

RESPONSES TO BIDDER QUESTIONS

1. Is there any issue proposing SaaS solution using Amazon Web Services and Salesforce government cloud?

No; there is no issue proposing a SaaS solution using cloud providers such as Amazon Web Services. It is important to note that any service proposed needs to meet the latest Federal and State security and privacy guidelines and requirements.

2. Requirement AVP-OR 4 and RP-OR 4 - a) Would you consider making this a second level help desk? From our operational experience the user is best served by calling the local help desk or discussing use questions with supervisors first. The local help desk will know the status of network service and other local infrastructure issues that may be preventing all applications from working. b) Typically the first level help desk or an eligibility policy team member would field user questions from state workers/supervisors. When necessary the help desk or eligibility policy team would escalate issues. c) Staffing a user help desk would add a significant fixed cost to a small state, and I think it would not add much value. I believe states would be best served by using existing IT support and help desks with an escalation to the AVS systems support.

The Vendor's help desk will not address eligibility policy questions. The required help desk's purpose is to address questions related to the provided system and services. Bidders should describe the level and type of assistance their help desk can provide.

3. 6.3.1 Cost Response for Electronic Asset Verification – a) Would the volume estimate of 245,000 Medicaid Beneficiaries include MAGI and ABD beneficiaries? b) Would the 35,200 Applications and Re-determinations Requiring Asset Verification include all ABD beneficiaries redetermined plus all ABD applications received for a one year period?

(a) This was a sample volume for a state and included both MAGI and ABD beneficiaries.

(b) Yes.

The volumes will change based on additional states and changing Medicaid population. The pricing is based on transactional volume and we recommend providing pricing tiers as outlined in the cost proposal.

4. 6.3.1 Cost Response for Electronic Asset Verification and 6.3.2 Cost Response for Real Property Identification – a) Are the estimates of 35,200 Applications and Re-determinations Requiring Asset Verification and 3,520 Applications Requiring Real Asset Verification including redeterminations based on the assumption that each application will only require one AVS or Real Property lookup? b) In our experience the eligibility worker can perform an AVS lookup when they start to process an application. If the applicant is over resource limits or has transferred assets within the lookback period, the worker can address those issues immediately and avoid the lengthy application process only to find out at the end that the applicant has not disclosed some relevant assets. c) If the AVS lookup does not show resources over the limits, the worker can process the application. At the end of the multi-week processing the worker would perform one last AVS lookup to make sure the applicant(s)' resources did not increase to a level that puts them over the limit. Another AVS lookup may be called for if the applicant(s) spent time living in another state or disclose assets held in a regional Financial Institution outside of

their current states geographic lookup. The state would perform a separate AVS lookup for an applicants spouse or ex-spouse if they were married during the lookback period. The state should consider including these additional lookups, so their expected number of AVS calls is not lower than their likely actual number of AVS requests. I expect the same would hold true for Real Property searches. A higher base of AVS and Real Property lookups would also allow us to spread the fixed costs of the small state over a larger number of transactions.

Please see response to Question #3.

Yes; the estimates assume an average of one AVS or real property look-up per applicant or beneficiary. We anticipate larger volume as additional States participate, but for purposes of cost proposals in response to the RFP, bidders are asked to provide volume based tiered pricing. We do not anticipate a fixed price but a price based on per transaction basis. A State's business workflow will guide the actual volume and usage.

5. What role will the NESCSCO staff play in the implementation of work with participating states?

NESCSCO will play a very active role in the implementation of this agreement. NESCSCO will be the primary contractor with the States and therefore will ensure that contractual provisions are met by both NESCSCO and its subcontractors, the selected Vendors. The NESCSCO role will include facilitating communication between selected Vendors and participating States as well as among participating States; convening States and Vendors to ensure State needs are met, governance, and facilitating dispute resolution.

Additionally, NESCSCO will work to encourage other States to participate.

If NESCSCO enters into contracts with more than one State for one of the services listed in this RFP, NESCSCO will collect an administrative fee from the selected Contractor equal to 1% of the contract amount of the agreement NESCSCO enters into with the Participating States. For example, if two States contract with NESCSCO for services to enhance real-property asset identification and each State contracts with NESCSCO for \$1,000, the Selected Vendor will pay NESCSCO \$20.00 (\$10.00 per State.)

As additional States join this effort, the administrative fee will decrease. If more than three (3) States participate, the fee will decrease to .50%.

This fee covers NESCSCO's costs to manage the participation of multiple States and is only triggered if more than one State participates in a specific contract.

