STATE OF NORTH CAROLINA

Department of Insurance

Request for Proposal #: 12-001261

Independent Review Organization to Perform Reviews of Health Plan Utilization Review Noncertifications

Date of Issue: January 7, 2025

Proposal Opening Date: March 4, 2025

At 02:00 PM ET

Direct all inquiries concerning this RFP to:

Kimberly Williams

Procurement Specialist

Email: Kimberly.Williams@ncdoi.gov

Phone: 919-807-6042

STATE OF NORTH CAROLINA

Request for Proposal

12-001261

For internal State agency processing, including tabulation of proposals, provide your company's eVP (Electronic Vendor Portal) Number. Pursuant to G.S. 132-1.10(b) this identification number shall not be released to the public. **This page will be removed and shredded, or otherwise kept confidential**, before the procurement file is made available for public inspection.

This page shall be filled out and returned with your proposal. Failure to do so may subject your proposal to rejection.

_____

Vendor Name

_____

Vendor eVP#

Note: For a contract to be awarded to you, your company (you) must be a North Carolina registered vendor in good standing. You must enter the vendor number assigned through eVP (Electronic Vendor Portal). If you do not have a vendor number, register at https://vendor.ncgov.com/vendor/login

STATE OF NORTH CAROLINA
Department of Insurance

Refer ALL Inquiries regarding this RFP to the procurement lead through the Message Board in the Sourcing Tool. See section 2.5 PROPOSAL QUESTIONS for details: Kimberly Williams, Procurement Specialist	**Request for Proposal #: 12-001261**
	Proposals will be publicly opened: March 4, 2025 at 2:00PM ET
	Microsoft Teams Need help? **Join the meeting now** Meeting ID: 284 511 383 720 Passcode: 2Zm6RS34 **Dial in by phone** +1 984-204-1487,,229367203# United States, Raleigh Find a local number Phone conference ID: 229 367 203# **Join on a video conferencing device** Tenant key: ncgov@m.webex.com Video ID: 118 499 812 0 More info
Using Division: Health Insurance Smart NC	**Commodity No. and Description: 851317 Medical Science and Research**
Requisition No.: N/A	

EXECUTION

In compliance with this Request for Proposals (RFP), and subject to all the conditions herein, the undersigned Vendor offers and agrees to furnish and deliver any or all items upon which prices are bid, at the prices set opposite each item within the time specified herein.

By executing this proposal, the undersigned Vendor understands that false certification is a Class I felony and certifies that:

- this proposal is submitted competitively and without collusion (G.S. 143-54),
- none of its officers, directors, or owners of an unincorporated business entity has been convicted of any violations of Chapter 78A of the General Statutes, the Securities Act of 1933, or the Securities Exchange Act of 1934 (G.S. 143-59.2), and
- it is not an ineligible Vendor as set forth in G.S. 143-59.1.

Furthermore, by executing this proposal, the undersigned certifies to the best of Vendor's knowledge and belief, that:

- it and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal or State department or agency.

As required by G.S. 143-48.5, the undersigned Vendor certifies that it, and each of its sub-Contractors for any Contract awarded as a result of this RFP, complies with the requirements of Article 2 of Chapter 64 of the NC General Statutes, including the requirement for each employer with more than 25 employees in North Carolina to verify the work authorization of its employees through the federal E-Verify system.

As required by Executive Order 24 (2017), the undersigned vendor certifies will comply with all Federal and State requirements concerning fair employment and that it does not and will not discriminate, harass, or retaliate against any employee in connection with performance of any Contract arising from this solicitation.

G.S. 133-32 and Executive Order 24 (2009) prohibit the offer to, or acceptance by, any State Employee associated with the preparing plans, specifications, estimates for public contracts; or awarding or administering public contracts; or inspecting or supervising delivery of the public contract of any gift from anyone with a contract with the State, or from any person seeking to do business with the State. By execution of this response to the RFP, the undersigned certifies, for Vendor's entire organization and its employees or agents, that Vendor is not aware that any such gift has been offered, accepted, or promised by any employees of your organization.

By executing this bid, Vendor certifies that it has read and agreed to the **INSTRUCTION TO VENDORS** and the **NORTH CAROLINA GENERAL TERMS AND CONDITIONS incorporated herein.** These documents can be accessed from the Ariba Sourcing Tool.

Failure to execute/sign proposal prior to submittal may render proposal invalid and it MAY BE REJECTED. Late proposals shall not be accepted.

<table>
<tr><td colspan="4">COMPLETE/FORMAL NAME OF VENDOR:</td></tr>
<tr><td colspan="2">STREET ADDRESS:</td><td>P.O. BOX:</td><td>ZIP:</td></tr>
<tr><td colspan="2">CITY & STATE & ZIP:</td><td>TELEPHONE NUMBER:</td><td>TOLL FREE TEL. NO:</td></tr>
<tr><td colspan="4">PRINCIPAL PLACE OF BUSINESS ADDRESS IF DIFFERENT FROM ABOVE (SEE INSTRUCTIONS TO VENDORS ITEM #21):</td></tr>
<tr><td colspan="2">PRINT NAME & TITLE OF PERSON SIGNING ON BEHALF OF VENDOR:</td><td colspan="2">FAX NUMBER:</td></tr>
<tr><td>VENDOR'S AUTHORIZED SIGNATURE*:</td><td>DATE:</td><td colspan="2">EMAIL:</td></tr>
</table>

VALIDITY PERIOD

Offer shall be valid for at least sixty (60) days from date of bid opening, unless otherwise stated here: _____ days, or if extended by mutual agreement of the parties in writing. Any withdrawal of this offer shall be made in writing, effective upon receipt by the agency issuing this RFP.

ACCEPTANCE OF PROPOSAL

If your proposal is accepted, all provisions of this RFP, along with the written results of any negotiations, shall constitute the written agreement between the parties ("Contract"). The NORTH CAROLINA GENERAL TERMS AND CONDITIONS are incorporated herein and shall apply. Depending upon the Goods or Services being offered, other terms and conditions may apply, as mutually agreed.

EXEMPTION FROM STATE PURCHASING REQUIREMENTS

It should be noted that pursuant to G.S. 58-2-25, this contract is not subject to G.S. 114-2.3, G.S. 147-17 or Articles 3, 3C or 8 or Chapter 143 of the North Carolina General Statues and is not subject to related purchase and contract regulations, including the protest procedures set forth in ATTACHMENT B: INSTRUCTIONS TO VENDORS to this RFP.

FOR STATE USE ONLY: Offer accepted and Contract awarded this_____ day of _____, 20____, as indicated on

The attached certification, by _____.

(Authorized Representative of the North Carolina Department of Insurance)

Contents

1.0 PURPOSE AND BACKGROUND

Pursuant to Chapter 58, Article 50, Part 4 of the North Carolina General Statutes (G.S. 58-50-75 through G.S. 58-50-95), the Health Insurance Smart NC Program of the North Carolina Department of Insurance (Department) is requesting submission of proposals from qualified Vendors to perform independent medical reviews of health plan coverage denials. Using the responses from this RFP, the Department will contract with Vendors that are deemed technically qualified after having satisfied the provisions under G.S 58-50-85, G.S 58-50-87 and G.S 58-50-94, including verbal communication of case selection with Department staff and a case workflow operating system compatible with how the Department's external review program operates as described in Section 4.0 Requirements, Sub-section 4.9(d) of the RFP, ATTACHMENT K: STANDARD REVIEW FLOW DIAGRAM, and ATTACHMENT L: EXPEDITED REVIEW FLOW DIAGRAM. Only Vendors who are deemed technically qualified will have their cost proposals opened. Cost proposals must not exceed commercially reasonable fees charged for similar services in the industry as set forth in G.S 58-50-85(b). The Department seeks to contract with multiple qualified Vendors.

