

**Exhibit A, Attachment IV – Scope of Work
Additional Contractual Services****1.0 ADDITIONAL CONTRACTUAL SERVICES****1.1 OVERVIEW**

One mechanism California Department of Health Care Services (DHCS) employs to stimulate and support innovative responses to the demand for change is to require bidders to propose Additional Contractual Services (ACS's). ACS's are both DHCS-proposed and bidder-proposed services outside of, but related to, the scope of work under this Contract (Exhibit A, Attachment II), and are designed to replace, augment, or substantially improve one or more operational areas (e.g., HCO informing materials production and mailing, customer service, transactions processing, forms processing, reporting, etc.), resulting in improved services to applicants/beneficiaries, increased operational efficiency, or both.

The Contractor shall prepare and submit to DHCS proposals for implementing three (3) mandatory ACS's. Mandatory ACSs are those that the Contractor is required to bid as a part of their Narrative and Cost Proposals. In addition, the Contractor is allowed to propose and bid up to five (5) Contractor Proposed, Optional ACSs, if the Contractor chooses.

1.1.1 MANDATORY ADDITIONAL CONTRACTUAL SERVICES

The Contractor is required to bid the following three (3) mandatory ACS's:

1. REVIEW OF HCO INFORMING MATERIALS

The Contractor shall recommend to DHCS one (1) or more measures that, if implemented, would make the HCO informing materials more likely to be read, understood, and, ultimately, used in the beneficiary choice.

2. PRO-ACTIVE HEALTH CARE CHOICES

The Contractor shall submit to DHCS one (1) or more measures, apart from improving the effectiveness of the HCO informing materials, which would increase the number of Medi-Cal applicants and beneficiaries (both mandatory and voluntary aid codes), who pro-actively make a choice of a managed care health plan(s) during the first thirty (30) calendar days after receiving HCO informing materials. By increasing the number of pro-active choices made, these measures would decrease the auto-assignment (default-assignment) percentage rate.

3. EXPEDITED HEALTH PLAN ENROLLMENT

The Contractor shall propose a method by which applicants, beneficiaries, their designated representatives and others (such as Enrollment Services Representatives (ESR)) review HCO informing materials and complete and submit enrollment/disenrollment requests in a more efficient, timely and cost-effective manner.

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In addition to three (3) mandatory ACS's, bidders may also propose up to five (5) optional ACS's designed to improve operations under the HCO Contract.

The objectives of this section are to:

- A. Offer the Contractor the opportunity to propose innovative changes to the HCO Program that will improve services to applicants/beneficiaries and/or increase operational efficiencies;
- B. Establish protocols that the Contractor shall adhere to in proposing ACS's, and in implementing approved ACS's; and
- C. Establish ACS reporting requirements.

The Proposer shall be required to submit the items listed below in the Narrative Proposal.

1.2 REQUIREMENTS**1.2.1 WORK PLAN**

The Proposer shall submit a detailed work plan, containing a design, development and implementation schedule, for each proposed ACS.

- A. Each work plan shall describe and display (in a Gantt, or equivalent, chart) each step in the process, including all interrelationships between steps. Work plans shall include but not be limited to:
 - 1. Planned tasks and activities.
 - 2. Staffing levels.
 - 3. Schedule of events, including milestones.
 - 4. Plans to ensure that ACS's are subject to complete quality assurance reviews and user acceptance testing.
 - 5. A graphic overview of the ACS displayed in such a way that the timeline relationship for each phase of development of the ACS is shown. This overview shall be prepared on a Gantt-type chart and shall include a Work Breakdown Structure (WBS) and beginning and ending dates of each phase in monthly increments. The ACS work schedule shall be subdivided as follows:
 - a. Task – Major activity.
 - b. Major Subtask – Logical grouping of subtasks.
 - c. Subtask – Groups of work packages required to complete a task. Each

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subtask shall consist of no more than four (4) work packages and shall result in a defined deliverable.

- d. Work package - The smallest work effort or work increment. A work package should be defined by:
 - 1) A description.
 - 2) An identifiable product.
 - 3) The skill/resource categories.
 - 4) The estimated resource units by skill/resource category.
 - 5) Overall duration of the activity.
 - e. Clearly identified deliverables and milestones.
 - f. Clearly identified DHCS approval requests, which include at least ten (10) business days for DHCS review.
- B. Each work plan shall demonstrate an understanding of the tasks to be performed and of subsequent general responsibilities; subtasks shall be sequenced and scheduled logically; and sufficient time shall be allocated for task completion.

