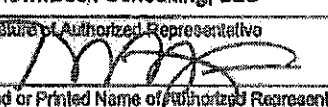
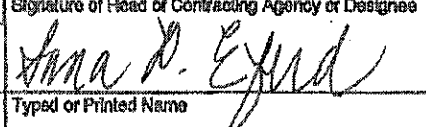
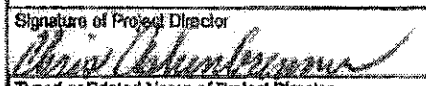


## STANDARD AGREEMENT FORM FOR PROFESSIONAL SERVICES

1. Agency Contract Number 0815-107	2. Solicitation Number 0615-107	3. Financial Coding	4. Agency Assigned Encumbrance Number
5. Vendor Number ABC03138	6. Project/Case Number Medicaid Redesign and Expansion Technical Assistance		7. Alaska Business License Number 291349
This contract is between the State of Alaska,			
8. Department of Health and Social Services		Division Commissioner's Office	hereafter the State, and
9. Contractor Agnew::Beck Consulting, LLC hereafter the Contractor			
Mailing Address 441 West 6 <sup>th</sup> Avenue, Suite 202	Street or P.O. Box	City Anchorage	State AK ZIP+4 99501
10. <p><b>ARTICLE 1.</b> Appendices: Appendices referred to in this contract and attached to it are considered part of it.</p> <p><b>ARTICLE 2.</b> Performance of Service:</p> <p>2.1 Appendix A (General Provisions), Articles 1 through 16, governs the performance of services under this contract</p> <p>2.2 Appendix B (Indemnity and Insurance) sets forth the liability and insurance provisions of this contract</p> <p>2.3 Appendix C (Description of Services) sets forth the services to be performed by the Contractor</p> <p>2.4 Appendix D (Payment for Services) sets forth the provision for payment</p> <p><b>ARTICLE 3.</b> Period of Performance: The period of performance for this contract begins <u>June 1, 2016</u> and ends on <u>May 16, 2016</u></p> <p><b>ARTICLE 4.</b> Considerations:</p> <p>4.1 In full consideration of the Contractor's performance under this contract, the State shall pay the Contractor a sum not to exceed <u>\$441,000.00</u> in accordance with the provisions of Appendix D.</p> <p>4.2 When billing, the Contractor shall refer to the Agency Contract Number and send the billing to the address listed in Appendix D.</p>			
11. Department of Health and Social Services		Attention: Contracts Support Team	
Mailing Address P.O. Box 110660, Juneau, Alaska 99811-0660		Attention: Contracts Section	
12. CONTRACTOR		14. CERTIFICATION	
Name of Firm Agnew::Beck Consulting, LLC		I certify that the facts herein and on supporting documents are correct, that this voucher constitutes a legal charge against funds and appropriations cited, that sufficient funds are encumbered to pay this obligation, or that there is a sufficient balance in the appropriation cited to cover this obligation. I am aware that to knowingly make or allow false entries or alterations on a public record, or knowingly destroy, mutilate, suppress, conceal, remove or otherwise impair the verity, legibility or availability of a public record constitutes tampering with public records punishable under AS 11.66.015-.020. Other disciplinary action may be taken up to and including dismissal.	
Signature of Authorized Representative 	Date 6/1/15		
Typed or Printed Name of Authorized Representative Thea Agnew Bamber			
Title Managing Principal			
13. CONTRACTING AGENCY		Signature of Head of Contracting Agency or Designee 	
Department/Division Health & Social Services / Commissioner's Office		Date 6/5/15	
Signature of Project Director 	Date 6/5/15	Typed or Printed Name Sana Efrid	
Typed or Printed Name of Project Director Chris Ashenbrenner		Title Assistant Commissioner	
Title Project Director			

(Rev. 04-14)

NOTICE: This contract has no effect until signed by the head of contracting agency or designee.

