

Questions and Answers

RFP # 2025-001 (Actuarial)

#	Section #	Page #	Questions	Answers
1	2.2	7-8	Would PRHIA consider extending the deadline to allow for at least 12 business days between receipt of answers to questions and the proposal submission date?	See Amendment #2 for new RFP schedule.
2	2.3.7	12	<p>Within Section 2.3.7 of the RFP, it states that “The Offerors shall not have a right to open negotiations of the Contract with PRHIA. Any Offeror who places conditions on its Proposal to negotiate the terms and conditions of the Contract, excluding pricing, will be disqualified from the process.” Currently, the contract language in RFP does not include a limitation on direct damages and waiver of consequential damages; however, our understanding is that in previous contracts between ASES and other vendors such a limit was provided. Based on review of previous contracts between ASES and other vendors, a \$5 million limit of liability and waiver of consequential damages term was included within executed contracts.</p> <p>Will ASES consider including a limit of liability for direct damages of \$5 million and a waiver of consequential damages, which we believe is consistent with some prior ASES contractual limitations?</p>	PRHIA will not be placing any limit on direct damages in this case. Given the nature of this contract, the significant amount of Medicaid federal funds involved (which amount to billions), and the actuarial projections that will be based on these funds, we deemed that such a limit would not be appropriate. The contract is designed to reflect the scale and complexity of the Medicaid program and the associated financials. Therefore, the terms as currently outlined in the RFP will stand.
3	2.4 and 3.2.3	12, 27	<p>2.4 states that “This RFP is open to any Offeror capable of performing the scope of work.” Subject to 2.4’s listed stipulations.</p> <p>3.2.3.1 limits to overly exclude Offerors who are capable of performing the scope of work. We request that 3.2.3.1 be edited to be a bidding organization’s number of years instead of isolating the experience to the Lead</p>	PRHIA has amended subsection 3.2.3.1 regarding the years of actuarial experience required for the Lead Actuary. See Amendment #2 of this RFP.

			Actuary; or alternatively edit 3.2.3.1 so that the Lead Actuary has “at least fifteen (15) years of actuarial experience with at least ten (10) years of experience in Medicaid management.” Would PRHIA be willing to edit this requirement?	
4	2.4, 3.2.3 and 6.3	28, 42	We request that 3.2.3.4 be withdrawn from the RFP as irrelevant to performing the scope of work because the RFP’s scope of work does not require actuaries to certify life/health insurance company annual statements, we believe all relevant capabilities reflect an Offeror that is fully qualified to certify actuarial opinions and certifications to CMS for managed care capitation rates on behalf of Puerto Rico, without any need for requirement to certify the participating life and health insurance companies’ annual statements as part of the scope of work. Would PRHIA be willing to withdraw this requirement?	See Response to Question #3 and Amendment #2 of this RFP.
5	2.4.27	21	Paragraph A states that the Offeror shall be independent from any Contracted MCOs and Health care providers, herein referred to as GHP Participants. Please clarify GHP participants and if this includes Medicare Advantage Plans, PBMs, and other types of contracted health plans or entities.	It does include Medicare Advantage Plans. It also includes contracted health plans or entities, such as PBMs, that provide services and/or that operate, directly or through an agreement, arrangement, contract, corporate operational scheme or through an executive or employee, or are owned or controlled by, or own or control a contracted MCO or GHP Participant.
6	3.1.3.1 (b)		The offeror qualifications include “Vast and strong experience working with Medicaid Management Information Systems implementation processes and supporting operations, data extraction, code development and data analysis”. Can you please provide clarification if the awarded contract will include specific services related to MMIS	Specific services related to MMIS implementation are not required. However, MMIS generates information related to Plan Vital which is essential to the actuarial analyses required.

