

**AWARD NOTIFICATION**  
**Puerto Rico Medicaid Enterprise System**  
**Medicaid Management Information System**  
**Phase III Request for Proposal (RFP)**  
**2021-PRMR-MES-MMIS-P3-001**

Pursuant to the authority and responsibilities set forth in Act No. 81-1912, as amended, known as “Health Department Act”, and Act No. 38-2017, as amended, known as the “Uniform Administrative Procedures Act of the Government of Puerto Rico”, the Puerto Rico Department of Health (hereinafter, “PRDoH”), Puerto Rico Medicaid Program (hereinafter, “PRMP”), issued a Request for Proposal (hereinafter, “RFP”) for the purpose of competitively procuring a solution for the PRMP Medicaid Enterprise Solution (MES) to support the establishment of a financial management module for PRMP’s MMIS Phase III Effort. *Request for Proposal 2021-PRMR-MES-MMIS-P3-001.*

In response to the RFP, the PRMP received proposals from two (2) vendors: Enterprise Services Caribe, LLC (hereinafter, “ESC”) and Conduent Business Solutions of Puerto Rico, Inc. (hereinafter, “Conduent”). In accordance with Section Four (4) of the RFP, proposals were evaluated by a seven (7) person committee (hereinafter, “Evaluation Committee”). An evaluation chairperson also accompanied the Evaluation Committee. Pursuant to Section 5.7 of the RFP, the Evaluation Committee’s determinations and scores were submitted to the PRMP Executive Director.

Based on the scores of the evaluations of the technical proposals and cost proposals, the Evaluation Committee recommended to the PRMP Executive Director, who agreed with such recommendation, that the contract be awarded to ESC, whose proposal scored a total of 808.15 points, compared to Conduent’s 676.8 points.

In accordance with Act No. 38-2017, as amended, known as the “Uniform Administrative Procedures Act of the Government of Puerto Rico”, and Section 5.7 of the RFP, the PRDoH, PRMP, hereby notifies this Award Notification, announcing its contract award to ESC.

This Notification of Award does not create rights, interests, or claims of entitlement in either the selected vendor or any other vendor. It does not constitute the formation of a contract between the PRDoH and ESC. ESC must submit all appropriate documentation with the PRDoH contract office and request approval from the federal partners before the contract is executed with the PRDoH. Section 5.8 of the RFP.

**I. PROCEDURAL BACKGROUND**

1. On July 6<sup>th</sup>, 2021, the PRDoH, PRMP, published RFP 2021-PRMR-MES-MMIS-P3-001, to procure a solution to support the establishment of a financial management module for PRMP’s MMIS Phase III effort. Per Section 1.1 of the RFP, the financial management module should be initially and primarily focused on those business processes necessary to support the calculation, production, and distribution of capitation payments to carriers. The solution should improve core operational financial management functions, and improve the processing time and

integration of financial data into a centralized location within the MES. The successful vendor should be prepared to support the implementation, maintenance, and operation of the solution. Vendors were required to submit proposals in two distinct parts: technical and costs.

2. On August 13, 2021, PRMP responded to the first round of vendors' written questions. As a result, PRMP issued amended versions of: the RFP, the Supplement Two: Detailed Requirements, and the Cost Proposal Workbook (Amendment #1). With the issuance of Amendment #1 of the RFP, PRMP extended subsequent deadlines included in the Schedule of Events.

3. On August 27, 2021, PRMP responded to the second round of vendor's written questions, and issued an amended version of the RFP (Amendment # 2).

4. On August 30, 2021, PRMP issued a revised version of the response to the second round of vendor's questions. Consequently, on September 3, 2021, PRMP published a revised version of Amendment #2.

5. On September 20, 2021, vendors submitted their respective proposals, in accordance with Section 3.10.4 of the RFP.

6. On September 21, 2021, PRMP opened and announced the technical proposals submitted by Conduent and ESC. Once opened, the technical proposals were provided to the Evaluation Committee for technical evaluation.

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7. On September 23, 2021 the Evaluation Committee completed the Initial Review of the proposals. The Evaluation Committee's review identified that Conduent's proposal failed two (2) mandatory requirements, and ESC's proposal failed one (1) mandatory prescreen requirement. In both cases, the Evaluation Committee, exercised its discretion under Section 4.5 of the RFP, and decided to move forward with the remaining pieces of the technical evaluation phase.

