



New Mexico Medical Insurance Pool

**Request for Proposal: #2024002
For
Provider Network**

Background Information

Proposal Due: September 13, 2024



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New Mexico Medical Insurance Pool

Request for Proposal Provider Network

INTRODUCTION

The New Mexico Medical Insurance Pool ("Pool") is soliciting proposals for qualified offerors to provide provider network services. All potential offerors are encouraged to read this Request for Proposals (RFP) carefully, especially the scope of work and mandatory requirements.

Background

The Pool is a non-profit entity created by the New Mexico Legislature in 1987, Sections 59A-54-1 to 59A-54-21, NMSA 1978 (the "Act") for the purpose of offering health care coverage to New Mexico residents who are denied adequate health insurance or are considered uninsurable and to act as New Mexico's mechanism to obtain health insurance coverage for those eligible under the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA). The Pool is not a state agency or instrumentality of the State. The Pool's Act is attached as **Appendix A**.

Pursuant to the Act, all insurers authorized to issue or provide health insurance in New Mexico are members of the Pool. Members are assessed in a manner provided by the Act and in the Pool's Plan of Operation.

The Pool's individual major medical policies are Exclusive Provider Organization (EPO) plans that include several deductible choices, co-insurance requirements and maximum aggregate out-of-pocket limits. Additionally, the Pool administers a Medicare Carve-Out Plan for individuals under age 65 who are enrolled in Medicare. Prescription drugs under the Medicare Carve-Out Plan are administered as a State Pharmaceutical Assistance Program (SPAP). The Pool also offers a low-income premium program for persons with household incomes below 400% of the Federal Poverty Level (FPL). The Pool benefits booklets are attached as **Appendix B1 and Appendix B2**.

The Pool is managed by a Board of Directors ("Board"). The Board selects an administrator for the Pool through competitive bidding, supplemented by a negotiation process, if necessary. The administrator supports the Board, executive director, actuarial, and legal contractors as necessary. By law, the Pool must conduct a competitive RFP process at least every three years. See Section 59A-54-11(B), NMSA 1978. The Pool must be administered in conformance with applicable New Mexico and federal laws and regulations.

The Pool is managed through a contract with Delta Consulting, which provides an Executive Director and other staff to support the operations of the Pool. The Executive Director and her staff are responsible for program planning, managing the Pool's contracts, and coordinating with the Board and contractors to address day-to-day and strategic issues.

The Pool is funded from three major sources. The premium paid by the members provides approximately 10% of the total funding. Insurance carrier assessments produce the remaining 90%. The

state contributes by giving insurance carriers a partial premium tax credit for their assessments. All licensed carriers in the state are assessed if they have direct written premium or administer Medicaid. Approximately 300 companies are assessed.

Subsequent to the 2014 implementation of expanded Medicaid and guaranteed issue of individual coverage in the marketplace, the Pool remained open for enrollees who were in the Pool prior to 2014, for Medicare-eligible applicants under age 65, and for those who are rejected by the marketplace (primarily undocumented immigrants or those seeking coverage outside of open enrollment). The Pool's enrollment is approximately 3,500 as of July 2024.

The Pool has enrollees throughout the State of New Mexico, and therefore requires a statewide network. Also, because of the serious health conditions of some of the enrollees, it is important to have access to an out-of-state network that includes prominent facilities for transplants, cancer treatment, and other complex conditions, as well as access to providers in neighboring states for enrollees living in border areas.

Current Provider Network Structure

The NMMIP provider network services were previously provided by Value Health Benefit Administrators (VHBA) through subcontracts with PHCS and Zelis. Due to unforeseen circumstances VHBA is no longer providing its services, however, network contracts with PHCS and Zelis are continuing until the end of 2024. The current network contractors are allowed to bid on the new contract effective January 1, 2025, along with other interested parties.

