



The California Managed Risk Medical Insurance Board
1000 G Street, Suite 450
Sacramento, CA 95814
(916) 324-4695 FAX: (916) 327-9661

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**Healthy Families Program
Rural Health Demonstration Projects
FY 2007-08 and FY 2008-09 Proposal Solicitation**

This notice provides important information regarding the Managed Risk Medical Insurance Board's (MRMIB) intention to address unique access problems in rural areas and for special populations in the Healthy Families Program (HFP). **Entities eligible to respond to this solicitation are those health, dental, and vision plans that provide services to HFP subscribers for the period of July 1, 2005 through June 30, 2008.**

The Rural Health Demonstration Project (RHDP) solicitation is seeking proposals for two fiscal years, November 1, 2007 through June 30, 2008 and July 1, 2008 through June 30, 2009. Projects will be funded for the two fiscal years. The second year funding will be contingent on the plans' continuing participation in the Healthy Families Program in the 2008/2009 contract year.

This packet contains the necessary information to submit a proposal to participate in the RHDP for the November 1, 2007 through June 30, 2008 contract period and is being made available to all health, dental and vision plans currently participating in the HFP. Plans interested in participating in the RHDP should contact Renee Mota-Jackson, Demonstration Projects and Appeals Processing Unit Manager, at (916) 445-1906 to discuss their interests.

A bidder's conference on this solicitation was held on Thursday, May 31, 2007, from 1:00 to 3:00 p.m., at the MRMIB office, fourth floor, back conference room, 1000 G St., Sacramento, California, 95814. MRMIB staff reviewed the RHDP Contract Exhibit and Solicitation Package and answered questions from participating plans during the bidder's conference. Information on prior projects funded under the RHDP is available on the MRMIB website, www.mrmib.ca.gov.
<http://www.mrmib.ca.gov/MRMIB/Fact%20Book2007%204th%20Draft%2004-11-07.pdf>

The final submission date for proposals is July 18, 2007. Proposals must be submitted as follows:

1. All proposals must contain the required proposal content as described on pages 5-9. Proposals must also include Attachment I and any plan proposed changes to Attachment III, if applicable.
2. An electronic(e-file) copy of the proposal must be sent to BQMmail@mrmib.ca.gov, and received by MRMIB no later than 5:00 p.m., Wednesday, July 18, 2007, and
3. A signed original copy must be mailed and postmarked by July 18, 2007. The signed original copy should be mailed to:

Managed Risk Medical Insurance Board
c/o Alba Quiroz-Garcia
1000 G St., Suite 450
Sacramento, CA 95814

Late submissions will not be accepted.

Note: All RHDP proposal documents received by MRMIB are public information and may be made available for public review.

A. Background

The HFP is a state and federally funded health, dental and vision coverage program for children in families whose incomes are above the income limit for no-cost Medi-Cal and are at or below 250% of the federal poverty level. The program began coverage for children on July 1, 1998. The MRMIB administers the HFP.

The California Insurance Code, Section 12693.91, authorizes the Rural Health Demonstration Projects (RHDPs). Since their inception in FY 1998-99, the RHDPs have increased access to health, dental, and vision care through the implementation of two strategies: (1) Geographic Access Strategy and (2) Special Populations Strategy. Each strategy is described below.

Geographic Access Strategy

The Geographic Access Strategy funds projects that address the lack of adequate health care services in rural and frontier communities. Plans submitting proposals under the Geographic Access Strategy must propose projects addressing access issues within the boundaries of Rural Medical Service Study Areas (MSSAs). Under this strategy, MRMIB provides funding to participating HFP plans to develop services in isolated rural areas where such services are severely limited or do not exist. A rural MSSA is designated by the state as an area with:

- A population density of less than 250 persons per square mile, and
- No incorporated community with a population greater than 50,000 within the area.

The Rural Health website, www.ruralhealth.ca.gov, provides an overview of rural areas of California to assist plans in identifying rural MSSAs. Information about rural MSSAs can also be obtained by calling Renee Mota-Jackson Demonstration Projects and Appeals Processing Unit Manager at (916) 445-1906.

