Preparing Requests for Proposals

2021 Agency Purchasing Conference

Part 1: Preparing an RFP

- Objectives
 - ► Learn to prepare and adequately plan for a Request for Proposals (RFP), including how to submit the appropriate request in wvOASIS
 - ▶ Review the various sections of the RFP Standard Format
 - ► Learn the two parts included in the process, technical and cost

Planning: Determine the Procurement Method

Request for Proposals

- Two-part process (technical and cost)
- Willing to entertain multiple solutions
- Limited to service contracts
- Subjective and objective evaluations
- Award to highest scoring (70% technical / 30% cost)

Request for Quotations

- Know what you want or only one solution is acceptable
- Standard procurement method for goods and services
- Only objective evaluation
- Award to lowest responsible bidder

- ► Conduct market research (begin planning for your vendor lists on the wvOASIS requisition)
- Written pre-approval needed from Purchasing Division
 - ▶ Description of project
 - ► Estimated dollar value
 - ► Must be \$100,000 or more
 - ► Under \$100,000 must be approved by Director
 - ▶ Why the RFP process is the best suited procurement method

Request letter

TO: Bryan Rosen, Purchasing Director - WV DHHR

FROM: Cindy E. Beane, Commissioner - WV DHHR Bureau for Medical Services

DATE: January 9, 2019

RE: Medicaid Enterprise Data Solution Request for Proposal (RFP) and

Request for Extended Contract Term

The West Virginia Medicaid Enterprise (WVME) is comprised of DHHR agencies and systems that share information to conduct Medicaid-related business. These DHHR agencies include:

- Bureau for Medical Services (BMS): BMS is the designated single state agency responsible for the administration of the state Medicaid program.
- Bureau for Behavioral Health (BBH): BBH is the designated state authority for mental health and substance use, as well as the lead agency for intellectual and developmental disabilities.

The BMS requests approval to utilize the RFP process to obtain a multi-year WV DHHK Medicaid Enterprise Data Solution contract. The current DW/DSS contract was procured through the issuance of an RFP, which allowed BMS the opportunity to obtain a solution that met the program's needs.

Conformity to required specifications and the lowest price are not the only factors needed in the evaluation of a bid of this nature. The Medicaid Enterprise Data Solution includes several technological components to support these services and will require careful integration into existing systems and processes. BMS will need to draw upon the expertise of each individual vendor, while considering the quality of each vendor's approach. Through the RFP process, BMS will leverage the expertise of responsive vendors, consider the various solutions that best meet the needs of the program, and note deficiencies of the responses. The RFP process also allows the Department the opportunity to be compare RFPs against one another to determine the best in class solution.

promote better care, better health, and lower costs for West Virginians. This RFP would involve the design, development, and implementation as well as ongoing maintenance and operations of the Medicaid Enterprise Data Solution to meet the business needs of BMS and the other WVME agencies. This procurement will also assist in providing the Department with the solution and tools necessary to maintain the following West Virginia State Health Information Technology vision:

"The vision for the health information technology is to ensure a coordinated information technology infrastructure and delivery system is established that allows patients, families, communities, and health care system to collaboratively partner to improve the health and well-being of all West Virginians."

Furthermore, this procurement will assist the Department in implementing performance measures, enhancing program accountability, and meeting state and federal requirements that include but are not limited to:

- Medicaid Program; Mechanized Claims Processing and Information Retrieval Systems (90/10) (CMS-2392-F)
- Medicaid and Children's Health Insurance Program (CHIP) Programs: Medicaid Managed Care, CHIP Delivered in Managed Care, Medicaid and CHIP Comprehensive Quality Strategies, and Revisions Related to Third Party Liability (CMS-2390-F)
- West Virginia House Bill 4217

The BMS requests that the Medicaid Enterprise Data Solution RFP be a five-year base contract, comprised of one year for the DDI, four years for operations, and three years for each one-year optional renewal. The anticipated contract start date would be November 1, 2019. The BMS estimates this procurement would cost approximately \$57,000,000 over the course of eight years for both the solution's implementation and operation.

