

RICK SNYDER GOVERNOR

STATE OF MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES LANSING

NICK LYON DIRECTOR

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CONTACT: Jennifer Smith (517) 241-2112

Michigan Releases Managed Care Request for Proposal

LANSING, Mich. – The Michigan Department of Health and Human Services (MDHHS) today released the Request for Proposal (RFP) for the Comprehensive Health Plan Contract for Michigan's Medicaid Health Plans (MHP). The Comprehensive Health Plan Contract provides health care services to approximately 1.7 million Medicaid managed care beneficiaries, and is being rebid during fiscal year 2015 for new contracts beginning in fiscal year 2016.

The RFP has been posted to the Michigan Department of Technology, Management and Budget (DTMB) Buy4Michigan website at www.buy4michigan.com. To get to the RFP, interested bidders can visit the website and click on "Open Bids" to select the RFP and review its content and additional documents. Questions from about the technical RFP are due by May 26, 2015. Questions about the rates are due June 11, 2015, and all proposals are due by August 3, 2015.

MDHHS has incorporated stakeholder input and made changes to the RFP as a result of the culmination of valuable feedback and discussions during the budget process. These changes include the continuation of the carve-in of pharmaceutical drugs, and a common formulary for all managed care entities by January 1, 2016. MDHHS will convene and lead the Medicaid Health Plans to collaboratively develop the single formulary and preferred drug list and will lead future efforts to develop a similar approach for all Medicaid lines of business including fee-for-service and managed care by January 1, 2017.

The RFP also includes previously announced changes to the service area locations and requirements to align with Michigan's <u>Prosperity Regions</u>, as well as a new Medicaid coverage group. Additionally, all counties in a region must be included in all bids. This is a departure from previous RFPs, which allowed plans to bid on individual counties within in a region, rather than all counties in a region.

Within this RFP, Michigan will also be converting its current Children's Health Insurance Program (CHIP) program, called MIChild, from a stand-alone CHIP program to a Medicaid expansion group. This change is contingent on approval by the Centers for Medicare and Medicaid Services (CMS).

The RFP is built on the pillars of transformation for Michigan's Medicaid managed care program that has successfully served the Medicaid managed care population for almost two decades. The pillars include: Population Health Management; Integration of Care; Payment Reform and Structural Changes to improve efficiencies.

Current Comprehensive Health Plan contract end dates have been extended from September 30, 2015 to December 31, 2015. New contracts as a result of the rebid will begin January 1, 2016. To access the RFP online, visit www.buy4michigan.com. RFP proposals are due August 3, 2015.