

**New York State Department of Health
RFP #C040465: New York State Office of Health Insurance Programs Performance
Audits**

Amended Questions and Answers Posted: ~~6/24/2024~~ 6/28/2024

The following are official modifications which are hereby incorporated into the Questions and Answers for Request for Proposals (RFP) #C040465: New York State Office of Health Insurance Programs Performance Audits.

The information contained in the amended Questions and Answers prevails over the original Questions and Answers. For all amendments below, deleted language appears in strikethrough and underlined ("~~xxx~~") and added language appears in **red text**. Bidders should review all documents in their entirety to ensure all amended language is incorporated into proposals.

Question #	Corresponding RFP Section	Question	Answer
1.	General	Would OHIP be open for more than one awardee for above mentioned RFP?	No, the Department will only award one (1) contract resulting from this RFP.
2.	General	Can the Department confirm the current Performance Audit contract (Contract #C033852) total dollar value, inclusive of any amendment(s), pending or otherwise, that may or may not be reflected within Open Book NY?	Bidders should reference www.openbookny.com for all transactions related to Contract #C033852.
3.	General	Is it possible for The Department and successful bidder to leverage non-material modifications to the Department Contract terms previously negotiated and currently included in within existing contracts?	The Department reserves the right to negotiate terms of the contract that are non-material in nature with the contract awardee, within the scope of the RFP and in the best interests of New York State. Nonetheless, bidders must be fully prepared to accept all of the terms and conditions set forth in the RFP, without modification, should the Department determine that that constitutes the best interests of New York State.
4.	General	How many bidders have submitted Q&As?	This question is not relevant to the submission of bids under this RFP.
5.	Section 4.2.A "Tasks'/Deliverables, Institutional Cost Report Audits (ICR), paragraph 3 & Section 4.4, Reporting paragraph 2	"Draft and Final audit reports must contain the original signature of the Partner in Charge or other duly authorized person who is a New York State Certified Public Accountant. Company stamps are not accepted." GAGAS Reporting Standards permit the signature of an organization, and our firm requires a company signature when issuing performance audit reports. Can the Department confirm that they will accept audit reports that contain a signature of the CPA firm, consistent with other Performance Audit reports currently accepted by the Department?	The Department can confirm that the CPA firm signature will be accepted providing it conforms to GAGAS reporting standards.

6.	Section 4.3, Staffing	<p>Related to the CPA requirement for the Titles of Project Manager and Audit Manager roles.</p> <p>According to Performance Audit Standards, a CPA license is not required for staff or management resources. Would the Department be open to having the Project Coordinator fulfill this requirement?</p>	<p>No. The Department will not modify this requirement.</p> <p>See Amendment #1 to RFP, which removes the CPA requirement from the Project Manager and Audit Manager titles and adds the CPA requirement to the Project Coordinator title.</p>
7.	Section 4.3, Staffing	<p>Related to the number of years of experience for the Titles of Audit Team Members and Additional Management and Administrative Staff.</p> <p>According to Performance Audit Standards, years of experience are not required. With the intermittent schedule across the various audits, it can be challenging to locate sufficient resources with the requested years of experience. When this occurs, our firm partners resources missing a full year of professional experience with seasoned team members to increase our resource pool. As such, would the Department be open to accepting resources who may not meet the 1- and 2-year experience requirements but with all other necessary experience and skills as described in the RFP?</p>	<p>No. All Audit Team Members and Additional Management and Administrative Staff will be required to meet the Performance Audit Standards as outlined in Section 4.3 of the RFP.</p> <p>Yes. See Amendment #1 to RFP.</p>
8.	Section 4.3, Staffing, paragraph 1	<p>For the Project Manager and Audit Manager roles, will the Department accept non-CPA resources, who have extensive experience in the audit subject matter and are reporting to a Project Coordinator (Engagement Partner or Principal) who is a CPA?</p>	<p>No. Please see response to Question 6.</p> <p>Yes. See Amendment #1 to RFP and response to Question #7.</p>
9.	Section 4.3, Staffing, paragraph 1	<p>Would the Department consider removing the years of experience requirement for the 'Audit Team Members' and 'Additional Management and Administrative Staff' resources?</p>	<p>No. Please see response to Question 7.</p> <p>Yes. See Amendment #1 to RFP.</p>
10.	Section 4.3, Staffing, paragraph 1	<p>In lieu of the 1- and 2-year experience requirements, would the Department accept a resource with the requisite experience and skills to fulfill this role as otherwise described in the RFP, as accepted on other contracts with the Department? Per performance audit standards, minimum years of experience is not required for auditors. Further, this requirement may limit the pool of potential bidders while also increasing the costs to the Department. Our firm utilizes MWBE firm contractors who would be well-suited for such a role but may lack the required years of experience.</p>	<p>No. Please see response to Question 7.</p> <p>Yes. See Amendment #1 to RFP.</p>
11.	Section 4.6 Task Orders, all sub-sections	<p>Would the Department consider discussing alternative models for the task order request process that would allow more flexibility and accuracy in the development of SOWs, allowing for better targeting of the Agency's needs?</p>	No.
12.	Section 4.7 Information Technology, paragraph 1	<p>Can DOH confirm the applications and all supporting systems referred to in Section 4.7 Information Technology?</p>	The applications and systems referred to in Section 4.7 would be contingent on those proposed by the Bidder.