Leveraging a five year base contract will enable the State to secure the contract and, most importantly, obtain budget stability. A five year base contract as opposed to a shorter term contract would also mitigate the costs associated with implementation and operations of a solution of this size, and help ensure the Department obtains the most value out of the solution. Implementation of a solution of this nature is expected to cost

Approval letter

Robert Price, Buyer Supervisor WVDHHR – Office of Purchasing One Davis Square – Room 110 Charleston, WV 25301

RE: RFP Medicaid Enterprise Data Solution

Dear Robert:

You requested, by letter dated 10/19/18 and email dated 11/14/18, to use the Request for Proposal (RFP) process for selection of a vendor for the Medicaid Enterprise Data Solution. In this communication, you listed a few reasons for using the RFP process instead of the Request for Quotations (RFQ) process. These reasons are summarized as follows:

- The ability to draw upon the expertise of each individual vendor, while considering the quality of each vendor's approach.
- The vision to create and maintain a useful, objective, and comprehensive enterprise data solution that can be used to promote better care, better health and lower costs for West Virginians.
- This procurement will assist the department in implementing performance measures, enhancing program accountability and meeting state and federal requirements.

Your request to utilize the RFP process for selection of a vendor for the Medicaid Enterprise Data Solution is approved. Please include a copy of this letter with your requisition, when submitted.

Should you have any questions or require further clarification, don't hesitate to contact me at 304.558.2544.

Respectfully,

Tara Lyle Buyer Supervisor

- ▶ Who should be on your evaluation committee?
- ▶ Identify and justify committee members and advisors. Include any request for an irregular committee (i.e. more than five members, Procurement Officer not a member, etc.)
- Certificates due prior to evaluation

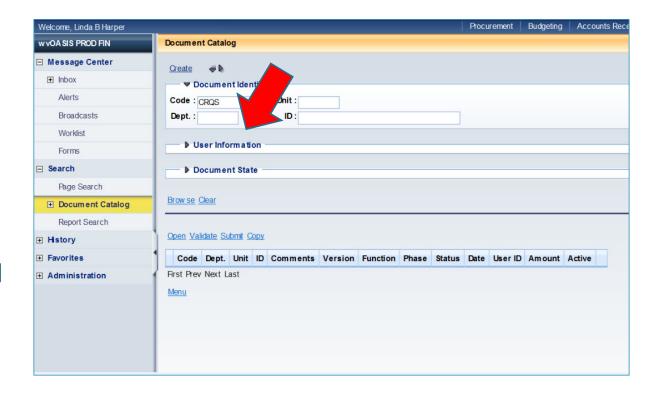
- Who should be on your evaluation committee?
 - ➤ Voting members (3-5) (must have pre-approval for more than five)
 - ▶ Chairperson
 - ► Mediates discussions and time management
 - ▶ Prepares consensus evaluation
 - ▶ Represents committee in protest
 - ► Agency Procurement Officer (must have pre-approval to not participate; can be primary or backup)
 - ► Subject matter experts
 - ▶ Non-voting advisory members

- Who should be on your evaluation committee?
- Names must be submitted prior to the release of the RFP
 - ► RFP evaluation training required for voting members prior to commencing the evaluation
- ➤ What is their role in the evaluation process and when do you get them involved? Committee members and advisors are required to submit the Non-Conflict of Interest form.

- Include any other request for pre-approval from Purchasing (i.e. long-term contract, etc.)
- ➤ Submit by email to your Purchasing Division Buyer, who will forward to the Director (or his designee) for review and approval/rejection
- Attach all pre-approvals to a Procurement Note and comments such as "RFP Pre-approvals" in the requisition's Procurement Folder.

- What type of Requisition should you use?
 - ➤ Centralized Purchasing Requisition (CRQS) for an Award Document that you anticipate will be fixed cost: CPO or CCT
 - ➤ Centralized Master Agreement Requisition (CRQM) for an Award Document that you anticipate will be Open-Ended: CMA

