

MARYLAND HEALTH CARE COMMISSION
BID BOARD NOTICE

PROCUREMENT ID NUMBER: MHCC 18-013
ISSUE DATE: January 5, 2018
TITLE: Population Health Benchmark Feasibility Study on Cost of Diabetes Care
DUE DATE: Monday, January 22, 2018, 4:00 p.m. Eastern Standard Time

PLEASE READ THE ENTIRE SOLICITATION BEFORE SUBMITTING YOUR PROPOSAL.
THIS SOLICITATION SHALL BE MADE IN ACCORDANCE WITH THE SMALL PROCUREMENT
REGULATIONS DESCRIBED IN COMAR 21.05.07 WHEREAS THE MAXIMUM AWARD ALLOWED IS
\$50,000.

I. PROCUREMENT OBJECTIVE

A. Summary Statement

The mission of the Maryland Health Care Commission (MHCC) is to plan for health system needs, promote informed decision-making, increase accountability, and improve access in a rapidly changing health care environment by providing timely and accurate information on availability, cost, and quality of services to policy makers, purchasers, providers and the public.

MHCC supports the state’s transformative effort to improve care and reduce the growth in health care spending. Effective January 1, 2014, the State of Maryland and the Centers for Medicare & Medicaid Services (CMS) entered into a new initiative to modernize Maryland’s unique all-payer rate-setting system for hospital services. This initiative, replacing Maryland’s 36-year-old Medicare waiver, allows Maryland to adopt new and innovative policies aimed at reducing per capita hospital expenditures and improving patient health outcomes. Stated in terms of the “Triple Aim,” Maryland strives to transform its health care system into one that enhances patient care, improves health, and lowers costs. The success of the New All-Payer Model will reduce costs to purchasers of care—businesses, patients, insurers, Medicare, and Medicaid—and improve the quality of the care that patients receive both inside and outside of the hospital. Since 2014, the State, in close partnership with providers, payers, and consumers, has made significant progress toward this modernization effort. In July 2017, CMS and Maryland entered into an agreement for the Care Redesign Program (CRP) that includes population health measurement.

To assist the state in monitoring progress, MHCC seeks analytic services to assess the feasibility of creating cost of care benchmarks for selected chronic conditions using data from the state’s Medical Care Data Base (MCDB)¹ and the [ACG System](#), which stands for Adjusted Clinical Groups, developed by researchers at the Johns Hopkins Bloomberg School of Public Health. This initial study of population health measures will focus on the

¹ The MCDB is a large-scale database that collects eligibility, professional services claims, institutional services claims, pharmacy claims, and provider data for Maryland residents enrolled in private insurance, Medicaid Managed Care Organizations (MCO), and Medicare. The MCDB data is used to produce in-depth analyses on reimbursement of all health services by provider category and payor type. The MCDB is Maryland’s Multi-Payer Data Base.

examination of the costs to treat Maryland’s nonelderly privately insured diabetics and how costs vary among ACG severity of illness groupings. The results of this evaluation will be used for internal MHCC analysis to determine whether the MCDB is an appropriate data source to monitor the cost of care for populations of varying health status, age, and gender and to project possible cost savings from prevention or early diagnosis of diabetes.

The Offeror will produce benchmark costs from the data using actual costs and quality measurement criteria (from CMS or other sources) and assess the strength of the underlying data and the resultant benchmarks. The Offeror will also make recommendations on how to best characterize the costs of care in the diabetic population for purposes of cost projections, which require estimates of future population demographics and adherence to standard protocols in the treatment of diabetes.

B. Term of Contract

This contract will begin on or about February 1, 2018, and continue through January 31, 2019.

C. Issuing Office

The issuing office for this solicitation is the Maryland Health Care Commission, 4160 Patterson Avenue, Baltimore, Maryland 21215.

The issuing officer for this solicitation is Andrea Allen. Questions regarding this solicitation can be addressed via email to andrea.allen@maryland.gov.

D. Submission Deadline

To be eligible for consideration, proposals must be received by the Issuing Officer at the Commission office by 4:00 p.m., Monday, January 22, 2018, preferably submitted electronically to. Offerors mailing proposals should allow sufficient mail delivery time to ensure timely receipt by the Commission.

In order to receive a contract award, vendors must be registered on eMarylandMarketplace (eMM).

Registration is free. Go here to register: <https://emaryland.buyspeed.com>. Click on “Registration” to begin the process and follow the prompts.

E. Procurement Method

The procurement method for this solicitation is a Small Procurement as described in the Code of Maryland Regulations (COMAR 21.05.07). The maximum award allowed under these Regulations is \$50,000.

II. SCOPE OF WORK

The following tasks, as directed by MHCC staff, will be necessary for the completion of the project:

The Contractor shall meet or conduct a conference call with the MHCC to formulate the analysis plan for the development of cost of diabetes care benchmarks and assessment of the strength of the underlying data and the resultant benchmarks, based on best practices and national standards. The Contractor shall subsequently provide a draft and final analytic plan that will achieve the analytic goals identified by MHCC. The Contractor shall propose the best approach for measuring and validating variation by ACGs in the analytic plan. Additionally, the Offeror will formulate a final report that will make recommendations on how to best characterize the costs of care in the diabetic population for purposes of cost projections, which require estimates of future population demographics and adherence to standard protocols in the treatment of diabetes. The report will also describe how diabetes patients are identified in the ACGs and highlight any significant differences between ACG assignment rules and CMS definition of a beneficiary with chronic diabetes.

