor or the NCDOC/State where the vendor's actions resulted in a claim payment that was late.
- 3.4.1.29 Vendor shall contact the providers for any missing or incomplete information.
- 3.4.1.30 Offeror shall describe the process of communicating with providers.
- 3.4.1.31 Vendor shall assign adjustment internal control numbers that can link to the original claim or previous adjustment.
- 3.4.1.32 Vendor shall adjudicate claims in accordance with the National Correct Coding Initiative Coding Policy Manual for Medicare Services.
- 3.4.1.33 Vendor shall adjudicate claims in accordance with the Resource-Based Relative Value Scale.
- 3.4.1.34 Vendor shall adjudicate 95% of all claims, including appeals, within thirty (30) calendar days from the date of receipt of such claims; however, if the claim or appeal requires a review by the NCDOC, the thirty (30) calendar days shall suspend until the appeal is returned to the vendor.
- 3.4.1.35 Vendor shall fully describe all procedures, systems, and software that they use to detect and prevent fraud, abuse and waste.
- 3.4.1.36 The vendor shall be responsible for rejecting claims for community hospital inpatient services for Medicaid-eligible inmates and notifying providers to submit their claims directly to North Carolina Medicaid.
- 3.4.1.37 The Vendor shall notify providers of all claims where the inmates were retroactively identified as Medicaid eligible. The vendor shall require the providers to submit these claims directly to North Carolina Medicaid. The vendor is required to refund NCDOC for all payments previously paid for these claims.

3.4.2 DATA MANAGEMENT

- 3.4.2.1 Vendor shall maintain mechanized images of all community hospital inpatient claims, attachments, adjustment requests, and other claims-related documents and shall link these documents to the associated unique claim number. Vendor shall ensure that the quality of scanned documents is readable.
- 3.4.2.2 Vendor shall provide online access to claim information to both NCDOC and members of the provider network.
- 3.4.2.3 Vendor shall maintain a complete history of all claims and audit trail.
- 3.4.2.4 Vendor shall maintain a minimum five-year (5-year) history of all claims to support duplicate checking and utilization review.
- 3.4.2.5 Vendor shall report monthly to NCDOC, any erroneous payments, irrespective of cause, and identify appropriate remediation action taken.
- 3.4.2.6 Vendor shall sort, log, and batch adjustment requests and supporting documentation.

3.4.3 AUDIT

- 3.4.3.1 The NCDOC shall contract annually with a qualified independent auditing firm to audit claims and supporting documents to ensure that claims were paid accurately according to the terms of the contract. The auditing firm will provide the results to NCDOC.
- 3.4.3.2 Vendor shall maintain a formalized process for self-auditing which examines claim denials, automatic recoupments, suspended for review, or specific pricing. Vendor shall submit the results of audit findings quarterly.
- 3.4.3.3 The vendor shall submit a written action plan to correct all deficiencies as reported in audits (internal and external), including a time frame for completion of the action plan. The vendor shall submit the action plan to NCDOC no later than thirty (30) calendar days after receipt of the audit results.
- 3.4.3.4 Vendor shall monitor provider claims and protect the NCDOC from fraud and abuse by notifying the NCDOC of all providers suspected of fraudulent and abusive billing practices.

3.4.3.5 Vendor shall provide metrics used for evaluating CMS-1500, UB-04 (CMS-1450) and CDT claims accuracy at the end of each State fiscal year. At a minimum the following measures/categories shall be provided:

- Financial accuracy
- Overall accuracy
- Payment incidence accuracy
- Procedural accuracy
- Coding accuracy

3.4.3.6 The vendor is required to have an annual claims payment error rate of no more than 3%. The claims payment error rate will be determined by an independent third party auditor under contract by NCDoc. The claims payment error rate will be based on the examination of a statistical sample with a 95% confidence level (+/- 3% precision rate) and calculated by taking the total dollar value of claim overpayments plus claim underpayments resulting from errors or omissions divided by the total dollar paid in the claims sample. An "error" is defined as the overpayment or underpayment of a claims transaction including an incorrect payee, a duplicate payment, etc. that occurs through the fault of the vendor.

3.4.3.7 Vendor shall comply with all requests from the NCDoc and the State Auditor.

3.4.3.8 Vendor shall make the following information available within one (1) business day. Information shall include, but not be limited to:

- Scanned copies of claims
- Claims adjudication history
- Prior authorization requests
- Supporting documentation
- Related correspondence
- Adjustments and appeals
- Suspense resolution
- Medical review
- Payment processing
- Financial processing

3.4.3.9 Vendor shall suspend claims for review, as required by the NCDoc.

3.4.3.10 Vendor shall manually review claims for specific services as defined by NCDoc.

3.4.3.11 Vendor shall refer denied claims to the NCDoc for review when special circumstances require override designation.

3.4.3.12 Vendor shall override claim denials and adjustments in special instances as directed by NCDoc.

3.5 FINANCIAL MANAGEMENT REQUIREMENTS

3.5.1 CHECK WRITES AND FUND TRANSFERS

3.5.1.1 Vendor shall transfer to NCDoc a daily interface file of claims approved for payment to support the check write activity. Claim detail for recoupments and refunds shall be included in daily interface file as credits to reduce amount of funds transferred. File shall include at a minimum the following:

- NCDoc Inmate Identifier Number (OPUS)
- Unique Transaction ID
- Unique Claim Number
- National Provider Identifier
- Provider Federal Tax ID Number
- Provider Name
- Dates of Service
- Diagnosis related Group (DRG) or Procedure Codes
- Primary Diagnosis Code
- Amount to be Paid
- Prior Authorization Number
- Facility Assignment (RCC)
- Place of Service
- Claim Type

3.5.1.2 As funds are available, NCDoc will release claims and transfer funds to the vendor.

3.5.2 REGULATORY COMPLIANCE

- 3.5.2.1 Vendor shall provide timely notification of reporting on providers as required by the State False Claims Act.
- 3.5.2.2 Vendor shall comply with all IRS and North Carolina Department of Revenue (DOR) regulations. Vendor shall be responsible for maintaining all required IRS documentation and requirements regarding providers, including any required withholdings and 1099 reporting. Offeror shall describe compliance with IRS and DOR regulations for past five (5) years, including any fines or penalties imposed.

3.5.3 DATA AVAILABILITY/REPORTS

- 3.5.3.1 Vendor shall ensure that all reporting cross-checks and balances to other reports using the same data.
- 3.5.3.2 Vendor shall ensure that all financial reports and files meet NCDOC cutoff dates and can be balanced with underlying transactions for the applicable accounting period.
- 3.5.3.3 Vendor shall provide detail and summary of paid claims.
- 3.5.3.4 Vendor shall provide online access to check voucher information by provider number or check voucher number and/or issue date.
- 3.5.3.5 Vendor shall index images of checks and all written correspondence from or to the provider for audit purposes throughout the life of the contract.
- 3.5.3.6 Vendor shall ensure that all financial reports can be linked to the basic financial activity recorded in Provider History.
- 3.5.3.7 Vendor shall generate weekly, monthly, quarterly and annual EOB financial reports in accordance with NCDOC approved specifications and as required by NCDOC.

3.5.4 AUDIT/EVALUATION

- 3.5.4.1 Vendor shall provide assistance to the NCDOC, or any reviewing entity identified by the NCDOC, with resources, data, and reports in the audit of Vendor performance, compliance, and system reviews.
- 3.5.4.2 Vendor shall contract with an independent qualified audit firm approved by NCDOC to perform a Statement on Auditing Standards (SAS) 70 audit of vendor services and produce a SAS 70 Type 2 Report. The audit and report shall include the operations of vendor's local site as well as any other sites used by the vendor for processing or related activities. Specific requirements of the SAS 70 Type 2 Report are identified in Appendix 6 of this RFP.
- 3.5.4.3 Vendor shall allow NCDOC and its duly authorized representatives to audit claims and other records relating to this contract at any time. NCDOC will have the right to audit any billings or examine any records maintained related to the contract, both before and after payment.
- 3.5.4.4 Vendor shall provide the NCDOC with a copy of their annual financial audit within thirty (30) days of completion.
- 3.5.4.5 Vendor shall allow a performance audit. Vendor shall allow NCDOC or duly authorized agents or representatives access to the contractor's/subcontractors' premises during normal business hours to inspect, audit, monitor, or otherwise evaluate the performance of the contractor's or subcontractor's activities and shall produce all records requested as part of such review or audit.

3.6 CALL CENTER REQUIREMENTS

- 3.6.1 Vendor shall provide Call Center Services from 7:00 A.M. to 11:00 P.M. Monday through Friday, and from 7:00 A.M. to 6:00 P.M. Saturday and Sunday Eastern Standard Time. This must be a toll-free telephone number.
- 3.6.2 Vendor shall provide a 24-hour automated voice response services via a toll-free telephone number to include but not be limited to:
 - Eligibility inquiries
 - Prior authorization verifications
 - Claim Status
- 3.6.3 Vendor shall provide 24-hour secure web access services to include but not be limited to:
 - Eligibility inquiries
 - Prior Authorization verifications
 - Claim Status

- 3.6.4 Vendor shall provide call center services so that ninety (90) percent of all phone calls are answered within ninety (90) seconds.
- 3.6.5 Vendor shall provide Call Center Services so that less than one (1) percent of all phone calls are abandoned or dropped.
- 3.6.6 Vendor shall provide on-call technical support via a toll free number for the Technical Help Desk during all hours of system availability.
- 3.6.7 NCDoc will maintain a separate fraud line/email address wherein network providers and NCDoc personnel may report potential incidents of fraud, abuse, inappropriate preapprovals, unnecessary performance of medical services, inappropriate billing, over-billing, or such other activity or conduct that may warrant further investigation and/or audit of the performance of the contract.

3.7 TECHNICAL REQUIREMENTS

3.7.1 ARCHITECTURE REQUIREMENTS

3.7.1.1 General Architecture

3.7.1.1.1

Vendor shall describe how their architecture aligns with the principles and practices in the North Carolina Statewide Technical Architecture (STA) as much as is technically and fiscally reasonable. The NCDoc encourages Web-based solutions that are designed using either a 3/N-tier or Service-Oriented Architecture (SOA) approach. Vendor shall identify any elements of their design that appropriately would not meet these constraints and explain why this is so. The North Carolina Statewide Technical Architecture is located at the following website: (<http://www.ncsta.gov/>).

3.7.1.1.2

The vendor shall provide a diagram (or diagrams) with corresponding narrative that describes the proposed technical solution, including scalability and overall architectural approach.

3.7.1.1.3

Vendor shall describe how their proposed system architecture is:

- Adaptable
- Available
- Extensible
- Interoperable
- Manageable
- Redundant
- Resilient
- Scalable
- Securable

3.7.1.1.4

The vendor must provide a comprehensive testing strategy that is compliant with the NC Statewide Technical Architecture's application domain (reference: <http://www.ncsta.gov/docs/Principles%20Practices%20Standards/Application.pdf>) or equivalent industry standard. The State requires that load test (manual, automated, or a combination) be performed prior to user acceptance testing to ensure that for the vendor solution, the projected number of end-users will be able to operate with acceptable performance as defined in this RFP. The vendor's test plan shall demonstrate complete functionality of all agreed upon specifications and requirements before an implementation date will be approved.

3.7.1.1.5

Vendor shall provide a proposed solution that will perform efficiently on NCDoc desktop office tools consistent with the current State standards and versions (i.e., no more than [1] major release behind the current supported levels). The State standards for desktops are located at:

http://www.scio.state.nc.us/documents/docs_ITVolumePurchasing/Standard_Configurations_for_PC's.pdf

3.7.1.1.6

Vendor shall provide the capability for the client user interface to be decoupled (a clear physical separation) from the business rules layer and limited to presentation of data, capturing of input, and control of application flow.

3.7.1.1.7

The vendor's system shall be web based with server(s) located at the Vendor's site(s.)

3.7.1.1.8

NCDOC anticipates the acquisition of an electronic medical records system within a three (3) year period after the implementation of the inmate medical management services. NCDOC shall purchase the electronic medical records system separately from this contract. Vendor shall describe how their proposed system can support an electronic medical records system and identify all electronic medical systems that they currently support.

3.7.1.2 Rules Engine

3.7.1.2.1

Vendor shall configure and maintain all business rules in the rules engine throughout the life of the contract. The vendor's approach to the rules engine shall take into consideration that business rules tend to be dynamic in nature and should be able to be modified easily to support the changing business operating environment.

3.7.1.2.2

Vendor shall provide the ability to register, classify, inquire, manage, and automate date-specific business rules in a graphical, user-friendly rules engine.

3.7.1.2.3

Vendor shall establish and maintain a process that will, at a minimum, provide for:

- A built-in rule review and approval process that will identify any conflicts in business rules as they are being developed.
- A debugging capability to automatically analyze and identify logical errors (i.e., conflict, redundancy, and incompleteness) across the business rules.
- Rules to be tested against production data prior to installation.
- The identification of business rule changes to prior approval and claims adjudication.
- Business rules are changed independent of process.
- Integration with a workflow management process.

3.7.1.2.4

Vendor shall maintain business rule documentation that includes, at a minimum:

- All business rules.
- A historical tracking of business rule changes via the change management process.

Note: The vendor shall be able to produce this documentation within 24 hours of the request.

3.7.1.2.5

Vendor shall provide a report on the usage of business rules.

3.7.1.2.6

Vendor shall perform business rule changes at the discretion of the NCDOC in a mutually agreed-upon time frame that best supports the changing business environment.

3.7.1.3 System Interfaces

3.7.1.3.1

The NCDOC is responsible for providing medical care throughout an inmate's period of incarceration. Offenders are continuously added and removed from NCDOC control. As a result, the vendor's proposed system must include a bidirectional interface with the NCDOC proprietary offender data system, known as the Offender Population Unified System (OPUS). The OPUS System is a DB2 relational database that houses the full spectrum of offender data, such as custody, control, program, health, and banking data. The Vendor's system must share data with the OPUS System on a near real-time, continuous basis and in accordance with all federal and state requirements. However, the vendor shall not have direct access to the NCDOC OPUS System and databases. Each of these interfaces is described in more detail below:

3.7.1.3.1.a. Demographic Information:

The proposed application must be able to accept and process a continuous feed of inmate demographic information from OPUS to ensure that patient eligibility and demographics are current and accurate. Vendor must describe their proposed solution to process demographic information including exchange of information with NCDOC mainframe. Vendor shall also provide a provision for overriding eligibility dates at the direction of NCDOC.

Demographic information must include at a minimum the following:

- NCDOC Inmate Identifier Number (OPUS number)
- Prior NCDOC ID Number (for merging inmate data)
- Event Type (Admission, Release, Change, Movement)
- Event Timestamp
- Last Name
- First Name
- Middle Initial
- Suffix
- Date of Birth
- Gender
- Race
- Weight
- Height
- Admission Date
- Current Location – Facility
- Previous Location – Facility
- Medicaid Recipient ID Number
- Medicaid Eligibility Begin Date
- Medicaid Eligibility End Date

3.7.1.3.1.b. Record Merging:

Under NCDOC policy, an inmate is not assigned a permanent identifier until his/her identity has been fully established. Therefore, inmates are assigned temporary identification numbers until their identification can be fully verified. Once their identification is verified, they are then given a permanent identification number. For first time offenders this is a new, unique number. For repeat offenders, they are re-assigned their established identification number. Occasionally, an offender may be inadvertently given two permanent identification numbers as the result of multiple incarcerations. In all of these cases the two records must be merged into a single record. The vendor's proposed system must be capable of automatically processing merge requests. A merge request shall result in all prior authorizations and claim records for a particular inmate identification number being assigned and coordinated with the new (or existing) identification number. The proposed system must also include some provision for decoupling records that were incorrectly merged. It is understood that decoupling is an infrequent occurrence that may require manual intervention.

3.7.1.3.1.c. Claims Payment Information:

Offeror must describe their proposed solution for transmitting and receiving claims payment information to the NCDOC on a daily basis.

The information originating from the vendor must include at a minimum the following:

- Unique Transaction ID
- NCDOC Inmate Identifier Number (OPUS number)
- Unique Claim Number
- National Provider Identifier
- Provider Federal Tax ID Number
- Provider Name
- Dates of Service
- Diagnosis Related Group (DRG) or Procedure Codes
- Primary Diagnosis Code
- Amount to be Paid
- Prior Authorization Number
- Facility of Assignment
- Place of Service
- Claim Type

Vendor must be able to receive individual claim payment information including transaction ID and the amount paid.

3.7.1.3.1.d. Prior Authorization Information:

Offeror must describe their proposed solution for sharing prior authorization information with the NCDOC and/or their partners. Information must be available in real-time upon request. Solution must be capable of retrieving and filtering prior authorization information using the following parameters:

- NCDOC Inmate Identifier Number (OPUS number)
- Date Range
- Type of Request (e.g. Non-Formulary Drug, Procedure, Consult)
- Status of request

Response data must, at a minimum, include the following:

- NCDOC Inmate Identification Number (OPUS number)
- Prior Authorization Number (if applicable)
- Date/Time of initial Prior Authorization Request
- Code for Procedure/Item Requested (CPT, HCPCS, NDC)
- Description of requested Procedure/Item Requested
- Status (Approved, Denied, In-Process)
- Requesting Physician's Name/ID Number
- Caveats/Comments

3.7.1.3.2

In proposal response, offeror must provide electronic data transmission procedures and file formats.

3.7.1.3.3

Vendor shall coordinate with NCDOC Management Information System (MIS) staff for the activities required for interfacing with the Offender Population Unified System (OPUS) database.

3.7.1.3.4

In coordination with the NCDOC MIS, the vendor will develop an Eligibility Verification Interface (EVI) that will accept and process a continuous feed of inmate demographic information from OPUS to ensure that patient eligibility and demographics are current and accurate in near real time.

3.7.1.3.5

The vendor shall maintain Medicaid eligibility history that will allow for multiple eligibility periods for each inmate.

3.7.1.3.6

The vendor product must be capable of locally storing eligibility information in order to permit the continuation of claim processing/prior authorization in the event of interface disruption. Once communication is re-established, the vendor EVI must be able to auto-resume processing without loss of information.

3.7.1.3.7

In addition to processing the automatic eligibility updates, vendor EVI shall also be capable of handling user requests to obtain latest demographic information by initiating inquiries to OPUS using NCDOC Inmate Identifier Number, Full Name and DOB or Partial Name and DOB.

3.7.1.3.8

Vendor EVI shall also be capable of processing merge requests that shall result in all prior authorization and claim records for a particular inmate identification number being assigned and coordinated with another new or existing identification number.

3.7.1.3.9

Vendor shall develop a formalized plan to de-couple records that were incorrectly merged and to ensure that all data is preserved and accurately re-assigned and be prepared to execute this plan within 1 business day of NCDOC notification.

3.7.1.3.10

In coordination with NCDOC MIS, vendor shall develop a formalized plan to log all EVI record transactions and notify NCDOC of any rejections or processing errors on a daily basis. Vendor will assist NCDOC with efforts to resolve processing errors.

3.7.1.3.11

In coordination with the NCDOC MIS, the vendor shall develop a prior authorization Interface (PAI) that will accept and process requests from NCDOC and/or its business partners for prior authorization information. Requests to this interface will include NC DOC Inmate Identifier Number, Date Range and Type of Request.

3.7.1.3.12

Vendor PAI must return prior authorization information in real-time and include, at a minimum, the following elements: NCDoc Inmate Identification Number, Authorization Reference Number (if applicable), Date/Time of initial prior authorization Request, Code for Procedure/Item Requested (CPT, HCPCS, NDC), Description of requested Procedure/Item Requested, Status (Approved, Denied, In-Process), Requesting Physician's Name/ID Number, and Caveats/Comments.

3.7.1.3.13

In coordination with the NCDoc MIS, the vendor shall develop a Claims Paid Interface or Secure FTP batch process that will transmit data on all claims paid each day.

3.7.1.3.14

In coordination with NCDoc MIS, vendor shall develop a formalized plan to log all PAI record transactions and notify NCDoc of any rejections or processing errors on a daily basis. Vendor will assist NCDoc with efforts to resolve processing errors.

3.7.2 SECURITY REQUIREMENTS

3.7.2.1 General Security Requirements

3.7.2.1.1

Vendor shall develop an enterprise security approach for the vendor's offices and operations, including policies, procedures, and standards for data protection, network/server protection, logical access control, physical security, awareness training, and a cross-walk comparison with State ITS and NCDoc policies and standards.

Note: Those vendors wishing a copy of the NCDoc handout shall e-mail the State Procurement Specialist noted on Page Two of this RFP. The e-mail shall include the vendor's company name, address and point of contact. This information is not available on the Internet. The State security manual is located at: http://www.scio.nc.gov/SITPoliciesAndStandards/Statewide_Information_Security_Manual.asp

3.7.2.1.2

Vendor shall be required to test backup and recovery plans annually through simulated disasters and lower-level failures and provide awareness training on recovery plans to vendor employees and appropriate NCDoc staff. Vendor shall establish Recovery Time Objectives (RTOs) and Recovery Point Objectives (RPOs) in consultation with and approved by the NCDoc.

3.7.2.1.3

Vendor shall assess and document the security threats and vulnerabilities for the proposed IMMS solution and shall implement the recommended controls and countermeasures to eliminate or reduce the associated risks.

3.7.2.1.4

Vendor shall develop, implement, and test a security incident response approach for responding to and reporting about service interruptions that do not lead to disaster recovery initiation, including a central means of collection and mitigation strategies. Incident documentation will be shared with NCDoc officials as determined to be reasonable and appropriate.

3.7.2.1.5

Vendor shall provide to the NCDoc any internal/external assessment/audit reports related to the IMMS solution. Furthermore, the vendor agrees to use due diligence to comply with the aforementioned assessment/audit recommendations.

3.7.2.1.6

Vendor shall comply with any applicable federal and/or state legal requirements for any data that is considered Protected Health Information (PHI).

3.7.2.2 Data Protection Assurance Requirements

3.7.2.2.1

Vendor shall use commercial best practices to safeguard and protect physical data and media, documents, files, tapes, disks, diskettes, and other materials received from the State or the agency from loss, destruction, or erasure during performance of any contractual obligation.

3.7.2.2.2

Vendor shall store backup system data and files separately from the production server storage.

3.7.2.2.3

Vendor shall protect all information, including information relating to program beneficiaries and providers, that is obtained through its performance under the Contract as confidential information and shall not use any information so obtained in any manner except provided for herein.

3.7.2.2.4

Vendor shall provide audit evidence that all of its employees and third party contractors or subcontractors are subject to a non-disclosure and confidentiality agreement enforceable in North Carolina

3.7.2.2.5

Vendor shall require criminal background checks for all employees, contractors, and subcontractors with direct access to data owned by the NCDOC. The results of the vendor background checks will be made available to the NCDOC upon request.

3.7.2.3 Facility Access Requirements

3.7.2.3.1

Vendor shall perform all vendor functions at NCDOC-approved facilities and sites, including the vendor's data center and any subcontractor locations unless otherwise contractually agreed on. These facilities and sites must comply with appropriate State and Federal privacy and physical safeguards.

3.7.2.3.2

Vendor shall perform all operations, system maintenance, and modifications or other work under this contract at prior-approved locations.

3.7.2.3.3

Vendor shall implement controls to restrict access to data processing facilities and secured storage areas only to authorized individuals.

3.7.2.3.4

Vendor shall record and supervise visitor and unauthorized user access to the vendor's local site as well as any other sites used by the vendor for IMMS processing or related activities.

3.7.2.3.5

Vendor shall safeguard processor site(s) through provision of uninterruptible power supply, power conditioning, internal environmental controls, fire retardant capabilities, and smoke and electrical detectors and alarms monitored by security personnel.

3.7.2.4 User Access Authentication and Authorization

3.7.2.4.1

Vendor shall provide all authorized users (employees, contractors, providers, other government workers) of the proposed IMMS solution with access to appropriate business areas, databases, files, reports, archives, etc. through a common, consistent interface that restricts access based on authentication and authorization to appropriate data derived from role-based security.

3.7.2.4.2

Vendor shall implement a managed workflow process for user account provisioning to eliminate the use of paper documents, ensure timely response to requests, and retain profiles for each user containing identification, authorization, group memberships, and functional permissions derived from role-based security.

3.7.2.5 System Software Controls

3.7.2.5.1

Vendor shall control and monitor global access to systems and files such that no single individual will be able to affect system operations in isolation.

3.7.2.5.2

Vendor shall monitor application platforms with industry standard technology and tools (hardware and software) and respond immediately to developing problems.

3.7.2.5.3

Vendor shall implement network perimeter security monitoring to include, without limitation, industry standard technology and tools, including monitoring of wireless communication.

3.7.2.5.4

Vendor shall retain copies of all server operating system and configuration software, system utilities and tools, network device configuration settings, and software license agreements in a location remote from the production server location, updating the copies as the operating environment changes.

3.7.2.6 Logging and Reporting

3.7.2.6.1

To the extent possible, vendor shall identify and document all network activity events involved with the operations of the proposed IMMS solution

3.7.2.6.2

Vendor shall produce an alert notification for the Incident Management function for follow-up and review of every event that precipitates a security incident.

3.7.2.6.3

Vendor shall respond to each network and personally observed incident with a mitigation plan that follows standard data collecting, evidence preservation practices, and organizational escalation procedures.

3.7.2.7 Records Retention

Vendor shall archive information, including, without limitation, data files, images, transactions, master files, system and source program libraries, and other appropriate records, and store the information physically or logically separate from production information in compliance with State Record Retention Policy.

3.7.2.8 Audit Trail

3.7.2.8.1

Vendor product shall track through audit trail, data with date/time stamps:

- All access, activity, and system identifier of users or persons making adds, changes, or deletes.
- All activity that causes any additions, changes, deletions.
- All transactions that result in a claim being entered into the system, including EDI transactions, a prior authorization being entered into the system, a financial result (incoming and outgoing financial transactions and system-generated financial transactions), adding, changing, or deleting inmate or provider data, adding, changing or deleting reference or code data, financial activity, and reference file changes.
- Provides online access to audit trail for all NCDOC-authorized individuals.

3.7.2.8.2

Vendor product shall maintain an automated audit trail of all update transactions, both batch and online, including date and time of change, before and after data field contents, and operator identifier or source of the update.

3.7.2.8.3

Vendor product shall create audit trail data that can be accessed online in a user-friendly, indexed, searchable format that has the capability to reflect the complete history of the transaction.

3.7.2.8.4

Vendor shall maintain five (5) years of historical inmate information online and five (5) years near-line, including history of changes to name, date of birth, OPUS number, and inmate address.

3.7.3 SYSTEM USAGE REQUIREMENTS

3.7.3.1 User Interface, Navigation, and Workflow Requirements

3.7.3.1.1

Vendor shall employ industry standards and best practices for graphical user interface design and navigation consistently and predictably throughout the system.

3.7.3.1.2

Vendor shall standardize all screens, windows, and reports, including:

- Format and content of all screens
- All headings and footers

3.7.3.1.3

Vendor shall consistently display all references to dates (MM/DD/YYYY), time, and zip code (9 digits) throughout the system.

3.7.3.1.4

Vendor shall consistently use all data labels and definitions throughout the system and they should be clearly defined in user manuals and data element dictionaries.

3.7.3.1.5

Vendor shall ensure that all generated messages are clear, user-friendly, and sufficiently descriptive to provide enough information to correct the problem.

3.7.3.1.6

Vendor shall have all screens display the generating program identification name and/or number. The display shall be consistent from screen to screen.

3.7.3.1.7

Vendor shall describe their proposed automated workflow and its rationale, including if NCDOC can change/modify the workflow by changing the configuration without any programming changes.

3.7.3.1.8

Vendor shall be responsible for workflow management throughout the life of the contract. Vendor shall initiate and coordinate all workflow processes, including those having responsibilities assigned to the NCDOC and external organizations. Consistent with the technical requirements, the NCDOC requires automated online management and reporting of those workflows where practical and appropriate.

3.7.3.1.9

Vendor shall have a graphical interface to support the development and maintenance of the business processes.

3.7.3.1.10

Vendor shall provide the capability to produce work management reports to include, without limitation, performance measures online by business process and compare them to actual performance.

3.7.3.2 Web Portal

3.7.3.2.1

Vendor shall provide access to all relevant business processes via a secure Web Portal to NCDOC staff and providers.

3.7.3.2.2

Web Portal shall adhere to the NCDOC requirements for user interface, navigation, and security.

3.7.3.2.3

Web Portal shall be browser independent, support browsers and versions with broad usage (minimum of 500,000 users nationally), and be consistent with NCDOC usage.

3.7.3.2.4

Web Portal shall post announcements or alerts that are displayed at user sign-on.

3.7.3.2.5

Vendor shall maintain archives of posted announcements and non-provider specific alerts, including the date and message.

3.7.3.2.6

Web Portal shall include links to Computer Based Training (CBT) course presentations.

3.7.3.2.7

Vendor product shall create, organize by topic, and post Frequently Asked Questions (FAQs) and responses online.

3.7.3.2.8

Vendor shall populate user/security profile related data for Web Portal access prior to implementation.

3.7.3.2.9

Throughout the life of the contract, vendor shall maintain the user and security profiles at the direction of NCDOC. All additions and revocations shall be processed within 24 hours of notification.

3.7.3.3 Online Help

3.7.3.3.1

Online help shall be easily invocable from within the context of the application and non-disruptive to workflow process. Help screens shall be easily navigable across the entire set of information and easily searchable across a user-designated scope. Topics shall be written in standard English and avoid non-standard terminology whenever possible. It is desirable that individual topics and topic clusters be printable easily.

3.7.3.3.2

Online help shall provide assistance for all features, functions and data element fields. It shall also provide descriptions and resolutions for error messages.

3.7.3.4 Search and Query

3.7.3.4.1

Vendor product shall allow all records to be selectable and searchable by record elements, as specified.

3.7.3.4.2

Vendor product shall allow users to query and search information based on user-defined criteria or by data elements as specified.

3.7.3.4.3

Vendor shall provide access to inmate data using any combination of name or partial name, date of birth, gender, NCDoc facility name, NCDoc facility number, and OPUS number.

3.7.3.4.4

Vendor shall provide access using any OPUS number or previously assigned OPUS number without other qualifiers.

3.7.3.4.5

Vendor shall provide access to eligibility verification inquiry to inquire for dates of service within the preceding five (5) years.

3.7.3.4.6

Vendor shall provide name and partial-name search through use of a proven phonetic/mnemonic algorithm, such as Soundex or a NCDoc-approved alternative.

3.7.3.5 Integrated Test Facility Requirements

3.7.3.5.1

Vendor shall provide an Integrated Test Facility (ITF) throughout the life of the contract. At a minimum, the ITF shall operate independently from production, either physically or logically separated, so that performance within the production environment is not adversely affected.

3.7.3.5.2

Vendor shall, at a minimum:

- Synchronize and maintain the ITF environment so it is a mirror image of the production system environment. All changes shall be tested in the ITF before being put into production.
- Provide NCDoc with access to the ITF environment, including all test system files, as required.
- Provide the capability of performing assessments without affecting production and/or table data.
- Coordinate with NCDoc for testing as required.
- Assist NCDoc in navigating through the ITF so NCDoc can complete its testing.
- Execute testing, test cycles, and related activities to support NCDoc testing.
- Support all ITF functions, files, and data elements necessary to meet the RFP requirements.
- Vendor shall create test, process, and review claims in a duplicate region (test environment) to assure that NCDoc-requested changes to the system, adjudicate as anticipated and make changes or receive authorization according to contractual agreements.
- Create test, process, and review claims in the ITF to assure that NCDoc requested changes to the system adjudicate as anticipated. All changes made shall receive authorization according to contractual agreements.

3.7.3.5.3

Vendor shall provide applicable documentation and successful test data for NCDoc approval within thirty (30) State business days prior to implementation.

