

**PROCUREMENT JUSTIFICATION FORM (PJF)**

This form must accompany all contract requests and sole source requisitions (RQS) over \$5,000 submitted to the Division of Procurement Services.

INSTRUCTIONS: Please provide the requested information in the white spaces below. All responses (except signatures) must be typed; no hand-written forms will be accepted. See the guidance document posted with this form on the Division of Procurement Services intranet site (Forms page) for additional instructions.

PART I: OVERVIEW

Department Office/Division/Program:		DHHS/Office of MaineCare Services	
Department Contract Administrator or Grant Coordinator:		Chris Moiles / Matt Galletta	
(If applicable) Department Reference #:		OMS-24-207	
Amount: (Contract/Amendment/Grant)	\$ 975,606.00	Advantage CT / RQS #:	CT 10A 20230524000000003380
CONTRACT	Proposed Start Date:	7/1/2023	Proposed End Date: 6/30/2024
AMENDMENT	Original Start Date:		Effective Date:
	Previous End Date:		New End Date:
GRANT	Project Start Date:		Grant Start Date:
	Project End Date:		Grant End Date:
Vendor/Provider/Grantee Name, City, State:		Mercer Health and Benefits LLC Newark NJ	
Brief Description of Goods/Services/Grant:		Accountable Communities Actuarial Services	

PART II: JUSTIFICATION FOR VENDOR SELECTION

Check the box below for the justification(s) that applies to this request. (Check all that apply.)

<input type="checkbox"/>	A. Competitive Process	<input type="checkbox"/>	G. Grant
<input type="checkbox"/>	B. Amendment	<input type="checkbox"/>	H. State Statute/Agency Directed
<input checked="" type="checkbox"/>	C. Single Source/Unique Vendor	<input type="checkbox"/>	I. Federal Agency Directed
<input type="checkbox"/>	D. Proprietary/Copyright/Patents	<input type="checkbox"/>	J. Willing and Qualified
<input type="checkbox"/>	E. Emergency	<input type="checkbox"/>	K. Client Choice
<input type="checkbox"/>	F. University Cooperative Project	<input checked="" type="checkbox"/>	L. Other Authorization - RFP Extended

Please respond to ALL of the questions in the following sections.

PART III: SUPPLEMENTAL INFORMATION

1. Provide a more detailed description and explain the need for the goods, services or grant to supplement the response in Part I.

The Accountable Communities Program is a Department initiative, under which groups of MaineCare providers can share in savings for an assigned population, with the amount of any shared savings payments tied to the ACO's score on a range of quality measures defined by the Department to assess the quality and care furnished to MaineCare members. Given that the Centers for Medicare and Medicaid Services require that certain actuarial services related to the AC be provided by an independent actuary, the purpose of this Agreement is to engage the Provider to perform such actuarial analyses and related consulting advisory services. The Provider shall 1) implement a complex methodology to assign MaineCare members to various ACs; 2) create reports for each AC that calculate the AC's benchmark costs, Reporting Period costs, and Reporting Period savings; 3) develop Completion Factors; and 4) design and implement methodologies to control for the impact of regulatory changes that could skew the comparison of Base Year to Reporting Period spending; (5) make savings projections; and (6) perform other ad hoc work as requested by the Department. The Department is extending this contract for one year beyond the final renewal period to accommodate major program changes. The AC payment model will be changing in summer 2023 to require shared financial accountability with ACs ("downside risk"), in alignment with DHHS delivery system and cost containment goals. This means that, if actual costs for the AC's attributed population are higher than projected, the AC will owe the Department back a portion of the loss. Over the course of the next 12 months, MaineCare will be working intensively with Mercer, the ACs, and the Centers for Medicare and Medicaid Services in review and assessment of this new analytic and risk model. It would be highly unfavorable to contemplate a switch of vendors during this transition period and would risk potential disruption of State Plan Approval. Stability in execution of the established methodology and contractual obligations will be critical in fall 2023 under the heightened scrutiny of a shared-risk contract.

2. Provide a brief justification for the selected vendor to supplement the response in Part II. Reference the RFP number, if applicable.

Through RFP# 201801006, an Evaluation Team applied the consensus scoring method in evaluating the Bidders Qualifications and Experience, Proposed Services, and Cost Proposal in awarding the contract to this provider.

Period	Start Date	End Date
Initial Period of Performance	7/1/2018	6/30/2020
Renewal Period #1	7/1/2020	6/30/2022
Renewal Period #2	7/1/2022	6/30/2023

3. Explain how the negotiated costs or rates are fair and reasonable; or how the funding was allocated to grantee.

The costs and rates of this vendor were considered fair and reasonable and the best value for the Department.

4. Describe the plan for future competition for the goods or services.

The Department will review these services and issue an RFP with a new contract start date of 7/1/2024.

PART IV: AMERICAN RESCUE PLAN ACT (ARPA) / MAINE JOBS & RECOVERY PLAN (MJRP)

Does this request utilize ARPA/MJRP funds?

Yes – If Yes, please attach the approved Business Case(s).

No – If No, proceed to Part V.

PART V: APPROVALS

The signatures below indicate approval of this procurement request.

PART III: SUPPLEMENTAL INFORMATION

Signature of requesting Department's Commissioner (or designee):	DocuSigned by: <i>Debra Downer</i> 5DC6307B8558482...		
Typed Name:	Debra Downer, Deputy Director for Competitive Procurement	Date:	Jun-13-2023
Signature of DAFS Procurement Official:	DocuSigned by: <i>Kathy Paquette</i> 41C2BA36EAE44CD...		
Typed Name:	kathy Paquette	Date:	7/11/2023