



Cost Proposal for
**West Virginia Health and Human Resources
Bureau for Medical Services**

CRFP 0511 BMS 2000000003 | Non-Emergency Medical Transportation and STP

ORIGINAL

Cost Narrative

The Bureau for Medical Services (BMS) wisely seeks a broker for the provision of non-emergency medical transportation (NEMT) services to West Virginia Medicaid members and for the Office of Drug Control Statewide Transportation Program. The selected contractor for this combined program must have the proven experience, processes, and staff to implement a capitated NEMT program that ensures access to healthcare for members throughout West Virginia. MTM is pleased to present a cost proposal reflective of BMS' goals and the requirements indicated within the RFP and addenda.

Having operated the NEMT program from 2014 to 2018, MTM relied on our experience managing the program for four years to generate appropriate, realistic pricing. Other bidders who may not have such experience with and understanding of the program could run into financial problems in the future, ultimately decreasing beneficiary access to necessary services and sacrificing program quality. While an aggressively priced proposal may be enticing to BMS, brokers may intentionally or unintentionally underbid, forcing a rate increase further into the life of the contract. With MTM, BMS can remain worry-free about our ability to provide the highest level of quality services at our proposed rate. We pride ourselves on increasing member access to the NEMT benefit while appropriately containing costs. BMS can look forward to benefitting from our streamlined, efficient processes to provide more trips while containing overall program costs.

As detailed throughout our proposal, we are prepared to build on previous experience in the state to offer a smooth transition and enhanced services for the new contract term. Reinstating the partnership between MTM and BMS will benefit all stakeholders and offer low risk and high reward for the State of West Virginia's NEMT Brokerage Program. MTM looks forward to once again serving members throughout West Virginia.

MTM has provided the required *Attachment A: Cost Sheet* on the following pages.



**Optional
Renewal
Year 1**

300,000-330,000 members (330,000 Multplier)	12	\$ \$6.58	\$ \$26,068,296.41
330,001-360,000 members (360,000 Multplier)	12	\$ \$6.91	\$ \$29,870,706.81
360,001-390,000 members (390,000 Multplier)	12	\$ \$7.10	\$ \$33,211,010.93
390,001-420,000 members (420,000 Multplier)	12	\$ \$7.59	\$ \$38,231,854.66
420,001-450,000 members (450,000 Multplier)	12	\$ \$7.55	\$ \$40,752,944.87
450,001-480,000 members (480,000 Multiplier)	12	\$ \$7.51	\$ \$43,274,035.09
480,001-510,000 members (510,000 Multplier)	12	\$ \$7.48	\$ \$45,795,125.30
510,001-540,000 members (540,000 Multplier)	12	\$ \$7.46	\$ \$48,316,215.51
540,001-570,000 members (570,000 Multplier)	12	\$ \$7.14	\$ \$48,803,813.50
570,001-600,000 members (600,000 Multplier)	12	\$ \$6.89	\$ \$49,623,308.23
≥ 600,001 members (600,001 Multplier)	12	\$ \$6.67	\$ \$48,022,631.98
Subtotal Optional Renewal Year 1			\$451,969,943.28

**Optional
Renewal
Year 2**

300,000-330,000 members (330,000 Multplier)	12	\$ \$6.78	\$ \$26,849,133.47
330,001-360,000 members (360,000 Multplier)	12	\$ \$7.12	\$ \$30,768,946.84
360,001-390,000 members (390,000 Multplier)	12	\$ \$7.31	\$ \$34,213,046.06
390,001-420,000 members (420,000 Multplier)	12	\$ \$7.82	\$ \$39,388,724.42
420,001-450,000 members (450,000 Multplier)	12	\$ \$7.78	\$ \$41,989,227.28
450,001-480,000 members (480,000 Multiplier)	12	\$ \$7.74	\$ \$44,589,730.14
480,001-510,000 members (510,000 Multplier)	12	\$ \$7.71	\$ \$47,190,233.00
510,001-540,000 members (540,000 Multplier)	12	\$ \$7.68	\$ \$49,790,735.86
540,001-570,000 members (570,000 Multplier)	12	\$ \$7.35	\$ \$50,295,589.17
570,001-600,000 members (600,000 Multplier)	12	\$ \$7.10	\$ \$51,142,319.67

