

Texas Medicaid Managed Care Procurements

Texas Procurement Process used to procure STAR Health (2022), STAR+PLUS (2023) and STAR and CHIP (2024) Procurements:

1. HHSC Posts Draft RFP (details in this document come directly from the RFP) - at least 30 days before posting final RFP
2. HHSC Posts RFP with the following information (Respondents have 60 days to respond):
 - a. The new contract and contract requirements
 - b. Procurement rules, scoring processes and examples, and Best Value Evaluation Criteria
 - c. Number of MCO awards per Service Area – HHSC included in the RFP the maximum number of MCOs that would be awarded in each SA based on population of the SA and its ability to support multiple MCOs.
 - d. Historical data – enrolled providers, utilization, financial information, etc.
 - e. Submission requirements
 - f. Technical questions and oral presentation topics

Table 1: Maximum Number of MCOs per SA

SA	Maximum Number of MCOs per SA	FY2020 Average Monthly Enrollment (excludes HTW)
Harris	5	820,837
Hidalgo	4	346,241
Dallas	4	453,350
Bexar	4	295,882
Tarrant	4	315,257
Northeast Texas	3	174,129
West Texas	3	156,294
Central Texas	3	144,270
Travis	3	173,775
El Paso	3	131,552
Nueces	3	98,507
Jefferson	3	90,840
Lubbock	3	86,240

3. Health Plans develop and submit bid to include:
 - a. Health plan financial information
 - b. Health plan claim to mandatory contract (if meet criteria per Government Code 533.004) and justification
 - c. Health plan ranking of Service Areas – HHSC noted in the RFP it would not award more than 7 service areas to any individual respondent to “mitigate the state’s risk and to allow for diversity in MCOs”.
 - d. Health plan responses to 18 technical questions
4. Initial Screening
 - a. HHSC conducts an initial screening of proposals for compliance with submission requirements outlined in the RFP. Proposals that do not include any document identified as a Solicitation Consideration Document in the RFP will be automatically disqualified.
 - b. Note: All 18 Respondents passed the initial screening phase for recent STAR and CHIP RFP.
5. HHSC Evaluation and Scores RFP:
 - a. Total of 20 Medicaid subject matter expert evaluators on 5 teams conduct individual reviews of the proposals in preparation for use of a consensus scoring approach designed to allow for the individual evaluators to agree on an objective score through input from all participants using scoring guides and Best Value Criteria.
 - b. Weighted Technical Question Score: Sum of the number of points earned by a Respondent based on the score received for each Technical Question in accordance with Scoring Guides – 1800 points available, see chart below.
 - c. Best Value Criteria: Designed to assess important programmatic and business facets of a proposal in alignment with MCS program goals and weighted for relative importance:
 - i. Delivers Person Centered Service Coordination that connects Member needs to effective care.
 - ii. Ensures Members have timely access to the Services they need.
 - iii. Encourages Providers to participate in the Medicaid program.
 - iv. Ensures a sustainable Medicaid program by incentivizing value in the Service delivery model and optimizing resources.
 - v. Uses data, technology, and reporting to facilitate and demonstrate strong performance and oversight.

Uniform Points per Section

BVC 1: Delivers Person-Centered Service Coordination that connects Member needs to effective care.

Question Number	Points Available
1	120
2	120
3	120
4	120
Section Total	480

BVC 2: Ensures Members have timely access to the Services they need.

Question Number	Points Available
5	110
6	110
7	110
8	110
Section Total	440

BVC 3: Encourages Providers to participate in the Medicaid program.

Question Number	Points Available
9	120
10	120
11	120
Section Total	360

BVC 4: Ensures a sustainable Medicaid program by incentivizing value in the Service delivery model and optimizing resources.

Question Number	Points Available
12	70
13	70
14	70
15	70
Section Total	280

BVC 5: Uses data, technology, and reporting to facilitate and demonstrate strong performance and oversight.

