

INSTRUCTIONS TO OFFERORS TABLE OF CONTENTS

A: INTRODUCTION	2
B: DEFINITIONS	2
C: RFP LAYOUT	4
D: INSTRUCTIONS TO OFFERORS	5
1. PROSPECTIVE OFFERORS' INQUIRIES	5
2. NO RIGHT TO RELY ON VERBAL RESPONSES	5
3. PERSONS WITH DISABILITIES	5
4. PROPOSAL OPENING	5
5. LATE PROPOSALS	5
6. WITHDRAWAL OF PROPOSAL	5
7. PRE-PROPOSAL CONFERENCE	6
8. AMENDMENTS TO RFP	6
9. EVIDENCE OF INTENT TO BE BOUND	6
10. EVALUATION FACTORS AND SELECTION PROCESS	6
11. CLARIFICATION OF OFFERS	8
12. READINESS REVIEW	8
13. AWARD OF CONTRACT	9
14. REJECTION OF A PROPOSAL - RESPONSIBILITY, RESPONSIVENESS, SUSCEPTIBILITY, AND BEST INTEREST	10
15. PROTESTS	11
16. INITIAL MEMBER ENROLLMENT AND MEMBER TRANSITION AFTER CONTRACT AWARD	11
17. FEDERAL DEADLINE FOR SIGNING CONTRACT	13
18. ANTICIPATED PROCUREMENT TIMELINE	13
19. BIDDERS' LIBRARY	13
20. MINIMUM CAPITALIZATION	14
21. CONTENTS OF OFFEROR'S PROPOSAL	14
22. SUBMISSION REQUIREMENTS	16
ORGANIZATION OF OFFEROR'S PROPOSAL	17
23. PUBLIC RECORD	21
24. PARTICIPATION AS A MEDICARE ADVANTAGE DUAL SPECIAL NEEDS PLAN (D-SNP)	21

A: INTRODUCTION

This Request for Proposal (RFP) solicits participation by Managed Care Organization Offerors to provide services for individuals who are elderly and/or have a physical disability and are enrolled in the AHCCCS ALTCS E/PD program. Covered services are to be provided in a managed care environment with reimbursement to Offerors awarded contracts on a capitated rate basis.

Successful Offerors are required to be organizations that have the ability to contract with the Centers for Medicare and Medicaid Services to provide and manage Medicare benefits for their dual eligible members. Refer to Contract Section D, Paragraph 66, Medicare Requirements, and Paragraph 24, Participation as a Medicare Advantage Dual Special Needs Plan (D-SNP), in this Section for additional details regarding this requirement.

The Solicitation is issued in accordance with the *RFP and Contract Process* rules set forth in Arizona Administrative Code (AAC) Title 9, Chapter 28 Article 6¹ and pursuant to ARS 36-2939, 36-2944, AAC R9-28-601 through R9-28-604, and the incorporated provisions of AAC R9-22-602 through R9-22-604 and 9 AAC Chapter 34, as applicable.

B: DEFINITIONS

1. **AHCCCS Procurement Officer:** The person, or their designee, duly authorized by the State and AHCCCS to enter into and administer Contracts and make written determinations with respect to the Contract.
2. **Award Date:** The date that the contract was legally awarded to the Offeror. Synonymous with effective date, contract award, and award of contract.
3. **Best and Final Offer:** A revision to an Offer submitted after negotiations are completed that contains the Offeror's most favorable terms for price, service, and products to be delivered. Sometimes referred to as a Final Proposal Revision.
4. **Contract Services Start Date:** The date that the Successful Offeror officially provides services to its members in accordance with the newly awarded contract. Synonymous with "Contract Start Date" and "Start Date". (Usually October 1).
5. **Day:** A calendar day, unless otherwise specified. If a due date falls on a Saturday, Sunday, or legal holiday as recognized by the State of Arizona, then the due date is considered the next business day. A business day means a Monday, Tuesday, Wednesday, Thursday, or Friday unless a legal holiday falls on Monday, Tuesday, Wednesday, Thursday, or Friday. Computation of time begins the day after the event that triggers the period and includes all calendar days and the final day of the period. If the final day of the period is a weekend or legal holiday, the period is extended until the end of the next business day.
6. **Effective Date:** Synonymous with "Award Date."
7. **Exhibit:** Any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation.

¹ This, and all other citations in this and the related documents may change from time to time. The most updated version of each citation should be applied.

- 8. Evaluation:** The process whereby the AHCCCS Procurement Officer will determine which responsible and responsive offers and best and final offers based on the evaluation factors contained in the request for proposals are the most advantageous to the State.
- 9. Incumbent Contractor:** An entity that is a party to State ALTCS E/PD Contract Number YH18-0001 as of the date the Proposals are due under this RFP.
- 10. Issue Date:** The date the RFP is published on the AHCCCS website.
- 11. Offer:** A response to a Solicitation. (Also referred to as a bid, response, or proposal)
- 12. Offeror:** A person or entity who responds to a Solicitation.
- 13. Oral Presentation:** A presentation made by the Offeror based on the requirements specified in the RFP or upon an established agenda provided by the AHCCCS Procurement Officer or designee ahead of time, or on the date of the scheduled oral presentation.
- 14. Person:** Any corporation, business, individual, union, committee, club, or other organization or group of individuals.
- 15. Proposal:** Refer to "Offer".
- 16. Proposal Due Date:** The date that Proposals are due to be submitted to AHCCCS in the AHCCCS Secure File Share (ASFS), as may be amended by solicitation amendment.
- 17. State:** Any department, commission, council, board, bureau, committee, institution, agency, government corporation or other establishment or official of the executive branch or corporation commission of the State of Arizona that executes the Contract.
- 18. Scoring:** The process used to allocate points to Proposals submitted by Offerors in accordance with the pre-determined scoring methodology and evaluation factors listed in the RFP.
- 19. Solicitation:** An Invitation for Bids ("IFB"), a Request for Proposals ("RFP"), or a Request for Quotations ("RFQ").
- 20. Solicitation Amendment:** A written document that is authorized by the AHCCCS Procurement officer and issued for the purpose of making changes to the Solicitation.
- 21. Successful Incumbent Contractor:** An Incumbent Contractor that is awarded a Contract under this RFP where the Incumbent Contractor holds a Contract through September 30, 2027.
- 22. Successful Offeror:** A responsible and responsive Offeror awarded a Contract under this RFP.
- 23. Transition Services Implementation Date:** For purposes of this RFP, this date signifies the beginning of the one-year employment restriction post award for those holding a significant procurement role. This date is tied to the first contract deliverable (which is the Minimum Capitalization Document due to AHCCCS 30 days after notification of contract award, approximately February 5, 2027, subject to change).
- 24. Unsuccessful Offeror:** An Offeror that is not awarded a Contract under this RFP where the Incumbent Contractor holds a Contract through September 30, 2027.