North Carolina law provide for the independent, external review of a noncertification, an insurer's appeal decision upholding a noncertification, or a second-level grievance review decision upholding a noncertification. As defined under G.S 58-50-61(a)(13), "noncertification" means a determination by an insurer or its designated utilization review organization that an admission, availability of care, continued stay, or other health care service has been reviewed and, based upon the information provided, does not meet the insurer's requirements for medical necessity, appropriateness, health care setting, level of care or effectiveness, or does not meet the prudent layperson's standard for coverage of emergency services in G.S 58-3-190, and the requested service is therefore denied, reduced, or terminated. A "noncertification" is not a decision rendered solely on the basis that the health benefit plan does not provide benefits for the health care service in question if the exclusion of the specific service requested is clearly stated in the certificate of coverage. A "noncertification" includes any situation in which an insurer or its designated agent makes a decision about a covered person's condition to determine whether a requested treatment is experimental, investigational, or cosmetic and the extent of coverage under the benefit plan is affected by that decision.

The intent of this solicitation is to award an Agency Specific Term Contract.

1.1. CONTRACT TERMS

The Contract shall have an initial term of two (2) years, beginning on July 1, 2025.

At the end of the Contract's initial term, the State shall have the option, in its sole discretion, to renew the Contract on the same terms and conditions for up to a total of one (1) additional one-year term. The State will give the Vendor written notice of its intent to exercise each option no later than sixty (60) days before the end of the Contract's then-current term. In addition to any optional renewal terms, and with the Vendor's concurrence, the State reserves the right to extend the Contract after the last active term.

Proposals shall be submitted in accordance with the terms and conditions of this RFP and any addenda issued hereto.

2.0 GENERAL INFORMATION

2.1 REQUEST FOR PROPOSAL DOCUMENT

This RFP is comprised of the base RFP document, any attachments, and any addenda released before Contract award, which are incorporated herein by reference.

2.2 E-PROCUREMENT FEE

ATTENTION: The E-Procurement fee does not apply to this solicitation. Paragraph entitled ELECTRONIC PROCUREMENT subsections (d) and (e) of the North Carolina General Terms and Conditions do not apply to this solicitation.

General information on the E-Procurement Services can be found at: http://eprocurement.nc.gov/.

What is the Ariba Network?

The Ariba Network is a web-based platform that serves as a connection point for buyers and vendors. Vendors can log in to the Ariba Network to view purchase orders, respond to electronic requests for quotes, participate in Sourcing Events, and collaborate with buyers on contract documents.

For training on how to use the Sourcing Tool to view solicitations, submit questions, develop responses, upload documents, and submit offers to the State, Vendors should go to the following site:

http://eprocurement.nc.gov/training/vendor-training.

2.3 NOTICE TO VENDORS REGARDING RFP TERMS AND CONDITIONS

It shall be the Vendor's responsibility to read the Instructions to Vendors, the North Carolina General Terms and Conditions, all relevant exhibits and attachments, and any other components made a part of this RFP and comply with all requirements and specifications herein. Vendors are also responsible for obtaining and complying with all Addenda and other changes that may be issued in connection with this RFP.

If Vendors have questions, issues, regarding any component of this RFP, those must be submitted as questions in accordance with the instructions in the PROPOSAL QUESTIONS Section. If the State determines that any changes will be made as a result of the questions asked, then such decisions will be communicated in the form of an RFP addendum. The State may also elect to leave open the possibility for later negotiation of specific provisions of the Contract that have been addressed during the question-and-answer period, prior to contract award.

Other than through the process of negotiation under 01 NCAC 05B.0503, the State rejects and will not be required to evaluate or consider any additional or modified terms and conditions submitted with Vendor's proposal or otherwise. This applies to any language appearing in or attached to the document as part of the Vendor's proposal that purports to vary any terms and conditions or Vendors' instructions herein or to render the proposal non-binding or subject to further negotiation. Vendor's proposal shall constitute a firm offer that shall be held open for the period required herein ("Validity Period" above).

The State may exercise in its discretion to consider Vendor proposed modifications. By execution and delivery of this RFP Response, the Vendor agrees that any additional or modified terms and conditions, whether submitted purposely or inadvertently, shall have no force or effect, and will be disregarded unless expressly agreed upon through negotiations and incorporated by way of a Best and Final Offer (BAFO). Noncompliance with, or any attempt to alter or delete, this paragraph shall constitute sufficient grounds to reject Vendor's proposal as nonresponsive.

2.4 RFP SCHEDULE

The table below shows the *intended* schedule for this RFP. The State will make every effort to adhere to this schedule.

Event	Responsibility	Date and Time
Issue RFP	State	Tuesday, January 7, 2025
Submit Written Questions	Vendor	Tuesday, January 21, 2025@4:00PM ET
Provide Response to Questions	State	Tuesday, January 28, 2025 @2:00PM ET
Submit Proposals	Vendor	Tuesday, March 4, 2025 @ 2:00PM ET
Contract Award	State	July 1, 2025

2.5 PROPOSAL QUESTIONS

Upon review of the RFP documents, Vendors may have questions to clarify or interpret the RFP in order to submit the best proposal possible. To accommodate the Proposal Questions process, Vendors shall submit any such questions by the "Submit Written Questions" date and time provided in the RFP SCHEDULE Section above, unless modified by Addendum.

Questions related to the content of the solicitation, or the procurement process should be directed to the person on the title page of this document via the Sourcing Tool's message board by the date and time specified in the RFP SCHEDULE Section of this RFP. Vendors will enter "**RFP # 12-001261 – Questions**" as the subject of the message. Question submittals should include a reference to the applicable RFP section. This is the only manner in which questions will be received.

Questions or issues related to using the Sourcing Tool itself can be directed to the North Carolina eProcurement Help Desk at 888-211-7440, Option 2. Help Desk representatives are available Monday through Friday from 7:30 AM ET to 5:00 PM ET.

Questions received prior to the submission deadline date, the State's response, and any additional terms deemed necessary by the State will be posted in the Sourcing Tool in the form of an addendum and shall become an Addendum to this RFP. No information, instruction or advice provided orally or informally by any State personnel, whether made in response to a question or otherwise in connection with this RFP, shall be considered authoritative or binding. Vendors shall rely *only* on written material contained in the RFP and an addendum to this RFP.

2.6 PROPOSAL SUBMITTAL

IMPORTANT NOTE: <u>This is an absolute requirement.</u> Late bids, regardless of cause, will not be opened or considered, and will be automatically disqualified from further consideration. Vendor shall bear the sole risk of late submission due to unintended or unanticipated delay. <u>It is the Vendor's sole responsibility to ensure its proposal has been received as described in this RFP by the specified time and date of opening</u>. Failure to submit a proposal in strict accordance with instructions provided shall constitute sufficient cause to reject a Vendor's proposal(s). Solicitation responses are subject to Sealed Bidding requirements.

Vendor's proposals for this procurement must be submitted through the Sourcing Tool. For training on how to use the Sourcing Tool to view solicitations, submit questions, develop responses, upload documents, and submit offers to the State, Vendors should go to the following site: https://eprocurement.nc.gov/training/vendor-training

Questions or issues related to using the Sourcing Tool itself can be directed to the North Carolina eProcurement Help Desk at 888-211-7440, Option 2. Help Desk representatives are available Monday through Friday from 7:30 AM EST to 5:00 PM EST.

Tips for Using the Sourcing Tool

1. Vendors should review available training and confirm that they are able to access the Sourcing Event, enter responses, and upload files well in advance of the date and time response are due to allow sufficient time to seek assistance from the North Carolina eProcurement Help Desk.
2. Vendors may submit their responses early to make sure there are no issues, and then submit a revised response any time prior to the response due date and time. The State will only review the most recent response.
3. Vendors should respond to all relevant sections of the Sourcing Event. Certain questions or items are required in order to submit a response and are denoted with an asterisk. The Sourcing Tool will not allow a response to be submitted unless all required items are completed. The Sourcing Tool will provide error messages to help identify any required information that is missing when response is submitted.
4. Simply saving your response in the Sourcing Tool is not the same as submitting your response to the State. Vendors should make sure they complete the submission process and receive a message that their response was successfully submitted.
5. **Only Proposals submitted through the Content Section of the Ariba Sourcing Event will be considered. Proposals submitted through the Message Board will not be accepted or considered for award.**

If confidential and proprietary information is included in the proposal, also submit one (1) signed, REDACTED copy of the proposal. Such information may include trade secrets defined by N.C. Gen. Stat. § 66-152 and other information exempted from the Public Records Act pursuant to N.C. Gen. Stat. §132- 1.2. Vendor may designate information, Products, Services or appropriate portions of its response as confidential, consistent with and to the extent permitted under the statutes and rules set forth above. By so redacting any page, or portion of a page, the Vendor warrants that it has formed a good faith opinion, having received such necessary or proper review by counsel and other knowledgeable advisors, that the portions determined to be confidential and proprietary and redacted as such, meet the requirements of the Rules and Statutes set forth above. However, under no circumstances shall price information be designated as confidential.