13.	Section 4.7 Information Technology, paragraph 1	Are you willing to discuss the contractors use of certain technological tools to make the project run more efficiently?	Yes. The Department is open to discussion with the Contractor after notification of award.
14.	Section 4.7 Information Technology, paragraph 1 and Section 4.8 Security, paragraph 1	We note that the links to IT policies provided in the RFP includes numerous policies applicable to the Department's own internal IT systems. Can the Department provide a listing of the specific IT policies applicable to the contractor performing the specific scope of work, which will not involve hosting an IT system on behalf of the Department?	The Department will confirm any and all IT policies and procedures that would apply to the resulting contract with the selected contractor after contract award.
15.	Section 4.9 Transition, paragraph 2	Would the Department consider discussing Intellectual Property related rights and concerns regarding deliverables and auditee documentation?	<p>The Department reserves the right to negotiate terms of the contract that are non-material in nature with the contract awardee, within the scope of the RFP and in the best interests of New York State.</p> <p>Nonetheless, bidders must be fully prepared to accept all of the terms and conditions set forth in the RFP, without modification, should the Department determine that that constitutes the best interests of New York State.</p>
16.	Section 4.10, Payment, item #1	<p><i>"For all audits (see section 4.0 Scope of Work), the State shall pay the Contractor fifty percent (50%) of the proposed all-inclusive Audit Report deliverable price upon the Contractor's submission and approval of the Draft Audit Report and any reports as applicable. The State shall pay the remaining fifty percent (50%) of the all-inclusive Audit Report deliverable price to the Contractor upon the submission and approval of the Final Audit Report"</i></p> <p>As an MWBE firm interested in bidding as a Prime Vendor, the payment terms specified can be a large barrier to smaller firms. The cost of carrying payroll is considerable for a project like this and introduces financial risk to firms of our size. Similar to other contracts, would the Department be open to alternative billing arrangements that provide for earlier invoicing?</p>	No. The Department will not modify the payment terms as identified in Section 5.4 of the RFP.

17.	Section 4.10, Payment, item #1	<p><i>“For all audits (see section 4.0 Scope of Work), the State shall pay the Contractor fifty percent (50%) of the proposed all-inclusive Audit Report deliverable price upon the Contractor’s submission and approval of the Draft Audit Report and any reports as applicable. The State shall pay the remaining fifty percent (50%) of the all-inclusive Audit Report deliverable price to the Contractor upon the submission and approval of the Final Audit Report.”</i></p> <p><i>It is our understanding that ICR Audits, the LCHSA, CHHA, CDPAS Fiscal Intermediary Cost Reports Audits, and the FQHC MCVR Audits are completed on an annual basis. The RFP includes billing terms of 50% upon issuance of the draft report and 50% upon issuing the final deliverable, typically within a month’s time. As such, the fixed fee is effectively billed and collected one time per year for each of the three types of audits.</i></p> <p>If a firm is required to take on those costs without the ability to bill prior, it can create significant risk on respondents and their finances. Consistent with other engagements and contracts, would the Department consider alternative billing arrangements?</p>	No. The Department will not modify the payment structure as identified in Section 4.10.
18.	Section 4.10 Payment, item #3	<p><i>The RFP states “Payment shall be contingent upon full and proper performance, by the Contractor, of the audit activities specified in the Agreement, the RFP, and the Engagement Letter.”</i></p> <p>Would the Department consider removing the reference to the audit activities specified in the RFP, as specific audit procedures may differ based on the client’s focus areas.</p>	Yes. The Department would consider this modification with the Contractor after notification of award.
19.	Section 4.10, Payment, item #4	<p><i>“For Consulting Services, identified in Section 4.5 of the RFP, payment will be made to the Contractor monthly, upon completion and acceptance by the Department of all deliverables/milestones in the task order (See section 4.6). Payment will be paid on an hourly basis, for the actual number of hours worked, not to exceed the amount agreed upon in the SOW, as approved by the Department.”</i></p> <p>Would the Department be open to adding a fixed fee payment for Consulting Services/Task Orders in addition to the hourly fee structure as specified in the RFP? This would provide greater flexibility for both the Department and contractors when pricing Task Orders while staying within the amount agreed upon in the SOW.</p>	No. The Department will not modify the payment terms as identified in Section 4.10 of the RFP.

