



COMMONWEALTH of VIRGINIA

DEPARTMENT OF MEDICAL ASSISTANCE SERVICES
600 East Broad Street, Suite 1300
Richmond, VA 23219

August 4, 2016

ADDENDUM No. 1 TO VENDORS:

Reference Request for Proposal: RFP 2016-08
Dated: July 13, 2016
Due: August 16, 2016

Below are updates that may delete, add, modify or clarify certain aspects of the aforementioned RFP. Please incorporate as necessary.

See Attachment 1 for list of Offerors who submitted Letters of Intent (LOIs) before the due date/time.

See Attachment 2 for list of questions posed by Offerors and the Department of Medical Assistance Services (DMAS) response.

A signed acknowledgment of this addendum must be received by this office either prior to the due date and hour required or attached to your proposal response. Signature on this addendum does not substitute for your signature on the original proposal document. The original proposal document must be signed.

Sincerely,

A handwritten signature in black ink that reads "Christopher M. Banaszak".

Christopher M. Banaszak
DMAS Contract Manager

Name of Firm: _____

Signature and Title: _____

Date: _____

ATTACHMENT 1
RFP 2016-08, Addendum 1
Letters of Intent Received before Due Date/Time

Company
Valtim Marketing Solutions
Direct Mail Works, LLC
Brightkey, inc.
NPC
RR Donnelley
Technical Services Group
Commonwealth Martin Mailing Systems, Inc.

**Attachment 2
RFP 2016-08, Addendum 1
Vendor Questions and Answers**

Question Number	Section	Question/Comment	DMAS Response
1.	General	Who is the incumbent vendor, or is it done in-house?	Commonwealth Mailing Systems, Inc. is the current contractor.
2.	General	What is the annual value of the contract?	The annual value of the current contract in Fiscal Year 2016 was \$1,704,900.00
3.	General	Is the work required as part of this RFP currently outsourced? If so, who is the incumbent?	See response to Question 1.
4.	General	What is the anticipated decision date and anticipated implementation time period?	The anticipated implementation date is 11/1/2016.
5.	General	Is the anticipated go live November 1 st a firm date?	Yes
6.	Section IV: Statement of Needs	Are the 100 items in inventory all-inclusive of mailing material? Or, does this number include both mailing material and materials to be fulfilled for those orders placed online? If the 100 items in inventory consist of both, please break out which items of inventory are for mailing projects and what inventory is to be picked, packed and shipped for orders placed online.	The inventory items consist of both mailing items and items that can be ordered.
7.	Section 4.1: Mailing and Distribution Services	In reference to the on-line ordering for DMAS clients to submit orders for documents and for submitting mailing instructions, is this a public facing portal or is login access required? Please provide the estimated number of users of the online ordering system?	DMAS does not currently have on-line capability for ordering materials.
8.	Section 4.1: Mailing and Distribution Services	Is the current online function for placing orders for materials and the online function for mailing request, two separate portals?	Refer to answer #7
9.	Section 4.1: Mailing and Distribution Services	Please provide a process flow of the current online ordering process for both materials and mailings?	Refer to answer #7
10.	Section 4.1: Mailing and Distribution Services	Are there financials associated with any mailing requests?	Please clarify question.

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11.	Section 4.1: Mailing and Distribution Services	Can you provide a sample data file for a typical mailing?	No.
12.	Section 4.1: Mailing and Distribution Services	Please explain envelope printing requests? Please provide a sample request.	Mailing envelopes display DMAS return address, return & forwarding service request endorsement, business reply and the envelope number. Yes samples will be provided.
13.	Section 4.1: Mailing and Distribution Services	What is the estimated number of returns each day, month, and year?	No impact on this contract. Mail is returned to DMAS & other contracted vendors.
14.	Section 4.1: Mailing and Distribution Services	Please elaborate on item j. What is a “Weekly Provider Listing” and “other DMAS-supplied lists?”	The provider listing was discontinued. Please strike this reference from the RFP.
15.	Section 4.1: Mailing and Distribution Services	Please elaborate on item l. Please clarify the term “burst.” Please provide an example of mailing requests received by another contractor? Please elaborate on item l in its entirety.	Burst is process that creates perforation on forms. There will be times when another contractor will print material for DMAS and ship it over to our DMAS mailing contracting for inventory or inserting with a mailing, which may require folding, trimming and envelope inserting.
16.	Section 4.1: Mailing and Distribution Services	In reference to item l. Please provide an example scenario and samples of all letters that need to be “trimmed.”	An insert printed on 8 ½ x 11 paper then trimmed in 3 sections. Samples will be provided.
17.	Section 4.1: Mailing and Distribution Services	In reference to item r – “Drop all mailings within 3 business days.” Is the TAT from the time the data file is received? If so, is there possibility to receive data files sooner to allow for proper processing and longer TAT?	Yes, unless otherwise specified by DMAS.
18.	Section 4.4: IT/System Support	Is the selected contractor required to be HIPPA certified?	Per Section XI, Number 14, the Contractor will be required to execute a DMAS Business Associate Agreement (BAA) requiring them to comply with regulations concerning the safeguarding

