

## **CCBHC Comprehensive PPS Rate Methodology & Development**

### **Questions and Responses**

PROPOSALS ARE DUE NO LATER THAN OCTOBER 22<sup>ND</sup>, 2025

RFP #17383

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**Q: What is the timeline of the State's current CCBHC Planning grant?**

**A:** *The current CCBHC Planning Grant ends on December 31, 2025.*

**Q: Does the State currently utilize a vendor for this work?**

**A:** *No*

**Q: Will questions and responses from all potential offerors be made public and incorporated into the RFP?**

**Q: If possible, please provide the comprehensive set of bidder questions and answers for this solicitation.**

**A:** *Yes*

**Q: In paragraph 3.1, is vendor synonymous with "offeror", and "applicant?"**

**A:** *Yes*

**Q: Does that state have a budget range or maximum dollar amount for this project? Please provide any additional details you can on the project budget.**

**Q: What is the not to exceed amount for this project?**

**Q: What is the budget that has been approved or allocated for this effort?**

**A:** *South Dakota was awarded \$1,000,000 for the completion of ALL efforts of the CCBHC Planning Grant inclusive of project management, readiness assessment, steering committee coordination, technology capacity review, and the scope of work presented in this RFP. Responsive offerors should scope budgets accordingly given the timeline and funds available overall.*

**Q: Will the State of South Dakota Department of Social Services directly cover the vendors' costs for the mandatory background checks, or should vendors factor those costs into their project budgets?**

**A:** *Offeror's proposed budget should include all costs required for the project.*

**Q: We do not have audited financial statements. If required, would the State accept our internally prepared statements and/or a report to show financial stability?**

**A:** Yes

**Q: Can the State clarify whether we are to provide three previous and three current references, or three references of previous or current clients in total?**

**Q: Section 4.0. Proposal Requirements and Company Qualifications indicates vendors should provide reference information regarding three previous and current service / contracts. Could the State please confirm that providing three total references (from either previous or current contracts) will meet this requirement?**

**A:** *Yes, three total references will meet this requirement.*

**Q: For RFP section 6.1.7 Availability to the project locale, can the State please clarify if it is the State's expectation that the vendor needs a physical presence in South Dakota, or is remote work permitted as long as the vendor is willing to be available, as needed, in person?**

**Q: Does the State have an "deemed necessary" travel that prospective offerors should build into their proposal?**

**A:** *Remote work is permitted. Per RFP Section 3.6.1: Proposal must include vendor's availability to travel to South Dakota and timing by which the Vendor proposes doing so. It is expected that project work activities can occur completely remotely; however, travel to South Dakota may be deemed necessary and required as determined by the State.*

**Q: Is the state considering all four PPS payment methodologies (PPS 1- 4) or only a subset of these?**

**A:** *Yes, all four PPS methodologies will be considered.*

**Q: Please describe if and how the State anticipates engaging the Tribes in South Dakota regarding this SOW.**

**A:** *At this time, none of the providers that have indicated interest in the CCBHC model represent a Tribal Health Center or tribal-owned clinic. However, many of the providers that have indicated interest have catchment areas inclusive of tribal lands. DSS contracts with several tribal entities for SUD services, and some tribes may have Medicaid-enrolled providers that bill as independent mental health clinicians.*

**Q: Regarding RFP item 3.3.1: What is the cost report format? Will the state use the Federal Medicaid form, or is there a state-specific form being developed?**

**Q: Can the State confirm if the providers were asked to complete the CCBHC Medicare cost report template, or if another cost reporting form was utilized? If another cost reporting form was used, can a copy of the template be shared?**

**Q: Are there completed cost reports from agencies that will be made available for this RFP?**

**Q: What state or agency-provided cost reporting data is available?**

**Q: Does the State anticipate the vendor relying upon the as-submitted information to prepare the fiscal analysis and rate recommendations?**

**Q: Within this scope, is DSS intending for the vendor to work with providers to collect data and CCBHC cost reports as part of the evaluation or has DSS already collected this type of information?**

**A:** *SAMHSA has provided a CCBHC Cost Report template during Planning Grant TA sessions. This template will be used as a basis for this exercise, subject to change based on the unique needs of the state as identified. The selected vendor will be provided with preliminary cost report data provided by the state in this template upon contract initiation and use that information as a basis for its work. The state expects the vendor to propose a response that can build upon preliminary cost reporting information through whatever approach it would best identify based on its prior experience working with states on similar scopes.*

**Q: Does the State expect the vendor to perform cost report reviews to ensure the information complies with CMS cost reporting principles for allowable costs, as well as align with the CCBHC demonstration allowable costs?**

**A:** Yes

**Q: RFP scope language indicates the successful bidder will assist with rate recommendations for the best rate model option. For the preliminary cost reporting information and completed cost report templates, did providers submit data required for all four demonstration PPS model options? In addition:**

**a) For the matrix of other state methodologies, can the State confirm the methodology to collect is the PPS rate methods other states are using?**