Special Populations Strategy

The Special Populations Strategy funds projects in communities with underserved populations of:

- Migrant or seasonal farm workers;
- Fishing and forestry workers; and
- American Indians.

Under this strategy, MRMIB provides funding to HFP participating plans to expand services to one or more of the designated special populations.

Special populations are defined in the HFP regulations [Title 10, CCR Section 2699.6500 (kk)]. Proposals for special populations projects are not limited to rural areas of the State, but can be developed in any area where there is a need to address unique access problems of the special populations.

B. Funding for Geographic Access and Special Populations

The MRMIB will make available an estimated \$5,800,000 for Fiscal Years (FYs) 2007-08 and 2008-09 MRMIB will provide funding in arrear payments for specified services and/or deliverables.

MRMIB encourages proposals in which plans work collaboratively with providers who have historically provided health care services to the special populations or to subscribers in rural geographic areas. MRMIB believes the knowledge and experience of these providers may help plans identify the most effective strategies to address the unique access problems of special populations or subscribers residing in rural geographic areas.

RHDP Projects

Current and past projects

The following are examples of projects that have been funded under the RHDP:

- Extended provider hours
- Mobile dental and health vans
- Medical personnel
- Mental health and substance abuse prevention services
- Telemedicine
- Asthma intervention
- Nutrition and obesity prevention services.

Projects for FY 2007-08 and FY 2008-09 solicitations

MRMIB is requesting creative proposals under either the Geographic Access or Special Populations strategies, or both. MRMIB is asking that plans consider the following types of projects for this solicitation:

- a) Increase hours of clinic operations (e.g., evenings and weekends).
- b) Increase the number of providers available to subscribers at remote facilities (e.g., mental health clinicians, family practitioners, pediatricians, nurses, dentists, pedodontists, dental hygienists, dental assistants, ophthalmologists, optometrists).
- c) Mental health and/or substance abuse services, including , but not limited to:
 - Mental health prevention and early intervention programs, such as selected questions and guidance at each visit, education and support groups, counseling, and individual and small group therapeutic relationship intervention;
 - Child and child/family mental health programs; and
 - Universal comprehensive screening of HFP children using standardized tools.
- d) Health education in the areas of oral health care, diabetes and obesity, including nutrition and preventive counseling programs.
- e) Community-based preventive care and health promotion programs, such as:
 - Education on constructive parenting.
 - Health and development guidance delivered through in-home visitation programs for infants, toddlers and school age children.
- f) Adolescent health services with a special emphasis on:
 - Encouraging adolescents to participate in well child visits and obtain appropriate vaccinations.
 - Mental health services; and

- Safe behavior education/counseling.
- g) Services provided through a mobile health and/or dental van covering rural areas in multiple cities/counties (e.g., vaccinations, general and specialized medical and mental health services, and preventive/restorative oral health services). Note: MRMIB will not fund the purchase of a mobile van.
- h) Telemedicine
- i) Use of “Promotores de Salud” (community health workers) to provide public health education in areas such as oral health, obesity prevention, high blood pressure control, prevention and reduction of cancer, asthma, childhood lead poisoning and other public health issues prevalent in the state.
- j) Ambulatory surgery centers with special emphasis on providing general anesthesia for pediatric dental procedures.
- k) Use of hygienists, dental assistants and other qualified medical providers to offer preventive dental services (e.g., screening, fluoride varnish and sealant application) and oral health education to children and their families in both traditional and non-traditional dental environments (e.g., schools, head start programs, and pediatrician/medical offices).

C. Proposal Content

Each Proposal must include the following:

I. Cover Letter

The cover letter should be written on the plan’s letterhead and:

- Signed by a person who has the authority to enter into contracts on behalf of the plan;
- Include the name, title, phone, and fax number of the plan’s contact person for any follow-up information required by the MRMIB;
- List of the number of proposals submitted in the Special Populations and Geographic Access strategies; and
- Total dollar amount requested for each strategy.