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			of protected health information (PHI).
19.	Section 5: Materials Ordering Requirements	Please provide monthly and annual call volumes? Are there peak periods?	There were 70 phone orders in calendar year 2015. There are no peak periods.
20.	Section 5: Materials Ordering Requirements	Please provide monthly and annual email volumes? Are there peak periods?	There were 2,865 email orders in calendar year 2015. There are no peak periods.
21.	Section 5: Materials Ordering Requirements	Is the online service for request of materials a public facing site? How many DMAS clients use the online service for ordering materials? Who are DMAS clients? Please provide an example of a DMAS client.	See question 7. DMAS clients are Department of Social Services, Health Department, Providers, the CoverVA unit of Xerox healthcare Services, and Virginia Medicaid Members
22.	Section 5: Materials Ordering Requirements	Please provide monthly and yearly order volumes for materials? Are there peak periods?	<p>Volumes below are for the calendar year 2015:</p> <p>Email order – 2,865 Fax order -72 Phone order 70 There are no peak periods.</p>
23.	Section 5: Materials Ordering Requirements	What is the average piece per order?	This varies
24.	Section 5: Materials Ordering Requirements	Is eFax acceptable?	Yes
25.	Section 5: Materials Ordering Requirements	Are there any financials associated with material orders?	Please clarify question
26.	Section 5: Materials Ordering Requirements	Please provide the data collection requirements for the material ordering system.	Please clarify question

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27.	Section 5: Materials Ordering Requirements	Please provide volumes for “call in” orders.	See answer 19
28.	Section 5: Materials Ordering Requirements	What is the current estimated number of complaints? Please provide an example? Are complaints in regards to processes? Materials?	No complaints are recorded or captured
29.	Section 5: Materials Ordering Requirements	Please describe the current web-based material ordering application. Is this an ecommerce solution? Are there visuals?	The current web-based material ordering process includes the downloading of an order form and requires the customer to fax this request to the current mass mailing vendor. An ecommerce solution and or visuals effects are included in this process.
30.	Section 6: Courier Service	Please provide more detail on the courier /delivery service requests. How often are these requests? What notice will be given for a courier request? What is the average amount of material to be couriered between the contractor and DMAS? 1 box, 5 boxes?	At times DMAS will request material delivered to the DMAS office. Lead time varies. DMAS will notify the vendor by phone or email. The average amount of material couriered is not currently tracked or captured.
31.	Section 7: Storage Requirements	How many SKU’s are among the 167 skids of material to be stored? Does the 167 skids of material include both mailing material and materials to be picked, packed and shipped for online orders? If so, is it possible to break out, how many skids are for mailing materials and how many skids are for online ordering materials?	The numbers of SKU’s among the 167 skids are unknown. The skids of material include mailing material and ordered material. The requested volume of mailing materials versus online orders is unavailable.
32.	Section 7: Storage Requirements	Please provide the location of the incumbent contractor where materials will be moved from?	The current contractor is located per the following: Commonwealth Mailing Systems, Inc. 1700 Venable Street Richmond, VA 23223
33.	Section 7: Storage Requirements	How often is new material received?	As needed, according to the inventory levels required to be in stock.