8. The Evaluation Committee requested Oral Presentations from ESC and Conduent. Both vendors participated in Oral Presentations on October 20, 2021.

9. On October 21, 2021 the Evaluation Committee completed its evaluation of the technical proposals. The Evaluation Committee signed the technical evaluation memorandum, which summarized consensus technical evaluation scores.

10. Subsequent to attesting to the results of the technical evaluation, PRMP opened and announced the cost bid proposals submitted by Conduent and ESC. Once opened, the cost proposals were evaluated and scored.

11. Both the technical and cost evaluation results and their associated recommendation were then presented to PRMP for their review and approval.

12. On October 21, 2021, PRMP, by means of the Evaluation Committee, issued a *Notice of Intent to Award Memorandum*, announcing the results of the technical and cost evaluations (point assignment) and its recommendation for the award to be made to Gainwell Technologies.<sup>1</sup>

13. On October 22, 2021, PRMP Executive Director issued an Amendment to *Notice of Intent to Award Memorandum* to include a statement of appeal rights.

## II. PROPOSAL SUMMARY

1. **ESC:** ESC's MMIS Phase III proposed solution will provide PRMP with a foundational system architecture and functionalities to support the establishment of a more comprehensive modular financial management solution. The methodology and approach proposed by ESC will allow PRMP to build on the initial MMIS Phase III functionalities. ESC will deliver a new and comprehensive PRMP solution for the MMIS Phase III, plus knowledgeable people that will ensure the successful implementation and operation of the MMIS Phase III solution. ESC's existing core financial management and managed care functionality in interChange will be extended to provide the PRMP Phase III solution. The solution will be focused primarily on the business processes necessary to support the calculation, production, and distribution of capitation payments to carriers; and will provide the foundation for maturing other financial management business processes in the future once PRMP completes the Medicaid Enterprise Roadmap. Invested, trained, and experienced staff will assist PRDoH in the implementation and then finally the move into operations. ESC will help PRDoH make this transition to the modular system, as they have in the past with the transition to PRMMIS Phase I, II. ESC will continue to provide reliable implementation and M&O support. ESC understands the staffing necessities across the project ESC, and will use analytics and reports to meet PRMP's expectations. Process, documentation, and standards are accelerators that will be used to reduce implementation timelines, achieve "quick wins," improve consistency, and ultimately achieve critical outcomes—CMS certifications of MES modules and improved efficiency of Medicaid workflows within Puerto Rico that deliver critical services to Puerto Ricans. ESC proposes a 15-month implementation phased followed by maintenance and operations (M&O) that will verify and support the services are in place. ESC leads with a proven approach to implementation management, enhanced by its established and collaborative approach with PRMP.

**ESC's cost proposal amounted to \$33,921,561.02.**

2. **Conduent:** Conduent's proposed solution for the RFP's financial management module is the Conduent Medicaid Suite (CMdS). Conduent's approach to delivering the RFP's scope of work, and supporting ongoing operations, is through their Quality Management System, composed of Project Management Technology, System Development Methodology, Training Methodology and Operations Methodology. Conduent proposed to implement their CMdS

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<sup>1</sup> The reference to Gainwell Technologies is an involuntary error. The correct reference is ESC.

solution three phases: Phase 1: implement functionality and convert data to support the RFP requirements associated with validating provider capitation payments against encounter/ claim data. Perform extensive data quality and validation edits; Phase 2: implement federal reporting requirements for encounter/claim data and other reports during this phase. Work with PRDoH during implementation to finalize the reporting to implement early based on the encounter/claim data available from Phase 1; Phase 3: implement the remaining RFP requirements for the MMIS Phase III project. This includes making premium payments to MCOs, federal reporting associated with premium payments, PERM support, and the other remaining requirements. Phase 1 would be completed in 9 months, Phase 2 in 12 months, and Phase 3 in 18 months.

**Conduent's cost proposal amounted to \$81, 935, 907.68.**

### **III. PROPOSAL EVALUATION**

Section 4.2 of the RFP states that proposals would be evaluated in two (2) parts by a committee of three (3) or more individuals. The first evaluation would be of the technical proposal and the second an evaluation of the cost proposal. The vendor who met all of the mandatory requirements, attained the minimum acceptable score, and attained the highest overall point score of all vendors would be awarded the Contract.