1.2.2 MANDATORY ADDITIONAL CONTRACTUAL SERVICES REQUIREMENTS**1.2.2.1 REVIEW OF HCO INFORMING MATERIALS**

- A. As managed care requirements have changed, and as additional HCO Program needs have been identified, HCO informing materials have been developed and revised to meet these changing requirements and needs on an on-going basis.
- B. Under this ACS, the Contractor shall perform a comprehensive review and evaluation of the effectiveness of all HCO informing materials, in collaboration with the DHCS, and shall provide DHCS with the findings and recommendations that emerge from this review and evaluation.
- C. This ACS shall include the following two (2) phases:
 - 1. Phase One - Review of HCO Informing Materials. The duration of Phase One shall last no longer than six (6) months, and shall begin when DHCS has provided written approval to start. At the conclusion of Phase One, the Contractor shall notify DHCS that the review period is complete and provide a brief summary of the preliminary findings reached.
 - 2. Phase Two - Submittal of a written report of the findings, recommendation(s), timeline(s) and work plan(s) that result from the review process. At the conclusion of Phase Two, the formal findings and recommendation(s)

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document, which includes timeline(s) and work plan(s) for each recommendation, shall be submitted to DHCS for review. Phase Two activities shall be completed within one (1) month of the submittal of a brief summary of preliminary findings required in phase one.

- D. Within thirty (30) calendar days after the DHCS provides written notification of its intention to implement this ACS, the Contractor shall:
1. Provide DHCS with an update to the ACS plan originally submitted with the Narrative Proposal if DHCS and/or the Contractor determine that an update is necessary. If no update is necessary, the Contractor shall notify DHCS in writing that the existing plan is sufficient. The Contractor shall ensure that its plan fully describes the scope of the proposal, including a list of all materials to be reviewed, as well as the steps necessary to implement that proposal.
 2. Upon receiving written approval from DHCS, the Contractor shall implement the DHCS approved Review of HCO Informing Materials in keeping with the DHCS approved work plan. ACS implementation shall not begin until the DHCS provides written approval to begin.
- E. The Contractor shall:
1. Conduct a comprehensive review and evaluation of all current HCO informing materials used to educate and enroll Medi-Cal beneficiaries, including the Seniors and Persons living with Disabilities (SPD) population, with a goal of increasing voluntary enrollment by this group into managed care plans. This includes all HCO informing materials, such as booklets, letters and forms, etc., used by applicants, beneficiaries and other interested parties. The Contractor shall review the HCO informing materials to ensure the following requirements are met:
 - a. Full compliance with all applicable State and federal statutes and regulations.
 - b. Full compliance with all applicable statutes, regulations, and policies concerning the cultural and linguistic appropriateness of the informing materials.
 - c. Effective at encouraging recipients to read the HCO informing materials and to use the information provided to choose between the available managed health care options.
 2. Prepare and submit to DHCS at the midpoint of the Phase One, a work plan interim progress report. This report shall describe the status of the HCO informing materials reviewed to date, and shall include a list of the HCO informing materials still to be reviewed, and a list of any milestones not timely met.
 3. Prepare and submit to DHCS, at the end of Phase Two, a report containing:

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- a. The Contractor's findings concerning the extent to which the existing HCO informing materials meet the requirements outlined above.
 - b. The Contractor's recommendations for revising the HCO informing materials so that they better meet those needs and requirements.
 - c. The Contractor's estimated expenses, timeline(s) and work plan(s) for implementing the recommendation(s).
 - d. The advantages and disadvantages of each recommendation.
4. The report of findings and recommendations shall be submitted to DHCS no later than one (1) year after DHCS written acceptance of the project.
 5. Provide the DHCS with written monthly progress reports during the Design, Development and Implementation (DD&I) stages of the project. These shall be due the fifth (5th) business day of the month following the month reported.

1.2.2.2 PRO-ACTIVE HEALTH CARE CHOICES

- A. County Eligibility Workers cannot refer applicants to the Contractor Presentation Sites for assistance with the health care options process when applicants choose to mail in their Medi-Cal aid application forms to the county. Historical data proves that almost all applicants who receive face-to-face HCO presentations make a pro-active choice of a managed care health plan(s). For those applicants who do not attend a face-to-face HCO presentation, whether they mail in their Medi-Cal aid application forms, or they choose not to attend the HCO presentation they were referred to, the choice rate is lower, and the default assignment rate higher.
- B. This ACS affords the Contractor the opportunity to present innovative approaches for reaching and encouraging the population of Medi-Cal applicants and beneficiaries who do not attend HCO presentations to make pro-active health plan choices during the first thirty (30) calendar days after receipt of HCO informing materials. Measures that successfully encourage applicants and beneficiaries to choose a health plan, allow the HCO Program to better meet the important goal of reducing the rate of auto-assignments (default-assignments).
- C. Within thirty (30) calendar days after the DHCS provides written notification of its intention to implement this ACS, the Contractor shall:
 1. Provide DHCS with an update to the ACS plan originally submitted with the Narrative Proposal if DHCS and/or the Contractor determine that an update is necessary. If no update is necessary, the Contractor shall notify DHCS in writing that the existing plan is sufficient. The Contractor shall ensure that its plan fully describes the scope of the proposal(s), as well as the steps necessary to implement the proposal(s).
 2. Upon receiving written approval from DHCS, the Contractor shall implement the DHCS-approved Pro-Active Health Care Choices proposal(s) in keeping with the DHCS approved work plan. ACS implementation shall not begin until

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the DHCS provides written approval to begin.