3.7.3.6 System Availability

3.7.3.6.1

Vendor shall provide a system that is consistently and persistently accessible to authorized users in compliance with the contract.

3.7.3.6.2

Vendor shall provide a system that is available for ninety-nine point nine (99.9) percent of the time on an annual basis during production hours of operation. The system shall be available 24 x 7 x 365 except for scheduled down times.

3.7.3.6.3

Vendor shall provide a transaction response time that is consistent for all users directly interacting with the production environment, based on a common Web Portal access point, processed, and returned to the network access point; provides capability for:

- Ninety (90) percent of transactions to occur in four (4) seconds or less
- Ninety-five (95) percent of transactions to occur in five (5) seconds or less
- Ninety-seven (97) percent of transactions to occur in six (6) seconds or less
- Ninety-nine (99) percent of transactions to occur in seven (7) seconds or less

3.7.3.7 System/Software Maintenance

3.7.3.7.1

Vendor shall be required to perform system maintenance as needed, in accordance with the accepted proposal.

3.7.3.7.2

Vendor shall describe how they will keep NCDoc informed prior to implementation of new software versions and releases, and general technical information regarding its software.

3.7.3.7.3

Offeror's proposal must contain a tier showing response time by severity of problem (identify response by telephone or e-mail). Vendor must adhere to the response times contained in its accepted proposal.

3.7.3.7.4

Offeror shall fully describe their proposed maintenance and support for this contract. The response should specifically address the following:

- how regular support is provided
- how after-hours support is provided
- how software defects are handled
- how and when software upgrades, major and minor, are provided
- whether its support includes modifications required as a result of mandated state/federal requirements
- by what means custom or general-use software modifications can be requested (i.e., through user groups or other means)
- the use of release notes, etc. to describe maintenance and upgrades
- the time frame and days of the week that will be needed for regular system maintenance. NCDoc requests two (2) business days advance notice of maintenance outside of this agreed upon schedule
- by what means the alert generated in the event of a service interruption, including interfaces, will be: via a page, phone call, e-mail, web portal announcements, or other method

3.7.3.7.5

In the event any component of the vendor's service becomes inoperable, the vendor shall immediately notify the NCDOC by telephone, but no later than sixty (60) minutes after service failure.

3.7.3.7.6

Vendor shall perform timely updates to system and user documentation, provider manuals, and training materials prior to the release of changes into production.

3.7.3.7.7

Vendor shall perform maintenance to include, without limitation:

- Activities necessary for the system to meet the requirements described in the RFP
- Activities related to file growth and partitioning
- Support of updates to all files and databases
- Software and hardware updates, migrations, and corrections
- RDBMS routine activities
- Hardware administration and maintenance to ensure performance standards are met
- Activities necessary to ensure that all data, files, programs, utilities, and system and user documentation are current and that errors found are corrected
- File maintenance, including manual table entry and programming, to support file maintenance changes, performance tuning, capacity planning, backup and recovery tasks, and archival tasks
- All ongoing tasks to ensure system tuning, performance, response time, capacity planning, database stability, and processing conforming to the minimum requirements of this contract
- Changes to tables for edit/audit criteria
- Activities in support of updates to all files and databases, such as CPT, HCPCS, DRG, ICD-9 and future ICD-10 codes, including the rules engine
- Add new values or changes to existing values found within internal program tables
- Process improvements
- NCDOC-approved recoupments and adjustments
- Rules engine configuration and maintenance

3.7.3.8 System Modifications

3.7.3.8.1

Vendor shall perform system modifications when the NCDOC or the vendor determines that an additional requirement must be met or that a modification to an existing file structure or current processing (outside of those discussed above as maintenance activities) is needed. Vendor billing for modification shall be in compliance with the contract. Vendor initiated/vendor-required system modifications or regular system upgrades shall be at no cost to the NCDOC.

3.7.3.8.2

Vendor shall develop specifications, impact statements, cost analysis, and consideration as to long-term value of performing the modification requirements for the NCDOC's evaluation.

3.7.3.8.3

Vendor shall perform timely updates to system and user documentation, procedures, manuals, and training materials prior to the release of the modification into production.

3.7.3.8.4

Vendor shall manage system modification activities using the change management process.

3.7.3.8.5

Vendor shall submit to the NCDOC for review and approval all modifications and other work estimates.

3.7.3.9 Reference File Requirements

3.7.3.9.1

Vendor shall provide view access to NCDOC staff to all reference files in accordance with role-based profiles.

3.7.3.9.2

Vendor shall provide capability to accept online and batch updates, additions, and deletions to all Reference data with the capability to make changes to individual records or mass changes to groups or classes/records.

3.7.3.9.3

Vendor shall identify all covered and non-covered ICD-9 and future ICD-10 Diagnosis codes and any field value differences based upon a match of the Diagnosis Codes to the Diagnosis Update Tape/data.

3.7.3.9.4

Vendor shall provide capability to allow reformatting of automated files to develop or update fee schedules and/or rate files.

3.7.3.9.5

Vendor shall provide capability for system logging of receipt date of each Reference File Maintenance Request, file maintenance initiation completion date, operator completing request, and supervisor validation date.

3.7.3.9.6

Vendor shall maintain the diagnosis data set using the ICD-9 and future ICD-10 coding system that supports relationship between diagnosis code and claim information, including:

- Valid age
- Valid gender
- Prior authorization requirements
- Emergency, accident trauma diagnosis, and cause code/indicator
- Inpatient length of stay criteria
- Description of the diagnosis
- Primary and secondary diagnosis code usage
- Cross-reference to procedure codes
- Drug by designated parameters

3.7.3.9.7

Vendor shall provide online, updateable edit disposition tables and files that contain unlimited edit numbers with:

- Description of edit
- Description of edit for EOB
- EOB print indicator, exception print detail, or list indicator
- Disposition, force indicator, deny indicator, location code, prior authorization override indicator, location override per claim type, per claim media, per program, per provider
- Cross-referencing edits/audits

3.7.3.9.8

Vendor shall cross-reference new CPT codes and ICD-9 and future ICD-10 codes to system edits and audits that support the code's data set within the same or specified range.

3.7.3.9.9

Vendor shall generate a report of edits/audits associated with codes that will be end-dated.

3.7.3.9.10

Vendor shall categorize edits/audits.

3.7.3.9.11

Vendor shall link each procedure code, diagnosis code, revenue code, dental code, etc. to the associated current and reverse (historical) edit.

3.7.3.9.12

Vendor shall apply edit criteria across claim types, provider type, and specialty types of service, provider taxonomy, provider type and/or specialty by procedure code and therapeutic class, generic code, and all other drug codes.

3.7.3.9.13

Vendor shall provide capability to audit HCPCS codes and associated National Drug Codes (NDCs) against pharmacy NDCs to prevent duplicative services.

3.7.3.9.14

Vendor shall maintain an online, updateable claims Edit Resolution Manual that reflects correct processes for adjudicating edits and audits.

3.7.3.9.15

Vendor shall create online Edit Manuals that enable access by edit or specific procedure code, revenue code, diagnosis code, dental code, etc. that displays:

- Edit relationships
- Other procedure, revenue, diagnosis, dental codes
- Modifiers related
- Sex, age indicators (by day, month, year)
- NCDOD Memo effective date with a link to a separate file to obtain policy or related detail information
- Any other parameters that drive the edit

3.7.3.9.16

Vendor shall maintain and update the Resource-Based Relative Value Scale (RBRVS) data set prior to the published effective date.

3.7.3.9.17

Vendor shall maintain and update Diagnosis Related Group (DRG) and Medicare Code Editors (MCE) prior to the published effective dates and report all errors that occur in processing.

3.7.3.9.18

Vendor shall maintain a record of service codes required for audit processing where the audit criteria cover a period longer than five (5) years (such as once-in-a-lifetime procedures).

3.7.3.9.19

Vendor shall provide the procedure code data set to contain a minimum of five (5) years of data to support claims online history.

3.7.3.9.20

Vendor shall receive all drug formulary updates from NCDOD pharmacy and upload within one (1) business day.

3.7.3.9.21

Vendor shall maintain updated drug reference file through subscription with Industry Drug Information Database.

3.7.3.9.22

Vendor shall maintain and manage a reimbursement fee schedule with effective date ranges.

3.7.3.9.23

Vendor shall electronically store NCDOD-assigned EOB descriptions.

3.7.3.9.24

Vendor shall store unlimited policy changes received via NCDOD Memo regarding file changes, including but not limited to procedure codes, diagnosis codes, revenue codes, and dental codes.

3.7.3.9.25

Vendor shall electronically store accommodation rate data.

3.7.3.9.26

Vendor shall maintain indefinitely procedure codes that have timeframe limitations.

3.7.3.9.27

Vendor shall electronically store modifier information with appropriate multiple modifier and payment calculations.

3.7.3.9.28

Vendor shall produce electronic copies of Reference Files.

3.7.3.9.29

Vendor shall electronically store an unlimited number of pricing files and methodologies by date range that support NCDOC program requirements.

3.7.3.9.30

Vendor shall apply NCDOC-approved policy to:

- CDT codes, CPT codes, HCPCS codes, International Classification of Diseases diagnosis and procedure codes (ICD-9 and future ICD-10 codes)
- NDC Codes
- Edits
- Rate methodology and calculations
- Professional services fees

3.7.3.9.31

Vendor shall maintain a Reference Modifier File that contains procedure code and modifier information that displays:

- Narrative of procedure code, including effective and end dates by either date of service, date of processing, or date of receipt
- Narrative of modifier, including effective and end dates by either date of service, date of processing, or date of receipt
- Modifier and narrative applicable to the use of the procedure code/modifier combination
- Modifier pricing information, including effective and end dates by either date of service, date of processing, or date of receipt
- Applicable modifier combinations
- Applicable procedure/modifier combinations
- Applicable providers for each modifier, including effective and end dates

3.7.3.9.32

Vendor shall maintain Reference data with all procedure codes and pricing action codes (PAC) that indicate where pricing occurs based on:

- Procedure code, type of service, and/or modifier
- Provider type, provider specialty, taxonomy, and procedure code
- Type of service
- Place of service
- Provider, DRG rate, and financial payer
- Provider accommodation code
- Provider number, percentage of charges, and financial payer
- Revenue code

3.7.3.9.33

Vendor shall provide capability for NCDODC-approved provider maximum reimbursement rates for claims processing to ensure the ability to modify, add, or delete any rates on an individual provider basis or mass provider basis.

3.7.3.9.34

Vendor shall electronically store maximum reimbursement rates for DME by procedure code priced for rental or purchase (new or used).

3.7.3.9.35

Vendor shall electronically store laboratory maximum reimbursement rates for individual and "panel" laboratory procedures.

3.7.3.9.36

Vendor shall link a NCDODC/Vendor Memo with associated procedure codes.

3.7.3.9.37

Vendor shall retain Reference data change requests received from the NCDODC in the format received for control, balance, and audit purposes for the life of the vendor contract.

3.7.3.9.38

Vendor shall access or link with NCDODC online policies to facilitate search of policies for changes in CPT and ICD-9 and future ICD-10 codes.

3.7.3.9.40

Vendor shall log receipt date of each Reference File maintenance request, file maintenance initiation completion date, operator completing request, and supervisor validation date.

3.7.3.9.41

Vendor shall notify the NCDODC in writing when a file maintenance request has not been made in accordance with the NCDODC Memo and/or as applicable to the contractual performance criteria.

3.7.3.9.42

Vendor shall maintain procedure code updates and applicable editing data and notify NCDODC when this is complete.

3.7.3.9.43

Vendor shall perform research and analysis for adjudication and policy issues.

3.7.3.9.44

Vendor shall analyze the appropriateness of the cross-reference of new CPT codes and ICD-9 and future ICD-10 codes to edits and audits and make recommendations to the NCDODC for incorporation of the codes into the established edit criteria or for additional edits/audits as appropriate.

3.7.3.9.45

Vendor shall update edit criteria and all applicable documentation and notify the NCDODC when updates occur.

3.7.3.9.46

Vendor shall provide NCDODC with the vendor's normal maintenance schedule for Reference File Maintenance updates.

3.7.3.9.47

Vendor shall initiate all NCDODC Reference File maintenance requests within one (1) State business day of receipt and complete such maintenance according to the mutually agreed upon time frame.

3.7.3.9.48

Vendor shall notify the NCDODC in writing when a file maintenance request has not been completed, as directed by the NCDODC.

3.7.3.9.49

Vendor shall maintain version history of previous forms, user manuals, etc.

3.7.3.9.50

Vendor shall maintain an updated copy of the National Correct Coding Initiative Coding Policy Manual for Medicare Services.

3.7.3.9.51

Vendor shall maintain and update current and future diagnostic and procedural code data sets, CDT codes, CPT codes, HCPCS codes, International Classification of Diseases diagnosis and procedure codes [ICD-9 and future ICD-10] prior to the published effective dates and at a minimum, the following elements:

- Valid tooth surface codes and tooth number/quadrant designation
- Date-specific pricing segments by provider taxonomy, and/or provider type and or specialty
- Five (5) date-specific pricing segments, including two (2) occurrences of pricing action
- Five (5) status code segments with effective beginning and end dates for each segment
- Indicator of covered/not-covered and effective and end dates
- Multiple modifiers and the percentage of the allowed price applicable to each modifier or procedure code/modifier combination
- NCDoc-specified restrictions on conditions to be met for a claim to be paid, including, but not limited to:
 - o Eligibility
 - o Pricing Action Code
 - o Category of service
 - o Specialty
 - o Lab certification
 - o Inmate age/sex restrictions
 - o Allowed diagnosis codes
 - o Prior authorization required
 - o Medical review required
 - o Place of service
 - o Pre- and post-operative days
 - o Appropriate diagnosis
 - o Acceptable place of service
 - o Units of service
 - o Once-in-a-lifetime indicator
 - o Attachments required
 - o Valid provider type/specialty
 - o NDC codes and units
 - o Claim type
 - o Provider subspecialty
- Narrative language of procedure codes in long description
- Indication of when or whether claims for the procedure can be archived from online history (such as once-in-a-lifetime procedures)

3.8 PROJECT MANAGEMENT AND TRAINING REQUIREMENTS

3.8.1 PROJECT MANAGEMENT REQUIREMENTS:

At a minimum, the Offeror shall:

- 3.8.1.1 Provide a Project Coordinator. The NCDoc reserves the right to approve the selection and/or replacement of the Vendor's Project Coordinator. The Project Coordinator shall have five (5) years of experience in that role in implementing similar projects. Vendor shall provide the résumé for NCDoc review. The vendor must provide the qualifications of their proposed Project Coordinator and explain why this is a good match. The NCDoc is responsible for assigning a NCDoc Project Coordinator.
- 3.8.1.2 Create and maintain a Statement of Work (SOW). The SOW shall be an all-inclusive, narrative description of the work required to achieve the NCDoc's requirements as described in this RFP and external documents specifically referenced as requirements in this RFP. Offerors may propose work items that are not directly traceable to requirements in this RFP, and those shall be clearly marked as such. (Reference Appendix 5)
- 3.8.1.3 Create and maintain an Integrated Master Plan (IMP) that describes events and accomplishments, their specific criteria to be satisfied for completion, and their relationships to other items in the plan.

- 3.8.1.4 Create and maintain an Integrated Master Schedule (IMS) that time phases and details the IMP elements, including the identification of dependencies, assumptions, and constraints necessary to support the IMP elements. Any tasks that are the primary responsibility of NCDOC must be clearly defined and identified. NCDOC and the offeror shall mutually agree upon any changes to the schedule. Dates associated with events and activities resulting in payments shall be contractually binding.
- 3.8.1.5 Create and maintain a Risk and Issue Management Plan (RIMP) and a Risk and Issue Management System, in which the NCDOC is integrated as a partner, to support the RIMP. The RIMP shall address the general process for risk and issue management and include activities such as identification, evaluation, mitigation, and reporting.
- 3.8.1.6 Create and maintain a Change Management Plan (CMP) and a formal change control process that includes a Change Control Board. NCDOC shall serve as the chairperson of the Change Control Board. Offerors shall propose a process that efficiently and effectively manages technical, programmatic, and operational changes. The CMP should include the backout procedures in the event that a change is unsuccessful.
- 3.8.1.7 Create and maintain a Software and Systems Engineering Methodology that describes the vendor's systematic, disciplined, and quantifiable approach to the operations and maintenance of software and hardware for the system.
- 3.8.1.8 Create and maintain a Security Plan that describes the operations processes and the system features that will ensure that the vendor meets the Contract requirements for security.
- 3.8.1.9 Create and maintain a Business Continuity/Disaster Recovery Plan that describes the processes required to ensure the continuation of critical business processes and the information systems and services supporting them in the event of a disruption of the system itself, the loss of key personnel, and/or the loss of facilities housing the vendor's operations.
- 3.8.1.10 Create and maintain a Master Test and Quality Assurance Plan (MTQAP) that adds detail to elements in the IMP related to testing and quality assurance.
- 3.8.1.11 Create and maintain a Deliverable Review Process and Acceptance Criteria document, which defines the acceptance process, the acceptance criteria, and the review/approval process required for customer acceptance of the project deliverables. NCDOC reserves the right to conduct any test/inspection it may deem advisable to ensure the services, as appropriate, conform to specifications.
- 3.8.1.12 Create and maintain a Turnover Plan which describes the activities needed to ensure an uninterrupted and transparent turnover to the NCDOC or a new vendor at the completion of the vendor's Contract
- 3.8.1.13 Create and maintain a Training Plan which describes the vendor's cohesive and responsive training program to ensure that all users can be efficient and effective while using the system. The NCDOC is looking for innovative, yet proven methods of training.
- 3.8.1.14 Create and maintain a Communications Plan which describes the processes to ensure timely and appropriate generation, collection, dissemination, storage, and ultimate disposition of project information among all stakeholders.
- 3.8.1.15 Create and maintain a Project Management Plan which defines how all project activities are executed, monitored, and controlled.
- 3.8.1.16 Create and maintain an Operations Management Plan (OMP) that strategically describes how the vendor will successfully deliver and support all operational services.
- 3.8.1.17 Create and maintain a Deployment/Rollout Plan that describes the detailed plan for implementing the Inmate Medical Management Services.
- 3.8.1.18 Perform project status reporting, both weekly and monthly. Monthly financial reporting will be via an Earned Value Management System (EVMS). EVMS data can be a significant indicator and forecaster of cost (over budget or under budget) and schedule (behind schedule or ahead of schedule) performance. Overruns may either affect the NCDOC directly or could jeopardize the ability of the offeror to continue the project.
- 3.8.1.19 Create and maintain a Data Accession List which lists all data and documents that are not part of the contract Data Requirement List (CDRL) that are created under this contract.
- 3.8.1.20 The offeror shall support the NCDOC in providing other reasonable data needed for budgeting and reporting purposes. Although the need for this type of support should normally be infrequent, this type of support tends to increase if the project experiences cost, schedule, and/or performance problems.

- 3.8.1.21 The offeror shall establish and maintain a collaborative electronic (i.e., online) tool to facilitate information sharing in a secure manner (i.e., authorized individuals accessing data they need to perform their work). The offeror should propose whether this is a bulletin board-type system for posting documents or a full content management system/wiki. Use of these types of tools will reduce the need for offerors to provide any data in hard copy format other than those legally requiring physical copies or signatures, documents which drive payments, or for documents that are so large that the NCDOC's printing turnaround time would potentially affect project execution. The formats of posted data shall be coordinated with and approved by the NCDOC to ensure compatibility with applications used by the NCDOC.
- 3.8.1.22 Artifact (documents, test results, etc.) reviews are crucial and, if not properly conducted, can cause schedule delays. The NCDOC believes that using a collaborative concept, whereby the NCDOC can review draft artifacts and participate in key decisions about those artifacts, can reduce the serial process that could cause bottlenecks and delays. This process requires a mutual trust wherein the offeror is comfortable with allowing NCDOC access to incomplete and imperfect artifacts, and the NCDOC is confident that the offeror will respond to inputs in a timely manner without formal contract direction. Offerors shall identify their recommended process for achieving the required clarity for the NCDOC while minimizing the artifact review overhead.
- 3.8.1.23 The NCDOC does not wish to approve every artifact that is created. Offerors shall identify those artifacts for which approval is important to the success of the project. Offerors should balance the importance of the NCDOC's concurrence with the need to control the effort required to conduct reviews and approvals.
- 3.8.1.24 Offerors shall identify contract deliverables as required by the RFP or any other data and documents that the offeror proposes to deliver and deems necessary to perform the services effectively. These deliverables shall be included in a Contract Data Requirements List (CDRL). All data and documents required for the proper operation and maintenance of the system and proper conduct of the Vendor operations shall be included on the CDRL. In addition, the vendor shall maintain a Data Accession List (DAL). This list shall include all data and documents (to include software) that have been created under this Contract that are not part of the CDRL.

3.8.2 TRAINING REQUIREMENTS

- 3.8.2.1 Vendor shall develop training to incorporate policy, procedures, regulatory guidelines, business rules, and claim processes to ensure a comprehensive approach to meeting the training requirements of the NCDOC. Vendor shall develop and maintain instructor-led classroom courses, Computer-Based-Training (CBT) courses, and Frequently Asked Questions (FAQ) for NCDOC users throughout the life of the contract. All training materials must be approved by NCDOC.
- 3.8.2.2 Vendor shall conduct on-site, instructor-led, classroom training sessions for all NCDOC users prior to implementation. There shall be four (4) different training sessions based on the user's role:

3.8.2.2.1

Basic end-user health services training that is focused on how to use/operate the system for such items as entering and receiving prior approval, physician look up to schedule a doctor's appointment and get driving directions, reports, etc.

The basic end-user training sessions for health services will be held a minimum of three (3) times in each of the five (5) health services regional offices (Central, Eastern, Piedmont, South Central, and Western) and the Randall Building facility. Staff attending this training is estimated as follows:

- Central Office, located in Raleigh, NC – sixty (60) people
- Eastern Office, located in Greenville, NC – sixty (60) people
- Piedmont Office, located in Kernersville, NC – seventy (70) people
- South Central Office, located in Raeford, NC – fifty (50) people
- Western Office, located in Lenoir, NC – seventy (70) people
- Randall Building, located in Raleigh, NC – fifty (50) people (Note: This is a different location than the Central Office.)

3.8.2.2.2

'Train the trainer' for health services (Note: NCDOC will incorporate this training component into health services' new hire training.)

The 'train the trainer' sessions for health services will be held once (1) per regional office. The nurse manager from each facility will attend the 'train the trainer' session as well as appropriate staff from the Randall Building. Staff attending this training is estimated as follows:

- Central Office – fifteen (15) people
- Eastern Office – fifteen (15) people
- Piedmont Office – twenty (20) people
- South Central Office – fifteen (15) people
- Western Office – twenty (20) people
- Randall Building – twenty-five (25) people

3.8.2.2.3

Basic end-user claims management training that is focused on how to use/operate the system for such items as looking up claims, adjudicating claims, auditing claims, reports, etc.

This training will be held in Raleigh at the Yonkers Road facility. Approximately twelve (12) to fifteen (15) people will attend this training session.

3.8.2.2.4

Basic end-user general accounting training that is focused on how to use/operate the system for such items as releasing claims for payment, reports, etc. This training will be held in Raleigh at the Yonkers Road facility. Approximately five (5) to eight (8) people will attend this training session.

- 3.8.2.3 All training sessions will be offered during normal business hours (Monday – Friday, 8:00 AM – 5:00 PM). NCDOD employees that work shifts outside of these hours will be required to attend training during normal business hours.
- 3.8.2.4 The training will be held in NCDOD facilities in conference/meeting rooms. The vendor is responsible for supplying laptops, with Internet connectivity if needed, for the training sessions. Training will take place at a mutually agreed upon date and time between the vendor and NCDOD.
- 3.8.2.5 The vendor shall provide at no additional cost to NCDOD, all training manuals and appropriate technical manuals and documentation that includes all functions, features, and methods associated with the system. Vendor shall provide a Web Portal to access downloads of training documentation, training news, training schedules, training evaluation forms, CBT and Web-based training content, and FAQs. Full duplication rights shall be granted to the NCDOD which will allow unlimited copying of all materials for use by NCDOD.
- 3.8.2.6 The offeror must describe the documentation to be provided for operation and use of the proposed application, including administrator and end-user manuals as well as application help screens. Offeror must describe the format of the documentation (i.e., on-line, CD, hard copy, combination.).
- 3.8.2.7 Vendor shall provide capability for quality reviews and retraining, as requested by NCDOD, for NCDOD staff.
- 3.8.2.8 The vendor shall conduct on-site instructor-led classroom training sessions based on claims processing performance criteria or requests from NCDOD staff.
- 3.8.2.9 The vendor shall monitor, track, and evaluate effectiveness of training using training industry standard methodologies.
- 3.8.2.10 The vendor shall submit the Training Plan to the NCDOD no less than ninety (90) days prior to the beginning of each Contract year.

3.9 REPORTING REQUIREMENTS

- 3.9.1 Vendor shall provide NCDOD with a full range of standardized operational reports consistent with best business practices at a frequency that is mutually agreed upon.
- 3.9.2 Vendor shall describe their standard automatically generated reports that come with the system.
- 3.9.3 Vendor must describe any additional standard reports which can be generated by its software that are not in the standardized reports. Vendor shall include sample reports in their response.
- 3.9.4 Vendor shall provide system-generated reporting to include, but not be limited to:
 - NCDOD-required standard reports
 - Vendor system performance
 - Contract compliance
 - Financial reporting
 - Standard pre-formatted reports with parameters selection criteria
- 3.9.5 Vendor must include capability to generate reports on-line and in print. NCDOD's preference is to view the report on-line before printing it.
- 3.9.6 Vendor shall describe their process for running and electronically distributing regularly scheduled reports to a predefined distribution list.
- 3.9.7 Vendor must provide any additional specific software required to generate its reports.

- 3.9.8 Flexibility in customizing reports is highly desirable. Vendor shall describe how a user can customize a report, such as changing report format and headings, free form data placement, revisions done on the fly, inserting page breaks on data elements, insertions of the State or NCDOC logo or other graphics, removal of unwanted graphics such as vendor's logo, subtotal and grand total data by specific fields.
- 3.9.9 Reports shall be exportable to various formats, including but not limited to, Excel, Word, Access, print output file; and PDF.
- 3.9.10 Vendor shall provide online access for users (based on role-based security) to reports, enabling downloads for export/import into multiple software formats and availability for use in multiple media.
- 3.9.11 Vendor must describe whether reports can be published to an Internet web site.
- 3.9.12 Vendor shall describe which graphical items (i.e., charts, graphs, plots, etc.) can be used in the report generation process.
- 3.9.13 NCDOC maintains databases for all offenders and may desire to supplement existing data with inmate medical information from the Vendor's system. Vendor must describe the data extraction capabilities of their system. Vendor must include supported file formats (i.e., Excel, Access, Delimited Text, etc.) and record layouts for information available for extraction. Vendor must describe support options for on-demand versus scheduled periodic batch extractions.
- 3.9.14 Vendor shall provide the capability for the NCDOC to download data and reports from the vendor's databases through secured Internet access.
- 3.9.15 Vendor shall provide the capability to create and save ad-hoc reports. This may be accomplished either through the application or through an industry standard report writing program. Vendor shall describe how the ad hoc reporting function will be accomplished.
- 3.9.16 NCDOC REQUIRED STANDARD REPORTS

This list is not to be considered an all-inclusive listing of NCDOC required standard reports. An electronic file record in an electronic format acceptable to the NCDOC shall be provided to the NCDOC upon request of the Contract Manager. (Reference Appendix 4).

3.9.16.1 User Requested Reports

3.9.16.1.1

Summary and detail reports of claims processed for specified period by status (in-process, pending payment, paid and denied, etc.)

3.9.16.1.2

Summary and detail reports of claims processed by inmate for specified period by status (in-process, pending payment, paid and denied, etc.)

3.9.16.1.3

Summary and detail reports of claims processed by providers for specified period by status (in-process, pending payment, paid and denied, etc.)

3.9.16.1.4

Summary and detail reports of prior authorization activity for specified period

3.9.16.1.5

Summary and detail reports of prior authorization history for Inmate for specified period

3.9.16.1.6

Processed claims pending payment

3.9.16.1.7

Data Code Sets Updates

3.9.16.1.8

"First Pass-Through" Rate report showing percentage of claims fully processed upon initial review

3.9.16.2 Automatic Scheduled Reports:

3.9.16.2.1

Reconciliation of Transferred Funds to vendor against Claims Paid by vendor

3.9.16.2.2

Vendor shall report monthly, any erroneous payments, irrespective of cause, and identify appropriate remediation action taken.

3.9.16.2.3

Prior Authorization Requests Submitted by Clinicians

3.9.16.2.4

Prior Authorization Requests Pending for Insufficient Information

3.9.16.2.5

Outside Hospital Admissions

3.9.16.2.6

Outside Hospitalizations (Days)

3.9.16.2.7

Current Inpatients

3.9.16.2.8

Requests Denied

3.9.16.2.9

Prior Authorization Services Requested

3.9.16.2.10

Active Prior Authorization Appeal Log

3.9.16.2.11

Actions by Approving Authority

3.9.16.2.12

Utilization Review Statistics

3.9.16.2.13

Missing HS20 Report

3.9.16.2.14

Prior Authorization Drugs Requested with/without Approval

3.9.16.2.15

Utilization Review Summary

3.9.16.2.16

Count of Procedures

3.9.16.2.17

Inpatient Roster List

3.9.16.2.18

Inpatient Daily Census

3.9.16.2.19

Inpatient Length of Stay

3.9.16.2.20

Scheduled Outside Appointments

3.9.16.2.21

Appointments with Authorizations

3.9.16.2.22

Claims Rejected Due to Medicaid Eligibility

3.9.17 DATA ELEMENTS FOR REPORTS

3.9.17.1 All reports shall be filterable and sortable and shall include at a minimum the following data elements as applicable:

3.9.17.1.1

Demographic

- NCDOC Identifier (OPUS Number)
- Last Name
- First Name
- Age
- Date of Birth
- Race
- Gender
- Facility of Assignment

3.9.17.1.2

Prior Authorization

- Procedure Type
- Specific procedure requested (CPT, HCPCS)
- Urgency level (e.g. Routine, Rush, Urgent, Emergency)
- Status (Approved, Denied, Pending)
- Denial reason
- Requesting provider
- Appeals
- Pending requests (requests for more information, clarification, etc)
- Elapsed Time between request and final disposition

3.9.17.1.3

Claims/Financial

- Date of Service
- Date of Adjudication
- Diagnostic Class
- Diagnosis (Primary and ancillary)
- Procedure codes and procedure code range
- Medical provider
- Medical provider type
- Length of Stay
- Authorization Number
- Claims paid without authorization number
- Episode of Treatment
- Contract Rate
- Out of Network Flag
- Line item detail
- Accident Indicator (auto, employment, other accident)
- Reason code
- Adjustment code
- Comments
- Exceptions
- Automatic vs. Manual Adjudication Processing

4. NORTH CAROLINA GENERAL CONTRACT TERMS AND CONDITIONS

- 4.1 **GOVERNING LAW:** This contract is made under and shall be governed and construed in accordance with the laws of the State of North Carolina.
- 4.2 **SITUS:** The place of this contract, its situs and forum, shall be North Carolina, where all matters, whether sounding in contract or tort, relating to its validity, construction, interpretation and enforcement shall be determined
- 4.3 **INDEPENDENT CONTRACTOR:** The Contractor shall be considered to be an independent contractor and as such shall be wholly responsible for the work to be performed and for the supervision of its employees. The Contractor represents that it has, or will secure at its own expense, all personnel required in performing the services under this agreement. Such employees shall not be employees of, or have any individual contractual relationship with the North Carolina Department of Correction.
- 4.4 **KEY PERSONNEL:** The Contractor shall not substitute key personnel assigned to the performance of this contract without prior written approval by the NCDOC's Contract Administrator. The individuals designated as key personnel for purposes of this contract are those specified in the Contractor's proposal.
- 4.5 **SUBCONTRACTING:** Work proposed to be performed under this contract by the Contractor or its employees shall not be subcontracted without prior written approval of the NCDOC's Contract Administrator. Acceptance of an offeror's proposal shall include any subcontractor(s) specified therein.
- 4.6 **PERFORMANCE AND DEFAULT:** If, through any cause, the Contractor shall fail to fulfill in timely and proper manner the obligations under this agreement, the NCDOC shall thereupon have the right to terminate this contract by giving written notice to the Contractor and specifying the effective date thereof. In that event, all finished or unfinished deliverable items under this contract prepared by the Contractor shall, at the option of the NCDOC, become its property, and the Contractor shall be entitled to receive just and equitable compensation for any satisfactory work completed on such materials. Notwithstanding, the Contractor shall not be relieved of liability to the NCDOC for damages sustained by the NCDOC by virtue of any breach of this agreement, and the NCDOC may withhold any payment due the Contractor for the purpose of setoff until such time as the exact amount of damages due the NCDOC from such breach can be determined.

