

Ohio | Department of Medicaid

John R. Kasich, Governor
John B. McCarthy, Director

January 5, 2015

Dear Vendor:

This letter is to announce the release of the Ohio Department of Medicaid's (ODM) Request for Information (RFI), ODM1415901, for the purpose of seeking information from vendors of Healthcare Fraud, Waste & Abuse Software for state-of-the-art innovations, practices, roles, and technologies. ODM wants to improve its analytics capability by using an integrated approach via an off-the-shelf product, a customizable off-the-shelf product, or a system that is completely custom built for ODM. The depth of knowledge and experience present in the collective stakeholder community provides an excellent opportunity to gather relevant and valuable information to help inform the development process connected with this project. This RFI is only the first significant effort to reach out to and draw on that expertise.

Respondents should note that no contract will be awarded pursuant to this RFI and that responding to, or not responding to, this RFI will neither increase nor decrease any respondent's chance of being awarded a contract from a subsequent solicitation by ODM.

Please be advised as well that the contents of your response will be considered public information and will be made available upon request by interested parties. If you are interested in submitting a bid for this important project, please obtain the RFI through ODM's Web Page at: www.medicaid.ohio.gov, and follow these instructions:

- * Under the Resources tab
- * Go Down to Legal and Contracts
- * Select RFPs in the drop-down menu
- * Click the Link to the actual RFI

If you experience problems opening the above referenced ODM URL, please contact the ODM Office of Contracts and Procurement at the following telephone number: (614) 728-8034.

Again, responses must be prepared and submitted in strict accordance with the requirements and time frames given in the RFI. Thank you for your attention to this request.

Sincerely,

(Signature on file)

Jessica Gaston Mathews
Deputy Director
Office of Contracts and Procurement

50 W. Town Street, Suite 400
Columbus, Ohio 43215

An Equal Opportunity Employer and Service Provider

Advanced Data Analytics System

Request for Information (RFI)

RFI # ODM14159011

Issued by:

The State of Ohio
Department of Medicaid
Bureau of Program Integrity/Surveillance & Utilization Review Section
(SURS)

Issued on:
January 5, 2015

Responses are requested by:
February 19, 2015

Implementation of an Advanced Analytics Tool for Medicaid Fraud, Waste & Abuse

Section I – General Information

The Ohio Department of Medicaid (ODM) releases this Request for Information (RFI) for the purpose of seeking information from vendors of Healthcare Fraud, Waste & Abuse Software for state-of-the-art innovations, practices, roles, and technologies. ODM wants to improve its analytics capability by using an integrated approach via an off-the-shelf product, a customizable off-the-shelf product, or a system that is completely custom built for ODM. The depth of knowledge and experience present in the collective stakeholder community provides an excellent opportunity to gather relevant and valuable information to help inform the development process connected with this project. This RFI is only the first significant effort to reach out to and draw on that expertise.

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Interested Parties may ask clarifying questions regarding this RFI. To ask a question, Interested Parties must use the following Internet process:

- * Access the Ohio Department of Medicaid Web Page at: www.medicaid.ohio.gov
- * Under the Resources tab
- * Go Down to Legal and Contracts
- * Select RFPs in the pop-up menu
- * Click the Link to the actual RFI
- * Select "Submit Inquiry" near the bottom of the web page
- * Follow instructions for submitting questions; or, to view posted questions and answers, select "View Q and A" near the bottom of the Web Page.

Questions about this RFI must reference the relevant part of this RFI, the heading for the provision under question, and the page number of the RFI where the provision can be found. The Interested Party must also include the name of a representative of the Interested Party, the company name and business phone number. ODM may, at its option, disregard any questions which do not appropriately reference an RFI provision or location, or which do not include identification for the originator of the question. ODM will not respond to any questions submitted after 10:00 a.m. on the date the Q&A period closes.

The answers provided by ODM may be accessed by following the instructions above, once the Q&A period closes and ODM posts the Q&A Document.

ODM responses to all questions asked via the Internet will be posted on the Internet website dedicated to this RFI, for reference by all Interested Parties. Interested Parties' questions shall only be answered inside this forum. Clarifying questions asked and ODM responses to them comprise the "ODM Q&A Document" for this RFI. ODM reserves the right to determine when to post (i.e., as received or after the closing of the Q&A period) official answers to vendor questions.

Vendor proposals in response to this RFI are to take into account any information communicated by ODM in the Final Q&A Document for the RFI. It is the responsibility of all Interested Parties to check this site for responses to questions, as well as for any amendments or other pertinent information regarding this RFI.