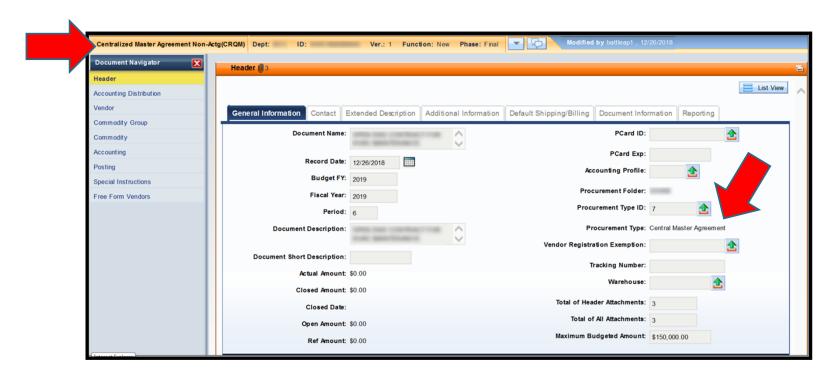
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 - Centralized
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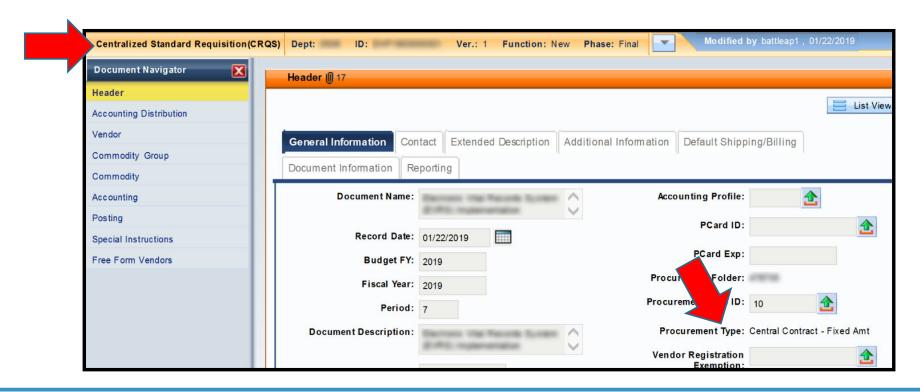
- What type of Requisition should you use?
 - Centralized Master Agreement Requisition (CRQM) for an Award Document that you anticipate will be Open-Ended: CMA



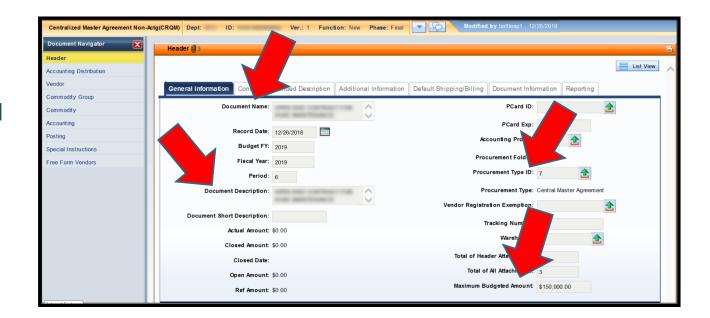
What type of Requisition should you use? CRQM (Centralized Master Agreement Requisition)



▶ What type of Requisition should you use? CRQS (Centralized Purchasing Requisition)



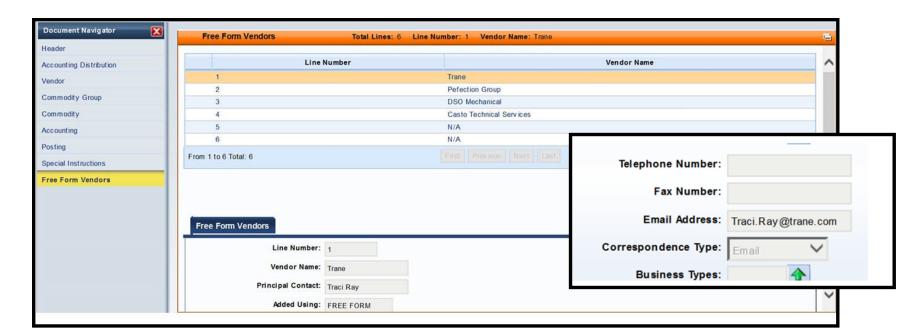
- How do you complete the Requisition?
 - ► Header:
 - Document name and document description
 - ► Procurement Type ID (CPO, CCT, or CMA? Consequences of wrong choice?)
 - Maximum budgeted amount



- How do you complete the Requisition?
 - ▶ Header, Continued
 - ► Shipping/Billing
 - ▶ Reporting 1 Field: Number 8, Request for Proposal
 - ► Attachments:
 - ► Completed RFP Standard Format with attachments
 - ► Purchasing Master Terms and Conditions (see Sections Two and Three)