6. Who will be evaluating the responses to this RFP?

These proposals will be evaluated by a committee composed of representatives from participating states. NESCSCO will oversee the evaluation process.

7. 1.2 Proposal Approach- Page 3 - How many "participating states" does NESCSCO intend to enter into contracts with?

We anticipate to contract with 4 states over the next 12-18 months for electronic asset verification services. Participation may be lower for the other services. At this time, there are no signed agreements with States.

8. Does a service provider have the ability to accept or reject working for a particular “participating state”?

No; the contract that NESCSO will enter into with the selected Vendor will require that Vendor to provide services as a subcontractor to any State entering into an agreement with NESCSO for services.

9. Section 3.2 Identification of Real Property Assets - Page 13 - RP-FR 4 – “The service shall analyze, review, assess and filter the search results to determine the relevant real property holdings for eligibility determination purposes.” Please explain the level of analysis that is required for this task.

We recommend interested Bidders provide a description of how their service minimizes the number of false positives generated.

10. Page 15 - What is an example of a value-added service?

Examples of value-added services are providing subject matter expertise to augment the State case management staff for assessment and analysis; data analytics that go beyond the requirements.

Information concerning value-added services will not be included in the evaluation or cost review. The information will be helpful for NESCSO and States to understand other services that Bidders can offer, but award of any contract will be based on the ability of vendors to meet the requirements listed in the RFP.

11. Page 3. 1, Introductory and Purpose, 1.2 Proposal Approach - Will NESCSO entertain a contractor on one service serving as a subcontractor on another service?

Yes

12. Page 16. 3, SCOPE AND SPECIFICATIONS, 3.3 Tools to Facilitate Review of Financial Documents Operational Requirement Description FINDM-OR 1-3 - Is there a preferred method or methods by which the State should be notified of planned or unplanned outages?

Notifications should be made via e-mail and/or telephone.

13. Page 17. 3, SCOPE AND SPECIFICATIONS, 3.3 Tools to Facilitate Review of Financial Documents - Are independent audits/3rd party certifications/official documentation required to demonstrate compliance with the laws listed in FINDM-TR 1 or is a binding statement included in the response to the RFP sufficient? Furthermore is full compliance with the laws listed in FINDM-TR 1 required by the date of response or by the contract start date?

A binding statement included in the response to the RFP is sufficient. Full compliance can be met by the contract start date.

14. Page 17. 3, SCOPE AND SPECIFICATIONS, 3.3 Tools to Facilitate Review of Financial Documents - Does NESCSO have an estimated anticipated volume of calls on a per-state or other basis?

We do not have an estimate of the anticipated call volume.

15. Page 17. 3, SCOPE AND SPECIFICATIONS, 3.3 Tools to Facilitate Review of Financial Documents - If a bidding organization does not fall under the jurisdiction of the Fair Credit Reporting Act, is the bidding organization still compelled to comply with the law in question? If so, why?

No; if the Act does not apply, compliance is not necessary.

16. Page 17. 3, SCOPE AND SPECIFICATIONS, 3.3 Tools to Facilitate Review of Financial Documents - Is there a preferred format for the accuracy report?

There is not a preferred format.

17. Page 17. 3, SCOPE AND SPECIFICATIONS, 3.3 Tools to Facilitate Review of Financial Documents - Does this entail ongoing, on-the-ground training or can this training be virtual? Also, is the training expected for a specific timeframe for the initial implementation of the service?

On-going, on-the-ground training is not required. If effective training can be delivered virtually, that mode is acceptable.

18. Page 17. 3, SCOPE AND SPECIFICATIONS, 3.3 Tools to Facilitate Review of Financial Documents Operational Requirement Description FINDM-OR 5 - Is there a preferred methodology and/or criteria for these management reports?

At this time, we have not defined the specific methodology or criteria to use. The information should enable the State to understand how the service is utilized by State staff and whether the service is meeting the State needs.

19. Page 17. 3, SCOPE AND SPECIFICATIONS, 3.3 Tools to Facilitate Review of Financial Documents - Does an entity which that falls outside of the scope of the Financial Modernization Act of 1999 still need to comply in full by having policies and procedres in place as if it did fall under the scope of the act?

No; if the Act does not apply, compliance is not required.

20. Page 17. 3, SCOPE AND SPECIFICATIONS, 3.3 Tools to Facilitate Review of Financial Documents - Our company is completely limited to the analysis of bank, credit card and brokerage statements and therefore is never in possession of PHI or ePHI. If a responding entity is never be in possession of PHI or ePHI does it still need to be HIPAA/HITECH compliant? If so, why?

No; if specific Acts or regulations do not apply, compliance is not required.