In case of default by the Contractor, the State may procure the services from other sources and hold the Contractor responsible for any excess cost occasioned thereby. The State reserves the right to require a performance bond or other acceptable alternative performance guarantees from successful offeror without expense to the State.

In addition, in the event of default by the Contractor under this contract, the State may immediately cease doing business with the Contractor, immediately terminate for cause all existing contracts the State has with the Contractor, and de-bar the Contractor from doing future business with the State

Upon the Contractor filing a petition for bankruptcy or the entering of a judgment of bankruptcy by or against the Contractor, the State may immediately terminate, for cause, this contract and all other existing contracts the Contractor has with the State, and de-bar the Contractor from doing future business

Neither party shall be deemed to be in default of its obligations hereunder if and so long as it is prevented from performing such obligations by any act of war, hostile foreign action, nuclear explosion, riot, strikes, civil insurrection, earthquake, hurricane, tornado, or other catastrophic natural event or act of God.

- 4.7 **TERMINATION:** The NCDOC may terminate this agreement at any time by **120 days** notice in writing from the NCDOC to the Contractor. In that event, all finished or unfinished deliverable items prepared by the Contractor under this contract shall, at the option of the NCDOC, become its property. If the contract is terminated by the NCDOC as provided herein, the Contractor shall be paid for services satisfactorily completed, less payment or compensation previously made.

In the event of a default in Paragraph 4.6 or termination of the contract by NCDOC, the Contractor's network providers shall continue to provide medical services at the agreed upon rate(s) for up to 120 days and as set forth more fully in the requirements of the RFP.

4.8 **PAYMENT TERMS:**

- a. **ONE-TIME START-UP FEE:** Paid in accordance with a clearly delineated schedule and linked to the NCDOC acceptance of milestones outlined in the Integrated Master Plan (IMP). Payments shall reflect proportional amount of expense and effort required to meet the milestone. Any release of funds is contingent upon acceptance of each milestone by NCDOC.
- b. **ADMINISTRATIVE FEE:** Payable monthly, beginning 30 days after the "go-live" date and continuing for the life of the contract.

- c. **CLAIMS REIMBURSEMENT:** Payment is Contingent upon availability of funds.
- d. **RETAINAGE:** As security for the Contractor's faithful performance of this contract, NCDOC shall withhold 5% of the Administrative Fee per month for the first year. If the Contractor satisfactorily performs its contractual obligations after the first year, then NCDOC will reduce the amount of the retainage withheld from the monthly Administrative Fee payments to 3% for the second year; 1% for the third year, and 0% for the fourth and fifth years. NCDOC may use the retainage to reimburse it for: any default by the Contractor; any breach of the contract by the Contractor; negligence of the Contractor; expenses, losses or damages incurred by NCDOC as a result of Contractor's performance of the Contract; and/or reserves required by NCDOC for pending claims or litigation relating to the Contractor's performance of the Contract. At least half of the retainage withheld by NCDOC for any year in which retainage was withheld shall be held by NCDOC until the end of the contract or early termination of the contract by default or convenience. Final disbursement of the retainage shall be made in accordance with the Contract Close-Out procedures below.

Probationary Period, Early Release of Retainage and Reinstatement of Retainage: During first three (3) months of the performance of the Contract, the Contractor will be on probation and most performance errors, omissions, issues and/or problems will not be considered by NCDOC in determining whether the retainage will be reduced and/or released at the end of the first contract year. However, during the first three (3) months NCDOC may consider for purposes of reducing and/or releasing retainage all significant incidents pertaining to alleged fraud, overbilling, fictitious billing, significant loss of network providers, significant number nonpayments of network providers by Contractor for any reason(s) after NCDOC has paid those providers reimbursement claims; a pattern of intentional nonpayment of network providers and/or subcontractors by Contractor after NCDOC paid Contractor for those claims and/or services. After the first year of satisfactory performance (which shall be based on the last nine (9) months, except for any significant incidents reported during the first three (3) months), the absence of unresolved claims or litigation by inmates and/or network providers against the Contractor and/or NCDOC that were allegedly caused by the services performed by the Contractor during the first year and favorable financial audits for the first year, NCDOC may release 2.5% of the retainage withheld. NCDOC may release up to half the retainage withheld in subsequent years, if Contractor's performance remains satisfactory during the year the retainage was withheld. If Contractor's performance in the first year is not satisfactory NCDOC may keep the retainage at 5% for subsequent years or, if after Contractor had satisfactorily performed the Contract in any given year and its performance in a subsequent year is unsatisfactory NCDOC, at its option, may increase the retainage to 5% or not reduce the retainage in accordance with the terms of the preceding paragraph. Additional standards for determining satisfactory performance may be defined and mutually agreed upon within 60 days of contract award.

Determination of Satisfactory Performance: In considering whether the Contractor has performed satisfactorily, NCDOC may consider audit reports, network provider complaints, compliance reports, timeliness of processing pre-approvals, timeliness of processing network provider claims, the results of any investigations, and such other performance requirements in the Contract can be used to determine whether to reduce the amount of retainage in subsequent years, release a portion of the retainage and/or reinstate retainage for unsatisfactory performance. The primary goals for determining satisfactory and unsatisfactory performance pertain to Contractor's accuracy in preapproving and processing inmate medical claims; fraud avoidance, detecting, mitigation and/or recovery; avoidance of billing errors, omissions, and issues; retention of the network providers (and/or maintaining a low turnover rate). Satisfactory or unsatisfactory performance for purposes of retainage shall not be based to any overall cost savings and cost control (or lack thereof) resulting from Contractor's performance of the Contract when compared to the costs incurred by NCDOC when it performed the Contractor's services in the years immediately preceding the commencement of this Contract. Additional standards for determining satisfactory performance may be defined and mutually agreed upon within 60 days of contract award.

Pass-Through of Retainage Requirement to Subcontractors: The Contractor may pass-through the retainage requirement to its subcontractors, but shall not pass-through any retainage requirement to its network providers. The retainage requirements the Contractor passes through to its subcontractors must be exactly the same retainage requirements NCDOC applies to Contractor. To the extent NCDOC reduces or increases the retainage during the life of the contract, the Contractor shall immediately pass-through those retainage increases or decreases to its subcontractors, if Contractor has been withholding retainage. To the extent NCDOC releases any portion of retainage to the Contractor in any given year, then Contractor shall release the same percentage of retainage it has withheld from its subcontractors to its subcontractors. If the Contractor has a dispute with any subcontractor and will not release any retainage to the subcontractor, then the Contractor shall notify NCDOC of that dispute and return to NCDOC the disputed amount of the subcontractor's retainage, which NCDOC shall hold until the Contractor and the subcontractor jointly notify NCDOC that the dispute has been resolved and the retainage may be released to the Contractor/subcontractor.

- e. **WITHHOLDING PAYMENTS TO VENDOR:** NCDOC may withhold portions of Contractor's monthly Administrative Fee payment, if a network provider complains to NCDOC that it has not received payment after said provider's claim has been processed, approved by Contractor, and NCDOC has paid the Contractor for that claim. The amount withheld shall be the amount in dispute. NCDOC and Contractor shall make good faith efforts to resolve the dispute (and reconcile the accounting) within five (5) business days. If NCDOC determines that the network provider should have been paid and the accounting and/or banking records demonstrate that NCDOC paid the Contractor for the provider's reimbursement claim, then NCDOC may pay the withheld amount directly to the network provider and Contractor's invoice for the monthly Administrative fee will be reduced by the payment to the network provider. NCDOC determination shall be final and Contractor's right to appeal that determination shall be deferred to the Close-Out of the Contract or the close-out of the contract year, whichever is sooner, as set forth in subsection (f). The Contractor shall continue to perform the Contract regardless of the amount NCDOC withholds or pays network providers.

NCDOC may also withhold portions of Contractor's monthly Administrative Fee payment if any audit or complaint discloses billing errors, omissions, duplicative billing, overbilling, potential fraud, fictitious billing (i.e., billing for medical services/tests not performed), failure of network providers to provide on-site specialty clinics as required by the Contract resulting in additional medical services and/or costs to be incurred NCDOC plus any NCDOC administrative costs (such as security, meals, and/or transportation of inmates), and/or any other questionable billings/claims. The amount withheld shall be the amount in dispute.

- NCDOC and Contractor shall make good faith efforts (which shall include reasonable notice to the Contractor and the network provider(s), and an informal meeting with the Contractor and (network provider(s)) to resolve the dispute (and reconcile the accounting and/or medical records/issues) within fifteen (15) business days. If NCDOC determines that the billing was improper, then NCDOC may reimburse itself for the disputed amount and the Contractor's invoice for the monthly Administrative Fee (and/or subsequent invoices) will be reduced by the disputed amount.
 - If the amount in dispute is less than \$10,000, NCDOC determination shall be final and Contractor's right to appeal that determination shall be deferred to the close-out of the contract or the close-out of the contract year, whichever is sooner, as set forth in subsection (f).
 - If within any year the aggregate amount withheld by NCDOC is greater than \$50,000, the Contractor may within five (5) business days of NCDOC's last determination upholding any amount that makes the aggregate amount withheld in excess \$50,000 shall submit a request (by letter, fax or email) to NCDOC's contract administrator asking for further administrative review by NCDOC's IMMS Contract Review Panel. NCDOC's IMMS Contract Review Panel shall schedule an informal hearing with Contractor and the network providers (which may participate in the meeting via conference call) to attempt to resolve the disputes. Within five (5) business days, NCDOC's IMMS Contract Review Panel shall issue a summary decision to the Contractor and any network provider either affirming or rejecting NCDOC's contract administrator's decisions. If the Contractor desires further review of the dispute, it must comply with the procedures, regulations and/or statutes for bringing claims against NCDOC.
 - If the amount is greater than \$10,000, NCDOC determination shall be final according to the Claims Resolution Process set forth in subsection (f), **unless the Contractor within five (5) business days of NCDOC's determination submits a request (by letter, fax or email) to NCDOC's contract administrator asking for further administrative review by NCDOC's IMMS Contract Review Panel.** NCDOC's IMMS Contract Review Panel shall schedule an informal hearing with Contractor and the network providers (which may participate in the meeting via conference call) to attempt to resolve the dispute. Within five (5) business days, NCDOC's IMMS Contract Review Panel shall issue a summary decision to the Contractor and any network provider either affirming or rejecting NCDOC's contract administrator's decision. If the Contractor desires further review of the dispute, it must comply with the procedures, regulations and/or statutes for bringing claims against NCDOC.
- The Contractor shall continue to perform the Contract regardless of the amount NCDOC withholds or reimburses itself.
- NCDOC'S ADMINISTRATIVE REVIEW PROCESS SHALL NOT PREVENT THE CONTRACTOR FROM SEEKING REIMBURSEMENT AND/OR RECOVERY OF ANY OVERPAYMENTS FROM ITS NETWORK PROVIDERS; AND THE CONTRACTOR IS ENCOURAGED TO INCLUDE PROVISIONS IN ITS AGREEMENT WITH ITS NETWORK PROVIDERS TO ALLOW CONTRACTOR TO WITHHOLD CLAIM REIMBURSEMENT PAYMENTS FROM THE NETWORK PROVIDER AND TO REQUIRE THE NETWORK PROVIDER(S) TO PARTICIPATE IN NCDOC'S DISPUTE RESOLUTION PROCESS OUTLINED ABOVE.

- f. **CLOSE-OUT PROCESSES AND RESOLUTION OF CLAIMS:** Within two (2) months at the end of each contract year, at the end of the contract term, NCDOC's contract administrator(s) and NCDOC's IMMS Contract Review Panel shall review all performance reports, audit reports, disputed claims and all incidents resulting in NCDOC's withholding any amount from the Contractor's monthly Administrative Fee to determine: (1) reduction and/or release of retainage; and (2) reduction and/or release of retainage; and (3) Contractor appeals of any decision to withhold payment of Administrative Fee. NCDOC's IMMS Contract Review Panel shall issue a written decision to the Contractor regarding its findings and its conclusions regarding retainage, incentive, penalties and/or review of contract administrator decisions on withholding payments. If the Contractor desires further review of the dispute, it must comply with the procedures, regulations and/or statutes for bringing claims against NCDOC.

If the contract is terminated early because of default, the Contractor shall forfeit all profits that have not been earned up to the date of default termination. NCDOC may use any unpaid amount that is due and owing to the Contractor and/or any earned but unpaid retainage due the Contractor to pay for any of its costs or expenses in administering the Contractor's provider network for up to 120 days following the default termination of the contract.

If the contract is terminated early for convenience, then the Contractor shall be entitled to the payment of earned retainage if NCDOC has available funds.

Upon termination of the contract, whether for expiration, default, or convenience, the Vendor shall transfer all data held in stewardship to the NCDOC in a manner and form agreed upon by the NCDOC within five (5) business days. Data will be accompanied with all data definitions, descriptions, and relationships for all data elements.

- 4.9 **AVAILABILITY OF FUNDS:** Any and all payments to the Contractor are dependent upon and subject to the availability of funds to the NCDOC for the purpose set forth in this agreement.
- 4.10 **CONFIDENTIALITY:** Any information, data, instruments, documents, studies or reports given to or prepared or assembled by the Contractor under this agreement shall be kept as confidential and not divulged or made available to any individual or organization without the prior written approval of the NCDOC.
- 4.11 **CARE OF PROPERTY:** The Contractor agrees that it shall be responsible for the proper custody and care of any property furnished it for use in connection with the performance of this contract or purchased by it for this contract and will reimburse the State for loss of damage of such property.
- 4.12 **COPYRIGHT:** No deliverable items produced in whole or in part under this agreement shall be the subject of an application for copyright by or on behalf of the Contractor.
- 4.13 **ACCESS TO PERSONS AND RECORDS:** The State Auditor shall have access to persons and records as a result of all contracts or grants entered into by State agencies or political subdivisions in accordance with General Statute 147-64.7. The Contractor shall retain all records for a period of three years following completion of the contract.
- 4.14 **ASSIGNMENT:** No assignment of the Contractor's obligations nor the Contractor's right to receive payment hereunder shall be permitted. However, upon written request approved by the issuing purchasing authority, the State may:
- a. Forward the contractor's payment check(s) directly to any person or entity designated by the Contractor, or
 - b. Include any person or entity designated by Contractor as a joint payee on the Contractor's payment check(s).
- In no event shall such approval and action obligate the State to anyone other than the Contractor and the Contractor shall remain responsible for fulfillment of all contract obligations.
- 4.15 **COMPLIANCE WITH LAWS:** The Contractor shall comply with all laws, ordinances, codes, rules, regulations, and licensing requirements that are applicable to the conduct of its business, including those of federal, state, and local agencies having jurisdiction and/or authority.
- 4.16 **AFFIRMATIVE ACTION:** The Contractor shall take affirmative action in complying with all Federal and State requirements concerning fair employment and employment of people with disabilities, and concerning the treatment of all employees without regard to discrimination by reason of race, color, religion, sex, national origin, or disability.

- 4.17 **INSURANCE:** During the term of the contract, the Contractor at its sole cost and expense shall provide commercial insurance of such type and with such terms and limits as may be reasonably associated with the contract. As a minimum, the Contractor shall provide and maintain the following coverage and limits:
- a. Worker's Compensation - The Contractor shall provide and maintain Worker's Compensation Insurance, as required by the laws of North Carolina, as well as employer's liability coverage with minimum limits of \$150,000.00, covering all of Contractor's employees who are engaged in any work under the contract. If any work is subcontracted, the contractor shall require the subcontractor to provide the same coverage for any of its employees engaged in any work under the contract.
 - b. Commercial General Liability - General Liability Coverage on a Comprehensive Broad Form on an occurrence basis in the minimum amount of \$1,000,000.00 Combined Single Limit and \$3,000,000.00 for Group. Defense cost shall be in excess of the limit of liability.
 - c. Automobile - Automobile Liability Insurance, to include liability coverage, covering all owned, hired and non-owned vehicles, used in connection with the contract. The minimum combined single limit shall be \$150,000.00 bodily injury and property damage; \$150,000.00 uninsured/under insured motorist; and \$1,000.00 medical payment.

Providing and maintaining adequate insurance coverage is a material obligation of the contractor and is of the essence of this contract. All such insurance shall meet all laws of the State of North Carolina. Such insurance coverage shall be obtained from companies that are authorized to provide such coverage and that are authorized by the Commissioner of Insurance to do business in North Carolina. The contractor shall at all times comply with the terms of such insurance policies, and all requirements of the insurer under any such insurance policies, except as they may conflict with existing North Carolina laws or this contract. The limits of coverage under each insurance policy maintained by the contractor shall not be interpreted as limiting the contractor's liability and obligations under the contract.

- 4.18 **ADVERTISING:** The offeror shall not use the award of a contract as part of any news release or commercial advertising.
- 4.19 **ENTIRE AGREEMENT:** This contract and any documents incorporated specifically by reference represent the entire agreement between the parties and supersede all prior oral or written statements or agreements. This Request for Proposals, any addenda thereto, and the offeror's proposal are incorporated herein by reference as though set forth verbatim.
- All promises, requirements, terms, conditions, provisions, representations, guarantees, and warranties contained herein shall survive the contract expiration or termination date unless specifically provided otherwise herein, or unless superseded by applicable Federal or State statutes of limitation.
- 4.20 **AMENDMENTS:** This contract may be amended only by written amendments duly executed by the NCDOC and the Contractor. The NC Division of Purchase and Contract shall give prior approval to any amendment to a contract awarded through that office.
- 4.21 **TAXES:** G.S. 143-59.1 bars the Secretary of Administration from entering into contracts with Vendors if the Vendor or its affiliates meet one of the conditions of G. S. 105-164.8(b) and refuse to collect use tax on sales of tangible personal property to purchasers in North Carolina. Conditions under G. S. 105-164.8(b) include: (1) Maintenance of a retail establishment or office, (2) Presence of representatives in the State that solicit sales or transact business on behalf of the Vendor and (3) Systematic exploitation of the market by media-assisted, media-facilitated, or media-solicited means. By execution of the proposal document the Vendor certifies that it and all of its affiliates, (if it has affiliates), collect(s) the appropriate taxes.
- 4.22 **YEAR 2000 COMPLIANCE/WARRANTY:** Vendor shall ensure the product(s) and service(s) furnished pursuant to this agreement ("product" shall include, without limitation, any piece of equipment, hardware, firmware, middleware, custom or commercial software, or internal components, subroutines, and interfaces therein) which perform any date and/or time data recognition function, calculation, or sequencing, will support a four digit year format, and will provide accurate date/time data and leap year calculations on and after December 31, 1999, at the same level of functionality for which originally acquired without additional cost to the user. This warranty shall survive termination or expiration of the agreement.
- 4.23 **GENERAL INDEMNITY:** The contractor shall hold and save the State, its officers, agents, and employees, harmless from liability of any kind, including all claims and losses accruing or resulting to any other person, firm, or corporation furnishing or supplying work, services, materials, or supplies in connection with the performance of this contract, and from any and all claims and losses accruing or resulting to any person, firm, or corporation that may be injured or damaged by the contractor in the performance of this contract and that are attributable to the negligence or intentionally tortious acts of the contractor provided that the contractor is notified in writing within 30 days that the State has knowledge of such claims. The contractor represents and warrants that it shall make no claim of any kind or nature against the State's agents who are involved in the delivery or processing of contractor goods to the State. The representation and warranty in the preceding sentence shall survive the termination or expiration of this contract.

- 4.24 **OUTSOURCING:** Any Vendor or subcontractor providing call or contact center services to the State of North Carolina shall disclose to inbound callers the location from which the call or contact center services are being provided. If, after award of a contract, the contractor wishes to outsource any portion of the work to a location outside the United States, prior written approval must be obtained from the State agency responsible for the contract. Vendor must give notice to the using agency of any relocation of the Vendor, employees of the Vendor, subcontractors of the Vendor, or other persons performing services under a state contract outside of the United States.
- 4.25 **By EXECUTIVE ORDER 24,** issued by Governor Perdue, and N.C. G.S. § 133-32, it is unlawful for any Vendor or contractor (i.e. architect, bidder, contractor, construction manager, design professional, engineer, landlord, offeror, seller, subcontractor, supplier, or Vendor), to make gifts or to give favors to any State employee of the Governor's Cabinet Agencies (i.e., Administration, Commerce, Correction, Crime Control and Public Safety, Cultural Resources, Environment and Natural Resources, Health and Human Services, Juvenile Justice and Delinquency Prevention, Revenue, Transportation, and the Office of the Governor). This prohibition covers those Vendors and contractors who:
- (1) Have a contract with a governmental agency; or
 - (2) Have performed under such a contract within the past year; or
 - (3) Anticipate bidding on such a contract in the future.

For additional information regarding the specific requirements and exemptions, Vendors and contractors are encouraged to review Executive Order 24 and G.S. Sec. 133-32.

Executive Order 24 also encouraged and invited other State Agencies to implement the requirements and prohibitions of the Executive Order to their agencies. Vendors and contractors should contact other State Agencies to determine if those agencies have adopted Executive Order 24."

5. TERMS AND CONDITIONS SPECIFIC TO THIS CONTRACT

- 5.1 **CONTRACT PERIOD:** The contract service shall be for a period of three (3) years and shall begin when a purchase order has been issued by the North Carolina Department of Correction, subject to the continuation of the program and the availability of funds. The Department of Correction reserves the right to extend the contract for up to two (2) additional one-year periods.
- 5.2 **ALCOHOL/DRUG FREE WORK PLACE POLICY:** A copy of the NCDOC's Alcohol/Drug Free Work Place Policy is attached (Exhibit B) to this solicitation. The contractor shall use reasonable and good faith efforts to ensure that employees/staff are aware of the NCDOC's policy. The contractor understands that its employees/staff are required to abide by these standards. The contractor further understands that possession, use, manufacture, or distribution of illegal drugs or alcohol in violation of this policy, by employees/staff participating in the performance of this Contract, may result in immediate termination of this contract for cause.
- 5.3 **RIGHT TO REFUSE PERSONNEL:** The NCDOC has the right to deny any contractor at all times from performing services for the NCDOC under this contract for cause. Cause is defined as failure to perform requirements of this contract and/or to maintain community standards of care; loss of licensure; criminal indictment; and/or inappropriate behavior towards NCDOC staff or inmates.
- 5.4 **DATA STEWARDSHIP:** All data is the property of the State of North Carolina. The successful vendor agrees to serve as steward for NCDOC data and agrees to surrender any or all such data to authorized NCDOC representatives upon request. Data shall be provided in a format agreed upon by the NCDOC and will include definition and description of all data elements.
- 5.5 **ESCALATION CLAUSE:** Prices offered herein shall be firm for a period of three (3) years from the date of initial contract performance. If the contract provides for an option year(s) and the NCDOC exercises that option(s), the Contractor may request a price increase for that year but it must not exceed the change in points during the previous twelve (12) month period in the *Consumer Price Index (All Urban Consumers: 1982-1984) or 5%, whichever is less. If the requested increase is in compliance with these specified limitations, the new price will be effective thirty (30) days from the date the request is received by the NCDOC.
- 5.6 **SECURITY:**

Correctional health care poses unique and sometimes challenging situations that require additional planning and supervision to ensure a safe, secure work environment. Therefore, it is necessary that the below-mentioned requirements are adhered to.

Providers:

Contractor shall use good faith and reasonable efforts in complying with security regulations and procedures of the Department. The Department shall use reasonable and good faith efforts in complying with security regulations and procedures of the Contractor. Medium- and maximum-security level Inmates receiving services at Contractor's sites shall wear appropriate restraints and be accompanied by a Departmental uniformed correctional officer at all times. Minimum security level inmates shall be accompanied by a Departmental uniformed correctional officer at all times until either: (a) the inmate is released from medical care or (b) a temporary medical emergency leave, which allows the inmate to be left at an outside medical facility, has been approved by the prison superintendent, assistant superintendent for custody and operations, or assistant superintendent for programs.

Hospitals/Medical Facilities:

Contractor shall use good faith and reasonable efforts in complying with security regulations and procedures of the Department. The Department shall use reasonable and good faith efforts in complying with security regulations and procedures of the Contractor. Medium- and maximum-security level Inmates receiving services at Contractor's sites shall wear appropriate restraints and be accompanied by a Departmental uniformed correctional officer at all times. Minimum security level inmates shall be accompanied by a Departmental uniformed correctional officer at all times until either: (a) the inmate is released from medical care or (b) a temporary medical emergency leave, which allows the inmate to be left at an outside medical facility, has been approved by the prison superintendent, assistant superintendent for custody and operations, or assistant superintendent for programs. In cases where temporary medical emergency leave has been approved for minimum security inmates, the Department shall notify Contractor's security department prior to the correctional officer(s) being relieved of their role in supervising the inmate so that Contractor's security department can make appropriate adjustments. The Department shall also insure that at least once per shift (3 times in a 24-hour period), a visual on-site check of the inmate occurs by a certified correctional officer. Any problem or concern is to be promptly reported to the officer in charge and to the Contractor's security department by the fastest means possible. The Department shall call the Contractor's security department each time an inmate is scheduled to come to the Contractor's facility for evaluation/treatment. This shall occur prior to the inmate's arrival to Contractor's facility.

- 5.7 **SUBCONTRACTORS:** The vendor may use subcontractors, but the subcontractor(s) shall be under the same contractual and legal obligations as the Vendor (e.g., HIPAA, Executive Order 24 (gifts to state employees), etc.) in performing the scope of work that was subcontracted. The vendor shall identify to NCDOC, in its proposal, all subcontractors (i.e., name, contact information and the scope(s) of work subcontracted), as well as after contract award if vendor desires to add or change subcontractors.
- 5.8 **LEGISLATIVE MANDATES:** This contract is subject to change in the event that the North Carolina General Assembly passes legislation that affects the eligibility and/or reimbursement rates to be paid for medical services rendered to NCDOC inmates.
- 5.9 **ACCOUNTABILITY:** Employees of other public and private organizations providing a service to the agency are accountable to the North Carolina Department of Correction (DOC) Departmental Purchasing Contract Administrator and the facility head or designee of the program in which they work. The facility head or designee shall report all non-compliance issues in writing to the North Carolina DOC Departmental Purchasing Contract Administrator. The North Carolina DOC Departmental Purchasing Contract Administrator shall work with the employee of the public or private organization providing the service in order to bring performance up to expectations or terminate services if the conditions justify.
- 5.10 **NON-DISCLOSURE/INFORMATION SECURITY:** The State may, in its sole discretion, provide a non-disclosure agreement and/or an Information Security Policies Acknowledgement Form satisfactory to the State for Vendor's execution. The State may exercise its rights under this paragraph as necessary or proper, in its discretion, to comply with applicable security regulations or statutes.

6. GENERAL INFORMATION ON SUBMITTING PROPOSALS

- 6.1 **EXCEPTIONS:** All proposals are subject to the terms and conditions outlined herein. All responses shall be controlled by such terms and conditions and the submission of other terms and conditions, price lists, catalogs, and/or other documents as part of an offeror's response will be waived and have no effect either on this Request for Proposals or on any contract that may be awarded resulting from this solicitation.

Offeror specifically agrees to the conditions set forth in the above paragraph by signature to the proposal.

- 6.2 **CERTIFICATION:** By executing the proposal, the signer certifies that this proposal is submitted competitively and without collusion (G.S. 143-54), that none of our officers, directors, or owners of an unincorporated business entity has been convicted of any violations of Chapter 78A of the General Statutes, the Securities Act of 1933, or the Securities Exchange Act of 1934 (G.S. 143-59.2), and that we are not an ineligible vendor as set forth in G.S. 143-59.1. False certification is a Class I felony.

- 6.3 **ORAL EXPLANATIONS:** The State shall not be bound by oral explanations or instructions given at any time during the competitive process or after award.

- 6.4 **REFERENCE TO OTHER DATA:** Only information which is received in response to this RFP will be evaluated; reference to information previously submitted shall not be evaluated.

- 6.5 **ELABORATE PROPOSALS:** Elaborate proposals in the form of brochures or other presentations beyond that necessary to present a complete and effective proposal are not desired.

In an effort to support the sustainability efforts of the State of North Carolina we solicit your cooperation in this effort. **It is desirable that all responses meet the following requirements:**

- All copies are printed **double sided**.
- All submittals and copies are printed on **recycled paper with a minimum post-consumer content of 30%** and indicate this information accordingly on the response.
- Unless absolutely necessary, all proposals and copies should **minimize or eliminate use of non-recyclable or non re-usable materials** such as plastic report covers, plastic dividers, vinyl sleeves, and GBC binding. Three-ringed binders, glued materials, paper clips, and staples are acceptable.
- Materials should be submitted in a format which allows for **easy removal and recycling** of paper materials.

- 6.6 **COST FOR PROPOSAL PREPARATION:** Any costs incurred by offerors in preparing or submitting offers are the offerors' sole responsibility; the State of North Carolina will not reimburse any offeror for any costs incurred prior to award.

- 6.7 **TIME FOR ACCEPTANCE:** Each proposal shall state that it is a firm offer which may be accepted within a period of **180 days**. Although the contract is expected to be awarded prior to that time, the 180-day period is requested to allow for unforeseen delays.

- 6.8 **TITLES:** Titles and headings in this RFP and any subsequent contract are for convenience only and shall have no binding force or effect.

- 6.9 **CONFIDENTIALITY OF PROPOSALS:** In submitting its proposal the offeror agrees not to discuss or otherwise reveal the contents of the proposal to any source outside of the using or issuing agency, government or private, until after the award of the contract. Only those communications with the using agency or issuing agency authorized by this RFP are permitted. All offerors are advised that they are not to have any communications with the using or issuing agency during the evaluation of the proposals (i.e., after the public opening of the proposals and before the award of the contract), unless the State's purchaser contacts the offeror(s) for purposes of seeking clarification. An offeror shall not: transmit to the issuing and/or using agency any information commenting on the ability or qualifications of other offerors to perform the advertised contract and/or the other offerors' proposals and/or prices at any time during the procurement process; or engage in any other communication or conduct attempting to influence the evaluation and/or award of the contract that is the subject of this RFP. Offerors not in compliance with this provision may be disqualified, at the option of the State, from contract award. Only discussions authorized by the issuing agency are exempt from this provision.

- 6.10 **RIGHT TO SUBMITTED MATERIAL:** All responses, inquiries, or correspondence relating to or in reference to the RFP, and all other reports, charts, displays, schedules, exhibits, and other documentation submitted by the offerors shall become the property of the State when received.

- 6.11 **OFFEROR'S REPRESENTATIVE:** Each offeror shall submit with its proposal the name, address, and telephone number of the person(s) with authority to bind the firm and answer questions or provide clarification concerning the firm's proposal.

- 6.12 **SUBCONTRACTING:** Offerors may propose to subcontract portions of the work provided that their proposals clearly indicate what work they plan to subcontract and to whom and that all information required about the prime contractor is also included for each proposed subcontractor.

