



**State of Oklahoma  
Oklahoma Health Care Authority**

**Amendment of Solicitation**

**Date of Issuance:** August 16, 2011

**Solicitation No.** 8070000454

**Requisition No.** 8070000454

**Amendment No.** 2

Hour and date specified for receipt of offers is changed:  No  Yes, to: \_\_\_\_\_ CST

Pursuant to OAC 580:15-4-5(c)(5), this document shall serve as official notice of amendment to the Solicitation identified above. Such notice is being provided to all suppliers to which the original solicitation was sent. Suppliers submitting bids or quotations shall acknowledge receipt of this solicitation amendment prior to the hour and date specified in the solicitation as follows:

- (1) Sign and return a copy of this amendment with the solicitation response being submitted; or,
- (2) If the supplier has already submitted a response, this acknowledgement must be signed and returned prior to the solicitation deadline. All amendment acknowledgements submitted separately shall have the solicitation number and bid opening date printed clearly on the front of the envelope.

**ISSUED BY and RETURN TO:**

**U.S. Postal Delivery:**

Oklahoma Health Care Authority  
2401 NW 23<sup>rd</sup> Street, Suite 1A

Lloyd Richardson  
Contracting Officer

(405) - 522 - 7587  
Phone Number

Oklahoma City, OK 73107 -  
or

**Personal or Common Carrier Delivery:**

Oklahoma Health Care Authority  
2401 NW 23<sup>rd</sup> Street, Suite 1A

Lloyd.Richardson@okhca.org  
E-Mail Address

Oklahoma City, OK 73107 -

**Description of Amendment:**

a. This is to incorporate the following:

Clarification of OHCA's response to Questions 56, 57, and 58  
Amend sections A.1.4 and A.2.1.6  
Amend OHCA's response to Question 46

b. All other terms and conditions remain unchanged.

Supplier Company Name (**PRINT**) \_\_\_\_\_ Date \_\_\_\_\_

Authorized Representative Name (**PRINT**) \_\_\_\_\_ Title \_\_\_\_\_ Authorized Representative Signature \_\_\_\_\_

**AMENDMENT TWO**  
**SOLICITATION # 8070000454**  
**SOONERCARE CALL CENTER**

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- 1) All references to “Project Manager” are amended to read “Project Director”.
- 2) The response to question 46 is amended.

Q46 - In the Call Center Portfolio the Average Length of Call for the Patient Advice Line appears to be very low for the period between 9/1/2010 and 5/1/2011 at between 58 seconds and one minute eighteen seconds per call. Are these values correct?

*The current Contractor uses a “triage” system to answer PAL calls so that calls that are not appropriate for the PAL are not transferred to a nurse. The approximately one minute time per call reflects only that triage period. A true PAL call that is referred to a nurse has an average call time of 6 6.5 minutes. Thus, PAL calls average 1 minute of triage plus an additional average of 6.5 minutes of nurse time if the call is transferred to a nurse. Additional information about the PAL has been added to the Bidder’s Library.*

- 3) Question: Without more detail on the cause and volumes of current and expected transfers, the State’s penalty provisions will dramatically increase the costs bidders will propose. In the answers to questions 56, 57, and 58, the State makes it clear that the successful contractor must manage to any and all calls transferred and that those collective volumes will be subject to the substantial penalty provisions set forth in RFP Section E.26.5.4. While we understand OHCA’s statement that the total scope of work proposed here is different from current services, the nine months of data provided in the Bidders Library shows an average transfer rate per month of over 37% of calls. Most, notably seven of the nine months provided had a total transfer rate exceeding 35%--a rate that would trigger a 10 percent contractual penalty under the current RFP’s terms. Without any assurance or information on how the differences in scope would reduce transfers (and no discussion of what questions require or trigger a transfer), bidders have no way to determine if or to what degree they can control the transfer percentage. Consequently, bidders are likely to price to routinely absorbing a 10 percent (or higher) penalty throughout the contract term. That will make at least some, possibly all, of the bids you receive unnecessarily high. To avoid that cost inflation, we urge OHCA to completely remove the transfer penalty and bonus provisions from the RFP and stating that an acceptable transfer provision must be agreed during contract negotiations. If that is not acceptable, the State may be able to gain lower cost bids by providing substantial detail on volumes and types of calls currently transferred that are discretionary, i.e., not required to be transferred because of being out of scope or mandated by the Department. Specifically, the Department would need to explain why calls are transferred and confirm that their transfer is not required. If this information was provided bidders would also require a proposal extension of at least one week in order to evaluate the impact.

Answer: One of OHCA’s goals in this procurement is to increase the percentage of calls that are successfully handled by the Call Center to an average transfer rate of between 25 and 35% of calls. To achieve this goal, OHCA has added to this Contract more training support and requirements, more detail in the scope of work about inappropriate and appropriate transfers, as well as providing OHCA subject matter experts located at the Contractor’s site. MMIS improvements completed and in process will also

improve the Contractor's ability to handle calls without transfer. OHCA believes that this transfer rate is attainable with these changes.

The provisions that the Bidder refers to are not "penalty" provisions, but are designed to tie payments more closely to the volume of work done by the Contractor, i.e. pay for performance. If the Contractor can acceptably handle more than 75% of the calls, OHCA will pay the Contractor more, since this will clearly require more effort and resources from the Contractor and result in a savings to OHCA. However, if the Contractor can acceptably handle less than 65% of the calls, this will require fewer Contractor resources and thus will appropriately result in lower payment to the Contractor. A reduction in the PMPM because of higher transfer rates will not be considered or reported as a contract penalty if the transfers are generally appropriate.

Please note that in the event that transfer rates increase substantially for a short period because of an unusual circumstance, e.g. program changes, new member group, etc., OHCA may waive the performance payment reduction pursuant to Section E.26.5.4. Also note #5 in this Amendment which has been added to eliminate a possible source of transfers which might cause the Contractor's rate to increase.

4) Section A.1.4 is amended as follows:

*A.1.4. This RFP may result in multiple awards to multiple bidders in order to obtain the best possible services. A bidder who bids on all call center functions may submit an additional Attachment A with different pricing that applies if the bidder is awarded only one of the two scopes of the RFP, either the PAL or all other call center functions, but not both. Mark the second attachment as "Attachment A-2 for only PAL or only other functions". If the pricing does not change, then no second attachment is necessary.*

5) Section A.2.1.6 is amended as follows:

*A.2.1.6 Transfer appropriate calls to Tier 2 Call Centers, including OHCA departments or other OHCA contractors, after creating a Call Tracking record that minimizes the need for the caller to repeat information to the Tier 2 representative; see Bidders' Library for examples of acceptable and unacceptable transfer notes; the Contractor may inform callers who request a specific OHCA staff person that they are unable to transfer the caller to any specific person;*