≥ 600,001 members (600,001 Multiplier)	12	\$ \$6.87	\$ \$49,492,645.44
Subtotal Optional Renewal Year 2			\$465,710,331.36

**Optional
Renewal
Year 3**

300,000-330,000 members (330,000 Multiplier)	12	\$ \$6.93	\$ \$27,460,988.90
330,001-360,000 members (360,000 Multiplier)	12	\$ \$7.29	\$ \$31,471,789.45
360,001-390,000 members (390,000 Multiplier)	12	\$ \$7.48	\$ \$34,996,145.64
390,001-420,000 members (420,000 Multiplier)	12	\$ \$7.99	\$ \$40,291,873.31
420,001-450,000 members (450,000 Multiplier)	12	\$ \$7.95	\$ \$42,953,482.49
450,001-480,000 members (480,000 Multiplier)	12	\$ \$7.92	\$ \$45,615,091.67
480,001-510,000 members (510,000 Multiplier)	12	\$ \$7.89	\$ \$48,276,700.85
510,001-540,000 members (540,000 Multiplier)	12	\$ \$7.86	\$ \$50,938,310.03
540,001-570,000 members (570,000 Multiplier)	12	\$ \$7.52	\$ \$51,455,922.45
570,001-600,000 members (600,000 Multiplier)	12	\$ \$7.27	\$ \$52,323,221.41
≥ 600,001 members (600,001 Multiplier)	12	\$ \$7.03	\$ \$50,635,455.40
Subtotal Optional Renewal Year 3			\$476,418,981.62

**Optional
Renewal
Year 4**

300,000-330,000 members (330,000 Multiplier)	12	\$ \$7.04	\$ \$27,881,424.29
330,001-360,000 members (360,000 Multiplier)	12	\$ \$7.40	\$ \$31,954,456.82
360,001-390,000 members (390,000 Multiplier)	12	\$ \$7.59	\$ \$35,533,652.42
390,001-420,000 members (420,000 Multiplier)	12	\$ \$8.12	\$ \$40,911,504.79
420,001-450,000 members (450,000 Multiplier)	12	\$ \$8.08	\$ \$43,614,781.17
450,001-480,000 members (480,000 Multiplier)	12	\$ \$8.04	\$ \$46,318,057.55
480,001-510,000 members (510,000 Multiplier)	12	\$ \$8.01	\$ \$49,021,333.94

510,001-540,000 members (540,000 Multplier)	12	\$ \$7.98	\$ \$51,724,610.32
540,001-570,000 members (570,000 Multplier)	12	\$ \$7.64	\$ \$52,250,771.23
570,001-600,000 members (600,000 Multplier)	12	\$ \$7.38	\$ \$53,131,981.67
≥ 600,001 members (600,001 Multplier)	12	\$ \$7.14	\$ \$51,418,127.88
Subtotal Optional Renewal Year 4			\$483,760,702.07

**Optional
Renewal
Year 5**

300,000-330,000 members (330,000 Multplier)	12	\$ \$7.09	\$ \$28,094,120.20
330,001-360,000 members (360,000 Multplier)	12	\$ \$7.45	\$ \$32,198,852.15
360,001-390,000 members (390,000 Multplier)	12	\$ \$7.65	\$ \$35,806,021.77
390,001-420,000 members (420,000 Multplier)	12	\$ \$8.18	\$ \$41,225,694.95
420,001-450,000 members (450,000 Multplier)	12	\$ \$8.14	\$ \$43,950,291.23
450,001-480,000 members (480,000 Multiplier)	12	\$ \$8.10	\$ \$46,674,887.51
480,001-510,000 members (510,000 Multplier)	12	\$ \$8.07	\$ \$49,399,483.79
510,001-540,000 members (540,000 Multplier)	12	\$ \$8.04	\$ \$52,124,080.07
540,001-570,000 members (570,000 Multplier)	12	\$ \$7.70	\$ \$52,654,729.30
570,001-600,000 members (600,000 Multplier)	12	\$ \$7.44	\$ \$53,543,143.55
≥ 600,001 members (600,001 Multplier)	12	\$ \$7.20	\$ \$51,816,027.11
Subtotal Optional Renewal Year 5			\$487,487,331.62
Total Section 2: Operation Cost			\$2,686,333,419.42
Grand Total Cost of Contract (Total Section 1 & Section 2)			\$2,687,158,038.69

Notes:

1.) Cost information detailed in the RFP must be submitted in a separate sealed envelope. Cost should be clearly marked.