- 6.13 **PROPRIETARY INFORMATION:** Trade secrets or similar proprietary data which the offeror does not wish disclosed to other than personnel involved in the evaluation or contract administration will be kept confidential to the extent permitted by NCAC T01:05B.1501 and G.S. 132-1.3 if identified as follows: Each page shall be identified in boldface at the top and bottom as "CONFIDENTIAL". Any section of the proposal which is to remain confidential shall also be so marked in boldface on the title page of that section. Cost information may not be deemed confidential. In spite of what is labeled as confidential, the determination as to whether or not it is shall be determined by North Carolina law.
- 6.14 **HISTORICALLY UNDERUTILIZED BUSINESSES:** Pursuant to General Statute 143-48 and Executive Order #150, the State invites and encourages participation in this procurement process by businesses owned by minorities, women, disabled, disabled business enterprises and non-profit work centers for the blind and severely disabled.
- 6.15 **PROTEST PROCEDURES:** When an offeror wants to protest a contract awarded by the Secretary of Administration or by an agency over \$25,000 resulting from this solicitation, they must submit a written request to the State Purchasing Officer at Purchase and Contract, 1305 Mail Service Center, Raleigh, NC 27699-1305. This request must be received in the Division of Purchase and Contract within thirty (30) consecutive calendar days from the date of the contract award. When an offeror wants to protest a contract awarded by an agency or university resulting from this solicitation that is over \$10,000 but less than \$25,000 for any agency, or any contract awarded by a university, they must submit a written request to the issuing procurement officer at the address of the issuing agency. This request must be received in that office within thirty (30) consecutive calendar days from the date of the contract award. Protest letters must contain specific reasons and any supporting documentation for the protest. Note: Contract award notices are sent only to those actually awarded contracts, and not to every person or firm responding to this solicitation. Contract status and Award notices are posted on the Internet at <http://www.pandc.nc.gov/>. All protests will be handled pursuant to the North Carolina Administrative Code, Title 1, Department of Administration, Chapter 5, Purchase and Contract, Section 5B.1519. (See Protest Information at <http://www.pandc.nc.gov/protests.pdf> for more information.)
- 6.16 **TABULATIONS:** The Division has implemented an Interactive Purchasing System (IPS) that allows the public to retrieve bid tabulations electronically from our Internet web site: <http://www.pandc.nc.gov/>. Click on the IPS BIDS icon, click on Search for Bid, enter the RFP number, and then search. Tabulations will normally be available at this web site not later than one working day after opening. Lengthy tabulations may not be available on the Internet, and requests for these verbally or in writing cannot be honored.
- 6.17 **VENDOR REGISTRATION AND SOLICITATION NOTIFICATION SYSTEM:** Vendor Link NC allows vendors to electronically register free with the State to receive electronic notification of current procurement opportunities for goods and services available on the Interactive Purchasing System. Online registration and other purchasing information are available on our Internet web site: <http://www.pandc.nc.gov/>.
- 6.18 **RECIPROCAL PREFERENCE:** G.S. 143-59 establishes a reciprocal preference law to discourage other states from applying in-state preferences against North Carolina's resident offerors. The "Principal Place of Business" is defined as the principal place from which the trade or business of the offeror is directed or managed.

7. PROPOSAL REQUIREMENTS

The response to this RFP shall consist of the following sections:

- Proposal Format
- Corporate Background, Experience, and References
- Financial Statement
- Project Staffing and Organization
- Outsourcing (Where Service Contracts Will Be Performed)
- Execution of Proposal
- Technical Approach
- Cost Proposal

7.1 Proposal Format

The proposals should be organized in the exact order in which the requirements and/or desirable performance criteria are presented in the RFP. The vendor must respond to each item in RFP Section 2, Service Overview, and Section 3, Vendor Requirements/Scope of Work, listing its response directly under the RFP item. Each page shall be numbered. The proposal should contain a table of contents, which cross-references the RFP requirements and the specific page of the response in the vendor's proposal. All proposals shall be typewritten on standard 8 ½ x 11 paper (larger paper is permissible for charts, spreadsheets, etc.) and placed within a binder with tabs delineating each section.

Vendors are strongly encouraged to adhere to the following general instructions in order to bring clarity and order to the proposal and subsequent evaluation process:

- 1) Elaborate proposals in the form of brochures or other presentations beyond that necessary to present a complete and effective proposal are not desired.
- 2) The response should be complete and comprehensive with a corresponding emphasis on being concise and clear.

7.2 Corporate Background, Experience and References

This section shall include background information on the organization and should give details of experience with similar projects. Offeror shall clearly identify if the offeror does not have experience in a particular functional area. A list of references (including current contact persons and telephone numbers) for which similar work has been performed shall be included and the list shall include all similar contracts performed by the offeror in the past ten (10) years. The evaluators will randomly select at least three (3) of these references, but the evaluators reserve the right to contact all the references listed, if information from the three (3) references contacted warrant further inquiry. The failure to list all similar contracts in the specified period may result in the rejection of the offeror's proposal. The evaluators may check all public sources to determine whether offeror has listed all contracts for similar work within the designated period. If the evaluators determine that references for other public contracts for similar contracts were not listed, the evaluators may contact the public entities to make inquiry into offeror's performance of those contracts and the information obtained will be considered in evaluating offeror's proposal.

7.3 Financial Statement

The offeror shall provide the following financial information:

- Recent audited or reviewed financial statements prepared by an independent certified public accountant (CPA) that shall include, at a minimum, a balance sheet, income statement (i.e., profit/loss statement) and cash flow statement **and**, if the audited or reviewed financial statements were prepared more than six (6) months prior to the issuance of this RFP, the offeror shall submit its most recent internal financial statements (balance sheet, income statement and cash flow statement or budget with entries reflecting revenues and expenditures from the date of the audited or reviewed financial statements to end of the most recent financial reporting period (i.e., the quarter or month preceding the issuance date of this RFP);or
- Recent compiled financial statements prepared by an independent CPA that shall include, at a minimum, a balance sheet, income statement (i.e., profit/loss statement) and cash flow statement **and**, if the compiled financial statements were prepared more than three (3) months prior to the issuance of this RFP, the offeror shall submit its most recent internal financial statements (balance sheet, income statement and cash flow statement or budget with entries reflecting revenues and expenditures to date), and other evidence of financial stability such as most recently filed income tax return, evidence of a line of credit/loans/other type of financing with statement of amount in use/outstanding balance (e.g., a complete copy commitment letter, loan agreement, billing statement reflecting the line of credit or statement from lender acknowledging the commitment to fund the offeror's stated financing), performance bond, personal guaranty with copies of personal income tax filing and statement of net worth or such other evidence that is accurate, reliable and trustworthy regarding the offeror's financial stability.

Recent shall be defined as financial statements that were prepared within the 12 months preceding the issuance date of this RFP.

Offeror shall in its proposal, provide financial statements, evidence of financial stability and/or guarantees, state or demonstrate offeror's ability to: (1) commence performance of the Contract prior to receiving any disbursements from the agreed upon lump sum payment; (2) financially perform the contract for the first 60-90 days without receiving its monthly Administrative Fee; (3) financially perform the Contract with NCDOC withholding the specified retainage amounts for designated periods of time; (4) financially perform the Contract in the event there are deductions in the offeror's monthly Administrative fee to resolve unpaid network provider claims to which NCDOC previously paid offeror for those claims; and (5) financially perform the Contract in the event there are deductions in the offeror's monthly Administrative fee to resolve billing issues, disputed claims and/or discrepancies disclosed by audits.

Consolidated Financial Statements of the offeror's parent or related corporation/business entity shall not be considered, unless: (1) the offeror's actual financial performance for the designated period is separately identified in and/or attached to the consolidated statements; (2) the parent or related corporation/business entity provides the State with a document wherein the parent or related corporation/business entity will be financially responsible for the offeror's performance of the contract and the consolidated statement demonstrates the parent or related corporation's/business entity's financial ability to perform the contract, financial stability and/or such other financial considerations identified in the evaluation criteria; and/or (3) offeror provides its own internally prepared financial statements and such other evidence of its own financial stability identified above.

The offeror's failure to provide any of the above-referenced financial statements or failure to submit all the requested financial statements may result in the rejection of the offeror's proposal and rejection is more likely to occur if other offerors provide financial documentation in compliance with the foregoing provisions. Offerors are also encouraged to explain any negative financial information in its financial statements and are encouraged to provide documentation supporting those explanations.

All financial information, statements and/or documents provided in response to this proposal requirement shall be kept confidential. IF THE OFFEROR COMPLIES WITH PARAGRAPH 6.13 OF THE GENERAL INFORMATION ON SUBMITTING PROPOSALS BY MARKING THE FINANCIAL INFORMATION, STATEMENTS AND/OR DOCUMENTS CONFIDENTIAL.

7.4 **Project Organization**

In addition to other project organization requirements identified elsewhere in this solicitation document, this section must include the proposed staffing, deployment and organization of personnel to be assigned to this project.

The offeror shall provide information as to the qualifications and experience of all executive, managerial, legal, and professional personnel to be assigned to this project, including résumés citing experience with similar projects and the responsibilities to be assigned to each person.

7.5 **Technical Approach**

This section shall include, in narrative, outline, and/or graph form the offeror's approach to accomplishing the tasks outlined in the Vendor Requirements / Scope of Work section of this RFP. A description of each task and deliverable in **Section 3.1 through 3.8 inclusive and all subsections** and the schedule for accomplishing each shall be included.

The technical approach should be organized in the exact order in which the requirements and/or desirable performance criteria are presented in the RFP. The Vendor must respond to each item in RFP Section 3, Vendor Requirements/Scope of Work, listing its response directly under the RFP item. Each page shall be numbered.

7.6 **Outsourcing**

The Vendor must detail the manner in which it intends to utilize resources or workers located outside of the United States, and the State of North Carolina will evaluate the additional risks, costs and other factors associated with such utilization to make the award for this proposal as deemed by the awarding authority to be in the best interest of the State.

For any proposed or actual utilization or contract performance outside of the United States, the offeror's proposal must include:

- a) The location of work performed under a state contract by the vendor, any subcontractors, employees, or other persons performing the contract.
- b) The corporate structure and location of corporate employees and activities of the vendors, its affiliates or any subcontractors.

The State may initiate proceedings to debar a vendor from participation in the bid process and from contract award as authorized by North Carolina law, if it is determined that the vendor has refused to disclose or has falsified any information provided herein.

7.7. **Cost Proposal**

The Cost Proposal, Exhibit A, shall be submitted in a separate, sealed package.

Offeror shall complete the Cost Proposal Section, and shall offer a firm fixed price, all inclusive of labor, materials, equipment, transportation, technology, general and administrative overhead, and profit.

In order to assist Offerors with pricing models, the NCDOC will provide available statistical data during the question period, upon request. Data provided is in no way a guarantee of future volume.

The cost proposal shall include:

- A. One-Time Start-Up Fee: Implementation of the service includes, but is not limited to, all labor, materials, equipment, transportation, general, and administrative overhead, profit, and training, from the time of contract award to service go-live date.. Offeror shall provide an itemized breakdown and description of what comprises the one-time start-up fee.

The NCDOC requires that all start-up costs be structured to be paid in accordance with a clearly delineated schedule and linked to the NCDOC's acceptance of milestones outlined in the Integrated Master Plan (IMP). Milestones must be delivered to the NCDOC's satisfaction and contingent upon the NCDOC's approval. Any release of funds is contingent upon acceptance of each milestone by NCDOC. Payments shall reflect the proportional amount of expense and effort required to meet the milestone.

- B. Administrative Fee: The Administrative Fee shall cover the complete cost of administering the contracted services, including but not limited to labor, materials, equipment, transportation, technology, general, and administrative overhead and profit. The Offeror shall not be entitled to submit any claims for additional costs relating to its administration of the contract or pass-through any additional administrative costs of its subcontractors. This fee shall not include any costs associated with the one-time start-up fee. It will fully encompass all payments to be made to the vendor apart from the claims reimbursement as detailed in Section C of this cost proposal.

Offeror shall provide an itemized breakdown and description of what comprises the administrative fee for each of the three (3) contract years.

- C. Claims Reimbursement: Offeror shall provide a Medicare reimbursement rate for all inmate medical claims processed under this contract for each of the specified years. Maximum Medical reimbursement shall be based on a Medicare rate. Reimbursement shall not exceed the allowable fee schedule amount in accordance with the percentage stated in this cost proposal. **Proposals for rates in excess of one hundred twenty percent (120%) of the Medicare rate will not be considered.**

7.8 EXECUTION OF PROPOSAL PAGE

By submitting this proposal, the potential contractor certifies the following:

- _____ This proposal is signed by an authorized representative of the firm.
- _____ It can obtain insurance certificates as required within 10 calendar days after notice of award.
- _____ The cost and availability of all equipment, materials, and supplies associated with performing the services described herein have been determined and included in the proposed cost.
- _____ All labor costs, direct and indirect, have been determined and included in the proposed cost.
- _____ The offeror is aware of prevailing conditions associated with performing these services.
- _____ The potential contractor has read and understands the conditions set forth in this RFP and agrees to them with no exceptions.
- _____ The offeror is registered in NC E-Procurement @ Your Service or agrees to register within two days after notification of contract award.

Therefore, in compliance with this Request for Proposals, and subject to all conditions herein, the undersigned offers and agrees, to furnish the subject services as indicated in its proposal. Offer valid for **180 days** from date of proposal opening unless otherwise stated here: _____ days (See General Information on Submitting Proposals, Item 7).

OFFEROR: _____

ADDRESS: _____

CITY, STATE, ZIP: _____

TELEPHONE NUMBER: _____ FAX: _____

E-MAIL: _____

Principal Place of Business if different from above (See General Information on Submitting Proposals, Item 18.):

Will any of the work under this contract be performed outside the United States?
(If yes, describe in technical proposal.)

☐ Yes

☐ No

N.C.G.S. § 133-32 and Executive Order 24 prohibit the offer to, or acceptance by, any State Employee of any gift from anyone with a contract with the State, or from any person seeking to do business with the State. By execution of any response in this procurement, you attest, for your entire organization and its employees or agents, that you are not aware that any such gift has been offered, accepted, or promised by any employees of your organization.

BY: _____ TITLE: _____ DATE: _____
(Signature)

(Printed name)

ACCEPTANCE OF PROPOSAL

(Using Agency Name)

BY: _____ TITLE: _____ DATE: _____

THIS PAGE MUST BE SIGNED AND INCLUDED IN YOUR TECHNICAL PROPOSAL.

Unsigned proposals will not be considered.

7.9 Where Service Contracts Will Be Performed

In accordance with NC General Statute 143-59.4 (Session Law 2005-169),
this form is to be completed and submitted with the offeror's (technical) proposal/bid.

Issuing Agency: Department of Administration Solicitation #201000397
Agency Contact Person & phone #: Mildred C. Christmas, (919) 807-4525

Solicitation Title / Type of Services: Inmate Medical Management Services - Statewide

OFFEROR: _____
City & State: _____

Location(s) from which services will be performed by the contractor:

Service	City/Providence/State	Country
_____	_____	_____
_____	_____	_____
_____	_____	_____

Location(s) from which services are anticipated to be performed outside the U.S. by the contractor:

_____	_____	_____
_____	_____	_____

Location(s) from which services will be performed by subcontractor(s):

Service	Subcontractor	City/Providence/State	Country
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Location(s) from which services are anticipated to be performed outside the U.S. by the subcontractor(s):

_____	_____	_____	_____
_____	_____	_____	_____

(Attach additional pages if necessary.)

EXHIBIT A**COST PROPOSAL**

All prices offered in the cost proposal shall be a firm fixed price which is all inclusive of labor, materials, equipment, transportation, general, and administrative overhead and profit.

- A. **One-Time Start-Up Fee:** Implementation of the service includes but is not limited to all labor, materials, equipment, transportation, general, and administrative overhead, profit, and training, from the time of contract award to service go-live date. Offeror shall provide an itemized breakdown and description of what comprises the one-time start-up fee.

The NCDOD requires that all start-up costs be structured to be paid in accordance with a clearly delineated schedule and linked to NCDOD acceptance of milestones outlined in the Integrated Master Plan (IMP). Milestones must be delivered to the NCDOD's satisfaction and contingent upon the NCDOD's approval. Any release of funds is contingent upon acceptance of each milestone by NCDOD. Payments shall reflect proportional amount of expense and effort required to meet the milestone.

One-Time Start-Up Fee Not to Exceed: \$ _____

- B. **Administrative Fee:** The Administrative Fee shall cover the complete cost of administering the contracted services, including but not limited to labor, materials, equipment, transportation, technology, general, and administrative overhead and profit. The offeror shall not be entitled to submit any claims for additional cost relating to its administration of the contract or pass-through any additional administrative costs of its subcontractors. This fee shall not include any costs associated with the one-time start-up fee. It will fully encompass all payments to be made to the vendor apart from claims reimbursement as detailed in Section C of this cost proposal.

Offeror shall provide an itemized breakdown and description of what comprises the administrative fee for each of the three (3) contract years.

Year 1: \$ _____

Year 2: \$ _____

Year 3: \$ _____

- C. **Claims Reimbursement:** Offeror shall provide a Medicare reimbursement rate for all inmate medical claims processed under this contract for each of the specified years. Maximum Medical reimbursement shall be based on a Medicare rate. Reimbursement shall not exceed the allowable fee schedule amount in accordance with the percentage stated in this cost proposal. Proposals for rates in excess of one hundred twenty percent (120%) of the Medicare rate will **not** be considered.

_____ **% Medicare Rate**

For the purpose of evaluating this proposal, Medicare reimbursement would average approximately \$55,000,000 per annum for year one based on internal estimates and available NCDOD data. (Years two (2) and three (3) have been adjusted by the 8.5 percent nationwide increase in the community over the previous five years.)

\$55,000,000 x _____ % = \$ _____ Total/Year 1

\$59,675,000 x same as year one % = \$ _____ Total/Year 2

\$64,747,375 x same as year one % = \$ _____ Total/Year 3

The sums of A, B, and C will be added to arrive at the calculated cost proposal total.

The State reserves the unqualified right to reject any and all offers when such rejection is deemed to be in the best interest of the State.

**THIS PAGE MUST BE RETURNED IN A SEPARATE, SEALED ENVELOPE;
OTHERWISE YOUR PROPOSAL WILL BE REJECTED.**

EXHIBIT B

ALCOHOL/DRUG-FREE WORK PLACE POLICY

POLICY

It is the policy of the Department of Correction to provide a work environment free of alcohol and drugs in order to ensure the safety and well being of employees, correctional clientele, and the general public. All employees of the Department of Correction, including permanent full-time, trainee, permanent part-time, permanent hourly, probationary, and temporary shall abide by this policy.

PURPOSE

This document is intended to advise managers and employees of the guidelines of an alcohol/drug free work place, and to set out the penalties for violation(s) of the guidelines.

PROCEDURES/OPERATIONAL GUIDELINES

All employees of the Department of Correction are expected to be physically and mentally prepared and able to perform their assigned duties throughout the workday. No employee shall report to the work site impaired by or suffering from the effects of drugs or alcohol.

Individuals reporting for work under the influence or the effects of alcohol and/or drugs shall be issued discipline, up to and including dismissal, consistent with the policy governing personal conduct.

No employee shall manufacture, distribute, or dispense controlled substances (drugs/alcohol) at the work site or away from the work site. No employee shall use "across the counter" medication to the point of impairment while at the work site, or in any situation which may bring discredit to the Department. Use or abuse shall be viewed as personal misconduct and shall be cause for immediate disciplinary action up to and including dismissal.

Possession of an illegal substance in any situation, at work or away from the work site shall be cause for discipline. Possession of controlled substances, i.e. Prescription medication or alcohol, must be in compliance with existing laws. Violations will result in discipline up to and including dismissal based on personal misconduct.

Employees who are arrested, detained, or served a warrant for any alcohol/drug related incident, at the work site or away from the work site have 24 hours to file a written report of the situation with the work unit supervisor/manager, i.e. Warden, Superintendent, Branch Manager. The work unit supervisor/manager shall make a recommendation for appropriate disciplinary action based on the facts of the case after conducting a thorough investigation.

If sufficient facts cannot be obtained due to pending litigation, the work unit supervisor/manager shall request, in writing, that any recommendation for disciplinary action be delayed until the court has disposed of the matter. Once the legal proceedings have been completed, the employee shall furnish a certified copy of the court disposition within 48 hours of the judgment. The recommendation for discipline shall be made at this time, if not previously addressed.

Any conviction of a drug or alcohol related offense, which occurred at the work site, shall be reported to the federal government by the Personnel Office; therefore, such offenses shall be reported to the Personnel Office by the appropriate manager so that the Personnel Office may comply with the requirement.

The Department of Correction utilizes the State Employee Assistance Program (EAP) administered through the Office of State Personnel. The EAP provides employees with a comprehensive referral service to aid in coping with or overcoming personal problems, including drug and alcohol problems. Consultants with the State EAP will provide managerial/supervisory training and coordinate employee orientation.

PREA STATEMENT

PREA: The Department of Correction has zero-tolerance for behavior with offenders that are unduly familiar or sexually abusive. Departmental staff, correctional agents, agency vendors, contractors, subcontractors associated with a contract, and volunteers is strictly prohibited from engaging in personal dealings or any conduct of a sexual nature with offenders. Conversation and conduct with offenders is to be professional at all times. Sexual acts between an offender and departmental staff, correctional agents, agency vendors and volunteers violates the federal Prison Rape Elimination Act of 2003 (PREA) and is punishable as a Class E felony in North Carolina. Under North Carolina and federal law, an offender CAN NOT consent to engage in sexual activity with departmental staff, correctional agents, agency vendors, volunteers, contractors, and subcontractors associated with a contract and all such activity legally is against the will of the offender- no matter what the offender says. Additionally, it is a criminal offense for any person to sell or give any inmate any intoxicating drink, barbiturate or stimulant drug, or any narcotic, poison or poisonous substance, except upon the prescription of a physician, or to convey to or from an inmate any letters or oral messages or any instrument or weapon by which to effect an escape, or that will aid in an assault or insurrection, or to trade with an inmate for clothing or stolen goods or to sell an inmate any article forbidden by prison rules.

"It is important to remember that if a report of any incidents of unduly familiar and sexual abuse is made, as a valued agent of this department, you have a duty to report this information immediately to your contact person with the Agency, the Division Director's office, or by email to the Office of PREA Administration at prea@doc.state.nc.us. By signing this contract you acknowledge that you, your employees and subcontractors, understand and will abide by this policy as outlined above."

Exhibit D**Evaluation Criteria**

Each of the evaluation criteria below shall be evaluated in accordance with the solicitation documents. These weighted factors will be used in the evaluation of the offeror proposals. Offerors scoring **800 or above** shall be required to provide oral presentations, all others will be eliminated from further consideration. Oral presentations scoring **30 points or less** will not be considered for award. **Notwithstanding scoring, the State reserves the unqualified right to reject any and all offers when such rejection is deemed to be in the best interest of the State. The State reserves the right to waive informalities.**

Evaluation Criteria	Maximum Points
<u>Provider Network</u> Up to 300 points may be awarded for a comprehensive evaluation of the provider network. This evaluation includes all component parts relative to the initiation and maintenance of the network. In addition it takes into consideration any changes and/or adjustments that will need to be made in order to keep the network viable.	300
<u>Prior Authorization</u> Up to 100 points may be awarded for a comprehensive evaluation of the prior authorization process. This evaluation includes necessary qualified medical personnel and all of the component parts to ensure an evidenced based process.	100
<u>Claims Management</u> Up to 100 points may be awarded for a consolidated claims processing solution that effectively adjudicates all claims for inmates in accordance with provisions covered in the RFP.	100
<u>Financial Management</u> Up to 100 points may be awarded for managing check writes, fund transfers, regulatory compliance, and data availability.	100
<u>Call Center Services</u> Up to 50 points may be awarded for an accessible customer-friendly service that best meets the needs of NCDOC.	50
<u>Project Management and Training</u> Up to 100 points may be awarded based on the quality of vendor's project management and training materials, how well organized and detailed the plans are, how they address contingencies, the degree of the vendor's staff support, the efficiency of the plan, adequacy of proposed training, the use of vendor and NCDOC resources, and quality control.	100
<u>Technical</u> Up to 100 points may be awarded based on the quality of the technical solution with regards to architecture, security, and system usage.	100
<u>Reporting</u> Up to 50 points may be awarded based on the quality of the reporting solution which includes general, ad hoc, and NCDOC required standard reports, in addition to other reporting features as cited in the requirements section.	50
<u>References, Experience, Corporate Background</u> Up to 50 points may be awarded upon an evaluation of these areas and the vendor's work for previous clients receiving services similar in scope to those proposed by the vendor for this project.	50
<u>Financial Information</u> Up to 50 points may be awarded upon an evaluation of vendor's financial information.	50
TECHNICAL PROPOSAL SUB-TOTAL (Must score 800 or above to be considered for award.)	1,000
ORAL PRESENTATION (Oral presentations scoring 30 points or less will not be considered for award.)	50
COST PROPOSAL	250
GRAND TOTAL	1,300

APPENDIX 1

SERVICE SITES INCLUDED IN THIS CONTRACT

FACILITY	STREET	CITY	STATE	ZIP
ALBEMARLE CI	44150 AIRPORT ROAD;NEW LONDON	BADIN	NC	28009
ALEXANDER CI	633 OLD LANDFILL RD.	TAYLORSVILLE	NC	28681
AVERY-MITCHELL CI	600 AMITY PARK ROAD	SPRUCE PINE	NC	28777
BERTIE CI	218 COOPER HILL ROAD	WINDSOR	NC	27983
BLADEN CC	5853 US 701 N,ELIZABETHTOWN	ELIZABETHTOWN	NC	28337
BROWN CREEK CI	248 PRISON CAMP RD.	POLKTON	NC	28135
BUNCOMBE CC	HIGHWAY 251 N., PAST LANDFILL	ASHEVILLE	NC	28814
CABARRUS CC	130 DUTCH ROAD	MT. PLEASANT	NC	28124
CALDWELL CC	480 PLEASANT HILL ROAD	LENOIR	NC	28645
CALEDONIA CI	HIGHWAY 561 WEST	TILLERY	NC	27887
CARTERET CC	1084 ORANGE STREET	NEWPORT	NC	28570
CASWELL CC	444 COUNTY HOME ROAD	YANCEYVILLE	NC	27379
CATAWBA CC	PRISON CAMP RD.	NEWTON	NC	28658
CENTRAL PRISON	1300 WESTERN BLVD	RALEIGH	NC	27699
CHARLOTTE CC	4100 MEADOW OAK RD.	CHARLOTTE	NC	28208
COLUMBUS CI	1255 PRISON CAMP ROAD	BRUNSWICK	NC	28424
CRAGGY CC	2992 RIVERSIDE DR.	ASHEVILLE	NC	28804
CRAVEN CI	600 ALLIGATOR ROAD	VANCEBORO	NC	28586
DAN RIVER PWF	981 MURRAY ROAD	YANCEYVILLE	NC	27379
DAVIDSON CC	1400 THOMASON STREET	LEXINGTON	NC	27292
DUPLIN CC	HWY #11 SOUTH	KENANSVILLE	NC	28349
DURHAM CC	3900 GUESS ROAD	DURHAM	NC	27705
EASTERN CI	2821 HWY. 903	MAURY	NC	28554
FOOTHILLS CI	5150 WESTERN AVE.	MORGANTON	NC	28655
FORSYTH CC	307 CRAFT DR.	WINSTON SALEM	NC	27105
FOUNTAIN CCW	827 FOUNTAIN ROAD	ROCKY MOUNT	NC	27802
FRANKLIN CC	HIGHWAY 39 SOUTH	BUNN	NC	27508
GASTON CC	520 JUSTICE COURT	DALLAS	NC	28034
GREENE CI	HIGHWAY 903	MAURY	NC	28554
HARNETT CI	1210 E. MCNEILL STREET	LILLINGTON	NC	27546
HAYWOOD CC	141 HEMLOCK STREET,WAYNESVILLE	HAZELWOOD	NC	28786
HOKE CI	243 OLD NC HIGHWAY 211	RAEFORD	NC	28376
HYDE CI	620 PRISON ROAD	SWAN QUARTER	NC	27885
JOHNSTON CI	2465 US 70 WEST	SMITHFIELD	NC	27577
LANESBORO CI	552 PRISON CAMP RD.	POLKTON	NC	28135
LINCOLN CC	464 ROPER DRIVE	LINCOLNTON	NC	28092
LUMBERTON CI	75 LEGEND ROAD	LUMBERTON	NC	28359
MARION CI	OLD GLENWOOD ROAD	MARION	NC	28752
MAURY CI	2568 MOORE ROUSE RD HOOKERTON	MAURY	NC	28554
MORRISON CI	MCDONALD CHURCH ROAD	HOFFMAN	NC	28347
MOUNTAIN VIEW CI	545 AMITY PARK ROAD	SPRUCE PINE	NC	28777
NASH CI	2869 US HWY 64A	NASHVILLE	NC	27856
NC CI WOMEN	1034 BRAGG STREET	RALEIGH	NC	27699
NEUSE CI	701 STEVENS MILL RD.	GOLDSBORO	NC	27533
NEW HANOVER CC	330 DIVISION DRIVE	WILMINGTON	NC	28402

SERVICE SITES INCLUDED IN THIS CONTRACT

FACILITY	STREET	CITY	STATE	ZIP
NORTH PIEDMONT CCW	1420 RALEIGH ROAD	LEXINGTON	NC	27292
ODOM CI	485 ODOM PRISON RD.	JACKSON	NC	27845
ORANGE CC	2110 CLARENCE WALTERS RD	HILLSBOROUGH	NC	27278
PAMLICO CI	601 N. THIRD STREET	BAYBORO	NC	28515
PASQUOTANK CI	527 COMMERCE DRIVE	ELIZABETH CITY	NC	27906
PENDER CI	906 PENDERLEA ROAD	BURGAW	NC	28425
PIEDMONT CI	1245 CAMP ROAD	SALISBURY	NC	28147
POLK CI	1001 VEAZEY RD.	BUTNER	NC	27509
RALEIGH CCW	1201 SOUTH STATE ST.	RALEIGH	NC	27699
RANDOLPH CC	2760 US HWY 220 BUS. SOUTH	ASHEBORO	NC	27204
ROBESON CC	HWY. 711	LUMBERTON	NC	28359
RUTHERFORD CC	901 LEDBETTER ROAD	SPINDALE	NC	28160
SAMPSON CI	700 NORTH WEST BLVD.(HWY.421N)	CLINTON	NC	28329
SANFORD CC	417 ADVANCEMENT CENTER ROAD	SANFORD	NC	27330
SCOTLAND CI	22383 MCGIRTS BRIDGE RD.	LAURINBURG	NC	28353
SOUTHERN CI	272 GLEN ROAD	TROY	NC	27371
SWANNANOA CCW	55 LAKE EDEN ROAD	BLACK MOUNTAIN	NC	28711
TABOR CI	4600 SWAMP FOX HWY W.-HWY 904W	TABOR CITY	NC	28463
TILLERY CC	STATE ROAD 1141	TILLERY	NC	27887
TYRRELL PWF	620 SNELL ROAD	COLUMBIA	NC	27925
UMSTEAD CC	WEST D STREET	BUTNER	NC	27509
WAKE CC	1000 ROCK QUARRY ROAD	RALEIGH	NC	27699
WARREN CI	COLLINS ROAD	MANSON	NC	27553
WAYNE CC	700 STEVENS MILL ROAD	GOLDSBORO	NC	27533
WESTERN YI	5155 WESTERN AVE	MORGANTON	NC	28655
WILKES CC	404 STATESVILLE ROAD	NORTH WILKESBORO	NC	28659