II. Body of the Proposal

Proposals must include each of the following headings as well as any information that is requested under a heading:

A. Participating Plan Name:

B. Project Number:

C. Project Title:

D. Project Strategy: **Special Population** **Geographic Access**

Note: A plan may submit a proposal for both strategies

E. Special Population or Geographic Area to be Served:

1. Does the project cover more than one area?
2. Is the project covering urban MSSAs for special populations?

F. Location(s) and/or Service Areas:

1. Describe the geographic location of the project including county and city)and/or :
2. Identify the MSSAs or counties covered:

G. Estimated number of HFP children enrolled in areas to be served (this must be a number):

H. Estimated number of HFP children to be served by project (this must be a number):

I. Estimated number of HFP encounters by project (this must be a number):

J. Proposed Project Provider, Clinic and/or Other Facility Information:

1. Name and address of the clinic/project headquarters.
2. Is the provider, clinic and/or other facility currently part of the health plan's HFP network or an addition to the current network?
3. Is the provider, clinic and/or other facility currently available to the HFP population?
4. What are the specialties of the proposed project providers?
5. For Special Population Project Proposals:

- a) What is the number of individuals served by the provider, clinic and/or other facility currently from each special population?
- b) What type of services and or programs (please provide a description of each service and/or program) are currently provided by the provider, clinic and /or other facility for the special population?
- c) Does the provider, clinic and/or other facility have experience providing services to the special populations? If so, please describe the experience.
 - Please identify in bold lettering each provider, clinic and/or other facility that has experience providing services to the special populations if the proposed project has multiple providers, clinics, and/or other facilities.

Note: Plans are encouraged, but not required, to include letters of support from the providers, clinics and other facilities included in their network for the special population RHDP submission.

6. For Geographic Access Project Proposals:

- a) What are the hours of service that the proposed project will be available to HFP subscribers in the rural areas to be served by the proposed project, if applicable?
- b) Does the provider, clinic and/or other facility meet the Title 10: California Code of Regulations, Chapter 5.8, Article 4, Section 2699.6805 description of a traditional and safety net provider?
 - Please identify in bold lettering each provider, clinic and/or other facility that meets the definition of a traditional and safety net provider if the proposed project has multiple providers, clinics, and/or other facilities.
- c) Is the provider, clinic and/or other facility located in the rural MSSA that will be served by the proposal?
 - Please identify (using asterisks) each provider, clinic and/or other facility located in the rural MSSA that will be served by the proposal, if the proposed project has multiple providers, clinics, and/or other facilities.

Note: Plans are encouraged, but not required, to include letters of support from the providers, clinics and other facilities included in their network for the special population RHDP submission.

III. Project Description: *(Please limit the project description to no more than 1 page, for each proposed project, typed, single space, size 10 or 12 font. The project description should be concise and clear).*

A. Special Population Project Description:

1. Describe the barriers preventing access to health care for these special population groups.
2. Describe how the project will address the unique access needs of special populations and the extent to which the proposal is designed to reduce health disparities among children in the target populations.

B. Geographic Access Project Description:

1. Describe the barriers preventing access to health care in the geographic area of the proposed project.
2. Describe how the project will address unique access needs in the geographic area. The description should include, but is not limited to:
 - The types of services needed in the community.
 - How the project will make providers available where services are non-existent.

IV. Project Budget:

11/01/07 – 06/30/08 (FY 07-08) 8 months

Personnel Salaries: \$ _____

Fringe Benefits (%): _____ \$ _____

Other Direct Program Costs (list): _____ \$ _____

Supplies and Collateral Materials: \$ _____

Sub-Total: \$ _____

Plan Administration %: _____ \$ _____

Note: Administrative costs cannot exceed 10% of the total RHDP project budget.

Total Budget Request \$ _____

07/01/08 – 06/30/09 (FY 08-09) 12 months

Personnel Salaries: \$ _____

Fringe Benefits (%): _____ \$ _____

Other Direct Program Costs (list): _____ \$ _____

Supplies and Collateral Materials: \$ _____

Sub-Total: \$ _____

Plan Administration %: _____ \$ _____

Note: Administrative costs cannot exceed 10% of the total RHDP project budget.

