

Durable Medical Equipment (DME) Medicare Administrative Contractor (MAC) Acquisition Process



MCR

MEDICARE
CONTRACTING
REFORM

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Agenda

- Overview

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Request for Information (RFI)

• Purpose

- CMS looking for feedback (exchanges w/ industry FAR 15.201)
- CMS goal is to develop a Request For Proposal (RFP) sufficient for current Medicare and Non -Medicare Contractors to successfully compete

Procurement Strategy

- Full & Open Competition Utilizing Best Value Concepts
- Stand Alone Contracts (Not ID/IQ)
- Anticipate Four Separate Contract Awards by Jurisdiction
- Anticipate Cost Plus Award Fee (CPAF)
- Period of Performance (Mandated by Legislation) Not to Exceed 5 years

RFI Contd.

- Anticipated Industry Areas of Interest (included in RFI Package):
 - Teaming/Partnering
 - Conflict of Interest (COI)
 - Responsibility Determination
 - No Limitations on number of Awards
 - CAS Compliance
 - Options
 - Evaluation

TEAMING/PARTNERING GUIDANCE

- CMS anticipates teaming/partnering
- CMS encourages Small Business Participation
 - This may be a factor in the evaluation criteria
- CMS will review teaming/partnering arrangements

CONFLICT OF INTEREST (COI)

- COI Clause addressed in Sections H and L of the RFI
- To be eligible for award, offeror must be free, to the greatest extent possible, of all conflicts of interest
- COI will be determined on a case by case basis

(COI) Contd.

- Section L of RFI requires submission of COI disclosure information with your proposal (Volume III of Proposal)
- Failure to submit the COI disclosure will deem offerors proposal non-responsive

RESPONSIBILITY DETERMINATION

- Addressed in Section L of the RFI
- Information required to meet FAR Part 9
 - Capitalization & financial Capability (Overall)
 - Working Capital
 - Contractor Integrity/Record of Contractor Integrity
 - Internal Controls
- Responsibility determination, although not a weighted factor, is considered in making an award recommendation

NO LIMITATION ON NUMBER OF AWARDS

- Contract Award Decisions will be made based on Risk Evaluation Results
 - See Section M – Factor 7 – Risk Management
 - The offeror will be evaluated on the degree to which it demonstrates how successfully they will perform the full range of statement of work functions, should it be considered for more than one DME MAC jurisdiction. (weighted factor)
- CMS Anticipates Awarding Four Separate Contracts, One for each DME Jurisdiction
- Offerors will need to demonstrate they can perform a second jurisdiction w/o disrupting the first
- May be required to specify a preference (which jurisdiction for initial award, second etc.)

COST ACCOUNTING STANDARDS (CAS) COMPLIANCE

- Offerors must submit a disclosure statement with their proposal
- It is anticipated that all MAC contractors will be required to be CAS compliant
- CMS may send auditor(s) to contractor facility for an on-site review

OPTIONS

- Two Types of Options
 - Mandatory – Offeror Must Propose
 - Non-Mandatory – Offeror May Elect to Propose
- Mandatory Option Identified to Date:
 - ▶ ENTERPRISE DATA CENTER (EDC)

OPTIONS Contd.

- Non-Mandatory Options Identified to Date:
 - (1) Functions related to National Supplier Enrollment
 - (2) Functions related to Data Analysis and Coding
STATISTICAL ANALYSIS DURABLE MEDICAL
EQUIPMENT REGIONAL CONTRACT (SADMERC) Like
functions
- Option (1) & (2) above – each will be awarded to one of the DME MACs (may or may not be awarded to the same contractor)
- (Non-Mandatory Options will be evaluated separately. Specific criteria will be included in the RFP)

EVALUATION

- Overall Best Value Evaluation
- Cost is not a Weighted Factor
- May Require Oral Presentations
 - Would include only those contractors in the competitive range

EVALUATION CRITERIA

- 1 - OFFEROR CAPABILITY
 - Understanding the Requirements
 - Project Management
 - Personnel
- 2 - CORPORATE EXPERIENCE
- 3 - PAST PERFORMANCE
- 4 - INFORMATION SECURITY
- 5 - PLANS
 - Quality Assurance Plan
 - Compliance Plan
 - Transition Plan
 - Risk Mitigation Plan (Operational)
- 6 - SDB UTILIZATION/PARTICIPATION PLAN
- 7 - RISK MANAGEMENT (related to potential award of additional jurisdictions)

DME ACQUISITION TIMELINE

- 02/25/05 DME MAC OPEN DOOR FORUM
- 02/25/05 DME SYNOPSIS POSTED IN FEDBIZOPPS
- 03/10/05 DUE DATE FOR RFI FEEDBACK
- 03/10/05-03/24/05 CMS REVIEW & ANALYSIS OF FEEDBACK
- 03/31/05 REQUEST FOR PROPOSAL (RFP) POSTED TO FEDBIZOPPS
- 04/06/05 PRE-PROPOSAL CONFERENCE*
- 05/02/05 TECHNICAL & COST PROPOSALS DUE
- 08/15/05-09/16/05 ORAL PRESENTATIONS
- 10/28/05 REQUEST FINAL PROPOSAL REVISIONS
- 12/30/05 CONTRACT AWARD

REQUEST FOR FEEDBACK

- CMS requesting feedback by March 10th
- Send feedback to DMEMAC-RFI@CMS.HHS.GOV
- Reference specific subject lines when submitting feedback (system will automatically sort by subject line)
- CMS included “Questions for Industry”
 - Contract Related Questions such as:
 - ▶ CPAF TYPE OF CONTRACT
 - ▶ PERFORMANCE/SURETY BONDS FOR MACs
 - ▶ PERFORMANCE STANDARDS (preliminary set of performance stds listed in SOW under Quality Assurance Requirements pages 114-117)
- Preference for monetary versus non-monetary incentives?
 - EVALUATION FACTOR FEEDBACK

REQUEST FOR FEEDBACK

Contd.

- CMS requesting technical feedback on whether to have a DME MAC perform as the front end processor (to be addressed by Gary Kavanagh)
- All feedback should be appropriately marked if company proprietary, confidential etc.
- CMS requires the right to use any of the information submitted during this RFI process in the resultant RFP

SUMMARY

- CMS Welcomes all Feedback
 - (see questions for industry)
- Feedback due date – March 10, 2005
- CMS will consider and incorporate feedback, as appropriate, into the RFP

DME MAC STATEMENT OF WORK

Marybeth Jason