## STANDARD AGREEMENT FORM FOR PROFESSIONAL SERVICES

1. Agency Contract Number 0615-107	2. Solicitation Number 0615-107	3. Financial Coding	4. Agency Assigned Encumbrance Number
5. Vendor Number ABC03138	6. Project/Case Number Medicaid Redesign and Expansion Technical Assistance		7. Alaska Business License Number 291349
This contract is between the State of Alaska,			
8. Department of Health and Social Services		Division Commissioner's Office	hereafter the State, and
9. Contractor Agnew:Beck Consulting, LLC hereafter the Contractor			
Mailing Address 441 West 5 <sup>th</sup> Avenue, Suite 202	Street or P.O. Box	City Anchorage	State AK ZIP+4 99501
10.			
<p><b>ARTICLE 1. Appendices:</b> Appendices referred to in this contract and attached to it are considered part of it.</p> <p><b>ARTICLE 2. Performance of Service:</b></p> <p>2.1 Appendix A (General Provisions), Articles 1 through 16, governs the performance of services under this contract</p> <p>2.2 Appendix B (Indemnity and Insurance) sets forth the liability and insurance provisions of this contract</p> <p>2.3 Appendix C (Description of Services) sets forth the services to be performed by the Contractor</p> <p>2.4 Appendix D (Payment for Services) sets forth the provision for payment</p> <p><b>ARTICLE 3. Period of Performance:</b> The period of performance for this contract begins <u>June 1, 2015</u> and ends on <u>May 16, 2016</u></p> <p><b>ARTICLE 4. Considerations:</b></p> <p>4.1 In full consideration of the Contractor's performance under this contract, the State shall pay the Contractor a sum not to exceed <b>\$441,008.00</b> in accordance with the provisions of Appendix D.</p> <p>4.2 When billing, the Contractor shall refer to the Agency Contract Number and send the billing to the address listed in Appendix D.</p>			
11. Department of Health and Social Services		Attention: Contracts Support Team	
Mailing Address P.O. Box 110650, Juneau, Alaska 99811-0650		Attention: Contracts Section	
<b>12. CONTRACTOR</b>		<b>14. CERTIFICATION</b>	
Name of Firm Agnew:Beck Consulting, LLC		I certify that the facts herein and on supporting documents are correct, that this voucher constitutes a legal charge against funds and appropriations cited, that sufficient funds are encumbered to pay this obligation, or that there is a sufficient balance in the appropriation cited to cover this obligation. I am aware that to knowingly make or allow false entries or alterations on a public record, or knowingly destroy, mutilate, suppress, conceal, remove or otherwise impair the verity, legibility or availability of a public record constitutes tampering with public records punishable under AS 11.56.815-.820. Other disciplinary action may be taken up to and including dismissal.	
Signature of Authorized Representative	Date		
Typed or Printed Name of Authorized Representative Thea Agnew Bembem			
Title Managing Principal			
<b>13. CONTRACTING AGENCY</b>		Signature of Head of Contracting Agency or Designee	
Department/Division Health & Social Services / Commissioner's Office		Date	
Signature of Project Director	Date	Typed or Printed Name Sana Efird	
Typed or Printed Name of Project Director Chris Ashenbrenner		Title Assistant Commissioner	
Title Project Director			

(Rev. 04-14)

**NOTICE:** This contract has no effect until signed by the head of contracting agency or designee.

## APPENDIX A GENERAL PROVISIONS

### Article 1. Definitions

- 1.1 In this contract and appendices, "Project Director" or "Agency Head" or "Procurement Officer" means the person who signs this contract on behalf of the Requesting Agency and includes a successor or authorized representative.
- 1.2 "State Contracting Agency" means the department for which this contract is to be performed and for which the Commissioner or Authorized Designee acted in signing this contract.

### Article 2. Inspections and Reports

- 2.1 The department may inspect, upon prior written notice and in the manner and at reasonable times mutually agreed by the parties, all the contractor's facilities and activities under this contract.
- 2.2 The contractor shall make progress and other reports in the manner and at the times the department reasonably requires.

### Article 3. Disputes

- 3.1 In the event of any dispute concerning a question of fact or other dispute arising out of or relating to the engagement of Contractor by the State that is not disposed of by mutual agreement will be resolved under the Alaska "Revised Uniform Arbitration Act," AS 09.43.300 – 09.43.585, as modified hereunder.