Total Budget Request \$ _____

D. Evaluation of Proposals

Proposals will be assessed in their entirety and evaluations will be competitive. The MRMIB will select projects based on its assessment of the best overall value to the state. The MRMIB is scheduled to select plans to participate in the RHDP at the **September 2007** board meeting.

1. Special Populations Access Projects

Special Populations Access Projects will be evaluated based on the following criteria:

- a) Effectiveness of the proposal in addressing the unique access needs of one or more identified special populations and the extent to which the proposal is designed to reduce health disparities among children in the target populations.
- b) The innovative or unique solutions being proposed to address the health care needs of special access populations.
- c) The plan's ability to improve access for the special population(s). Factors that will be considered include, but are not limited to, the plan's:
 - Proposed network of providers, clinics and other facilities available to the special populations;
 - Inclusion of providers who have experience serving the special population;

- Ability to overcome obstacles related to geographic boundaries; and
 - Ability to implement the proposed project on time.
- e) Demonstration of the cost effectiveness of the proposal to deliver specified benefits to special populations (price) relative to the services offered.
- f) The plan's ability to collect and report demographic and utilization data on a quarterly basis for all children assisted through the RHDP.
- g) Any other issues pertinent to the delivery of services as described in the proposal's specified project goals, objectives and timelines.
- h) Wording changes requested by a plan in the language of the Administrative Provisions (Attachment III), including:
- i. those that indicate a plan's inability or unwillingness to meet stated requirements or to accept other contractual terms and/or language; and
 - ii. proposed improvements to the terms of the Administrative Provisions.

2. Geographic Access Projects

Geographic Access Projects will be evaluated based on the following criteria:

- a) Effectiveness of the proposal to improve or increase access to healthcare services, and dental and mental health for subscribers in rural areas.
- b) The plan's ability to provide services to eligible children in the rural area (rural area is defined as one or more rural MSSAs).
- c) The innovative or unique solutions being proposed to address the health care needs of HFP children in rural areas.
- d) An area's need for additional services as identified by the unique access barriers, the potential number of eligible children, and the current HFP network (including traditional and safety net providers as defined by MRMIB in the program regulations) available to subscribers in a given rural area.
- e) Analysis of the services and/or providers being proposed in addition to the plan's current HFP network available to subscribers in the rural area. The analysis will include review of the plan's:
 - Proposed network of providers, clinics and other facilities;

- Inclusion of traditional and safety net providers, as described by MRMIB in the program regulations; and
 - Network available to the subscribers, and/or the number of hours services will be available for subscribers in the designated rural area.
- f) Ability to implement the proposed project on time.
- g) The plan's ability to collect and report demographic and utilization data on a quarterly basis for all children assisted through the RHDP.
- h) Any other issues pertinent to the delivery of services as described in the proposal's specified project goals, objectives and timelines.
- i) All wording changes requested by a plan in the language of the Administrative Provisions (Attachment III), including:
- i. those that indicate a plan's inability or unwillingness to meet stated requirements or to accept other contractual terms and/or language; and
 - ii. proposed improvements to the terms of the Administrative Provisions.

E. Plan Requirements

Only plans currently under contract in HFP will be considered for participation in the RHDP. All plans selected for participation in the RHDP will be expected to have their projects and any collateral materials approved by their regulatory entities (if necessary) and ready for implementation no later than November 1, 2007. Entities unable to meet these timelines will not be eligible to participate.

F. Negotiation Process

The HFP enabling legislation exempts MRMIB from the provisions of State law related to formal competitive bidding. MRMIB will use a competitive negotiation process to select proposals to be funded. The competitive negotiation process is not a Request for Proposal. Rather, it is a dynamic negotiation process, through which the MRMIB can evaluate the strengths and weaknesses of the proposals and make final selections. The goal of the negotiation process is to obtain a high quality service at a competitive price.