			implementation, which are not listed in the Scope of Services (Section 3.3).	
7	3.2.1	27	Can the Lead Actuary and Account Executive be the same person if they meet the minimum qualifications and experience requirements?	Yes.
8	3.2.3.1 vs 3.2.3.4	27 & 28	Please clarify if the lead actuary needs a minimum of 20 years of actuarial experience (Section 3.2.3.1) or 10 years of actuarial experience (Section 3.2.3.4).	See Response to Question #3 and Amendment #2 to this RFP.
9	3.2.3.1 vs 3.2.3.5	27 & 28	Please clarify if the lead actuary needs a minimum of 10 years of Medicaid experience (Section 3.2.3.1) or 5 years of Medicaid experience (Section 3.2.3.5).	See Response to Question #3 and Amendment #2 to this RFP.
10	3.2.3.2	27	Would an actuary that is CIAyE (Certified Actuary in Mexico) in addition to being an Associate of the Society of Actuaries (ASA) and a Member of the American Academy of Actuaries satisfy this condition?	<p>The FSA (Fellow of the Society of Actuaries) and CIAyE (Certified Actuary in Mexico) are both advanced actuarial credentials, but they are awarded by different organizations and reflect different professional standards and practices.</p> <p>To meet the requirements outlined in this RFP, the actuary must be a member in good standing of the American Academy of Actuaries (AAA) and hold active credentials as a Fellow of the Society of Actuaries (FSA). While the actuary's certification as a CIAyE and ASA membership demonstrates a strong actuarial background, the condition specifically requires an FSA designation, which is a higher level of credential. Therefore, the actuary would need to hold the FSA designation to satisfy this condition as stated in the RFP.</p>
11	3.3.1.5	29	Per 3.3.1.5 "Contractor shall submit additional rate settings, actuarial opinions,	Yes. PRHIA's request is the starting point of the sixty (60) calendar days for submitting updated rates,

			<p>and impacts to PRHIA for approval within sixty (60) calendar days of request."</p> <p>Can you confirm that the sixty calendar days is in reference to the Contractor submitting updated rates, actuarial opinions, and impacts to PRHIA within 60 days of PRHIA making the request to the Contractor?</p>	actuarial opinions, and impacts to PRHIA.
12	3.3.2.2	30	<p>Per 3.3.2.2, "Under the Act No. 95 Contract, PRHIA extends GHP coverage for those government employees who are not eligible under Medicaid. Contractor must be able to develop actuarial reports for the rates under this contract."</p> <p>Can you share any copies of the historical or current reports developed for Act No. 95 rates?</p>	The historical or current reports developed for Act No. 95 rates are submitted to ASES on a monthly basis and will be provided for the required actuarial analysis. Since this data contains Personal Health Information (PHI), it cannot be shared in this RFP process.
13	3.3.9.3	32	"The Contractor shall perform the Short-term Acute Care (STAC) Payment Reconciliation, starting with the years 2025-2026/2026-2027." Please confirm if the STAC payment reconciliation is still necessary for 2025-2026/2026-2027 since a majority of the STAC payments are being built into the hospital specific base rates once APR-DRGs are implemented October 1, 2025.	If the implementation of the DRG program with the MCOs and hospitals is successful by October 1, 2025, the STAC payments will no longer be necessary, as the majority of STAC payments will be integrated into the hospital-specific base rates once the APR-DRGs are in place. However, if there are delays in the DRG implementation, STAC payments reconciliation will still be necessary.
14	3.3.10.b	32-33	What is the effective date of the new MCO contract for the next MCO RFP to be released in the last quarter of calendar year 2025?	The schedule of events for the MCO RFP is still in the planning phase.
15	3.3.10.f	33	Per 3.3.10.f, is a utilization mid-year adjustment expected for 2025-2026?	Any adjustment will depend upon the results of the mid-year review.
16	3.3.10.h	33	Per Section 3.3.10(h), can you provide examples of the types of analyses and monitoring support for compliance and/or of the prior support received by the current Contractor?	Some examples can be found in the following Articles of the Model Contract: Article 10: Provider Contracting

Actuarial Support Example:

- **Provider Contract Rate Review:** Actuarial analysis could assess the adequacy of provider reimbursement rates as outlined in the contracts, ensuring they are consistent with industry standards, sustainable, and aligned with the expected medical cost trends. This would include reviewing the methodologies used in negotiating provider contracts and ensuring the terms are in compliance with any applicable laws or regulations.
- **Cost Impact Analysis of Provider Networks:** Actuarial analysis could model the potential financial impact of changes in the provider network, such as adding or removing providers, changing payment structures, or adjusting provider contract terms. This would ensure the network design complies with cost containment requirements while maintaining access to quality care.