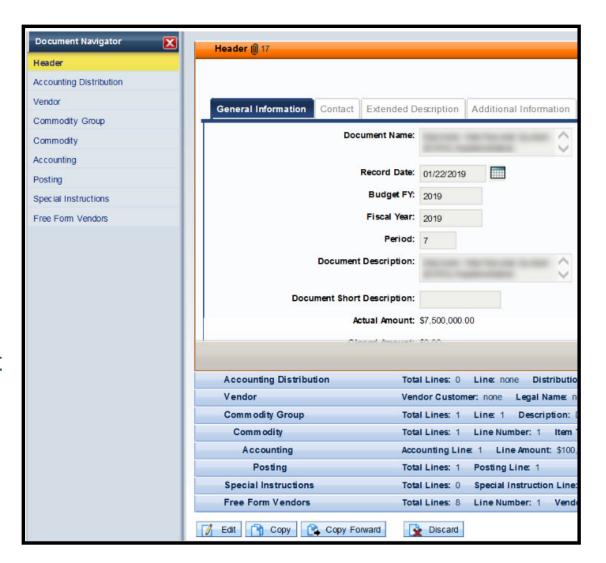
- How do you complete the Requisition?
 - ▶ Vendor Lists
 - ► Vendor: Use wvOASIS entities
 - ► Free-Form Vendor:
 - ► For non-wvOASIS entities, or
 - wvOASIS entities where Agency has alternate contact information than what appears in VCUST, or
 - ► Agency representatives who want notified of publication in the VSS (Default Correspondence: Email)

- ▶ How do you complete the Requisition?
 - ▶ Vendor List



- How do you complete the Requisition?
 - ► Cost Sheet (Attachment A)
 - ► Must match the intent of the Award Document (Type: Item versus Type: Service)
 - ► Specifications must correspond with cost sheet
 - Accounting, as needed by the Agency to encumber funds

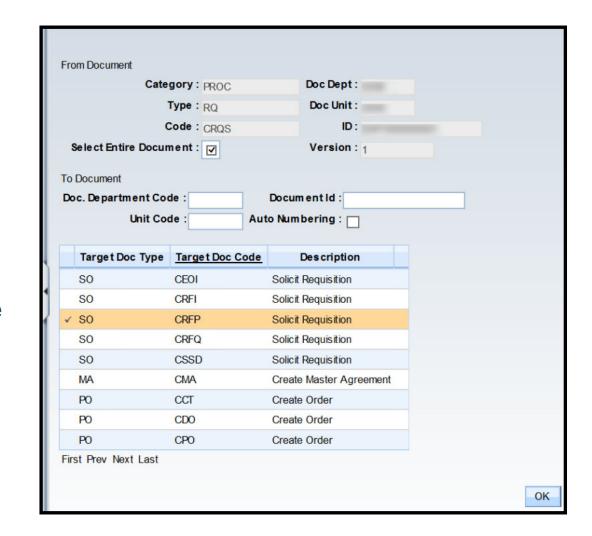
- ► How do you complete the Requisition?
 - ▶ Processing: Validate and Submit; Buyer will generate CRFP document by Copying Forward from the Final Requisition



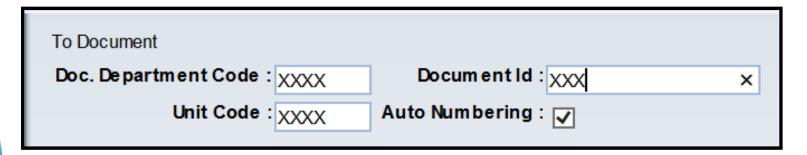
Planning:

The Requisition

- ► How do you complete the Requisition?
 - ▶ Processing: Validate and Submit; Buyer will generate CRFP document by Copying Forward from the Final Requisition and completing the information in the "To Document" section



- How do you complete the Requisition?
 - ➤ Processing: Validate and Submit; Buyer will generate CRFP document by Copying Forward from the Final Requisition and completing the information in the "To Document" section



The Blackout Period

- ► From the time a requisition is submitted to the Purchasing Division until an award is made, evaluators and spending unit personnel are not permitted to communicate with vendors about the solicitation.
- ► All communication regarding the solicitation must be directed to the Purchasing Division until an award has been made.
- ► Evaluators and spending unit personnel are allowed to talk to vendors about existing contracts or other matters not related to the solicitation.

