



MURIEL BOWSER
MAYOR

The Honorable Phil Mendelson
Chairman
Council of the District of Columbia
John A. Wilson Building
1350 Pennsylvania Avenue, N.W., Suite 504
Washington, D.C. 20004

Dear Chairman Mendelson:

Enclosed for consideration and approval by the Council of the District of Columbia is proposed emergency legislation entitled, "Modification No. M015 to Contract No. DHCF-2013-C-0003-A01 with Trusted Health Plan (District of Columbia), Inc. Approval and Payment Authorization Emergency Act of 2015", and the corresponding declaration resolution to continue Managed Care Organization services to provide healthcare services to the Medicaid eligible population enrolled in the District of Columbia Healthy Families Program (DCHFP) and the DC Health Care Alliance program (Alliance). Approval is necessary to allow the District to continue to receive these vital services from the contractor.

Council action is necessary to approve the modification, which increased the total contract amount for option year two not-to-exceed contract amount of \$338,670,442.00.

The agency Chief Financial Officer has certified that funding is available for FY 2015.

I urge you to take prompt and favorable action regarding the enclosed legislation.

As always, I am available to discuss any questions you may have regarding the contract. In order to facilitate a response to any questions, please have your staff contact Nancy Hapeman, Interim Chief Procurement Officer, at (202) 727-0252.

I look forward to a favorable consideration of this contract modification.

Sincerely,

Muriel Bowser

Enclosures

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34

Chairman Phil Mendelson
at the request of the Mayor

A PROPOSED RESOLUTION

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To declare the existence of an emergency with respect to the need to approve Modification No. M015 to Contract No. DHCF-2013-C-0003-A01 with Trusted Health Plan (District of Columbia), Inc. for Managed Care Organization healthcare services for Medicaid beneficiaries for the Medicaid eligible population enrolled in the District of Columbia Healthy Families Program and the DC Health Care Alliance Program and to authorize payment for the goods and services received and to be received under the contract modification.

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the "Modification No. M015 to Contract No. DHCF-2013-C-0003-A01 with Trusted Health Plan (District of Columbia), Inc. Approval and Payment Authorization Emergency Declaration Resolution of 2015."

Sec. 2. (a) There exists an immediate need to approve Modification No. M015 to Contract No. DHCF-2013-C-0003-A01 with Trusted Health Plan (District of Columbia), Inc. (Trusted) for providing Managed Care Organization services to the Medicaid eligible population enrolled in the District of Columbia Healthy Families Program and the DC Health Care Alliance Program and to authorize payment for the services received and to be received under the contract modification.

35 (b) On May 1, 2013, the District of Columbia (District) awarded to Thrive Health
36 Plan (District of Columbia), Inc. Contract No. DHCF-2013-C-0003-A01 in the not-to-
37 exceed (NTE) amount of \$542,535,279.00 for the period of May 1, 2013 through April
38 30, 2014, to provide Managed Care Organization services to the Medicaid eligible
39 population enrolled in the District of Columbia Healthy Families Program and the DC
40 Health Care Alliance Program.

41 (c) On December 13, 2013, the District Office of Contracting and Procurement
42 (OCP) issued Modification M005 to Contract No. DHCF-2013-C-0003-A01 changing the
43 contractor's name from "Thrive Health Plans, Inc." to "Trusted Health Plan (District of
44 Columbia), Inc."

45 (d) On April 30, 2014, OCP issued Modification No. M007 to Contract No.
46 DHCF-2013-C-0003-A01 with Trusted exercising Option Year One (1) in the NTE
47 amount of \$737,041,491.00, for the period May 1, 2014 through April 30, 2015 to
48 continue providing Managed Care Organization services to the Medicaid eligible
49 population enrolled in the District of Columbia Healthy Families Program and the DC
50 Health Care Alliance Program.

51 (e) On April 30, 2015, OCP issued Modification No. M015 to Contract No.
52 DHCF-2013-C-0003-A01 with Trusted exercising Option Year Two (2) in the NTE
53 amount of \$338,670,442.00 for the period May 1, 2015 to September 30, 2015 to
54 continue providing Managed Care Organization services to the Medicaid eligible
55 population enrolled in the District of Columbia Healthy Families Program and the DC
56 Health Care Alliance Program without interruption.