Article 16: Provider Payment Management

Actuarial Support Example:

- **Claims Payment Modeling:** Actuaries can provide detailed analysis to ensure that provider

				<p>payment models (e.g., fee-for-service, capitation, bundled payments) comply with the terms of the contract. This would involve reviewing and modeling payment accuracy, timeliness, and any performance-based incentives or penalties in the payment structures.</p> <ul style="list-style-type: none"> <p>Payment Reconciliation and Risk Adjustment: Actuarial support can include the development of models to track and reconcile provider payments versus contracted amounts. Additionally, it can evaluate the financial impact of risk adjustment factors and ensure that providers are paid in accordance with the contractual payment methodologies, taking into account risk-sharing arrangements.</p> <p>Monitoring of Payment Compliance: Regular monitoring of provider payments to ensure that all payments made to providers align with the terms of their contracts. This includes ensuring the correct use of codes, accurate payment rates, and timely processing to comply with state or federal regulations.</p> <p>Article 22: Payment for Services</p> <p>Actuarial Support Example:</p>
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				<ul style="list-style-type: none"> • Service Modeling: Actuarial services can include developing models that determine appropriate reimbursement rates for different services under the contract, considering factors like medical cost inflation, utilization patterns, and market benchmarks. PMPM payments to MCOs
17	4.1.c.	35	Can you clarify whether the section headers and titles of the response are required to be in 12-point font size, as specified in the format requirements?	All text must be in 12-point font size Arial.
18	4.1.i.	35	Can you confirm whether the resumes are included in the 30-page limit for our Technical Proposal submission?	As per the introductory statement of Section 6 of the RFP, the documents requested under said section will not count towards the page limit noted in Section 4.1 of this RFP. Specifically, Section 6.3 (Qualification Requirements), includes CVs and other related proof of experience.
19	6.3.2		Could you clarify the preferred format for submitting evidence of Active credentials from the AAA and FSA if applicable?	Offeror should provide formal evidence of their actuarial credentials including actuary participation and registry.
20	6.3.2		Should we provide a copy of the official certificate for submitting evidence of Active credentials for the AAA and FSA requirement?	Yes. See response to Question # 19.
21	6.3.2		Could we provide a printout from the Actuarial Directory website as evidence of Active credentials from the AAA and FSA requirement?	No. See response to Question # 19.
22	6.3.5	42	The links to open 23-047H Attachment 11 Certified Capitation Rates Effective 1.1.23 - 9.30.23 and 23-047H Attachment 11 Certified	The link was verified and the documents are available to be downloaded.

			<p>Capitation Rates Effective 10.1.23 - 9.30.24 under the Enmiendas 2023 – 2025 dropdown menu at https://www.ases.pr.gov/plan-vital#Aseguradoras-Contratadas</p> <p>do not work on ASES’ website. Can ASES make these documents available by fixing the links or providing them electronically?</p>	
23	6.3.5	42	Can ASES make publicly available the latest rate certification letters for Plan Vital for Year 3 (October 1, 2024 – September 30, 2025) and for Calendar Year 2024 and Calendar Year 2025 for the Platino program?	These documents contain confidential information and cannot be shared in this RFP process.
24	6.3.6	42	Are we permitted to include full resumes in Section 6.3.6 and reference them in Section 7.3.2 that full resumes can be found in Section 6.3.6 in order to avoid utilizing up to a third of the 30-page limitation?	Yes. See response to Question #18.
25	6.4.1	42	Can the definition of recent specific business references for the offeror be extended beyond two (2) years to align with references for major subcontractors which are allowed to be within the last five (5) years in section 6.9.2.i on page 50 so that both use “within the last five (5) years” as the threshold?	The applicable term for major subcontractor business references is the one stated in section 6.4.1. See Amendment #2 to this RFP.
26	6.4.1	42	Can business references include staff at the Puerto Rico Medicaid Program (PRMP) or other employees of Public Hospitals in Puerto Rico?	Business references can include other employees of public hospitals in Puerto Rico. However, business references of staff at the Puerto Rico Medicaid Program cannot be used.
27	6.4.1	42	Can former PRHIA employees serve as a business reference even if they work for a contractor or contracted provider?	Section 6.4.1 of the RFP states that: The Offeror shall not use PRHIA as a reference to fulfill this requirement. Persons who are currently employed or contracted as consultants by PRHIA are not eligible to be references.

				Former PRHIA employees can be used as references, in as much as the business reference is not related to such employee’s work in PRHIA. See Amendment #2 to this RFP.
28	6.7.2.1	44	Can recently formed entities who meet the minimum qualifications and experience requirements submit Form AS 6088.1 issued by the Government of Puerto Rico Department of the Treasury indicating “Return not required based on commence date” for Calendar Years 2021, 2022, and 2023 in place of the audited financial statements?	No. Form 6088.1 refers to evidence of tax return submissions and is not related to audited financial statements.
29	6.7.2.1 and 6.7.2.2	44 and 46	The “Statement of cash flows” details the cash inflows and outflows which essentially shows how the financial position changes over a period. Would PHRIA accept the “Statement of cash flows” in place of the "Statement of changes in financial position" and "Capital expenditures" for a recently formed startup that meets the minimum qualifications and experience requirements?	No.
30	6.7.2.2.4	45	Please clarify what evidence is acceptable to PRHIA to guarantee the Offeror’s performance? e.g., Pro formas, latest available financial statements, etc.	As per Section 6.7.2.2.4, PRHIA may require other documents after a determination that an entity does not have sufficient financial resources to guarantee the Offeror’s performance. For example, PRHIA may require a letter of commitment from a parent company or guarantees from majority shareholders.
31	6.7.2.2	46	If a recently formed entity who meets the minimum qualifications and experience requirements does not have financial statements for Calendar Years 2021, 2022, and 2023, what would PHRIA accept as an alternate?	In lieu of the financial statements required by Section 6.7.2, PRHIA will only accept the Alternate Report described in Section 6.7.2.2.