If the Vendor does not provide a redacted version of the proposal with its proposal submission, the Department may release an unredacted version if a record request is received.

2.7 PROPOSAL CONTENTS

Vendors shall provide responses to all questions and complete all attachments for this RFP that require the Vendor to provide information and upload them to the Sourcing Event in the Sourcing Tool. Vendor may not be able to submit its response in the Sourcing Tool unless all required items are addressed. Vendors shall provide authorized signatures where requested. Failure to provide all required items, or Vendor's submission of incomplete items, may result in the State rejecting Vendor's proposal, in the State's sole discretion.

Vendor shall include the following items and attachments in the Sourcing Tool:

Volume One

a) Cover Letter, which must contain the following: (i) a statement that confirms that the proposer has read the RFP in its entirety, including all links, and all Addenda released in conjunction with the RFP; (ii) a statement that the Vendor agrees to perform in accordance with the scope of work, requirements, and specifications contained herein; and (iii) Vendor's agreement to comply with all instructions, terms and conditions, and attachments.

b) Title Page: Include the company name, address, phone number and authorized representative along with the Proposal Number.

c) Completed and signed version of all EXECUTION PAGES, along with the body of the RFP.

d) Signed receipt pages of any addenda released in conjunction with this RFP, if required to be returned.

e) Vendor's Proposal addressing all Specifications of this RFP.

f) Completed and signed version of ATTACHMENT D: HUB SUPPLEMENTAL VENDOR INFORMATION

g) Completed and signed version of ATTACHMENT E: CERTIFICATION OF FINANCIAL CONDITION

h) Completed and signed version of ATTACHMENT F: TECHNICAL APPLICATION FORM

i) Completed and signed version of ATTACHMENT G: CONFLICT OF INTEREST ATTESTATON

j) Completed and signed version of ATTACHMENT H: CLINICAL REVIEWER NETWORK ANALYSIS

k) Completed version of ATTACHMENT I: REFERENCE QUESTIONAIRE

l) Completed version of ATTACHMENT J: HISTORICAL SUMMARY INFORMATION ON REVIEW ACTIVITY

m) ATTACHMENT K: STANDARD REVIEW FLOW DIAGRAM.

n) ATTACHMENT L: EXPEDITED REVIEW FLOW DIAGRAM

o) ATTACHMENT M: NORTH CAROLINA EXTERNAL REVIEW LAW.

Volume Two

p) Completed version of ATTACHMENT A: PRICING - VENDOR COST PROPOSAL FORM

2.8 DEFINITIONS, ACRONYMS, AND ABBREVIATIONS

Relevant definitions for this RFP are provided in 01 NCAC 05A .0112 and in the Instructions to Vendors found in the Sourcing Tool, which are incorporated herein by this reference.

a) **BAFO**: Best and Final Offer, submitted by a Vendor to alter its initial offer, made in response to a request by the issuing agency.

b) **BUYER:** The employee of the State or Other Eligible Entity that places an order with the Vendor.

c) **CONTRACT LEAD:** Representative of the North Carolina Department of Insurance who corresponds with potential Vendors in order to identify and contract with that Vendor providing the greatest benefit to the State and who will administer this contract for the State.

d) **E-PROCUREMENT SERVICES:** The program, system, and associated Services through which the State conducts electronic procurement.

e) **INDEPENDENT REVIEW ORGANIZATION:** An entity that conducts independent external reviews of appeals of noncertifications and second-level grievance review decisions.

f) **LOT**: A grouping of similar products within this RFP.

g) **ON-TIME DELIVERY:** The delivery of all items within a single order to the receiving point designated by the ordering entity within the delivery time required.

h) **QUALIFIED PROPOSAL:** A responsive proposal submitted by a responsible Vendor.

i) **RFP:** Request for Proposal

j) **SERVICES:** The tasks and duties undertaken by the Vendor to fulfill the requirements and specifications of this solicitation.

k) **STATE:** The State of North Carolina, including any of its sub-units recognized under North Carolina law.

l) **STATE AGENCY:** Any of the more than 400 sub-units within the executive branch of the State, including its departments, boards, commissions, institutions of higher education and other institutions.

m) **VENDOR:** Supplier, bidder, proposer, company, firm, corporation, partnership, individual or other entity submitting a response to a Request for Proposal.

3.0 METHOD OF AWARD AND PROPOSAL EVALUATION PROCESS

3.1 METHOD OF AWARD

Contracts will be awarded in accordance with G.S. 143-52 and the evaluation criteria set out in this solicitation. Prospective Vendors shall not be discriminated against on the basis of any prohibited grounds as defined by Federal and State law.

All qualified proposals will be evaluated, and awards will be made to the Vendor(s) meeting the RFP requirements and achieving the highest and best final evaluation, based on the criteria described below.

1. All eligible technical proposals will be scored first. Section 3.4 Evaluation Criteria provides the details on how the RFP will be scored.

2. At their option, the evaluators may request oral presentations or discussion with any or all offerors for the purpose of clarification or to amplify the materials presented in any part of the proposal. However, offerors are cautioned that the evaluators are not required to request clarification; therefore, all proposals should be complete and reflect the most favorable terms available from the offeror.

3. Vendors must submit pricing information sufficient to demonstrate that if selected, the vendor's total fee per case review will not exceed commercially reasonable fees charged for similar services in the industry. The Commissioner shall not approve any independent review organization that either fails to provide sufficient pricing information or has fees that do not meet the guidelines established under this subsection. (NCGS § 58-50-85)

While the intent of this RFP is to award a Contract to multiple Vendors, the State reserves the right to make separate awards to different Vendors for one or more-line items, to not award one or more-line items or to cancel this RFP in its entirety without awarding a Contract, if it is considered to be most advantageous to the State to do so.

The status of a Vendor's E-Procurement Services account(s) shall be considered a relevant factor in determining whether to approve the award of a contract under this RFP. Any Vendor with an E-Procurement Services account that is in arrears by 91 days or more at the time of proposal opening may, at the State's discretion, be disqualified from further evaluation or consideration.

The State reserves the right to waive any minor informality or technicality in proposals received.

3.2 CONFIDENTIALITY AND PROHIBITED COMMUNICATIONS DURING EVALUATION

While this RFP is under evaluation, the responding Vendor, including any subcontractors and suppliers, is prohibited from engaging in conversations intended to influence the outcome of the evaluation. See Paragraph 29 of the Instructions to Vendors entitled COMMUNICTIONS BY VENDORS.

Each Vendor submitting a proposal to this RFP, including its employees, agents, subcontractors, suppliers, subsidiaries and affiliates, is prohibited from having any communications with any person inside or outside the using agency; issuing agency; other government agency office or body (including the purchaser named above, any department secretary, agency head, members of the General Assembly and Governor's office); or private entity, if the communication refers to the content of Vendor's proposal or qualifications, the content of another Vendor's proposal, another Vendor's qualifications or ability to perform a resulting contract, and/or the transmittal of any other communication of information that could be reasonably considered to have the effect of directly or indirectly influencing the evaluation of proposals, the award of a contract, or both.

Any Vendor not in compliance with this provision shall be disqualified from evaluation and award. A Vendor's proposal may be disqualified if its subcontractor and/or supplier engage in any of the foregoing communications during the time that the procurement is active (*i.e.*, the issuance date of the procurement until the date of contract award or cancellation of the procurement). Only those discussions, communications or transmittals of information authorized or initiated by the

issuing agency for this RFP, or inquiries directed to the purchaser named in this RFP regarding requirements of the RFP (prior to proposal submission) or the status of the award (after submission) are excepted from this provision.