**A:** *The state is gathering costs for current services provided. The vendor is expected to map those costs into the four PPS rate methods to project potential best methodology to be used in the state.*

**b) How many other state examples are expected to be included within the matrix?**

**A.** *Vendor proposals should include their recommended methodology. The number of states used for comparison is not prescribed and is to be proposed by the vendor based on prior experience. Preference would be on states with similar demographics and population density. Per RFP Section 3.1.3, vendors must describe their familiarity with providing the requested Scope of Work in similar settings to South Dakota.*

**Q: Can the State clarify what preliminary information was requested from providers?**

**Q: What data and information will be made available to the contractor upon execution of the contract?**

*A: Cost for services provided currently is being requested of providers. Readiness assessment responses from providers and themes will also be made available to the selected vendor upon contract initiation. The state expects the selected vendor to provide a list of other data and information it may require to successfully execute its proposal based on its prior experience in conducting similar work.*

**Q: Does the State of South Dakota have written manuals for standardized cost reporting templates for this or other applicable behavioral health programs? If so, will that be made available as part of the RFP?**

*A: Other rate-setting projects have been completed or are in progress across behavioral health programs in the state but are not fully inclusive of the full scope of services represented by the CCBHC model. This information may be provided for background context to the vendor if needed. Providers that have participated in past cost-reporting activities have utilized a standardized cost reporting form often accompanied by a manual by the issuing state agency, and this could be provided to the selected vendor upon award if needed.*

**Q: Regarding RFP item 3.0: The scope of work mentions a State Steering Committee. Are there minutes of those meetings available?**

**Q: What information will be made available from the DSS CCBHC steering committee of agency leaders that is actively working to formalize the Scope of Services and preliminary cost reporting information? How often do they meet? Are these groups virtual or in person? If in person where? Is there a minimum # of meetings that prospective offerors should account for in their response?**

**Q: Given the reduced timeline does DSS expect the selected vendor to facilitate external stakeholder engagement activities if there is no grant extension?**

*A: Pertinent information including a summary and notes from work completed prior to the initiation of this scope of work will be relayed to the selected consultant once available. Offerors can assume that the committee or any other provider meetings can be facilitated virtually and will be coordinated through another vendor providing project management and provider readiness assessment services. The selected vendor for this RFP should outline what level of communication and frequency needed to successfully execute its proposal based on prior experience in conducting similar work.*

**Q: Is the State's plan to have a separate contract for an actuary and/or accounting firm for this project, and/or should this be accounted for in our proposal?**

*A: The state does not intend to solicit an additional vendor to assist with the scope presented in the RFP.*

**Q: Are there existing manuals, templates and reports that have been evaluated? Were these reports audited by a certified public accountant and if not what certification or control process was used to validate the cost reports.**

**Q: Will this project require any actuarial analysis or certified public accountant audit and/or certifications as a part of the work product requested under this RFP?**

*A: The state is gathering costs for current services provided. Interested providers are completing preliminary cost reports using the SAMHSA-provided cost report template. The selected vendor will be expected to validate the information within the cost report as part of its rate review and recommendation process.*

**Q: How are the State's behavioral health entities currently getting paid by the State? What are the funding streams that will be captured by this model? Will it include Medicaid funding streams such as fee for service and other payment streams such as state general fund, federal funds or other funding sources?**

*A: Providers contracted by the Division of Behavioral Health, Department of Social Services, are reimbursed on a fee for service basis through state contracts, Medicaid, or other third-party payers. Funding streams include Medicaid, state general funds, state block grant funds, and discretionary grants.*

**Q: For the fiscal impact analysis, will the State provide Medicaid claims data to the vendor?**

**A: Yes**

**Q: The State is requesting a "Summary matrix of statutory analysis." Can the State clarify what is expected to be included in this matrix?**

**Q: What specific statutes are subject to the statutory analysis above?**

*A: It is expected that the selected vendor will work with the state team to investigate, identify, and provide the analysis of any applicable state statutes that are supportive or not supportive of transitioning to a PPS rate.*

**Q: Can the State clarify if:**

- a) The scope of work is only inclusive of assisting the State with determining the PPS methodology and summarizing it in a report? Or,
- b) Will the vendor also be expected to complete cost report reviews for provider applicants and determine a final PPS rate for each provider?

