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**LETTER OF INTEREST**  
**LETTRE D'INTÉRÊT**

Comments - Commentaires

Vendor/Firm Name and Address  
Raison sociale et adresse du  
fournisseur/de l'entrepreneur

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<b>Title - Sujet</b> Svcs, Federal Health Claims Process	
<b>Solicitation No. - N° de l'invitation</b> 51019-072007/I	<b>Date</b> 2012-05-28
<b>Client Reference No. - N° de référence du client</b> 51019-072007	<b>GETS Ref. No. - N° de réf. de SEAG</b> PW-\$PWB-011-3078
<b>File No. - N° de dossier</b> PWB-7-20036 (011)	<b>CCC No./N° CCC - FMS No./N° VME</b>
<b>Solicitation Closes - L'invitation prend fin</b> <b>at - à 02:00 PM</b> <b>on - le 2012-06-18</b>	
<b>Time Zone</b> <b>Fuseau horaire</b> Atlantic Daylight Saving Time ADT	
<b>F.O.B. - F.A.B.</b> <b>Plant-Usine:</b> <input type="checkbox"/> <b>Destination:</b> <input type="checkbox"/> <b>Other-Autre:</b> <input type="checkbox"/>	
<b>Address Enquiries to: - Adresser toutes questions à:</b> Keith, Allan B.	<b>Buyer Id - Id de l'acheteur</b> pwb011
<b>Telephone No. - N° de téléphone</b> (506) 636-4416 ( )	<b>FAX No. - N° de FAX</b> (506) 636-4376
<b>Destination - of Goods, Services, and Construction:</b> <b>Destination - des biens, services et construction:</b> DEPARTMENT OF VETERANS AFFAIRS 97 QUEEN ST P.O.BOX 7700 IB 519 CHARLOTTETOWN Prince Edward Island C1A8M9 Canada	

Instructions: See Herein

Instructions: Voir aux présentes

<b>Delivery Required - Livraison exigée</b> See Herein	<b>Delivery Offered - Livraison proposée</b>
<b>Vendor/Firm Name and Address</b> <b>Raison sociale et adresse du fournisseur/de l'entrepreneur</b>	
<b>Telephone No. - N° de téléphone</b> <b>Facsimile No. - N° de télécopieur</b>	
<b>Name and title of person authorized to sign on behalf of Vendor/Firm</b> <b>(type or print)</b> <b>Nom et titre de la personne autorisée à signer au nom du fournisseur/</b> <b>de l'entrepreneur (taper ou écrire en caractères d'imprimerie)</b>	
<b>Signature</b>	<b>Date</b>

Solicitation No. - N° de l'invitation

51019-072007/I

Amd. No. - N° de la modif.

Buyer ID - Id de l'acheteur

pwb011

Client Ref. No. - N° de réf. du client

51019-072007

File No. - N° du dossier

PWB-7-20036

CCC No./N° CCC - FMS No/ N° VME

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# THE FEDERAL HEALTH CLAIMS PROCESSING SERVICE: MOVING FORWARD

Presentation to Industry  
February 14, 2012





## PRESENTATION OUTLINE

- Objective
- Context - Federal Health Claims Processing Service (FHCPS) procurement
- Procurement Approach
- Overview of Core Requirements
- Overview of Unique Requirements
- Next Steps



## OBJECTIVES

- To provide an overview of the system and service requirements for health claims processing
- To outline the procurement approach



## CONTEXT

- The health claims processing system supports Veterans Affairs Canada, the Royal Canadian Mounted Police and the Canadian Forces
- Three RFIs to date; advice and direct input sought from Industry experts on requirements and Statement of Work (SOW)
- March 2011 the existing procurement process for FHCPS was cancelled to better align ourselves with the future needs of our clients

- Services are provided to approximately 200,000 - 250,000 clients
- There are approximately 150,000 registered service providers
- Approximately 10,000,000 - 15,000,000 transactions completed annually



## PROCUREMENT APPROACH

- Outcome-based Statement of Work that allows Industry to offer innovative solutions
- Increased alignment with benefits and services offered under an employer-sponsored plan
- Pre-qualification phase still being considered
- Financing for system development will not be offered



## CLIENT ELIGIBILITY

### VAC

- Eligible for treatment benefits related to a pensioned/awarded condition
- Eligible for treatment benefits not available to them as an insured service under provincial health care system