#### **A. INITIAL REVIEW:**

First, the Evaluation Committee conducted an Initial Review, which consisted on reviewing each vendor's mandatory qualification and requirements. Each proposal was evaluated for compliance with:

1. Eleven (11) mandatory pre-screens, located on Attachments B, K, and E of the RFP.
2. Four (4) mandatory qualifications, located on Attachment C of the RFP.
3. Twenty-nine (29) mandatory requirements, located on Attachment F of the RFP.

After individual and group evaluation, the Evaluation Committee collectively determined that both proposals failed one or more mandatory requirements. The Evaluation Committee's review identified that Conduent's proposal failed two (2) mandatory requirements, and ESC's proposal failed one (1) mandatory prescreen requirement. In both cases, the Evaluation Committee decided to move forward with the remaining pieces of the technical evaluation phase, and concluded they would seek clarification from vendors during oral presentations. The Evaluation Committee's discretion to do this is detailed in RFP *Section 4.5: Clarifications and Corrections*. At the conclusion of oral presentations, the Evaluation Committee collectively decided they were comfortable with each of the vendor's responses to the Evaluation Committee's concerns regarding compliance with mandatory qualifications and requirements.

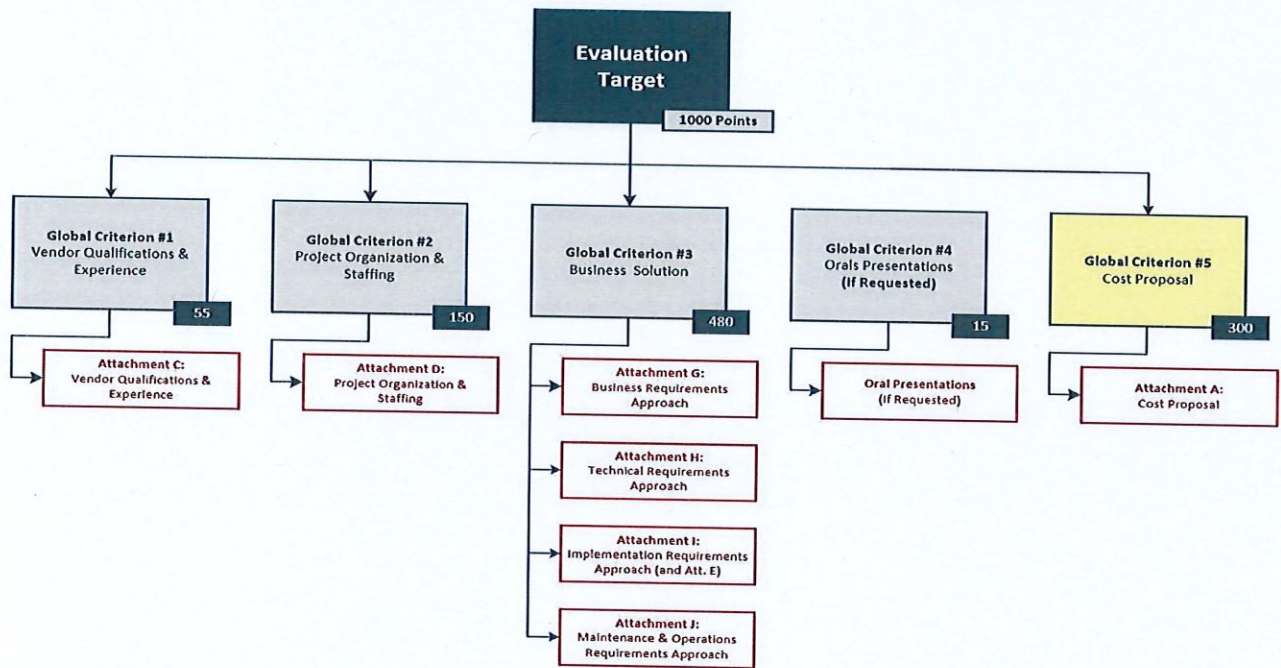
#### **B. TECHNICAL REVIEW AND COST REVIEW:**

Proposals had to provide a solution to support the establishment of a financial management module for PRMP's MMIS Phase III effort. The financial management module had to be initially and primarily focused on supporting the calculation, production, and distribution of capitation

payments to carriers. The proposed solution should improve core operational financial management functions, and improve the processing time and integration of financial data into a centralized location within the MES. The successful vendor should be prepared to support the implementation, maintenance, and operation of the solution.