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- 3. Section 2: Instructions to Vendors Submitting Bids
- 4. Section 3: General Terms and Conditions
- 5. Section 4: Project Specifications
- 6. Section 5: Vendor Proposal
- 7. Section 6: Evaluation and Award
- 8. Certification and Signature Page

- Section 1: General Information and Instructions
 - ▶ Previous Standard Format

SECTION 1: GENERAL INFORMATION

1.1. Introduction:

The West Virginia Department of Administration, Purchasing Division (hereinafter referred to as the "Purchasing Division") is issuing this solicitation as a request for proposal ("RFP"), as authorized by W. Va. Code §5A-3-10b, for the [insert official title of state agency] (hereinafter referred to as the "Agency") to provide [insert goods and/or services to be provided].

The RFP is a procurement method in which vendors submit proposals in response to the request for proposal published by the Purchasing Division. It requires an award to the highest scoring vendor, rather than the lowest cost vendor, based upon a technical evaluation of the vendor's technical proposal and a cost evaluation. This is referred to as a best value procurement. Through their proposals, vendors offer a solution to the objectives, problem, or need specified in the RFP, and define how they intend to meet (or exceed) the RFP requirements.

1.2. RFP Schedule of Events:

RFP Released to Public	See wvOASIS
Mandatory Pre-bid Conference	xx/xx/xx
Vendor's Written Questions Submission Deadline	xx/xx/xx
Addendum Issued	xx/xx/xx
Technical Bid Opening Date	xx/xx/xx
Technical Evaluation Begins	xx/xx/xx
Oral Presentation (Agency Option)	xx/xx/xy
Cost Bid Opening	TBD
Cost Evaluation Begins	TBD
Contract Award Made	TRE

REQUEST FOR PROPOSAL

(Agency Name and RFP #)

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- Section 1: General Information and Instructions
 - ▶ New Standard Format

SECTION 1: GENERAL INFORMATION

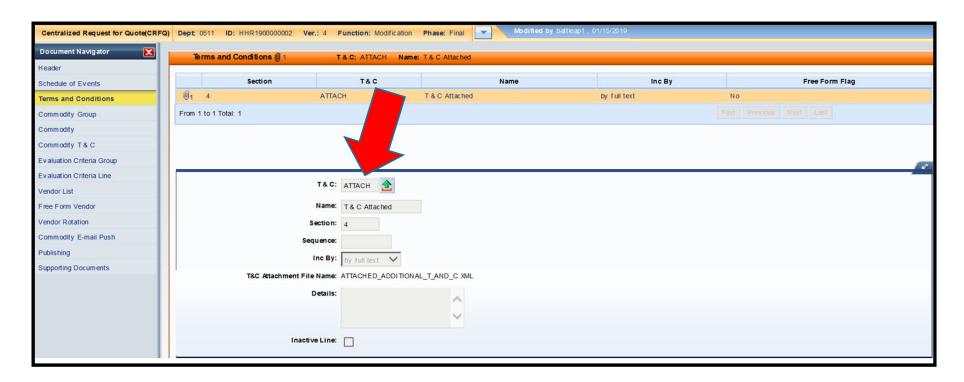
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- ► Section 2: Instructions to Vendors Submitting Bids
- Located in the master terms and conditions and contains information regarding the following:
 - ► Mandatory terms (fixed)
 - ▶ Pre-bid meetings (Agency)
 - ▶ Deadline for vendor questions (Buyer, with Agency input)
 - Verbal communication guidelines (fixed)
 - ▶ Bid submission and opening (Buyer, with Agency input)
 - Addendum acknowledgment (fixed)
 - ▶ Bid formatting (e.g., convenience copies, Agency)

► Click on "Attached" not "General Terms and Conditions"



- Section 3: General Terms and Conditions
 - General terms and conditions are to be completed and added to this section of the RFP:
 - ► Contract term
 - ► Quantities (open-end or one-time purchase)
 - ► Bonding requirements
 - ► Insurance requirements
 - ► Liquidated damages

- Section 4: Project Specifications
 - ▶ 4.1. Background and Current Operating Environment (where work will be performed, current processes, etc.)
 - ▶ 4.2. Project Goals and Mandatory Requirements
 - ▶ 4.3. Qualifications and Experience
 - ▶ 4.4. Oral Presentations

- Section 4, Subsection 4.2: Project Goals and Mandatory Requirements
 - ► 4.2.1 Goals and Objectives
 - ► Give the vendor an overview of your problem(s)
 - ▶ Define the expectations for evaluating responses in terms of meeting the project goals (What would you like to have, if possible?)
 - ► Use as benchmarks for deductions and should be flexible enough to allow for the vendor to propose how they will meet your goals (solve your problem)

