

RESPONSE PACKET

Department of Human Services, Division of Provider Services
and Quality Assurance

Inspections of Care
Invitation for Bid 0710-19-1023

Date of Opening: March 18, 2019

Respondent:

Arkansas Foundation for Medical Care
1020 West 4th Street
Little Rock, AR 72201



The contact listed below is authorized to address any questions about this IFB:

Ray Hanley, President and Chief Executive Officer
1020 West 4th Street
Little Rock, AR 72201
Phone: (501) 212-8610
Email: enterprisedevelopment@afmc.org

[This page intentionally blank]

ABBREVIATION LIST

Abbreviation	Definition
AFMC	Arkansas Foundation for Medical Care
CAHPS	Consumer Assessment of Healthcare Providers and Systems
CAP	Corrective Action Plan
CHIP	Children's Health Insurance Program
CHMS	Child Health Management Services
CMS	US Centers for Medicare & Medicaid
CT	Computed Tomography
DHS	Arkansas Department of Human Services
DMS	Division of Medical Services
DPSQA	Division of Provider Services and Quality Assurance
EMTALA	Emergency Medical Treatment and Labor Act
EOB	Extension of Benefit
HCBS	Home- and Community-Based Services
HIPAA	Health Insurance Portability and Accountability Act
HWDRG	Higher-Weighted Diagnosis-Related Group
IFB	Invitation for Bid
IQI	Inpatient Quality Incentive
IT	Information Technology
LARC	Long-Acting Reversible Contraception
MMIS	Medicaid Management Information System
MQI	Medicaid Quality Improvement
NET	Non-Emergency Transportation
PCMH	Patient-Centered Medical Home
PCP	Primary Care Provider
PERM	Payment Error Rate Measurement
QA	Quality Assurance
QII	Quality Improvement Initiative
QIN	Quality Improvement Network

ABBREVIATION LIST

Abbreviation	Definition
QIO	Quality Improvement Organization
SRA	Security Risk Analysis

TABLE OF CONTENTS

TECHNICAL PROPOSAL PACKET	3
Bid Signature Page (IFB §1.7)	
EO98-04 Contract Grant and Disclosure Form	
Equal Opportunity Policy	
Signed Addenda	
Agreement and Compliance Pages (IFB §1.7)	
Proposed Subcontractors Form (IFB §1.10)	
MINIMUM QUALIFICATIONS	5
1. Contractual Experience (IFB §2.3.1)	6
2. QIO or QIO-like Entity (IFB §2.3.2)	23
3. Certification of Sanctions or Corrective Actions (IFB §2.3.3).....	25
4. Conflict of Interest (IFB §2.3.4).....	26
5. Certification of Bond (IFB §2.3.5).....	26
Appendix A – Letter of QIO-like Designation	27
Appendix B – Letter of Bondability	27

[This page intentionally blank]

TECHNICAL PROPOSAL PACKET

Bid Signature Page (IFB §1.7)

Agreement and Compliance Pages (IFB §1.7)

Proposed Subcontractors Form (IFB §1.10)

EO98-04 Contract Grant and Disclosure Form

Equal Opportunity Policy

Signed Addenda

[This page intentionally blank]

BID RESPONSE PACKET
710-19-1023

BID SIGNATURE PAGE

Type or Print the following information.

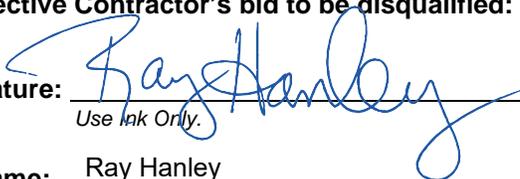
PROSPECTIVE CONTRACTOR'S INFORMATION					
Company:	AFMC				
Address:	1020 West 4th Street, Suite 300				
City:	Little Rock	State:	AR	Zip Code:	72201
Business Designation:	<input type="checkbox"/> Individual	<input type="checkbox"/> Sole Proprietorship		<input type="checkbox"/> Public Service Corp	
	<input type="checkbox"/> Partnership	<input type="checkbox"/> Corporation		<input checked="" type="checkbox"/> Nonprofit	
Minority and Women-Owned Designation*:	<input checked="" type="checkbox"/> Not Applicable	<input type="checkbox"/> American Indian	<input type="checkbox"/> Asian American		<input type="checkbox"/> Service Disabled Veteran
	<input type="checkbox"/> African American	<input type="checkbox"/> Hispanic American	<input type="checkbox"/> Pacific Islander American	<input type="checkbox"/> Women-Owned	
	AR Certification #: _____ * See <i>Minority and Women-Owned Business Policy</i>				

PROSPECTIVE CONTRACTOR CONTACT INFORMATION			
Provide contact information to be used for bid solicitation related matters.			
Contact Person:	Ray Hanley	Title:	President & CEO
Phone:	(501) 212-8610	Alternate Phone:	(501) 212-8612
Email:	enterprisedevelopment@afmc.org		

CONFIRMATION OF REDACTED COPY
<input type="checkbox"/> YES, a redacted copy of submission documents is enclosed. <input checked="" type="checkbox"/> NO, a redacted copy of submission documents is <u>not</u> enclosed. I understand a full copy of non-redacted submission documents will be released if requested. <i>Note: If a redacted copy of the submission documents is not provided with Prospective Contractor's response packet, and neither box is checked, a copy of the non-redacted documents, with the exception of financial data (other than pricing), will be released in response to any request made under the Arkansas Freedom of Information Act (FOIA). See Bid Solicitation for additional information.</i>
ILLEGAL IMMIGRANT CONFIRMATION
By signing and submitting a response to this <i>Bid Solicitation</i> , a Prospective Contractor agrees and certifies that they do not employ or contract with illegal immigrants. If selected, the Prospective Contractor certifies that they will not employ or contract with illegal immigrants during the aggregate term of a contract.
ISRAEL BOYCOTT RESTRICTION CONFIRMATION
By checking the box below, a Prospective Contractor agrees and certifies that they do not boycott Israel, and if selected, will not boycott Israel during the aggregate term of the contract. <input checked="" type="checkbox"/> Prospective Contractor does not and will not boycott Israel.

An official authorized to bind the Prospective Contractor to a resultant contract must sign below.

The signature below signifies agreement that any exception that conflicts with a Requirement of this *Bid Solicitation* **will cause the Prospective Contractor's bid to be disqualified:**

Authorized Signature:  Title: President & CEO
Use Ink Only.

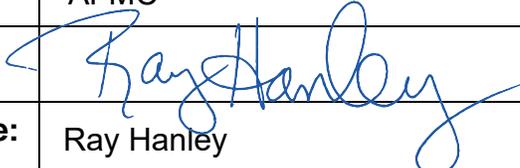
Printed/Typed Name: Ray Hanley Date: 03/18/2019

SECTION 1 - VENDOR AGREEMENT AND COMPLIANCE

Any requested exceptions to items in this section which are NON-mandatory **must** be declared below or as an attachment to this page. Vendor **must** clearly explain the requested exception, and should label the request to reference the specific solicitation item number to which the exception applies.

- Exceptions to Requirements **shall** cause the vendor's proposal to be disqualified.

By signature below, vendor agrees to and **shall** fully comply with all Requirements as shown in this section of the bid solicitation.