LEGEND

Sandy Ridge Bus Terminal

H **McCall Correctional Hospital**

Private Contract Facilities

A. Center for Community Transitions
B. Mary Frances Substance Abuse
C. Evergreen Substance Abuse

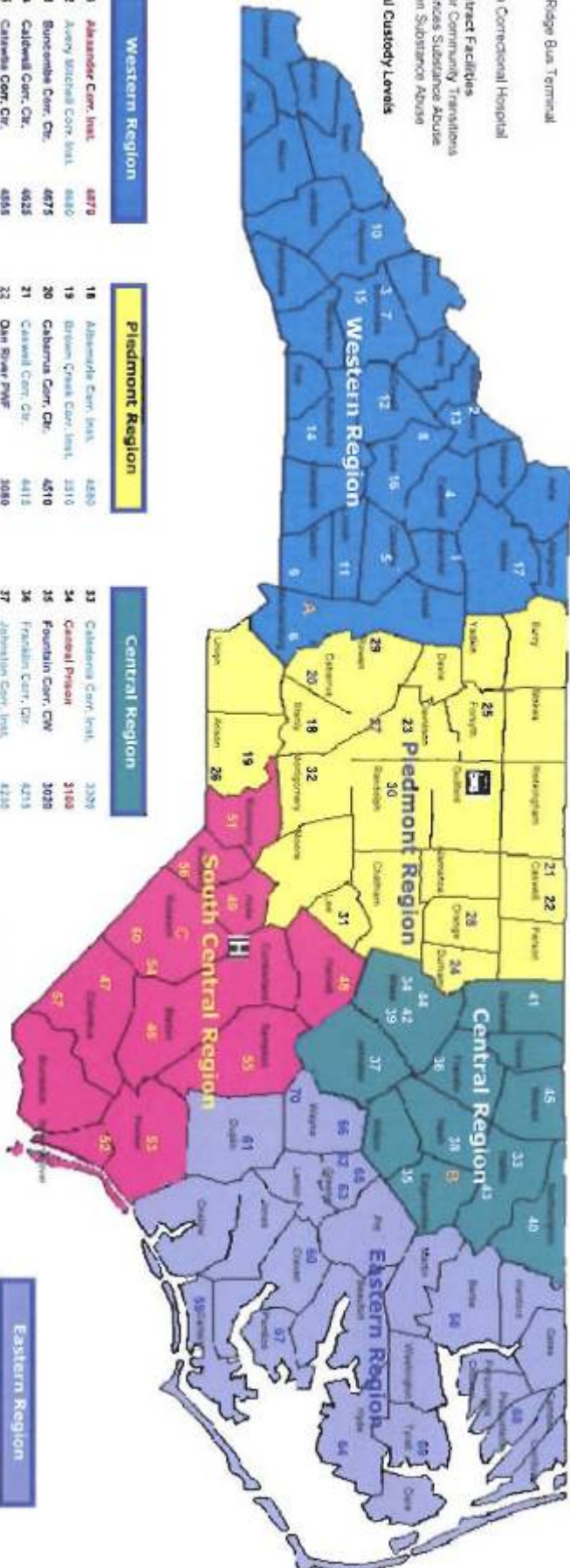
Correctional Custody Levels

Minimum

Medium

Close

NC Department of Correction, Division of Prisons Facility Listings by Region



Western Region

1	Alexander Corr. Inst.	4870
2	Avoy Wilkoff Corr. Inst.	4880
3	Burkeville Corr. Ctr.	4875
4	Calwell Corr. Ctr.	4825
5	Carroll Corr. Ctr.	4855
6	Charlotte Corr. Ctr.	4830
7	Cherry Corr. Ctr.	4810
8	Feather Corr. Inst.	4720
9	Gaston Corr. Ctr.	4815
10	Haywood Corr. Ctr.	4840
11	Lincoln Corr. Ctr.	4820
12	Martin Corr. Inst.	4720
13	McVie Corr. Inst.	4825
14	Rutherford Corr. Ctr.	4855
15	Swainville Corr. Ctr.	4835
16	Western Youth Inst.	3005
17	Wilkes Corr. Ctr.	4885

Piedmont Region

18	Albemarle Corr. Inst.	4850
19	Brown Creek Corr. Inst.	3310
20	Cabarrus Corr. Ctr.	4810
21	Calwell Corr. Ctr.	4815
22	Old River PMA	3080
23	Davidson Corr. Ctr.	4420
24	Durham Corr. Ctr.	4210
25	Forsyth Corr. Ctr.	4420
26	Lumberton Corr. Inst.	4885
27	N. Piedmont Corr. Ctr.	3090
28	Orange Corr. Ctr.	4340
29	Piedmont Corr. Inst.	3520
30	Randolph Corr. Ctr.	4445
31	Sanford Corr. Ctr.	4380
32	Seaford Corr. Inst.	3660

Central Region

33	Charlotte Corr. Inst.	3200
34	Central Prison	3160
35	Foundation Corr. Ctr.	3020
36	Franklin Corr. Ctr.	4215
37	Johnson Corr. Inst.	4220
38	Maun Corr. Inst.	3710
39	NCDC	3010
40	Odell Corr. Inst.	3310
41	Pike Corr. Inst.	3880
42	Raleigh Corr. Ctr.	3020
43	Tillery Corr. Ctr.	3120
44	Wata Corr. Ctr.	4285
45	Warren Corr. Inst.	4280

South Central Region

46	Baldwin Corr. Ctr.	4315
47	Charlotte Corr. Inst.	4320
48	Harris Corr. Inst.	3825
49	Hoke Corr. Inst.	4320
50	Lumberton Corr. Inst.	4305
51	Marshall Corr. Inst.	3910
52	New Hanover Corr. Ctr.	4170
53	Pender Corr. Inst.	4180
54	Robeson Corr. Ctr.	4340
55	Sampson Corr. Inst.	4340
56	Scotland Corr. Inst.	4860
57	Tabor Corr. Inst.	4488

Eastern Region

58	Burke Corr. Inst.	4880
59	Carteret Corr. Ctr.	4170
60	Craven Corr. Inst.	3020
61	Douglas Corr. Ctr.	4125
62	Eastern Corr. Inst.	3620
63	Greene Corr. Inst.	4160
64	Hoke Corr. Inst.	4180
65	Henry Corr. Inst.	3060
66	Hoke Corr. Inst.	3060
67	Perdue Corr. Inst.	4820
68	Perquimans Corr. Inst.	3740
69	Tyrrell PMA	3070
70	Wayne Corr. Ctr.	4175

PROVIDER NETWORK DATA

Top 30 Procedures All Facilities			
Fiscal Year 2004/2005			
CPT CODE	DESCRIPTION	NUMBER OF PROCEDURES	NUMBER OF INMATES
93000	ECG-ROUTINE 12 LEAD; W/INTRPT	5,771	4,764
99232	SUBSQT HSP-DAY E&M MINR CMPL 2	3,255	569
71010	RAD EX CHST; SINGLE VIEW FRNTL	1,961	794
93010	ECG-ROUTINE 12 LEAD; INTRPT &	1,643	958
99283	EMERG DEPT VISIT E&M MODERATE	1,610	1,464
71020	RAD EX CHST 2 VIEWS FRNTL&LAT;	1,550	1,108
99284	ER VISIT E&M HIGH SEVER URGENT	1,388	1,178
99243	OFFICE CNSLT NEW/ESTAB MOD 40	1,378	962
99244	OFC CNSLT NEW/ESTAB MOD-HI 60	1,377	873
99285	ER VISIT E&M HIGH-SEVER SIG TH	1,343	1,039
99213	OFC/OUTPT E&M ESTAB LOW-MOD 15	1,298	793
99212	OFC/OUTPT E&M ESTAB MINOR 10 M	1,140	667
99233	SUBSQT HOSP-DAY E&M SIG CMPL 3	1,087	256
99231	SUBSQT HOSP-DAY E&M STABLE 15	893	304
70450	CT HEAD/BRAIN; W/O CONTRAST MA	659	551
99238	HOSPITAL D/C DAY MGMT; 30 MIN/	636	509
99223	INIT HOSP-DAY E&M HI SEVRITY 7	629	496
99242	OFC CNSLT NEW/EST LOW SEVER 30	603	573
90937	HEMODIALYSIS PROC W/REPEAT EVA	568	69
99214	OFC/OUTPT E&M ESTAB MOD-HI 25	565	325
93325	DOPPLR ECHO COLOR FLOW VELOCIT	559	462
93320	DOPPLER ECHO CONT WAVE; CMPL	550	463
88305	LEVEL IV - SURG PATH GROSS&MIC	519	423
93307	ECHO TRNSTHORAC REAL-TIME; CMP	514	437
74160	CMPT TOMOGRPH ABD; W/CONTRST M	413	326
74000	RADIOLOGIC EXAM ABD; SINGLE AP	407	220
72193	CT PELVIS; W/CONTRAST MATERIAL	386	310
11721	DEBRID NAIL ANY METHOD; SIX/MO	384	243
74022	RAD EX ABD; CMPL AC ABD 1 VIEW	357	259
71260	CMPT TOMOGRPH THORAX; W/CONTRS	337	266

	Top 30 Procedures All Facilities		
	Fiscal Year 2005/2006		
CPT CODE	DESCRIPTION	NUMBER OF PROCEDURES	NUMBER OF INMATES
93000	ELECTROCARDIOGRAM, COMPLETE	5,507	4,622
99232	SUBSQT HSP-DAY E&M MINR CMPL 2	3,840	529
71010	RAD EX CHST; SINGLE VIEW FRNTL	1,977	754
93010	ELECTROCARDIOGRAM REPORT	1,632	874
99283	EMERGENCY DEPT VISIT	1,575	1,442
99233	SUBSQT HOSP-DAY E&M SIG CMPL 3	1,562	302
99213	OFFICE/OUTPATIENT VISIT, EST	1,525	966
99284	ER VISIT E&M HIGH SEVER URGENT	1,452	1,200
99244	OFFICE CONSULTATION	1,384	929
99285	ER VISIT E&M HIGH-SEVER SIG TH	1,351	1,072
71020	RAD EX CHST 2 VIEWS FRNTL&LAT;	1,333	916
99231	SUBSQT HOSP-DAY E&M STABLE 15	1,307	318
99243	OFFICE CONSULTATION	1,265	990
99212	OFFICE/OUTPATIENT VISIT, EST	1,147	691
99214	OFFICE/OUTPATIENT VISIT, EST	945	581
97110	THERAPEUTIC EXERCISES	844	97
90937	HEMODIALYSIS, REPEATED EVAL	746	90
70450	CT HEAD/BRAIN; W/O CONTRAST MA	649	525
99238	HOSPITAL DISCHARGE DAY	637	500
99223	INITIAL HOSPITAL CARE	611	487
88305	TISSUE EXAM BY PATHOLOGIST	604	470
93325	DOPPLR ECHO COLOR FLOW VELOCIT	542	446
93320	DOPPLER ECHO EXAM, HEART	535	445
99242	OFFICE CONSULTATION	514	499
93307	ECHO TRNSTHORAC REAL-TIME; CMP	512	438
74000	X-RAY EXAM OF ABDOMEN	501	227
74160	CT ABDOMEN W/DYE	442	343
72193	CT PELVIS; W/CONTRAST MATERIAL	423	335
81000	URINALYSIS, NONAUTO W/SCOPE	410	213
99203	OFFICE/OUTPATIENT VISIT, NEW	385	380

Top 30 Procedures All Facilities			
Fiscal Year 2006/2007			
CPT CODE	DESCRIPTION	NUMBER OF PROCEDURES	NUMBER OF INMATES
99232	SUBSEQUENT HOSPITAL CARE	6,039	578
93000	ELECTROCARDIOGRAM, COMPLETE	5,780	4811
71010	CHEST X-RAY	2,213	843
93010	ELECTROCARDIOGRAM REPORT	1,742	944
99213	OFFICE/OUTPATIENT VISIT, EST	1,714	1,095
99233	SUBSEQUENT HOSPITAL CARE	1,489	355
99284	EMERGENCY DEPT VISIT	1,459	1,237
99283	EMERGENCY DEPT VISIT	1,382	1,265
99214	OFFICE/OUTPATIENT VISIT, EST	1,360	864
71020	CHEST X-RAY	1,304	933
99285	EMERGENCY DEPT VISIT	1,272	1023
99231	SUBSEQUENT HOSPITAL CARE	979	340
99212	OFFICE/OUTPATIENT VISIT, EST	885	607
90937	HEMODIALYSIS, REPEATED EVAL	774	101
99243	OFFICE CONSULTATION	708	691
70450	CT HEAD/BRAIN W/O DYE	703	584
97110	THERAPEUTIC EXERCISES	692	93
99223	INITIAL HOSPITAL CARE	660	513
99238	HOSPITAL DISCHARGE DAY	632	495
99244	OFFICE CONSULTATION	589	564
93320	DOPPLER ECHO EXAM, HEART	553	468
93325	DOPPLER COLOR FLOW ADD-ON	552	463
99203	OFFICE/OUTPATIENT VISIT, NEW	550	541
88305	TISSUE EXAM BY PATHOLOGIST	530	444
81000	URINALYSIS, NONAUTO W/SCOPE	521	271
93307	ECHO EXAM OF HEART	520	450
99242	OFFICE CONSULTATION	507	499
74160	CT ABDOMEN W/DYE	463	374
99254	INITIAL INPATIENT CONSULT	459	328
72193	CT PELVIS W/DYE	432	368

	Top 30 Procedures All Facilities		
	Fiscal Year 2007/2008		
CPT CODE	DESCRIPTION	NUMBER OF PROCEDURES	NUMBER OF INMATES
93000	ELECTROCARDIOGRAM, COMPLETE	5,696	4,733
99232	SUBSEQUENT HOSPITAL CARE	4,982	557
99213	OFFICE/OUTPATIENT VISIT, EST	1,993	1,272
71010	CHEST X-RAY	1,931	831
93010	ELECTROCARDIOGRAM REPORT	1,853	984
99284	EMERGENCY DEPT VISIT	1,624	1,365
99233	SUBSEQUENT HOSPITAL CARE	1,575	325
99285	EMERGENCY DEPT VISIT	1,459	1,115
99283	EMERGENCY DEPT VISIT	1,441	1,302
71020	CHEST X-RAY	1,394	1,003
99214	OFFICE/OUTPATIENT VISIT, EST	1,139	669
99231	SUBSEQUENT HOSPITAL CARE	1,034	324
97110	THERAPEUTIC EXERCISES	774	91
70450	CT HEAD/BRAIN W/O DYE	733	607
90937	HEMODIALYSIS, REPEATED EVAL	732	105
99243	OFFICE CONSULTATION	730	684
88305	TISSUE EXAM BY PATHOLOGIST	707	576
99223	INITIAL HOSPITAL CARE	672	511
99212	OFFICE/OUTPATIENT VISIT, EST	656	534
99244	OFFICE CONSULTATION	631	601
99238	HOSPITAL DISCHARGE DAY	581	467
93325	DOPPLER COLOR FLOW ADD-ON	573	475
99242	OFFICE CONSULTATION	560	542
93320	DOPPLER ECHO EXAM, HEART	559	470
99203	OFFICE/OUTPATIENT VISIT, NEW	522	513
93307	ECHO EXAM OF HEART	521	450
99291	CRITICAL CARE, FIRST HOUR	487	217
74160	CT ABDOMEN W/DYE	477	364
81000	URINALYSIS, NONAUTO W/SCOPE	474	261
72193	CT PELVIS W/DYE	464	364

	Top 30 Procedures All Facilities		
	Fiscal Year 2008/2009		
CPT CODE	DESCRIPTION	NUMBER OF PROCEDURES	NUMBER OF INMATES
93000	ELECTROCARDIOGRAM, COMPLETE	5,841	4,836
99232	SUBSEQUENT HOSPITAL CARE	4,681	597
71010	CHEST X-RAY	2,231	887
93010	ELECTROCARDIOGRAM REPORT	2,016	1,142
99213	OFFICE/OUTPATIENT VISIT, EST	1,942	1,289
99284	EMERGENCY DEPT VISIT	1,619	1,406
99285	EMERGENCY DEPT VISIT	1,615	1,275
71020	CHEST X-RAY	1,597	1,147
99233	SUBSEQUENT HOSPITAL CARE	1,562	390
99283	EMERGENCY DEPT VISIT	1,384	1,302
99214	OFFICE/OUTPATIENT VISIT, EST	1,235	750
97110	THERAPEUTIC EXERCISES	1,220	136
99231	SUBSEQUENT HOSPITAL CARE	898	318
70450	CT HEAD/BRAIN W/O DYE	839	674
99243	OFFICE CONSULTATION	809	782
88305	TISSUE EXAM BY PATHOLOGIST	734	599
99223	INITIAL HOSPITAL CARE	719	571
90937	HEMODIALYSIS, REPEATED EVAL	715	101
99244	OFFICE CONSULTATION	692	649
99212	OFFICE/OUTPATIENT VISIT, EST	601	459
99238	HOSPITAL DISCHARGE DAY	545	455
97140	MANUAL THERAPY	534	71
99242	OFFICE CONSULTATION	530	521
74160	CT ABDOMEN W/DYE	529	415
99291	CRITICAL CARE, FIRST HOUR	520	227
72193	CT PELVIS W/DYE	505	404
81000	URINALYSIS, NONAUTO W/SCOPE	485	266
99203	OFFICE/OUTPATIENT VISIT, NEW	452	447
99254	INPATIENT CONSULTATION	418	311
74000	X-RAY EXAM OF ABDOMEN	412	204

	Top 30 Procedures All Facilities		
	Fiscal Years 2004 - 2009		
CPT CODE	DESCRIPTION	NUMBER OF PROCEDURES	NUMBER OF INMATES
93000	ELECTROCARDIOGRAM, COMPLETE	28,596	18,505
99232	SUBSEQUENT HOSPITAL CARE	22,798	2,346
71010	CHEST X-RAY	10,313	3,365
93010	ELECTROCARDIOGRAM REPORT	8,887	4,038
99213	OFFICE/OUTPATIENT VISIT, EST	8,474	3,994
99284	EMERGENCY DEPT VISIT	7,547	5,634
99283	EMERGENCY DEPT VISIT	7,393	6,230
99233	SUBSEQUENT HOSPITAL CARE	7,275	1,413
71020	CHEST X-RAY	7,179	4,362
99285	EMERGENCY DEPT VISIT	7,046	4,668
99214	OFFICE/OUTPATIENT VISIT, EST	5,246	2,373
99231	SUBSEQUENT HOSPITAL CARE	5,112	1,438
99243	OFFICE CONSULTATION	4,890	3,715
99244	OFFICE CONSULTATION	4,673	3,256
99212	OFFICE/OUTPATIENT VISIT, EST	4,429	2,374
97110	THERAPEUTIC EXERCISES	3,739	377
70450	CT HEAD/BRAIN W/O DYE	3,584	2,636
90937	HEMODIALYSIS, REPEATED EVAL	3,535	236
99223	INITIAL HOSPITAL CARE	3,291	2,213
88305	TISSUE EXAM BY PATHOLOGIST	3,094	2,195
99238	HOSPITAL DISCHARGE DAY	3,032	2,098
99242	OFFICE CONSULTATION	2,714	2,477
93325	DOPPLER COLOR FLOW ADD-ON	2,546	1,840
93320	DOPPLER ECHO EXAM, HEART	2,505	1,836
93307	TTE W/O DOPPLER, COMPLETE	2,369	1,775
74160	CT ABDOMEN W/DYE	2,324	1,591
99203	OFFICE/OUTPATIENT VISIT, NEW	2,218	2,124
72193	CT PELVIS W/DYE	2,210	1,569
74000	X-RAY EXAM OF ABDOMEN	2,152	945
99291	CRITICAL CARE, FIRST HOUR	1997	894

	Top 20 Diagnosis All Facilities	
	Fiscal Year 2004 - 2005	
ICD9	DESCRIPTION	CLAIMS
786.50	CHEST PAIN UNSPECIFIED	9822
585	CHRONIC KIDNEY DISEASE	1003
789.00	ABDOMINAL PAIN, UNSPECIFIED SI	916
786.59	OTHER CHEST PAIN	717
780.39	OTHER CONVULSIONS	702
518.81	ACUTE RESPIRATORY FAILURE	596
729.5	PAIN IN SOFT TISSUES OF LIMB	506
414.01	COR ATHEROSLERO NATIVE COR ART	500
780.2	SYNCOPE AND COLLAPSE	497
162.9	MAL NEOPLSM BRONCHUS&LUNG UNS	496
786.05	SHORTNESS OF BREATH	496
784.0	HEADACHE	477
486	PNEUMONIA, ORGANISM UNSPECIFIE	400
789.09	ABDOMINAL PAIN OTHER SPECIFIED	389
V58.1	ENCOUNTR ANTINEO CHEMO/IMMUNO	360
185	MALIGNANT NEOPLASM OF PROSTATE	355
724.2	LUMBAGO	342
611.72	LUMP OR MASS IN BREAST	339
719.41	PAIN IN JOINT, SHOULDER REGION	333
V57.1	OTHER PHYSICAL THERAPY	332

	Top 20 Diagnosis All Facilities	
	Fiscal Year 2005 - 2006	
ICD9	DESCRIPTION	CLAIMS
786.50	CHEST PAIN UNSPECIFIED	10617
585	CHRONIC KIDNEY DISEASE	1039
789.00	ABDOMINAL PAIN, UNSPECIFIED SI	936
780.39	OTHER CONVULSIONS	897
786.59	OTHER CHEST PAIN	675
729.5	PAIN IN SOFT TISSUES OF LIMB	663
V57.1	OTHER PHYSICAL THERAPY	663
724.2	LUMBAGO	551
162.9	MAL NEOPLSM BRONCHUS&LUNG UNS	549
784.0	HEADACHE	548
414.01	COR ATHEROSLERO NATIVE COR ART	544
185	MALIGNANT NEOPLASM OF PROSTATE	471
518.81	ACUTE RESPIRATORY FAILURE	465
786.05	SHORTNESS OF BREATH	454
486	PNEUMONIA, ORGANISM UNSPECIFIE	411
611.72	LUMP OR MASS IN BREAST	406
780.2	SYNCOPE AND COLLAPSE	391
789.09	ABDOMINAL PAIN OTHER SPECIFIED	391
250.00	DB W/O COMP TYPE II/UNS NOT UN	375
719.46	PAIN IN JOINT, LOWER LEG	372

	Top 20 Diagnosis All Facilities	
	Fiscal Year 2006 - 2007	
ICD9	DESCRIPTION	CLAIMS
786.50	CHEST PAIN UNSPECIFIED	11409
789.00	ABDOMINAL PAIN, UNSPECIFIED SI	1118
585	CHRONIC KIDNEY DISEASE	1069
780.39	OTHER CONVULSIONS	974
786.59	OTHER CHEST PAIN	883
780.2	SYNCOPE AND COLLAPSE	783
414.01	COR ATHEROSLERO NATIVE COR ART	755
162.9	MAL NEOPLSM BRONCHUS&LUNG UNS	618
729.5	PAIN IN SOFT TISSUES OF LIMB	618
786.05	SHORTNESS OF BREATH	589
401.9	UNSPECIFIED ESSENTIAL HYPERTEN	544
250.00	DB W/O COMP TYPE II/UNS NOT UN	536
V57.1	OTHER PHYSICAL THERAPY	531
784.0	HEADACHE	493
789.09	ABDOMINAL PAIN OTHER SPECIFIED	492
486	PNEUMONIA, ORGANISM UNSPECIFIE	449
428.0	CHF UNSPECIFIED	440
185	MALIGNANT NEOPLASM OF PROSTATE	432
719.46	PAIN IN JOINT, LOWER LEG	418
496	CHRONIC AIRWAY OBSTRUCTION NEC	401

	Top 20 Diagnosis All Facilities	
	Fiscal Year 2007 - 2008	
ICD9	DESCRIPTION	CLAIMS
786.50	CHEST PAIN UNSPECIFIED	12002
789.00	ABDOMINAL PAIN, UNSPECIFIED SI	1307
585	CHRONIC KIDNEY DISEASE	1077
729.5	PAIN IN SOFT TISSUES OF LIMB	919
786.59	OTHER CHEST PAIN	917
780.39	OTHER CONVULSIONS	874
780.2	SYNCOPE AND COLLAPSE	681
786.05	SHORTNESS OF BREATH	618
414.01	COR ATHEROSLERO NATIVE COR ART	611
V57.1	OTHER PHYSICAL THERAPY	590
518.81	ACUTE RESPIRATORY FAILURE	588
486	PNEUMONIA, ORGANISM UNSPECIFIE	581
185	MALIGNANT NEOPLASM OF PROSTATE	552
162.9	MAL NEOPLSM BRONCHUS&LUNG UNS	535
719.46	PAIN IN JOINT, LOWER LEG	520
784.0	HEADACHE	520
719.41	PAIN IN JOINT, SHOULDER REGION	493
585.6	END STAGE RENAL DISEASE	492
250.00	DB W/O COMP TYPE II/UNS NOT UN	460
611.72	LUMP OR MASS IN BREAST	432

	Top 20 Diagnosis All Facilities	
	Fiscal Year 2008 - 2009	
<u>ICD9</u>	<u>DESCRIPTION</u>	<u>CLAIMS</u>
786.50	CHEST PAIN UNSPECIFIED	10720
789.00	ABDOMINAL PAIN, UNSPECIFIED SI	1316
585	CHRONIC KIDNEY DISEASE	1014
786.59	OTHER CHEST PAIN	913
729.5	PAIN IN SOFT TISSUES OF LIMB	825
780.39	OTHER CONVULSIONS	717
780.2	SYNCOPE AND COLLAPSE	689
V57.1	OTHER PHYSICAL THERAPY	650
486	PNEUMONIA, ORGANISM UNSPECIFIE	608
162.9	MAL NEOPLSM BRONCHUS&LUNG UNS	556
719.41	PAIN IN JOINT, SHOULDER REGION	554
414.01	COR ATHEROSLERO NATIVE COR ART	522
719.46	PAIN IN JOINT, LOWER LEG	520
518.81	ACUTE RESPIRATORY FAILURE	518
784.0	HEADACHE	497
724.2	LUMBAGO	490
V76.12	OTHER SCREENING MAMMOGRAM	447
611.72	LUMP OR MASS IN BREAST	432
185	MALIGNANT NEOPLASM OF PROSTATE	386
786.05	SHORTNESS OF BREATH	296

TOP 30 FACILITIES REQUESTING PRIOR AUTHORIZATIONS									
FISCAL YEARS 2004-2009									
Unit	Name	Procedure	Consults	Outpatient	Admissions	Orthotic	Endodontic	Oral Surgery	Pharmacy Non-Formulary
3060	NEUSE CI	12,226	960	336	167	69	11	320	787
3085	CRAVEN CI	11,545	1,781	256	130	207	1	47	1,355
3010	NC CI WOMEN	9,906	6,991	1,632	1,066	767	9	84	3,632
3100	CENTRAL PRISON	9,811	12,233	913	1,517	600	60	163	5,582
4870	ALEXANDER CI	7,671	2,361	863	271	429	28	110	2,197
3720	FOOTHILLS CI	6,837	1,693	797	159	128	7	25	1,120
4365	LUMBERTON CI	6,788	2,699	725	177	460	31	76	1,509
3805	HARNETT CI	6,412	3,341	494	153	441	30	63	1,805
3700	MCCAIN HOSPITAL	6,356	4,914	513	471	410	8	19	2,810
4860	SCOTLAND CI	6,130	2,156	853	126	452	29	112	1,582
3500	PIEDMONT CI	6,064	2,599	976	482	297	21	131	1,865
4150	PENDER CI	5,307	2,837	727	194	424	29	31	1,763
4580	ALBEMARLE CI	5,286	2,258	457	140	496	33	75	1,397
3730	MARION CI	5,237	2,645	620	111	714	30	90	1,758
3600	SOUTHERN CI	4,745	2,057	393	43	452	24	112	533
3020	FOUNTAIN CCW	4,737	1,183	674	136	64	12	55	519
3710	NASH CI	4,672	1,990	410	77	333	64	176	940
4855	MOUNTAIN VIEW CI	4,579	1,644	887	199	408	2	25	1,775
4290	WARREN CI	4,202	1,631	582	102	197	68	212	852
3740	PASQUOTANK CI	3,907	2,005	517	55	381	24	98	1,041
4230	JOHNSTON CI	3,622	1,721	456	166	239	24	65	695
4125	DUPLIN CC	3,437	802	395	124	161	10	52	505
4680	AVERY-MITCHELL	3,416	925	321	76	177	2	34	823
4355	COLUMBUS CI	3,337	1,410	377	49	219	11	42	536
4865	LANESBORO CI	3,281	1,736	1,062	124	273	3	101	1,048
3980	POLK CI	3,273	743	475	60	20	19	142	452
3905	WESTERN YI	3,009	1,094	453	46	13	3	18	269
4875	MAURY CI	2,979	1,302	641	229	252	46	127	951
4445	RANDOLPH CC	2,769	1,336	389	236	112	4	25	787
3305	CALEDONIA CI	2,734	926	319	30	120	24	80	464
	TOTALS	164,275	71,973	18,513	6,916	9,315	667	2,710	41,352

TOP 30 FACILITIES REQUESTING PRIOR AUTHORIZATIONS

FISCAL YEAR 2004 - 2005

Unit	Name	Procedure	Consults	Out-patient	Admissions	Orthotic	Endodontic	Oral Surgery	Pharmacy Non-Formulary
3060	NEUSE CI	2,860	159	63	17	12	2	72	149
3100	CENTRAL PRISON	2,402	2,989	234	337	140	13	39	1,363
3085	CRAVEN CI	2,352	388	44	25	66	0	3	264
3010	NC CI WOMEN	1,946	1,573	289	201	111	5	23	852
3805	HARNETT CI	1,310	669	72	19	71	5	22	354
4365	LUMBERTON CI	1,303	462	125	44	52	7	11	239
3700	MCCAIN HOSPITAL	1,297	974	85	104	84	2	7	595
3720	FOOTHILLS CI	1,266	295	176	17	8	3	7	184
3500	PIEDMONT CI	1,174	501	237	94	38	6	16	442
3730	MARION CI	1,086	653	177	27	110	1	13	369
4870	ALEXANDER CI	1,086	298	160	33	69	0	9	408
3020	FOUNTAIN CCW	1,034	219	114	24	10	3	9	120
4150	PENDER CI	1,017	635	199	54	67	12	10	255
4580	ALBEMARLE CI	1,014	429	88	26	80	9	15	254
3710	NASH CI	1,000	320	56	8	51	15	40	158
4125	DUPLIN CC	963	250	98	30	44	2	8	171
4860	SCOTLAND CI	882	316	206	22	45	5	21	133
3740	PASQUOTANK CI	818	411	114	17	54	6	19	183
3600	SOUTHERN CI	817	304	56	2	20	13	18	77
3510	BROWN CREEK CI	803	377	155	13	53	2	11	105
4855	MOUNTAIN VIEW CI	775	285	203	38	47	0	5	379
4230	JOHNSTON CI	750	423	80	41	34	1	15	172
3400	EASTERN CI	695	437	79	31	53	2	12	187
4355	COLUMBUS CI	658	300	54	5	35	1	8	60
4680	AVERY-MITCHELL	618	196	77	16	32	0	12	235
4290	WARREN CI	595	183	61	10	21	14	30	101
4865	LANESBORO CI	583	310	221	20	50	1	13	181
3305	CALEDONIA CI	576	195	50	3	18	0	22	104
4630	Craggy CC	513	56	41	10	8	0	0	39
4850	PAMLICO CI	513	143	41	9	24	2	0	81
	TOTALS	32,706	14,750	3,655	1,297	1,507	132	490	8,214

