



STATE OF INDIANA

Eric Holcomb, Governor

Department of Administration
Procurement Division

402 W Washington Street, Room W468

Indianapolis, Indiana 46204

317.232.3053

Award Recommendation Letter

Date: March 1, 2023

To: L. Erin Kellam, Deputy Commissioner
Indiana Department of Administration

L. Erin
Kellam

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Erin Kellam

Date: 2023.03.01

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From: Teresa Deaton-Reese, Senior Account Manager
Indiana Department of Administration

Subject: Recommendation of Selection for RFP 23-72118: Risk-Based Managed Care Long Term Services and Supports (Indiana Pathways for Aging)

Based on the State's evaluation of responses to RFP 23-72118, **Anthem Insurance Companies, Inc., d.b.a Anthem Blue Cross and Blue Shield ("Anthem")**, **Arcadian Health Plan, d.b.a. Humana Healthy Horizons in Indiana ("Humana")**, **Molina Healthcare of Indiana ("Molina")**, and **UnitedHealthcare Insurance Company, d.b.a United Healthcare Community Plan ("United")** are recommended to begin contract negotiations to provide Risk-Based Managed Care Long Term Services and Supports (Indiana Pathways for Aging) for the Indiana Family and Social Services Administration (FSSA).

*Anthem has committed to subcontract 0.76% of the administrative contract value to **Affirm Group Services, LLC** (a certified Woman-owned Business (WBE)), 8.00% to **BKG Enterprises, Inc.** (WBE), 1.75% to **DaMar Staffing Solutions of Indianapolis, Inc.** (WBE), 11.51% to **Professional Management Enterprises** (a certified Minority-owned Business (MBE)), 1.00% to **Sahasra Technologies Corp. dba STLogics** (WBE), and 3.50% to **Summit Managed Solutions, LLC** (a certified Indiana Veteran-owned Business (IVOSB)).*

*Humana has committed to subcontract 1.29% of the administrative contract value to **Borshoff, Inc.** (WBE), 1.96% to **CulturaLink, Inc.** (WBE), 3.74% to **Engaging Solutions, LLC** (WBE), 0.60% to **Repucare** (WBE), 3.67% to **Sahasra Technologies Corp. dba STLogics** (WBE), 7.93% to **LCP Transportation** (MBE), 0.60% to **Indiana Minority Health Coalition** (MBE), 0.60% to **Fineline Printing Group** (MBE), 0.13% to **Stevenson Legal Group, LLC** (MBE), 2.21% to **Professional Management Enterprises** (IVOSB), and 1.24% to **Summit Managed Solutions, LLC** (IVOSB).*

*Molina has committed to subcontract 2.20% of the administrative contract value to **BCForward (Bucher & Christian Consulting, Inc.)** (MBE), 0.75% to **Clover LLC** (WBE), 0.40% to **CulturaLink LLC** (MBE), 1.00% to **Engaging Solutions, LLC** (MBE), 0.25% to **Fineline Printing Group** (MBE), 0.76% to **Indiana Minority Health Coalition** (MBE), 1.00% to **Koehler Partners, Inc.** (WBE), 14.74% to **LCP Transportation** (MBE), 0.29% to **Rascon Associates, LLC** (WBE), 13.46% to **RepuCare, Inc.** (WBE), 2.95% to **Professional Management Enterprises** (IVOSB), and 1.00% to **Summit Managed Solutions, LLC** (IVOSB).*

*United has committed to subcontract 0.08% of the administrative contract value to **aFIT Staffing, Inc.** (WBE), 0.02% to **Fineline Printing Group** (MBE), 0.16% to **Indiana Wellness Consultants, LLC** (WBE), 7.24% to **LCP***

Transportation, LLC (MBE), 1.85% to RepuCare, Inc. (WBE), 0.83% to RoBailey Consulting, LLC (MBE), 9.52% to Vision Financial Services, Inc. (WBE), 4.25% to Professional Management Enterprises, Inc. (IVOSB).

The terms of this recommendation are included in this letter.

Estimated Contract Values (Indiana Pathways for Aging)¹:

- Anthem: \$3,847,500,000.00
- Humana: \$3,847,500,000.00
- Molina: \$3,847,500,000.00
- United: \$3,847,500,000.00

Estimated Administrative Contract Values for M/WBE and IVOSB Commitment Basis (Indiana Pathways for Aging)¹:

- Anthem: \$347,507,643.88
- Humana: \$347,507,643.88
- Molina: \$347,507,643.88
- United: \$347,507,643.88

¹For the purposes of this contract, four-year estimates are based on preliminary capitation rates as calculated, as well as the capitation rate methodology, presented in Capitation Rate Attachments L1-L7. The individual MCE enrollment assumption is set at one-fourth (1/4) of total enrollment projections for a four-year contract period, strictly for the purposes of this award recommendation. Actual figures will be determined based on final capitation rates, capitation rate adjustments throughout the course of the contract, and actual program and MCE enrollment.

