

ARKANSAS HEALTH INSURANCE MARKETPLACE BOARD

REQUEST FOR PROPOSAL: **ACCOUNTING SERVICES**

The Arkansas Health Insurance Marketplace is a nonprofit legal entity that is a political subdivision, instrumentality, and body politic of the State of Arkansas created by Act 1500 of 2013, Ark. Code § 23-61-801 et seq. The Marketplace is exempt from the laws governing state agencies, including without limitation the Arkansas Procurement Law, Ark. Code § 19-11-201 et seq.; the Uniform Classification and Compensation Act, Ark. Code § 21-5-201 et seq.; and the Arkansas Administrative Procedure Act, Ark. Code § 25-15-201 et seq. The Marketplace is subject to the Freedom of Information Act of 1967, Ark. Code § 25-19-101 et seq.

The General Assembly has delegated to the Board of Directors of the Arkansas Health Insurance Marketplace the authority to plan and administer the Marketplace; enter into contracts with eligible entities to assist with the planning, implementation, and operation of the Marketplace; hire an executive director and interim staff; enter into information sharing agreements with federal and state agencies and other state marketplaces to carry out its responsibilities; provide claims and other plan and enrollment data to the Department of Human Services and the Insurance Commissioner when requested; apply for state, federal, or private funding on or after July 1, 2015; coordinate with the Insurance Commissioner to apply for state, federal, or private funds before July 1, 2015; enter into a memorandum of understanding with the Insurance Commissioner concerning the use of state, federal, or private funds received by the Insurance Commissioner that may be used by the Marketplace; and perform any duties identified under state or federal law, including without limitation the obligations stated in Ark. Code §§ 23-61-803 through 23-61-806.

The Marketplace staff acts as the administrator and operating entity of the Board. The staff may act as spokesperson for the Marketplace, receive correspondence and correspond on behalf of the Marketplace, provide legal and other research to the Marketplace, investigate allegations of violations of laws under the Marketplace's jurisdiction, and perform such other functions as the Board deems appropriate.

Unless otherwise provided by these rules or by state or federal law, these rules of practice and procedure shall govern all proceedings before the Board and shall be applicable to the adoption, amendment, or repeal of a policy, procedure, or rule of the Marketplace filed or initiated after the effective date of these rules. The adoption, amendment, or repeal of a policy, procedure, or rule shall comply with Ark. Code § 23-61-803.

The AHIM Board was established in 2013, and has received federal funding of \$3.5M from the Department of Health and Human Services – Centers for Medicare and Medicaid Services – Office of Consumer Information and Insurance Oversight through the Arkansas Insurance Department. Additional federal grant funds are possible, with grant application processes to begin in 2014. The Board is in the process of selecting an Executive Director, and has no established accounting system. A checking account has been established, and the Chair of the Board is authorized to pay Board expenses, with an additional Board member signature. Full accounting services are required to be in compliance with generally accepted accounting practices, and all requirements of federal funding sources. The fiscal period for AHIM is from July 1 through June 30, and this contract will be for a period expiring June 30, 2015, with an option for annual renewal.

RFP Information At A Glance

Bid Title: Professional Accounting Services

Send Proposals To: Arkansas Health Insurance Marketplace
c/o Arkansas Center for Health Improvement
1401 West Capitol Avenue
Suite 300, Victory Building
Little Rock, AR 72201
Fax: (501) 526-2252
Email: wpwatson@uams.edu

Due Date & Time: March 21, 2014 at 3:00pm

Specific Information Requested Within Proposal

- **Explanation of Experiences:** Preferences will be given to vendors who have experience with non profit organizations receiving funding from federal sources
- **Abilities and Backgrounds of Personnel:** Vendors should list key personnel who will be responsible for providing accounting services, and provide resumes for those individuals.
- **Ability to complete the Scope of Work:** Vendors should comment on their ability to complete the scope of work listed below, being sure to list any items they do not feel they would be able to complete, and any additional items they are able to provide above the scope.
- **Detailed Explanation of Costs:** Explain in detail how costs are calculated and what the AHIM Board can expect to pay for the services provided.
- **Software Preferences and Cost Expectations:** Vendors should detail which software package(s) they will be using and indicate whether AHIM staff would have access to reporting or how reports can be requested.
- **References:** Include references for us to contact regarding services received from vendor.

Scope of Work

General Accounting:

- Provide for accounting services for funds provided by federal government and other sources
- Process accounts payable on a periodic basis based on invoices, purchase orders and other documentation provided by AHIM with appropriate coding as indicated by AHIM.
- Provide for scheduled payroll processing, including staff payments and all related payroll expensing
- Maintain and process repetitive payments (i.e. mortgage, utility bills, etc.).
- Invoice preparation and processing as necessary
- Develop accounts and expense structure to used by AHIM
- Prepare, record and copy checks then submit to AHIM for signature and distribution.
- Research and respond to billing and payment questions.
- Process accounts receivable and deposits based upon information provided by AHIM.
- Reconcile bank accounts and provide a bank reconciliation report to AHIM monthly.
- Provide monthly detailed financial reports including profit and loss statements, comparison to annual budget, classed fund balances, and a balance sheet at least five days prior to predetermined date as selected by AHIM
- Be available to answer questions of the AHIM Board or staff (by telephone is acceptable)
- Provide monthly financial reports to AHIM Board (profit and loss and balance sheets)
- Prepare and record all required journal entries.
- Perform monthly closing procedures after all monthly adjustments have been made.
- Monitor and recommend adjustments of financial activities to AHIM to ensure compliance with federal grant stipulations
- Assist in the preparation of grant applications with AHIM staff or other vendors
- Prepare administrative cost projections from data provided by the Board of Directors, and assist with proposing the amount of assessments or user fees to be charged to participating health insurers
- Attendance at Board meetings as required
- Other accounting duties as assigned

Annually:

- Perform year-end close and prepare for annual audit
- Meet with AHIM's chosen independent auditor to plan for the annual audit, complete all requested schedules, provide copies of requested test documentation and respond to audit field staff requests.
- Assist with the preparation of the annual budget by providing historical expense information and calculating possible budget scenarios for the administration and budget committee.
- Prepare annual 1099 for vendors who have received more than \$600 in payments.
- Prepare annual W2s for staff
- Other accounting duties as assigned.

PROPOSAL SUBMISSION

Proposals shall be delivered to the following address by the due date of **March 21, 2014 at 3:00 PM CST**:

Arkansas Center for Health Improvement
1401 Capitol Avenue
Suite 300, Victory Building
Little Rock, AR 72201
Attn: William Watson

Submission requirements

- The offeror shall provide one original proposal marked “ORIGINAL” that is signed by the offeror’s authorized agent.
- Fifteen (15) additional printed copies of the proposal must be submitted with the ORIGINAL in a sealed package marked "ARKANSAS HEALTH INSURANCE MARKETPLACE ACCOUNTING SERVICES PROPOSAL".
- The offeror shall also provide separately one electronic copy of its proposal on a flash drive or other similar portable media.
- The offeror shall provide one additional electronic copy of the proposal redacted by removing any and all pages of the proposal considered to be proprietary information. This redacted electronic copy should be clearly marked as “Redacted – Available for Public Review”. This redacted copy will be subject to public review consistent with the policies of the AHIM and the laws of the State of Arkansas. Requests to disclose redacted proprietary information will be handled consistent with AHIM policies and procedures and applicable law.

Procurement Timetable

Monday, March 10, 2014Request for Proposals posted on AHIM’s web site and bid notices mailed to prospective bidders

Tuesday, March 11, 2014.....Questions due for clarification of the RFP, with answers posted on Thursday, March 13, 2014

Friday, March 21, 2014.....Proposals due by 3:00pm. AHIM Board will evaluate and contact top bidders it wishes to negotiate in April

General Guidelines

- No communication outside the procurement process initiated by vendors, their attorneys, representatives, or others promoting their position, other than normal business activities not associated with the procurement, will be allowed with any officer, employee, or member of, or consultant or advisor to, the AHIM. Any attempt to influence any employees, officers, consultants, advisors or Board members with respect to a procurement, whether such attempt is oral or written, formal or informal, is strictly prohibited and will result in disqualification.
- All proposals and the contracts resulting from the RFP must comply with Act 1500 of 2013.
- Expenses for the preparation and submission of proposals are the sole responsibility of the vendors.
- All proposals become the property of the AHIM.
- All hourly rates quoted in proposals shall be applicable for one full year from the effective date of the contract. Contracts awarded pursuant to this RFP will not include minimum guarantees of payment. Payment will be provided based on actual work performed as requested.
- The AHIM Board may require the proposed key team members to meet in person to assess their qualifications, leadership approach and interpersonal skills. Any changes in key team members from the original proposal may result in disqualification of the offeror or cancellation of the contract.
- The AHIM reserves the right to:
 - Reject any and all proposals in accordance with AHIM's Emergency Procurement Contract and Vendor Rules
 - Make changes to any solicitation by issuance of a written addendum or amendment
 - Waive any immaterial defect
 - Request additional information and data from any or all respondents
- Refer to the AHIM's Emergency Procurement Contract and Vendor Rules for additional information regarding the AHIM's RFP procedures.

Specific Instructions

Proposals should provide straightforward, concise descriptions of how the offeror plans to fulfill the Scope of Work outlined above. **Proposals are limited to ten (10) pages in length.** They must contain the following information:

- Name, address, phone of the company
- Name, address, phone of primary contact for the proposal
- Brief company profile including number of years in business
- Qualifications and prior experience and evidence of financial stability

- General approach to executing the anticipated responsibilities
- Biographies of the staff that would be executing the scope of work anticipated under this contract
- Three relevant references
- Cost: position titles and associated hourly rates, and other anticipated expenses, including indirect costs.

Questions

Any questions should be emailed to William Watson by March 11, 2014 at the following email address:
wpwatson@uams.edu

EVALUATION

Award shall be made to the responsible offeror whose proposal is determined to be the most advantageous to the AHIM taking into consideration the qualifications, experience, and ability to provide for accounting services.