- ➤ Section 4, Subsection 4.2: Project Goals and Mandatory Requirements
 - ▶ 4.2.2 Mandatory Project Requirements
 - ► Must be met by the vendor
 - May score vendors if they exceed the mandatory requirement
 - ► Best solution to mandatory requirement gets all points for that requirement, and lessor solutions that still met mandatory get point deductions

- ► Section 4, Subsection 4.3: Qualifications and Experience
 - ▶ 4.3.1 Qualification and Experience Information
 - ► Vendor to describe how it meets the desirable qualification and experience requirements listed in this section

- ► Section 4, Subsection 4.3: Qualifications and Experience
 - ▶ 4.3.2 Mandatory Qualification/Experience Requirements
 - ► Must be met by the vendor
 - ► Failure to meet will lead to disqualification
 - ► May score vendors if they exceed the mandatory requirement.
 - ▶ Best solution to mandatory requirement gets all points for that requirement, and lessor solutions that still met mandatory get point deductions

- ➤ Section 4, Subsection 4.4: Oral Presentations
 - ► Optional for agency
 - ▶ Used to clarify information as part of submitted proposal
 - Scored as part of technical proposal

- Section 5: Vendor Proposal
 - ▶ 5.1 Economy of Preparation
 - ► 5.2 Incurring Cost
 - ► 5.3 Proposal Format
 - ▶ 5.3.1 Two-Part Submission
 - ► Technical and Cost
 - ▶ 5.3.2 Title Page
 - ► Includes RFP subject, number, vendor's name, signature, date and other contact information

- Section 5: Vendor Proposal, Continued
 - ► 5.3 Proposal Format
 - ▶ 5.3.3 Table of Contents
 - ► Clearly identified by section and page number
 - ▶ 5.3.4 Response Reference
 - ▶ 5.3.5 Proposal Submission

- Section 6: Evaluation and Award
 - ▶ 6.1 Evaluation Process
 - ▶ Proposals evaluated in two parts: technical and cost
 - ▶ 6.2 Evaluation Criteria
 - ▶ Proposals will be evaluated based on criteria in the solicitation and information in the responses.
 - ► The technical evaluation will be based upon the point allocations designated on the next slide for a total of 70 of the 100 points. Cost represents 30 of the 100 total points.

Evaluation Point Allocation:

Project Goals and Proposed Approach

Approach & Methodology to Goals/Objectives (#) Points Possible

- Approach & Methodology to Compliance with Mandatory Project Requirements (#) Points Possible

Qualifications and experience

- Qualifications and Experience Generally (#) Points Possible

- Exceeding Mandatory Qualification/Experience
Requirements (#) Points Possible

(Oral interview, if applicable) (#) Points Possible

Total Technical Score: 70 Points Possible

Total Cost Score: 30 Points Possible

Total Proposal Score: 100 Points Possible



- Section 6: Evaluation and Award
 - ► 6.3 Technical Bid Opening
 - ► Proposals are provided to the Agency evaluation committee for technical evaluation
 - ▶ 6.4 Technical Evaluation
 - ► Committee will review, assign points, and make a final written recommendation

- Section 6: Evaluation and Award
 - ► 6.5 Proposal Disqualification
 - ▶6.5.1 Minimum Acceptable Score ("MAS"): Vendors must score a minimum of 70% (49 points) of the total technical points possible in order to have their cost proposal evaluated.
 - ▶6.5.2 Failure to Meet Mandatory Requirement: Vendors must meet or exceed all mandatory requirements in order to have their cost proposals evaluated. Proposals failing to meet one or more mandatory requirements of the RFP will be disqualified.

- Section 6: Evaluation and Award
 - ► 6.6 Cost Bid Opening
 - ► All cost proposals received will be opened.
 - ► Cost proposals for disqualified vendors will be opened for record keeping purposes only and will not be evaluated or considered.
 - ▶ Proposals will be provided to the Agency evaluation committee for cost evaluation.

Cost Sheet

- ► Attachment A: Cost Sheet
 - ► Must reflect the content of the specifications
 - Must allow for an "apples to apples" comparison of the received proposals
 - ➤ Should consider all factors applicable to the cost to assure that the lowest received cost is the lowest cost for the project

Do you have any questions about preparing an RFP?

Melissa Pettrey, Senior Buyer

Melissa.K.Pettrey@wv.gov