57 (f) OCP seeks retroactive Council approval of Modification No. M015 to Contract
58 No. DHCF-2013-C-0003-A01 in the total NTE amount of \$338,670,442.00 for the period
59 May 1, 2015 through September 30, 2015.

60 (g) Approval is necessary to allow the continuation of these vital goods and
61 services for District Medicaid beneficiaries. Without this approval, Trusted cannot be
62 paid for goods and services provided in excess of \$1,000,000.00 pursuant to the contract
63 modification.

64 Sec. 3. The Council determines that the circumstances enumerated in section 2
65 constitute emergency circumstances making it necessary that "Modification No. M015 to
66 Contract No. DHCF-2013-C-0003-A01 with Trusted Health Plan (District of Columbia),
67 Inc. Approval and Payment Authorization Emergency Act of 2015" be adopted after a
68 single reading.

69 Sec. 4. This resolution shall take effect immediately.

70

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35

Chairman Phil Mendelson
at the request of the Mayor

A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To approve, on an emergency basis, Modification No. M015 to Contract No. DHCF-2013-C-0003-A01 with Trusted Health Plan (District of Columbia), Inc. for Managed Care Organization healthcare services for the Medicaid eligible population enrolled in the District of Columbia Healthy Families Program and the DC Health Care Alliance program and to authorize payment for the services received and to be received under the contract modification.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA,

That this act may be cited as the “Modification No. M015 to Contract No. DHCF-2013-C-0003-A01 with Trusted Health Plan (District of Columbia), Inc. Approval and Payment Authorization Emergency Act of 2015.”

Sec. 2. Pursuant to section 451 of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 803; D.C. Official Code § 1-204.51), and notwithstanding the requirements of section 202(a) of the Procurement Practices Reform Act of 2010, effective April 8, 2011 (D.C. Law 18-371; D.C. Official Code § 2-352.02(a)), the Council approves Modification No. M015 to Contract No. DHCF-2013-C-0003-A01 with Trusted Health Plan (District of Columbia), Inc., and authorizes payment in the total not-to-exceed amount of \$338,670,442.00 for goods and services

36 received, and to be received, under the contract modification for the period from May 1,
37 2015 through September 30, 2015.

38 Sec. 3. The Council adopts the fiscal impact statement provided by the Chief
39 Financial Officer as the fiscal impact statement required by section 602(c)(3) of the
40 District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C.
41 Official Code § 1-206.02(c)(3)).

42 Sec. 4. This act shall take effect following approval by the Mayor (or in the
43 event of veto by the Mayor, action by the Council to override the veto), and shall remain
44 in effect for no longer than 90 days, as provided pursuant to emergency acts of the
45 Council of the District of Columbia in section 412(a) of the District of Columbia Home
46 Rule Act, approved December 24, 1973 (87 Stat. 788; D.C. Official Code § 1-204.12(a)).

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of Contracting and Procurement



COUNCIL CONTRACT SUMMARY

Pursuant to section 202(c) of the Procurement Practices Reform Act of 2010, effective April 8, 2011 (D.C. Law 18-371; D.C. Official Code §2-352.02(c)), the following contract award summary is provided:

(A) The proposed contractor, contract amount, unit and method of compensation, contract term, and type of contract;

Contractor:	Trusted Health Plan (District of Columbia), Inc. (Trusted or Contractor)
Unit/Method of Compensation:	Monthly capitation payment for each participant
Contract Amount:	Not-to-Exceed (NTE) \$338,670,442.00
Contract Number:	DHCF-2013-C-0003-A01-M015
Term of Contract:	May 1, 2015 to September 30, 2015–Option Year Two 2
Type of Contract:	Indefinite Delivery/Indefinite Quantity with negotiated fixed capitated rates

(B) The goods or services to be provided, including a description of the economic impact of the proposed contract, the social impact of the proposed contract, the methods of delivering goods or services, and any significant program changes reflected in the proposed contract;

The Government of the District of Columbia (District) has a need to continue the services of Managed Care Organizations (MCO) to provide healthcare services to the Medicaid eligible population enrolled in the District of Columbia Healthy Families Program (DCHFP) and the DC Health Care Alliance program (Alliance Program) (Enrollees).