Anticipated Timetable

DATE	EVENT/ACTIVITY
1/5/2015	ODM releases the RFI to the Vendor Community on the internet: Q&A period opens -RFI becomes active -Interested Parties may submit inquiries.
2/5/2015	Q&A period closes: 10 a.m. (for inquiries for RFI clarification) -No further inquiries will be accepted -ODM will provide answers to the inquiries as they come in that will make up the Final Q&A Document
2/19/2015	Deadline for Interested Parties to submit responses to ODM (3 p.m.)
TBD	Interested Party interviews (at ODM discretion)

Section II – Background

The Ohio Department of Medicaid (ODM) is the single state agency charged with administering Ohio's Medicaid Program and has the responsibility for minimizing fraud, waste and abuse in the Medicaid program. As a new state agency, the Ohio Department of Medicaid is working to establish more efficient work processes through workflow evaluation and, in some cases, through technological solutions. One such process is enhancing the analytical tools to detect fraud, waste and abuse within the Medicaid Program.

The Surveillance and Utilization Review Section (SURS) within the Bureau of Program Integrity, is charged with protecting the taxpayers of Ohio from misuse of the Medicaid program. Various methods of audit and review are utilized in cases of suspected waste and abuse. When SURS receives a complaint regarding potential fraud or identifies any questionable practices, it conducts a preliminary review to determine the appropriate course of action. If the results of the review give SURS reason to believe that an incident of fraud has occurred, SURS refers the case to the Medicaid Fraud Control Unit (MFCU). SURS also accepts referrals from the MFCU to initiate any available administrative or judicial action to recover improper payments made to providers.

For more information about the Ohio Department of Medicaid and its programs, go to <http://medicaid.ohio.gov/>

The Ohio Department of Medicaid is issuing this request for information (RFI) to seek information on state-of-the-art analytical tools and methods for pre-payment & post-payment review of Medicaid claims that can assist in detecting patterns or activity that may potentially result in fraud, waste or abuse to the Ohio Medicaid program. These activities would complement, not replace, existing program integrity tools. Currently the Ohio Department of Medicaid utilizes the Medicaid Information Technology System (MITS), Business Intelligence Analytic Report (BIAR) and Quality Decision Support System (QDSS). SURS historically has used a range of methods including routine and ad hoc queries and statistical analyses using Statistical Package for the Social Sciences (SPSS), Statistical Analysis Software (SAS), Microsoft Office (Excel and Access) to identify billing errors, claim abuse and potential fraud. The growth of data available from public and private sources along with complex fraud trends

has made it impossible to make use of the data without implementing advanced technologies in the form of advanced data analytics.

With the assistance of vendors experienced in applying analytics to various data, it is anticipated that the state will be better able to identify patterns of fraud, waste and abuse in a range of programs and conduct investigations intended to recover and/or prevent tax dollars from any wasteful, abusive or fraudulent services.

Section III - Content of Response

This RFI seeks input from vendors on their capabilities, tools and services related to advanced analytic technologies that can provide a comprehensive and accurate view across all providers (both fee-for-service and managed care), members, programs and geographic locations within the Medicaid program. Here are some of our requirements which can include but are not limited to statistical models, social networking, predictive analytics, link analysis, geospatial mapping and data visualization:

- Identifying associations among providers, practitioners, and recipients that indicate potential collusive fraudulent activity
- Analyzing/identifying service utilization/billing patterns that represent an abuse and/or high risk of fraudulent activity
- Identifying recipient attributes that indicate improper eligibility, including but not limited to death, out of state residency, inappropriate asset ownership or incarceration
- Accessing data from multiple sources to help identify situations exhibiting fraud, waste or abuse indicators and inappropriate patterns
- Accessing an unlimited volume of data with quick data returns
- Accessing data across multiple data sets with differing data architecture
- Using unstructured data
- Uncovering previously undetected threats as well as searching patterns to identify ongoing threats
- Identifying complex patterns or relationships

- Identifying information pertaining to the location where a provider, retailer, or recipient submitted an online application
- Prioritizing any identified transactions for additional review before payment is made based upon the likelihood of potential waste, fraud or abuse
- Obtaining outcome information from adjudicated claims to allow for refinement and enhancement of predictive analytics technologies based on historical data and algorithms within the system
- Preventing the payment of claims for reimbursement that have been identified as potentially wasteful, fraudulent or abusive until the claims have been verified as valid
- Describing how your tools, methodologies and technology will be easily integrated into a Medicaid Management Information System (MMIS)
- Describing what effort, time and cost would be necessary by the Department to integrate your solutions

Vendors submitting a response to this RFI should address how their system/solution will meet the requirements identified above. Responses should be organized into the following sections and at a minimum include responses to the items in three sections mentioned below.