TOP 30 FACILITIES REQUESTING PRIOR AUTHORIZATIONS									
FISCAL YEAR 2005 - 2006									
Unit	Name	Procedure	Consults	Out-patient	Admissions	Orthotic	Endodontic	Oral Surgery	Pharmacy Non-Formulary
3085	CRAVEN CI	2,241	282	43	21	42	1	17	205
3060	NEUSE CI	2,122	145	62	39	10	4	72	114
3100	CENTRAL PRISON	2,094	2,625	190	346	138	16	54	1,172
3010	NC CI WOMEN	1,705	1,588	320	209	191	1	23	712
4870	ALEXANDER CI	1,504	337	152	39	59	5	23	355
3500	PIEDMONT CI	1,348	569	221	97	63	7	25	414
3700	MCCAIN HOSPITAL	1,343	1,266	144	98	89	2	5	654
3720	FOOTHILLS CI	1,339	287	206	48	33	0	1	222
3730	MARION CI	1,210	671	142	30	163	5	19	459
3805	HARNETT CI	1,210	669	64	31	78	18	28	321
4365	LUMBERTON CI	1,208	474	144	18	59	11	4	233
4860	SCOTLAND CI	1,148	419	173	21	57	8	17	285
4580	ALBEMARLE CI	1,148	506	106	31	108	14	19	293
3020	FOUNTAIN CCW	1,093	212	96	17	16	4	17	104
3710	NASH CI	1,015	448	93	14	47	10	39	176
4150	PENDER CI	1,007	675	194	54	98	4	2	387
3600	SOUTHERN CI	953	417	51	9	27	5	18	112
4125	DUPLIN CC	870	255	131	36	39	2	6	114
4290	WARREN CI	829	294	143	18	31	13	36	141
4855	MOUNTAIN VIEW CI	776	274	169	21	59	0	7	289
4230	JOHNSTON CI	757	382	93	28	45	2	23	136
4680	AVERY-MITCHELL	733	175	69	10	27	0	8	171
3740	PASQUOTANK CI	727	362	90	9	51	2	22	215
4865	LANESBORO CI	704	435	261	20	65	0	25	193
3400	EASTERN CI	652	334	80	40	49	5	5	194
4320	HOKE CI	631	319	77	16	33	6	11	107
4355	COLUMBUS CI	587	254	73	7	24	5	9	96
4140	GREENE CI	531	206	103	36	23	1	3	92
3510	BROWN CREEK CI	520	330	198	18	75	3	10	130
4850	PAMLICO CI	513	147	42	8	29	0	4	73
	TOTALS	32,518	15,357	3,930	1,389	1,828	154	552	8,169

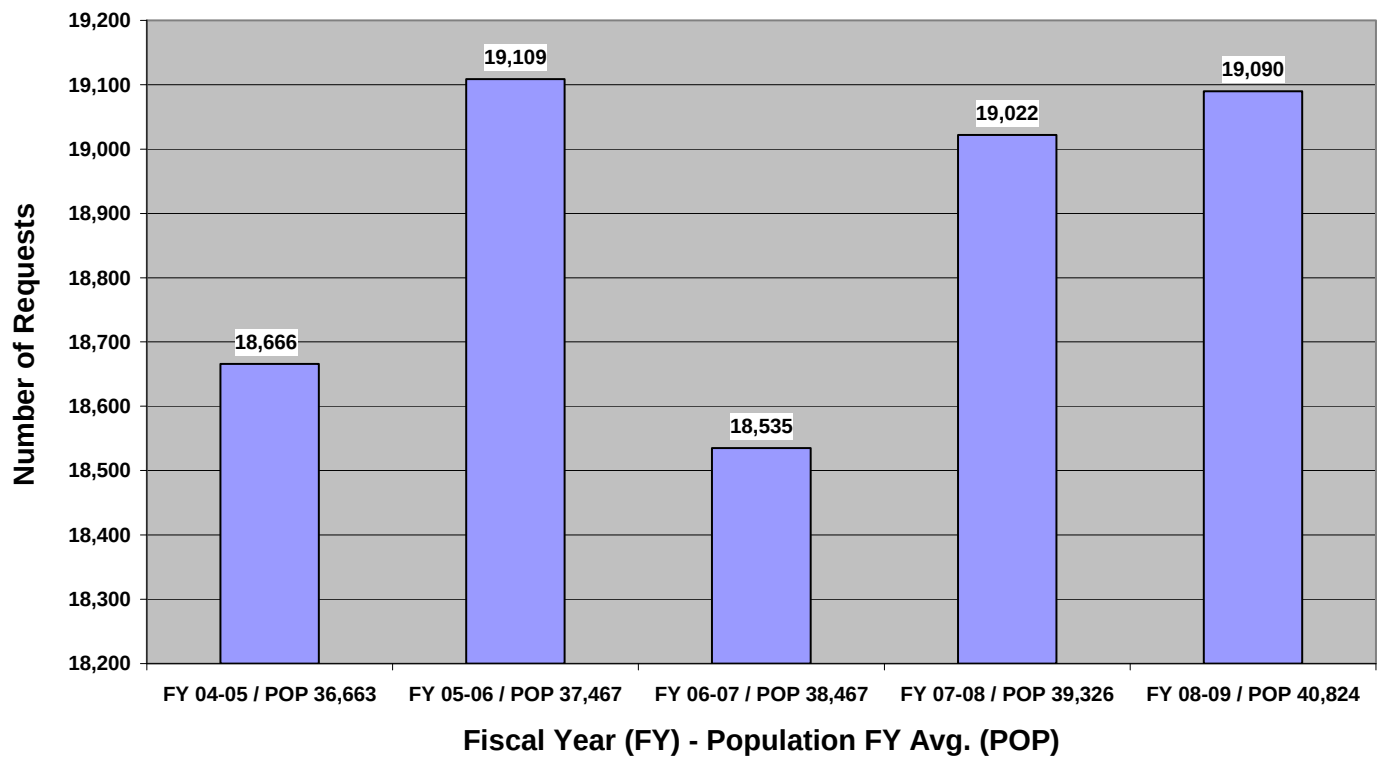
TOP 30 FACILITIES REQUESTING PRIOR AUTHORIZATIONS									
FISCAL YEAR 2006 - 2007									
Unit	Name	Procedure	Consults	Out-patient	Admissions	Orthotic	Endodontic	Oral Surgery	Pharmacy Non-Formulary
3060	NEUSE CI	2,261	129	47	28	19	1	68	131
3085	CRAVEN CI	2,047	312	54	30	45	0	11	264
3010	NC CI WOMEN	1,992	1,324	357	203	136	1	17	643
3100	CENTRAL PRISON	1,765	2,412	184	305	103	10	30	1,075
4870	ALEXANDER CI	1,658	452	160	58	116	7	21	459
3720	FOOTHILLS CI	1,397	306	151	38	20	0	3	241
4365	LUMBERTON CI	1,315	548	105	21	96	3	16	292
3700	MCCAIN HOSP	1,277	1,012	118	108	87	1	7	496
4860	SCOTLAND CI	1,217	450	140	28	94	7	25	360
3805	HARNETT CI	1,160	584	92	23	81	6	11	334
3500	PIEDMONT CI	1,158	587	194	118	61	3	34	350
4150	PENDER CI	1,141	519	129	28	101	4	2	333
4580	ALBEMARLE CI	1,119	515	113	31	119	8	17	370
4290	WARREN CI	1,102	409	152	27	46	11	36	215
3710	NASH CI	1,044	382	76	20	69	20	23	207
3020	FOUNTAIN CCW	982	245	135	29	11	0	5	106
4855	MOUNTAIN VIEW	918	310	182	47	88	0	7	355
3600	SOUTHERN CI	907	392	82	9	19	4	13	111
3730	MARION CI	849	504	99	28	194	15	23	361
3740	PASQUOTANK CI	844	388	77	7	58	3	20	178
4230	JOHNSTON CI	834	296	110	48	55	4	7	136
3980	POLK CI	770	206	104	13	6	6	48	86
4875	MAURY CI	736	269	145	70	50	21	55	181
4125	DUPLIN CC	715	181	75	22	32	3	9	137
4680	AVERY-MITCHELL	691	147	42	13	24	0	2	159
4865	LANESBORO CI	643	355	188	17	36	1	27	232
3905	WESTERN YI	627	231	80	9	1	0	0	54
3305	CALEDONIA CI	616	196	82	4	24	5	22	77
4445	RANDOLPH CC	600	359	145	71	29	0	5	197
4355	COLUMBUS CI	586	268	77	8	42	2	4	102
TOTALS		32,971	14,288	3,695	1,461	1,862	146	568	8,242

TOP 30 FACILITIES REQUESTING PRIOR AUTHORIZATIONS									
FISCAL YEAR 2007 - 2008									
Unit	Name	Procedure	Consults	Out-patient	Admissions	Orthotic	Endodontic	Oral Surgery	Pharmacy Non-Formulary
3060	NEUSE CI	2,430	259	79	44	19	2	57	206
3085	CRAVEN CI	2,331	401	56	24	34	0	12	291
3010	NC CI WOMEN	2,029	1,189	374	223	156	0	11	734
4870	ALEXANDER CI	1,845	594	168	65	87	8	28	526
3100	CENTRAL PRISON	1,755	2,229	171	274	84	11	18	1,066
4860	SCOTLAND CI	1,563	535	209	24	119	6	25	508
4365	LUMBERTON CI	1,469	705	177	45	120	6	22	395
3805	HARNETT CI	1,423	597	150	38	77	1	1	294
3720	FOOTHILLS CI	1,377	387	133	20	33	2	3	240
3500	PIEDMONT CI	1,199	467	168	91	49	2	37	315
4150	PENDER CI	1,125	524	118	22	83	4	10	405
4855	MOUNTAIN VIEW CI	1,104	363	195	49	93	2	4	408
4580	ALBEMARLE CI	1,094	382	64	30	101	1	13	231
3600	SOUTHERN CI	1,082	467	86	7	14	1	15	108
3700	MCCAIN HOSPITAL	1,076	854	91	88	85	2	0	548
4875	MAURY CI	1,069	437	227	84	79	12	45	319
3730	MARION CI	940	396	78	13	143	5	17	337
3710	NASH CI	873	394	87	18	85	8	48	210
3740	PASQUOTANK CI	864	341	105	13	92	8	21	226
4880	BERTIE CI	841	333	97	6	97	4	19	125
3020	FOUNTAIN CCW	799	250	151	24	13	5	9	93
3980	POLK CI	791	178	102	9	4	2	44	66
4290	WARREN CI	758	414	114	21	47	14	45	176
3905	WESTERN YI	717	228	84	13	6	0	1	176
4445	RANDOLPH CC	708	324	74	57	22	0	6	160
4230	JOHNSTON CI	694	334	89	27	50	2	7	139
4680	AVERY-MITCHELL	688	182	56	16	42	1	7	133
4355	COLUMBUS CI	668	323	77	14	57	2	10	158
4865	LANESBORO CI	632	344	195	35	44	1	22	222
3305	CALEDONIA CI	540	172	57	5	39	8	8	102
	TOTALS	34,484	14,603	3,832	1,399	1,974	120	565	8,917

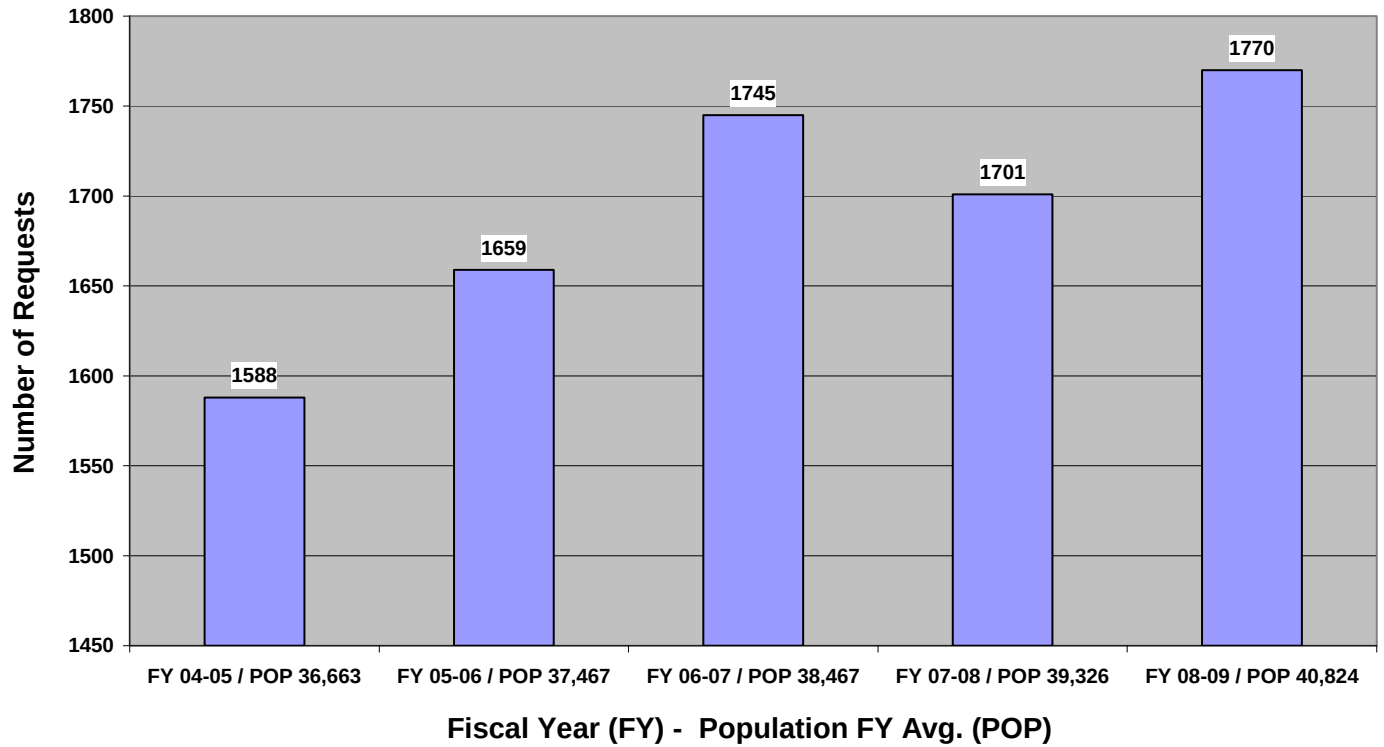
TOP 30 FACILITIES REQUESTING PRIOR AUTHORIZATIONS									
FISCAL YEAR 2008 - 2009									
Unit	Name	Procedure	Consults	Out-patient	Admissions	Orthotic	Endodontic	Oral Surgery	Pharmacy Non-Formulary
3085	CRAVEN CI	2,574	398	59	30	20	0	4	331
3060	NEUSE CI	2,553	268	85	39	9	2	51	187
3010	NC CI WOMEN	2,234	1,317	292	230	173	2	10	691
3100	CENTRAL PRISON	1,795	1,978	134	255	135	10	22	906
4870	ALEXANDER CI	1,578	710	223	76	98	8	29	449
4365	LUMBERTON CI	1,493	510	174	49	133	4	23	350
3720	FOOTHILLS CI	1,458	418	131	36	34	2	11	233
3700	MCCAIN HOSPITAL	1,363	808	75	73	65	1	0	517
4860	SCOTLAND CI	1,320	436	125	31	137	3	24	296
3805	HARNETT CI	1,309	822	116	42	134	0	0	502
3500	PIEDMONT CI	1,185	475	156	82	86	3	19	344
3730	MARION CI	1,152	421	124	13	104	4	18	232
4875	MAURY CI	1,119	587	259	72	121	10	26	444
4150	PENDER CI	1,017	484	87	36	75	5	7	383
4855	MOUNTAIN VIEW CI	1,006	412	138	44	121	0	2	344
3600	SOUTHERN CI	986	477	118	16	29	1	7	125
4290	WARREN CI	918	331	112	26	52	16	65	219
4580	ALBEMARLE CI	911	426	86	22	88	1	11	249
3980	POLK CI	862	147	135	11	0	3	28	57
4880	BERTIE CI	858	403	128	5	122	7	0	127
4355	COLUMBUS CI	838	265	96	16	61	1	11	120
3020	FOUNTAIN CCW	829	257	178	42	14	0	15	96
3710	NASH CI	740	446	98	17	81	11	26	189
4865	LANESBORO CI	719	292	197	32	78	0	14	220
3905	WESTERN YI	697	309	70	6	3	0	5	30
4680	AVERY-MITCHELL	686	225	77	21	52	1	5	125
4445	RANDOLPH CC	661	267	55	67	16	2	5	171
3740	PASQUOTANK CI	654	503	131	9	126	5	16	239
4885	TABOR CI	592	133	47	9	28	2	7	67
4230	JOHNSTON CI	587	286	84	22	55	1	13	112
	TOTALS	34,694	14,811	3,790	1,429	2,250	105	474	8,355

APPENDIX 3

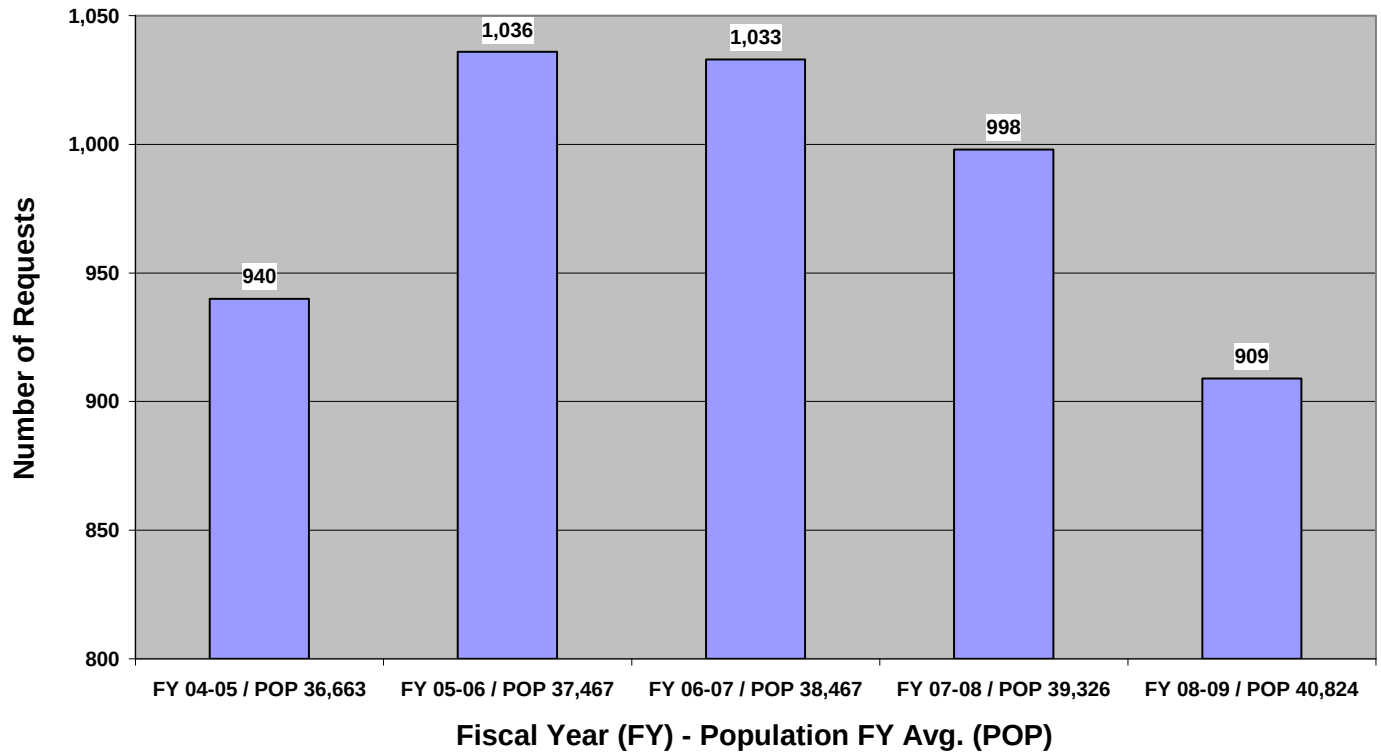
Consult Prior Authorization Requests Five Year Totals by Fiscal Year



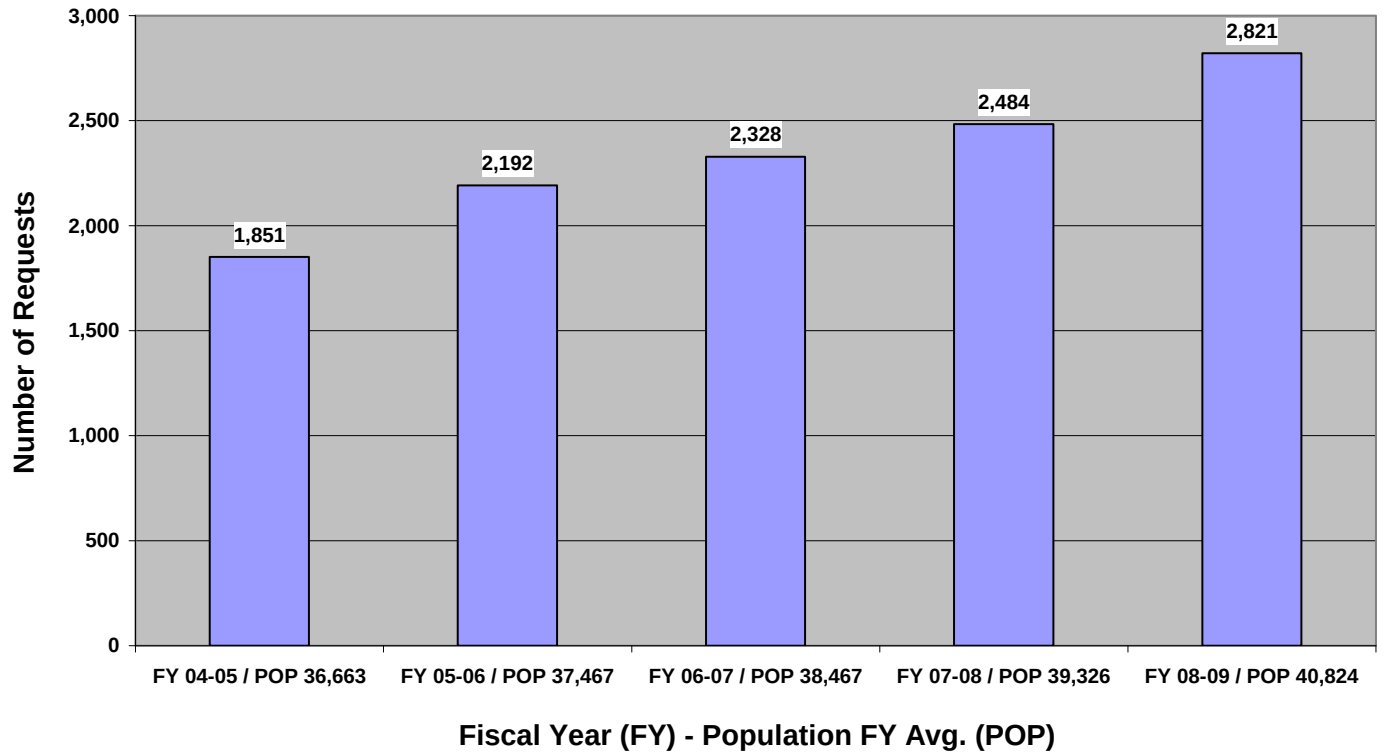
Admission / Inpatient Prior Authorization Requests Five Year Totals by Fiscal Year



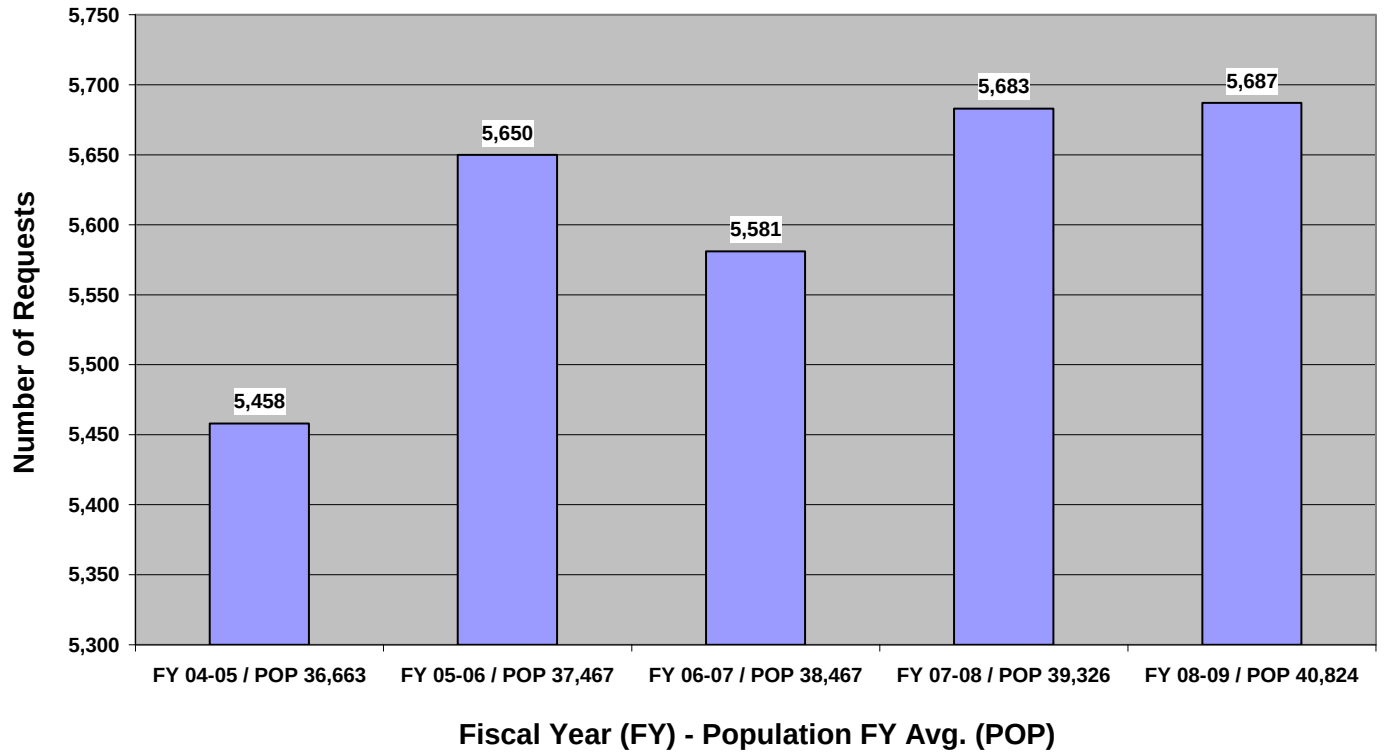
Dental* Prior Authorization Requests Five Year Totals by Fiscal Year (FY)



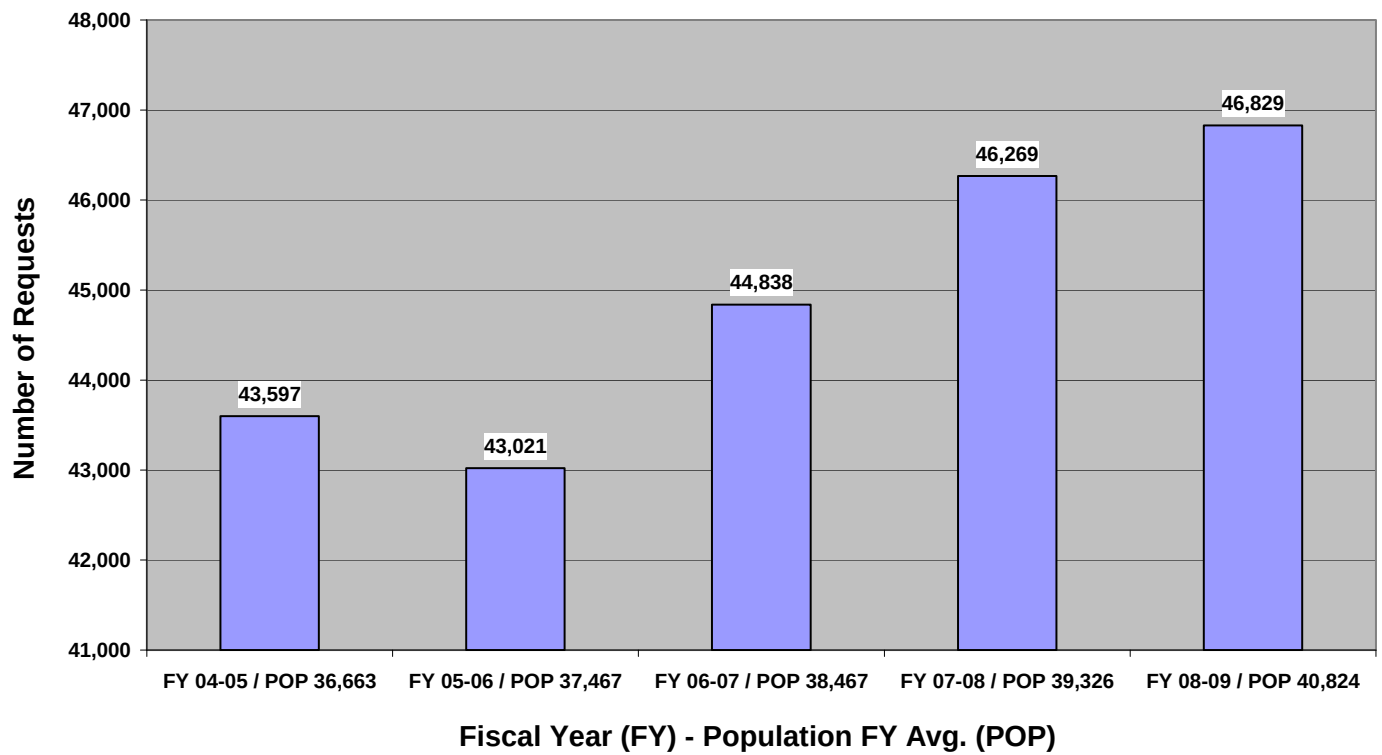
Orthotic Prior Authorizaton Requests Five Year Totals by Fiscal Year



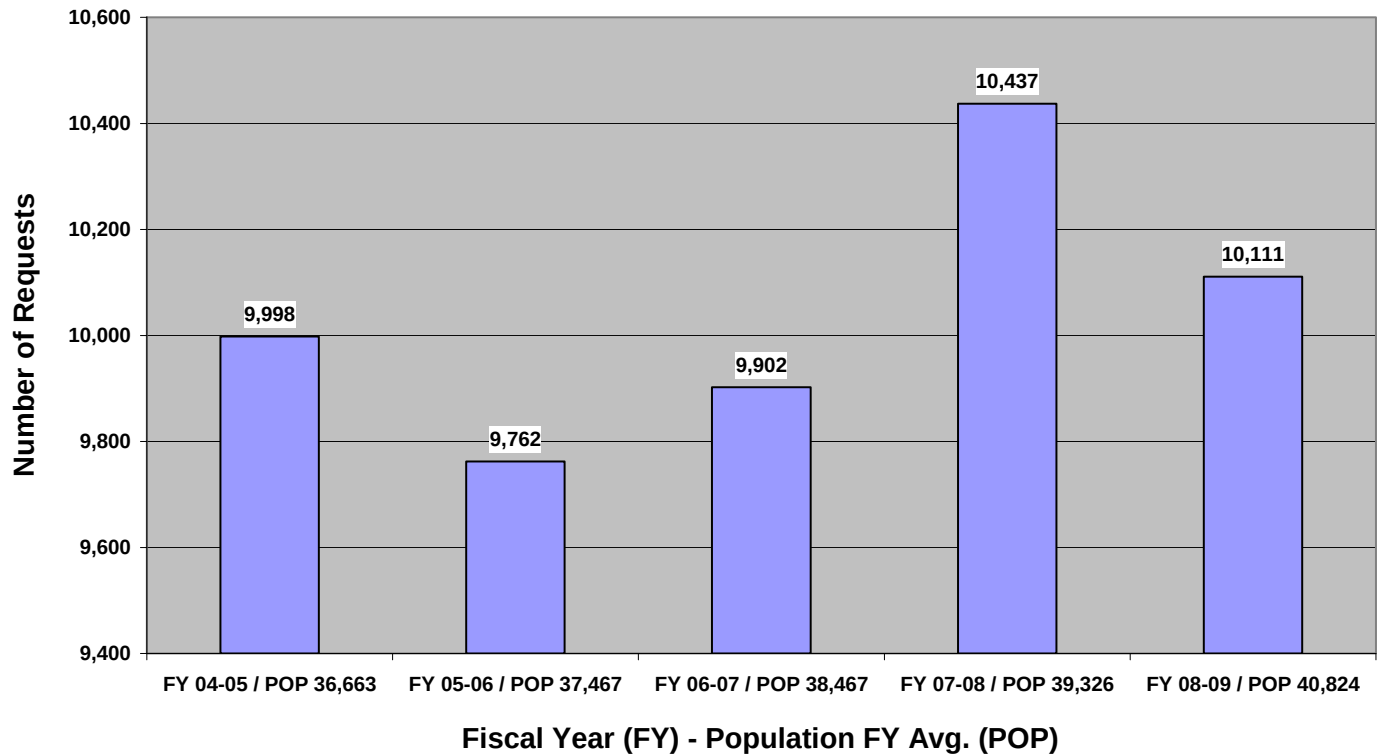
Outpatient Service Prior Authorization Requests Five Year Totals by Fiscal Year