It is anticipated that through this and the other MCO contracts, the District will continue to improve its capacity to:

- Assure a process of continuous quality improvement through the establishment and use of benchmarks that link improvements in the delivery of health care to improvements in the health status of Enrollees;
- Reward quality performance through compensation arrangements that link specific financial incentives to demonstrable achievement critical to the processes of providing high quality health care;
- Assure that Enrollees, program administrators and policy makers have timely, complete, and transparent information about system performance; and
- Support the continued development and routine use of health information technology, including an accurate, complete and timely electronic data

reporting system, for the purpose of internal and external management and evaluation.

(C) The selection process, including the number of offerors, the evaluation criteria, and the evaluation results, including price and technical components;

On November 1, 2012 the Office of Contracting and Procurement (OCP) on behalf of the Department of Health Care Finance (DHCF) issued a Request for Proposal (RFP) to solicit Offerors to provide healthcare services to the Enrollees. Eleven amendments were issued to the solicitation. A potential Offerors list representing 45 companies was developed and provided an announcement of the solicitation.

The solicitation closed on December 3, 2012 with five (5) responses received from the following Offerors:

- (1) Thrive Health Plan (District of Columbia), Inc.
- (2) AmeriHealth District of Columbia, Inc.
- (3) MedStar Family Choice, Inc.
- (4) Riverside Health
- (5) United Health Care

The proposals were evaluated in accordance with the technical and price evaluation factors as described in the RFP. The Contracting Officer determined that an award be made to Thrive.

OCP awarded Contract No. DHCF-2013-C-0003-A01 to Thrive Health Plan on April 30, 2013 for the period of performance May 1, 2013 through April 30, 2014.

OCP issued Modification DHCF-2013-C-0003-A01-M001 on April 30, 2013, to delete Section I.10 and substitute with Attachment A.

OCP issued Modification DHCF-2013-C-0003-A01-M002 on May 10, 2013, to revise Section I.8 "C. Liability".

OCP issued Modification DHCF-2013-C-0003-A01-M003 on June 28, 2013, to include the "Health Care Reform and Affordable Care Act Requirements".

OCP issued Modification DHCF-2013-C-0003-A01-M004 on September 26, 2013, to revise Section C.8.3.3.2.1 referencing Medicaid-Reimbursable medical services.

OCP issued Modification DHCF-2013-C-0003-M005 on December 23, 2013, to include Alliance Dialysis, Crowns, and Fluoride Varnish, and to change company name from "Thrive Health Plans, Inc." to "Trusted Health Plan (District of Columbia), Inc."

OCP issued Modification DHCF-2013-C-0003-A01-M006 on January 10, 2014, to revise Schedule B as follows: Revised CLIN 0001AA to switch "Delivery Payment " amount, enrollees and total to Birth Payment"; and "Birth Payment" amount, enrollees and total to "Delivery Payment".

OCP issued Modification DHCF-2013-C-0003-A01-M007 on April 30, 2014, to exercise Option Year One (1) for the period of performance from May 1, 2014 through April 30, 2015 for the amount NTE \$737,041,491.00.

OCP issued Modification DHCF-2013-C-0003-A01-M008 on June 2, 2014, to incorporate revised Section B.5 - Schedule B (Monthly Capitation Rate).

OCP issued Modification DHCF-2013-C-0003-A01-M009 on August 20, 2014, to include Risk-Based Capital information in Section C, and delete, substitute and include language in Section H.

OCP issued Modification DHCF-2013-C-0003-A01-M010 on December 02, 2014, to revise Schedule B and change the Contract Administrator (CA).

OCP issued Modification DHCF-2013-C-0003-A01-M011 on February 5, 2015, to incorporate new Living Wage.

OCP issued Modification DHCF-2013-C-0003-A01-M012 on February 27, 2015, to change the Contracting Officer from "O'Linda Fuller" to "Franklin Austin."

OCP issued Modification DHCF-2013-C-0003-A01-M013 on March 4, 2015, to correct the contract number on Modifications M011 and M012.

OCP issued Modification DHCF-2013-C-0003-A01-M014 on April 7, 2015, to revise language in Section C.