Section 4.3 of the RFP states that proposals passing the Initial Review would be evaluated and scored across five (5) global criteria, with each receiving a percentage of the overall total (1000) points, if oral presentations were requested. The technical evaluation would be based upon the point allocation designated in Figure 2 and Table 3 of the RFP for a total of 700 of the 1000 points. Cost represents 300 of the 1000 points.

Section 4.3, Figure 2, of the RFP indicates the evaluation review criteria and point structure:



Section 4.3, Table 3, of the RFP, describes the scoring allocation of the technical proposals:

Global Criteria & Sub-Criterion	Maximum Points
<b>Vendor Qualifications and Experience:</b>	<b>55</b>
Vendor Experience	25
Vendor Financial Stability	20

Global Criteria & Sub-Criterion	Maximum Points
Vendor References	10
<b>Project Organization and Staffing:</b>	<b>150</b>
Initial Staffing Plan	100
Staff Experience	50
<b>Business Solution:</b>	<b>480</b>
Business Requirements	120
Technical Requirements	120
Implementation Requirements	120
Maintenance and Operations Requirements	120
<b>Oral Presentations</b>	<b>15</b>
<b>Technical Proposal (Non-Cost) Total Points</b>	<b>700</b>

As stated in Section 4.7.1 of the RFP, vendors must score a minimum of 70% (490 points) of the total technical points possible in order to move past the technical evaluation and have their cost proposals evaluated.

Section 4.4 of the RFP describes the formula used to score the cost proposals:

$$\frac{\text{Lowest price of all proposals}}{\text{Price of Proposal being evaluated}} \times 300 = \text{Price Score}$$

After discussing individual scores for all sub-criterion, the Evaluation Committee developed the following consensus in each sub-criteria of the technical response, and proceeded to score the cost proposals.

**SELECTED VENDOR SCORES: ESC**

<b>Global Criteria &amp; Sub-Criterion</b>	<b>Maximum Points</b>	<b>ESC</b>
<b>Vendor Qualifications and Experience:</b>	<b>55</b>	<b>35.65</b>
Vendor Experience	25	14.25
Vendor Financial Stability	20	11.40
Vendor References	10	10.00
<b>Project Organization and Staffing:</b>	<b>150</b>	<b>120.00</b>
Initial Staffing Plan	100	80.00
Staff Experience	50	40.00
<b>Business Solution:</b>	<b>480</b>	<b>342.00</b>
Business Requirements	120	68.40
Technical Requirements	120	91.20
Implementation Requirements	120	91.20
Maintenance and Operations Requirements	120	91.20
<b>Oral Presentations</b>	<b>15</b>	<b>10.50</b>
<b>Technical Proposal (Non-Cost) Total Points</b>	<b>700</b>	<b>508.15</b>

Having obtained the MAS, ESC cost proposal moved to cost evaluation. Proposal was scored, in accordance with Section 4.4 of the RFP:

$$\frac{\$33,921,561.02 \text{ (price of lowest proposal)}}{\$33,921,561.02 \text{ (ESC cost proposal)}} = 1 \times 300 = 300$$

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<b>COST</b>	<b>300</b>	<b>300.00</b>
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The overall score of the evaluations resulted in the following total score:

<b>TOTAL POINTS</b>	<b>1,000</b>	<b>808.15</b>
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**NOT SELECTED VENDOR SCORES: CONDUENT**

<b>Global Criteria &amp; Sub-Criterion</b>	<b>Maximum Points</b>	<b>Conduent</b>
<b>Vendor Qualifications and Experience:</b>	<b>55</b>	<b>39.60</b>
Vendor Experience	25	20.00
Vendor Financial Stability	20	12.00
Vendor References	10	7.60
<b>Project Organization and Staffing:</b>	<b>150</b>	<b>114.00</b>
Initial Staffing Plan	100	76.00
Staff Experience	50	38.00
<b>Business Solution:</b>	<b>480</b>	<b>384.00</b>
Business Requirements	120	96.00
Technical Requirements	120	96.00
Implementation Requirements	120	96.00
Maintenance and Operations Requirements	120	96.00
<b>Oral Presentations</b>	<b>15</b>	<b>15.00</b>