3.3 PROPOSAL EVALUATION PROCESS

Only responsive submissions will be evaluated.

The State will conduct a Two-Step evaluation of Proposals:

Proposals will be received from each Vendor as two separate volumes - the Technical Proposal and the Cost Proposal. Both proposals (Technical and Cost) shall be signed and dated by an official authorized to bind the firm. Unsigned proposals will not be considered.

NOTE: No technical information shall be contained in the cost proposal. No cost information shall be contained in the technical proposal. Inclusion of any cost information in the technical proposal and/or any technical information in the cost proposal shall constitute sufficient grounds to reject Vendor's proposal.

All proposals must be received by the issuing agency not later than the date and time specified on the cover sheet of this RFP. Vendors are cautioned that this is a request for proposals, not a request to contract, and the State reserves the unqualified right to reject any and all offers at any time if such rejection is deemed to be in the best interest of the State.

At that date and time, the package containing the technical proposals from each responding firm will be publicly opened and the name of each Vendor announced publicly. A notation will also be made whether a separate sealed cost proposal has been received. Cost proposals will be placed in safekeeping until opened at a later date.

All Technical proposals will be evaluated prior to opening any cost proposal.

Upon completion of the technical evaluation, the cost proposals of those Vendors whose technical proposals have been deemed acceptable will be publicly opened. The total cost offered by each firm will be tabulated and become a matter of public record. Interested parties are cautioned that these costs and their components are subject to further evaluation for completeness and correctness and therefore may not be an exact indicator of a Vendor's pricing position.

At their sole option, the evaluators may request oral presentations or discussions with any or all Vendors for the purpose of clarification or to amplify the materials presented in any part of the proposal. Vendors are cautioned, however, that the evaluators are not required to request presentations or other clarification—and often do not; therefore, all proposals must be complete and reflect the most favorable terms available from the Vendor.

Proposals will generally be evaluated according to completeness, content, experience with similar projects, ability of the Vendor and its staff, and cost. Specific evaluation criteria are listed section 3.4 EVALUATION CRITERIA, below.

Vendors are cautioned that this is a request for proposals, not a request to contract, and the State reserves the unqualified right to reject any and all offers at any time if such rejection is deemed to be in the best interest of the State.

The State reserves the right to negotiate with one or more vendors, or to reject all original offers and negotiate with one or more sources of supply that may be capable of satisfying the requirement and submit a best and final offer (BAFO), based on discussions and negotiations with the State, if the initial responses to the RFP have been evaluated and determined to be unsatisfactory.

Upon completion of the evaluation process, the State will make Award(s) based on the evaluation and post the award(s) to IPS under the RFP number for this solicitation. Award of a Contract to one Vendor does not mean that the other proposals lacked merit, but that, all factors considered, the selected proposal was deemed most advantageous and represented the best value to the State.

3.4 EVALUATION CRITERIA

Pursuant to N. C. Gen. Stat. 58-50-94(b), the Commissioner shall review the proposals, examining the quality of the services offered by the IRO, the reputation and capabilities of the IRO submitting the proposals, and the demonstrated or reasonably expected ability to comply with the provisions in NCGS 58-50-80, 58-50-82, 58-50-85 and 58-50-87, and whose case intake and workflow process includes verbal communication with Department staff and is compatible with how the Department's external review program operates as described in Section 4.0 Requirements, Sub-section 4.10(d) of the RFP. Proposals will be evaluated in consultation with an evaluation committee whose membership includes insurers subject to external review, health care providers, and consumers.

The Evaluation Committee will determine which proposal or proposals would satisfy the provisions of this Part. Proposals shall be evaluated on a "points earned" basis. Areas of evaluation that measure the IROs technical responses to the statutory requirements of the external review process (Section A and C) are weighted more heavily than Sections B and D. The Vendor must score eighty percent (80%) or greater of the available points in Sections A, C and D. Section B evaluates whether the Vendor is accredited by a national accrediting organization. The Vendor will receive full points for national accreditation as an independent review organization or no points for not meeting the statutory requirement under NCGS 58-50-85(c). Section E has no point value but will be measured on an Acceptable/Non-Acceptable basis.

All qualified proposals will be evaluated, and award made based on considering the following criteria, to result in an award most advantageous to the State:

Technical: 100 Maximum Points

A. Organizational Management, Structure & Procedures

Up to 50 Points

The Evaluation Committee will evaluate whether the Vendor has demonstrated, via its written proposal, that it has the ability, facilities, and capacity to provide all required services in a timely, efficient and professional fashion. Specifically, the Evaluation Committee will be evaluating proposals to determine if the Vendor has the necessary organizational infrastructure in place to administer the program by considering:

1) The documentation describing the organization's structure and affiliates, as well as the affiliations of its owners and Directors to assure compliance with statute. The committee will review and evaluate:

a) Certificates of incorporation, articles of organization and by-laws or operating agreement for the Vendor, holding company or parent entity.

b) Organizational chart showing all lines of authority within a holding company or parent subsidiary system **and** an internal organizational chart.

c) Completed and signed ATTACHMENT E: CERTIFICATION OF FINANCIAL CONDITION.

d) The name and type of businesses of all corporations and organizations owned or controlled by or affiliated with the Vendor or which owns or controls such agent, and the nature and extent of any such affiliation, ownership or control which may result in a conflict as defined by NCGS Stat. 58-50-87(c). List and describe the scope and relationship of all current and potential agreements and potential conflicts between applicant and a health benefit plan; a national, State or local trade association of health benefit plans; or national, State or local association of health care providers.

e) The names and biographical sketches of all owners, directors, officers, and executives of the applicant and any other corporation or other organization that the applicant controls or is affiliated with, and a description of any relationship the named individual has with:

- Carrier;
- Utilization review agent;
- Nonprofit or for-profit health corporation;
- Health care provider;
- Drug or device manufacturer; or
- Group representing any of the entities described by above.

f) The signed and notarized ATTACHMENT G: CONFLICT OF INTEREST ATTESTATION, signed by the organization's CEO.

g) The Vendor's written statement affirming its ability to comply with the Department's requirement for the Vendor to have a case intake and workflow process that includes verbal communication with Department staff and is compatible with how the Department operates in making case assignments to an IRO Vendor and in managing the external review process as set forth in the following:

- Section 4.0 Requirements - Sub-section 4.10(d);
- Section 5.0 SCOPE OF WORK - Sub-sections 5.1 – 5.3;
- ATTACHMENT K: STANDARD REVIEW FLOW DIAGRAM;
- ATTACHMENT L: EXPEDITED REVIEW FLOW DIAGRAM; and,
- ATTACHMENT M: NORTH CAROLINA EXTERNAL REVIEW LAW.

2) The documentation that describes the training, credentials, availability and experience of the organizational staff, including those staff responsible for the Vendor's operation, the Vendor's Medical Director and the IRO's contracted clinical reviewers that assures that the IRO adheres to the statutes and contract requirements set forth by North Carolina. The committee will review and evaluate:

a) The job description for the Vendor's Medical Director as it relates to external reviews and quality assurance. Also, a description of the Medical Director's expertise, including a copy of a current Curriculum Vita, to function as such.

b) The Vendor staff responsible for managing the external review process and clinical reviewer credentialing and the responsibilities of the staff as they relate to training of the clinical reviewers, credentialing of the clinical reviewers, selection of the clinical reviewer assigned to the case, conflict of interest screening of the clinical reviewer, management of external review process, review of clinical reviewer determination and the IRO's preparation of the notice of determination.

c) The organization's policy and procedure for orientation and training of Vendor staff and clinical reviewers, including a description of the training program the Vendor will use with its clinical reviewers that will address at least the following:

- Confidentiality;
- neutrality and conflict of interest;
- appropriate written conduct of reviews;
- documentation of evidence for determination;
- use of the most appropriate practice guidelines that are based on sound clinical evidence and that are periodically evaluated to assure ongoing efficacy; and
- issues related to the standard of practice, technology and training of North Carolina physicians and any provisions of North Carolina law determined to be essential.