OCP issued Modification DHCF-2013-C-0003-A01-M015 on April 30, 2015, to exercise Option Year Two (2) for the period of performance from May 1, 2015 through September 30, 2015 for the amount NTE \$338,670,442.00.

OCP issued Modification DHCF-2013-C-0003-A01-M016 on May 8, 2015, to change the Contracting Officer from "Franklin Austin" to "Kenneth L. Evans, Jr."

OCP, on behalf of DHCF, seeks retroactive Council approval of Modification DHCF-2013-C-0003-A01-M015 to exercise Option Year Two in the NTE amount of Three Hundred Thirty Eight Million, Six Hundred Seventy Thousand Four Hundred Forty Two Dollars and not cents (\$338,670,442.00) for the period May 1, 2015 through September 30, 2015.

(D) The background and qualifications of the proposed contractor, including its organization, financial stability, personnel, and prior performance on contracts with the District government;

The Contractor is currently providing services to the satisfaction of the District under the current Contract.

Trusted has demonstrated through past performance the necessary organizational and technical experience including key personnel required to successfully meet the

requirements of the Contract. Likewise, it has been determined that Trusted maintains the financial resources, accounting and operational controls to successfully fulfill the District's requirement.

The Contractor has been determined responsible in accordance with the District's Standards for Responsibility.

(E) Performance standards and expected outcomes of the proposed contract

The intent of the services from this Contract is to significantly strengthen the District's managed care system for residents who receive Medicaid and Alliance services and are enrolled in an MCO. Specifically, this Contract has the following purposes:

- To align the structure, operations, and performance of managed care with the diverse range of preventive, acute, and chronic health diseases and conditions of the more than 185,000 children and adults eligible for membership in a Medicaid managed care plan and more than 35,000 children and adults enrolled in the Alliance Program;
- To ensure that all Enrollees receive timely and appropriate care in accordance with professionally accepted standards of care, within a health care system responsive to the full spectrum of preventive, acute, and chronic health care needs;
- To improve and strengthen the performance of the District's Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) Program to ensure that all children are able to benefit from the earliest possible health care interventions necessary to correct or ameliorate identified physical or mental health conditions before they affect healthy development;
- To improve and strengthen coordination of managed care with other educational, health, and social service systems serving Enrollees such as the Individuals with Disabilities Education Act (IDEA) program, programs serving Enrollees with certain chronic conditions such as HIV/AIDS, programs furnishing family planning services and supplies, programs providing mental health and substance abuse services, and programs that manage communicable and infectious diseases such as tuberculosis;
- To encourage the establishment of culturally competent and linguistically appropriate information and support activities for Enrollees, of which the three most common languages are English, Spanish and Amharic, to promote consumer involvement in their health care;
- To assure a process of Continuous Quality Improvement through the establishment and use of benchmarks that link improvements in the delivery of health care to improvements in the health status of Enrollees;
- To reward quality performance through the use of compensation arrangements that link specific financial incentives to demonstrable achievement critical to the processes of providing high quality health care;
- To assure that Enrollees, program administrators and policy makers have timely, complete, and transparent information about system performance;
- To support the continued development and routine use of health information technology, including an accurate, complete and timely electronic data

reporting system, for the purpose of internal and external management and evaluation; and

- To promote a strong working partnership between the MCOs that participate in this program with DHCF.

- (F) A certification that the proposed contract is within the appropriated budget authority for the agency for the fiscal year and is consistent with the financial plan and budget adopted in accordance with §§ 47-392.01 and 47-392.02;**

In a memorandum dated April 13, 2015, DHCF Agency Fiscal Officer certified that funding in the amount of \$338,670,442.00 is available to DHCF to support the Contract for the costs of MCO healthcare services.

- (G) A certification that the proposed contract is legally sufficient and has been reviewed by the Office of the Attorney General, including whether the proposed contractor has any currently pending legal claims against the District;**

The proposed Contract has been reviewed by the Office of the Attorney General and found to be legally sufficient. Trusted has no pending legal claims against the District.