20.	Section 4.10, Payment, item #4	<p><i>“For Consulting Services, identified in Section 4.5 of the RFP, payment will be made to the Contractor monthly, upon completion and acceptance by the Department of all deliverables/milestones in the task order (See section 4.6). Payment will be paid on an hourly basis, for the actual number of hours worked, not to exceed the amount agreed upon in the SOW, as approved by the Department.”</i></p> <p>In addition to an hourly fee structure, will the Department consider a deliverables-based, fixed fee payment for Consulting Services/Tasks Orders as an additional billing option in addition to hourly fee structure? This will allow the Department and its contractors more flexibility in determining the most favorable pricing for Task Order(s) without exceeding preset budgets.</p>	No.
21.	Section 6.2.4.2. Project Work Plan	<p><i>Items a. through e. for each of the specified Audit Types.</i></p> <p>Based on our experience in performing similar audits, our firm may have alternative recommendations for audit procedures that achieve the same audit objectives. Is the Department open to modifications to the detailed audit procedures as long as the approach results in the same outcome?</p>	The Department is open to modifications to the detailed procedures if the approach results in the same outcome. All modifications are contingent upon Department approval.
22.	Attachment 8 DOH Contract, Appendix A, Section 27 Admissibility of Reproduction of Contract, paragraph 1	Can the Department please clarify what is meant by “in the form approved by the State Comptroller” in the context of this clause?	Electronic reproductions of the contract have to be in the same form and format as the documents approved by OSC.
23.	Attachment 8 DOH Contract, Section IX General Specifications, sub-section E Ownership Clauses, all paragraphs	Is the Department willing to discuss Intellectual Property, ownership rights and pre-existing contractor information for areas not covered by the current terms and conditions?	<p>The Department reserves the right to negotiate terms of the contract that are non-material in nature with the contract awardee, within the scope of the RFP and in the best interests of New York State.</p> <p>Nonetheless, bidders must be fully prepared to accept all of the terms and conditions set forth in the RFP, without modification, should the Department determine that that constitutes the best interests of New York State.</p>
25.	Attachment 8 DOH Contract, Appendix X Section III. Term and Termination, all paragraphs	Will the Department consider discussing the applicability of some terms that are not included in the State contract that address termination?	<p>The Department reserves the right to negotiate terms of the contract that are non-material in nature with the contract awardee, within the scope of the RFP and in the best interests of New York State.</p> <p>Nonetheless, bidders must be fully prepared to accept all of the terms and conditions set forth in the RFP, without modification, should the Department determine that that constitutes the best interests of New York State.</p>

26.	Attachment 8 DOH Contract, Appendix X Section IV. Contract Insurance Requirements, all paragraphs	Will the Department consider discussing adjustments to the insurance provisions to align with previously accepted and approved terms?	<p>The Department reserves the right to negotiate terms of the contract that are non-material in nature with the contract awardee, within the scope of the RFP and in the best interests of New York State.</p> <p>Nonetheless, bidders must be fully prepared to accept all of the terms and conditions set forth in the RFP, without modification, should the Department determine that that constitutes the best interests of New York State.</p>
27.	Attachment E, Audit Protocols, Section 6 Extrapolation Process, paragraph 1	<p><i>“Extrapolation Process: To the extent a statistical sample is used, Contractor will send the results of testing to its statistician for extrapolation.”</i></p> <p>Is the Department open to alternative sampling methodologies that are recommended by the Contractor to best complete audit procedures for each scope of work? All sampling methodologies would be approved by the Department upon issuance of the audit work plan.</p>	The Department is open to alternative sampling methodologies. All sampling methodologies are contingent upon Department approval.