1.2.2.3 EXPEDITED HEALTH PLAN ENROLLMENT

- A. DHCS intends to take full advantage of currently available information on access technologies, such as the Internet, innovated telephone capabilities, facsimile machines, etc. The use of such technologies will allow improved methods of secured access to HCO information and Choice Form submittal.
- B. This ACS affords the Contractor the opportunity to present innovative approaches to improvement processes in the following areas:
 - 1. Convenient access to HCO informing materials and Choice Forms at all times.
 - 2. Faster enrollment processing. Toward the end of each Medi-Cal Eligibility Data System (MEDS) month of eligibility, the use of an electronic enrollment option would allow beneficiaries to begin receiving services from their chosen health plans a month earlier than would be possible using the mail-in enrollment option (If the electronic form is received by MEDS cut-off date).
 - 3. Better protection of personal confidential beneficiary information including protected health information, than is possible using the mail-in enrollment option.
- C. Within thirty (30) calendar days after DHCS provides written notification of its intention to implement this ACS, the Contractor shall:
 - 1. Provide DHCS with an update to the ACS plan originally submitted with the Narrative Proposal if DHCS and/or the Contractor determine that an update is necessary. If no update is necessary, the Contractor shall notify DHCS in writing that the existing plan is sufficient. The Contractor shall ensure that its plan fully describes the scope of the proposal, as well as the steps necessary to implement that proposal.
 - 2. Upon receiving written approval from DHCS, the Contractor shall implement the DHCS approved Expedited Health Plan Enrollment in keeping with the DHCS approved work plan. ACS implementation shall not begin until the DHCS provides written approval to begin.
 - 3. Provide the DHCS with written monthly progress reports during the DD&I stage of the project. These shall be due the fifth (5th) business day of the month following the month reported.
- D. The ACS shall meet the following requirements:
 - 1. Data processing and documentation requirements specified in the Contract.
 - 2. Any web-based enrollment sites shall be developed and maintained with

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sufficient security mechanisms to achieve full compliance with federal and State statutes, regulations and policies.

3. Ensure compliance with the Electronic Data Interchange standards specified in the regulations implementing the Health Insurance Portability and Accountability Act.
4. Any web servers used shall be maintained with appropriate firewalls and other security features, including user authentication requirements and access limitations that prevent unauthorized users from gaining access. These capabilities shall:
 - a. Provide access to blank Choice Forms and other HCO informing materials, in all threshold languages as determined by DHCS.
 - b. Allow interactive completion of electronic Choice Forms (with field-sensitive help functions).
 - c. Allow electronic submission of Choice Forms.
 - d. Provide email verification of submission.
 - e. Provide the option to print the Choice Forms prior to submission.
 - f. Provide availability to all authorized users for a minimum of twenty-two (22) hours per day, seven (7) days per week. Maximum unscheduled downtime shall not exceed one-half (0.5) hour per week. Access and availability shall not be interrupted or superseded, except with DHCS prior approval, for any Contractor activity, including system maintenance (preventive, scheduled or otherwise) and system or program processing (scheduled or unscheduled).

1.2.3 CONTRACTOR-PROPOSED OPTIONAL ADDITIONAL CONTRACTUAL SERVICES REQUIREMENTS

- A. Within thirty (30) calendar days after the DHCS provides written notification of its intention to implement this ACS, the Contractor shall:
 1. Provide DHCS with an update to the ACS plan originally submitted with the Narrative Proposal if DHCS and/or the Contractor determine that an update is necessary. If no update is necessary, the Contractor shall notify DHCS in writing that the existing plan is sufficient. The Contractor shall ensure that its plan fully describes the scope of the proposal, as well as the steps necessary to implement that proposal.
 2. Upon receiving written approval from DHCS, the Contractor shall implement each DHCS approved optional ACS in keeping with the DHCS approved work plan. ACS implementation shall not begin until the DHCS provides written approval to begin.
- B. Provide DHCS with written monthly progress reports during the DD&I stage of the project. These shall be due the fifth (5th) business day of the month following the month reported.

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- C. Provide DHCS with a monthly report, with DHCS providing the Contractor the full report specifications.

1.2.4 ADDITIONAL CONTRACTUAL SERVICES REPORTS

- A. The Contractor shall prepare and submit for State approval a final report of findings and recommendations no more than three (3) months following implementation of each DHCS approved and implemented ACS.
- B. DHCS shall work with the Contractor in developing a format for each report. Each report shall provide, but not be limited to, a detailed evaluation, along with recommendations for continued use of and improvements to each ACS.

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