C: RFP LAYOUT**RFP LAYOUT**

The RFP document consists of requirements found in Sections A through I

Section A: Solicitation Summary and Offer and Acceptance Page

Contract:

Section B: Capitation Rates

Section C: Definitions

Section D: Program Requirements

Section E: Contract Terms and Conditions

Section F: Attachments

Attachment F1: Member Grievance and Appeal System Standards

Attachment F2: Provider Claim Dispute Standards

Attachment F3: Contractor Chart of Deliverables

Attachment F4: State Directed Payments (SDP)

Section G: Disclosure of Information Instructions and Attestation

Section H: Instructions to Offerors

Section I: Exhibits

Exhibit A: Offeror's Checklist

Exhibit B: AHCCCS Questions and Answers Form

Exhibit C: Offeror's Intent to Bid

Exhibit D: State Only Pregnancy Terminations Agreement

Exhibit E: Transition Requirements

Exhibit F1: Written Technical Proposal - Programmatic Submission Requirements

Exhibit F2: Contract Citations and Past Performance Submission Requirements

Exhibit G: Disclosure of Information

Exhibit H1: Non-Benefit Costs Bid Submission Workbook Instructions

Exhibit H2: Non-Benefit Costs Bid Submission Workbook Template

D: INSTRUCTIONS TO OFFERORS**1. PROSPECTIVE OFFERORS' INQUIRIES**

Any inquiries related to this Solicitation shall be directed to the AHCCCS Procurement Officer listed in RFP Section A, Solicitation Summary and Offer and Acceptance Page and as delineated in Paragraph 8, Amendments to RFP in this Section. Offerors shall not contact or ask questions of AHCCCS staff related to the RFP unless authorized by the AHCCCS Procurement Officer. Questions pertaining to the RFP shall be submitted to AHCCCS in accordance with the schedule included in RFP Section A, Solicitation Summary and Offer and Acceptance Page or as otherwise specified in the RFP Bidders' Library. Questions shall be emailed to the AHCCCS Procurement Officer listed in RFP Section A, Solicitation Summary and Offer and Acceptance Page utilizing RFP Section I, Exhibit B, AHCCCS Questions and Answers Form; Offerors shall not modify the format of this Template. AHCCCS will respond in writing to questions submitted by the due date through this process via a formal Solicitation Amendment at its discretion. Refer to Paragraph 8, Amendments to RFP in this Section.

2. NO RIGHT TO RELY ON VERBAL RESPONSES

Any inquiry that results in changes to the Solicitation shall be answered solely through a written Solicitation Amendment. An Offeror may not rely on verbal responses to its inquiries.

3. PERSONS WITH DISABILITIES

Persons with a disability may request reasonable accommodation, such as a sign language interpreter, by contacting the AHCCCS Procurement Officer listed in RFP Section A, Solicitation Summary and Offer and Acceptance Page. Requests shall be made as early as possible to allow time to arrange the accommodation.

4. PROPOSAL OPENING

After the deadline for submitting Proposals, AHCCCS may open Proposals publicly and announce and record the names of the Offerors, or alternatively open proposals and post the names of the Offerors on the AHCCCS public website. Proposals will not be available for public inspection until after Contract Award.

5. LATE PROPOSALS

Late Proposals received after the Proposal due date and time listed on Section RFP Section A, Solicitation Summary and Offer and Acceptance Page, will not be considered.

6. WITHDRAWAL OF PROPOSAL

At any time prior to the Proposal due date and time, the Offeror may withdraw any previously submitted Proposal. Withdrawals shall be provided in writing and submitted to the AHCCCS Procurement Officer listed in RFP Section A, Solicitation Summary and Offer and Acceptance Page. Proposals cannot be withdrawn after the published Proposal Due Date and time.

7. PRE-PROPOSAL CONFERENCE

A Pre-Proposal Conference will be held at the time and location listed in RFP Section A, Solicitation Summary and Offer and Acceptance Page. Attendance is not required but is highly recommended. Any doubt as to the requirements of the solicitation or any apparent omission or discrepancy may be presented to AHCCCS at the conference. AHCCCS will determine the appropriate action necessary, if any, and issue a written amendment to the solicitation if required. Any questions asked during the Pre-Proposal Conference shall also be submitted in writing to AHCCCS through the RFP Q and A process to receive a binding answer. Oral statements made or instructions presented during this conference will not constitute an amendment to the solicitation.

Persons with a disability may request reasonable accommodations, such as a sign language interpreter, or this document in an alternative format, by contacting the AHCCCS Procurement Officer. Requests should be made as early as possible to allow sufficient time to arrange for accommodation.

8. AMENDMENTS TO RFP

AHCCCS may issue Solicitation Amendments to the RFP after the Issue Date of this Solicitation. AHCCCS may respond in writing to questions submitted through the process described in Paragraph 1, Prospective Offerors' Inquiries in this Section, via a formal Solicitation Amendment to the RFP in accordance with the procurement timeline. AHCCCS is under no obligation to answer all questions submitted. The Offeror shall acknowledge all Solicitation Amendments by signing the signature page of each Solicitation Amendment and by submitting, to AHCCCS, all signed signature pages with the Offeror's Proposal. Failure to acknowledge all solicitation amendments may impact Offeror susceptibility for award.

9. EVIDENCE OF INTENT TO BE BOUND

The Offer and Acceptance form within the Solicitation (Section A) shall be submitted to AHCCCS with the Offer in accordance with these Instructions to Offerors. It shall include a signature by a person authorized to sign the Offer, such as an Offeror's duly authorized officer, executive, principal, or agent. The signature shall signify the Offeror's intent to be bound by the Offer and the terms of the Solicitation and that the information provided is true, accurate and complete. Failure to submit verifiable evidence of an intent to be bound, such as a signature, shall result in rejection of the Offer.

10. EVALUATION FACTORS AND SELECTION PROCESS

In accordance with AAC R9-28-603 and AAC R9-22-603, AHCCCS shall award a contract to the responsible and responsive Offeror(s) whose Proposal is determined in writing to be the most advantageous to the State under ARS 36-2944 and based upon the four (4) evaluation factors listed below in their relative order of importance.

Proposals will be evaluated in accordance with AAC R9-28-603 and AAC R9-22-603, based upon the ability of the Offeror to satisfy the requirements of the RFP in a cost-effective manner. A maximum of 1,000 points will be awarded in the evaluation. The four evaluation factors and their maximum awarded points will be:

- a. Written Technical Proposal-Programmatic Submission Requirements (600 points)
- b. Oral Presentation (240 points)
- c. Non-Benefit Costs Bid Submission Requirements (100 points)
- d. Contract Citations and Past Performance Submission Requirements (60 points)

The items designated for scoring in this RFP will be evaluated and scored using only the information submitted to AHCCCS by the Offeror, with the exception that AHCCCS reserves the right to verify the accuracy of past performance data elements.

AHCCCS' scoring methodology evaluates an Offeror's ability to provide cost-effective, high-quality contract services in a managed care setting in accordance with the AHCCCS mission, vision, system values, guiding principles, and goals. It is the responsibility of the Offeror to clearly and comprehensively respond to each requested item and to ensure that there are no omissions or ambiguities. Failure of the Offeror to provide a clear, thorough, and detailed response may affect scoring. While alignment with AHCCCS program requirements is expected, Offeror responses should not merely constitute a summary or restatement of these requirements.

AHCCCS will score the Offeror's proposal across all four evaluation factors using evaluation criteria established prior to receipt of Proposals. The evaluation criteria will be specific to each submission requirement.

Certain performance considerations of importance to AHCCCS will inform the evaluation of Written Technical Proposals and Oral Presentations. These include, but may not be limited to the following (not listed in order of importance):

- a. **Prioritization of Service Planning, Provision, and Programming** that promotes improvement in National Core Indicators (NCI-AD™) survey results, particularly where Arizona lags national performance. Arizona's most recent NCI survey data can be found at: <https://nci-ad.org/reports/>
- b. **Effective Use of Data** within health plan operations, including, for example, to support member interventions, improve health outcomes, coordinate care with providers, and assess internal performance for the coming contract period,
- c. **Application of Technology** on behalf of members and their families, both as part of Offeror administrative activities and in provision of Medicaid-compensable services for the coming contract period,
- d. **Use of Targeted Investments and Partnerships** with community-based and other external organizations to meet program requirements,
- e. **Commitment to Supporting Network Providers** through initiatives to reduce administrative burden and promote collaboration,
- f. **Citing of Relevant Past Performance** from the Offeror's reference contracts to demonstrate its capacity to meet program requirements and accomplish proposed initiatives, and
- g. **Proposal of Innovative Approaches** to meet program requirements including with respect to service provision, use of data, application of technology, targeted investments and partnerships.