- 2.) Vendors are to use their business expertise in pricing the work described in this RFP, taking into consideration any intervening steps or activities that must be performed in order to complete the work and offer their rates accordingly, even if BMS does not explicitly identify those intervening steps or activities in this RFP.
- 3.) The Vendor shall be paid an Implementation price of the amount specified in the Vendor's proposal set forth in Attachment A. Payment of the implementation cost of the contract shall be made by BMS in accordance with Appendix 5 (Milestones, Deliverables, and Payments) during the implementation phase of the contract. The amount paid for implementation costs shall not exceed the amount bid in this section. Implementation period must not exceed 3 months.
- 4.) The cost proposal will be evaluated based on the Total Cost of Contract. The cost bid should include all anticipated training, travel and related expenses, including supplies and general administrative expenses.
- 5.) All activities related to implementation must be completed prior to operational start date
- 6.) The number of months in the operational base year one has been determined to be 9 months to allow for 3-month implementation.
- 7.) During the Operation Phase of the Contract, the Vendor will be paid on a monthly basis in accordance with the Vendor's bid Per Member Per Month (PMPM) price proposals as set forth in Attachment A, which shall be firm and fixed for the period of the Contract. **The PMPM will be paid based on the actual monthly Medicaid enrollment.** No specific or lump sum payment shall be made by BMS for Close-out and Turnover activities, whether the Vendor performs those activities before or after the date of Contract termination.
- 8.) Annual totals will be calculated by members (highest number in cell range) X months X PMPM.
Sub-totals will be reached by the addition of all cells in the subsequent section (Base year 1, Optional Renewal year 1, etc.,)
- 9.) The Vendor must agree to price individual tiers on the pricing page with no more than a 20% variance between the individual tiers.

Medical Transportation Management, Inc. (MTM)

(Company)

Alaina Maciá, President and CEO

Alaina Maciá

(Representative Name, Title)

636-695-5503 / 636-561-2962

(Contact Phone/Fax Number)

4/8/2020

(Date)

Office of Drug Control Statewide Transportation Program

Implementation Cost (All-Inclusive)-Three months

\$11,380.00

TIERED OPERATION COST**

	Number of miles completed per month	Per Mile Rate	Number of months	Annual cost
Opt. Base Year 1*	0-50,000 (Multiplier of 50,000)	\$1.65	9	\$743,423.46
	50,001-150,000 (Multiplier of 150,000)	\$1.65	9	\$2,230,270.38
	150,001-250,000 (Multiplier of 250,000)	\$1.65	9	\$3,717,117.30
	250,001-350,000 (Multiplier of 350,000)	\$1.65	9	\$5,203,964.22
	350,001-450,000 (Multiplier of 450,000)	\$1.65	9	\$6,690,811.14
	450,001-500,000 (Multiplier of 500,000)	\$1.65	9	\$7,434,234.59
	500,001+ (Multiplier of 500,001)	\$1.65	9	\$7,434,249.46
	Subtotal Base Year 1			\$33,454,070.54
Opt. Renewal Yr 1	0-50,000 (Multiplier of 50,000)	\$1.67	12	\$1,002,000.00
	50,001-150,000 (Multiplier of 150,000)	\$1.67	12	\$3,006,000.00
	150,001-250,000 (Multiplier of 250,000)	\$1.67	12	\$5,010,000.00
	250,001-350,000 (Multiplier of 350,000)	\$1.67	12	\$7,014,000.00
	350,001-450,000 (Multiplier of 450,000)	\$1.67	12	\$9,018,000.00
	450,001-500,000 (Multiplier of 500,000)	\$1.67	12	\$10,020,000.00
	500,001+ (Multiplier of 500,001)	\$1.67	12	\$10,020,020.04
	Subtotal Opt. Renewal Year 1			\$45,090,020.04
Opt. Renewal Yr 2	0-50,000 (Multiplier of 50,000)	\$1.69	12	\$1,014,000.00
	50,001-150,000 (Multiplier of 150,000)	\$1.69	12	\$3,042,000.00
	150,001-250,000 (Multiplier of 250,000)	\$1.69	12	\$5,070,000.00
	250,001-350,000 (Multiplier of 350,000)	\$1.69	12	\$7,098,000.00
	350,001-450,000 (Multiplier of 450,000)	\$1.69	12	\$9,126,000.00
	450,001-500,000 (Multiplier of 500,000)	\$1.69	12	\$10,140,000.00
	500,001+ (Multiplier of 500,001)	\$1.69	12	\$10,140,020.28
	Subtotal Opt. Renewal Year 2			\$45,630,020.28
Opt. Renewal Yr 3	0-50,000 (Multiplier of 50,000)	\$1.71	12	\$1,026,000.00