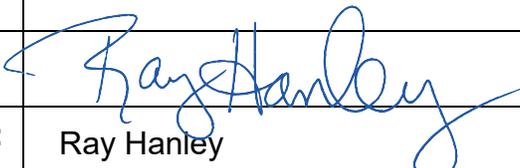
Vendor Name:	AFMC	Date:	03/18/2019
Signature:		Title:	President & CEO
Printed Name:	Ray Hanley		

SECTION 2 - VENDOR AGREEMENT AND COMPLIANCE

Any requested exceptions to items in this section which are NON-mandatory **must** be declared below or as an attachment to this page. Vendor **must** clearly explain the requested exception, and should label the request to reference the specific solicitation item number to which the exception applies.

- Exceptions to Requirements **shall** cause the vendor's proposal to be disqualified.

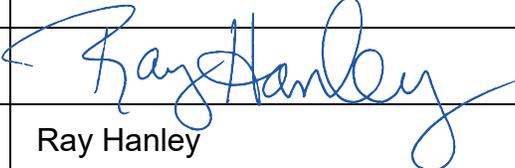
By signature below, vendor agrees to and **shall** fully comply with all Requirements as shown in this section of the bid solicitation.

Vendor Name:	AFMC	Date:	03/18/2019
Signature:		Title:	President & CEO
Printed Name:	Ray Hanley		

SECTION 3 - VENDOR AGREEMENT AND COMPLIANCE

Exceptions to Requirements **shall** cause the vendor's proposal to be disqualified.

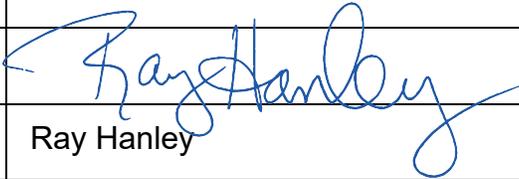
By signature below, vendor agrees to and **shall** fully comply with all Requirements as shown in this section of the bid solicitation.

Vendor Name:	AFMC	Date:	03/18/2019
Signature:		Title:	President & CEO
Printed Name:	Ray Hanley		

SECTION 4 - VENDOR AGREEMENT AND COMPLIANCE

Exceptions to Requirements **shall** cause the vendor's proposal to be disqualified.

By signature below, vendor agrees to and **shall** fully comply with all Requirements as shown in this section of the bid solicitation.

Vendor Name:	AFMC	Date:	03/18/2019
Signature:		Title:	President & CEO
Printed Name:	Ray Hanley		

PROPOSED SUBCONTRACTORS FORM

- *Do not include additional information relating to subcontractors on this form or as an attachment to this form.*

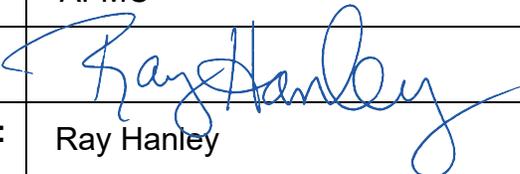
PROSPECTIVE CONTRACTOR PROPOSES TO USE THE FOLLOWING SUBCONTRACTOR(S) TO PROVIDE SERVICES.

Type or Print the following information

Subcontractor's Company Name	Street Address	City, State, ZIP

PROSPECTIVE CONTRACTOR DOES NOT PROPOSE TO USE SUBCONTRACTORS TO PERFORM SERVICES.

By signature below, vendor agrees to and **shall** fully comply with all Requirements related to subcontractors as shown in the bid solicitation.

Vendor Name:	AFMC	Date:	03/18/2019	
Signature:			Title:	President & CEO
Printed Name:	Ray Hanley			

CONTRACT AND GRANT DISCLOSURE AND CERTIFICATION FORM

F-1

Failure to complete all the following information may result in a delay in obtaining a contract, lease, purchase agreement, or grant award with any Arkansas State Agency.

SUBCONTRACTOR:	SUBCONTRACTOR NAME:	Contractor for which this is a subcontractor:
<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		
		Estimated dollar amount of subcontract:

TAXPAYER ID NAME: AFMC

YOUR LAST NAME: Hanley **FIRST NAME:** Ray **MI:**

IS THIS FOR: Goods? Services Both?

ADDRESS: 1020 West 4th Street, Suite 300

CITY: Little Rock **STATE:** AR **ZIP CODE:** 72201 **COUNTRY:** UNITED STATES OF AMERICA

AS A CONDITION OF OBTAINING, EXTENDING, AMENDING, OR RENEWING A CONTRACT, LEASE, PURCHASE AGREEMENT, OR GRANT AWARD WITH ANY ARKANSAS STATE AGENCY, THE FOLLOWING INFORMATION MUST BE DISCLOSED:

FOR INDIVIDUALS *

Indicate below if: you, your spouse or the brother, sister, parent, or child of you or your spouse is a current or former: Member of the General Assembly, Constitutional Officer, State Board or Commission Member, or State Employee:

Position Held	Mark (✓)		Name of Position of Job Held <small>[senator, representative, name of board/commission, data entry, etc.]</small>	For How Long?		What is the person(s) name and how are they related to you? <small>(i.e., Jane Q. Public, spouse, John Q. Public, Jr., child, etc.)</small>	
	Current	Former		From MM/YY	To MM/YY	Person's name(s)	Relation
General Assembly	<input type="checkbox"/>	<input type="checkbox"/>					
Constitutional Officer	<input type="checkbox"/>	<input type="checkbox"/>					
State Board or Commission Member	<input type="checkbox"/>	<input type="checkbox"/>					
State Employee	<input type="checkbox"/>	<input type="checkbox"/>					

None of the above applies

FOR A VENDOR (BUSINESS) *

Indicate below if any of the following persons, current or former, hold any position of control or hold any ownership interest of 10% or greater in the entity: member of the General Assembly, Constitutional Officer, State Board or Commission Member, or State Employee, or the spouse, brother, sister, parent, or child of a member of the General Assembly, Constitutional Officer, State Board or commission Member, or State Employee. Position of control means the power to direct the purchasing policies or influence the management of the entity.

Position Held	Mark (✓)		Name of Position of Job Held <small>(senator, representative, name of board/commission, data entry, etc.)</small>	For How Long?		What is the person(s) name and what is his/her % of ownership interest and/or what is his/her position of control?		
	Current	Former		From MM/YY	To MM/YY	Person's name(s)	Ownership Interest (%)	Position of Control
General Assembly	<input checked="" type="checkbox"/>	<input type="checkbox"/>	State Legislator	01/05	present	S.Ferguson (Spouce)	0%	Board of Directors
Constitutional Officer	<input type="checkbox"/>	<input type="checkbox"/>						
State Board or Commission Member	<input type="checkbox"/>	<input type="checkbox"/>						
State Employee	<input checked="" type="checkbox"/>	<input type="checkbox"/>	DHS, DAABHS CFO	05/18	present	Marilyn Little (Spouse)	0%	COO

None of the above applies

* NOTE: PLEASE LIST ADDITIONAL DISCLOSURES ON SEPARATE SHEET OF PAPER IF MORE SPACE IS NEEDED

CONTRACT AND GRANT DISCLOSURE AND CERTIFICATION FORM F-2

Failure to make any disclosure required by Governor's Executive Order 98-04, or any violation of any rule, regulation, or policy adopted pursuant to that Order, shall be a material breach of the terms of this contract. Any contractor, whether an individual or entity, who fails to make the required disclosure or who violates any rule, regulation, or policy shall be subject to all legal remedies available to the agency.