It is critical that the Offeror recognizes the importance of all contractual provisions and their value to AHCCCS and the ALTCS E/PD Program. The RFP Submission Requirements do not cover all aspects of the Program and related programmatic requirements.

AHCCCS will evaluate and score past performance submission data against pre-established benchmarks. AHCCCS will evaluate the Non-Benefit Costs Bids based on the price of 1) underwriting margin; 2) administrative cost, excluding case management compensation; and 3) case management compensation cost. AHCCCS also will evaluate the completeness and reasonableness of the Offeror's actuarial certification of its Non-Benefit Costs Bid development using pre-established criteria.

AHCCCS will make the final decision regarding which Offerors will be awarded Contracts. The decision will be guided, but not bound, by the scores awarded by the evaluators. AHCCCS will make its decision based

on a determination of which Proposals are deemed to be most advantageous to the State and in accordance with Paragraph 13, Award of Contract, in this Section.

If AHCCCS deems that there is a negligible difference (less than 1%) in scores between two or more competing Proposals, in the best interest of the State, AHCCCS may consider additional criteria in awarding the Contract including, but not limited to:

- a. Potential disruption to members, and/or
- b. An Offeror who has performed in a satisfactory manner (in the interest of continuity of care), and/or
- c. An Offeror who participates satisfactorily in other lines of AHCCCS business, and/or
- d. An Offeror's past performance with AHCCCS, and/or
- e. An Offeror's past Medicare performance, and/or
- f. The nature, frequency, and significance of any compliance actions, and/or
- g. Any convictions or civil judgments entered against the Offeror's organization, and/or
- h. Administrative burden to the Agency.

If awarded a Contract, the Offeror shall meet all AHCCCS requirements, irrespective of what is requested and evaluated through this Solicitation. The Proposal submitted by the Offeror will become part of the Contract with AHCCCS and the Offeror shall comply with all commitments and statements included in its RFP submission.

11. CLARIFICATION OF OFFERS

AHCCCS may request clarification of an Offer any time after the Proposal Due Date and time. Clarifications may be requested orally or in writing. If clarifications are requested orally, the Offeror may also be asked to confirm the request in writing. A request for clarification shall not be considered a determination that the Offeror is susceptible for award.

12. READINESS REVIEW

AHCCCS will conduct readiness reviews to evaluate the Successful Offerors' ability to implement the terms of the Contract. Readiness reviews, which will begin after Contract award, assess and monitor Successful Offerors' ability to provide covered services to members at the Contract Services Start Date. Refer to RFP Section A, Solicitation Summary and Offer and Acceptance Page.

In the event AHCCCS determines that a Successful Offeror fails to meet readiness requirements, AHCCCS reserves the right to:

- a. Impose Administrative Action(s), and/or
- b. Negotiate with Incumbent Contractors to extend service provision until a time specified by AHCCCS.

Successful Offerors may be required to participate in onsite review(s) for AHCCCS to assess whether Successful Offerors' infrastructure is sufficient to support service delivery to the ALTCS E/PD population.

Successful Offerors will not be permitted to commence operations if readiness review criteria are not met to AHCCCS' satisfaction. Refer also to Paragraph 16, Initial Member Enrollment and Member Transition After Contract Award in this Section.

IT and Systems Readiness: AHCCCS will incorporate an IT and Systems readiness review approximately six months prior to Contract Services Start Date, where new Contractors to the ALTCS E/PD program will be required to participate in IT and Systems readiness testing utilizing mock data, including but

not limited to, recipient data, 837 encounter processing, and 834 file processing that will be processed to and from the PMMIS system. This information can be found in the AHCCCS Technical Interface Guidelines (TIG), Encounters manual, Fee for Service Provider Billing Manual, and other policies and procedures located on the AHCCCS Website. The IT and Systems readiness review will encompass up to a 30-day cycle to incorporate a full month of PMMIS activity.

As part of Medicaid Enterprise System (MES) modernization efforts, testing of the Mainframe Refractoring (MFR) has begun with AHCCCS Technical staff. In addition to testing file exchanges with PMMIS (if applicable), all Successful Offerors will also be required to participate in testing associated with MES. The MES is tentatively targeted for phase I testing in September 2026, and subsequent phase of testing is targeted for April 2027 (subject to change). MES go-live is targeted for October 1, 2027.

Network Readiness: Each Successful Offeror shall ensure it has a comprehensive network that complies with all network sufficiency standards as specified in Contract and ACOM Policy 436, no later than June 1, 2027 [42 CFR 438.207(b)-(c)]. Provider contracts supporting network sufficiency shall be finalized, executed, and loaded with contracted fee schedules prior to the Contract Services Start Date. Regular reporting will be required by Successful Offerors to AHCCCS throughout the readiness process. See 42 CFR 438.68, 438.206(c)(1), and 438.207.

Successful Offerors will be required to provide regular readiness updates.

Successful Offerors will be required to attend meetings prior to the Contract Services Start Date. These meetings will be scheduled approximately every two weeks, beginning approximately six months prior to the Contract Services Start Date. Agenda items discussed at these meetings will include, but not be limited to, member transition data files, including content and frequency of file transmission.

Successful Offerors will be required to attend meetings after the Contract Services Start Date. These meetings will be scheduled approximately every six weeks. However, the meetings may be held more frequently. Agenda items discussed at these meetings will include, but not be limited to, updates on the transition, key transition indicators, grievance, appeal, and complaint information, and updates on commitments and statements specified in the Offeror's RFP submission.

13. AWARD OF CONTRACT

AHCCCS shall award a Contract or Contracts to the responsible and responsive Offeror(s) whose Proposal is determined most advantageous to the State.

Notwithstanding any other provision of this Solicitation, AHCCCS expressly reserves the right to:

- a. Waive any immaterial mistake or informality,
- b. Reject any or all Proposals, or portions thereof, and/or
- c. Reissue the Solicitation.

A Proposal submitted in response to this RFP is an offer to contract with AHCCCS based upon the terms, conditions, scope of work (Program Requirements), and specifications of the RFP, among other things. The Proposal submitted by the Offeror will become part of the Contract with AHCCCS. A Contract is formed when the AHCCCS Procurement Officer signs the Offer and Award page and provides written notice of the

award(s) to the Successful Offeror(s), and the Offeror accepts any special provisions to the Contract and the final rates awarded. All Offerors will be promptly notified of the Contract award(s).

AHCCCS intends to award multiple contracts for the defined Geographic Service Area (GSA). For the purposes of this RFP, there will be one GSA which is defined as the State of Arizona.

In conformance with AAC R9-28-602 and AAC R9-22-602, AHCCCS will evaluate proposals based on the GSA and the evaluation factors listed in the RFP.

Offerors owned by the same parent organization shall not submit separate Proposals in response to the Solicitation; only one Proposal is permitted on behalf of all Offerors owned by the same parent organization. The one Proposal shall indicate a single legal entity name.

In the event of protest, legal action, or unforeseen circumstance that delays a Contract Services Start Date or implementation after contract award, AHCCCS may require Incumbent ALTCS E/PD Contractor(s) to continue provision of services according to the terms of the Incumbent Contractor's current Contract, until such time as determined by AHCCCS and in the best interest of the State.