Question Number	Points Available
16	80
17	80
18	80
Section Total	240

Technical Total	1800
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Oral Presentations

Scenario Number	Points Available
a	50
b	50
c	50
d	50
Oral Total	200

Grand Total	2000
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Available Points by Section

BVC Ref #	BVC Description	Number of Questions per Section	Administrative Ranking	Available Points per Section	Overall Weight
BVC 1	Delivers Person-Centered Service Coordination that connects Member needs to effective care.	4	1	480	24.0%
BVC 2	Ensures Members have timely access to the Services they need.	4	2	440	22.0%
BVC 3	Encourages Providers to participate in the Medicaid program.	3	3	360	18.0%
BVC 4	Ensures a sustainable Medicaid program by incentivizing value in the Service delivery model and optimizing resources.	4	4	280	14.0%
BVC 5	Uses data, technology, and reporting to facilitate and demonstrate strong performance and oversight.	3	5	240	12.0%
All Technical Questions		18		1,800	90.0%
Oral Presentations		4		200	10.0%
Total (Technical + Oral)		22		2,000	100.0%

6. Oral Presentations

- This phase allows for an additional 200 points for an oral presentation on 4 topics that highlight key areas of the program and HHSC priorities.
- All Respondents receive advance notice of Oral Presentations and are presented the same scenarios and given the same amount of time to respond and prepare.
- Presentation teams are limited to individuals identified as Key Personnel or those who are responsible for direct oversight of the program in Texas if

- d. STAR and CHIP RFP included the following topics:
 - i. Oversight and coordination with subcontractors
 - ii. Addressing maternal mortality and morbidity
 - iii. Coordination with Dental Maintenance Organizations
 - iv. Addressing preventive care rates

- a. Concurrent with oral presentations, HHSC conducts a financial review of all respondents to assess whether the respondents are financially capable of meeting the statement of work which is included in the RFP documents.
- b. This includes a review of ability to meet contractual performance measures, possessed acceptable liquidity and capital resources and could meet the financial requirements of the proposed contract.

- a. Per Texas Government Code 533.0035, requires HHSC, prior to award of a contract to any MCO, to evaluate and certify that the MCO is reasonably able to fulfill the terms of the contract.
- b. Respondents receive a series of questions and specific set of time to respond to certification questions that include operational requirements.

- Combination of Weighted Technical Question Score and Weighted Oral Presentation Score
- Total number of Points available is 2,000

- a. Based on scores and Service Areas selection
- b. Service Areas are assigned based on the following:
 - i. Mandatory plan receives their requested SA
 - ii. Respondents proposed SAs and order of SA preference
 - iii. The maximum number of SAs allowed to be awarded to any individual Respondent
 - iv. The maximum number of MCOs per SA as set out in Table below.

11. Protests and Appeals

- a. Following announcement of the tentative awards, Respondents have the right to protest the decision as outlined in [TAC](#).
- b. A protest must be filed with HHSC within 10 business days after the notice of intent to award and must include the following information:
 - (1) a specific identification of the statutory or regulatory provision that the protestant alleges has been violated;
 - (2) a specific description of each act alleged to have violated the statutory or regulatory provision identified in the protest; (
 - (3) a precise statement of the relevant facts, including sufficient documentation that the protest has been timely filed and a description of the resulting adverse impact to the protestant;
 - (4) (4) a statement of any issues of law or fact that the protestant contends must be resolved; and
 - (5) (5) a statement of the argument and authorities that the protestant offers in support of the protest.
- c. HHSC reviews the protest and can dismiss if it is not timely or does not meet the requirements of TAC and can resolve a valid protest by mutual agreement.
- d. HHSC informs Respondents of their determination.
- e. A respondent can then appeal HHSC's decision and has 10 business days to do so upon receipt of HHSC's protest decision.

12. Final Awards and Contract Signature

- a. Once HHSC reviews and remedies any valid protests or appeals the agency provides final contracts to the winning Respondents.
- b. Health plans decide to accept and sign the new contract.

13. Operational Readiness

- a. Leading into the new contract going live HHSC meets regularly with plans to discuss key operational issues and functions of the program.
- b. Health plans must pass readiness reviews demonstrating to HHSC their ability to perform all functions under the new contract.

14. Continuity of Care and Health Plan Selection

- a. HHSC begins working with MCOs entering and exiting a Service Area to ensure there are no gaps in coverage which includes direction related to honoring existing prior authorizations, allowing Members to stay with existing providers until that provider goes in network or a new provider is selected, sharing care plans and other documents between MCOs.
- b. Members receive enrollment packets several months in advance to provide time for them to select a new MCO. Note that Medicaid members can change health plans at any time.