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34.	Section 8: Staffing Requirements	How many customer service professionals are currently on the project answering telephone and email inquiries and “call in” orders?	There is currently 1 person receiving and processing material orders.
35.	Section 8: Staffing Requirements	What is the current pay rate for all staff on project?	DMAS does not require the current vendor to provide information on their payroll.
36.	Section 8: Staffing Requirements	In reference to item d, please elaborate on “Maintain Web page updates and information timely.” What website is the contractor staff required to update? What information is to be updated? Who dictates and approved updates? How often does updating occur and what is involved?	Refer to RFP section IV 5.G
37.	Section 8: Staffing Requirements	In reference to item e. Please define “special letters.” Is this in reference to personalized dynamic data?	Letters that may require special formatting, colors, fonts etc.
38.	Section VIII. Proposal Evaluation and Award Criteria	In reference to the small business subcontracting plan requirements, will the DMAS accept the DSBSD SWaM Women Owned Business certification from a primarily offeror in place of the small business subcontracting plan and receive the proposal evaluation points associated with the requirement?	Per RFP Section VIII, Item 1, the Small Business Subcontracting Plan is a required submission. If the Offeror is a DSBSD certified small business, they should complete the appropriate section in RFP Attachment A and submit with their cost proposal.
39.	Attachment C – Mass Mailing Pricing Schedule	Please provide more detail on what mailing projects require Cheshire Label application. How often are these mailings? Will DMAS consider ink jetting as an alternate method?	Cheshire labels are no longer used
40.	Attachment C – Mass Mailing Pricing Schedule	Please provide more detail on what mailing projects require P.S. (pressure sensitive) labels. How often are these mailings?	Pressure sensitive labels are no longer used.
41.	Attachment C – Mass Mailing Pricing Schedule	In reference to the second pricing item beneath “Systems Work Per Job,” – “Load tapes, convert and format.” What does “load tapes” mean? What are tapes?	Loading and formatting an electronically submitted mailing job.
42.	Attachment C – Mass Mailing Pricing Schedule	Please explain “Scan Signatures or Letterhead”	Scanning of DMAS signature blocks that are placed on mass mailing requests.

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43.	Attachment C – Mass Mailing Pricing Schedule	What type of printing is required for the mailings? Black ink? Color? If, color is required for any mailings, please specify which mailings.	This varies per mailing
44.	Attachment C – Mass Mailing Pricing Schedule	Will any mailings require a mail match? If so, please specify which mailings.	Please clarify this question
45.	Attachment C – Mass Mailing Pricing Schedule	Are any of the letters to be printed a size other than letter (8 ½ x 11)?	Yes
46.	Attachment D – Mass Mailing and Distribution Scenarios	What is the frequency of Scenario #1 mailing?	As needed
47.	Attachment D – Mass Mailing and Distribution Scenarios	Does Scenario #1 require color printing?	Yes, this request could include color printing.
48.	Attachment D – Mass Mailing and Distribution Scenarios	How thick is the brochure?	Varies
49.	Attachment D – Mass Mailing and Distribution Scenarios	How many pieces is the mailing in scenario #2?	Varies
50.	Attachment D – Mass Mailing and Distribution Scenarios	In Scenario #2, what is the region code? How many different region codes?	A region is a demographic area associated with a number of localities that are identified by a 3digit code. There are up to 6 regions.
51.	Attachment D – Mass Mailing and Distribution Scenarios	How many different versions of the letter are there?	1 Spanish and English version per letter