14. REJECTION OF A PROPOSAL - RESPONSIBILITY, RESPONSIVENESS, SUSCEPTIBILITY, AND BEST INTEREST

In accordance with applicable procurement regulations and best practices, at any time after the Proposal Due Date and time or during the evaluation of the Proposal, AHCCCS may reject an Offer based upon a determination that Offeror is not responsible, or that the proposal is not responsive or not susceptible for award. AHCCCS may reject the Offer if doing so is in the best interest of the State.

For purposes of this Paragraph 14, Rejection of a Proposal – Responsibility, Responsiveness, Susceptibility, and Best Interest, in this Section, Offeror is defined as an entity, including parent companies or subsidiaries of the entity, who responds to a Solicitation.

When rejecting a proposal, AHCCCS may consider any of the following:

- a. Whether the Offeror has had a contract within the last five years that was terminated for cause due to breach or similar failure to comply with the terms of the contract,
- b. Whether the Offeror has had a Contract that was terminated by AHCCCS for any reason,
- c. Whether the Offeror's record of performance includes factual evidence of failure to satisfy the terms of the Offeror's agreements with any party to a contract. Factual evidence may consist of documented vendor performance reports, customer complaints, and/or negative references,
- d. Whether the Offeror is legally qualified to contract with the State and the Offeror's financial, business, personnel, or other resources, including subcontractors. Legally qualified includes if the Offeror or if key personnel have been debarred, suspended, or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to being disapproved as a subcontractor of any public procurement unit or other governmental body,
- e. Whether the Offeror promptly supplied all requested information concerning its responsibility,
- f. Whether the Offer was sufficient to permit evaluation by the State, in accordance with the evaluation factors and/or criteria identified in this Solicitation or other necessary offer components. Necessary offer components include: attachments, documents or forms to be submitted with the offer, an indication of the intent to be bound, reasonable or acceptable approach to perform the Scope of Work (Program Requirements), acknowledged Solicitation Amendments, references to include experience verification, adequacy of financial/business/personal or other resources to include a performance

bond and stability including subcontractors, and any other data specifically requested in the Solicitation,

- g. Whether the Offer was in conformance with the requirements contained in the Scope of Work, Terms and Conditions, and Instructions for the Solicitation including its Amendments and all documents incorporated by reference,
- h. Whether the Offer limits the rights of the State,
- i. Whether the Offer includes, or is subject to, unreasonable conditions, to include conditions upon the State necessary for successful Contract performance. The State shall be the sole determiner as to the reasonableness of a condition,
- j. Whether the Offer materially changes the contents set forth in the Solicitation, which includes the Scope of Work (Program Requirements), Terms and Conditions, or Instructions,
- k. Whether the Offeror provides misleading or inaccurate information,
- l. Whether the Offer fails to meet the minimum mandatory requirements of the RFP,
- m. Whether the Offer satisfies the requirements of the RFP in a cost-effective manner, as determined by AHCCCS,
- n. Whether the Offeror's pricing is unrealistic, and/or unreasonably or unsubstantiatedly high or low, and/or excessive when compared to other proposals submitted,
- o. Any other procurement-related responsibility, responsiveness, susceptibility, or best-interest criterion that is consistent with this Solicitation, applicable law, and the documented procurement record. or
- p. Any other criteria deemed appropriate by AHCCCS to determine if the Offer is in the best interest of the State, and
- q. AHCCCS may reject a Proposal from the Offeror before the date of Contract Award if the Offeror is materially out of compliance with a Managed Care Contract with any governmental entity.

15. PROTESTS

Protests shall comply with the requirements set forth in AAC R9-28-601 et seq. and in particular AAC R9-28-604 ("Contract or proposal protests or appeals shall be under AAC R9-22-604 and 9 AAC 34."). All protests shall be filed with the AHCCCS Procurement Officer listed in RFP Section A, Solicitation Summary and Offer and Acceptance Page in writing by email.

Pursuant to the AAC sections cited above, protests must be submitted in writing and in accordance with the applicable deadlines and procedures further described in the Arizona Administrative Code on point.

16. INITIAL MEMBER ENROLLMENT AND MEMBER TRANSITION AFTER CONTRACT AWARD

To enable a smooth transition in alignment with AHCCCS priorities to ensure members are able to live in the most integrated and least restrictive setting, have choice in their care, and have consistent access to high quality care and continuity of services, AHCCCS will implement a methodical, multi-step approach to assign members to Successful Offerors (Selective Assignment), while allowing for member choice as part of the process. Throughout this process, the best interest of the member will be considered along with the elements listed below. Following the Contract Services Start Date, AHCCCS will monitor the transition and may make changes if needed and in the best interest of members to ensure a smooth transition.

For information on the assignment of members to Contractors on an ongoing basis after the Contract Services Start Date, refer to Contract Section D, Paragraph 5, Enrollment Hierarchy After Contract Services Start Date.

Selective Assignment/Initial Member Enrollment: If there is one or more Unsuccessful Incumbent Contractor, AHCCCS will “selectively assign” the Unsuccessful Incumbent Contractor(s)’ members to New and/or Successful Incumbent Contractor(s) by applying the selective assignment process described below. Additionally, because a choice of Contractor has not previously been an option for all members, in the event there is a Successful Incumbent Contractor, AHCCCS will selectively assign a portion of the Successful Incumbent Contractor’s members to the newly awarded Contractor(s) effective on the Contract Services Start Date.

Members selectively assigned by AHCCCS to a Successful Offeror will then be notified of the change and offered a choice of Contractors. The member can then elect to change from the assignment or keep the assignment.

AHCCCS intends to selectively assign members approximately four months prior to the Contract Services Start Date, with a choice of Contractor offered to members the following month. Contractor changes will be implemented upon the Contract Services Start Date. Any members who do not exercise choice within the specified timeframe will remain with the Contractor to which they were selectively assigned. AHCCCS will notify Contractors of the transition process and timelines in a reasonable timeframe after Contract award.

Selective assignment will be based upon consideration of all of the following elements:

- a. D-SNP Enrollment (for dual eligible members only),
- b. The provider network which best aligns with the member’s LTSS service provider(s):
 - i. In-home service providers,
 - ii. Alternative HCBS providers,
 - iii. Nursing facility providers, and
- c. Successful Offeror(s) with the least number of members.

AHCCCS may identify that there is no Successful Offeror which is contracted with providers of in-home, alternative HCBS, or Nursing Facility services for specific members. After selective assignment, AHCCCS will work with the Successful Offeror(s) to preserve member services and placement.

AHCCCS may consider other elements beyond those specified above consistent with the best interest of the member when determining which Contractor best aligns with the member’s needs.

AHCCCS does not guarantee a minimum membership or equal distribution of member placement type at any time, including when members are selectively assigned. If during the readiness review, AHCCCS determines a Successful Offeror is unprepared to receive membership, no members will be enrolled with the Contractor on the Contract Services Start Date.

Refer to Paragraph 24, Participation as a Medicare Advantage Dual Special Needs Plan (D-SNP) in this Section for information on member assignments related to Medicare Alignment.

Member Transition: A Successful Offeror shall provide a smooth transition for members that minimizes disruption and inconvenience. Successful Offerors are responsible for the continuation of member use of service providers and the provision of services as described in RFP Section I, Exhibit E, Transition Requirements. Additionally, a Successful Offeror is responsible for providing members with education and information about the transition and what they can expect in accordance with AHCCCS guidance.