- (H) A certification that the proposed contractor is current with its District and federal taxes or has worked out and is current with a payment schedule approved by the District or federal government;**

The attached certifications obtained from the Department of Employment Services Unemployment Tax Division and the Office of Tax and Revenue certify the Contractor's compliance with the District tax laws.

- (I) The status of the proposed contractor as a certified local, small, or disadvantaged business enterprise;**

The Contractor is certified as a local and disadvantage business enterprise. DHCF received an approval from Department of Small & Local Business Development to waive the 35% CBE subcontracting requirements.

- (J) Other aspects of the proposed contract that the Chief Procurement Officer deems significant;**

None.

- (K) A statement indicating whether the proposed contractor is currently debarred from providing services to any governmental entity (federal, state, or municipal), the dates of the debarment, and the reasons for debarment;**

Trusted does not appear on the District's debarred list, and likewise does not appear on the federal government, or Inspector General listing of excluded parties.

(L) Where the contract, if executed, will be made available online:

If approved, the notice of Award will be posted on the OCP website located at <http://ocp.dc.gov>.

GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF EMPLOYMENT SERVICES
Office of Unemployment Compensation/Tax Division



ORIGINAL

TAX VERIFICATION RESPONSE - DOES

CONTRACT SPECIALIST: HELENA BARBOUR

AGENCY: DHCF

VENDOR NAME: TRUSTED HEALTH PLAN

D.C.DOES SUI ACCOUNT #: 173297

FEDERAL ID #: 452375150

TO BE COMPLETED BY THE DEPARTMENT OF EMPLOYMENT SERVICES TAX DIVISION

THE DEPARTMENT OF EMPLOYMENT SERVICES CERTIFIES THAT:

The prospective Contractor is "IN COMPLIANCE" with the tax filing and payment requirements of the District of Columbia Unemployment Tax Laws or is in compliance with an established payment plan.

The prospective Contractor is "NOT IN COMPLIANCE" with the tax filing and payment requirements of the District of Columbia Unemployment Tax Laws. The Contractor may obtain details of the tax deficiency and make arrangements to correct this deficiency by contacting the tax enforcement officer whose name and telephone number follow:

Tax Enforcement Officer: Cynthia Miller

Phone #: (202) 698-5122

Comments

SIGNATURE

4/7/2015

DATE

Associate Director, Office of Unemployment Compensation

TITLE

(202)-698-3702

TELEPHONE/FAX NUMBER

This response/certification is valid for 90 days from the date specified above.

ATT: Compliance Officer

Office of Unemployment Compensation - Tax Division - 4058 Minnesota Avenue, NE, Washington, DC 20019

For more information, please go to the DOES Web Site at <http://www.does.dc.gov/>

DISTRICT OF COLUMBIA

Office of Tax and Revenue
1101 4th Street SW steW600
Collection Division
Washington, DC 20024



OFFICE OF TAX AND REVENUE
TAX VERIFICATION RESPONSE

REQUESTOR: HELENA BARBOUR

AGENCY: DHCF

VENDOR NAME: TRUSTED HEALTH PLAN (DISTRICT OF COLUMBIA) INC FEIN: 45-2375150

TO BE COMPLETED BY THE OFFICE OF TAX & REVENUE

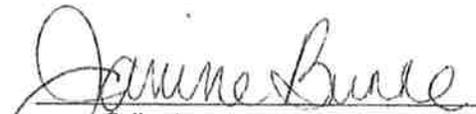
The prospective contractor **is in compliance** with the filing and payment requirements of the District of Columbia tax laws.

The prospective contractor/individual **is not liable** for the tax filing requirements of the District of Columbia.

The prospective contractor **is not in compliance** with the tax filing and payment requirements of the District of Columbia Tax Law. The contractor may obtain details of the tax deficiency and make arrangements to correct this by Contacting the Revenue Officer whose signature appears below.

The prospective contractor has **recently been registered** with the District of Columbia and has not incurred any liabilities so far.

Our records indicate that the prospective contractor **is not registered** to do business in the District of Columbia. Please contact the Office of Tax and Revenue, Customer Service Office at (202) 727-4829 to request a form FR-500 (Combined Registration Application) which must be fully completed and submitted to the address indicated on the form **Office of Tax and Revenue, PO Box 470 Washington, DC 20044-0470** or register online at: https://www.taxpayerservicecenter.com/FR500_Instructions.jsp.


