

PROPOSER QUESTIONS AND ANSWERS

The following questions were presented by *HSLI, INC.*

- 1). Page 8 of the RFP, 3.4 Part 1, maximum number of lines per bill paid by the State shall be ten (10) lines, does this mean more anything over 10 is not repriced for payment, or there is a special way or handling this and does it have an impact on the fee for repricing?

Answer: ORM expects all invoice lines to be fee scheduled, however, the maximum cost ORM will pay for any one invoice is the cost of ten (10) lines.

- 2). Page 3 of the RFP, section 2.3, the estimated contract execution May 1, 2008, and on page 11, 5.2 the term of contract to begin 4/1/08, does term begin prior to the execution date?

Answer: No. ORM expects to award this contract on or about May 1, 2008. Services will begin once the contract is awarded.

- 3). Page 17 item 2, it speaks of certain procedure codes shall be evaluated by a registered nurse and/or physician advisor, what are those codes and what type of evaluation shall be conducted?

Answer: Since invoices are scanned and sent directly to the proposed vendor, ORM relies on vendor knowledge and expertise to determine when and what codes need additional reviews.

- 4). Page 17, ORM is requesting all bills for repricing are to be repriced within 3 days of receipt of the office of the company doing the repricing, if that can not be accomplished does that disqualify the bill repricing company?

Answer: ORM expects invoices to be repriced in three business days. It is not acceptable to propose to routinely require more than 3 days to deliver services. However, we realize that occasional problems may arise. In that case, we will evaluate the circumstances and frequency of such problems. The inability to meet the contract requirement may put the contract in jeopardy.

Second part to that question, what type of notification must be sent to ORM, must a reason be stated and how long of a period of time will the extension be granted?

Answer: ORM would expect to be notified by telephone (or in person) and electronic mail. We would need a reason for the delay in order to evaluate it legitimacy and set a reasonable deadline for resuming a normal processing schedule.

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- 5). Page 17 item # 8, not clear what type of communication materials you want and to whom is the material sent?

Answer: The workers' compensation claims manager should be notified of all procedural and staff changes that may affect execution of this contract.

- 6). Page 16 item a. under Services and Requirements, is scanning being done for the ORM file and to the company providing the service?

Answer: Yes. When ORM receives mail, applicable invoices are placed in a bin and picked up by the on-site contractor. Scanned invoices are then boxed and archived. ORM invoices never leave our office.

- 7). Item e same section, customizable, are there certain criteria or fields you want? We utilize the STARS system that may cause programing to match your system.

Answer: This is in reference to an online data bank whereby ORM adjusters can review and approve invoices that have been fee scheduled and not necessarily to STARS at this point.

This on-line system would have to be STARS compatible.

The vendor must have the capability to provide EDI transfers to STARS to generate the check after the vendor has completed the review and adjusters have given on-line approval.

Invoices are loaded into STARS from the vendor's online system once the adjuster has given their online approval.

- 8). Page 16 item f. same section, is this done to eliminate duplicate payments?

Answer: The electronic payment file is to integrate the payment history into ORM's records management FileNet system so that we have a PDF history of all invoices scanned.

- 9). Page 17, will the company doing the repricing report directly to OWC and if so what will be reported?

Answer: Yes. Please refer to website for OWC reporting requirements.

<http://www.laworks.net/Downloads/OWC/UtilizationReviewProcedures.pdf>

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- 10). Are there any restrictions on using subcontractors to assist in servicing the account? If so provide all guidelines/restrictions.

Answer: ORM would prefer that the successful proposer would be able to perform all of the services requested in the contract without the use of a subcontractor. However, if a subcontractor is utilized, ORM must approve the subcontractor. The prime contractor is accountable for all work performed under the contract, including tasks performed by a subcontractor.

The following questions were presented by **HUGHES & ASSOCIATES, INC.**

- 1) Under Attachment "C" on page 20 under the RFP, it states there was only 323 referrals for Utilization Review. Is this accurate?

Answer: Yes

- 2) Based on the Number of Invoices given on page 19 under Attachment "B", there were 55,035 invoices generated on behalf of the ORM. If this is accurate and given the fact that under the LA WC Fee Schedule, every procedure over \$750.00 is mandated for precert, the # of precerts should be approximately 10,000 per year. Please verify.

Answer: 55,035 and 323 is correct respectively.

Pre-certification is a managed care component of utilization management promulgated to assure appropriate payment for healthcare services rendered to employees eligible for workers' compensation benefits in the State of Louisiana.

While ORM fee schedules all applicable invoices, not all procedures are referred for UR / pre-certification because ORM has already determined the appropriateness of the care and/or ORM's responsibility as it relates to the nature of the injury on file. Accordingly, efforts are put forth to save on the administrative costs for UR. In most cases, since savings are realized through medical fee schedule review, there is no need to bear the additional administrative cost on pre-certification.

For example: If the treating physician has ordered an MRI of the left knee and the nature of injury is the left knee, diagnostically, ORM has determined that this is appropriate care and thus no need for pre-cert. The resultant invoice will be fee scheduled.

ORM does pre-cert all inpatient procedures and questionable procedures for relatedness.

*The workers' compensation statute requires employer/carrier **approval** of all non-emergency services over \$750.*

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- 3) In regard to section 1.4, office located within a 100 mile radius, we are presently in Jackson, MS, but will open up a satellite office in Baton Rouge, if presented with contract. Is this a problem?

Answer: No, however onsite scanning at ORM will still be required.

- 4) In regard to section 3.4 Fee Quotation, will the ORM consider an all inclusive Flat Rate Per Bill charge, to include all Bill Review Fees, All Precert Fees and Peer Review Fees?

Answer: Alternative pricing methods are acceptable, but for comparison purposes, must be incorporated into the cost sheet included in the RFP.

- 4) Are these services presently being administrated in-house or being performed by 3rd party? If so-who and how long has incumbent had the ORM contract?

Answer: Since 1997, the services have been performed by a third party, CorVel Corporation.

The following questions were presented by ***COST CONTAINMENT SERVICES, LLC.***

My question is on page 7 of the above RFP. Is there a question #2 under the General Questionnaire? The questions go from 1j to 3.

Answer: The section was numbered incorrectly.