The arbitration shall take place before a panel of three arbitrators. Within 30 days of the commencement of the arbitration, each party shall designate in writing a single neutral and independent arbitrator. The two arbitrators designated by the parties shall then select a third arbitrator. The arbitrators shall have a background in either insurance, actuarial science or law. The arbitrators shall have the authority to permit limited discovery, including depositions, prior to the arbitration hearing, and such discovery shall be conducted consistent with the Alaska Rules of Civil Procedure. The arbitrators shall have no power or authority to award punitive or exemplary damages. The arbitrators may, in their discretion, award the cost of the arbitration, including reasonable attorney fees, to the prevailing party. Any award made may be confirmed in any court having jurisdiction. Subject to applicable law, any arbitration shall be confidential, and except as required by law, neither party may disclose the content or results of any arbitration hereunder without the prior written consent of the other parties, except that disclosure is permitted to a party's auditors and legal advisors.

### Article 4. Equal Employment Opportunity

- 4.1 The contractor may not discriminate against any employee or applicant for employment because of race, religion, color, national origin, or because of age, disability, sex, marital status, changes in marital status, pregnancy or parenthood when the reasonable demands of the position(s) do not require distinction on the basis of age, disability, sex, marital status, changes in marital status, pregnancy, or parenthood. The contractor shall take affirmative action to insure that the applicants are considered for employment and that employees are treated during employment without unlawful regard to their race, color, religion, national origin, ancestry, disability, age, sex, marital status, changes in marital status, pregnancy or parenthood. This action must include, but need not be limited to, the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship. The contractor shall post in conspicuous places, available to employees and applicants for employment, notices setting out the provisions of this paragraph.
- 4.2 The contractor shall state, in all solicitations or advertisements for employees to work on State of Alaska contract jobs, that it is an equal opportunity employer and that all qualified applicants will receive consideration for employment without regard to race, religion, color, national origin, age, disability, sex, marital status, changes in marital status, pregnancy or parenthood.
- 4.3 The contractor shall send to each labor union or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding a notice advising the labor union or workers' compensation representative of the contractor's commitments under this article and post copies of the notice in conspicuous places available to all employees and applicants for employment.
- 4.4 The contractor shall include the provisions of this article in every contract, and shall require the inclusion of these provisions in every contract entered into by any of its subcontractors, so that those provisions will be binding upon each subcontractor. For the purpose of including those provisions in any contract or subcontract, as required by this contract, "contractor" and "subcontractor" may be changed to reflect appropriately the name or designation of the parties of the contract or subcontract.

- 4.5 The contractor shall cooperate fully with State efforts which seek to deal with the problem of unlawful discrimination, and with all other State efforts to guarantee fair employment practices under this contract, and promptly comply with all requests and directions from the State Commission for Human Rights or any of its officers or agents relating to prevention of discriminatory employment practices.
- 4.6 Full cooperation in paragraph 4.5 includes, but is not limited to, being a witness in any proceeding involving questions of unlawful discrimination if that is requested by any official or agency of the State of Alaska; permitting employees of the contractor to be witnesses or complainants in any proceeding involving questions of unlawful discrimination, if that is requested by any official or agency of the State of Alaska; participating in meetings; submitting periodic reports on the equal employment aspects of present and future employment; assisting inspection of the contractor's facilities; and promptly complying with all State directives considered essential by any office or agency of the State of Alaska to insure compliance with all federal and State laws, regulations, and policies pertaining to the prevention of discriminatory employment practices.
- 4.7 Failure to perform under this article constitutes a material breach of contract.

**Article 5. Termination**

The Project Director, by written notice, may terminate this contract, in whole or in part, when it is in the best interest of the State. In the absence of a breach of contract by the contractor, the State is liable only for payment in accordance with the payment provisions of this contract for services rendered before the effective date of termination.

**Article 6. No Assignment or Delegation**

The contractor may not assign or delegate this contract, or any part of it, or any right to any of the money to be paid under it, except with the written consent of the Project Director and the Agency Head.

**Article 7. No Additional Work or Material**

No claim for additional services, not specifically provided in this contract, performed or furnished by the contractor, will be allowed, nor may the contractor do any work or furnish any material not covered by the contract unless the work or material is ordered in writing by the Project Director and approved by the Agency Head.

**Article 8. Independent Contractor**

The contractor and any agents and employees of the contractor act in an independent capacity and are not officers or employees or agents of the State in the performance of this contract.

**Article 9. Payment of Taxes**

As a condition of performance of this contract, the contractor shall pay all federal, State, and local taxes incurred by the contractor and shall require their payment by any Subcontractor or any other persons in the performance of this contract. Satisfactory performance of this paragraph is a condition precedent to payment by the State under this contract.