3) Written policies and procedures that outline the steps taken by the Vendor to assure the review will be conducted in compliance with North Carolina statutes including both standard review (NCGS 58-50-80) and expedited review (NCGS 58-50-82.) The committee will review and evaluate:

a) The Vendor's policies and procedures which ensure that reviews will be conducted within the time frames specified in NCGS 58-50-80 and 58-50-82 and any required notices will be provided in a timely manner. Included in this policy should be a description of how the applicant will comply with regulations for conducting expedited review requests, including the ability to issue a notice of its decision to all required parties within 24 hours of assignment from the Department to the Vendor, as per NCGS 58-50-82(e). The method used to communicate the decision to all required parties should be addressed in this policy and procedure.

b) The Vendor's policy and procedure, and a chart or diagram of the sequence of steps through which a review would move from receipt of the review by the Vendor through notification to the covered person, insurer, provider, and Department regarding the review determination.

c) The policy and procedure the Vendor uses to determine the pertinent questions to be asked of the clinical reviewer and the policy and procedure used to match expert reviewers to specific cases.

4) Written policy and procedure that describes the Vendor's methodology for making independent external review determinations. The committee will review and evaluate:

a) The written policies and procedures used by the Vendor to ensure that clinical reviewers, when making a medical necessity review determination, shall consider the most appropriate practice guidelines that are based on sound clinical evidence and that are periodically evaluated to assure ongoing efficacy as required by NCGS 58-50-82(d).

b) The written policy and procedure explaining how the Vendor treats noncertifications based on the experimental or investigational nature of the treatment that is the basis of the review.

5) Written policies and procedures that describe the Vendor's ability to assure the confidentiality of paper or electronic medical and treatment records, personal information, and clinical review criteria. The committee will review and evaluate:

a) The written policy and procedure and quality assurance monitoring mechanism used by the Vendor to assure confidentiality of any records or health information stored electronically, including but not limited to medical and treatment records and clinical review criteria.

b) The written policies and procedures employed to protect the confidentiality of medical and treatment records, review materials, other personal health information, as required under NCGS 58-50-87 (a)(1) (ATTACHMENT M: NORTH CAROLINA EXTERNAL REVIEW LAW), and any applicable federal law(s).

6) Written policy and procedure that describes the process the Vendor uses to demonstrate thorough organizational and clinical reviewer conflict of interest screening as it relates to external review case assignments. The committee will review and evaluate:

a) A copy of the written policy and procedures used by the Vendor to ensure that neither the organization nor any clinical reviewers assigned to review a particular case have a prohibited conflict of interest pursuant to NCGS 58-50-87(d).

b) A copy of the Conflict of Interest Disclosure Form the clinical reviewer signs for each case review, attesting that he/she does not have a material, professional, familial or financial conflict of interest with any party involved in the case.

7) Written quality assurance policies and procedures and a quality assurance plan with associated monitoring activities that satisfy the requirements of NCGS 58-50-87(a) (1). The committee will review and evaluate:

a) A copy of the Vendor's written policy and procedure and written quality assurance plan which includes monitoring activities that ensures:

- That the external reviews are conducted within the specified time frames and required notices are provided in a timely manner.
- The selection of qualified and impartial clinical peer reviewers to conduct external reviews on behalf of the IRO and suitable matching of reviewers to specific cases.
- That any person employed by or under contract with the Vendor adheres to the requirements of this Part (NCGS 58-50-75 through 95).
- The independence and impartiality of the Vendor and the external review process and limits the ability of any person to improperly influence the external review decision.

8) The Vendor's hours of operation and policy and procedure that describes the Vendor's ability to receive calls and provide instructions to incoming callers outside of normal business hours. The committee will review and evaluate:

a) A description of the Vendor's ability to function on 24 hours a day, 7 days a week availability basis and toll-free phone line to receive information as required by NCGS 58-50-87(a)(2).

b) The Vendor's written policy and procedure that describes the organizations alternate phone / communication plan used in the event of a power outage or weather event that temporarily suspends the organizations phone service.

c) The written policy and procedure that describes the Vendor's disaster preparedness plan.

9) Written policy and procedure that describes the Vendor's ability to maintain written records of all external review requests and to provide data in a format prescribed by the Commissioner. The committee will review and evaluate:

a) The mechanisms through which the Vendor shall provide to the Commissioner of Insurance ready access to all the data, records, and information collected and maintained concerning the Vendor's review activities for cases assigned to it by the Health Insurance Smart NC Program, inclusive of any reports the Commissioner determines necessary to evaluate the review process.

10) Evidence that the Vendor has established a consulting relationship with a medical doctor licensed to practice in North Carolina to advise the organization on issues related to the standard of practice, technology, and training of North Carolina physicians with respect to the organization's North Carolina business. The committee will review and evaluate:

a) The Curriculum Vitae of the medical doctor licensed to practice in North Carolina with whom the Vendor consults to advise the Vendor on issues related to the standard of practice, technology, and training of North Carolina physicians with respect to the organization's North Carolina business, as per NCGS 58-50-87(a)(6).

B. National Accreditation

Up to 5 Points

1) The Evaluation Committee will evaluate whether the Vendor is accredited by a nationally recognized organization as an Independent Review Organization as set forth under NCGS 58-50-85(c). The committee will review and evaluate:

a) Copies of all current national accreditations recognizing the organization as being accredited as an Independent Review Organization.

C. Clinical Reviewers

Up to 35 Points

The Evaluation Committee will evaluate whether the Vendor has demonstrated, via its written proposal, that it has the means to provide qualified medical review of a wide range of clinical areas. Specifically, the Evaluation Committee will review the Vendor's reviewer panel, credentialing program, experience and expertise of specific personnel assigned to the contract including:

Statutory Obligations

1) The composition, qualifications and size of the clinical reviewer network available to be assigned by the Vendor to conduct external reviews. The committee will review and evaluate:

a) A copy of the Vendor's written policy and procedure for establishing its clinical reviewer network composition and size to assure adequacy.

b) The Vendors demonstrated ability to handle a full range of review cases by completing the ATTACHMENT H: CLINICAL REVIEWER NETWORK ANALYSIS, The Vendor will provide an explanation for areas where the Vendor has limited or no clinical experts.

2) Evidence that the Vendor's credentialing policies assure compliance with NCGS 58-50-87 (b). The committee will review and evaluate:

a) A copy of the Vendor's written policy and procedure for both Standard and Expedited credentialing of clinical reviewers to include policies that ensure that clinical reviewers conducting reviews meet the following minimum qualifications:

- If the covered person's treating provider is a medical doctor, hold a nonrestricted license and, if a specialist medical doctor, a current certification by a recognized American medical specialty board in the area or areas appropriate to the subject of the external review.
- If the covered person's treating provider is not a medical doctor, hold a nonrestricted license, registration or certification in the same allied health occupation as the covered person's treating provider.
- Have no history of disciplinary actions or sanctions, including loss of staff privileges or participation restrictions, that have been taken or are pending by any hospital, governmental agency or unit, or regulatory body that raise a substantial question as to the clinical peer reviewer's physical, mental, or professional competence or moral character.

b) A statement or policy that addresses how the IRO treats board "eligible" physician reviewers.

3) Written policy and procedure that describes the Vendor's process of selecting qualified and impartial clinical peer reviewers, including the process used to match clinical reviewers to specific cases. The committee will evaluate:

a) The written policy and procedure that describes the qualifications required by the Vendor that are used in determining that a clinical reviewer is an expert in their field, including but not limited to, minimum years of practice, board certification and professional experiences that qualifies them to be an expert in the treatment of the covered person's injury, illness, or medical condition that is the subject of the external review which also includes assurance that the expert reviewer be knowledgeable about the recommended health care service or treatment through recent or current actual clinical experience treating patients with the same or similar injury, illness, or medical condition of the covered person.

b) The list of information the Vendor will provide about the clinical peer reviewer that conducted the external review in the notice of decision on a case.