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Global Criteria & Sub-Criterion	Maximum Points	Conduent
Technical Proposal (Non-Cost) Total Points	700	552.60

Having obtained the MAS, Conduent's cost proposal moved to cost evaluation. Proposal was scored, in accordance with Section 4.4 of the RFP:

$$\frac{\$33,921,561.02 \text{ (price of lowest proposal)}}{\$81,935,907.68 \text{ (Conduent cost proposal)}} = .4140$$

$$\times 300 = 124.20$$

COST	300	124.20
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The overall score of the evaluations resulted in the following total score:

TOTAL POINTS	1,000	676.80
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#### IV. AWARD DETERMINATION

Section 4.7.1 of the RFP states that vendors must score a minimum of 70% (490 points) of the total technical points possible in order to move past the technical evaluation and have their cost proposals evaluated. All vendor proposals not attaining the minimum acceptable score (MAS) will be disqualified.

**Section 4.2 of the RFP indicates that the vendor who demonstrates that it meets all of the mandatory requirements, attains the minimum acceptable score, and attains the highest overall point score of all vendors shall be awarded the Contract.**

ESC met the mandatory requirements, attained 527.5 technical points, attained 300 cost points, for an overall score of 808.15 points.

Conduent met the mandatory requirements, attained 559 technical points, attained 124 cost points, for an overall score of 676.8 points.

Conduent, like ESC, met all the mandatory requirements, and surpassed the minimum acceptable score in the technical evaluation. **However, Conduent's cost proposal is \$48 million higher than ESC's.** In addition, the following observations were made regarding Conduent's technical proposal:

1. Vendor references for ongoing projects did not provide insight into the final outcomes of the project;

2. The listed subcontractors do not have excellent reference for healthcare related services;
3. The proposal relied heavily on subcontractors and did not provide a staffing plan in support of these resources;
4. The vendor did not include key PRMP personnel that the vendor would be working with;
5. the vendor's proposal lacked details related to local processes and contractor participation. Additionally, the EC will be seeking clarification on the vendor's response to user involvement and the vendor's approach during implementation.
6. The Evaluation Committee determined that the vendor's proposal lacked details on requirements that include but are not limited to the following requirements:
  - a. DM-005 - The solution's data integration and Extract, Transform, Load (ETL) component should include metadata capabilities, including, but not limited to:
    - i. Automated discovery and acquisition of metadata from data sources, applications and other tools
    - ii. Generation of lineage and impact analysis reports via graphical and tabular formats
    - iii. Open metadata repository with the ability to share metadata bi-directionally with other tools
    - iv. Automated synchronization of metadata across multiple instances of the tools
    - v. Ability to extend metadata repository with customer-defined attributes and relationships
    - vi. Documentation of project and program delivery definitions and design principles that support requirements definitions
    - vii. Business analyst and end-user interfaces that view and work with metadata
    - viii. Capabilities that offer metadata management across unstructured data, including, but not limited to: using search, taxonomy management alongside structured data, and rules and data models that serve the needs for data quality across the entire enterprise information landscape
  - b. DM-010 - The solution's data integration and Extract, Transform, Load (ETL) component should include mechanisms for aiding the ongoing understanding and assurance of data quality, including, but not limited to:
    - i. Ability to develop business rules that check for specific quality issues
    - ii. Ability to deploy monitoring rules within existing applications and data flows
    - iii. Ability to deploy monitoring rules as a stand-alone process

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- iv. Ability to generate alerts of various types, including, but not limited to: email, page, and error message if monitoring rules have been violated
      - v. Prebuilt and customizable reports that show numbers and types of monitoring rule violations over time
    - c. DM-018 The solution's components should be committed to an advanced approach to interoperability using web services and Service Oriented Architecture (SOA) aligned with the Puerto Rico Medicaid Program (PRMP), industry standards, and the PRMP's vision for interoperability.
  7. The EC determined that the vendor's proposal lacked details on requirements that include but are not limited to the following requirements:
    - a. TC-069 - The solution should provide the capability for remote access in compliance with existing Puerto Rico Medicaid Program (PRMP), federal, Commonwealth, and/or Puerto Rico Department of Health (PRDoH) policies.
  8. The vendor's proposed phased schedule is comprehensive but duplicative of current PRMP efforts and initiatives.
  9. The EC determined that the vendor's proposed phased schedule is confusing in support of the following requirement:
    - a. IM-012 The vendor should be prepared to participate and provide documentation for planning discussions with all stakeholders impacted by the solution's implementation. These planning discussions should include, but not be limited to topics including:
      - i. Deployment planning
      - ii. Interface testing
      - iii. Conversion and cutover
      - iv. Implementation plan and checklists
      - v. Operational readiness plan
      - vi. Training, training materials, and desk level procedures
      - vii. Post go-live monitoring and support.
      - viii. Disaster recovery and business continuity planning
      - ix. Others as defined within the Deployment Plan and by the Puerto Rico Medicaid Program (PRMP) superior project organization and staffing information; provided excellent references with a particular focus on MMIS and HHS projects, and has experience in Puerto Rico with PRMP, that PRMP looks favorably on.