**Article 10. Ownership of Documents**

Subject to the terms of this Article 10 all designs, drawings, specifications, notes, artwork, and other work developed and delivered to the State of Alaska in the performance of this agreement "Deliverables" are produced for hire and remain the sole property of the State of Alaska and may be used by the State as described in the RFP and as permitted herein without additional compensation to the Contractor. The contractor agrees not to assert any rights and not to establish any claim under the design patent or copyright laws. The contractor, for a period of three years after final payment under this contract, agrees to furnish and provide access to all retained materials at the request of the Project Director. Unless otherwise directed by the Project Director, the contractor may retain copies of all the materials. Contractor and its subcontractors shall retain all rights, title and interest (including, without limitation, all copyrights, patents, service marks, trademarks, trade secret and other intellectual property rights) in and to all technical or internal designs, methods, ideas, concepts, know-how, techniques, generic documents and templates ("Tools") that have been previously developed by them or developed during the course of the provision of the Services provided such Tools do not contain and / or are not based upon or derived from an State confidential information or proprietary data. Rights and ownership by Contractor, or its subcontractors, of its Tools shall not extend to or include all or any part of State's proprietary data or confidential information. To the extent that Contractor may include in the Deliverables any Tools, Contractor and its subcontractors agree that State shall be deemed to have a fully paid up perpetual license to make copies of the Tools as part of this engagement for its internal business purposes and provided that such Tools cannot be modified or distributed outside the State without the written permission of Contractor or except as otherwise permitted herein.

The Deliverables are prepared solely for the use and benefit of the State Contracting Agency in accordance with its statutory and regulatory requirements. Contractor recognizes that materials it delivers to State Contracting Agency may be public records subject to disclosure to third parties, however, Contractor does not intend to benefit and assumes no duty or liability to any third parties who receive Contractor's work and may include disclaimer language on it work product so stating. The State Contracting Agency agrees not to remove any such disclaimer language from Contractor's work. To the extent that Contractor's work is not subject to disclosure under applicable public records laws, State Contracting Agency agrees that it shall not disclose Contractor's work product to third parties without Contractor's prior written consent; provided, however, that State Contracting Agency may distribute Contractor's work to (l) its professional service

providers who are subject to a duty of confidentiality and who agree to not use Contractor's work product for any purpose other than to provide services to State Contracting Agency, or (ii) any applicable regulatory or governmental agency, as required. No third party recipient of Contractor's Deliverables should rely upon the Deliverables. Such recipients should engage qualified professionals for advice appropriate to their own specific needs.

**Article 11. Governing Law; Forum Selection**

This contract is governed by the laws of the State of Alaska.

**Article 12. Limitation of Liability**

Contractor will perform all services in accordance with applicable professional standards. The parties agree that Contractor, its officers, directors, agents and employees, shall not be liable to the State, under any theory of law including negligence, tort, breach of contract or otherwise, for any damages in excess of one million dollars (\$1,000,000.00). In no event shall Contractor be liable for lost profits of State or any other type of incidental or consequential damages. The foregoing limitations shall not apply in the event of (i) the intentional fraud or willful misconduct of Contractor, (ii) any personal injury, death or property damage claims to the extent arising from Contractor's performance of services, or (iii) any employer-related obligations of Milliman to its employees.

The parties recognize and agree that it is the intent of the parties, as sophisticated parties represented by counsel, that the Limitation of Liability section in this Agreement should be enforced in its entirety.

**Article 13. Conflicting Provisions**

Unless specifically amended and approved by the Department of Law, the terms of this contract supersede any provisions the contractor may seek to add. The contractor may not add additional or different terms to this contract; AS 45.02.207(b)(1). The contractor specifically acknowledges and agrees that, among other things, provisions in any documents it seeks to append hereto that purport to (1) waive the State of Alaska's sovereign immunity, (2) impose indemnification obligations on the State of Alaska, or (3) limit liability of the contractor for acts of contractor negligence, are expressly superseded by this contract and are void.

**Article 14. Officials Not to Benefit**

Contractor must comply with all applicable federal or State laws regulating ethical conduct of public officers and employees.