Non-Statutory Requirements

4) Evidence that the Vendor performs due diligence to assure that their clinical reviewers meet credentialing standards above minimum requirements. The committee will review and evaluate:

a) The written policy and procedure that the Vendor uses to assure that the credentialing process and reviewer file includes items from either List A or List B as follows:

List A

- Completed employment application;
- NPDB query;
- Copy of reviewer's curriculum vitae***;**
- Verification of unrestricted primary state license ;
- Verification of board certification or verification of highest level of professional training;
- Copy of DEA if applicable/available;
- Verification of current hospital privileges, may attest to this element on application;
- Evidence that the clinical peer reviewer completed the IRO's orientation program to perform independent medical reviews of health plan utilization review noncertifications; and,
- Potential conflict of interest disclosure statement signed by clinical peer reviewer and maintained in credentialing file.

List B

- Completed employment application;
- EPLS query;
- OIG query;
- Copy of reviewer's curriculum vitae*;
- Verification of unrestricted primary state license;
- Verification of board certification or verification of highest level of professional training;
- Copy of malpractice insurance certificate, or may attest to this element on application;
- Copy of DEA if applicable/available;
- Query malpractice insurance carrier for claims history for last five (5) years;
- Complete licensure history verifying unrestricted licensure (all state licenses held – at least past five (5) years);
- Verification of current hospital privileges, may attest to this element on application;
- Evidence that the clinical peer reviewer completed the IRO's orientation program to perform independent medical reviews of health plan utilization review noncertification; and,
- Potential conflict of interest disclosure statement signed by clinical peer reviewer and maintained in credentialing file.

****Curriculum Vitae will list work history, teaching appointments, publications, association memberships, etc. which demonstrates that the clinical reviewer is an expert in the treatment of the covered person's injury, illness, or medical condition that is the subject of external review.***

D. Organizational Experience

Up to 10 Points

1) The Evaluation Committee will evaluate the experience of the Vendor in providing similar services, particularly to a State agency, along with any other information contained in the Vendor's proposal or provided by the Vendor in response to any questions from the Committee regarding the Vendor's proposal, to help make this evaluation. The committee will review and evaluate:

a) The list of all entities for which the Vendor currently and previously has been contracted to perform independent medical reviews of health plan noncertifications.
b) The documentation will clearly show the Vendor's experience in performing similar services with **other state agencies** as is being requested in this RFP and application.
c) The demonstrated experience and a history of performing external review for medical necessity, experimental / investigational and cosmetic cases using ATTACHMENT J: HISTORICAL SUMMARY INFORMATION ON REVIEW ACTIVITY FOR ALL CLIENTS.

E. References

Non-scoring section – No Points Awarded

References will not be given a point value, however the entirety of the reference responses will be evaluated by the committee and the committee will determine if the references are acceptable or not acceptable.

1) The Evaluation Committee will evaluate references from past and / or current government (State or Federal) accounts. The committee will review and evaluate:

a) References provided by three (3) entities enclosed within the Vendor's Technical Proposal. The references must be from a state or federal government agency where the Vendor is contracted to perform independent medical reviews of health plan utilization review noncertifications.

The Vendor is **solely** responsible for obtaining three (3) completed references using ATTACHMENT I: Reference Questionnaire.

Each individual responding to the Reference Questionnaire is asked to follow these instructions:

- complete the questionnaire (using the form provided or an exact duplicate of the document);
- sign and date the completed questionnaire.
- seal the completed, signed and dated reference questionnaire in a new standard #10 envelope.
- sign in ink across the sealed portion of the envelope; and
- return the sealed envelope containing the completed questionnaire directly to the Vendor.

Completed, sealed and signed references are to be enclosed within the Vendor's Technical Proposal.

All qualified proposals will be evaluated, and award made based on considering the following criteria, to result in an award most advantageous to the State.

Price

All Vendors whose technical proposals were deemed to be technically qualified by the Evaluation Committee, having met the scoring threshold of 80% or greater on scoring Sections A, C, D and 100% on Section B of their proposal, and their references have been deemed ACCEPTABLE, will have their cost proposals reviewed.

As set forth in NCGS § 58-50-85, Vendors must submit pricing information sufficient to demonstrate that if selected, the applicant's total fee per review will not exceed commercially reasonable fees charged for similar services in the industry. The Evaluation Committee will establish a rate ceiling for cost proposals based on the current contracted Vendor's fee schedules as well as market information. The Department shall not approve any Vendor that either fails to provide sufficient pricing information or has fees that do not meet the guidelines established under NCGS § 58-50-85. The Department seeks to contract with multiple vendors for this service.

3.5 INTERPRETATION OF TERMS AND PHRASES

This RFP serves two functions: (1) to advise potential Vendors of the parameters of the solution being sought by the State; and (2) to provide (together with other specified documents) the terms of the Contract resulting from this procurement. The use of phrases such as "shall," "must," and "requirements" are intended to create enforceable contract conditions. In determining whether proposals should be evaluated or rejected, the State will take into consideration the degree to which Vendors have proposed or failed to propose solutions that will satisfy the State's needs as described in the RFP. Except as specifically stated in the RFP, no one requirement shall automatically disqualify a Vendor from consideration. However, failure to comply with any single requirement may result in the State exercising its discretion to reject a proposal in its entirety.

4.0 REQUIREMENTS

This Section lists the requirements related to this RFP. By submitting a proposal, the Vendor agrees to meet all stated requirements in this Section as well as any other specifications, requirements, and terms and conditions stated in this RFP. If a Vendor is unclear about a requirement or specification or believes a change to a requirement would allow for the State to receive a better proposal, the Vendor is urged to submit these items in the form of a question during the question-and-answer period in accordance with the Proposal Questions Section above.

4.1 PRICING

All Vendors whose technical proposals were deemed to be technically qualified by the Evaluation Committee, having met the scoring threshold of 80% or greater on scoring Sections A, C, D and 100% on Section B of their proposal, and their references have been deemed ACCEPTABLE, will have their cost proposals reviewed.

As set forth in G.S § 58-50-85, Vendors must submit pricing information sufficient to demonstrate that if selected, the applicant's total fee per review will not exceed commercially reasonable fees charged for similar services in the industry.

The Evaluation Committee will establish a rate ceiling for cost proposals based on the current contracted Vendor's fee schedules as well as market information. The Department shall not approve any Vendor that either fails to provide sufficient pricing information or has fees that do not meet the guidelines established under G.S § 58-50-85. The Department seeks to contract with multiple vendors for this service.

Proposal price shall constitute the total cost to the State for complete performance in accordance with the requirements and specifications herein, including all applicable charges for handling, transportation, administrative and other similar fees. Complete ATTACHMENT A: PRICING FORM and upload in the Sourcing Tool. The pricing provided in ATTACHMENT A, or resulting from any negotiations, is incorporated herein and shall become part of any resulting from any negotiations, is incorporated herein and shall become part of any resulting contract.

4.2 INVOICES

Upon completion of a standard or expedited external review, the Vendor will invoice the State on the Vendor's official letterhead stationery, based on the per-review price as set forth in the dually signed and executed contract.

a) The invoice will list the State's case number (beginning with "HR"). Upon receipt of the Vendor's invoice, the State will generate an invoice to the insurer. Upon receipt of payment from the insurer, the State will generate a check for payment to the Vendor. Invoices must bear the correct "HR" number to ensure prompt payment. The Vendor's failure to include the correct "HR" number may cause delay in payment.

b) Invoices must include an accurate description of the work for which the invoice is being submitted, the invoice date, the period of time covered, the amount of fees due to the Vendor and the original signature of the Vendor's project manager.

c) Invoices can be submitted to the following address:

NC Department of Insurance
Health Insurance Smart NC
ATTN: LaKresha Pernell
1201 Mail Service Center
Raleigh, NC 27699-1201
FAX Number: 866-582-2053
Invoices can also be emailed to LaKresha Pernell at LaKresha.Pernell@ncdoi.gov

4.3 FINANCIAL STABILITY

As a condition of contract award, the Vendor must certify that it has the financial capacity to perform and to continue to perform its obligations under the Contract; that Vendor has no constructive or actual knowledge of an actual or potential

legal proceeding being brought against Vendor that could materially adversely affect performance of this Contract; and that entering into this Contract is not prohibited by any contract, or order by any court of competent jurisdiction.