50,001-150,000 (Multiplier of 150,000)	\$1.71	12	\$3,078,000.00
150,001-250,000 (Multiplier of 250,000)	\$1.71	12	\$5,130,000.00
250,001-350,000 (Multiplier of 350,000)	\$1.71	12	\$7,182,000.00
350,001-450,000 (Multiplier of 450,000)	\$1.71	12	\$9,234,000.00
450,001-500,000 (Multiplier of 500,000)	\$1.71	12	\$10,260,000.00
500,001+ (Multiplier of 500,001)	\$1.71	12	\$10,260,020.52
Subtotal Opt. Renewal Year 3			\$46,170,020.52

Opt. Renewal Yr 4

0-50,000 (Multiplier of 50,000)	\$1.73	12	\$1,038,000.00
50,001-150,000 (Multiplier of 150,000)	\$1.73	12	\$3,114,000.00
150,001-250,000 (Multiplier of 250,000)	\$1.73	12	\$5,190,000.00
250,001-350,000 (Multiplier of 350,000)	\$1.73	12	\$7,266,000.00
350,001-450,000 (Multiplier of 450,000)	\$1.73	12	\$9,342,000.00
450,001-500,000 (Multiplier of 500,000)	\$1.73	12	\$10,380,000.00
500,001+ (Multiplier of 500,001)	\$1.73	12	\$10,380,020.76
Subtotal Opt. Renewal Year 4			\$46,710,020.76

Opt. Renewal Yr 5

0-50,000 (Multiplier of 50,000)	\$1.75	12	\$1,050,000.00
50,001-150,000 (Multiplier of 150,000)	\$1.75	12	\$3,150,000.00
150,001-250,000 (Multiplier of 250,000)	\$1.75	12	\$5,250,000.00
250,001-350,000 (Multiplier of 350,000)	\$1.75	12	\$7,350,000.00
350,001-450,000 (Multiplier of 450,000)	\$1.75	12	\$9,450,000.00
450,001-500,000 (Multiplier of 500,000)	\$1.75	12	\$10,500,000.00
500,001+ (Multiplier of 500,001)	\$1.75	12	\$10,500,021.00
Subtotal Opt. Renewal Year 5			\$47,250,021.00

Total Implementation and all Operations

\$264,315,553.14

Optional base year 1=3 months Implementation+9 months Operations

****Tiered Operations Cost should include all commodities/services needed for operations**

1.)Annual totals will be calculated by miles (highest number in cell range) X per mile rate X months.

- 2.) Sub-totals will be reached by the addition of all cells in the subsequent section (Base year 1, Optional Renewal year 1, etc.,
- 3.) Vendor will add all subtotals + implementation cost to reach total cost.
- 4.) The State reserves the right to utilize or cancel either or both of the optional services at anytime, with advance notice.
- 5.)The Vendor must agree to price individual tiers on the pricing page with no more than a 20% variance between the individual tiers.

NEMT Total Section 1&2	\$2,687,158,038.69
Total Implementation and all Operations-STP	\$264,315,553.14
Grand Total NEMT+STP=	\$2,951,473,591.84

1.) Grand total will be reached by adding all NEMT costs+ all STP costs.