



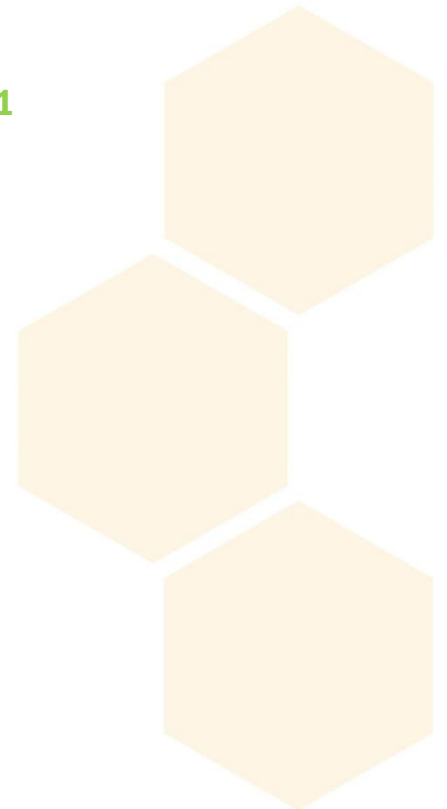
# New York State Health Insurance Program Dependent Eligibility Audit Services

New York State  
Department of Civil Service

Invitation For Bid # DEAS -2015-1  
Cost Proposal

Response Due:  
June 10, 2015 / 3:00 p.m. ET

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Irving, TX 75038  
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## Cost Section

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The Cost Section is required to be separately bound from the Administrative and Technical Sections, or submitted in a separate sealed envelope, clearly labeled.

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Health Management Systems, Inc. (HMS) is pleased to present our Cost Proposal for Dependent Eligibility Audit Services (DEAS) project described in our response to the Invitation for Bid (IFB) released by the New York State Department of Civil Service on behalf of the New York State Health Insurance Program (NYSHIP).

Per IFB requirements, we submit our Cost Section in a clearly labeled, separate, and sealed envelope.

## Assumptions

HMS affirms our understanding of the Department's assumptions as listed in IFB Section V.B, Cost Section Assumptions. Our model takes into consideration the size and complexity of the project while simultaneously delivering exceptional value. We very much look forward to a creating a new partnership with the Department.

## Explanation of Costs

We have set our pricing to meet and exceed the requirements in the IFB. HMS fully understands the requirements and resources required to operate the NYSHIP DEAS program effectively.

Our pricing is an all-inclusive fixed fee primarily determined by the total number of enrollees who have dependents coupled with the total number of dependents covered. Beyond this, it takes into account staffing of the Call Center, auditors, customer service, project management, information technology resources, mail delivery, and postage.

The total price includes everything described in the IFB. A few important items to remember include:

- A 3:1 return on investment (ROI) savings guarantee
- Audit includes a separate Amnesty phase
- Forms of enrollee communication include paper-based communications, emails, and access to a customized English/Spanish website
- An additional 90-day Appeal/Reinstatement period for each cycle
- Soft-landing resources to assist enrollees in finding other coverage for ineligible dependents
- Full support of mobile technology (for document upload and sourcing)
- Fully 508c-compliant web resources
- Extensive pre-audit training for selected NYSHIP Human Resources leaders to certify a smooth experience
- Collected expertise and experience from eight previous State Employee Health Plan DEAS projects

## Financial Return

HMS affirms the following:

- We understand that the State will provide the final ROI calculation, which will be the basis for the 3:1 ROI guarantee.
- We will provide an ROI projection as the project progresses based on a figure agreed upon during the Planning phase.
- [REDACTED]

In this section, we provide our completed copy of **Exhibit V, Cost Exhibit**.

**NYS Dependent Eligibility Audit Services  
#DEAS-2015-1  
Quoted Fees For DEA Project Services**

- 1.) Quote in the space provided an all-inclusive (includes all postage cost) flat fee for each task based on the total number of Family Policies and Dependents below. **Note:** Fees must be expressed in fixed dollar amounts (e.g. \$100,000).

<b>Total NYSHIP Family Policy and Dependent Information as of February 2015</b>				
	<b>Enrollees with Family Coverage</b>	<b>Spouse/Domestic Partners</b>	<b>Dependent Children</b>	<b>Total Dependents (SP/DP &amp; Dep. Children)</b>
<b>Subject to the Amnesty Election</b>	322,985	287,255	350,662	<b>637,917</b>
Exempt from Eligibility Verification (Verified in 2009 Audit)	20,627	0	219,610	219,610
<b>Subject to Eligibility Verification*</b>	302,358	287,255	131,052	<b>418,307</b>
* Prior to Voluntary Terminations in the Amnesty Period				

- A. Quote flat fee for Administration of Implementation Period** \_\_\_\_\_
- B. Quote flat fee for Administration of Amnesty Period** \_\_\_\_\_
- C. Quote flat fee for Administration of Eligibility Verification Period(s)** \$ \_\_\_\_\_
- D. Quote flat fee for Administration of Appeal & Reinstatement Period(s)** \$ \_\_\_\_\_
- E. Total Project Cost for DEA Project Services**  
(A+B+C+D = E) \$ 3,165,000.00