**Article 15. Covenant Against Contingent Fees**

The contractor warrants that no person or agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee except employees or agencies maintained by the contractor for the purpose of securing business. For the breach or violation of this warranty, the State may terminate this contract without liability or in its discretion deduct from the contract price or consideration the full amount of the commission, percentage, brokerage or contingent fee.

**Article 16. Compliance**

In the performance of this contract, the contractor must comply with all applicable federal, state, and borough regulations, codes, and laws, and be liable for all required insurance, licenses, permits and bonds.

**Article 17. Force Majeure**

The parties to this contract are not liable for the consequences of any failure to perform, or default in performing, any of their obligations under this Agreement, if that failure or default is caused by any unforeseeable Force Majeure, beyond the control of, and without the fault or negligence of, the respective party. For the purposes of this Agreement, Force Majeure will mean war (whether declared or not); revolution; invasion; insurrection; riot; civil commotion; sabotage; military or usurped power; lightning; explosion; fire; storm; drought; flood; earthquake; epidemic; quarantine; strikes; acts or restraints of governmental authorities affecting the project or directly or indirectly prohibiting or restricting the furnishing or use of materials or labor required; inability to secure materials, machinery, equipment or labor because of priority, allocation or other regulations of any governmental authorities.

## **APPENDIX B<sup>1</sup> INDEMNITY AND INSURANCE**

### **Article 1. Indemnification**

The Contractor shall indemnify, hold harmless, and defend the contracting agency from and against any claim of, or liability for error, omission or negligent act of the Contractor under this agreement. The Contractor shall not be required to indemnify the contracting agency for a claim of, or liability for, the independent negligence of the contracting agency. If there is a claim of, or liability for, the joint negligent error or omission of the Contractor and the independent negligence of the Contracting agency, the indemnification and hold harmless obligation shall be apportioned on a comparative fault basis. "Contractor" and "Contracting agency", as used within this and the following article, include the employees, agents and other contractors who are directly responsible, respectively, to each. The term "independent negligence" is negligence other than in the Contracting agency's selection, administration, monitoring, or controlling of the Contractor and in approving or accepting the Contractor's work.

### **Article 2. Insurance**

Without limiting contractor's indemnification, it is agreed that contractor shall purchase at its own expense and maintain in force at all times during the performance of services under this agreement the following policies of insurance. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. If the contractor's policy contains higher limits, the state shall be entitled to coverage to the extent of such higher limits. Certificates of Insurance must be furnished to the contracting officer prior to beginning work and must provide for a notice of cancellation, non-renewal, or material change of conditions in accordance with policy provisions. Failure to furnish satisfactory evidence of insurance or lapse of the policy is a material breach of this contract and shall be grounds for termination of the contractor's services. All insurance policies shall comply with and be issued by insurers licensed to transact the business of insurance under AS 21.

**2.1 Workers' Compensation Insurance:** The Contractor shall provide and maintain, for all employees engaged in work under this contract, coverage as required by AS 23.30.045, and; where applicable, any other statutory obligations including but not limited to Federal U.S.L. & H. and Jones Act requirements. The policy must waive subrogation against the State.

**2.2 Commercial General Liability Insurance:** covering all business premises and operations used by the Contractor in the performance of services under this agreement with minimum coverage limits of \$300,000. combined single limit per claim.

**2.3 Commercial Automobile Liability Insurance:** covering all vehicles used by the Contractor in the performance of services under this agreement with minimum coverage limits of \$300,000. combined single limit per claim.

## APPENDIX C DESCRIPTION OF SERVICES

*Should there be a conflict among documents. The following order of precedence shall govern the resolution of conflicts:*

*First, this contract document,  
Second, the RFP,  
Third, Agnew::Beck Consulting, LLC proposal.*

### SCOPE OF WORK

The contractor will recommend and provide technical assistance and support for a Medicaid expansion and reform strategy to facilitate development of a sustainable Medicaid program for Alaska that:

- Optimizes enrollee health outcomes and access to care;
- Drives increased value (quality, efficiency, and effectiveness) in the delivery of services; and,
- Provides cost containment in Alaska's Medicaid budget.

The strategy developed by the contractor will include potential options and recommendations for alternative Medicaid expansion models and for a series of Medicaid reform initiatives. It will include a recommended three-year action plan for implementing the recommended expansion model and reforms. It will also include recommendations for monitoring, evaluating and reporting the results of reforms.