Each Vendor shall certify it is financially stable by completing ATTACHMENT E: CERTIFICATION OF FINANCIAL CONDITION. The State is requiring this certification to minimize potential issues from contracting with a Vendor that is financially unstable. From the date of the Certification to the expiration of the Contract, the Vendor shall notify the State within thirty (30) days of any occurrence or condition that materially alters the truth of any statement made in this Certification. The Contract Manager may require annual recertification of the Vendor's financial stability.

4.4 HUB PARTICIPATION

Pursuant to North Carolina General Statute G.S. 143-48, it is State policy to encourage and promote the use of small, minority, physically handicapped, and women contractors in purchasing Goods and Services. As such, this RFP will serve to identify those Vendors that are minority owned or have a strategic plan to support the State's Historically Underutilized Business program by meeting or exceeding the goal of 10% utilization of diverse firms as 1st or 2nd tier subcontractors. Vendor shall complete ATTACHMENT D: HUB SUPPLEMENTAL VENDOR INFORMATION.

4.5 VENDOR EXPERIENCE

In its Proposal, Vendor shall demonstrate experience with public and/or private sector clients with similar or greater size and complexity to the State of North Carolina. Vendor shall provide information as to the qualifications and experience of all executive, managerial, legal, and professional personnel to be assigned to this project, including resumes citing experience with similar projects and the responsibilities to be assigned to each person. Vendor will complete and submit ATTACHMENT J: HISTORICAL SUMMARY INFORMATION ON REVIEW ACTIVITY.

4.6 REFERENCES

Vendors shall provide three (3) references for which your company has provided services of similar size and scope to that proposed herein. References are to be enclosed within the Vendor's Technical Proposal**. The references must be from a state or federal government agency where the IRO is contracted to perform independent medical reviews of health plan utilization review noncertifications.**

The Vendor is solely responsible for obtaining three (3) completed references using ATTACHMENT I: REFERENCE QUESTIONNAIRE. The Reference Questionnaire must be completed and signed by the individual providing the reference for the Vendor. The information submitted will be considered in the evaluation of the proposal.

4.7 BACKGROUND CHECKS

Any personnel or agent of Vendor performing Services under any Contract arising from this RFP may be required to undergo a background check at the expense of the Vendor, if so requested by the State.

4.8 PERSONNEL

Vendor warrants that qualified personnel shall provide Services under this Contract in a professional manner. "Professional manner" means that the personnel performing the Services will possess the skill and competence consistent with the prevailing business standards in the industry. Vendor will serve as the prime contractor under this Contract and shall be responsible for the performance and payment of all subcontractor(s) that may be approved by the State. Names of any third-party Vendors or subcontractors of Vendor may appear for purposes of convenience in Contract documents; and shall not limit Vendor's obligations hereunder. Vendor will retain executive representation for functional and technical expertise as needed in order to incorporate any work by third party subcontractor(s).

Should the Vendor's proposal result in an award, the Vendor shall be required to agree that it will not substitute key personnel assigned to the performance of the Contract without prior written approval by the Contract Lead. Vendor shall further agree that it will notify the Contract Lead of any desired substitution, including the name(s) and references of

Vendor's recommended substitute personnel. The State will approve or disapprove the requested substitution in a timely manner. The State may, in its sole discretion, terminate the Services of any person providing Services under this Contract. Upon such termination, the State may request acceptable substitute personnel or terminate the contract Services provided by such personnel.

4.9 VENDOR'S REPRESENTATIONS

a) Vendor warrants that qualified personnel shall provide Services under this Contract in a professional manner. "Professional manner" means that the personnel performing the Services will possess the skill and competence consistent with the prevailing business standards in the industry. Vendor agrees that it will not enter any agreement with a third party that may abridge any rights of the State under this Contract. Vendor will serve as the prime contractor under this Contract and shall be responsible for the performance and payment of all subcontractor(s) that may be approved by the State. Names of any third-party Vendors or subcontractors of Vendor may appear for purposes of convenience in Contract documents; and shall not limit Vendor's obligations hereunder. Vendor will retain executive representation for functional and technical expertise as needed in order to incorporate any work by third party subcontractor(s).

b) If any Services, deliverables, functions, or responsibilities not specifically described in this Contract are required for Vendor's proper performance, provision and delivery of the service and deliverables under this Contract or are an inherent part of or necessary sub-task included within such service, they will be deemed to be implied by and included within the scope of the contract to the same extent and in the same manner as if specifically described in the contract. Unless otherwise expressly provided herein, Vendor will furnish all of its own necessary management, supervision, labor, facilities, furniture, computer and telecommunications equipment, software, supplies and materials necessary for the Vendor to provide and deliver the Services and Deliverables.

c) Vendor warrants that it has the financial capacity to perform and to continue perform its obligations under the contract; that Vendor has no constructive or actual knowledge of an actual or potential legal proceeding being brought against Vendor that could materially adversely affect performance of this Contract; and that entering into this Contract is not prohibited by any contract, or order by any court of competent jurisdiction.

d) Vendor warrants that its case intake and workflow process includes verbal communication with Department staff and is compatible with how the Department operates in making case assignments to an IRO Vendor and in managing the external review process. The Vendor warrants compatibility and its compliance to the following: The Department will call via phone the IRO Vendor's staff to discuss case assignment, screen for organizational conflict of interest, clinical reviewer availability and qualifications, receipt of case documents, date for issuing a draft determination notice to the Department for quality review and follow-up with Vendor's staff as required prior to the IRO Vendor issuing the Determination Notice. **The Vendor's staff must be available and easily accessible to the Department's staff Monday – Friday, 8:00A.M. – 5:00P.M. Eastern Standard Time, and after hours, holidays and weekends should there be an expedited external review case in process.**

4.10 AGENCY INSURANCE REQUIREMENTS MODIFICATION

A. Default Insurance Coverage from the General Terms and Conditions applicable to this Solicitation:

☐ Small Purchases

☒ Contract value in excess of the Small Purchase threshold, but up to $1,000,000.00

☐ Contract value in excess of $1,000,000.00

5.0 SPECIFICATIONS AND SCOPE OF WORK

5.1 GENERAL

Chapter 58, Article 50, Part 4 of North Carolina General Statue 58-50-75 through 95, provides standards for the establishment and maintenance of external review procedures to assure that covered persons have the opportunity for an independent medical review of a noncertification, an appeal decision upholding a noncertification or a second-level grievance review decision upholding a noncertification. The North Carolina Department of Insurance seeks to contract with qualified vendors to perform independent medical reviews of health plan coverage denials. External Review requests are made to the Department; the Department contracts with Vendors to perform the independent medical review of external review cases. NCGS 58-50-87 Minimum qualifications for independent review organizations, sets forth the statutory requirements for Vendors that will be contracted to perform the reviews.

The Vendor is engaged to provide independent medical review of health plan coverage denials. The Vendor will receive cases for external review, screen all cases for conflict of interest at the organizational and clinical reviewer level, identify the relevant clinical issues of the case and question to be asked of the clinical reviewer, assign qualified physician to the appropriate clinical expert to review the assigned case, and issue a determination whether the health plan's decision to deny coverage for the service in question was appropriate or inappropriate. A Standard Review requires a decision to be issued by the Vendor in writing within thirty (30) days of receipt of assignment. An Expedited Review requires a decision to be issued by the Vendor in one (1) day, upon receipt of the assignment. For an Expedited Review, if the notice of decision was not in writing when issued, written confirmation of the decision must be provided by the Vendor within two (2) days of the date of providing the notice of decision. For both Standard and Expedited Reviews, the Vendor is responsible for notifying the covered person whose request they are reviewing, the provider who performed or requested the service, the insurer, and the Department of Insurance – Health Insurance Smart NC Program of the issued decision, including notice to the covered person that he or she is not liable for the cost of the external review. Notice of the decision must be sent to all parties via a mail tracking system (i.e. FedEx) or facsimile (Fax) machine where confirmation of receipt to the intended party can be verified and documented.