32	6.7.2.2		“If the Proposal does not contain the annual report specified in Section 6.7.1 above, the Offeror must provide the following within the Proposal.” Section 6.7.1 refers to the Dan and Bradstreet Reports. Did PHRIA mean to refer to section 6.7.2?	Yes. See Amendment #1 to the RFP.
33	7	51	"Offerors should understand that all items in the Contract in Appendix K constitute the complete list of Contractor requirements, with the exception of ad hoc requests." There is no Appendix K in the RFP. Was PHRIA referring to Appendix H?	Yes. See Amendment #1 to the RFP.
34	7	51	For Technical Proposal section, would PHRIA allow the Offeror to show question number only before their response (owing to page limits)?	No.
35	7.1	51-52	In submitting the technical proposal, Section 7.1 requires that the offeror provide information with respect to tasks outlined in Section 3 regarding the Scope of Work. Section 3.3.9, Other Actuarial Analysis and functions is not included in Section 7.1. Please clarify if points will be awarded regarding the evaluation of Section 3.3.9?	Section 7.3.4 of the RFP is the question under which Section 3.3.9 will be evaluated.
36	7.3	52-53	Can evidence of the Offeror's experience (7.3.1), the curriculum vitae (7.3.2 and 7.3.3) and the experience matrix (7.3.4) be provided as appendices, so they do not count towards the 30-page limit for the Technical Proposal?	Yes, see answer to Question #18. As per the introductory statement of Section 6 of the RFP, the documents requested under said section will not count towards the page limit noted in Section 4.1 of this RFP. Specifically, Section 6.3 (Qualification Requirements), includes CVs and other related proof of experience.
37	7.3.4.xi	53-54	Can the main PHRIA staff associated with the project be listed if PHRIA did not have a project manager or if an outside consultant was used as the project manager?	Section 7.3.4 requests information of similar services provided to other business or governmental entities. This excludes PHRIA.

<p>38</p>	<p>8.1 and 8.6, Cost Proposal</p>	<p>54 and 77</p>	<p>8.1 requires that the contractor use the template in Appendix F and 8.6 states that the annual hours established for the calculation of total annual cost for each contract year is for evaluation purposes. Then D.1 in Appendix F requires bidders multiply the blended hourly rate by 20,000 (maximum estimated annual hours). Are all bidders required to assume 20,000 hours or should Total Annual Cost be based on estimated hours if less than 20,000?</p>	<p>PRHIA has amended sections 8.4, 8.5, 8.6 and Appendix F of the RFP to clarify how Offerors will complete the Cost Proposal Template. See Amendment #2 to this RFP.</p>
<p>The cost proposal instructions state an estimate maximum of 20,000 annual hours should be used to develop the total annual cost in Table 4 of Appendix F. We are unclear if the maximum hours in the contract is 20,000 and all offerors should use 20,000 or if offerors can use less than 20,000 hours if they believe the scope requires less hours. Please clarify. We believe the total expected budget is an important consideration for scoring.</p>				
<p>39</p>	<p>8.4 and 8.5</p>	<p>54 and 77</p>	<p>Will the offeror use the blended rate in Appendix F to invoice PRHIA for services provided or will the invoice be based on the hourly rate by staff position title in Table 1: Billing Rates in Appendix F?</p>	<p>PRHIA has amended sections 8.4, 8.5, 8.6 and Appendix F of the RFP to clarify how Offerors will complete the Cost Proposal Template. See Amendment #2 to this RFP.</p>
<p>Section 8 requires hourly rates per staff title for informational purposes only (see Section 8.4). However, the scoring of the cost proposal (see Sections 8.5 and 8.6) is based on the blended rate and the hours specified in Appendix F. After contract award, how will the vendor be paid for services rendered: based on the hourly rates per staff title or based on the blended hourly rate?</p>				