1. Management Summary

- Provide a brief introduction and overview of your organization. Include items such as company structure/parent Company; time doing this type of business, size, number and location of branches, ownership structure and number of employees
- Provide empirical details related to the performance of your tools or methodologies. Please include information on the following:
 - The number and type of entities utilizing the tools or methodologies. Specify whether the entities utilizing the tools or methodologies are health care entities or Medicaid programs
 - For any health care entities or Medicaid programs utilizing the tools or methodologies, describe in detail the function for which the tools or methodologies are being utilized (e.g., provider claim review, profiling of providers or identification

of possible recipient fraud), and specify whether the tools or technology are utilized pre- or post-payment

- For any provider claims review functions, specify the total number of claims/encounters and total payments identified as potentially wasteful, fraudulent or abusive, and of that number, specify the number of claims/encounters and total payments finally determined to be wasteful, fraudulent or abusive by either you, the company or Medicaid agency
- Specify whether the tools or methodologies automatically prevent the payment of provider claims for reimbursement that have been identified as potentially wasteful, fraudulent or abusive or automatically verifies provider claims as valid and describe in detail how this is accomplished
- For applications that have been implemented, please provide independent references
- Identify contact name(s) and information for any questions the State may have concerning your response or organization
- Outline markets served, strategic partnerships or alliances with other companies
- Identify major customers that use your product. Include information about your experience with Medicaid and other public sector health programs and commercial health insurance programs
- Delineate any experiences working with Medicaid fiscal agents, state Medicaid programs or other governmental agencies/programs
- Discuss the success of similar implementations including whether they were on-time and within budget
- Provide cost/price itemization that will allow the Department the ability to understand the detailed costs of purchasing, implementing, operating, maintaining and updating your products, systems and services. Include all costs associated with all functionalities described in previous responses. Within each category, please separately specify the cost/price for pre-payment implementation and post-payment implementation. If you have implemented your application with a health care provider or Medicaid agency, please provide the actual cost to the entity of that implementation

2. Technical Information

2.1. Analytic Tools/Methods to identify fraud, waste and abuse

- Please describe:
 - The analytic tools and methods used by your system
 - The methods/capability to analyze data patterns
 - Some of the types of issues identified with your system/solution
 - The ability to identify specific conclusions from data
 - How multiple data sources are integrated
 - The public or private data sources that would be used
 - What, how and where unstructured data is used
 - The ability to uncover previously undetected threats as well as search patterns to identify ongoing threats
 - The ability to view complex patterns or relationships
 - The ability to identify information pertaining to the location where a provider, retailer, or recipient submitted an online application
 - Any off-the-shelf models that come with the system/solution
 - The ability to identify the effectiveness of a specific model
 - The system capability and the use of real-time analytics

2.2. System Architecture and Integration

- Provide technical specifications for the system used. Include all hardware platforms, operating systems, storage and data architectures currently supported
- List any other software that is required to use your system (web browsers, browser plug-ins, system extensions, databases, etc.)
- Describe the system capability to support various mobile devices/platforms
- Provide information about configuration, scalability, and data capacity
- Describe how the system can use existing data sources in-place, rather than via an Extract, Transform and Load (ETL) architecture

- Describe which of the components of the system would be owned by ODM at the conclusion of the contract. For example database schemas, fraud detection programs/code/algorithms, reports, etc.
- Describe any proprietary or “black box” features that are a part of the system such as fraud detection algorithms
- Provide options for system hosting including onsite and public cloud, with alternatives for various levels of redundancy
- Discuss the system ability to handle large volumes of data from various sources and in multiple formats, including system performance
- Describe how/if the system needs to be integrated with existing State systems or external entity systems
- Discuss client installation requirements and timelines
- Describe the process and timeline for system customization, enhancements or fixes
- Describe what policies/procedures are in place to ensure the physical and logical security of the data
- Describe how system operations meet all privacy and security requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA)
- Describe the system alignment with Medicaid Information Technology Architecture (MITA) Seven Standards and Conditions
 - The MITA Condition is part of the new CMS standards and conditions which insures states align to and advance increasing in MITA maturity for business, architecture and data. The respondents will describe the maturity level of the solution with reference to MITA 3.0. More details on this can be found at: <http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Data-and-Systems/MITA/Medicaid-Information-Technology-Architecture-MITA-30.html>

2.3. User interface and reporting

- Describe what outputs are generated for State review including reports/dashboards that are supplied on a routine or ad hoc basis
- Discuss how the results/analysis of your tools/system will appear to State users