AHCCCS will provide Contractors with historical encounter data for members enrolled with the Contractor. Additional information regarding this data provision will be provided to Successful Offerors post-Contract Award.

Relinquishing and receiving Contractors shall utilize Data Element Files (DEF) and supplemental data files to facilitate a coordinated member transition and maintain continuity of care. Specific data elements included in these files shall be determined by AHCCCS, in collaboration with the relinquishing and receiving Contractors, based on member needs to support a successful transition. Reports and related information regarding this data provision shall be provided to the Successful Offerors and relinquishing Contractors following Contract award.

Successful Offerors shall designate as key staff an individual staff person with appropriate training and experience to function as the Transition Coordinator as specified in Contract Section D, Paragraph 10, Member Transitions of Care, and as specified in Contract Section D, Paragraph 26, Staffing Requirements. The Transition Coordinator shall be available 24 hours a day, seven days a week through the post-award transition and readiness period, including urgent issue resolutions.

Successful Offerors will be required to provide transition updates to AHCCCS.

17. FEDERAL DEADLINE FOR SIGNING CONTRACT

The Centers for Medicare and Medicaid Services (CMS) has imposed strict deadlines for finalization of Contracts to qualify for Federal Financial Participation (FFP). This Contract, and all subsequent amendments, shall be timely, completed, and signed by both AHCCCS and the Successful Offeror. The Successful Offeror shall ensure this Contract and all subsequent amendments are submitted to AHCCCS sufficiently in advance for submission to CMS prior to the Contract Services Start Date of the initial Contract and/or Contract amendments. AHCCCS will specify the date that signed Contracts and amendments are due. All public entity Offerors shall ensure that the approval of this Contract is placed on appropriate agendas sufficiently in advance of the deadline to ensure compliance with this requirement. In the event CMS denies or withholds FFP due to the Successful Offeror's failure to execute this Contract or a subsequent contract amendment within the timeframe prescribed by AHCCCS, in addition to any other remedies and/or sanctions, AHCCCS may deny or withhold payments to the Contractor until such time as CMS authorizes expenditure of FFP.

18. ANTICIPATED PROCUREMENT TIMELINE

Refer to RFP Section A, Solicitation Summary and Offer and Acceptance Page.

19. BIDDERS' LIBRARY

The Bidders' Library contains critical reference material, including but not limited to, AHCCCS policies, utilization and cost data, member data, and performance requirements to assist the Offeror to prepare a Proposal to this Solicitation. References are made throughout this Solicitation to materials in the Bidders' Library, and Offerors are responsible for reviewing the contents of the Bidders' Library materials as if the materials were printed in full herein. AHCCCS may continue to update the Bidders' Library after this Solicitation is issued; the Offeror is responsible for monitoring updates to the Bidders library. [YH27-0001 – ALTCS E/PD Bidders' Library](#).

20. MINIMUM CAPITALIZATION

Successful Offerors are required to meet a minimum capitalization requirement. The Successful Offeror shall submit, within 30 days after notification of Contract award, documentation, information substantiating that the minimum capitalization requirement has been met. The minimum capitalization requirement has been developed based on anticipated statewide enrollment. Minimum capitalization cannot be met through parent guarantees. All awardees are subject to the 30-day submission requirement. Refer Contract Section D, Paragraph 74 and ACOM Policy 408 for the administrative action that can be applied for failure to meet minimum capitalization requirement.

Successful Offerors shall submit Minimum Capitalization Documentation to AHCCCS as specified in Contract Section F, Attachment F3, Contractor Chart of Deliverables.

Effective on the Contract Services Start Date, the ALTCS E/PD minimum capitalization may be applied to the Successful Offeror's equity per member standard, which continues throughout the term of the Contract. Refer to Contract Section D, Paragraph 48, Financial Reporting and Viability Standards.

Minimum Capitalization Requirement: The minimum capitalization requirement is \$25.9 Million per Successful Offeror.

Successful Incumbent Contractors: If a Successful Incumbent Contractor's unrestricted equity as defined and restricted for the equity per member ratio in ACOM Policy 305 does not meet the minimum capitalization listed above within 30 days of Contract award, the Successful Incumbent Contractor must fund, through capital contribution, the necessary amount to meet the minimum capitalization.

The Minimum Capitalization requirement is in addition to the Performance Bond requirements specified in Contract Section D, Paragraph 44, Performance Bond or Bond Substitute, and Contract Section D, Paragraph 45, Amount of Performance Bond or Bond Substitute, and shall be met with cash with no encumbrances, such as a loan subject to repayment or other restrictions on equity specified in ACOM Policy 305.

21. CONTENTS OF OFFEROR'S PROPOSAL

If AHCCCS determines a Proposal to be non-responsive, AHCCCS may reject the proposal.

The Offeror's Proposal shall be organized with strict adherence to RFP Section I, Exhibit A, Offeror's Checklist and submitted using the forms and specifications provided in this RFP.

The Offeror shall submit its Offer to AHCCCS via the AHCCCS Secure File Share (ASFS) by the Proposal Due Date and time listed on RFP Section A, Solicitation Summary and Offer and Acceptance Page. Instructions for access to the ASFS are included in RFP Section I, Exhibit C, Offeror's Intent to Bid. The Offeror shall upload the Proposal to the secured location on the ASFS.

The deadline to request access to the ASFS specified in RFP Section I, Exhibit C, Offeror's Intent to Bid. FAILURE TO SUBMIT AN INTENT TO BID form by the due date and time will DISQUALIFY any potential Offeror FROM SUBMITTING A PROPOSAL FOR THE SOLICITATION.

The Offeror's Proposal shall be organized as presented in the table (Organization of Offeror's Proposal) in Paragraph 22, Submission Requirements of this Section.

The Offeror shall submit to AHCCCS the following electronically via the ASFS in its corresponding folder by the date listed on RFP Section A, Solicitation Summary and Offer and Acceptance Page.

- a. **Non-Benefit Costs Bid:** (1) Agreement Accepting Capitation Rates [pdf] (2) Non-Benefit Costs [Underwriting Margin, Administrative Costs (excluding Case Management Compensation Cost), and Case Management Compensation Cost] Bid Submission Workbook [Excel], (3) Actuarial Certification [pdf] (RFP Part C), and
- b. **Executive Summary** (RFP Part B1) One searchable PDF version,
- c. **Written Technical Proposal-Programmatic Submission** (RFP Part B1) - One searchable PDF version,
- d. **Contract Citations and Past Performance Submission** [Excel] (RFP Part B2)
- e. **Oral Presentation** participant names, titles, and resumes (RFP Part B3) - One searchable PDF version, and
- f. **The Offeror's entire Proposal** - One searchable PDF version.

Upon upload of the Offeror's Proposal to the ASFS, the Offeror shall email notification to the AHCCCS Procurement Officer listed on RFP Section A, Solicitation Summary and Offer and Acceptance Page. AHCCCS will provide email notification to the Offeror upon receipt of a document when received within normal business hours (8:00am to 5:00pm Arizona Time). When received outside of normal business hours, email notification will be provided to the Offeror the next business day.

Notification of receipt will be provided only to the individual listed under *Contact Person for this Offer* provided on the Offeror's Proposal, Section A, Solicitation Summary and Offer and Acceptance Page, regardless of the individual who sent, or individuals cc'd on, the email. The notification shall serve *only* as confirmation that a document from the Offeror was received to the ASFS.

The email notification from AHCCCS does not confirm whether or not the document conforms to the material elements of the submission requirement(s) or whether or not the Offeror's Proposal qualifies as responsive.