Expansion and reform recommendations must be consistent with federal and state laws and incorporate the most efficient and effective use of existing programmatic and federal resources. Each recommended expansion model and reform initiative must include identification and discussion of the recommended federal financing authority and the associated flexibilities and limitations the state would have to operate within. The contractor will consider and describe the experience of other states with alternative expansion models and with Medicaid reform, particularly those of states with conditions similar to Alaska.

The contractor must also take into account the unique characteristics of Alaska's health care delivery system in shaping their recommendations. The Healthy Alaska Plan, findings and recommendations of the Alaska Health Care Commission, and the draft proposals from Alaska's ad hoc 2014 Medicaid Reform Advisory Group, will be considered in analyses and recommendation development. Potential challenges and unintended consequences the Alaska Medicaid program might encounter with implementing the expansion model and reform initiatives must be identified.

Each recommendation will be accompanied by an actuarial analysis of the projected costs and savings to the state and federal government. The recommended rate structure and payment mechanism changes, as well as operational needs associated with implementation, must be identified, including system requirements for meeting Centers for Medicare and Medicaid Services (CMS) monitoring and reporting conditions, state regulatory and/or statutory changes, projected timelines for planning and implementation, and state resource (funding and staffing) requirements.

Opportunities for collaboration with other state agency, federal and private health care purchasers in reform initiatives should be included where applicable. The role the medical and behavioral health provider community would play in implementing the recommended models and reforms should also be addressed.

The contractor will be expected to take current Alaska Medicaid reform initiatives and associated study and planning efforts into consideration in the development of their recommendations. The contractor will be advised by the department of other state consultant contracts that might impact or contribute to Medicaid reform. The department will also provide the contractor with periodic updates on the status of those other initiatives to the extent they pertain to the contractor's scope of work.

The contractor will be required to collaborate with department leadership at strategic decision-making points in the project to determine whether potential expansion models and reform initiatives are feasible. The contractor must also include a process for gathering and including input from key stakeholders. A number of in-person meetings with department leadership will be necessary, and the contractor is required to provide in-person facilitation of stakeholder input sessions. The number of required in-person presentations at legislative hearings in Juneau will not be more than four, though additional telephonic presentations may be requested. The 2016 legislative session is scheduled to begin January 19 and continue to April 17, 2016.

## **DELIVERABLES**

The contractor will be responsible for the provision of three deliverables:

- I. Report on Recommended Medicaid Expansion and Reform Strategies for Alaska
  - Complete and Final Draft Report due to the department: December 1, 2015
  - Final Report due to the department: January 15, 2016
  - Participation in legislative presentations on the recommendations: Jan 19 – April 17, 2016
- II. Report on Recommended Action and Evaluation Plans for Expansion and Reform
  - Complete and Final Draft Report due to the department: April 1, 2016
  - Final Report due to the department: May 16, 2016
- III. Periodic Consultation and Monthly Progress Reports

Required components of each deliverable are as follows:

### **I. Recommended Medicaid Expansion and Reform Strategies for Alaska**

The contractor's report on recommended Medicaid Expansion and Reform Strategies for Alaska must be developed in consultation with the department and include input from key stakeholders.

This report must include the following elements:

#### **A. Executive Summary** (3 page maximum)

#### **B. Background: Medicaid Reform Environmental Assessment** (10 page maximum)

- 1) Describe the factors shaping Medicaid programs generally across the nation, and factors specifically impacting Alaska's Medicaid program today.
- 2) Identify and briefly describe all federal Medicaid financing authorities, including those added under the Patient Protection & Affordable Care Act of 2010 (ACA), that may be useful in restructuring Medicaid health care delivery and payment and that can be exercised through State Plan Amendments or waivers.
- 3) Analyze and briefly describe other states' experience with Medicaid health care delivery and payment restructuring. Include a description of alternative models using private insurance options for serving the ACA Medicaid expansion population implemented under waivers by states choosing not to expand eligibility under the traditional Medicaid program design.
- 4) Describe the Medicaid reform initiatives currently underway in the department.