The evaluation team received seven (7) proposals from:

1. Anthem
2. CareSource Indiana, Inc. (“CareSource”)
3. Humana
4. Coordinated Care Corporation d.b.a. Managed Health Services (“MHS”)
5. MDwise, Inc. (“MDwise”)
6. Molina
7. United

The proposals were evaluated according to the following criteria established in the RFP:

Criteria	Points
1. Adherence to Mandatory Requirements	Pass/Fail
2. Management Assessment/Quality (Business and Technical Proposal)	80
3. Buy Indiana	5
4. Minority Business Enterprise Subcontractor Commitment	5 (1 bonus pt. available)
5. Women Business Enterprise Subcontractor Commitment	5 (1 bonus pt. available)
6. Indiana Veteran Business Enterprise Subcontractor Commitment	5 (1 bonus pt. available)
Total: 100 (103 if bonus awarded)	

Note: Respondents were not scored on the basis of proposed costs, but rather were required to explicitly acknowledge acceptance of the preliminary capitation rates as calculated, as well as the capitation rate methodology, presented in Attachments L1-L7 and agreement with any requirements/conditions listed in Attachments L1-L7 of the RFP.

The proposals were evaluated according to the process outlined in Section 3.2 (“Evaluation Criteria”) of the RFP. Scoring was completed as follows:

A. Adherence to Requirements

Each proposal was reviewed for responsiveness and adherence to mandatory requirements. All of the Respondents were deemed responsive and adhered to the mandatory requirements.

B. Management Assessment/Quality: Initial Consensus Scoring

The Respondents’ proposals were each evaluated based on their respective Business and Technical Proposals.

Business Proposal (10 Points)

For the Business Proposal evaluation, the evaluation team considered the information the Respondent provided in the Business Proposal. These areas were reviewed to assess the Respondent’s ability to serve the State:

- Company Information
- References

Technical Proposal (70 Points)

For the Technical Proposal evaluation, the evaluation team considered the Respondent’s proposal in the following areas:

Components:

- Section 1.0 – Background
- Section 2.0 – Administrative Requirements
- Section 3.0 – Covered Benefits and Services
- Section 4.0 – Care Coordination
- Section 5.0 – Member Services
- Section 6.0 – Provider Network Requirements
- Section 7.0 – Quality Management and Utilization Management
- Section 8.0 – Program Integrity
- Section 9.0 – Information Technology (IT) Systems
- Section 10.0 – Performance Reporting and Incentives
- Section 11.0 – Failure to Perform/Non-compliance Remedies
- Section 12.0 – Termination Provisions

The evaluation team’s initial scoring is based on a review of the Respondent’s proposed approach to each section of the Business Proposal and Technical Proposal. The initial results of the Management Assessment/Quality Evaluation are shown below:

Table 1: Initial Management Assessment/Quality Scores

Respondent	MAQ Score 80 pts.
Anthem	56.50
CareSource	44.50
Humana	62.75
MDwise	33.75
MHS	46.25
Molina	58.00

Respondent	MAQ Score 80 pts.
United	57.75

The evaluation team elected to move to the next evaluation stage with all seven Respondents. The evaluation team elected to issue clarification questions and invitations to Oral Presentations to all seven Respondents.

C. Post Oral Presentations and Clarification Responses

The Respondents' MAQ scores were reviewed and re-evaluated based on the Oral Presentations and Clarification Responses. The MAQ scores for the Respondents after the Oral Presentations and Clarification Responses were as follows:

Table 2: Post Oral Presentations and Clarification Responses – Final Management Assessment/Quality Scores

Respondent	MAQ Score 80 pts.
Anthem	56.50
CareSource	46.50
Humana	62.75
MDwise	33.75
MHS	47.50
Molina	58.00
United	59.75

D. IDOA Scoring

IDOA scored the Respondents in the following areas: Buy Indiana (5 points), MBE Subcontractor Commitment (5 points + 1 available bonus point), WBE Subcontractor Commitment (5 points + 1 available bonus point), and IVOSB Subcontractor Commitment (5 points + 1 available bonus point) using the criteria outlined in the RFP. When necessary, IDOA clarified certain M/WBE and IVOSB information with the Respondents. Once the final M/WBE and IVOSB forms were received from the Respondents, the total scores out of 103 possible points were tabulated and are as follows:

Table 3: Final Evaluation Scores

Respondent	MAQ Score	Buy Indiana	MBE*	WBE*	IVOSB*	Total Score
Points Possible	80	5	5 (+1 bonus pt.)	5 (+1 bonus pt.)	5 (+1 bonus pt.)	100 (+3 bonus pts.)
Anthem	56.50	5	5	5	5	76.50
CareSource	46.50	5	5	5	5	66.50

Respondent	MAQ Score	Buy Indiana	MBE*	WBE*	IVOSB*	Total Score
Points Possible	80	5	5 (+1 bonus pt.)	5 (+1 bonus pt.)	5 (+1 bonus pt.)	100 (+3 bonus pts.)
Humana	62.75	5	5	5	5	82.75
MDwise	33.75	5	5	5	5	53.75
MHS	47.50	5	6	5	4.26	67.76
Molina	58.00	5	5	6	5	79.00
United	59.75	5	5	5	6	80.75

* See Sections 3.2.4 and 3.2.5 of the RFP for information on available M/WBE bonus points, and 3.2.6 of the RFP for information on available IVOSB bonus points.

Award Summary

During the course of evaluation, the State scrutinized all proposals to determine the viability of the proposed ability to meet the goals of the program and the needs of the State. The team evaluated proposals based on the stipulated criteria outlined in the RFP document.

The term of the contracts shall be for a period of four (4) years from the date of contract execution. There may be two (2) one-year renewals for a total of six (6) years at the State's option.