As an additional condition of obtaining, extending, amending, or renewing a contract with a state agency I agree as follows:

1. Prior to entering into any agreement with any subcontractor, prior or subsequent to the contract date, I will require the subcontractor to complete a **CONTRACT AND GRANT DISCLOSURE AND CERTIFICATION FORM**. Subcontractor shall mean any person or entity with whom I enter an agreement whereby I assign or otherwise delegate to the person or entity, for consideration, all, or any part, of the performance required of me under the terms of my contract with the state agency.
2. I will include the following language as a part of any agreement with a subcontractor:
Failure to make any disclosure required by Governor's Executive Order 98-04, or any violation of any rule, regulation, or policy adopted pursuant to that Order, shall be a material breach of the terms of this subcontract. The party who fails to make the required disclosure or who violates any rule, regulation, or policy shall be subject to all legal remedies available to the contractor.
3. No later than ten (10) days after entering into any agreement with a subcontractor, whether prior or subsequent to the contract date, I will mail a copy of the **CONTRACT AND GRANT DISCLOSURE AND CERTIFICATION FORM** completed by the subcontractor and a statement containing the dollar amount of the subcontract to the state agency.

<u>I certify under penalty of perjury, to the best of my knowledge and belief, all of the above information is true and correct and that I agree to the subcontractor disclosure conditions stated herein.</u>			
Signature _____	Title President & CEO	Date 3/18/2019	
Vendor Contact Person Catherine Bain	Title CAO	Phone No. (501) 212-8612	

<u>AGENCY USE ONLY</u>				
Agency Number 0710	Agency Name Department of Human Services	Agency Contact Person Chorsie Burns	Contact Phone No. 501-682-6327	Contract or Grant No. _____



Equal Employment Opportunity Non-Discrimination Statement

AFMC is an equal opportunity employer and provides equal employment opportunities without regard to race, color, religion, national origin, gender, age, physical or mental disability, marital status, sexual orientation, gender identity, genetic information, veteran status or any other protected status in accordance with federal, state or local laws. Equal employment opportunity shall apply to all related terms and conditions of employment including: recruitment, selection, placement, promotions, compensation, benefits, transfers, layoffs, training, education reimbursement, disciplinary action or discharge, and all other terms, conditions and/or privileges of employment. If you feel that this policy is not being adhered to, you should follow the reporting procedures set out in the AFMC Employee Handbook.



STATE OF ARKANSAS
 DEPARTMENT OF HUMAN SERVICES
 700 South Main Street
 P.O. Box 1437 / Slot W345
 Little Rock, AR 72203

ADDENDUM 1

TO: Vendors Addressed
FROM: Chorsie Burns
DATE: February 22, 2019
SUBJECT: 710-19-1023: Inspections of Care

The following changes to the above-referenced IFB have been made as designated below:

- Change of Specifications
- Change of Pricing Sheet
- Change of Bid Opening Time and Date
- Cancellation of Bid
- Other

BID OPENING DATE AND TIME

Bid opening date and time remain unchanged.

CHANGE OF PRICING SHEET

In the Quality of Care Reviews section (page 8) the following changes in the estimated annual volume is to be made:

Description	Estimated Annual Volume	Unit Price Per Review	Extended Amount
Quality of Care Reviews			
Division of Youth Services (DYS) Secure Residential Treatment Facilities	5	\$	\$
DYS Specialized Residential Treatment Programs	10	\$	\$

OTHER

In the IFB page 26, Section 3.1, Item A, **PAYMENT AND INVOICE PROVISIONS** all invoices shall be forwarded to:

DMS.Invoices@arkansas.gov

Invoice procedures shall be as outlined in Attachment H Invoice Procedures.

The changes made by virtue of this addendum become a permanent addition to the above referenced IFB. Failure to return this signed addendum may result in rejection of your proposal.

If you have questions, please contact Chorsie Burns at chorsie.burns@dhs.arkansas.gov

Company: AFMC

Respondent Signature: 
 Ray Hanley, President & CEO

Date: 03/18/2019

MINIMUM QUALIFICATIONS

The Arkansas Department of Human Services (DHS) Division of Provider Services and Quality Assurance (DPSQA) can rely on AFMC as the most responsive, low-risk bidder based on our 100 years' collective, contractual experience; accreditations and certifications; established procedures and staffing; and track record of on-time, accurate, and reliable contract performance for the state of Arkansas. We know Arkansas because our employees live and work in the communities we serve. AFMC has established relationships with healthcare providers across the State as we have assisted in conveying the message of our customers. AFMC interacts daily with Medicaid clients and is always culturally-sensitive to them and their needs. Interactions include using face-to-face and telephone contacts and distribution of written and electronic educational materials. AFMC serves in a well-known, regulatory and validation role, as substantiated by our 1972 origins as Arkansas's Professional Standards Review Organization (the precursor to the US Centers of Medicare & Medicaid's (CMS's) changing designations as a Quality Improvement Organization (QIO) and QIO-like Entity in the CMS Quality Improvement Network).

We meet or exceed the minimum qualifications as listed in this Invitation for Bid (IFB) in Section 2.3. Our office location at 1020 W. 4th Street in Little Rock, AR, as well as our staff's qualifications and experience and our proven exceptional contract performances make us the most responsive, low-risk, and efficient choice for DHS DPSQA.

The following summary table demonstrates how we meet and surpass IFB minimum qualifications. These qualifications are defined in more detail in our subsequent section regarding Contractual Experience. AFMC's qualifications and experience enable us to offer a low-risk, high-performance solution to help DHS DPSQA conserve scarce resources.

AFMC Qualifications Corresponding to IFB §2.3		
Minimum Requirement	AFMC Qualification	Meets or Exceeds
1. 5 years' experience performing health and safety licensure certification visits and Quality-of-Care reviews.	<div style="background-color: black; height: 15px; width: 100%;"></div> <div style="background-color: black; height: 15px; width: 95%;"></div> <div style="background-color: black; height: 15px; width: 90%;"></div> <div style="background-color: black; height: 15px; width: 85%;"></div> <div style="background-color: black; height: 15px; width: 80%;"></div> <div style="background-color: black; height: 15px; width: 75%;"></div> <div style="background-color: black; height: 15px; width: 70%;"></div> <div style="background-color: black; height: 15px; width: 65%;"></div>	✓

AFMC Qualifications Corresponding to IFB §2.3		
Minimum Requirement	AFMC Qualification	Meets or Exceeds
2. QIO or QIO-like entity	[REDACTED]	✓
3. Sanctions or corrective actions in the last 10 years	[REDACTED]	✓
4. Organizational or personal conflict of interest disclosure	We have read IFB Attachment G, and our company and our employees have no actual, apparent, or potential conflicts of interest with the providers listed in IFB Attachments II-VII. AFMC will not use subcontractors in this effort.	✓
5. Certification of bondability	We are pleased to include our certification letter from our Surety Insurer in Appendix B , which demonstrates our complete bondability for this contract.	✓

1. Contractual Experience (IFB §2.3.1)

Founded in 1972, AFMC has an established presence in Arkansas, including our 45+ years' experience serving the State to advance the quality and cost-effectiveness of health care while ensuring compliance. AFMC has the expertise, resources, and technological capabilities to successfully complete all IFB services identified. Our past performance, credentials, and staff experience ensure that DHS DPSQA can continue to be prudent purchasers of medically-necessary, quality healthcare services and ensure healthcare providers are complying with regulatory requirements. Beneficially, AFMC eliminates the learning curve for DHS, providers, and Medicaid clients with our 100% Arkansas-based and ready-to-implement solution and our long-standing experience with Arkansas Medicaid.