Procedure Prior Authorization Requests Five Year Totals by Fiscal Year



Pharmacy Non-Formulary Prior Authorization Requests Five Year Totals by Fiscal Year



Prior Authorization Requests for all NCDOC Facilities

Five Year Totals by Fiscal Year (FY)

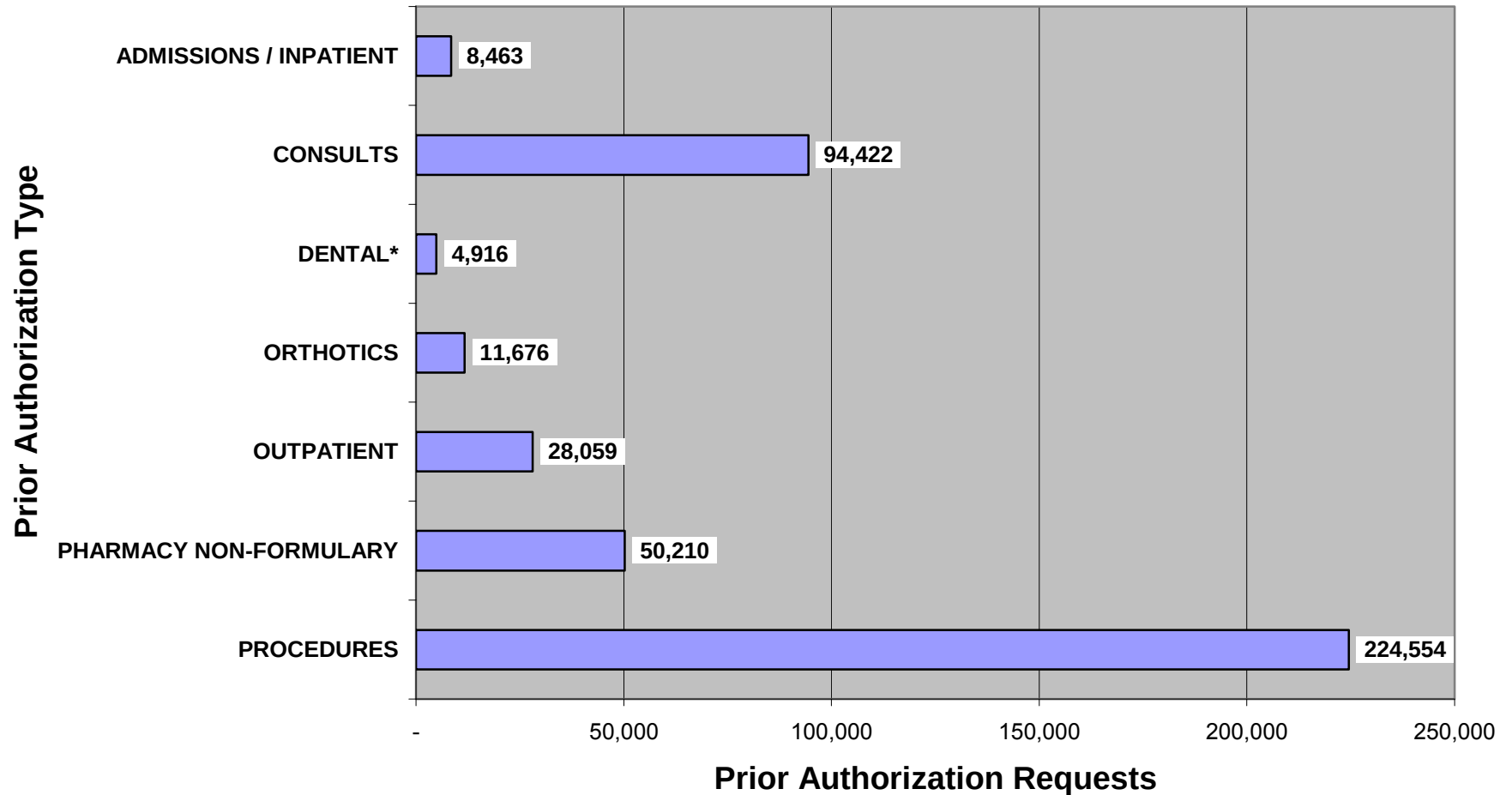
PRIOR AUTHORIZATION TYPE	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09	TOTAL
ADMISSIONS / INPATIENT	1,588	1,659	1,745	1,701	1,770	8,463
CONSULTS	18,666	19,109	18,535	19,022	19,090	94,422
DENTAL*	940	1,036	1,033	998	909	4,916
ORTHOTICS	1,851	2,192	2,328	2,484	2,821	11,676
OUTPATIENT SERVICE	5,458	5,650	5,581	5,683	5,687	28,059
PHARMACY NON-FORMULARY	9,998	9,762	9,902	10,437	10,111	50,210
PROCEDURES	43,597	43,021	44,838	46,269	46,829	224,554
TOTAL	82,098	82,429	83,962	86,594	87,217	
PRISON POPULATION (Avg Daily)	36,663	37,467	38,467	39,326	40,824	

* ENDODONTIC & ORAL SURGERY

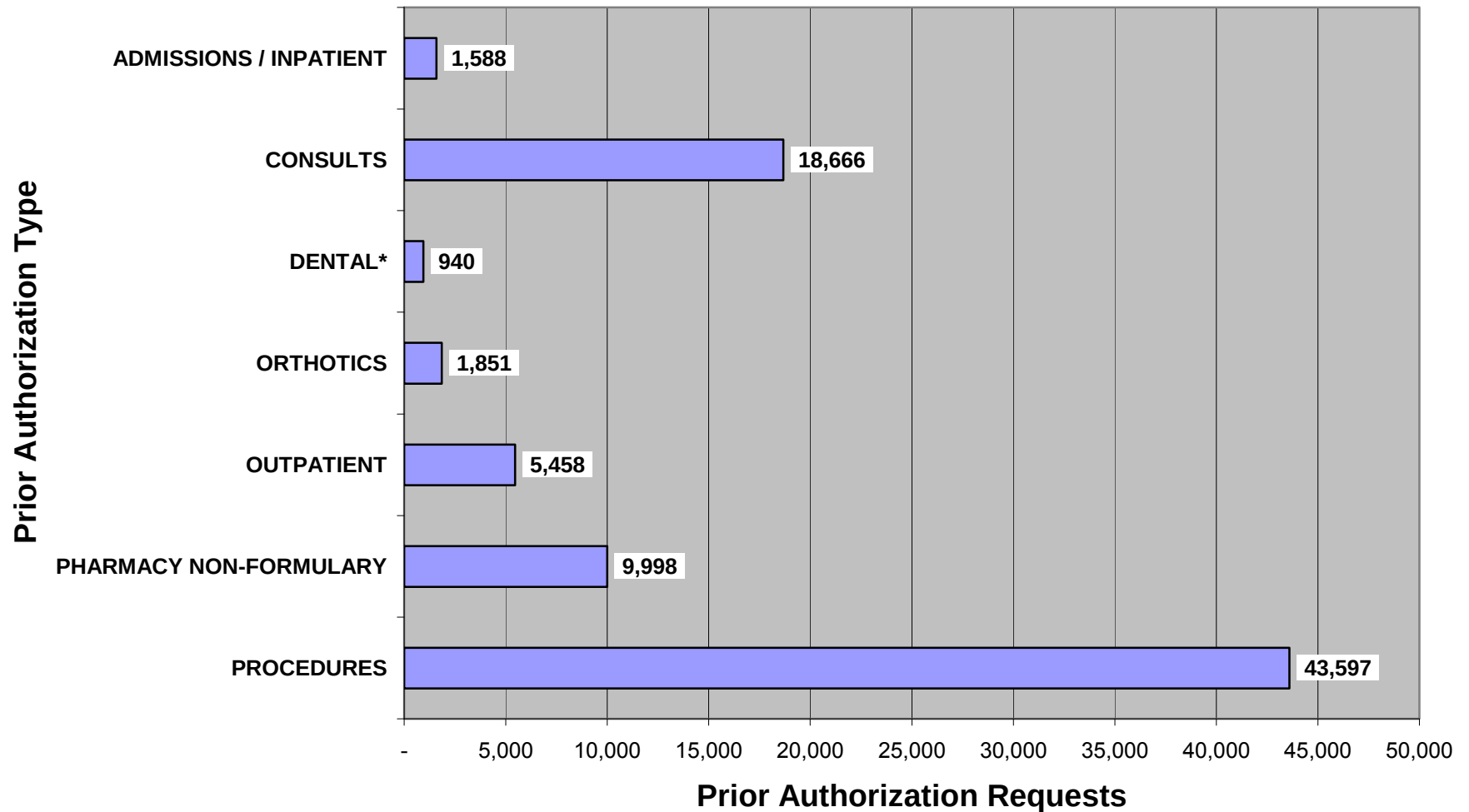
Prior Authorization Requests All Facilities

Total of Five Fiscal Years

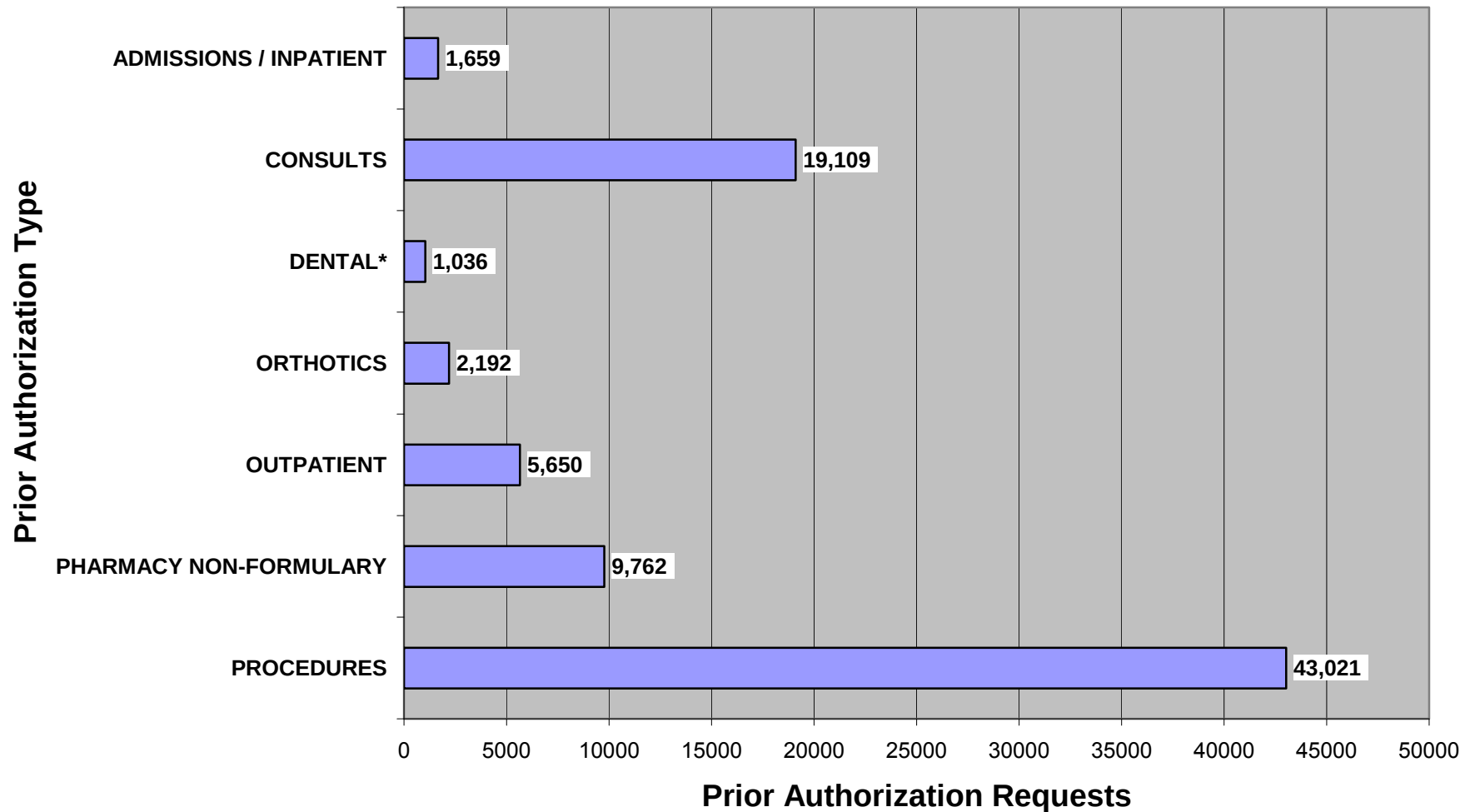
04-05, 05-06, 06-07, 07-08, 08-09



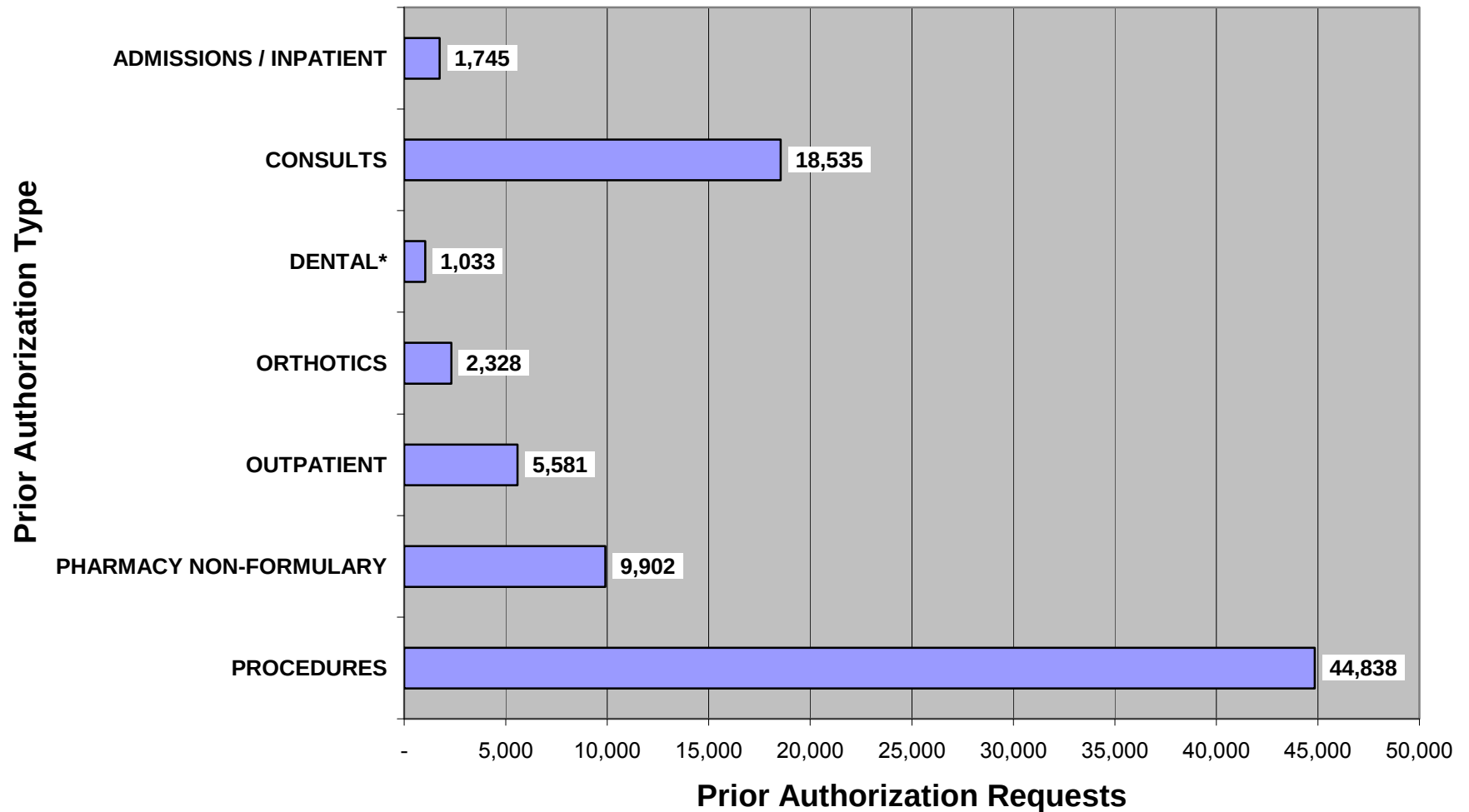
Prior Authorization Requests All Facilities Fiscal Year 2004 / 2005



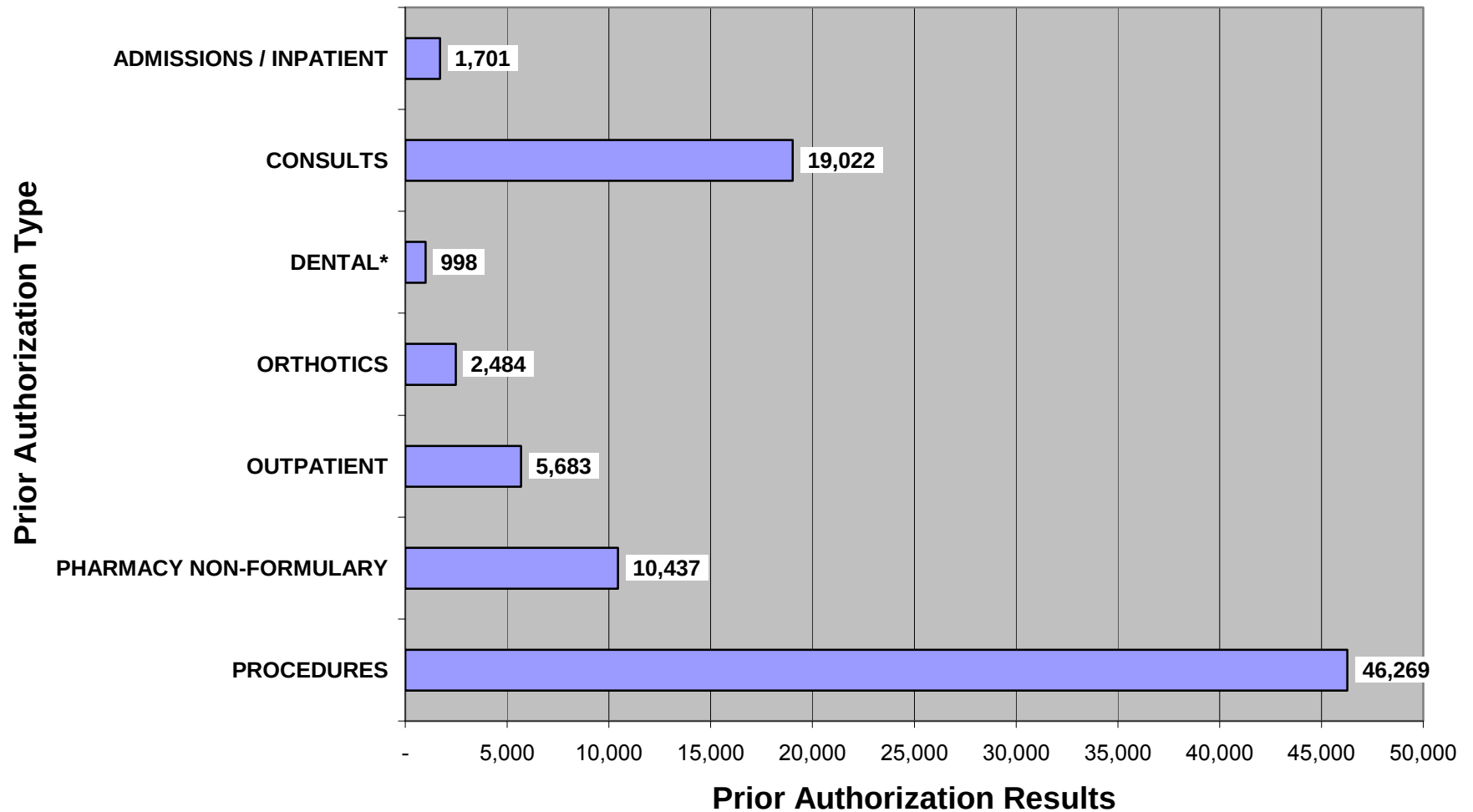
Prior Authorization Requests All Facilities Fiscal Year 2005 / 2006



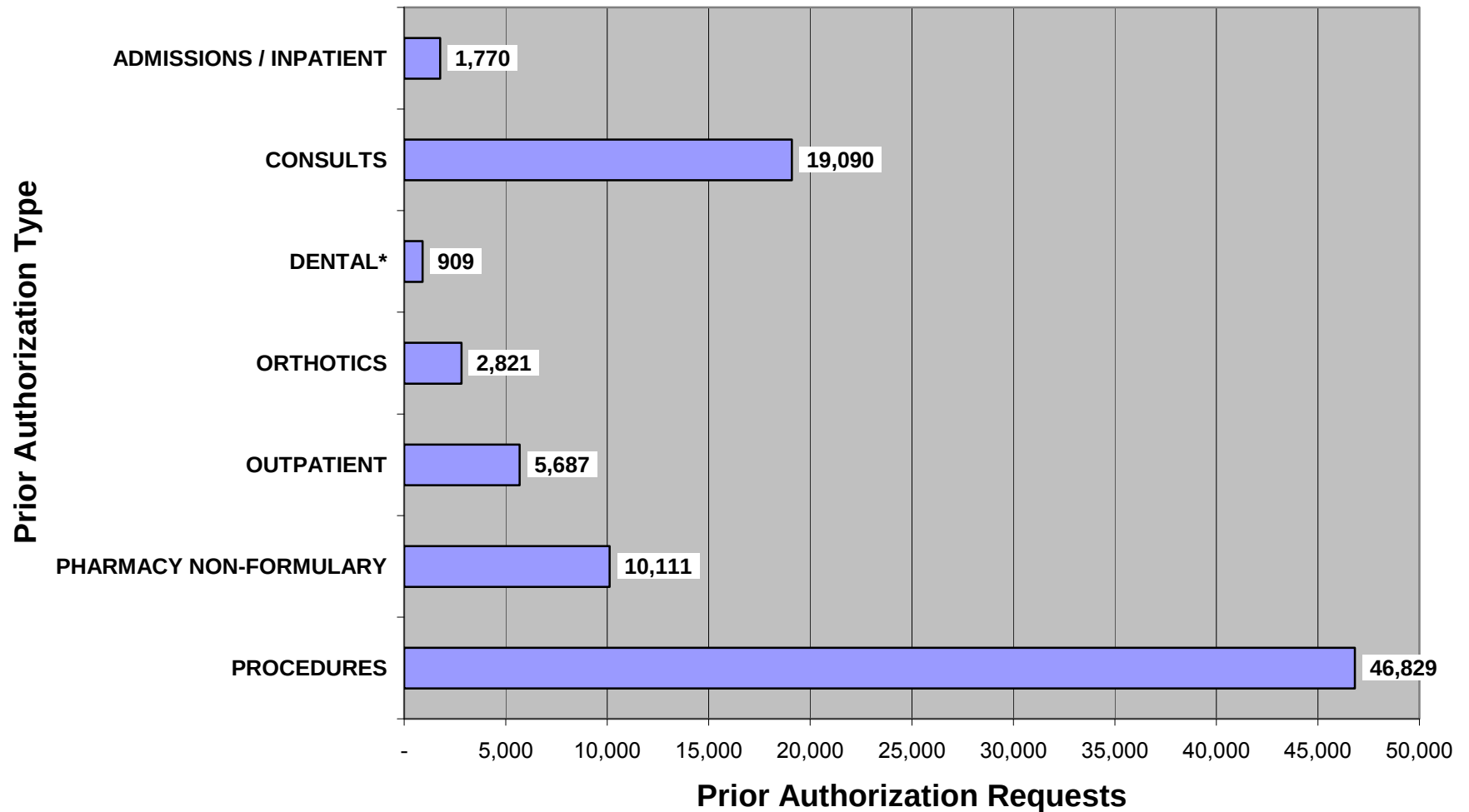
Prior Authorization Requests All Facilities Fiscal Year 2006 / 2007



Prior Authorization Requests All Facilities Fiscal Year 2007 / 2008



Prior Authorization Requests All Facilities Fiscal Year 2008 / 2009



APPENDIX 4

(Names and OPUS numbers are fictitious)

SAMPLES OF CURRENT NCDOC REPORTS

Sample 1

HSSR630 (78)		NORTH CAROLINA DEPARTMENT OF CORRECTION HEALTH SERVICES SECTION COUNT OF PROCEDURES 01/01/2010 - 01/31/2010 REQUESTED BY: ACA11 - ASHEVILLE CARDIOLOGY ASSOCTS. BEGIN CPT CODE: CARD END CPT CODE: PROCEDURE		COUNT
CARD		CARDIOLOGY CONSULT		2
93293		PM PHONE R-STRIP DEVICE EVAL		1
93307		TTE W/O DOPPLER, COMPLETE		1

Sample 2

HSSR107 (03)		NORTH CAROLINA DEPARTMENT OF CORRECTION HEALTH SERVICES SECTION UR REQUESTS SUBMITTED BY CLINICIANS 01/01/10 TO 01/31/10 PURCHASED CARE NOT INCLUDED CLINICIAN: HSE02 - HARRELL, SAMPSON E. 3600 - SOUTHERN CI		02/25/10 12:27:19 PAGE: 1
UR REQUEST	TOTAL SUBMITTED	APPROVED	DENIED	PENDED (ICI,ANS,PMR)
CONSULT	50	46	1	6
PROCEDURE	40	37	2	2
DIET	1	1	0	0
PHARMACY	19	13	2	6
ORTHOTIC	7	3	2	2
OUTPT.SERV	7	7	0	0
ADMISSION	1	1	0	0
TOTAL	125	108	7	16
% OF TOTAL		86%	5%	12%

Sample 3

HSSR500 (05)		NORTH CAROLINA DEPARTMENT OF CORRECTION		02/25/10
		HEALTH SERVICES SECTION		12:28:30
UR REQUEST PENDED FOR INSUFFICIENT CLINICAL INFORMATION				PAGE: 1
		01/01/10 - 01/31/10		
		FACILITY: 3100 - CENTRAL PRISON		
INMATE NAME NUMBER	DATE OF REQUEST	TYPE REQ/ LOCATION	DIAGNOSIS/ CPT	SUBMITTED BY
SMITH, JOHN D A123456	01/20/10	URGENT UNC PHYS/NON-CO	MALIG NEOPLASM TRA CT: CHEST (W/O CONT	NJAGI, RESTITUT HCJ06
DOE, JANE A112233	01/26/10	URGENT UNC PHYS/NON-CO	UNSPECIFIED FOLLOW POSTOP F/U VISIT INC	MCLEAN, MARY A. MWA12
JONES, GREG A223344	01/05/10	URGENT WAKE CO HOSP. E	CHRONIC KIDNEY DIS DIALYSIS NOT HEMO W/	MCLEAN, MARY A. MWA12
RUIZ, OSCAR A234567	01/20/10	RUSH	UNSPECIFIED VISUAL	MULILI, JOSEPHI MWA12

Sample 4

HSSR447 (07)		HEALTH SERVICES SECTION		12:43:11
		OUTSIDE HOSPITALIZATIONS FOR INMATES		PAGE: 1
FOR HOSPITAL: G1680 - UNC HOSPITALS				
		ADMITTED: 01/01/10 - 01/31/10		
NAME/ OPUS#	AGE	HOSPITAL ADM DATE	PRIOR FAC SECURITY	DIAGNOSIS AUTH#
MORSTEAD, THOMAS A000009	55	UNC HOSPITALS 01/27/10	CASWELL CC MEDIUM	OTHER CHEST PAIN 000831223
BREES, DREW A000006	49	UNC HOSPITALS 01/07/10	CALEDONIA CI MEDIUM	ABDOMINAL PAIN 000827237
HARTLEY, GARRET A000010	59	UNC HOSPITALS 01/28/10	CENTRAL PRISON MEDIUM	NEOPLASM UNSPEC N 000832274
MEACHUM, ROBERT A000017	25	UNC HOSPITALS 01/01/10	CENTRAL PRISON CLOSE	INJR-UNS MEANS UN 000822364
SHOCKEY, JEREMY A000100	59	UNC HOSPITALS 01/19/10	CENTRAL PRISON MEDIUM	GENERAL SYMPTOMS 000823164
CARNEY, JOHN A000004	35	UNC HOSPITALS 01/25/10	CENTRAL PRISON CLOSE	SICKLE-CELL DISEA 003411212
TOTAL UR ADMISSIONS:		5		

HSSR446 (08)	NORTH CAROLINA DEPARTMENT OF CORRECTION				02/25/10
	HEALTH SERVICES SECTION				12:29:26
	OUTSIDE HOSPITALIZATIONS FOR INMATES				PAGE: 1
	DISCHARGED: 01/01/10 - 01/31/10				
NAME/ OPUS#	AGE	HOSPITAL ADM DATE (LOS)	PRIOR FAC SECURITY	DIAGNOSIS AUTH# (DAYS)	
-----	-----	-----	-----	-----	
COLSTON, MARCUS A111111	54	MEMORIAL MISSIO 01/13/10 (005)	MOUNTAIN VIEW CI MINIMUM 1	UNSPECIFIED PSYCH 000828752 (013)	
KYLE, JASON A222222	32	ST.JOSEPH'S HOS 01/10/10 (004)	BLADEN CC MINIMUM 1	CHEST PAIN 000827849 (004)	
SHARPER, DARREN A333333	50	CATAWBA MEMORIA 01/03/10 (004)	FOOTHILLS CI MINIMUM 1	ABDOMINAL PAIN 000826399 (006)	
TRACY, JORDAN A444444	64	CATAWBA MEMORIA 01/16/10 (004)	FOOTHILLS CI MINIMUM 3	CHEST PAIN UNSPEC 000829562 (004)	
TOTAL HOSPITAL DAYS:		017			
AVERAGE LOS:		4.55			

APPENDIX 5

Contract Data Requirements List

The Contract Data Requirements List (CDRL) describes data deliverables identified by both the State and the vendor. The State has intentionally identified only a subset of the required data for the project in order to allow the vendor to propose documents and formats that meet the contract requirements in the most efficient and effective manner. The vendor must identify data deliverables that it intends to provide to the State and describe them in the CDRL. Operations reports in the CDRL should be limited to management-oriented reports and not duplicate any business reports. Vendors may add to the State-identified data requirements for a particular item, if desired, but may not reduce these requirements.