Rejection of CONFIDENTIAL/PROPRIETARY Requests: AHCCCS will post all Proposals including Non-Benefit Costs Bids to the AHCCCS website once the Contract awards have been made. **The Offeror shall not designate any information, including any information presented during the oral presentations, to be confidential or proprietary in nature.** All pages will be disclosed regardless of their designation. The Offeror shall not submit any documents with headers or footers indicating any confidentiality or proprietary designation.

All Proposals shall be in Calibri 11-point font or larger with borders no less than ½". Proposals may have a smaller font for graphics, tables, and charts. Unless otherwise specified, responses to each submission requirement shall be limited to the page limit specified for each submission requirement and be provided on 8½" x 11" one sided, single spaced, type written pages. Pages may be in either portrait or landscape orientation. Erasures, interlineations, or other manual modifications in the Proposal are prohibited.

All pages of the Offeror's Proposal shall be numbered sequentially. Numbering of pages shall continue in sequence through each separate section. Offerors may exclude signed forms, attachments, cover, tables of content, etc. from the sequential page numbering requirements but Offerors must refer to the instructions to determine if these items count toward maximum page limits. The Offeror shall clearly label each section of the Proposal and the Proposal shall contain all information requested in this Solicitation.

When converting the Proposal to a PDF document, the PDF page numbering and the document page numbering shall align. For items requiring a signature, AHCCCS will accept either a digital/electronically placed signature, or a scanned hard copy signature.

The Offeror shall ensure its company name and AHCCCS Solicitation Number is clearly indicated on its Proposal.

The Offeror has the discretion to include or exclude the Written Technical Proposal-Programmatic Submission Requirement text as a part of the Offeror's response; however, the required page limit applies regardless of whether the text is included. AHCCCS will only consider the information provided within the allotted page limit and permitted attachments, if any, in response to a specific submission requirement when evaluating the Offeror's Proposal. At no time will AHCCCS consider information outside the allotted page limit and permitted attachments, or any other information provided elsewhere in the Proposal, including hyperlinks or references to websites or outside information, when reviewing a specific response to an individual submission requirement.

Except in the case of a negligible difference in scores, as referenced in Paragraph 10, Evaluation Factors and Selection Process in this Section, only information expressly provided by the Offeror will be considered. No inferences will be made by the evaluation team when scoring to evaluate information submitted by the Offeror which is not clear, explicit, or thoroughly presented.

Use of contingent language such as 'exploring' or 'taking under consideration' will not be given any weight during the scoring evaluation process. A policy, brochure, or reference to a policy or manual does not constitute an adequate response and will not be given any weight during the scoring evaluation process. It is the responsibility of the Offeror to examine the entire RFP, timely seek clarification of any requirement that may not be clear and review all responses for accuracy before submitting its Proposal. The Proposal submitted by the Offeror will become part of the Contract with AHCCCS and the Offeror shall comply with all commitments and statements included in its RFP submission. Therefore, whatever information is stated in the Proposal may be evaluated either during the Proposal evaluation process or subsequently by AHCCCS during other reviews.

All Proposals will become the property of AHCCCS. AHCCCS will not provide any reimbursement for the cost of developing or presenting Proposals in response to this RFP.

Failure to include the requested information may have a negative impact on the evaluation of the Offeror's Proposal.

Proposals that are not submitted in conformance with the requirements described herein may not be considered. References in RFP Section H, Instructions to Offerors to certain sections of the RFP document are intended only to provide general assistance to Offerors and are not necessarily intended to represent all requirements. Other resources may be found in the Bidders' Library. It is the obligation of the Offeror to identify all relevant information.

22. SUBMISSION REQUIREMENTS

The Offeror shall ensure its Proposal complies with, at a minimum, relevant statutes, rules, policies, the requirements specified in this RFP, and other referenced sources.

Refer to RFP Section I, Exhibit C, Offeror's Intent to Bid for additional requirements regarding electronic submission of the Offeror's Proposal via access to the AHCCCS Secure File Share (ASFS).

Failure to submit an Intent to Bid to AHCCCS by the due date/time will disqualify any potential offeror from submitting a proposal for the Solicitation. The deadline to request access to the AHCCCS Secure File Share (ASFS) is as specified in RFP Section I, Exhibit C.

If AHCCCS determines a Proposal to be non-responsive, AHCCCS may elect not to score the Proposal.

The Offeror's Proposal shall contain the following and be organized as follows:

ORGANIZATION OF OFFEROR'S PROPOSAL
PART A A1 - Offeror's Checklist (RFP Section I, Exhibit A) A2 - Completed and Signed Solicitation Summary and Offer and Acceptance Page (RFP Section A) A3 - Completed and Signed Solicitation Amendment(s) (refer to Bidders' Library) PART B B1 - Written Technical Proposal - Programmatic Submission Requirements (RFP Section I, Exhibit F1) B2 - Contract Citations and Past Performance Submission Requirements (RFP Section I, Exhibit F2) B3 - Oral Presentation Requirements (Refer to information below) PART C C1 - Agreement Accepting Capitation Rates (Refer to information below) C2 - Underwriting Margin Cost Component Bid (Refer to information below) C3 - Administrative Cost Component Bid (Refer to information below) C4 - Case Management Cost Component Bid (Refer to information below) C5 - Actuarial Certification (Refer to information below) PART D D1 - Intent to Provide Certificate of Insurance (Refer to information below) D2 - Disclosure of Information Instructions and Attestation (RFP Section G and Exhibit G) D3 - Moral or Religious Objections (Refer to information below) D4 - State Only Pregnancy Terminations Agreement (RFP Section I, Exhibit D)

❖ PART B

B1 – Written Technical Proposal-Programmatic Submission Requirements: The Offeror is required to respond to the Submission Requirements in RFP Section I, Exhibit F1 utilizing the instructions specified in Paragraph 21, Contents of Offeror's Proposal in this Section, and the additional instructions below.

B2 – Contract Citations and Past Performance Submission Requirements

Contract Citations: Except where explicitly permitted to exceed the limit, the Offeror may cite up to three reference contracts when describing its relevant experience as part of responding to

Written Technical Proposal - Programmatic Submission requirements. One of the same contracts must be used when completing the Past Performance submission requirements.

When selecting the reference contracts to be used, the Offeror shall apply the following hierarchy:

- a. If the Offeror is a current ALTCS E/PD Contractor, this must be used as Reference Contract,
- b. If the Offeror has current Managed Long-Term Care Services and Supports (MLTSS) contract(s) in other states that include elderly/physically disabled enrollees, these must be used next to fill open Reference Contracts slots,
- c. If the Offeror has open slots after steps one and two, and is an AHCCCS ACC or ACC-RBHA Contractor, this contract must be used next, and
- d. If the Offeror has open slots after steps one through three, it may use current non-MLTSS Medicaid managed care contracts in other states to complete its listing.

If the Offeror is a subsidiary of a parent company, the parent company's contracts in other states can be included when choosing reference contracts. The Offeror also may include contracts for which it operates as a Management Services Organization for a licensed plan. The Offeror may not include contracts for which it furnishes only a portion of plan benefits as a subcontractor to another organization.

Past Performance Submission Requirements: The Offeror is required to respond to the Submission Requirements in RFP Section I, Exhibit F2, Contract Citations and Past Performance Submission Requirements utilizing the instructions specified in Paragraph 21, Contents of Offeror's Proposal in this Section, and the additional instructions presented within RFP Exhibit F2.