We deliver:

- Over 100 years of successful, collective contract experience *with no terminations for performance*. This record of past performance is a reliable predictor of future success, benefiting DHS with a cost-effective, low-risk assurance that AFMC will meet all contract obligations.
- Productive relationships with Arkansas Medicaid providers, including those delivering home- and community-based services (HCBS), providing DHS with reliability and transparency between AFMC and provider interactions.
- A trusted presence with Medicaid clients, benefiting DHS through credible, objective, and valid site-visits and inspections.
- Valuable resources through our experienced and professional staff for provider and Medicaid client outreach and education.

AFMC has the expertise, resources, and technological capabilities to efficiently complete all services outlined in this IFB. We offer the following experience summaries, including descriptions of scopes of work, estimated volume of reviews, time period of contract, contract amounts, and contact information for our long-standing work with Medicaid and with services required by this IFB.

AFMC'S MOST RELEVANT PROJECTS

- 1. Child Health Management Services and Arkansas Developmental Disability Transitional Services**
 - 2. US Centers for Medicare & Medicaid Quality Improvement Organization**
 - 3. Arkansas Medicaid Beneficiary Relations and Non-Emergency Transportation Administration**
 - 4. Arkansas Medicaid Review Agent**
 - 5. Security Risk Assessments**
 - 6. Patient Centered Medical Home Quality Assurance**
 - 7. High-Risk Arkansas Medicaid Providers**
-

1. CHILD HEALTH MANAGEMENT SERVICES and ARKANSAS DEVELOPMENTAL DISABILITIES TRANSITIONAL SERVICES		
Client Contact Information	Time Period	Contract Amount
Arkansas Department of Human Services Division of Developmental Disabilities Services P. O. Box 1437, Slot N501 Little Rock, Arkansas 72203 [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]	[REDACTED] [REDACTED] [REDACTED] [REDACTED]	[REDACTED] [REDACTED] [REDACTED] [REDACTED]
Estimated Annual Volume		
On-site Visits = 74 Medical Necessity = 9,961		
Contract Relevance to DHS DPSQA Inspections of Care		
This contract shows our 17 years' experience providing quality-of-care reviews and site visits with providers of HBCS in Arkansas. It also highlights our familiarity with working with clients and providers in special-needs populations. Activities included: <ul style="list-style-type: none"> • Unannounced on-site visits and certifications • External reviews • Face-to-face interviews with clients • Education of providers and clients – statewide training • Reconsiderations and adverse determinations • Detailed reporting • Appeal hearing testimony 		

Description of Scope of Work

This program provided both developmental and medically-focused treatment for children under age 21 who were on Medicaid with the most significant medical and/or developmental diagnoses and who required multidisciplinary treatment.

AFMC was responsible for statewide CHMS-clinic on-site audits and surveys as well as medical necessity reviews for prior authorization and extension of benefits for CHMS clients. We performed external reviews of Arkansas Medicaid's managed care programs, including ConnectCare, Non-Emergency Transportation (NET), and ARKids First B. We also provided Medicaid client- and provider-relations services that focused on distributing AFMC-developed tools and educational materials. AFMC's statisticians provided in-depth data analyses and evaluations of satisfaction and cost-effectiveness.

AFMC provided the following:

- Yearly on-site certification visits to assess compliance, including exit interviews to discuss findings with clinical staff, and unannounced return visits to make certain of deficiency corrections, when indicated;
- Detailed monthly activity reports to Medicaid, which included site certification findings and number of reviews, approvals, and denials;
- Determination of medical necessity for prior authorization of all services to CHMS clients, except physical, speech, and occupational therapy, and written notification of provider/client of approval, denial, or partial approval;
- Reconsideration of adverse determinations at provider request (one reconsideration review for each denied service); and
- Physician reviewer determinations, ensuring all physician reviewers for CHMS cases were board-certified in pediatrics and trained in the CHMS coverage guidelines.

Additionally, a transitional services contract, entitled **Arkansas Developmental Disabilities Transitional Services (DDTS)**, established quality-of-care, prior utilization, medical necessity, and retrospective reviews for an array of Medicaid services, including Early Intervention Day Treatment and Adult Development Day Treatment. Also, to assure that complete information was provided to Medicaid, we performed a compliance audit and review of completed DMS-640 forms for DDTS Medicaid clients with a current prescription and for more than 90-minutes per week of speech, physical, or occupational therapy, and we documented authorizations accordingly.

In all our reviews and audits, we pulled from our strong knowledge of Medicaid requirements and professional experiences to approve or deny services, determine medical necessity of procedures requested, ensure proper units for each child's circumstance, verify compliance through on-site certifications, and provide testimony as required at appeal hearings.

2. CMS QUALITY IMPROVEMENT ORGANIZATION		
Client Contact Information	Time Period	Contract Amount
Centers for Medicare & Medicaid Services 1301 Young Street, Room 766 Dallas, TX 75202 [REDACTED] [REDACTED] [REDACTED] [REDACTED]	[REDACTED]	[REDACTED] [REDACTED]
Estimated Annual Volume		
Coding Audit and Validation = 238 Quality of Care (Medicaid Client Complaints) = 117 Quality of Care Review (Other) = 232 Immediate Advocacy = 2 Utilization (All Other) = 268 Notice of Non-coverage = 156 EMTALA 5 Day Compliance Audit and Review = 1		
Contract Relevance to DHS DPSQA Inspections of Care		
<p>This long-term contract highlights our 45+ years serving as a QIO in Arkansas and our expertise providing quality assurance and performance improvement projects for an array of providers and clients.</p> <ul style="list-style-type: none"> • Quality of Care reviews, audits, complaints, and hearings • Hospital discharge and in-home client interviews • Quality Assurance and Performance Improvement Projects • Inpatient clinical reviews, audits, and appeals • Medication Reconciliation audits • Client and Provider education 		

Description of Scope of Work

This contract demonstrates AFMC's expertise in quality assurance audit and quality improvement initiatives (QIIs) as well as our ability to collaborate with multiple stakeholders, providers, and State agency personnel.

Additionally, in this contract, as the Medicare QIO, AFMC reviewed:

- **Quality-of-care complaints** from all settings reimbursed by Medicare - Medicare clients or representatives could file written complaints regarding care received within the last three years. AFMC's review audits addressed each concern using the standards of care relevant to the involved setting. AFMC physician reviewers in like specialties as the involved practitioners were selected for these reviews. Often, quality-of-care concerns were identified during other reviews, and quality reviews were conducted as a result.
- **Recommendation for sanction from the Medicare program** – When a quality-of-care concern was considered serious or gross and flagrant (where harm was caused or the potential for harm existed) or when a substantial pattern of inappropriate care was identified in three or more cases, AFMC performed a comprehensive audit and review, compiled reports and analyses, and then forwarded a sanction recommendation file to CMS.
- **Emergency Medical Treatment and Labor Act (EMTALA)** referrals from CMS - CMS relied on AFMC to provide clinical perspective on the care rendered through services subject to EMTALA as well as provider compliance with EMTALA regulations.
- Immediate **discharge appeals** from inpatient and outpatient settings, including hospital admission necessities– Any Medicare client being discharged from the hospital, skilled nursing facility, home health, hospice, or comprehensive outpatient rehabilitation facility could request immediate review of discharge. For hospital discharge appeals, AFMC assessed the appropriateness of admission.
- **Higher-weighted diagnosis-related group (HWDRG)** inpatient claims – AFMC reviewed CMS-selected hospital claims involving requests for HWDRG payment each month. AFMC used ICD-coding specialists validated the diagnoses billed as well as medical necessity of admissions and quality of care.