#### **C. Medicaid Expansion and Reform Recommendations**

- 1) Alternative Medicaid Expansion Models: Recommend alternative models for covering Alaska's Medicaid expansion population outside the traditional Medicaid program design. The models should provide an opportunity to reduce "churn" between coverage options as enrollees' eligibility levels fluctuate, provide appropriate access to medical and behavioral health providers, and meet cost-effectiveness requirements of the federal government. The proposed model should include a description of covered benefits, cost-sharing provisions, and an emphasis on healthy behaviors and personal engagement. The expansion models must address the service



needs of Mental Health Trust beneficiaries. See C.3 below for additional details regarding what must be addressed and included in the analysis and description of each reform initiative.

- 2) Medicaid Reform Initiative Options: Identify and describe a minimum of five (5) and a maximum of ten (10) Medicaid reform initiatives for Alaska, including potential demonstration projects, with the greatest potential for payment reform and service delivery, care model, and benefit plan reforms that meet the goals of optimized enrollee health and access, improved value in health care service delivery, and Medicaid cost containment. At least two of the proposed reform initiatives must focus on improving behavioral health services for Mental Health Trust beneficiaries. See C.3 below for additional details regarding what must be addressed and included in the analysis and description of each reform initiative.
- 3) For each alternative Medicaid expansion model (C.1 above), and for each of the reform initiative options (C.2 above), include:
  - i. A definition and description of the expansion model or reform initiative.
  - ii. A description of how the expansion model or reform initiative can be used for improving quality, efficiency and effectiveness in service delivery.
  - iii. A description of how and why the expansion model or reform initiative can be expected to improve enrollee health outcomes and access.
  - iv. An analysis performed by a certified health care actuarial of the projected costs and savings associated with the expansion model or reform initiative.
  - v. A description of the federal requirements for implementing the expansion model or reform initiative, including the recommended federal financing authority. Include a description of the associated flexibilities and limitations the state would have to operate within under the recommended financing authority. Also include the associated waiver and State Plan Amendment requirements.
  - vi. An explanation of state statutory and/or regulatory changes that would be required to implement the expansion model or reform initiative.
  - vii. A description of the recommended rate structures and payment mechanisms for implementing the expansion model or reform initiative.
  - viii. A description of Centers for Medicare and Medicaid Services (CMS) monitoring and reporting requirements, and the associated Alaska Medicaid system needs, that would be required for implementation and management of the expansion model or reform initiative.
  - ix. A brief discussion of the experience of other states with the expansion model or reform initiative including lessons learned, especially by states with conditions similar to Alaska.
  - x. A discussion of potential challenges and unintended consequences the Alaska Medicaid program might encounter with implementing the expansion model or reform initiative.
  - xi. The role the medical and behavioral health provider community would play in implementing the expansion model or reform initiative.
  - xii. The opportunity for collaboration with other state agency, federal and private health care purchasers in development and implementation of the expansion model or reform initiative.
  - xiii. Projected timeline and state resource requirements for planning and implementation of the expansion model or reform initiative.
- 4) Recommended Reform Initiatives: Identify the proposed reform initiatives most likely to meet the department's Medicaid reform goals. Explain the rationale for the recommendations. Describe

how the recommended reform initiatives align with: 1) the proposed alternative expansion model, and 2) current Medicaid reform initiatives already underway in the department. Explain how the recommended reform initiatives fit within the framework of Alaska's current Medicaid program, and how the new initiatives will contribute to transformation of the state's Medicaid program and the health care delivery system so that they are sustainable and deliver high value care.

## II. Recommended Action and Evaluation Plans for Medicaid Expansion and Reform

**A. Three-Year Action Plan:** In collaboration with department leadership and management, design a process including action steps, timeline and associated costs and resource requirements for implementing the alternative expansion model and the recommended reform initiatives. Include the specific tasks that will be required of the department associated with each major phase of the recommended expansion model and reform initiatives:

- a. Planning and development phase
- b. Implementation phase
- c. Post-implementation management and monitoring phase
- d. Evaluation phase

In addition to the action steps and tasks associated with implementation of the recommended reform initiatives, incorporate action steps and tasks, timeline and required resources for implementing recommendations for meeting medical management, health analytics, and actuarial needs. Also incorporate the department's timelines in place for the current reform initiatives already underway (to be provided by the department).