MRMIB may, at its election, accept proposals as submitted and make its selection based on those proposals. Alternatively, other information may be sought from some of the plans by way of oral presentations or additional submissions. In addition, plans may be asked to enter into negotiations with the MRMIB, and to discuss matters of concern

to the State, such as modifications requested by the plans or the State, as well as changes in task descriptions and/or price and changes in the plan's approach to key tasks. MRMIB will conduct an analytical review and evaluation of each plan's proposal consistent with the Board's selection criteria articulated above, or such other criteria that the MRMIB may choose to include as this selection process progresses. No one area of the MRMIB's selection criteria is more important than any other area. MRMIB is the sole judge of the overall value of a proposal, including proposed changes to the proposal and proposed alternative methods, for achieving desired contractual outcomes.

Any and all awards made pursuant to this solicitation will be made in accordance with the State's determination, at its sole discretion, of its best interest and that of HFP subscribers. The State reserves the right, at its sole discretion, to reject any or all proposals or other submissions for any reason and at any time. Nothing in these solicitation documents constitutes a representation by the State to the effect that any contract will be awarded to any plan.

All necessary contractual provisions will be prepared as an amendment to an existing health, dental, or vision plan's HFP contract after project selection is complete.

Attachments

- Attachment I: Project Listing
- Attachment II: Non-Fundable Items
- Attachment III: Administrative Provisions

**RURAL HEALTH DEMONSTRATION PROJECT
NON-FUNDABLE ITEMS**

NOTE: *RHDP FUNDS ARE FOR DIRECT SERVICES ONLY*

The following items are NOT fundable:

1. Stipends.
2. Contract/subcontract proposed services to another provider/contractor.
3. Purchase or lease of Medical and/or Dental Equipment.
Exception: non-reusable supplies are fundable.
4. Purchase or lease of office furniture, computers and computer equipment.
Exception: equipment for telemedicine specific projects is fundable.
5. Mileage for staff from home to work.
Exception: travel to and from the main worksite to extension sites is fundable at \$0.44/mi. or current State rate.
6. Office support staff positions, such as clerical, phone operators, and receptionists are not fundable.
Exception: mobile van drivers are fundable.
7. Space, telephone, and postage costs.
8. Purchase or lease of vehicles such as dental/medical mobiles, transportation vans, and passenger cars.
9. Staff salaries, benefit packages, printing costs and other costs that are excessive in relation to market value.
10. Services for individuals over the age of 19.

**RURAL HEALTH DEMONSTRATION PROJECTS
ADMINISTRATIVE PROVISIONS**

- I. The purpose of this Attachment is to add provisions for the implementation; monitoring and payment for the Healthy Families Program Rural Health Demonstration Project (s) awarded to the Contractor for the period of **November 1, 2007 through June 30, 2009**.
- II. The contractor agrees to provide services to children ages 0-19 eligible for the program through projects listed in Attachment I, Rural Health Demonstration Projects Listing.
- III. Contractor Participation in Rural Health Demonstration Project Components
 - A. The contractor is participating in the geographic access component of the Rural Health Demonstration Project to increase and improve the accessibility of services to residents of Rural Medical Services Study Areas, as defined in the program regulations, CCR, Title 10, Chapter 5.8, Article 1, through projects listed in Attachment I; and (if appropriate):
 - The Contractor is also participating in the special population component of the Rural Health Demonstration Project to increase and improve the accessibility of services to special populations, as defined in the program regulations, CCR, Title 10, Chapter 5.8, Article1, through projects listed in Attachment I.
 - B. The Contractor is participating in the special population component of the Rural Health Demonstration Project to increase and improve the accessibility of services to special populations, as defined in the program regulations, CCR, Title 10, Chapter 5.8, Article1, through projects listed in Attachment I
 - The Contractor is also participating in the geographic access component of the Rural Health Demonstration Project to increase and improve the accessibility of services to residents of Rural Medical Services Study Areas, as defined in the program regulations, CCR, Title 10, Chapter 5.8, Article 1, through projects listed in Attachment I.