Other activities included:

- Hospice record reviews;
- Reviews for assistants at cataract surgery; and
- Identification and validation of services noted as cost outliers.

In addition to reviews and discharge appeals, AFMC conducted a special project for reducing hospital readmission rates in a small, rural community through **medication reconciliation**. Our objective was to reduce 30-day hospital readmissions through a coalition-based, hospital-to-

3. ARKANSAS MEDICAID BENEFICIARY RELATIONS AND NON-EMERGENCY TRANSPORTATION ADMINISTRATION

Estimated NET Quarterly Volume

Complaint Resolutions = 3,540

NET Broker Safety Inspections = 1,445 driver credentialing and 967 vehicles

Contract Relevance to DHS DPSQA Inspections of Care

AFMC provides a range of services to a diverse population in this contract and to HCBS providers, including:

- Health and Safety licensure/ certification visits
- On-site visits
- Complaint resolution
- Client and broker education
- Quality and performance improvement
- Policy and procedure development
- Face-to-face and telephone interviews
- Data collection and monitoring
- Timely reporting and ad hoc reporting
- Corrective action plans
- Health and culturally literate educational tools

Description of Scope of Work

AFMC has proven its ability over this long-standing contract to interact with healthcare providers, transportation brokers, and Medicaid clients to ensure the health and safety of consumers, convey Medicaid program directives, audit provider compliance with program requirements, and resolve grievances and complaints in a timely fashion.

Under one component of this contract, AFMC manages and monitors NET service providers and the services they provide to Arkansas Medicaid clients. AFMC also works in liaison with DHS and clients by maintaining active feedback and assisting in the complaint resolution process. Additionally, AFMC developed the NET Policy and Procedure Manual, which was incorporated in the *Arkansas Medicaid Provider Manual*.

Non-emergency Transportation Services: AFMC manages and monitors Arkansas Medicaid's NET program to help clients obtain transportation to and from needed care. We also developed a formal process for collecting, analyzing, and verifying staffing credentials and qualifications as well as collecting, analyzing, and responding to client inquiries and complaints and to facilitate prompt resolution.

AFMC audits all drivers' and attendants' qualifying documentation before they begin providing transportation services. Our team monitors their credentialing, including criminal background checks, FBI checks, child maltreatment checks, adult maltreatment checks, and state driver's license checks. There were 1,445 eligible drivers and attendants validated in the most recent quarter.

We routinely discuss member safety issues and challenges with brokers as preventative measures and for continuous quality improvement. Random on-site visits take place to observe member pick-up and drop-off, particularly for the children and disabled; to review logs and to verify that proper safety procedures are in place and being followed.

In October 2018, additional audits were performed to review and audit driver retraining as part of a Corrective Action Plan (CAP) for three brokers. A signed training roster and an individually signed training acknowledgement document provided by the NET Broker was compared against the current driver/attendant rosters in the AFMC NET Portal. These audits allow us to validate if drivers and/or attendants are providing NET services prior to AFMC receiving and approving compliance documents through our NET Portal.

AFMC maintains a toll-free, client complaint line (with available Spanish translation services and Arkansas relay service for the hearing impaired) and AFMC team members are readily available via telephone, cell phones, e-mail, and facsimile to coordinate interactions among all parties. The AFMC staff works with transportation brokers to resolve complaints within 24 hours and visits brokers each quarter to discuss performance feedback and corrective actions, if indicated. Last quarter, our team handled total of 3,540 calls regarding transportation issues. Of those, 1,147 complaints were denied.

Payment Error Rate Measurement: In October 2017, AFMC's outreach team received the Payment Error Rate Measurement (PERM) project when Arkansas Medicaid requested our assistance. Our analytics team cleaned the data for visit and reporting purposes. Provider visits were stratified and organized by county and assigned to an AFMC outreach specialist. Our team performed audit surveys and identified any error category by the provider

AFMC created a CAP document for each error category for Medicaid and the Children's Health Insurance Program (CHIP). The CAP included supporting documentation from the *Arkansas Medical Manual* for each error category and qualifier. We contacted each provider and educated them on the error reason and qualifier specific to the facility. While most of the on-site visits were unannounced, some appointments required advanced scheduling. We reviewed the SFY2015 audit findings with each provider and the CAP and supporting documentation from the *Arkansas Medicaid Manual*. Education was provided on how to handle these issues or deficiencies in the future. After meeting with the representative of each facility, the AFMC outreach specialist obtained provider-signed CAP documents, which were loaded into AFMC's database portal along with visit documentation for each provider. A total of 249 visits were documented which covered a total of 344 PERMs.

Other Medicaid Client Services:

Arkansas Medicaid Handbook. The *Arkansas Medicaid Handbook* is an example of how AFMC works to improve clients' understanding of the Medicaid program. In 2016 DHS asked AFMC's assistance in revising the *Arkansas Medicaid Handbook* for clients, the original of which AFMC wrote. DHS asked AFMC to expand the project to make the *Medicaid Handbook* applicable to all of Medicaid and not just information for clients.

Medicaid Call Service Center. Demonstrating AFMC's responsiveness to our customers' needs in SFY14, at the request of DHS, AFMC designed and launched a Call Service Center. We exceeded expectations with an abbreviated launch timeframe. These services were expanded in SFY16 to include the Division of County Operations' four call lines in order to assist them with overflow calls and offer Medicaid client assistance. In SFY17, AFMC assumed full responsibility of four of the Division's Assistance Lines. Call volume varies, but at peak times, calls reach as many as 10,000 per week.

AFMC also monitors services provided to Medicaid clients. AFMC's analytics staff provides statistical audits of claims information for accurate reconciliation. It pulls the claims data submitted by the NET brokers and performs monthly monitoring. Monthly, AFMC's analytics staff mines the data for capitated payments made to each broker and creates summaries of the data and audit lists by broker.

AFMC analytics staff creates an address list for new Medicaid clients to inform them of the NET helpline and the Medicaid complaint line. We respond to all DHS ad hoc requests such as those to send notifications when broker changes take place and to investigate fee-for-service trips made to CHMS/Developmental Day Treatment Clinic Services facilities. AFMC also examines emergent ambulance transportation both ground and air. Additionally, we serve as intermediary between a broker and the MMIS vendor if a broker has issues with claims data, remittance advice, or reports.

Culturally-sensitive and health-literate communications: AFMC works closely with DHS to produce Medicaid-client communication pieces – newsletters, brochures, and multi-media public awareness campaigns to promote healthy behaviors. AFMC staff members collaborate both with clinicians and other content experts and with members of each specific target audience to create compelling, culturally-appropriate, and health-literate educational tools for Medicaid clients of all ages.