B3 – Oral Presentation Requirements: Offerors shall participate in a scheduled oral presentation pertaining to key areas of the AHCCCS ALTCS E/PD Program. Oral presentations will be in-person; however, AHCCCS reserves the right to change from in-person oral presentations to use of a virtual format. In the case AHCCCS changes to use of a virtual format for oral presentations, all Offeror's participants may be required to be in attendance in one room and on video for the duration of the oral presentation session and all requirements below shall apply.

All oral presentations will be scheduled to occur within the period of October 26 to November 10, 2026. A few days after the proposal due date, AHCCCS will notify each Offeror of its scheduled presentation date and time via email. Offerors must adhere to the assigned presentation date and time without exception. No requested changes from the Offeror to the assigned presentation date/time will be allowed.

The Oral Presentations will consist of three presentations, identical for each Offeror:

- a. Programmatic questions related to Program Integrity,
- b. Follow-up to one of the Written Technical Proposal–Programmatic Submission Case Studies, for which the Offeror will be instructed to provide the information in the form of an internal case conference, and
- c. Critical incident involving a member.

Seven calendar days prior to each Offeror's oral presentation date, AHCCCS will send a second notice via email containing one of the three presentation questions. The remaining two presentation questions will be provided to the Offerors during their oral presentation date and time.

Time will be included in the schedule for AHCCCS evaluators to ask questions after each of the three presentations for the purpose of clarifying the Offeror's response.

The Offeror shall bring no more than seven individuals to the meeting. All participants must be employees of the Offeror; no consultants may participate. Among these seven individuals, the Offeror shall include a front-line or supervisory-level case manager and a corporate compliance officer. The Offeror also may elect to include a more senior representative of case management and is encouraged to include individuals with expertise in medical management and quality management. If a participant becomes unavailable another individual may be substituted; however, the information for the newly added individual must be submitted to AHCCCS (i.e., name, title, and resume) as required in Paragraph 21, Contents of Offeror's Proposal in this Section.

The Offeror shall submit to AHCCCS with its Proposal a list of names and titles along with resumes of the participating individuals in accordance with Paragraph 21, Contents of Offeror's Proposal in this Section.

The Offeror may bring laptop computers for accessing and referencing materials including but not limited to policies and procedures. The Offeror may access the internet using laptops but shall supply its own internet connection. Cell phones are not allowed in the room; therefore, the Offeror shall not rely on utilization of a cell phone for internet connection. Outside communication (e.g., cell phones, instant messaging, email, text messaging) is prohibited for the duration of the oral presentations. The Offeror is also permitted to utilize any hard copy reference material brought with them.

AHCCCS will provide a whiteboard or flip charts and markers for Offeror use in preparing for the Oral Presentations. The Offeror will not be permitted to distribute previously prepared presentations or materials to AHCCCS or to use a laptop for its presentation.

AHCCCS will not record the oral presentation. The Offeror also will not be permitted to make a recording.

AHCCCS may have staff in the room at all times for the oral presentation process, including during presentation preparation, to ensure compliance with these requirements.

❖ PART C

AHCCCS' actuaries will develop components of the capitation rates including the medical services component, share of cost offset, reinsurance offset, and premium tax. These components will not be included in the Offeror's price proposal ("Non-Benefit Costs Bid"). The capitation rates developed by the AHCCCS actuaries will be actuarially sound according to the applicable provisions of 42 CFR Part 438 and applicable Actuarial Standards of Practice and will follow Generally Accepted Actuarial Principles and Methodologies.

AHCCCS has provided Offerors with an RFP Data Supplement file on the Bidders' Library and ASFS within each Offeror's folder for informational purposes. The Offeror shall not consider the Data Supplement the sole source of information in making decisions. Refer to the Bidders' Library section Data Supplement for Offerors. The complete capitation rates will be published by AHCCCS prior to the Contract Services Start Date. Refer to the Bidders' Library section Data Supplement for Offerors, Section B, Capitation Rate Development Information.

C1 – Agreement Accepting Capitation Rates: The Offeror shall submit an agreement that the Offeror will accept the actuarially sound capitation rates computed prior to the Contract Services Start Date. The agreement shall be signed by the Offeror's Chief Executive Officer.

Administrative, case management, and underwriting margin non-benefit cost components must be bid and included in the Offeror's price proposal ("Non-Benefit Costs Bid"). AHCCCS may use these proposals in developing capitation rates; however, AHCCCS reserves the right to adjust the capitation rates, including the underwriting margin, administrative, and case management non-benefit cost components, to maintain compliance with the Medicaid and CHIP Managed Care Final Rule and additional guidance from CMS published annually in the Medicaid Managed Care Rate Development Guides.

If any moral or religious objections are submitted as part of the RFP, the Offeror shall not exclude from the Non-Benefit Costs Bid submission(s) any related non-benefit costs.

C2 – Underwriting Margin Cost Component Bid: The Offeror shall include in its pricing proposal ("Non-Benefit Costs Bid") the underwriting margin cost component of the capitation rates. AHCCCS will include the Non-Benefit Costs Bid Submission Workbook Instructions and Template (RFP Section I, Exhibit H1 and RFP Section I, Exhibit H2). The Offeror shall submit a single Workbook in Excel to AHCCCS via the ASFS server in accordance with Paragraph 21, Contents of Offeror's Proposal in this Section.

C3 – Administrative Cost Component Bid: The Offeror shall include in its price proposal ("Non-Benefit Costs Bid") the administrative cost component of the capitation rates. The Offeror shall include an administrative bid for each membership tier. AHCCCS will include Non-Benefit Costs Bid Submission Workbook Instructions and Template (RFP Section I, Exhibit H1 and RFP Section I, Exhibit H2). The Offeror shall submit a single Workbook in Excel to AHCCCS via the ASFS server in accordance with Paragraph 21, Contents of Offeror's Proposal in this Section.

C4 – Case Management Cost Component Bid: The Offeror shall include in its pricing proposal ("Non-Benefit Costs Bid") the case management cost component of the capitation rates. AHCCCS will include Non-Benefit Costs Bid Submission Workbook Instructions and Template (RFP Section I, Exhibit H1 and RFP Section I, Exhibit H2). The Offeror shall submit a single Workbook in Excel to AHCCCS via the ASFS server in accordance with Paragraph 21, Contents of Offeror's Proposal in this Section.

C5 – Actuarial Certification: The Offeror shall ensure that an actuary who is a member of the American Academy of Actuaries certifies that the Underwriting Margin, Administrative, and Case Management Non-Benefit Costs Bid Submissions meet the requirements of 42 CFR 438.5(e) by submitting a signed actuarial certification of all rates submitted with the submission. Further detail regarding the requirements of the Non-Benefit Costs Bids can be found in RFP Section I, Exhibit H1, Non-Benefit Costs Bid Submission Workbook Instructions.

The Offeror shall submit an actuarial attestation supporting the reasonableness and documentation of its Non-Benefit Costs Bid components for AHCCCS's use in developing capitation rates under 42 CFR 438.4, 438.5(e), and 438.7. This attestation is not the State's CMS rate certification.

AHCCCS reserves the right to request supporting documentation for any component of the Non-Benefit Costs Bid submission.

AHCCCS reserves the right to request Best and Final Offers. In the event AHCCCS exercises this right, all Offerors that submitted a Proposal that is susceptible to award may be asked to provide a Best and Final Offer. The State reserves the right to award a Contract on the basis of initial Proposals received; therefore, the Offeror is encouraged to submit its most competitive offer.

❖ PART D

D1 - Intent to Provide Certificate of Insurance: The Offeror shall provide a brief statement that, if notified of contract award, the Offeror will submit to AHCCCS for review and acceptance, the applicable certificate/s of insurance as required within this RFP document, within 10 business days of such notification. This is a non-scored item.