Purpose of This RFP

The purpose of this RFP is to solicit proposals from offerors capable of providing the following provider network services for the contract term beginning January 1, 2025:

- The Pool's goal in the short-term is to contract with provider networks that offer network access and discounts that will minimize disruption initially and during a transitional period, if necessary due to the potentially rapid implementation of expansion programs for new populations.
- Because the Pool is financed primarily through a combination of carrier assessments and state premium tax credits, the Pool seeks to control health care costs for its enrollees. The Pool will in the future consider additional strategies which may include the following: narrow networks with deeper discounts, alternate plan designs such as HMOs, inclusion of Federally Qualified Health Centers (FQHCs), and direct contracting.
- Because of the serious health conditions of some of the enrollees, the Pool seeks to continue to carve out certain high cost treatments such as dialysis and if possible secure a flat fee schedule rather than discounts off of billed charges.
- In addition to an adequate New Mexico network, the Pool requires access to an out-of-state network that includes prominent facilities for transplants, cancer treatment, and other complex conditions, as well as access to providers in neighboring states for enrollees living in border communities.

The Pool serves as a significant component of the State's health care safety net for New Mexicans. The Pool's board of directors is committed to the strategic priority of improving the health and lives of its

enrollees in an efficient manner. The Pool has a responsibility to provide high-quality health programs and to be transparent about and held accountable for its performance. As such, the Pool seeks to partner with organizations whose own strategic initiatives and technological advances promote efficiencies that will align with the Pool's growing role in the health care of New Mexicans.

It is possible that the Pool may soon take on additional responsibilities as the state works on ways to meet the needs of those New Mexico residents not eligible for health insurance coverage through the commercial market. The successful bidder(s) must agree to be flexible in response to Board decisions about new directions for the Pool.

The contract term will be January 1, 2025 through December 31, 2027, with the potential for a one-time one-year extension. At the end of the contract term or earlier if the contract should be terminated, there will also be a claims run-out period of twelve months. The contract award is expected to be made no later than September 30, 2024. The selected offeror(s) will engage in implementation activities from the time of the contract award until it is effective on January 1, 2025.

GENERAL INFORMATION AND INSTRUCTIONS

Questions

All information regarding this RFP can be found using the link on the Pool's website www.nmmip.org. Anyone requesting this RFP must provide an email address where notices can be sent.

Requests for additional information or questions about this RFP process must be submitted through the website. Questions will be answered on the website within a few days of their receipt so potential bidders can see all questions and answers. All questions submitted on or before 4:00 PM MT, September 6, 2024 will be answered through the website. Questions received after that date will not be answered. Telephone or email questions will not be accepted.

Intent to Bid

If you intend to submit a proposal in response to this RFP, please submit your intent to bid via email to Elizabeth Quirante at equirante@nmmip.org and Elizabeth Leif at eileif@leif.net no later than 4:00 PM MT, September 6, 2024. The purpose of the intent to bid notice is so that we can notify potential bidders of any substantive changes to the RFP. The intent to bid will not be binding.

Proposal Submission

Submit one paper copy and one flash drive containing electronic versions of the Technical Questionnaire, Cost Questionnaire, and all Attachments to the following address:

Elizabeth Quirante, Procurement Officer
New Mexico Medical Insurance Pool
500 Marquette Ave NW, Suite 280
Albuquerque, NM 87102

An individual authorized to bind the entity submitting the proposal must sign the proposal. Please use the Signature Page attached (**Appendix C**). A Confidentiality Statement (**Appendix D**) must also be signed.

Bid documents are to be received no later than 4:00 PM MT, September 13, 2024. Any proposals or clarifications of proposals (except as may be requested by the Board) received after this time and date will not be considered.

Offerors are required to respond to all questions and requests for information in the applicable sections contained in this RFP. Failure to respond to any requirement of this RFP may be the basis for rejection of the non-responding offeror's proposal.

Schedule of Events

The schedule of events for this process is shown in the table below. All times are Mountain Time Zone.

Event	Date
RFP Issued	August 23, 2024
Clarification Questions Submitted	August 24, 2024 through September 6, 2024
Intent to Bid (by email)	4:00 PM (Mountain) September 6, 2024
All Questions Answered	No Later Than September 6, 2024
Deadline for Proposals	4:00 PM (Mountain) September 13, 2024
Bid Opening	9:00 AM (Mountain) September 16, 2024
Finalist Interviews (if necessary)	Week of September 23, 2024
Notice of Intent to Award Contract	September 30, 2024
Deadline for Protest Filing	October 15, 2024
Contract Effective Date	January 1, 2025

The Pool reserves the right in its own discretion to change the above schedule without notice.