- Discuss your plan for initial and ongoing system use/support including roles of vendor and State users
- Identify training needs for State staff. Include the type/extent of initial and ongoing user support/training anticipated
- Discuss how the tools/system could be used for multiple State programs including the ability to provide results/reports specific to various State programs
- Describe how much control the user will have for designing their own ad-hoc reports or modifying any existing canned reports
- Describe the mechanism/process to create/modify models in the system

3. System Cost and Pricing Information

- Describe your pricing/funding strategy while contracting
- Describe the licensing structure, enterprise, seats, concurrent user, named user etc.
- Identify State resources needed to effectively utilize the outcomes of your solution
- Describe the return on investment (ROI) experienced by others using your solution and the criteria used to determine the ROI
- List the reports/data provided to substantiate ROI and how the solution will deliver cost savings to the State
- Identify the criteria you think the State should consider in determining the effectiveness of your solution

4. Additional Information

Additional information regarding your system/solution is welcome as long as it relates to outlined requirements.

Attachments such as sample reports, graphs, screen prints, sample product results etc. may be included in the response if they clarify or elaborate on the responses. Do not attach marketing or other material for your organization that does not directly relate to the responses solicited.

Please mark/identify all attachments with the RFI number and your organization name if it is not clearly apparent in the attachment document.

5. Incurring Costs and Understanding

This RFI is issued solely for information and planning purposes and does not constitute a solicitation. Information about costs and pricing is submitted voluntarily and is non-binding on the respondent

The State of Ohio is not liable for any costs incurred by a vendor for the development and provision of a response to this RFI. All RFI responses become the property of the State of Ohio and will not be returned.

We hope that the issuance of this RFI will generate constructive and substantial comment from all of the stakeholders with an interest in the development, design and ultimate implementation of this specific project. We intend to use the comments and suggestions received to inform and guide the next steps in this process, as well as to facilitate and inform further conversations with stakeholders.

Section IV - Trade Secrets Prohibition; Public Information Disclaimer

Vendors are prohibited from including any trade secret information, as defined in ORC section 1333.61, in their proposals in responses to any procurement efforts. ODM shall consider all proposals or similar responses voluntarily submitted to any ODM procurement document to be free of trade secrets, and such proposals if opened by ODM will, in their entirety, be made a part of the public record, and shall become the property of ODM.

Any proposal(s) received in response to any procurement effort and opened, reviewed by ODM are deemed to be public records pursuant to ORC section 149.43. For purposes of this section, the term "proposal" shall mean both the technical proposal or application or other response documentation submitted by vendors/applicants as well as any attachments, addenda, appendices, or sample products.

Section V - Submission

ODM requests submissions in both paper and electronic format. The information should be prepared and submitted in accordance with instructions found in this section. The submission must include: **Two (2)** paper copies (one signed original and one copy) and one CD-ROM copy of the submission; please ensure that all copies and all formats of the proposal are identical.

The vendor's total submission must be received by the Office of Contracts and Procurement (OCP) no later than **3:00 p.m.** on **02/16/2015**. Faxes or e-mailed submissions will not be accepted. Vendors are encouraged to hand-deliver to the address below, or use a private delivery company (e.g., FedEx, UPS) to deliver their submissions, as these types of companies deliver directly to ODM's security desk in the building lobby where it will be received and date and time stamped.

Address for hand delivery or delivery by a private delivery company:

**Office of Contracts and Procurement
Ohio Department of Medicaid
R-1415-9012
50 West Town Street
Columbus, Ohio 43215
ATTN: RFP/RLB Unit**

Address for postal deliveries:

**Ohio Department of Medicaid
Office of Contracts and Procurement
R-1415-9012
PO Box 182709
Columbus, Ohio 43218-2709
ATTN: RFP/RLB Unit**

Please convert the entire submission into one single secure .pdf document saved to the CD-ROM submitted to ODM. If the submission's size necessitates more than a single .pdf document to contain the entire proposal, please use the fewest separate .pdf documents possible.

CD-ROMs should be labeled with the organization's name, the RFI number, and the submission date or due date. The requested CD-ROMs will be used by ODM for archiving purposes and for fulfillment of Public Records Requests.

All submissions must be received by OCP by the specified deadline. Materials received after the date and time as stated above will not be added to any previously received submissions.

OCP will accept submissions at any time during normal ODM business hours prior to the posted submission deadline (date and time). ODM is not responsible for submissions incorrectly addressed or for delivery to any ODM location other than the addresses specified above. No confirmation of mailed submissions can be provided.

Thank you for your interest in this project.