5.2 TASKS/DELIVERABLES

To establish and implement the program in compliance with statutory requirements, the Vendor will be responsible for the following:

a) Provide a toll-free telephone service to receive information on a 24-hour-day, seven-day-a week basis for external review that is capable of accepting or recording inquiries or providing appropriate instruction to incoming telephone callers during other than normal business hours.

b) Accept assignment of cases without the presence of organizational or reviewer conflict of interest.

c) Have and maintain a comprehensive program for credentialing clinical peer reviewers for both standard and expedited credentialing that meets the minimum requirements established in G.S. 58-50-87.

d) Maintain a comprehensive clinical reviewer network composition and size to assure the availability of expert clinical peer reviewers to perform case reviews.

e) Identify the relevant clinical issues of the case and the question to be asked of the expert clinical peer reviewer.

f) Identify and assign a qualified and impartial expert clinical peer reviewer who is free from conflict and who meets the minimum qualifications of a clinical peer reviewer, to review the disputed case and render a decision regarding the appropriateness of the denial for the requested treatment or service.

g) Issue determinations that are timely and complete, as defined by G.S 58-50-80(k) for standard and expedited review. A Standard Review determination will be issued by the Vendor in writing within thirty (30) days of receipt of assignment. An Expedited Review determination will be issued by the Vendor within one (1) day, upon receipt of assignment.

h) Notify all required parties of the decision made by the Vendor's expert clinical peer reviewer. Those parties include the covered person whose request the Vendor is reviewing, the provider who performed or requested the service, the insurer, and the NC Department of Insurance.

i) Include in the Vendor's determination the notice to the covered person that he or she is not liable for the cost of the external review.

j) Written notification of the decision must be sent to all parties via a mail tracking system (i.e. FedEx) or facsimile (Fax) machine where confirmation of receipt to the intended party can be verified and documented.

k) Have a quality assurance program and a written quality assurance plan. Have mechanisms in place that assure compliance and monitors key quality assurance indicators as required under G.S 58-50-87(a)(1).

l) Have and maintain an established relationship with a medical doctor licensed in North Carolina to advise the Vendor on issues related to the standard of practice, technology and training of North Carolina physicians as required under G.S 58-50-87(a)(6).

m) Maintain written records in the aggregate and by insurer on all requests for external review for at least three (3) years.

n) Provide any other information relating to the services provided by the Vendor that the Department may request or require.

o) If awarded a contract, Vendor agrees and covenants that it will provide the NC Department of Insurance with a written list of all actual or potential conflicts of interest referenced in G.S. 58-50-87(c) and (d) within 10 calendar days of notice of award by the NC Department of Insurance. Department. Additionally, Vendor will provide Department of Insurance with a written list of all actual or potential relationships that could be considered conflicts of interest as referenced in NGS 58-50-87(c) and (d), PURSUANT TO G.S 58-50-90(c)(6) every six months. Vendor agrees to immediately notify the NC Department of Insurance of any changes of said list of conflicts. Vendor acknowledges that failure to provide this list of conflicts is grounds for NC Department of Insurance to terminate its contract with the Vendor.

p) Maintain confidentiality of all case records.

q) The Vendor will report to the Director of Health Insurance Smart NC. The Vendor shall provide all services in accordance with the provisions, Chapter 58, Article 50, Part 4 of the North Carolina General Statutes and shall comply will comply with all terms and conditions set forth in this RFP document.

r) The Vendor shall notify Health Insurance Smart NC Artificial Intelligence is used in the processing of any External Review process before it is used.

s) The vendor shall have personnel available to accept/process External Review cases during the hours of 8:00AM-5:00PM Monday-Friday (Eastern Standard Time) and after hours, holidays and weekends should there be an expedited review case in process.

5.3 PROJECT ORGANIZATION

Vendor shall describe the organizational and operational structure it proposes to utilize for the work described in this RFP and identify the responsibilities to be assigned to each person Vendor proposes to staff the work. The Vendor shall include in its description how it's organizational and operational structure, and case intake and management processes will be compatible with how the Department operates the State's external review program and its expectations of Vendors as described in Section 4.0 REQUIREMENTS.

5.4 TECHNICAL APPROACH

The Vendor's proposal shall include the completion of ATTACHMENT F: TECHNICAL APPLICATION Form and submission of supporting information. The Technical Application includes the following sections to be completed:

A. Organizational Management, Structure & Procedures
B. National Accreditation
C. Clinical Reviewers
D. Organizational Experience
E. References

Vendor's proposal shall include, in narrative, outline, and/or graph form the Vendor's approach to accomplishing the tasks outlined in the Scope of Work section of this RFP. A description of each task and deliverable and the schedule for accomplishing each shall be included.

6.0 CONTRACT ADMINISTRATION

All Contract Administration requirements are conditioned on an award resulting from this solicitation. This information is provided for the Vendor's planning purposes.

6.1 CONTRACT MANAGER AND CUSTOMER SERVICE

The Vendor shall be required to designate and make available to the State a contract manager. The contract manager shall be the State's point of contact for Contract related issues and issues concerning performance, progress review, scheduling, and service.

The Vendor shall be required to designate and make available to the State for customer service. The customer service point of contact shall be the State's point of contact for customer service-related issues (define roles and responsibilities).

6.2 POST AWARD PROJECT REVIEW MEETINGS

The Vendor, at the request of the State, shall be required to meet as needed with the State for Project Review meetings. The purpose of these meetings will be to review project progress reports, discuss Vendor and State performance, address outstanding issues, review problem resolution, provide direction, evaluate continuous improvement and cost saving ideas, and discuss any other pertinent topics.

6.3 CONTINUOUS IMPROVEMENT

The State encourages the Vendor to identify opportunities to reduce the total cost the State. A continuous improvement effort consists of various ways to enhance business efficiencies as performance progresses.

6.4 ACCEPTANCE OF WORK

Performance of the work and/or delivery of Goods shall be conducted and completed at least in accordance with the Contract requirements and recognized and customarily accepted industry practices. Performance shall be considered complete when the Services or Goods are approved as acceptable by the Contract Administrator.

Acceptance of Vendor's work product shall be based on the following criteria:

The State shall have the obligation to notify Vendor, in writing ten (10) calendar days following completion of such work or delivery of a deliverable described in the Contract that it is not acceptable. The notice shall specify in reasonable detail the reason(s) it is unacceptable. Acceptance by the State shall not be unreasonably withheld; but may be conditioned or delayed as required for reasonable review, evaluation, installation, or testing, as applicable to the work or deliverable. Final acceptance is expressly conditioned upon completion of all applicable assessment procedures. Should the work or deliverables fail to meet any specifications, acceptance criteria or otherwise fail to conform to the Contract, the State may exercise any and all rights hereunder, including, for Goods deliverables, such rights provided

by the Uniform Commercial Code, as adopted in North Carolina.

6.5 DISPUTE RESOLUTION

During the performance of the Contract, the parties agree that it is in their mutual interest to resolve disputes informally. Any claims by the Vendor shall be submitted in writing to the State's Contract Manager for resolution. Any claims by the State shall be submitted in writing to the Vendor's Project Manager for resolution. The Parties shall agree to negotiate in good faith and use all reasonable efforts to resolve such dispute(s).

During the time the Parties are attempting to resolve any dispute, each shall proceed diligently to perform their respective duties and responsibilities under this Contract. The Parties will agree on a reasonable amount of time to resolve a dispute. If a dispute cannot be resolved between the Parties within the agreed upon period, either Party may elect to exercise any other remedies available under the Contract, or at law. This provision, when agreed in the Contract, shall not constitute an agreement by either party to mediate or arbitrate any dispute.

6.6 CONTRACT CHANGES

Contract changes, if any, over the life of the Contract shall be implemented by contract amendments agreed to in writing by the State and Vendor. Amendments to the contract can only be through the contract administrator.

6.7 ATTACHMENTS

All attachments to this RFP are incorporated herein and shall be submitted by responding in the Sourcing Tool. These attachments can be found at the following Vendor Forms link for reference purposes only:
https://ncadmin.nc.gov/documents/vendor-forms

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