

Solicitation Approval Program Integration Procurement

Purpose: The Level I Grant Application includes the development of a detailed and comprehensive program integration process that will result in program coordination, collaboration, and integration with other state departments and public programs. In addition, the state and federal frameworks place a strong emphasis on the consumers' experience and ability to seamlessly be enrolled in (and obtain access to) health care coverage through any of the programs which they qualify. The goal of this project is to comprehensively identify, assess and evaluate critical factors leading to successful program coordination and integration, as well as consumers' seamless enrollment into various health care programs, when implementing the Exchange's services, products, and programs.

The Contractor will conduct a thorough review of state and federal statutes, proposed federal regulations, and broad stakeholder concerns regarding the eligibility and enrollment process. The Contractor will produce a detailed and comprehensive Program Integration Evaluation Report and Gap Analysis regarding the program coordination and integration processes.

Procurement Strategy: Under the Exchange's enabling legislation, the Exchange is exempt from the normal processes for procurement of consultants, such as the primary and secondary Request for Proposal. With this in mind, staff has completed a Model Contract Solicitation package, to be released in October after Board approval of the procurement strategy.

Under a Model Contract Procurement, the Exchange publishes a Model Contract, with a detailed Statement of Work (SOW). Rather than accepting the SOW as final, proposing firms are asked to use the SOW as a baseline for developing their approach to the project and to propose language which enhances and improves the final contract deliverables. This is a dynamic competitive process through which the Exchange can evaluate and test, through a negotiation process, the strengths and weaknesses of the vendors and their proposals, and make a final selection based on a combination of vendor experience, the quality and originality of the vendor's approach and the overall value the vendor can bring to the project, including price. Under the process, no points are awarded. Rather, the evaluation panel works together to reach consensus. The goal of the process is to negotiate the maximum levels of services available for a competitive price and for the Exchange to obtain the overall best value.

The procurement will be published on the Exchange Website, through the State of California's procurement notification system, BidSync, and disseminated to known national vendors with experience in health care program integration

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processes. Under a tight timeframe, we hope to present the proposed award to the Board at the November Meeting and begin the project by January 1, 2012.

Budgeted Cost: The Level I Grant application budgets \$580,000 for this project, which will be indicated as the project maximum in the Model Contract Solicitation.

Board Action Required and Sample Motion: Approval of the Contracting Strategy for the Program Integration Procurement:

“The Board moves to accept the contracting strategy for the selection of the a Program Integration contractor, and directs staff to proceed with the Model Contract Solicitation Process.”