IV. Rural Health Demonstration Project

The Contractor shall participate in the Rural Health Demonstration Project for special populations and/or for improved access to rural subscribers in the program. The Contractor agrees to provide the services listed in Attachment I and as specified in each project proposal approved for funding. The Contractor shall provide these services through the network of projects listed in Attachment I. The Contractor shall inform the State of all its monitoring activities ensuring the provision of services related to the Rural Health Demonstration Projects. The Contractor understands that the State may perform on-site inspections to monitor the Contractor's compliance with the Rural Health Demonstration Project contract terms.

V. Rural Health Demonstration Project Progress Reports

A. The Contractor shall perform onsite reviews of each project on a quarterly basis. The contractor shall submit to the State a quarterly progress report on each Rural Health Demonstration Project listed in Attachment I on forms provided by the State. The progress reports shall contain information on the progress that each project has made in accomplishing the project's goals for the preceding quarter. The reports must include, but are not limited to, the following information:

1. A comparison of actual accomplishments to the objectives established for each project for the quarter;
2. A written explanation of any delay in meeting established objectives,
3. Any additional pertinent information, including but not limited to analysis and explanation of any delays or problems in project implementation.
4. Total number of children served, with details to the number of HFP children as well as uninsured and insured children served, and type of service performed.
5. Total number of patient encounters for children ages 0-19.

B. The contractor shall submit reports electronically according to the following

schedule:

1. Reports for the quarter ending December 31, 2007 will be due on February 15, 2008.
2. Reports for the quarter ending March 30, 2008 will be due on May 15, 2008.
3. Reports for the quarter ending June 30, 2008 will be due on August 15, 2008.
4. Reports for the quarter ending September 30, 2008 will be due on November 15, 2008.
5. Reports for the quarter ending December 31, 2008 will be due on February 15, 2009.
6. Reports for the quarter ending March 30, 2009 will be due on May 15, 2009.
7. Reports for the quarter ending June 30, 2009 will be due on August 15, 2009.

VI. Rural Health Demonstration Project Payment Provisions

- A. The State agrees to pay an estimated total of \$___ million to the Contractor for the project period of November 1, 2007 through June 30, 2008, as follows:
 1. \$___million for projects related to geographic access as described in Attachment I.
 2. \$___million for projects related to special population members as described in Attachment I
 3. The Contractor shall submit monthly statements in arrears for

services rendered until the total lump sum has been expended. The invoice shall be submitted in a format provided by the State and shall include a brief description of the services provided.

4. The carryover of any funds related to the Rural Health Demonstration Project that remain unspent by June 30, 2008 will be contingent upon satisfactory progress by the Contractor and continuation of this Agreement for the duration of the following State Fiscal Year.
- B. The State agrees to pay an estimated total of \$___ million contingent on RHDP funding by the legislature, to the Contractor for the project period of July 1, 2008 through June 30, 2009, as follows:
1. \$___million for projects related to geographic access as described in Attachment I.
 2. \$___ million for projects related to special population members as described in Attachment I.
 3. The Contractor shall submit monthly statements in arrears for services rendered until the total lump sum has been expended. The invoice shall be submitted in a format provided by the State and shall include a brief description of the services provided.
- C. The Contractor agrees that the provisions of the specific projects of the Rural Health Demonstration Project, as described in Attachment I, must be fully and satisfactorily met in order to retain funding. The Contractor agrees that if the State determines that any provision or specific project has not been fully met, or has not been fully performed to the State's satisfaction, the State may initiate one or more of the following actions:
1. Temporarily withhold payments pending correction of the identified deficiency by the Contractor or disallow activities not in compliance with the approved project provisions.
 2. Suspend or cancel all or part of the specific Rural Health Demonstration Project in question.
 3. Demand repayment from the Contractor for any payments paid to

Contractor for the specific Rural Health Demonstration Project in question. The Contractor may request that the State establish a repayment plan for the funds demanded by the State. The State reserves the right to approve or deny the Contractor's request for establishment of a repayment plan for such funds. The State also reserves the right to offset the funds demanded against other State funds owed to the Contractor under the Rural Health Demonstration Projects.

VII. Level of Services

- A. Services proposed and delivered must be equivalent to the standard of services and mirror service definitions as described in HFP regulations.