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52.	Attachment D – Mass Mailing and Distribution Scenarios	How many different region specific provider listings are there? How many pages is this? Is the region specific provider listing a stock item provided by DMAS or printed and maintained by vendor?	There is no longer a provider listing included with Medallion 3 mailings.
53.	Attachment D – Mass Mailing and Distribution Scenarios	In Scenario #2, is the MEDALLION 3.0 Help Sheet a color document? Is this stock item to be printed on special paper? Is this a duplex or single side print?	A Help Sheet is no longer included in this mailing.
54.	Attachment J: Historical Mailing Volumes	Are the EPSDT postcards a stock item provided by DMAS?	Yes
55.	Attachment J: Historical Mailing Volumes	Is this an inclusive list of all routine mailings? How many different types of mailings are there?	Yes. See attachment J
56.	Attachment J: Historical Mailing Volumes	Can a schedule be provided of all mailings and when they need to drop by?	Mailing specifics will be provided when the contract is awarded.
57.	Attachment J: Historical Mailing Volumes	Can a list be provided of all mailings and the components in each?	Mailing specifics will be provided when the contract is awarded.
58.	Attachment K: MLTSS Mailing Volumes	Are all these mailings single letter mailings? Black ink? Any inserts?	Varies
59.	Attachment F:	In reference to Column “DMAS Forms,” Is this the assigned DMAS item number?	Yes
60.	Attachment F:	Please elaborate on “Estimated Yearly” usage column. Can you please provide more detail on monthly volumes and if items are sent as single orders or bulk orders?	These are estimated volumes based on historical data. Volumes may change as populations change.
61.	Attachment F:	Please indicate what material will be provided by DMAS and what material the vendor is expected to provide?	Please clarify question.

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62.	Attachment F:	Are any of these inventory items fast moving? If so, please specify which items.	Please clarify question.
63.	General Terms and Conditions:	Please elaborate on the process in section 26.2, in regard to monitoring lists provided by DMAS and comparing them against the LEIE database. Please explain current SOP's for this process? Where should pricing involved with this processing be incorporated?	Per this requirement, the contractor is responsible for monitoring, on a monthly basis, all subcontractors working on their behalf in the performance of the contract to ensure they are not on the Federal List of Excluded Individuals/Entities (LEIE) database at the listed website listed. This is an internal process for the contractor and there are no standard SOP's to report. Any subsequent cost associated with this process is the responsibility of the contractor. Offerors may include cost in Schedule B-3 of Attachment B.
64.	General	Who is the incumbent vendor? How long have they performed on this contract?	Please refer to answer #1
65.	General	Can you provide the bid tabulation from the previous bid?	We do not have this information.
66.	General	How much has DMAS spent for these services during the most recent 12 months?	Please refer to answer #2
67.	Page 15 – Section 5:	How many calls are anticipated on a daily basis?	Please refer to answer #19
68.	Page 15 – Section 5:	What is the typical call length?	This information is not currently tracked.
69.	Page 16 - Section 5.e	Can you provide the statistics for calls answered by a live person, messages left, and number of returned calls (Page 16 - Section 5.e.)?	This information is not currently tracked.

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70.	Page 16, section 5.f	How many complaints have been documented on an annual basis (Page 16, section 5.f.)?	Refer to answer #28
71.	Section 5.g.	Does DMAS required other functionality from the web-based ordering application beyond placing orders?	Refer to page 12, 4.1 Placing orders and mailing instructions.
72.	Page 16 – Section 7:	Where is the incumbent contractor’s facility located?	Richmond Virginia
73.	Page 16 – Section 7:	Should bidders assume that we will be moving 167 skids of materials?	Yes
74.	Page 17 – Section 9:	Would you anticipate that conference calls would satisfy the meeting requirement?	Yes
75.	Page 29 – Small Business Subcontracting Plan:	Is there a percentage spending goal for the Small Business Subcontracting Plan for this solicitation?	No
76.	Attachments C and D:	Can address imaging be substituted for any labeling or stamping requirements (image directly on the document or envelope)?	Yes
77.	Attachments C and D:	Do you have history on how much each line item was performed annually for the current contract?	No
78.	Attachments C and D:	Can you provide specifications for the paper to be used for printing and envelope specifications? Can window envelopes be utilized?	No. Refer to attachment C.
79.	Page 16, section 6 and page 17, section 8	Page 16, section 6 and page 17, section 8 appear to show that there is order receiving and packaging/fulfillment activity. Can you provide history of these types of activities and orders?	Please clarify question.