*A: The state expects the selected vendor to complete cost report reviews for provider applications and use that information to assist with determining the best PPS methodology for use in the state.*

**Q: Please confirm that the following timeline matches paragraph 1.14 Length of Contract: Nov. 1, 2025, thru Dec. 31, 2025, Original contract; (no-cost extension/supplemental funding to May 31, 2026); One year option for renewal contract period June 1, 2026 to May 31, 2027.**

*A: Correct. Overall need for continuation of services will drive renewal interest of the state. As noted in 1.14, the option for renewal is based on performance and/or the continued availability of funds.*

**Q: What are the minimum work products that are expected by December 31, 2025, end date of the contract?**

**A:** *Refer to the deliverables outlined in Section 3.0.*

**Q: RFP section 3.1.4 indicates: “Offerors provide two proposed timelines: one outlining work through December 31, 2025, and one extending through May 31, 2026. Each timeline should specify deliverables and any additional activities that would be undertaken during the extended period. This information will assist the State in determining the feasibility of utilizing additional funding to continue supporting the work should a no cost extension not be awarded.” What work do you envision the consultant supporting past the December 31st deadline for the final report, such as consultation for providers, or assistance with their CCBHC demonstration application, or otherwise?**

**Q: While we recognize that Section 3.1.4 asks the vendor to “provide two proposed timelines: one outlining the work through December 31, 2025, and one extending through May 31, 2026”, please confirm the anticipated start data of 11/1/25 and an end date of 12/31/25.**

**A:** *Refer to the deliverables outlined in Section 3.0 for work required to be complete by December 31, 2025. Any additional scope of work beyond those deliverables the vendor feels is necessary to support the state’s readiness for a potential CCBHC demonstration phase can be proposed for the period extending through May 31, 2026, in the event the state authorizes additional funds for work. The scope may include continued technical assistance / consultation with both participating providers and the state as the CCBHC model is considered.*

**Q: Please confirm that the State is requesting two separate cost proposals that align with the two proposed timelines described in Section 3.1.4: one cost proposal for the 11/1/25 to 12/31/25 timeline and one extending to May 31, 2026.**

**A:** *Yes, that is correct.*

**Q: Can the State clarify what is expected to help determine “time associated with providing the services identified within the state’s scope of work”? Can the State give an example of what this would include?**

**A:** *The scope of services, functional assessment methodology, and process for determining levels of care will be made available to the selected vendor once defined. The selected vendor will assist in formulating the optimal PPS rate that best reimburses agencies for their total costs based on those inputs, direct and indirect staff time included.*

**Q: It is our experience that states typically receive no cost extensions from SAMHSA when requested. If the State were to request and receive a no cost extension, does the State intend to allow for the extension of services under this procurement through May 31, 2026? Or would the State anticipate continuing with the December 31, 2025, deadline?**

**A:** *The state intends to allow for extension services through May 2026 should a no-cost extension be granted or alternate funds are secured. However, the expectation is that the deliverables would still be met as outlined in RFP Section 3.1.4.*

**Q: Does South Dakota have a state-sanctioned or state-supported behavioral health crisis system?**

**A: Yes**

**Q: Does South Dakota utilize a managed care delivery system, and if so, is it expected that any portion of CCBHC services would be paid through managed care?**

**A: South Dakota does not currently utilize a managed care delivery system.**

**Q: Can the State share how many providers have indicated interest in participation in the CCBHC program, or does the State have a maximum number of providers anticipated?**

**Q: How many providers have indicated an interest in contributing to PPS rate evaluation efforts?**

**Q: What is the maximum number of providers who could have interest in becoming CCBHCs?**

**Q: Does DSS have a sense for around how many providers of those possible might have interest in becoming CCBHCs as part of the work in this scope?**

**A: Eleven providers have indicated interest in the model and are willing to provide information to DSS and its selected vendor on this project to inform state-level CCBHC rate setting, scope of services, and related matters. Of those, four are interested in pursuing state-level certification as part of a pilot cohort of providers. Additional providers may express interest as the project progresses.**

**Q: Attachment A Item 4 of sample contract states that no PHI will be included. Typically, claims information with PHI is requested from the State and/or providers to determine estimated Medicaid visits in various PPS scenarios to estimate fiscal impacts. If no PHI will be given:**

- a) Will the State be performing visit query logic to roll up visits to a daily or monthly amount for requested services upon request? Or,**
- b) Is the State expecting to rely upon preliminary Medicaid visits reported by providers?**

**A: Aggregate Medicaid data and other publicly funded (e.g. block grant) service data will be made available for analysis. Should the vendor's proposed approach necessitate PHI, a business associate agreement will be negotiated.**

**Q: The RFP indicates that this work is part of the state's CCBHC planning grant but does not explicitly indicate if the state plans to apply to join the Medicaid Demonstration in 2026. Has the state already determined it will apply, or will the PPS rate methodology and development work help determine that?**

**Q: For purposes of drafting the timelines requested, what is the State's anticipated begin date for Demonstration Year 1?**

**Q: Please confirm that DSS intends to apply for entry into the CCBHC Demonstration this spring.**

**A:** *The state's intention to apply for future Demonstration Grant funding will be based, in part, on the outcome of this project. Timeline for that decision and any subsequent participation in a Demonstration Year are to be determined.*

**Q: In addition to its complete proposal, is it acceptable for a bidder to submit a redacted version of their proposal from which confidential information has been stricken?**

**A:** Only the selected proposal will be made public, and the option to redact confidential information will be offered prior to that happening. Two versions may be submitted but please ensure they are clearly labeled to indicate which proposal should be reviewed.