PROCUREMENT JUSTIFICATION FORM (PJF)

This form must accompany all contract requests and sole source requisitions (RQS) over \$10,000 submitted to the Office of State 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 Procurement Services intranet site (Forms page) for additional instructions.

| PART I: OVERVIEW | | | | | | | | |
|---|---------------------|--|--|--------------|--------------------------------|--------------|-----------|--|
| Department Office/Division/Program: | | | Professional & Financial Regulation/Insurance | | | | | |
| Department Contract Administrator or Grant Coordinator: | | | Kim Davis kim.e.davis@maine.gov 207-624-8550 | | | | | |
| (If applicable) Depa | rtment Refer | ence #: | | | | | | |
| Agency Depart | tment Code: | 02A | | Advantage CT | / RQS #: 20250825 03 | | 327 | |
| Amount: (Contract/Amendment/Grant) Not to E | | Exceed \$270,000 | | | | | | |
| CONTRACT | <u>-</u> | osed/Original Start Date: | | 15/2025 | Proposed/Most Recent End Date: | | 6/30/2027 | |
| AMENDMENT | New E | New Effective Date: | | | New End Date (if Applicable): | | | |
| GRANT | Project Start Date: | | | | Grant Start Date: | | | |
| Project End Date | | d Date: | | | Grai | nt End Date: | | |
| Vendor/Provider/Grantee Name, City, State: | | Quest Analytics 9225 Indian Creek Pkwy Suite 200 Overland Park, KS 66210 | | | | | | |
| Brief Description of Goods/Services/Grant: | | Health plan network adequacy analysis. | | | | | | |

| PART II: JUSTIFICATION FOR VENDOR SELECTION | | | | |
|--|----------------------------------|--|----------------------------------|--|
| Check the box below for the justification(s) that applies to this request. (Check all that apply.) | | | | |
| | A. Competitive Process | | G. Grant | |
| | B. Amendment | | H. State Statute/Agency Directed | |
| \boxtimes | C. Single Source/Unique Vendor | | I. Federal Agency Directed | |
| | D. Proprietary/Copyright/Patents | | J. Willing and Qualified | |

REV 8.21.25 Page 1 of 4

| \boxtimes | E. Emergency | K. Client Choice |
|-------------|---|------------------------|
| | F. Higher Education Cooperative Project | L. Other Authorization |

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.

Public Law 2025, Chapter 31 approved amendments to Rule 850 that revised current Network Adequacy Standards for qualified health plans. These standards, effective for Plan Years beginning on January 1, 2026, require carriers to comply with network adequacy standards at least as stringent as those of the federal Center for Medicare and Medicaid Services (CMS). For plan years beginning on or after January 1, 2026, qualified health plans' networks must comply with CMS's quantitative time and distance standards as well as appointment wait time criteria.

Quest Analytics will provide carrier data analysis to ensure that Maine's health plans are compliant with required federal standards.

2. Provide a brief justification for the selected vendor to supplement the response in Part II. Reference the solicitation (RFP/RFA/RFQ) number if applicable.

Quest Analytics provides network adequacy analysis for CMS itself, 11 state insurance departments, 19 state Medicaid agencies, and several federally facilitated marketplace states. They are uniquely qualified given their breadth of expertise in this area.

Time and distance standards must be evaluated according to county population for 34 distinct medical specialties. Hospitals are analyzed for compliance in 11 service areas. Stand-alone dental plan networks must also be evaluated for time and distance compliance. The standards are measured with a calculation involving both county population and density, which are two distinct categories. The calculation of network adequacy is further complicated by the inclusion of specific appointment wait time requirements.

The time constraints would make it impossible for another vendor to develop the tools necessary with the complexity of this analysis, making Quest Analytics the sole choice for this contract.

Quest Analytics has sole source contracts with the following state insurance departments: KY, CA, MA, MN, NJ, VA, and MO.

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

The cost is fair and reasonable given the complexity of the analysis required. The Bureau of Insurance does not have internal resources capable of completing this analysis. In addition, it would be cost prohibitive to hire another vendor to develop their own analysis tool that Quest has already developed for CMS and has deployed in a number of other states.

REV 8.21.25 Page 2 of 4

PART III: SUPPLEMENTAL INFORMATION

Quest Analytics will be able to present the information to the Bureau in a clear, concise, and easily understandable format and be able flag specific gaps in network adequacy.

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

Since CMS is a federal agency that developed the required standards and Quest provides this service for them, competition in this area is unlikely.

| PART IV: AMERICAN RESCUE PLAN ACT (ARPA) / MAINE JOBS & RECOVERY PLAN (MJRP) |
|---|
| Does this request utilize ARPA/MJRP funds? |
| ☐ Yes, MJRP funds (023) – If Yes, please attach the approved Business Case(s). |
| ☐ Yes, ARPA funds (025) — If Yes, please be aware of the requirements from awarding federal agencies. |
| ⊠ No – If No, proceed to Part V. |

PART V: CONFLICTS OF INTEREST (COI); CONTRACT WITH THE STATE

Maine law contains Conflict of Interest statutes directed to State Departments, State Officers, and Employees Generally under MRS <u>Title 5, §18</u> and <u>§18-A</u>, in harmony with MRS <u>Title 17, §3104</u>.

☑ The requesting department's signatory affirms, understands, and acknowledges Maine's Conflict of Interest statutes and, in accordance with those statutes and to the best of their knowledge, has determined that no conflict of interest exists at the time of this contract, renewal, or amendment.

| PART VI: APPROVALS | | | | | |
|--|-----------------------------|-------|------------|--|--|
| Governor/Department Commissioner or Designee | | | | | |
| The signature below indicates approval of this procurement request. | | | | | |
| Signature of requesting Department's Commissioner (or designee): | gan | | | | |
| Typed Name: | Joan F. Cohen, Commissioner | Date: | 9/ 16/2025 | | |

REV 8.21.25 Page 3 of 4

| 2. Additional signature required ONLY if box E (Emergency) is selected in PART II . The signature below indicates approval by the Department's Commissioner, or the <u>designee specifically authorized to approve emergency procurement requests</u> . | | | | | |
|--|-----------------------------|-------|-----------|--|--|
| Signature of requesting Department's Commissioner (or designee): | Jan | | | | |
| Typed Name: | Joan F. Cohen, Commissioner | Date: | 9/16/2025 | | |

OSPS Section Only

| Signature of DAFS Procurement Official: | Thomas Paquette | | |
|---|-----------------|-------|-----------|
| Typed Name: | Thomas Paquette | Date: | 9/18/2025 |

REV 8.21.25 Page 4 of 4