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80.	General	Should bidders assume that outbound shipping costs will be reimbursed at our cost?	Yes
81.	General	Should we assume that there is one item or SKU per order, or do multiple items get packaged?	Please clarify question
82.	Schedule B-3:	Is DMAS looking to pay a flat fee per month for the fulfillment services?	Refer to RFP section VII # 12
83.	General	Are the envelopes needed for the printing and mailing services supplied to the vendor by DMAS?	Currently there are envelopes in inventory which will be transferred to the vendor, but once depleted the vendor will supply.
84.	General	We meet HIPPA requirements (for other customers) from a self-attestation perspective. Is this sufficient to meet the HIPPA and Confidential Information requirements of this RFP or are you requiring the winning contractor to be HIPPA Certified?	See response to question 18.
85.	Attachment F	Are all of the items listed in Attachment F to be delivered to the winning bidder for storage and use in fulfillment? If any are to be printed/produced by winning bidder can they be identified and specs provided?	The vendor awarded the contract will need to make arrangements to pick up all inventory items listed in attachment F. Specs will be provided when the contract is awarded.
86.	Attachment D Scenarios	Attachment D Scenarios: Are the letters produced by the contractor to be printed on DMAS supplied CCC letterhead (as listed in Attachment F) or is contractor to supply paper. If so, is a 24 lb White Wove letterhead a standard that could be used for quoting purposes? Also, is the #10 Windowed Envelope one of those listed in the Inventory Listing of Attachment F (the scenario specifies that "all other items must be produced by Contractor"). Are we to assume this includes the #10 envelope?	The contractor is responsible for supplying paper and producing letters including the CCC letterhead. Price as required in the RFP. Yes the #10 envelope is listed in attachment F. Some items will be shipped for stocking and others will need to be produced by the contractor.
87.	Attachment D Scenarios # 2	Attachment D, Scenario #2 mentions a MEDALLION 3.0 Help Sheet which does not show up in the Inventory listing of Attachment F. The scenario also specifically states that the contractor is to print this form. What are specs for the Medallion Help Sheet (paper, ink, finishing, simplex/duplex).	Refer to answer #53

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88.	Attachment J (Page 69)	Attachment J (Page 69) states that "Samples of re-occurring mailing jobs will be made available to Offerors who submit Letters of Intent..." Please forward some samples to us (our Letter of Intent is on file). Thank you.	Samples will be provided.
89.	4.1 section J (Page 13)	4.1 section J (Page 13) states: "Ensure the ability to control filling orders and to limit quantities, depending upon a provider's classification and other attributes from the weekly provider listing and other DMAS-supplied lists of qualified orders." Can you further explain this process and what these "weekly provider listings" consist of?	Refer to answer # 52
90.	General	Are all orders originating from DMAS agencies or can individual consumers also place orders via the phone or website?	Refer to answer # 21
91.	Sect IV.c (page 11)	Sect IV.c (page 11) Are the "routine weekly/monthly mailings" sent to individual consumers or agencies?	Routine weekly/monthly mailings are sent to Virginia Medicaid members and Virginia Medicaid providers.
92.	4.1 Sec. O 4.1 Sec. A or P (pages 12 & 13)	How does 4.1 Sec. O differ from 4.1 Sec. A or P (pages 12 & 13)? Does Section O pertain to internal requests from DMAS?	Sections O and A are basically the same. P is different, at times DMAS will request material delivered to DMAS.
93.	General	Is there an example of a current "on-line ordering system" so we can see the interface/process current users might expect in a site we would have to re-create?	No current ordering process
94.	Sect 5. Page 15)	Sect 5. Page 15) Is there a historical quantity/volume of daily calls (for orders, customer service, etc.) available that could be used for planning purposes? What might cause those volumes to fluctuate or spike?	Refer to answer # 19
95.	General	Is there a historical "average length of call" that could be used for planning and staffing purposes?	The length of call is unknown
96.	Section IX, # 8 (Page 46)	Section IX, # 8 (Page 46) "Identification of Proposal Envelope" references a "Special Envelope". Is such a "special envelope" available for this RFB?	No. Offerors should use their own packaging material for proposal submission.
97.	General	Is the name of the incumbent available?	Refer to answer # 1

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98.	Readiness Review Section	Readiness Review – please explain what is meant by sampling of enrollment.	Prepare a sample packet for each recurring mailing as if the finished product was being mailed. This is required to ensure the ability to take over all mass mailing operations.
99.	Attachment J	Attachment J – please provide date samples of recurring mailing jobs will be available and how they will be delivered to offerors.	Samples will be provided via mail delivery.