In accordance with Section 4.2 of the RFP, the Evaluation Committee recommended that the contract be awarded to ESC, who attained the highest overall point score. The Executive Director has evaluated the recommendation and finds it is in the best interest of the Government of Puerto Rico, the PRDoH, and PRMP, to award the contract to ESC. The PRMP concludes that ESC's proposal meets the RFP's requirements, it contains superior project organization and staffing information; provides excellent references with a particular focus on MMIS and HHS projects, and has experience in Puerto Rico with PRMP, that PRMP looks favorably on. **Based on**

the aforementioned facts, combined with the difference in costs, the PRMP agrees with the Evaluation Committee, and awards the contract to ESC.

V. STATEMENT OF APPEALS

Award revisions will be governed by Act No. 38-2017, as amended, known as the "Uniform Administrative Procedures Act of the Government of Puerto Rico", Sections 3.19 and 4.2.

A copy of the Award Notification will be sent by **certified mail** to all vendors. Any party adversely affected by the PRDoH's decision may file a request for reconsideration before the PRDoH within twenty (20) days of the date the PRDoH's decision was notified. The date of notification will be determined by the official United States Postal Service postmark on the envelope containing the Award Notification.

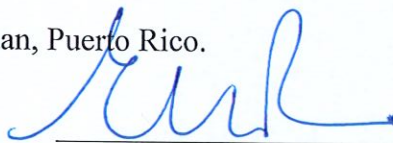
An original of the request for reconsideration must be filed with the PRDoH, at the following location: Oficina de Asesores Legales, Edificio A, Calle Periferical Interior, Barrio Monacillos, Rio Piedras P.R. The party requesting reconsideration must notify all other vendors, including awardees, with a copy of its request. A digitalized copy must be sent on the same date to: Elizabeth Otero, elizabeth.otero@Salud.pr.gov (PRMP). The PRDoH must consider the request for reconsideration within thirty (30) days of its filing date. If the PRDoH does not answer the request for reconsideration within such period, it will be deemed to have been rejected.

The vendor may file a petition for judicial review of PRDoH's final decision before the Puerto Rico Appellate Court within twenty (20) days from the earlier of:

- (i) the notification PRDoH's final decision regarding the vendor's request for reconsideration. The date of notification will be determined by the official United States Postal Service postmark on the envelope containing the final decision regarding the request for reconsideration; or
- (ii) the date that the request for reconsideration is deemed to have been rejected.

Vendors who fail to file a request for reconsideration or for judicial review within the periods indicated herein waive their right to contest an award.

On February 14, 2022 in San Juan, Puerto Rico.



Edna Y. Marín Ramos  
Executive Director  
Medicaid Program

I HEREBY CERTIFY that on February 14, 2022, copy of this Award Notification has been sent via certified email to all vendors to the addresses provided for legal notices in the submitted proposals:

**Rosalba Scotto**

**Enterprise Service Caribe, Inc.**

Metro Office Park

Metro Parque 7, Street #1,

Suite 204

Guaynabo, Puerto Rico 00968

Email: [rosalba.scotto@gainwelltechnologies.com](mailto:rosalba.scotto@gainwelltechnologies.com)

**Scott Morrow**

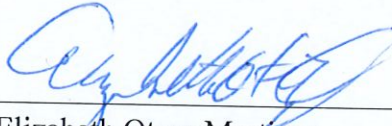
**Conduent Business Solutions of Puerto Rico, Inc.**

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Solicitation Coordinator

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