Healthcare-Related Surveys and Focus Groups: In order to assess client health status and satisfaction with the health services they receive, AFMC regularly develops, conducts, and analyzes surveys and focus groups. AFMC manages all aspects of sample design, population sampling, questionnaire design, data collection, and analysis. Survey reports are produced for DHS, and survey results are sent to the National CAHPS® (Consumer Assessment of Healthcare Providers and Systems) Benchmarking Database.

4. ARKANSAS MEDICAID REVIEW AGENT		
Client Contact Information	Time Period	Contract Amount
Arkansas Department of Human Services Division of Medical Services (DMS) P. O. Box 1437, Slot S401 Little Rock, Arkansas 72203 [REDACTED] [REDACTED] [REDACTED]	[REDACTED]	[REDACTED]
Estimated Annual Volume		
Prior Authorization Reviews = 94,839 Retrospective Reviews = 77,538 Medical Review/Consults and Ad Hoc Reviews = 3,362		
Contract Relevance to DHS DPSQA Inspections of Care		
<p>This contract demonstrates AFMC's nearly 40 years' expertise in conducting quality-of-care and clinical reviews and in interpreting guidelines and program requirements for:</p> <ul style="list-style-type: none"> • Performing quality-of-care, medical necessity, and retrospective reviews of services, • Notifying Medicaid clients and providers of review determinations, • Transmitting review and recoupment data to a fiscal agent, • Providing necessary reports to the State, • Participating in appeal hearings, • Delivering provider educational workshops and on-site education, • Offering proficiency with HIPAA (Health Insurance Portability and Accountability Act) compliance, and • Conducting performance improvement projects. 		

Description of Scope of Work

Arkansas DHS has continuously contracted with AFMC since 1985 to provide:

- Medicaid utilization review based on medical necessity for inpatient and outpatient services
- Medicaid retrospective review services
- Prior authorization of continued inpatient stays, surgical procedures, assistant surgeon, extension of benefits, and bone marrow and organ transplants.

Through this contract, AFMC provides services impacting Medicaid clients of all ages statewide. We provide expert clinical consultation on coding and payment issues as well as physician drug reviews. Our physician and nurse reviewers, as well as other support staff, have the backgrounds and credentials to make accurate and reliable review decisions quickly and correctly.

[REDACTED]

AFMC provides reviews for hospitals and other healthcare facilities in all areas of the State. We receive appropriately-secured electronic records to conduct external utilization and quality-of-care reviews. AFMC's HIPAA-compliant, electronic processes allow hospitals and providers to submit records for review electronically.

Other specific contract activities include:

- Standards of Care (quality of care);
- Retrospective (post-pay) inpatient reviews;
- Emergency services reviews;
- Prior authorization reviews;
- Medicaid Utilization Management Program reviews;
- Organ and bone marrow transplant reviews;
- Extension of Benefit (EOB) reviews for services with benefit limitations;
- Review and audit of complex coding and billing issues, disputed Medicaid denials, and criteria development for new medical and surgical treatments and procedures; and

- Education through one-on-one training sessions with providers, large-group provider meetings, workgroups, committees, and web-based information sharing, including web-pages and webinars.

5. SECURITY RISK ASSESSMENTS		
Client Contact Information	Time Period	Contract Amount
Private clinical practice service agreements	██████████	██████████ ██████████
Estimated Annual Volume		
██████████		
Contract Relevance to DHS DPSQA Inspections of Care		
<p>AFMC’s Security Risk Analysis Team provided:</p> <ul style="list-style-type: none"> • Audit for HIPAA Compliance • On-site visits and certification reviews and audits • Provider education • Face-to-face interviews • Corrective Action Plans • Technical guidance • Timely reporting 		

Description of Scope of Work

AFMC has provided Security Risk Analysis (SRA) services to practices in Arkansas, Mississippi and Missouri under AFMC consulting agreements. The adoption and use of electronic health technology require greater emphasis on patient health information security. According to the Office of Civil Rights, 253 healthcare breaches occurred in 2015, each affecting 500 individuals or more with a combined loss of over 112 million records. The high stakes of data breaches – both for patient health and safety and healthcare provider liability – have resulted in healthcare organizations placing a higher priority on HIPAA compliance and data security. An annual SRA and audit is the single most important step in complying with the HIPAA Security Rule and is a core requirement for incentive-based programs such as the Quality Payment Program and Promoting Interoperability (formerly known as “Meaningful Use”).

AFMC’s network security assessors perform on-site and virtual visits for individual practices in Arkansas, Missouri, Illinois, and Mississippi. SRAs provide a tangible audit review and survey of the administrative, technical, and physical safeguards in place within a healthcare facility.

AFMC has wide-reaching experience in conducting and documenting a thorough and organized SRA. Tools and processes developed by the AFMC team are designed to uncover potential weaknesses in security policies, processes, and systems and identify vulnerabilities that could result in adverse security events. These audits are an opportunity for the provider to address identified vulnerabilities and improve the health and safety of the services they provide to consumers.

Prior to launching this work, AFMC performed audits for more than 4,000 providers under contract with the US Health and Human Services, Office of the National Coordinator.

Physical and Electronic: AFMC's network security assessors provide a comprehensive physical and electronic assessment and audit by conducting on-site inspections to observe and document in detail:

- Facility access controls for employees, visitors, and contractors
- Workstations and other devices (including portable devices) – locations, protection, security, and storage
- Security awareness training
- Encryption
- Disposal and reuse
- Notice of privacy practices
- Servers and network configuration
- Data back-up
- Contingency plans
- Firewall validation
- Antivirus and security software

Upon completion of the physical and technical assessment, the network security assessor meets with the site manager to review findings and prepares a provider-specific report of findings, including any identified deficiencies and recommended remediation action plans. The report is sent to the facility site manager within 7-10 business days of completion of the practice assessment.

Administrative: The administrative portion of the SRA consists of a suite of tools and processes, including a pre-risk assessment questionnaire, a policy review, and the annual audits and activities document, which is designed to support the required HIPAA standards. This process helps the practice identify any deficiencies in HIPAA privacy and security policies and procedures; reinforces proper documentation to produce an audit trail; and stresses the importance of documenting barriers that may have prevented achievement of specifically-required privacy and security measures. Upon completion of the administrative audit and review, AFMC presents final documentation to the appropriate clinic personnel.

6. DHS DIVISION OF MEDICAL SERVICES MEDICAID QUALITY IMPROVEMENT (MQI)		
Client Contact Information	Contract Period	Contract Amount
Arkansas Department of Human Services Division of Medical Services (DMS) P. O. Box 1437, Slot S401 Little Rock, Arkansas 72203 [REDACTED] [REDACTED] [REDACTED]	[REDACTED]	[REDACTED]
Estimated Volume		
Review program activities and metrics on hundreds of PCMHs One annual Quality Improvement Project Academic detailing for at least 15% of the total provider community annually		
Contract Relevance to DHS DPSQA Inspections of Care		
Activities which AFMC managed and conducted in this contract include: <ul style="list-style-type: none"> • Quality-of-care reviews • Audit compliance with requirements, including care and treatment plans • Provider, client, and hospital training and education • Substance abuse education • Inpatient Quality Assessment visits • Corrective Action Plans • Development of culturally-sensitive and health-literate tools and educational materials • Provision of work to an array of Medicaid client and provider types 		

Description of Scope of Work

Patient-Centered Medical Home (PCMH) – Quality Assurance (QA). AFMC’s PCMH QA team audits and validates that the primary care practice’s quality of care meets requirements in order to substantiate qualification for payments and incentives from Arkansas Medicaid. The audit and review work conducted by AFMC’s PCMH QA team ensures that Arkansas Medicaid issues quarterly care-coordination payments to engaged and qualified practices.