Collections Manager

4/3/2015
Date


Carolyn Powell
Senior Revenue Officer

(202) 442-6588
Telephone Number

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Department of Health Care Finance



Office of the Chief Financial Officer

MEMORANDUM

TO: Nancy K. Hapeman
Interim Chief Procurement Officer
Office of Contracting and Procurement

THRU: Delicia Moore *[Signature]*
Associate Chief Financial Officer
Human Support Services Cluster

FROM: Darrin Shaffer *[Signature]*
Agency Fiscal Officer
Department of Health Care Finance

DATE: April 13th, 2015

SUBJECT: Certification of Funding for Modification to the Managed Care Organization Contracts
Trusted Health Plan (District of Columbia), Inc. - DHCF-2013-C-0003-A01
AmeriHealth District of Columbia, Inc. - DHCF-2013-C-0003-A02
MedStar Family Choice, Inc. - DHCF-2013-C-0003-A03

DHCF estimates that the cost of providing managed care coverage to Medicaid, Children's Health Insurance Program (CHIP), Immigrant Children's Program, and Alliance beneficiaries from May 1, 2015 through September 30, 2015 through the contracts listed below will not exceed \$338,670,442.

Trusted Health Plan (District of Columbia), Inc. - DHCF-2013-C-0003-A01
AmeriHealth District of Columbia, Inc. - DHCF-2013-C-0003-A02
MedStar Family Choice, Inc. - DHCF-2013-C-0003-A03

This memorandum certifies that the Department of Health Care Finance has \$338,670,442 in the FY 2015 budget to support this cost from May 1, 2015 through September 30, 2015. This funding is sufficient to support all of the beneficiaries expected to enroll in an MCO during the contract period.

Should you have any questions, please contact me at (202) 442-9079.

cc: Wayne Turnage, Director, DHCF
Sumita Chauduri, Chief Operating Officer, DHCF
Franklin Austin, Contracting Officer, DHCF
Lisa Truitt, Associate Director, DHCF

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Attorney General



Legal Counsel Division

MEMORANDUM

TO: Lolita S. Alston
Director
Office of Legislative Support

FROM: Janet M. Robins
Deputy Attorney General
Legal Counsel Division

DATE: June 9, 2015

SUBJECT: Legal Sufficiency Review of Draft Bill entitled the "Modification No. M015 to Contract No. DHCF-2013-C-0003-A01 with Trusted Health Plan (District of Columbia), Inc. Approval and Payment Authorization Emergency Act of 2015" and Accompanying Emergency Declaration Resolution (AE-15-334 E)

This is to Certify that this Office has reviewed the above-referenced Draft Bill and Emergency Declaration Resolution and found them to be legally unobjectionable. If you have any questions in this regard, please do not hesitate to call me at 724-5524.


Janet M. Robins

Contract No.: DHCF-2013-C-0003-A01-M015
Contractor: Trusted Health Plan (District of Columbia), Inc. (Trusted)
Caption: Managed Care Organization (MCO)
Contracting Officer: Kenneth L. Evans, Jr.

Retroactive Contract Questions

1. Why was this contract authorized for performance prior to Council approval?

The Office of Contracting and Procurement (OCP) on behalf of the Department of Health Care Finance (DHCF) exercised Option Year 2 in the amount not to exceed \$338,670,442.00 for the period May 1, 2015 – September 30, 2015, to ensure continuation of Contract for Manage Care Organization (MCO) to provide healthcare services to the Medicaid eligible population enrolled in the District of Columbia Healthy Families Program (the “DCHF”) and the DC Health Care Alliance (i.e., the “Alliance” program). The amount to fund the contract modification was delayed due to budgetary constraints. The OCP received the certification of funding on April 17, 2015.

Council approval was not sought prior to authorizing the contract performance because DHCF determined that it would have not been in the District’s best interest to stop the critical services. Moreover, DHCF concluded that a break in service would have posed an immediate threat to the health and welfare of the Medicaid enrollees in the DCHF and Alliance program. Thus, DHCF took the action to prevent and minimize any disruption in MCO services.