The Contractor shall deliver a set of cost benchmarks based on criteria reviewed with and approved by MHCC, including but not limited to stratifications such as:

- a) Patient demographics (age, gender)
- b) Geography (e.g., urban/suburban/rural, zip code)
- c) Illness burden, including comorbidities

The Contractor shall access the MCDB through a data enclave maintained by the MHCC's data management vendor.

MHCC may, at any point and at its discretion, conclude the project upon Deliverable #1, below.

Deliverables:

- Deliverable #1: Analysis Plan as described above. This includes a draft version for review by MHCC and a final version subsequent to MHCC review and approval. The plan also must include timeline and risk mitigation strategy. Due dates for drafts to be proposed by Offeror and approved by MHCC.
- Deliverable #2: Final Report as described above, pursuant to the Analysis Plan as approved by MHCC in Deliverable #1. Due date to be proposed by Offeror as shown in Analysis Plan or as otherwise agreed. The final report must include calculated measure values, business rules for record selection, program code needed to obtain results.
- Deliverable #3: Revised Analysis Plan that incorporates learnings throughout the project, if requested by MHCC. Due date no later than the end of contract period.

III. MINIMUM QUALIFICATIONS

The Offeror must demonstrate the following minimum qualifications and capabilities:

- At least 10 years of experience in health care claims data analytics
- Extensive professional experience in statistical analysis and modeling, and cost of care benchmark development, including population health measures, from private claims data
- Leadership roles in developing claims data cost metrics, such as Health Partners' Total Cost of Care and Resource Use metrics
- Prior experience analyzing claims and diagnosis codes and creating measures per national or widely accepted standardized measure set specifications
- Prior experience with analysis of the Maryland Medical Care Data Base (MCDB)
- Knowledge of ACG System tools and demonstrated experience using ACG System output
- Expert SAS or SQL analyst

IV. RESPONSE FORMAT

A. Transmittal Letter

A transmittal letter prepared on the Offeror's business stationery is to accompany the original and required copies of the Offeror's proposal. The purpose of this letter is to transmit the proposal; therefore, it should be brief. The letter must be signed by an individual who is authorized to bind his/her firm to all statements, including services and prices contained in the proposal.

B. Technical Proposal

The Offeror shall submit a letter up to 10 pages long (excluding resumes) describing the following topics:

- Statement of the Problem
- Experience and Qualifications of Proposed Staff
- Proposed Work Plan

The Statement of the Problem should demonstrate that the Offeror clearly understands MHCC's objectives and goals with respect to the work that is the subject of this bid proposal. The Offeror shall also demonstrate an understanding of the requirements of this solicitation.

The Experience and Qualifications of Proposed Staff section shall describe how the experience and qualifications of proposed staff meet or exceed Minimum Qualifications and should address their specific responsibilities as detailed in the work plan for this procurement. Individual resumes for the key personnel who are to be assigned to the project if the Offeror is awarded a contract shall be included with the Offeror's proposal as attachments.

The Proposed Work Plan section should briefly describe the work plan proposed to meet the requirements, including the firm's methods and techniques for meeting the requirements outlined in this procurement, including timeline and milestones.

The Proposal must include a cost proposal arranged showing the estimated cost per Deliverable, the number of hours and the hourly rate. Billing under the contract will be monthly, based on the completion and approval of each milestone within each task, up to the fixed price established for this contract. Bidders should note that the Contract that results from this solicitation shall be a Firm Fixed Price as described in COMAR 21.06.03.02.A(1).

V. SELECTION PROCESS

A. Evaluation Committee

An Evaluation Committee appointed by the Issuing Office will evaluate all proposals received by the closing deadline. The Evaluation Committee may request additional technical information from any source. In recommending an Offeror for award, the Evaluation Committee will give more weight to an offeror's technical proposal than to its financial proposal. The Evaluation Committee shall recommend the proposal that provides the most advantageous offers to the State, considering price and the evaluation criteria set forth in the offers.

B. Evaluation Criteria

1. Experience and Qualifications of the Proposed Offeror (assuming the minimum qualifications have been met)
 - a) Proficiency with claims data analysis and assessment of data quality using best practices
 - b) Experience creating standardized cost measures using multi-payer commercial claims data
 - c) Knowledge and experience with deriving costs of care using condition category groupers, specifically, ACGs
 - d) Knowledge of and hands-on, direct experience with the Maryland Medical Care Database
 - e) Expert proficiency with SAS and SQL
 - f) Prior experience with developing and reporting measures to health system stakeholders
2. Proposed Work Plan
 - a) Ability of work plan to successfully meet the requirements and timeframes of this procurement
 - b) Approach to overall and task-specific management
3. Statement of Problem

The Offeror shall provide a brief description of the problem and approach, including the risks and mitigation strategies associated with this type of project.

4. References

The Offeror shall provide at least two references that can speak to the work of the Offeror's Key Personnel on similar projects. References for the firm as a whole will be disregarded. The Offeror should provide reference's name, title, contact information and a brief description of the work performed.

VI. TERMINATION CLAUSE

The State of Maryland may terminate this contract at any time and for any reason. Offerors must acknowledge this statement in their response to this Bid Board Notice to be considered an acceptable response.

SMALL MINORITY BUSINESS ENTERPRISES ARE ENCOURAGED TO RESPOND TO THIS SOLICITATION.