D2 - Disclosure of Information Instructions and Attestation: The Offeror shall complete and submit RFP Section G inclusive of RFP Section I, Exhibit G, Disclosure of Information and submit to the AHCCCS Provider Enrollment Portal (APEP) in accordance with RFP Section G. All disclosure submissions MUST match the legal name of the Offeror listed on the Offer and Acceptance Page submitted by the Offeror.

D3 - Moral or Religious Objections: The Offeror shall notify AHCCCS if, on the basis of moral or religious grounds, it elects to not provide or reimburse for a covered service. The Offeror shall submit an access plan addressing members' access to the services. AHCCCS does not intend to offer the services on a Fee-For-Service basis. The access plan shall be submitted to AHCCCS in writing as part of this submission. This is a non-scored item. This access plan may be subject to review and approval by AHCCCS.

D4 - State Only Pregnancy Terminations Agreement: The Offeror shall complete and submit RFP Section I, Exhibit D. This is a non-scored item.

23. PUBLIC RECORD

Proposals submitted in response to this procurement are public records and must be retained by the State for a period of time in accordance with the law. AHCCCS anticipates posting proposals to the procurement file on the AHCCCS website after award subject to applicable law.

24. PARTICIPATION AS A MEDICARE ADVANTAGE DUAL SPECIAL NEEDS PLAN (D-SNP)

Successful Offerors are required to be organizations that contract with CMS to provide and manage Medicare benefits for dual eligible members. Companion Medicare Advantage (MA) Fully Integrated Dual Eligible Special Needs Plans (FIDE SNPs) must be effective by January 1, 2028. All Offerors are required to submit a non-binding Notice of Intent to Apply (NOIA) as a FIDE SNP to CMS on a date to be determined by CMS, expected to be in November 2026. Additional information and exact submission dates for MA Contract Year (CY) 2028 can be found on www.cms.gov. Refer to Contract Section D, Paragraph 66, Medicare Requirements for additional details regarding this requirement.

Successful Offerors will be required to offer Medicare benefits to Medicaid members who are also enrolled in Medicare (full benefit dual eligible members) through a State-contracted FIDESNP for all counties. Successful Offerors who fail to maintain a D-SNP for all counties in the awarded GSA are subject to Administrative Action.

FIDE SNP Exclusively Aligned Enrollment: Effective January 1, 2025, full benefit dual eligible members may only be enrolled with a FIDE SNP that is aligned with their Medicaid health plan. Aligned enrollment means a Medicaid plan that is (1) the same organization as the D-SNP, (2) the D-SNP's parent organization, or (3) another entity owned and controlled by the D-SNP's parent organization as applicable to those full benefit dual eligibles who select enrollment in a MA FIDE SNP. Exclusively Aligned Enrollment (EAE) will

apply only to those ALTCS E/PD Full Benefit Dual Eligibles (FBDEs) that choose to enroll in a FIDE SNP. An ALTCS E/PD FBDE who elects enrollment in a FIDE SNP may enroll only in a FIDE SNP aligned with the member's Medicaid Contractor, to the extent required by CMS rules and the SMAC.

For each of the following CMS FIDE SNP requirements, it is AHCCCS' expectation that Successful Offerors shall have the appropriate expertise and resources necessary for effective implementation of the CMS FIDE SNP requirements by January 1, 2028.

Further information regarding AHCCCS' current State Medicaid Agency Contract (SMAC, or MIPPA Agreement) with its contracted FIDE SNPs is available on AHCCCS' Medicare D-SNPs webpage at <https://www.azahcccs.gov/Resources/OversightOfHealthPlans/SolicitationsAndContracts/medicareagreements.html>.

FIDE SNP Unified Grievance and Appeals Procedures: AHCCCS-contracted FIDE SNPs will be considered "applicable integrated plans" as defined per the CY2021 MA Final Rule. To meet these requirements, FIDE SNP unified grievance and appeals procedures – that combine Medicare and AHCCCS program grievance and appeals processes and requirements – shall be implemented for AHCCCS FBDEs enrolled in a Successful Offeror's companion FIDE SNP beginning January 1, 2028. Further information regarding applicable integrated plans' unified grievance and appeals procedures is available at <https://www.cms.gov/medicare-medicaid-coordination/medicare-and-medicaid-coordination/medicare-medicaid-coordination-office/d-snps> (refer to the unified grievance and appeals section).

FIDE-SNP Integrated Member Materials: In support of CMS' exclusively aligned enrollment and unified grievance and appeals requirements which began January 1, 2025, AHCCCS-contracted companion FIDE SNPs as awarded to Successful Offerors through this procurement shall provide enrolled AHCCCS FBDEs with a CMS- and AHCCCS- prior approved, integrated Medicare-Medicaid:

- a. Member ID card,
- b. Summary of Benefits,
- c. Formulary,
- d. Member Handbook, and
- e. Provider and Pharmacy Directory.

FIDE SNP Supplemental Benefits: For FIDE SNP enrolled AHCCCS FBDEs, AHCCCS will require the following MA supplemental benefits to be offered, at a minimum, by Successful Offerors awarded under this procurement, effective January 1, 2028. AHCCCS will not prescribe the extent and amount of each such supplemental benefit to be available per enrolled FIDE SNP FBDE. Minimum MA supplemental benefits include:

- a. Dental services,
- b. Hearing services,
- c. Over the Counter (OTC) health products catalog, and monthly or quarterly benefit maximum amount(s),
- d. Telehealth services,
- e. Fitness Benefits, and
- f. Vision services.

Each of the above minimum MA supplemental benefits shall be offered by the FIDE SNP beginning January 1, 2028, and be available for review on CMS' Medicare Plan Finder web pages beginning October 15, 2027.

This listing of minimum MA supplemental benefits does not preclude Offerors from proposing additional other such supplemental benefits to enrolled AHCCCS FBDEs through its companion FIDE SNP. This requirement is for the offering of these services as MA FIDE SNP supplemental benefits only.

Tentative CMS CY2028 Medicare Advantage Calendar: For Offerors' consideration (subject to change by CMS):

TENTATIVE DUE DATE	MILESTONE ACTIVITY
Early November 2026	Applicants submit CY2028 Notice of Intent to Apply Form (NOIA) to CMS
Early December 2026	CMS User ID form due to CMS
Early January 2027	Final MA Applications Posted by CMS
Mid-January 2027	Deadline for NOIA form submission to CMS
Mid-February 2027	Completed MA Applications due to CMS (to include AHCCCS- or AzDIFI-executed CMS "State Certification Form," either/or as applicable)
April 2027	Plan Creation module, Plan Benefit Package (PBP), and Bid Pricing Tool (BPT) available on Health Plan Management System (HPMS)
Early May 2027	PBP/BPT Upload Module available in HPMS
Early May 2027	Release of CY 2028 Formulary Submission Module
1 st Monday of June 2027	Bids due to CMS
Approx. July 1, 2027	SNP Modules and AHCCCS-executed State Medicaid Agency Contract (SMAC) due to CMS
Late August 2027	CMS completes review and approval of bid data
Early to Mid-September 2027	CMS executes MA and MA-PD contracts with approved bidders
October 15, 2027	CY2028 MA Annual Election Period (AEP) begins
December 7, 2027	CY2028 MA Annual Election Period (AEP) ends
January 1, 2028	CY2028 FIDE SNP operations begin

[END OF SECTION H: INSTRUCTIONS TO OFFERORS]