To ensure the integrity of the program, AFMC performs on-site and virtual validation audits and provides training and education regarding QA activities via webinars, emails, and teleconference. We perform on-site and remote validation reviews of practices to audit

compliance with required activities and quality metrics. If practices do not meet the required program activities and metrics, AFMC initiates and monitors the remediation process including a corrective action plan to enable practices to remediate performance and continue receiving practice support. The PCMH QA team has conducted reviews of program activities and metrics for hundreds of PCMHs and thousands of PCPs.

Medicaid Quality Improvement (QI) Projects. AFMC works with an array of players in the healthcare arena on quality improvement initiatives – everyone from hospitals, physicians, home health agencies, nursing homes, school-based programs, and day-care centers – to clients and family caregivers. AFMC identifies potential areas for quality improvement, develops data-driven targeted interventions from best practices, and creates effective educational materials for providers and clients. We furnish supportive services, including:

- Project development,
- Clinical support for practice redesign,
- Academic detailing for practice sites,
- Metrics to track impact,
- Support for provider-generated data collection,
- Face-to-face project support to providers,
- Technical assistance with quality improvement, and
- Presentations at statewide conferences.

Inpatient Quality Incentive (IQI) Program. We know that data-driven efforts can turn into cost-saving quality improvement. Arkansas Medicaid has realized such gains from HEDIS®-measure data-mining projects, leading to significant impacts to its IQI program. AFMC provides data validation through on-site and desk-audit chart review, validates measures implementation, performs IQI data calculations, and provides educational information and technical assistance to each IQI-eligible hospital. Participating providers submit charts to AFMC through our HIPAA-compliant provider portal. We also maintain an AFMC-designed database of the Medicaid-specific measures reported on by hospitals.

This program earned national attention for its innovative approach to improvement by involving the healthcare community. Today, nearly 100% of all patients admitted to Arkansas hospitals are now screened for tobacco usage and early elective infant deliveries have declined by 97%. Participating hospitals have been awarded a total of \$33 million in incentive payments and have celebrated two measures being removed from the program scope: venous thromboembolism prophylaxis after surgery and after intensive-care unit admissions.

7. HIGH-RISK ARKANSAS MEDICAID PROVIDERS		
Client Contact Information	Contract Period	Contract Amount
DXC Technology 500 President Clinton Avenue, Suite 400 Little Rock, AR 72201 [REDACTED] [REDACTED] [REDACTED]	[REDACTED]	[REDACTED]
Estimated Annual Volume		
Site Visits = 1,600		
Contract Relevance to DHS DPSQA Inspections of Care		
<ul style="list-style-type: none"> • Unannounced on-site visits • General observation of physical features of facility's environment • Interviews with staff • Examine policies and procedures • Reporting • Conducting training and workshops 		

Description of Scope of Work

AFMC conducts unannounced on-site visits for pre-enrollment and post-enrollment providers designated as moderate- or high-risk to the Arkansas Medicaid program. Our outreach specialists must visit new application sites within 30 days of receipt and complete any follow-up visits within 60 days. The purpose of these visits is to validate information submitted to Medicaid by the provider on issues such as staffing, environmental conditions, and protected health information (PHI). While most of these visits are in-state, our team travels to contiguous states to audit out-of-state providers as necessary.

AFMC completes a site visit survey in real time and uploads a copy to the provider panel in MMIS Interchange. A nightly report is then sent to DXC for all documented visits.

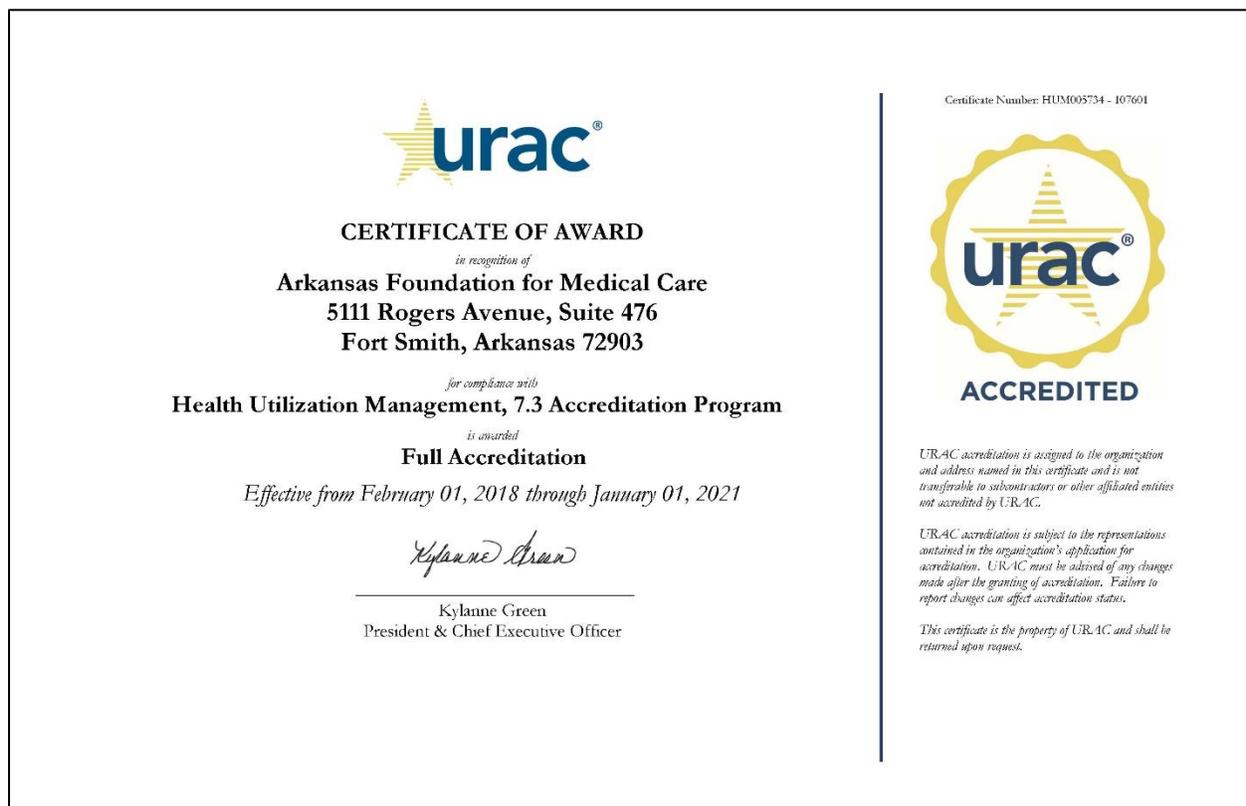
AFMC contacts newly-enrolled providers by phone within 10 working days. Within 90 days of enrollment, a face-to-face meeting occurs between AFMC and the new provider. All newly-enrolled providers are visited within 90 calendar days of their enrollment effective dates. Proactive telephone calls and face-to-face meetings with established providers are required for providers who request a visit, providers with an issue that constitutes an emergency, providers

with a high denial rate or complex problems, or at the request of DHS. In-service is required five times per year with one time in each region for new and established providers.

