

**CASE STUDY:  
CARE MANAGEMENT RFP FOR DADE COUNTY HEALTH BENEFITS PROGRAM**

This Request for Proposal (RFP) is issued by Dade County (“The County”) on behalf of the Health Insurance Policy Committee for the Dade County Health Benefits Program (HBP). The purpose of this RFP is to solicit proposals from qualified vendors to provide care management services for Florida Medical Insurance benefits provided through the County HBP, as specified in this RFP, effective January 1, 2016. The HBP historically sponsored a limited program of pre-admission certification, concurrent review and case management that had been in effect since 2005. In 2010, this program was expanded to include an enhanced pre-admission certification and concurrent review process and catastrophic and complex case management. The intent of this RFP is to award a contract to one or more proposer(s) whose proposal is most advantageous to the County, based on price and other factors.

The County provides health care coverage to municipal employees, retirees and their dependents through the Health Benefits Program of the Labor Relations. Approximately 22,500 employees plus their dependents, plus retirees under age 65 are covered under the plan. The County therefore provides coverage to over 50,000 lives, making it one of the largest purchasers of government health benefits in the Southeastern United States.

**PRICE PROPOSAL:**

The County is requesting proposals for Utilization Management (UM) and Case Management (CM) Services. The bids will be priced as two options: 1) UM and CM costs with Mental Health and Chemical Dependency (MH/SA) Included, on a per employee per month (PEPM) basis, and 2) UM and CM PEPM costs with MH/SA services carved out and billed separately on an hourly basis.

The County is also looking for performance guarantees in terms of Minimum Return on Investment including appropriate Fees-At-Risk. The vendors will be ranked on total overall value to plan (i.e. total overall expected medical savings less total overall costs). For purposes of valuation, assume that if a vendor fails to meet the minimum ROI, that they only breakeven (1:1 ratio from savings to cost). The County, given its financial direction and 2016 goals, can afford no more than \$100,000 in costs per month, and any selected vendor’s total cost per option should be less than that amount, lest they be eliminated from consideration.

Additional Metrics:

Employees	22,500	
Members	51,750	
Percentage of CM cases that are MH/SA -		8.0%
CM/1,000 members	25	

Formulas: n = Option 1, Option 2

Value of Plan<sub>n</sub> = Expected Savings<sub>n</sub> - Expected Total Cost<sub>n</sub>  
Expected Savings<sub>n</sub> = Weighted Average (Savings for Meeting ROI<sub>n</sub> , Savings for Not Meeting ROI<sub>n</sub>)  
Savings for Meeting ROI<sub>n</sub> = Total Needed Savings<sub>n</sub> = Total Cost for Option<sub>n</sub> \* ROI Multiplier  
Savings for Not Meeting ROI<sub>n</sub> = Total Cost for Option<sub>n</sub> \* 1 \* (1 + Maximum Fees-at-Risk)