2. What was the role of the Office of Contracting and Procurement (OCP) with respect to the authorization to perform work without prior Council approval?

OCP’s role was to continue the Contract for Manage Care Organization (MCO) to provide healthcare services for the public health, welfare, and safety of the community. OCP also informed DHCF that the CA shall coordinate all contract modifications that require Council approval with the Contracting Officer in a timely manner to avoid a retroactive contract.

3. Explain why preparations were not made to seek Council-approval prior to authorizing contract performance? Is this contract or term of contract regularly re-occurring?

The OCP made every effort to ensure this contract was submitted to the Council for approval in a timely manner. Due to circumstances beyond the OCP control, budgetary constraints this issue was unavoidable. The OCP and DHCF apologize in advance and implemented necessary steps in place to avoid/or reduce as much as possible such actions in the future. It is our responsibility to make certain that contracts are appropriately funded and valid throughout its contractual term upon award.

The Contract is a regularly recurring occurrence.

Contract No.: DHCF-2013-C-0003-A01-M015
Contractor: Trusted Health Plan (District of Columbia), Inc. (Trusted)
Caption: Managed Care Organization (MCO)
Contracting Officer: Kenneth L. Evans, Jr.

4. How long has the Contractor been performing without a Council-approved contract?

May 1, 2015

5. Has payment of any kind been made to the contractor for work performed pursuant to this contract action that is the subject of the request for retroactive approval?

No

6. What will happen if this contract is not approved?

The DHCF is required by Federal law to provide healthcare services to low income and disadvantaged individuals. Due to budget challenges and to avoid interruption of healthcare services the contractor was allowed to continue providing services as defined under the contract.

If services were disrupted it would create major confusion and chaos with the clients. An issue of this nature could take months to recover from.

7. Is it common practice for contracts of this nature to be authorized for performance in advance of Council approval? Why?

No, this action was caused due to budget constraints. The common practice is to seek Council approval in advance for those contracts that exceeds this office authority for authorization to issue the official fully executed contract.

8. What steps have been taken to ensure that future retroactive approvals of this type will not be necessary?

The following procedures have established to ensure that future retroactive approval of similar contracts is not required:

1. The DHCF Contracting Officer establishing an additional level of authority for supervision and oversight of Contract Specialist and the Contract Administrator on high volume contracts; and
2. The Contracting Officer provided training to DHCF Contract Administrators during the spring and fall of FY2014 on their role as a CA to ensure that all pertinent information on contract performance or modifications are monitored in accordance to contract terms and conditions.

9. Under what statutory authority and by what mechanism was the contractor authorized to proceed with work? Was it an executed agreement? An emergency procurement contract? Why was that mechanism selected?

Contract No.: DHCF-2013-C-0003-A01-M015
Contractor: Trusted Health Plan (District of Columbia), Inc. (Trusted)
Caption: Managed Care Organization (MCO)
Contracting Officer: Kenneth L. Evans, Jr.

A modification to exercise Option Year 2 for the period May 1, 2015 through September 30, 2015 was executed by the Contracting Officer.

10. What agency is responsible for the authorization? If the responsible agency is different than that listed in the Council Contract Summary, explain.

DHCF is responsible for the authorization for continuation of services without Council approval.

11. Provide the name of the agency's signatory.

Franklin Austin, Contracting Officer is the agency's signatory.

12. Has the signatory been disciplined? Has the signatory previously been disciplined for prior mistakes of this nature?

Although the signatory was working in the best interest of the District to continue critical services in order to prevent and minimize any disruption in MCO services to Medicaid eligible population enrolled in the District of Columbia Healthy Families Program (the "DCHF") and the DC Health Care Alliance (i.e., the "Alliance" program), administrative actions was taken.

13. What complaints, lawsuits, grievances have been received or filed against the contractor within the past eighteen (18) months?

There has been no complaints, lawsuits, grievances filed against the contractor within the past 18 months.

14. Provide a summary of the last performance rating received by the contractor. Include the date of that rating and the spectrum of available ratings (e.g., poor, satisfactory, excellent).

The Contract Administrator (CA) provided a Past Performance Evaluation for the period May 1, 2014 through April 30, 2015. The CA rated Trusted's performance during the evaluation period as "acceptable".