**B. Evaluation Plan:** Design a detailed strategy for monitoring and evaluating the results of the department's Medicaid expansion and reform initiatives. Include:

- 1) A detailed description of Centers for Medicare and Medicaid Services (CMS) monitoring and reporting requirements associated with recommended demonstration projects and waivers, including required data elements;
- 2) A recommended list(s) of performance indicators that will:
  - i. Comply with CMS project monitoring and reporting requirements
  - ii. Serve as a management tool for department leadership
  - iii. Serve as a communication tool with policymakers and the public
- 3) The data sources for each of the recommended performance indicators.
- 4) Draft "dashboard" report templates for sharing high-level metrics with policy makers and the public on the results of the reform initiatives, and for sharing more detailed metrics for use by departmental leaders for oversight and management of the reform initiatives.

## III. Periodic Consultation and Monthly Progress Reports

The contractor should propose a process, frequency and timing for consultation with the department and stakeholders at key points in the process in their proposal submitted in response to this RFP. The final plan and approach to consultation will be negotiated with the department and documented in the contract award.

The contractor should also propose a process in their proposal submitted in response to this RFP for providing the department with monthly progress reports throughout the term of the contract.

## **Clarification and Amendments to Agnew::Beck Consulting, LLC Proposal**

### **Potential Reform Initiatives**

Identification of and work on potential reform initiatives to be addressed under the scope of work for this contract shall:

1. Focus on reform opportunities that have the greatest potential to maximize attainment of the three Medicaid reform goals identified in the RFP: Optimize Enrollee Health and Access, Drive Increased Value, and Provide Cost Containment;
2. Not include reform initiatives already planned or underway in the Department of Health & Social Services, such as the 1915(i) and 1915(k) options, and the 1115 Tribal Partnerships waiver.

### **Actuarial Analyses**

Milliman, the subcontractor responsible for conducting the actuarial analyses under this contract, will utilize the current projections by the State's Medicaid economic consultant, Evergreen Economics, for baseline projections on enrollment, utilization and costs on which to develop the actuarial models of the impacts of the expansion and reform options. This change to the project tasks set forth in the Agnew::Beck Proposal will be made pending review by Milliman of Evergreen Economics' data and methodology, and may be renegotiated if Milliman determines the current projections are not within a reasonable range.

In lieu of time budgeted for developing baseline enrollment and financial projections, Milliman will: 1) review and determine the feasibility of using the current projections, 2) conduct an analysis of the proportion of commercial insurance premiums in Alaska attributable to uncompensated care, and 3) conduct an analysis of the potential impact of an increase in the number of covered lives on insurance premiums on Alaska's Federally Facilitated Marketplace if Alaska were to implement Medicaid expansion through a private option.

**APPENDIX D  
PAYMENT FOR SERVICES**

Payment for services provided under this contract shall not exceed **\$441,008.00** for the period of performance of this contract.

I. Report on Recommended Medicaid Expansion and Reform Strategies for Alaska	\$339,328
II. Report on Recommended Action and Evaluation Plans for Expansion and Reform	\$47,560
III. Periodic Consultation and Monthly Progress Reports	\$30,620
IV. Travel Budget Attend up to four (4) legislative hearings in Juneau for in-person presentations	\$23,500

**TOTAL COST** **\$441,008**

The Contractor will submit detailed monthly invoices for each month in which services were performed in accordance with Appendix C. The State will pay all invoices within thirty (30) days of invoice approval by the Project Director.

Each invoice must:

- reference the Contractor's name, address and phone number
- reference the contract number.
- include an invoice number
- reference the H&SS Division for which the services are being provided
- itemize the contractual services provided referenced by Deliverable Number
- include the Contractor's signed certification that the amount invoiced is for the services described in Appendix C of this contract during the period invoiced.

The Contractor shall submit invoices to the address specified below no later than 30 days after the end of each month in which services were performed. Failure to include the required information on the invoice may cause an unavoidable delay to the payment process. Payment of 20% of the price for deliverables # I and # II will be withheld pending receipt and approval of the final products for each of those two deliverables.

Department of Health and Social Services  
Finance and Management Services  
ATTN: Contracts Section – Lois Lemus  
3601 C. Street, Suite 578  
Anchorage, Alaska 99503

Notwithstanding any other provision of this contract, it is understood and agreed that the State shall withhold payment at any time the Contractor fails to perform work as required under Appendix C and/or D of this contract.