The fields are defined as follows:

Title: This is the title of the document; it should be a recognizable title that allows for easy identification of the purpose of the data.

Vendor: This is the name of the Vendor.

Type of Data: This describes the type of data in the requirement chosen from the following list:

Planning/Execution: Data used for project or operations planning and execution

Software: Data that includes items such as source code, object code, build/make files, and other items required to create an operational system

Reporting: Data consisting of reports, metrics, and other outcomes-based items

Technical: Data supporting requirements analysis, design, construction, test, and other engineering-type data (other than software)

Other: Any data not fitting into another category

Data Rights: This describes the State's rights in the data using the categories defined in Section 30 of this RFP. If additional explanation is required for a given category, this explanation should be provided in the Description field. The categories are:

State Material

Proprietary Contractor Material

Third Party Materials

State-Provided Materials

Public Material

Frequency Due: This describes how often the document will be updated.

1st Submission Date: This is the date (which can be relative to contract award or an IMP event or accomplishment; e.g., "One month after testing is completed") when the data are first provided to the State. For those State-identified data requirements that have "Vendor Proposed" in this field, the vendor shall replace this entry with the actual first submission date that it proposes.

Method of Delivery: This should identify the format in which the data will be provided. Additional details (such as the format for electronic data) should be provided, as necessary.

Description: This defines the content of the data in enough detail so that the State can understand its purpose, relevance, and completeness.

Data Items listed:

- ☐ Statement of Work
- ☐ Integrated Master Plan
- ☐ Integrated Master Schedule
- ☐ Risk and Issue Management Plan
- ☐ Change Management Plan
- ☐ Software and Systems Engineering Plan
- ☐ Security Plan

- ☐ Business Continuity/Disaster Recovery Plan
- ☐ Master Test and Quality Assurance Plan
- ☐ Deliverable Review Process and Acceptance Criteria
- ☐ Turnover Plan
- ☐ Training Plan
- ☐ Communications Plan
- ☐ Project Management Plan
- ☐ Operations Management Plan
- ☐ Deployment/Rollout Plan
- ☐ Weekly Project Status Reports
- ☐ Monthly Project Status Reports, using Earned Value Management System (EVMS)
- ☐ Data Accession List

TITLE	Statement of Work (SOW)		
VENDOR			
TYPE OF DATA	Planning/Execution	DATA RIGHTS	State Material
FREQUENCY DUE	When changed	1 ST SUBMISSION DATE	With Proposal
METHOD OF DELIVERY	Electronic and paper with Proposal; electronic thereafter		
DESCRIPTION	The Statement of Work (SOW) shall be an all-inclusive, narrative description of the work required to achieve the NCDOC's requirements as described in this RFP and external documents specifically referenced as requirements in this RFP. Offerors may propose work items that are not directly traceable to requirements in this RFP, and those shall be clearly marked as such. At a minimum, the SOW should include sections for: ☐ Overview (project background, purpose/objectives, anticipated benefits, software or technology products proposed, business processes impacted, and customers/end users impacted) ☐ Detailed scope (requirements, deliverables included in scope, and deliverables not included in scope) ☐ Schedule ☐ Risk ☐ Approvals Note: Budget/cost is intentionally left out of the SOW because it is included in the cost section of the proposal. There are overlaps in the content of Integrated Master Plan (IMP) and the SOW. The SOW should be comprehensive, thus allowing some reduction in the content and descriptions in the IMP where it duplicates SOW material. Sections of the SOW associated with operations-based activities should be written as Performance Work Statements (PWS).		

TITLE	Integrated Master Plan (IMP)		
VENDOR			
TYPE OF DATA	Planning/Execution	DATA RIGHTS	State Material
FREQUENCY DUE	When changed	1 ST SUBMISSION DATE	With Proposal
METHOD OF DELIVERY	Electronic and paper with Proposal; electronic thereafter		
DESCRIPTION	The Integrated Master Plan (IMP) is an event-based, top level plan consisting of a hierarchy of project events (milestones), with each event being supported by specific accomplishments, and each accomplishment associated with specific criteria to be satisfied for its completion. ☐ An event is a project assessment point that occurs at the culmination of significant project activities: accomplishments and criteria. ☐ An accomplishment is the desired result(s) prior to or at completion of an event that indicates a level of the project's progress. ☐ Criteria provide definitive evidence that a specific accomplishment has been completed. Entry criteria reflect what must be done to be ready to initiate a review, demonstration, or test. Exit criteria reflect what must be done to clearly ascertain the event has been successfully completed. If there are any important processes that support events not described in other plans or Proposal approaches, a brief narrative should be included here to provide greater understanding. Additionally, any support the Vendor requires from the NCDOD must be identified for each item in the IMP in enough detail for the NCDOD to understand the quantity and types of resources needed. There are overlaps in the content of IMP and the SOW. The SOW should be comprehensive, thus allowing some reduction in the content and descriptions in the IMP where it duplicates SOW material. When there are overlaps between the IMP and many of the stand-alone plans, the narrative details should reside in the stand-alone plans. Changes to the IMP, other than minor clarifications, usually require a Contract change.		

TITLE	Integrated Master Schedule (IMS)		
VENDOR			
TYPE OF DATA	Planning/Execution	DATA RIGHTS	State Material
FREQUENCY DUE	At least monthly	1 ST SUBMISSION DATE	With Proposal
METHOD OF DELIVERY	Electronic and paper with Proposal; electronic thereafter		
DESCRIPTION	The Integrated Master Plan (IMP) is expanded to a time-based Integrated Master Schedule (IMS) to produce a networked, multi-layered schedule showing all of the detailed tasks required to accomplish the work effort contained in the IMP. The IMS supplements the IMP with additional levels of detailed tasks necessary to support the IMP criteria, along with each task's duration, and its relationships (dependencies, assumptions, and constraints) to other tasks. The IMS, tied to the start date of the contract award, creates the task and calendar-based schedule. For the Proposal, the IMS shall convey a realistic approach and timeline (using dates relative to Contract award).		

TITLE	Risk and Issue Management Plan (RIMP)		
VENDOR			
TYPE OF DATA	Planning/Execution	DATA RIGHTS	State Material
FREQUENCY DUE	When changed	1 ST SUBMISSION DATE	With Proposal
METHOD OF DELIVERY	Electronic and paper with Proposal; electronic thereafter		
DESCRIPTION	The Risk and Issue Management Plan (RIMP) documents the general process for risk and issue management, to include activities such as identification, evaluation, mitigation, and reporting, along with process cycle times. While the activities may differ in urgency and reporting to a certain extent, this plan shall integrate management of risks and issues to allow the earliest practical identification and mitigation in order to minimize impacts. The plan shall also cover the application of the general process to this specific project in terms of major activities and roles and responsibilities. This plan shall include processes for corrective action plans used when significant deviations from the IMP, IMS, requirements, or the Contract occur that would require greater explanation and documentation than a typical issue would need. <i>Note: Specific risks and issues are not part of the plan. For the Proposals, they will be identified in the Initial Risk Assessment section. Vendors shall identify data item descriptions for the risks and issues being managed during Contract execution and add them to the CDRL.</i>		

TITLE	Change Management Plan (CMP)		
VENDOR			
TYPE OF DATA	Planning/Execution	DATA RIGHTS	State Material
FREQUENCY DUE	When changed	1 ST SUBMISSION DATE	With Proposal
METHOD OF DELIVERY	Electronic and paper with Proposal; electronic thereafter		
DESCRIPTION	The Change Management Plan (CMP) describes the process, roles, responsibilities, and documentation required to manage change within the project and subsequent operations. The plan should describe the operation of the Change Control Board. Changes managed via this process include both those that result in Contract changes and those that do not require Contract changes. The process described in this plan should manage changes to any baselined artifact. A baselined artifact is one that has been completed or signed off in its current version (i.e., it is complete for its current use even if the Vendor or NCDOC plans to change it again in the future for a different purpose). Artifacts can include plans, software, data, or any other items over which management control is necessary. The Change Management Plan shall also contain information describing configuration management information necessary for the Vendor's day-to-day artifact control. The Vendor's entire configuration management process is not required in this document.		

TITLE	Software and Systems Engineering Methodology		
VENDOR			
TYPE OF DATA	Planning/Execution	DATA RIGHTS:	State Material
FREQUENCY DUE	When changed	1 ST SUBMISSION DATE	With Proposal
METHOD OF DELIVERY	Electronic and paper with Proposal; electronic thereafter		
DESCRIPTION	The Software and Systems Engineering Methodology document describes the Vendor's systematic, disciplined, and quantifiable approach to the operations and maintenance of software and hardware for the system. It should include the relationships of the methodology to risk and issue management as well as overall quality management. It should discuss deployment strategies as well as any tools that are used to improve efficiency and effectiveness. Software and systems engineering planning and execution methods must be discussed in this document, along with how technical and quality metrics are used to control and improve the process and products. The IMP shall identify key events, accomplishments, and criteria for project-specific activities that are supported by this methodology.		

TITLE	Security Plan		
VENDOR			
TYPE OF DATA	Planning/Execution	DATA RIGHTS	State Material
FREQUENCY DUE	When changed	1 ST SUBMISSION DATE	With Proposal
METHOD OF DELIVERY	Electronic and paper with Proposal; electronic thereafter		
DESCRIPTION	The Security Plan describes the operations processes and the system features that will ensure that the Vendor meets the Contract requirements for security. The plan shall describe how the Vendor intends to use current industry, State, and Federal standards to address: ☐ Security features inherent in the system design and operation ☐ Entity-wide security program planning and management, including risk management, data protection assurance, staff responsibilities, performance assessment and audit, and reporting ☐ Access controls for the system and the facility and assurance of system availability and performance ☐ Management of application development and change controls (with respect to security) ☐ Controls for protecting, managing, and monitoring the technical environment ☐ Controls for continuing services and access to information during and after minor to disastrous interruptions (by reference to the Business Continuity/Disaster Recover Plan) ☐ Responses to attacks on security and actual breaches of security		

TITLE	Business Continuity/Disaster Recovery Plan		
VENDOR			
TYPE OF DATA	Planning/Execution	DATA RIGHTS	State Material
FREQUENCY DUE	When changed	1 ST SUBMISSION DATE	With Proposal
METHOD OF DELIVERY	Electronic and paper with Proposal; electronic thereafter		
DESCRIPTION	The Business Continuity/Disaster Recovery Plan describes the processes required to ensure the continuation of critical business processes and the information systems and services supporting them in the event of a disruption of the system itself, the loss of key personnel, and/or the loss of facilities housing the Vendor's operations. Plans and processes documented in this plan shall be consistent with the those identified in the requirements and its referenced documents: ☐ Roles and responsibilities of participants ☐ Processes that address preparation and planning ☐ Awareness and recognition training ☐ Business service and process relocation ☐ Notification and communication ☐ Testing and auditing processes for ensuring the currency of the plan ☐ Response plans for epidemiological disasters that may result in prolonged workforce absence from the Fiscal Agency location This document shall also describe additional processes associated with disaster recovery to include: ☐ Recovery priority for critical resources (including the RPO and RTO) ☐ Processes for data relocation and recovery		

TITLE	Master Test and Quality Assurance Plan (MTQAP)		
VENDOR			
TYPE OF DATA	Planning/Execution	DATA RIGHTS	State Material
FREQUENCY DUE	When changed	1 ST SUBMISSION DATE	With Proposal
METHOD OF DELIVERY	Electronic and paper with Proposal; electronic thereafter		
DESCRIPTION	The Master Test and Quality Assurance Plan (MTQAP) applies the processes for testing and quality assurance from the Software and Systems Engineering Methodology to this project to include specific test and quality assurance activities and results required for success. The plan should identify key events and their objectives, along with roles, responsibilities, and resources needed for these events to be successful. The MTQAP adds detail to elements in the IMP related to testing and quality assurance.		

TITLE	Deliverable Review Process and Acceptance Criteria		
VENDOR			
TYPE OF DATA	Planning/Execution	DATA RIGHTS	State Material
FREQUENCY DUE	When changed	1 ST SUBMISSION DATE	With Proposal
METHOD OF DELIVERY	Electronic and paper with Proposal; electronic thereafter		
DESCRIPTION	The Deliverable Review Process and Acceptance Criteria document defines the acceptance process, the acceptance criteria, and the review/approval process required for NCDOC's acceptance of the project deliverables. Acceptance criteria are defined as the list of requirements that must be satisfied prior to the NCDOC accepting delivery of the product. A standardized deliverable review process should: ☐ Detect and remove deliverable defects as early as possible ☐ Ensure that appropriate, consistent, accurate, and complete deliverables are created for the project ☐ Provide reviewers with a common understanding of the review criteria and the deliverable ☐ Serve as a criterion for the Deliverable Acceptance Process		

TITLE	Turnover Plan		
VENDOR			
TYPE OF DATA	Planning/Execution	DATA RIGHTS	State Material
FREQUENCY DUE	When changed	1 ST SUBMISSION DATE	Vendor Proposed
METHOD OF DELIVERY	Electronic		
DESCRIPTION	This document describes the activities needed to ensure an uninterrupted and transparent turnover to the NCDOC or a new Vendor at the completion of the Vendor's Contract. This plan shall describe the activities that will be performed to ensure that required system and operational knowledge will be transferred to the NCDOC or a new Vendor. This includes the conversion and migration of all pertinent information and work in progress, etc. Additionally, the plan shall discuss roles and responsibilities of the organizations and the workflow between the current Vendor and the NCDOC or a new Vendor. High-level timelines and contingency plans should be included.		

TITLE	Training Plan		
VENDOR			
TYPE OF DATA	Planning/Execution	DATA RIGHTS:	State Material
FREQUENCY DUE	Annually or more frequently	1 ST SUBMISSION DATE	With Proposal
METHOD OF DELIVERY	Electronic and paper with Proposal; electronic thereafter		
DESCRIPTION	The Training Plan describes the Vendor's cohesive and responsive training program to ensure that all users can be efficient and effective while using the system. It should reflect the relative lead-time for the development of NCDOC training materials prior to conducting training classes and the planned duration of the implementation training rollout. It should describe how users' skills will remain current throughout the operations phase. It should describe how the Vendor will build and maintain the training environment. The document shall specify the delivery media to be used for each training activity and the accessibility of training materials and/or training news before, during, and after training. It should describe the process to identify and track training needs and to evaluate trainee feedback to improve course materials and methods. The Training Plan shall be updated annually to address specific training activities for the upcoming year and shall be completed at least ninety (90) days prior to the beginning of the Contract year.		

TITLE	Communications Plan		
VENDOR			
TYPE OF DATA	Planning/Execution	DATA RIGHTS	State Material
FREQUENCY DUE	When changed	1 ST SUBMISSION DATE	With Proposal
METHOD OF DELIVERY	Electronic and paper with Proposal; electronic thereafter		
DESCRIPTION	The Communications Plan defines an overall communication approach or methodology for sharing project-specific communications among all project stakeholders. It describes the processes to ensure timely and appropriate generation, collection, dissemination, storage, and ultimate disposition of project information among all stakeholders. It must include, but is not limited to: ☐ Information communications ☐ Information communication requirements/needs ☐ How, where, and when communications will occur ☐ Who will provide/receive the communication ☐ Meeting protocol procedures—noting when minutes are taken, etc. ☐ Incident reporting and escalation—to include reporting of security incidents		

TITLE	Project Management Plan		
VENDOR			
TYPE OF DATA	Planning/Execution	DATA RIGHTS	State Material
FREQUENCY DUE	When changed	1 ST SUBMISSION DATE	With Proposal
METHOD OF DELIVERY	Electronic and paper with proposal. Electronic thereafter		
DESCRIPTION	The Project Management Plan defines how all project activities are executed, monitored, and controlled. It reflects how and when a project's objectives are to be achieved by showing the major products, milestones, activities, and resources required on the project. This document describes the processes for ensuring adherence to State, NCDOC, and Offeror-established policies, standards, guidelines, and procedures. Significant portions of the Project Management Plan are contained in other data items described in the CDRL: Integrated Master Plan, Integrated Master Schedule, Master Test and Quality Assurance Plan, Communications Plan, Risk and Issue Management Plan, Change Management Plan, and Deliverable Review Process and Acceptance Criteria. The Project Management Plan can reference these documents rather than duplicating the information. In addition to these items, the minimum requirements for the Project Management Plan are: ☐ Project management overview ☐ Objectives and priorities ☐ Project planning process ☐ Planning assumptions, constraints, and decisions ☐ Project Organization and Staffing Plan with roles, responsibilities, and an organization chart ☐ Project deliverables and approval process ☐ Standards, tools, and techniques to be used ☐ Monitoring and control procedures for cost, schedule, scope, and staffing ☐ Performance metrics reporting process ☐ Metrics data quality process ☐ Financial reporting processes via an Earned Value Management System ☐ Electronic data-sharing system and process ☐ Project status reporting process ☐ Project management review process This document must describe the processes for evolution/updates to the PMP, along with version control.		

TITLE	Operations Management Plan (OMP)		
VENDOR			
TYPE OF DATA	Planning/Execution	DATA RIGHTS	State Material
FREQUENCY DUE	When changed	1 ST SUBMISSION DATE	With Proposal
METHOD OF DELIVERY	Electronic and paper with proposal. Electronic thereafter		
DESCRIPTION	The Operations Management Plan strategically describes how the Vendor will successfully deliver and support all operational services. Roles and responsibilities of the Vendor and the NCDOC should be clearly delineated. The following areas should be included in an Operations Management Plan, either by incorporating the topic in the document or referring to other stand-alone documents (duplication of information is not necessary): ☐ Strategic plan for operations ☐ Process improvement ☐ Quality management ☐ Performance metrics ☐ Operations management reviews ☐ Change and configuration management ☐ Risk and Issue Management Plan ☐ Resource management ☐ Security Plan ☐ Disaster Recover/Continuity of Operations Plan ☐ Training Plan ☐ Communications process/procedure		

TITLE	Deployment/Rollout Plan		
VENDOR			
TYPE OF DATA	Planning/Execution	DATA RIGHTS	State Material
FREQUENCY DUE	When changed	1 ST SUBMISSION DATE	With Proposal
METHOD OF DELIVERY	Electronic and paper with proposal. Electronic thereafter		
DESCRIPTION	The Deployment/Rollout Plan describes the detailed plan for implementing the Inmate Medical Management Services. It will include the processes and planning activities, roles and responsibilities, and schedule for all activities related to roll-out. It will establish success criteria and provide for a Post-Implementation Evaluation, including metrics for measurement of successful implementation. Other considerations for inclusion are: ☐ Communication of the plan ☐ Disaster recovery and backup procedures ☐ Training manuals ☐ System documentation ☐ Back-out plan ☐ Support ☐ Monitoring system performance		

TITLE	Weekly Project Status Reports		
VENDOR			
TYPE OF DATA	Planning/Execution	DATA RIGHTS	State Material
FREQUENCY DUE	Weekly	1 ST SUBMISSION DATE	One (1) week after contract award
DELIVERY	Electronic		
DESCRIPTION	From the time of one (1) week after contract award to an agreed upon date by the Offeror and NCDOC, the Offeror must provide written weekly status which will include, at a minimum: ☐ Work accomplished last week ☐ Work to be accomplished this week ☐ Issues and/or concerns along with recommended solutions ☐ Lost time The Offeror shall report all changes to milestones and deliverables for NCDOC concurrence sufficiently in advance to allow the NCDOC to assess the changes. The weekly status reports are due at a time to be agreed upon by NCDOC and the selected Offeror's Project Coordinator. The weekly status reports must be sent electronically to the NCDOC Project Coordinator. The Offeror will be required to be in attendance at the weekly status meetings to discuss the written weekly status reports. NCDOC and the successful Offeror will discuss and mutually agree upon which weekly status meetings require on-site attendance and which can be done via conference calls.		

TITLE	Monthly Project Status Reports, using Earned Value Management System (EVMS)		
VENDOR			
TYPE OF DATA	Planning/Execution	DATA RIGHTS	State Material
FREQUENCY DUE	Monthly	1 ST SUBMISSION DATE	One (1) month after contract award
DELIVERY	Electronic		
DESCRIPTION	From the time of one (1) month after contract award to an agreed upon date by the Offeror and NCDOC, the Offeror must provide written monthly status reports which will detail the status of the project and include, at a minimum: ☐ Cumulative information to date for the project ☐ Current status of each incomplete deliverable ☐ Schedule of the next month's milestones ☐ Earned value data for the current month ☐ Estimates at complete ☐ Explanations and projections for both the current month and cumulative to date variances The Offeror shall report all changes to milestones and deliverables for NCDOC concurrence sufficiently in advance to allow the NCDOC to assess the changes. Quality metrics will be defined in a quality assurance plan and reported on in the monthly status reports. Based on these and other measures, the overall health of the project will be assessed for compliance with respect to deliverables, policies, standards, processes, etc. on a regular basis by NCDOC. The Earned Value Management System (EVMS) component shall describe the financials of project status based on the Vendor's EVMS using the Vendor's format. Earned Value management reporting requires the integration and measurement of cost, schedule, and scope accomplishments on a project or task. By using basic Earned Value techniques, the following questions can be answered objectively: ☐ Where have we been? ☐ Where are we now? ☐ Where are we going? using three (3) data sources: ☐ The budget (or planned) value of work scheduled ☐ The actual value of work completed ☐ The 'earned value' of the physical work completed		

TITLE	Data Accession List (DAL)		
VENDOR			
TYPE OF DATA	Other	DATA RIGHTS	State Material
FREQUENCY DUE	Monthly	1 ST SUBMISSION DATE	One (1) month after Contract award
METHOD OF DELIVERY	Electronic		
DESCRIPTION	The Data Accession List (DAL) shall list all data and documents that are not part of the Contract Data Requirement List (CDRL) that are created under this Contract. The DAL shall include the data or document title, a reasonable description, the in-house release date, and the data rights associated with the item. <i>Note: Any data required for proper operation and maintenance of the system and for proper conduct of the Offeror's operations shall be identified in the CDRL rather than the DAL.</i>		

APPENDIX 6

SAS 70 AUDIT REQUIREMENTS

Type Report Required

The Report will address the controls placed in operation and tests of operating effectiveness performed by the independent auditor, a SAS 70 type II report. A SAS 70 type II report includes a description by the service organization's management of control objectives and related controls as they relate to the services provided, a description by the service organization's auditor of their tests of operating effectiveness and the results of those tests, and the independent auditor's report.

Guidance

American Institute of Certified Public Accountants, AICPA Audit Guide for Service Organizations: Applying SAS 70 as Amended May 1, 2006

Statements on Auditing Standards issued by the AICPA including No. 53, *The Auditor's Responsibility to Detect and Report Errors and Irregularities*, No. 54, *Illegal Acts by Clients* and No. 55, *Consideration of the Internal Control Structure in a Financial Statement Audit*

Nature and Scope of Work

The audit must be performed in accordance with standards established by the AICPA. The audit and report must address all locations where transactions are processed. This includes all transactions, including manual transactions, as well as any related systems run by the vendor's subcontractors.

The engagement involves reviewing the operations of the vendor providing services for the NCDOD. The auditor should review the processing of the operations and transactions. The engagement should be performed in accordance with the AICPA's SAS 70, *Reports on the Processing of Transactions by Service Organizations*. The service organization auditor should obtain an understanding of the system's internal control structure. The auditor should perform tests and report on the operating effectiveness of the controls. The auditor should plan the engagement to ensure the review will adequately meet these guidelines.

The report must cover (1) suitability of control design; (2) controls placed in operation; and (3) whether controls tested were sufficiently effective to provide reasonable assurance that control objectives were achieved during the period specified. The shorter the period covered by a test of effectiveness and the longer the time elapsed since the performance of the test, the less support is provided for control risk reduction.

The following are illustrative of the control objectives that the auditor must test:

- ☐ General Computer Controls
- ☐ Operating Systems

Control Objective 1: Control policies and procedures should provide reasonable assurance that the operating systems and third-party software, including any changes, are authorized, tested, approved, properly implemented, and documented.

- ☐ Physical Access

- Control Objective 2: Control policies and procedures should provide reasonable assurance that physical access to the computer equipment, storage media, and operation system documentation is limited to authorized personnel.

- ☐ Logical Access

- Control Objective 3: Control policies and procedures should provide reasonable assurance that logical access to operating system and third-party software is limited to properly authorized personnel.

- ☐ Computer Operations

- Control Objective 4: Control policies and procedures should provide reasonable assurance that processing is scheduled appropriately and deviations are identified and resolved.

☐ Communication Networks

- Control Objective 5: Control policies and procedures should provide reasonable assurance that data transmission over internal communication networks are complete and accurate.

☐ Physical Environment

- Control Objective 6: Administrative and operational procedures should be established to provide reasonable assurance of the protection of physical assets.

☐ Contingency Planning

- Control Objective 7: Administrative and operational procedures should be established to provide reasonable assurance of continuity of operations.

In addition, outside parties such as regulatory authorities or a user group(s) may specify selected applications and control objectives that should be covered by the tests of operating effectiveness.

In the absence of control objectives established by such outside parties, the service auditor should be satisfied that the control objectives, as set forth by the service organization, are reasonable in the circumstances and consistent with the service organization's contractual obligation.

Report Requirements

The audit report must contain:

- ☐ Specific reference to the applications, services, products, or aspects of the service organization covered;
- ☐ A description of the scope and nature of the service auditor's procedures and identification of the party who specifies the control objectives;
- ☐ Indication that the purpose of the service auditor's engagement was to determine whether:
 - The service organization's description presents fairly, in all material respects, those aspects of the service organization's policies and procedures that may be relevant to a user organization's internal control structure;
 - Those policies and procedures had been placed in operation as of a specific date; and
 - Those policies and procedures were suitably designed to meet specified control objectives;
- ☐ The service auditor's opinion on whether the description presents fairly, in all material respects, the relevant aspects of the service organization's policies and procedures as of a specific date and whether, in the service auditor's opinion, the policies and procedures were suitably designed to provide reasonable assurance that the control objectives specified by the service organization would be achieved if those policies and procedures were complied with satisfactorily;
- ☐ The service auditor's opinion on whether the internal control structure policies and procedures that were tested were operating with sufficient effectiveness to provide reasonable, but not absolute, assurance that the related control objectives were achieved during the period specified;
- ☐ A reference to a description of tests of specified service organization policies and procedures designed to obtain evidence about their effectiveness in meeting specified control objectives. The description should include the policies and procedures that were tested, the control objectives that the policies and procedures were intended to achieve, the tests applied, and the results of the tests. The description should include an indication of the nature, timing, and extent of the tests, as well as sufficient detail to enable user auditors to determine the effect of such tests on user auditors' assessments of control risk;
- ☐ When all of the control objectives listed in the description of controls placed in operation are not covered by tests of operating effectiveness, a statement that the service auditor does not express an opinion on control objectives not listed in the description of tests performed at the service organizations;
- ☐ To the extent that the service auditor is able to identify causative factors for exceptions, to determine the status of corrective actions, or to provide other relevant qualitative information about exceptions noted;
- ☐ A statement of the period covered by the service auditor's report on operating effectiveness of specified control policies and procedures;

- ☐ A statement that the relative effectiveness and significance of specific service organization policies and procedures and their effect on assessments of control risk at user organizations are dependent on their interaction with the policies, procedures, and other factors present at individual user organizations;
- ☐ A statement that the service auditor has performed no procedures to evaluate the effectiveness of policies and procedures at individual user organizations;
- ☐ A statement of the inherent limitations of the potential effectiveness of policies and procedures at the service organization and of the risk of projecting to the future any evaluation of the description or any conclusions about the effectiveness of policies and procedures in achieving control objectives; and
- ☐ Identification of the parties for whom the report is intended.

Service Organization

The Vendor

User Auditors

North Carolina Office of the State Auditor and the NCDOC Internal Audit

Period for Review

State Fiscal Year (SFY) ending June 30th

Frequency of Report

Every State Fiscal Year (SFY) runs from July 1st of the calendar year through June 30th of the following calendar year.

Due Date for Report

The SAS 70 audit report shall be due ninety (90) days after the end of the SFY, or September 30.

Audit Documentation Requirements

Engagement letters, audit program(s), internal control questionnaires, representation letters, technical manuals, narratives, operations flowcharts (with subsystems identified), audit test work papers, confirmation statements, and findings and recommendations.

Availability of Audit Work Papers

Audit work papers must be made available to the NCDOC, the Office of the State Auditor, or any other entity approved by the State. Work papers must be available upon request and within a two-week period.

Deliverables

A Report on Controls Placed in Operation and Tests of Operating Effectiveness must be prepared, and the SAS 70 management letter that accompanies the audit report must be delivered with the audit report.

The report will be produced electronically and the two (2) original hard copies of the report will be delivered to the NCDOC Controller. In addition, a soft copy of the report will be delivered to the following individuals:

- ☐ Office of the State Auditor, and
- ☐ NCDOC Office of Internal Audit.

PRISON POPULATION PROJECTIONS

FISCAL YEAR	CURRENT PROJECTION as of June 30 each fiscal year
2009/10	42,776
2010/11	44,147
2011/12	45,114
2012/13	45,922
2013/14	46,914
2014/15	47,806
2015/16	48,527
2016/17	49,253

Deliverable	Benchmarks	Measurement
Establishment of Provider Network		
Development	Described a network sizing model that would support specialty services statewide for NC DOC. Including the number and specialty of providers within each regional location.	This information will be communicated in writing to members of the NCDOC coordination team on a monthly basis in percentages of completion (25, 50, 75, 100%).
	Contractors should provide copies to the NC DOC coordination team of vendors to provide contracts along with associated credentialing information.	This information will be in the form of a consolidated report and will report by percentages the total number of providers necessary to complete the provider network. This will be in terms of percentages (25, 50, 75, 100%).
Service Delivery	Access to services	Vendor shall make available to the NCDOC coordination team service locations, service sites, and specialty providers within the network & any associated changes.
	Geographic Access	Vendor shall communicate any changes to the provider contract agreements & any changes to these services or providers at the time changes are made.
	24 Hour Availability of Services	The vendor shall ensure that inmates have a point of access to facility/provider services on a 24 hour per day basis. Also vendor shall schedule routine appointments for specialty care that will not exceed four (4) weeks. Urgent appointments will not exceed 48 hours.
	Continuity of Care	The vendor shall have and communicate to NCDOC coordination team policies and procedures to ensure the provision of covered services to inmates that will assure accessibility, attention to individual needs, continuity of care and professional accountability.
Prior Authorizations	The vendor will develop and provide the capability to facilitate the process involved in reviewing prior authorizations.	The vendor will ensure that prior authorization processes are secure, user friendly, and have the capability of incorporating additional approval criteria as required by NCDOC. Community standards using evidence based criteria will be utilized.
Financial Management	Meets all financial management requirements	Vendor successfully passes all financial audits both scheduled and non-scheduled.
	Provider Claims	All funds transferred for provider claims were paid in accordance with the contract terms.
Claims Management	Claims Tracking	Maintain complete and accurate records of all claims.
	Claims Adjudication Error Rate	Error rate to number of claims processed.
	Claims Resolution Time Frame	Average number of days from receipt to final disposition.
Technical	System Availability	Vendor shall ensure system meets specified availability as cited in the requirements.
	System Response Time	Vendor shall meet the specified response times as cited in the requirements.
	Security-Disaster Recovery	The disaster recovery plan is tested, at a minimum, on an annual basis. The vendor meets Recovery Time Objectives (RTO) and Recovery Point Objectives (RPO) when testing the disaster recovery plan for the application.
	Security - Vulnerability Management	Machines are patched in a timely manner in accordance with state policy. Systems are routinely scanned for vulnerabilities.
	Security - Retention	Data is retained for a period of time as specified in state policy.
	Security – Audit Findings	Audit findings (external and internal) that are associated with the application are addressed in a timely manner.
Call Center	Availability	Vendor shall meet the specifications listed in the requirements.