Rights

Neither the State of New Mexico, the New Mexico Medical Insurance Pool, nor the Board of Directors is liable for any cost incurred by any offeror in responding to this RFP.

The Pool reserves the right to accept or reject any and all proposals. The Pool reserves the right to waive any or all informalities in technical or price proposals. The Pool may waive or modify provisions of the RFP at any stage of the negotiation process if the waivers or modifications do not substantially change the requirements of the RFP or an offer and do not provide a competitive advantage to any one offeror.

The Pool reserves the right to reject any or all bids, or parts thereof. The Pool also reserves the right to call for a best and final offer.

The Pool reserves the right to accept or reject any exception taken by an offeror to the terms and conditions of this RFP. The Pool may choose to negotiate a resolution of any exception.

All proposals, including the bid price for services, will be binding for a 120-day period following the deadline for receipt of the proposals unless the Pool chooses to call for the offeror's best and final offer. Offerors must confirm that bids will remain valid for 120 days after the deadline for submission. A call for best and final offers will only be requested of those offerors who are deemed to be acceptable or potentially acceptable by the Pool.

Prior to the time and date designated for receipt of original proposals, proposals submitted early may be modified or withdrawn only by notice to the Pool. Such notice shall be by email and in writing over the signature of the offeror or by signed fax. Such notice shall be worded so as not to reveal the amount of the original proposal.

Entities responding to this RFP should conspicuously designate trade secret information by including it in a separate electronic file, and should clearly mark all such pages "CONFIDENTIAL". The Pool will respect the trade secret status of that information and not disclose it either to the public or to other offerors. The Pool is subject to the State of New Mexico Procurement Code. Cost proposals shall not be designated as confidential and will be subject to public disclosure pursuant to the Procurement Code.

The Pool reserves the right to enter into negotiations with any, all or none of the offerors and award the transaction to any offeror in negotiations without prior notification to any other offerors.

The successful offeror is expected to provide draft revisions to the attached Sample Contract (see Appendix K) no later than November 1, 2024, and fully execute the contract no later than November 15, 2024.

Minimum Insurance Requirements

Offerors must agree to procure, maintain and keep in force for the duration of the contract insurance conforming to the minimum limits indicated below:

- Commercial General Liability Coverage - \$500,000 for each occurrence limit and \$1,000,000 aggregate limit.
- Fidelity Bond - \$500,000 for each occurrence and \$1,000,000 aggregate limit. The bond must insure against criminal conduct and fraud by the offeror and any of its employees.
- Professional Liability Errors & Omissions Insurance Coverage - \$5,000,000 aggregate limit. The Professional Liability policy deductible shall not be more than \$250,000 per occurrence. The policy shall cover actual damages and reasonable expenses incidental to such liabilities.

Offerors must agree to the following requirements with respect to the above insurance provisions:

- Successful offeror represents and warrants that the New Mexico Medical Insurance Pool shall be added as an additional insured on the offeror's Commercial General Liability, Fidelity Bond and Professional Liability policies and will provide amended proof of insurance within two weeks of the contract award date.
- Successful offeror represents and warrants that all policies and bonds will contain endorsements providing that the New Mexico Medical Insurance Pool shall be notified in writing of any policy or

bond cancellation or material change in the policy or bond no later than the second day after the material changes takes effect.

- All required coverages shall be with insurance companies or carriers licensed to do business in the State of New Mexico.

EVALUATION CRITERIA

The award will be made based on the best interests of the Pool, Pool enrollees, and the residents of the State of New Mexico. The Board of Directors will select and contract with an entity to administer the Pool chosen through a competitive bidding process based on responses to this RFP.

Evaluation will be based on the following criteria and weights:

Criteria	Questions	Weight
General information, organizational information and experience	Q1 through Q24, Attachments A through F and N	10%
Provider network size and fit	Q25 through Q33, Attachments G, H, I	30%
Provider network features	Q34 through Q50, Attachments J and K	25%
Provider network cost	Cost Q52 and Attachment L	30%
Provider network fees	Cost Q51	5%
Grand Total		100%

Bidders that qualify for preferences pursuant to NMSA 1978 § 13-1-22 will receive additional points as required by NMSA 1978 § 13-1-21.

The Pool reserves the right to waive irregularities and technicalities in evaluating proposals.