2. QIO or QIO-like Entity (IFB §2.3.2)

AFMC has served healthcare communities in a regulatory and validation role for over four decades as the QIO for Arkansas since the inception of the CMS peer review program in 1972. With CMS's reorganization of QIOs in 2015, AFMC now serves as a member of a regional QIN-QIO. We are also designated as a CMS *QIO-like entity* since 2014. Attached as **Appendix A** is our designation letter from CMS.

Our ability to provide clinical reviews and quality improvement services is well documented with our awards, certifications, and accreditations. Most significant is our URAC accreditation for Health Utilization Management, which assures the adequacy and quality of AFMC's processes through evaluation against broadly-recognized, national standards. AFMC is URAC accredited for Health Utilization Management until 2021 in our Ft. Smith office, as verified by our most recent certificate of award:



We describe other AFMC certifications and accreditations in the following table. These achievements from external entities show we follow through on our commitment to excellence.

Other Selected AFMC Certifications and Accreditations

	<p>National Committee for Quality Assurance training for all practice transformation and health IT staff members on PCMH requirements (38 staff members)</p> <ul style="list-style-type: none"> ➤ Recognized NCQA Partner in Quality for PCMH transformation support services and has eight Certified PCMH Content Experts on staff, more than any NCQA-certified PCMH vendor ➤ Designated as Qualified Vendor for Practice Transformation Support for PCMH (2014) – State of Arkansas
	<p>Certified as a NCQA HEDIS® and CAHPS® survey vendor—one of only 15 certified vendors in the nation</p>
	<p>Project Management Professional Certification for all staff members of AFMC’s Enterprise Project Management Office</p>
	<p>Management-level clinical review staff members are trained through the American Association of Managed Care Nurses for Certification in Managed Care Nursing.</p>
	<p>AFMC staff members have National Association of Healthcare Quality (NAHQ) certifications as Certified Professionals in Healthcare Quality and Certified Professionals in Healthcare Management.</p> <ul style="list-style-type: none"> ➤ AFMC has been invited to present at NAHQ conferences on topics like inpatient hospital incentive programs and increasing colorectal cancer screenings through electronic medical record optimization.
	<p>AFMC conforms to the Arkansas Association for Healthcare Quality’s (AAHQ’s) high professional standards in the performance of our work and services. We proudly sponsor the AAHQ.</p> <ul style="list-style-type: none"> ➤ AFMC’s Director of Practice Transformation serves as Member-at-Large on the AAHQ 2018 Board of Directors.

Excellence is the standard to which we hold ourselves. That standard is the reason that to “promote excellence in health and health care through education and evaluation” is our mission.

3. Certification of Sanctions or Corrective Actions (IFB §2.3.3)

AFMC certifies that we have not received any sanctions by a state or federal government within the last 10 years.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]					
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

4. Conflict of Interest (IFB §2.3.4)

AFMC certifies that all persons involved in this bid have read the Organizational or Personal Conflict of Interest Clause provided as Attachment G in this effort. Neither AFMC nor any of its employees have an actual, apparent, or potential conflict of interest with the providers specified in Attachments II-VII. AFMC is a reliable and objective choice for DHS to perform this scope of work. We do not anticipate using any subcontractors in this effort.

5. Certification of Bond (IFB §2.3.5)

Please see **Appendix B** for our Surety Insurer's Letter of Bondability.

Appendix A – Letter of QIO-like Designation

Appendix B – Letter of Bondability



Center for Clinical Standards and Quality

JUN 04 2014

Ray Hanley
President & Chief Executive Officer
Arkansas Foundation for Medical Care
1020 West 4th Street, Suite 300
Little Rock, Arkansas 72201

Dear Mr. Hanley:

We have reviewed your application of May 22, 2014 requesting that the Centers for Medicare & Medicaid Services certify Arkansas Foundation for Medical Care (AFMC) as a Quality Improvement Organization (QIO)-like entity for the State of Arkansas. As a result, we have determined that Arkansas Foundation for Medical Care (AFMC) meets the requirements to be a QIO-like entity, namely:

- It is able to perform limited medical and quality review functions required under Section 1154 of the Act;
- It has one individual who is representative of health care providers and consumers on its governing body under section 1152 of the Act; and
- It is not a health care facility, health care facility affiliate, or payor organization as defined in 42 CFR 475.105.

This certification designates AFMC as a QIO-like entity eligible to fully operate in Arkansas. AFMC may also operate in other states with the exception of performing Medicare medical reviews. For the conduct of Medicare medical review work, a QIO-like entity must meet the requirement that the QIO-like entity have access to or agreements with peer reviewers in the state in question.

If the QIO-like entity determines to conduct Medicare medical review work in a state other than the state for which it has submitted a list of medical reviewers, this criterion must be met and submitted for approval by CMS before such work can be undertaken.

Your certification is granted for a period of 5 years and will expire on June 4, 2019. This certification of eligibility permits your organization to seek a contract with the states for review activities within the requirements. In addition, states have specific qualifications and performance requirements depending upon the scope of work they desire to procure. This certification does not reflect a determination as to whether your organization has the ability to meet those requirements. The state is responsible for making that determination. We have certified your organization to review cases and analyze patterns of care related to medical necessity and quality review. We have not certified the organization as meeting the State Medicaid Agency's requirements for external quality review or related functions such as utilization review specified in 1903 (a)(3)(C) and 1932 (c)(2) of the Act. In addition, we have not evaluated the organization to perform the same functions as a QIO under contract with CMS.

You must provide an annual assurance statement of your continued adherence to certification requirements within 30 days of the last month of the first certification year and within 30 days of the last month of the second certification year. In addition, if there are any changes in the name, address, or pool of physician reviewers you must notify this office for a reevaluation of your certification. Recertification requires submission of the complete package a minimum of 60 days prior to the expiration of the current certification.

At any time during the certification period if AFMC no longer meets the above criteria, you must notify the agency and it will no longer be considered a QIO-like entity. The certification will be terminated. You may reapply at any time if this occurs.

If you have questions, please contact Malinda D. Greene (malinda.greene@cms.hhs.gov) of my staff on (410) 786-7829 or Donna Galmore (donna.galmore@cms.hhs.gov) on (410)786-2047.

Sincerely,



Jean Moody-Williams, RN, MPP
Director
Quality Improvement Group
Center for Clinical Standards and Quality

Date: March 15, 2019

Re: Arkansas Foundation for Medical Care, Inc. ("AFMC")
Contract: Inspections of Care (IOC)
Bid Date: 3/18/2019

To whom it may concern:

Please be advised Berkley Surety is the surety for AFMC and is an admitted surety in the State of Arkansas.

AFMC is preparing to submit a proposal for the State of Arkansas Department of Human Services Bid Number 710-19-1023. This client currently has sufficient unutilized surety credit to meet the performance bond obligations as set forth in the referenced bid documents; it is our present intention, pending direct instructions to do so, to become surety on the performance bond required by the contract. The performance bond will be similar to those provided on behalf of AFMC to the State of Arkansas and will cover 100% of the contract requirement.

We continue to be confident in the ability of AFMC to perform and we highly recommend them for your favorable consideration.

Please contact me if you have any questions.

Very truly yours,



Randy Calhoun
Regional Manager, Commercial Surety
12400 Coit Rd. Suite 625
Dallas, Texas 75251
973.775.5250