21. Page 17. 3, SCOPE AND SPECIFICATIONS, 3.3 Tools to Facilitate Review of Financial Documents - Will the system be exclusively limited to SFTP? Are other transfer mechanisms (such as HTTP POST over TLS2) also acceptable? If yes, can we get a list or guidelines for the same?

The service vendors are free to recommend other industry standard protocols as long as they meet the federal and state security requirements.

22. Page 17. 3, SCOPE AND SPECIFICATIONS, 3.3 Tools to Facilitate Review of Financial Documents - The Computer Security Act of 1987 was repealed in 2002 and replaced with the Federal Information Security Management Act of 2002. Are we beholden to this act instead? Since the Computer Security Act of 1987 was repealed why does NESCISO state a need to comply with it?

No; we expect compliance with relevant requirements. The error is noted.

23. Page 28. 6, RFP RESPONSE, SECTION 6.1.2.4 ATTACHMENT B EVIDENCE OF INSURANCE - Because states may have different requirements for insurance coverage than what is laid out in the RFP, are we required to have different policies for different coverages based on the various individual state contracts?

NESCSO will strive to maintain one set of insurance requirements and believe these coverage levels will satisfy the majority of States.

24. Page 32. 6, RFP RESPONSE, 6.2 Service Response - May any of the items delineated under 6.2 such as Management Plan, Work Plan etc. be submitted as attachments?

Only existing standard documentation that aligns with the items listed in 6.2.7 may be submitted as attachments.

25. Page 32. 6, SERVICE RESPONSE, 6.2.2 Bidder's Management Plan - Is there a preferred format for the management plan?

No.

26. Page 32. 6, SERVICE RESPONSE, 6.2.3 Comprehensive Work Plan - Is there a preferred format for the work plan?

No.

27. Page 32. 6, SERVICE RESPONSE, 6.2.2(a) Management plan - Do we know if this will include persons from Participating States? If yes, what groups?

Yes; this will include participating States and NESCSO. Generally, the key stakeholders are the leadership of the group at the State utilizing the service.

28. Page 32. 6, SERVICE RESPONSE, 6.2.2(b) Change Management process - What configurations/features are likely to be specific to individual Participating States?

We anticipate that some of the State specific configurations will be discovered during the requirement sessions. An example of such a configuration could be different threshold parameters or specific criteria for analysis patterns on financial statements data.

29. Page 33. 6, RFP RESPONSE, 6.2.7 b) - Can NESCSO provide further detail about the Requirements Elaboration Document and traceability matrix? (Templates available online for Risk Registers)

The Requirements Traceability Matrix (RTM) is a document that links requirements throughout the validation and implementation process. The purpose of the Requirements Traceability Matrix is to ensure that all requirements defined for a system are tracked,

30. Page 33. 6, RFP RESPONSE, 6.2.7 f)/g) - Are instructional video clips (or links to training videos) acceptable to submit as part of the user manual and training content?

Yes.

31. Page 33. 6, SERVICE RESPONSE, 6.2.9(b) - Does 'Contractor' here refer to the same group of entities referred to as 'subcontractor' in 6.2.9(a)?

"Contractor" should be read as "Bidder."

32. Page 33. 6, SERVICE RESPONSE, 6.2.9(b) - What does the term 'desegregate' entail?

This is to ensure that when requested by NESCSCO, the service provider, if using a shared infrastructure, can clearly segregate NESCSCO data from the rest of the environment and other clients on that infrastructure and destroy the data at NESCSCO's request.

33. Page 37. 6, SERVICE RESPONSE, 6.3.3 - What does 'transaction' refer to here?

The transaction means the per unit cost of the associated services. Each service vendor can identify the unit of service which is being priced in the cost proposal.

34. Page 38. 6, SERVICE RESPONSE, 6.3.3 Cost Response for Tools to Assist in the Review of Financial Documentation - How did NESCSCO arrives at the estimated page volume as well as the number of pages per applicant?

These estimates were based on conversations with interested States.

35. Page 58. INFORMATION TECHNOLOGY SYSTEM IMPLEMENTATION TERMS AND CONDITIONS, 6.6 Vulnerability Testing - Are there any (state-specific) guidelines for such vulnerability testing?

As a part of the NIST Special Publication 800-SP3, security controls and assessment procedures, there is standard practice to periodically conduct vulnerability assessments. We require the service vendor to demonstrate compliance with these requirements.

36. Are there currently states or Medicaid agencies that are interested in contracting with NESCSCO under this contract? If so, what states?

States are interested in participating but NESCSCO has not yet finalized any contracts with States so we are unable to identify any States.