Protests

The Procurement Officer for this solicitation is Elizabeth Quirante, quirante@nmmip.org. Protests to the procurement may be submitted to her at that email address. A protest will allow non-awarded offerors the opportunity to question the decision and ask for a formal review and determination by the Procurement Officer. The offeror must submit their protest in writing within fifteen calendar days of notice of intent to award the contract in the form of a letter to the Procurement Officer along with any documentation to support their claim. An Acknowledgment of Receipt letter will be sent to the offeror. An investigation will be conducted, and a determination will be made by the Procurement Officer within 30 days of receipt of the protest.

SCOPE OF WORK

Statewide access to a comprehensive provider network is critical to the Pool’s objective of providing accessible and affordable health care coverage. The contractor will be required to:

- Provide access to an adequate and accessible provider network covering the entire state of New Mexico which includes agreements with hospitals, physicians, and ancillary service providers

- Allow and assist the Pool to do direct contracting outside of the network if it is advantageous to the Pool to do so
- Provide, or arrange for, out-of-area network coverage
- Ensure that network quality monitoring is performed
- Perform network development in rural or other inadequately covered areas as determined by the Pool and provider geo access reports annually to the Board, or as requested by the Board or Executive Directors Office.
- Notify the Pool as soon as reasonably practicable prior to any significant network changes and identify affected enrollees
- Provide evidence of network adequacy subsequent to any significant network changes
- Provide the demographic data of contracted providers to NMMIP and/or their Third-Party Administrator (TPA) as requested as part of the necessary process for contract and program development.
- Provide network participation data files to NMMIP and/or their TPA for timely and accurate claims processing and provider payment, allowing for the identification of the participation of providers.
 - Frequency:
 - One time load of all providers, and
 - Ongoing Add/Term/Change files – as agreed upon by the parties
 - Required elements within file:
 - Provide provider demographic data (including tax ID, NPIs, Provider Location(s), status, provider type, etc.
- Provide a network that allows access to nationally recognized facilities, including, but not limited to, Mayo Clinic, M.D. Anderson, and Sloan-Kettering
- Comply with State of New Mexico regulations related to network adequacy, including NMSA 1978 § 59A-47-59
- Update provider directories at least every 90 days
- Maintain contracts with out-of-state providers in states bordering New Mexico so members living near a state border can see a contracted provider in a nearby state
- If medically necessary non-emergency services are not reasonably available from a participating provider, the member's PCP or other participating provider must request and obtain prior authorization for the member to receive those services from a nonparticipating provider
- Demonstrate network savings to the Pool in quarterly/annual reporting
- Renegotiate custom agreements as directed by the Pool to realize greatest possible savings
- Provide reports of all fees retained resulting from savings in network administration and cost containment, including savings occurring through custom arrangements, dialysis pricing, bill review, single case agreements, and so forth

- Provide reporting on transplant and single case agreement utilization
- Collaborate with other vendors to integrate network administration in data sharing, reporting, and response to inquiries
- Provide timely response to the NMMIP Executive Office regarding inquiries and ad-hoc reports and data extracts
- Provide consulting advice on future projects when requested.

PERFORMANCE STANDARDS

The Pool requires offerors to agree to performance standards where a portion of the administrative fees is at risk. A separate document (**Appendix E**) contains the minimum standards, which will be discussed further during contract negotiations. Payment of monetary penalties for a calendar year is to be made no later than April 30 of the following year. Interest will be charged on late penalty payments. The performance standards include monetary penalties for failure to meet contract execution deadlines and implementation performance.

ADDITIONAL INFORMATION

Information relevant to this RFP is available through the link at www.nmmip.org. The RFP documents include:

- Technical and Cost Questionnaire
- Appendix A – NMMIP Statute
- Appendices B1 and B2 – NMMIP Benefits Booklets
- Appendix C – Signature Page
- Appendix D – Confidentiality Statement
- Appendix E – Performance Standards
- Appendix F – Pool Census
- Appendix G – Pool Stat Pack
- Appendix H – Network Analysis Worksheet
- Appendix I – Network Repricing Worksheet
- Appendix J – Campaign Contribution Disclosure Form
- Appendix K – Sample Contract
- Appendix L – Draft Implementation Plan
- Appendix M – List of New Mexico Hospitals