### CF

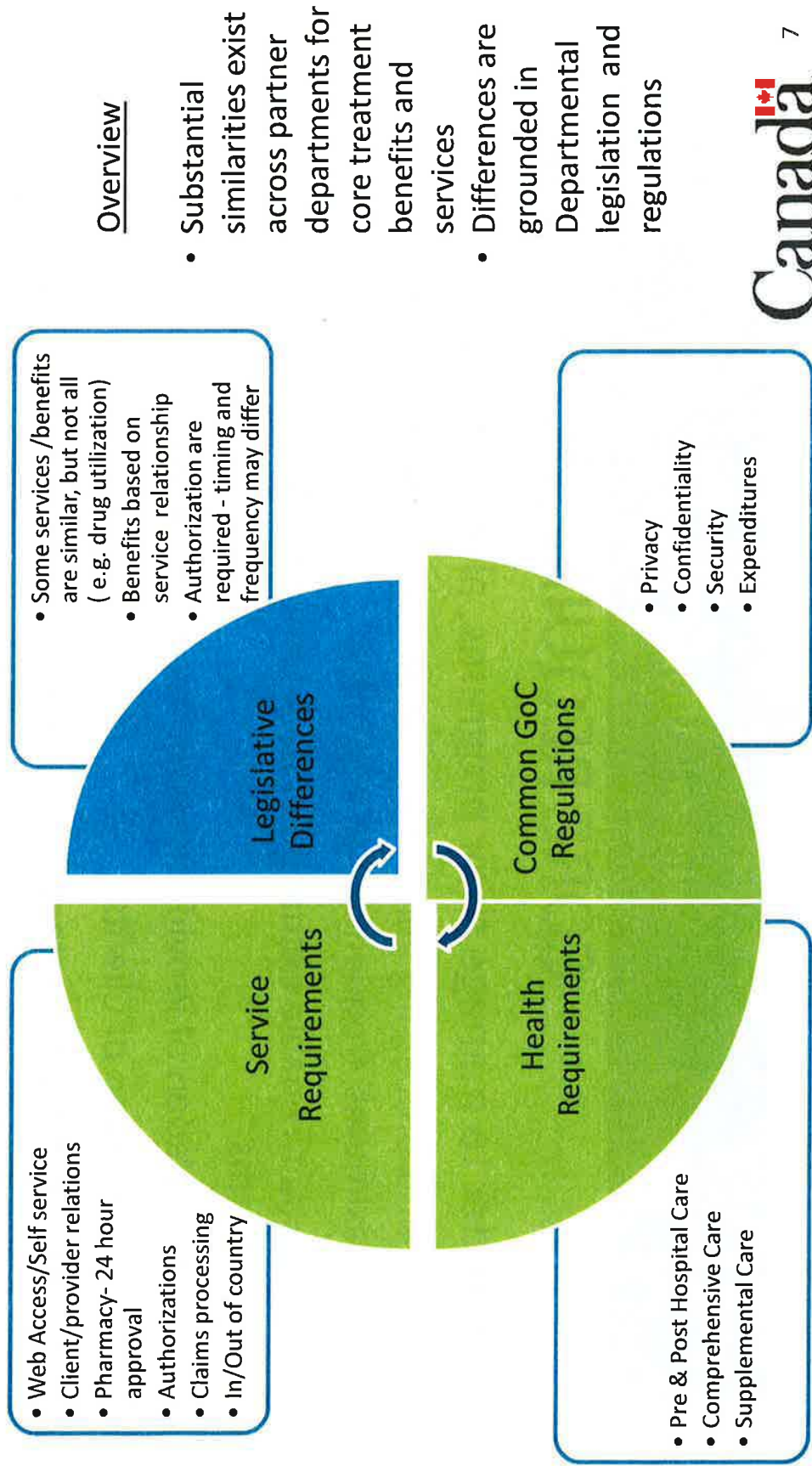
- Rely on combination of in-house services, e.g., base medical centres and provincially / privately supplied services, e.g., hospital care and dental
- Excluded from the Canada Health Act

### RCMP

- Rely on provincially / privately supplied services, e.g., hospital care and dental
- Excluded from the Canada Health Act



# REQUIREMENTS





## CORE REQUIREMENTS: Standard

- In order to manage their programs, all departments require:
  - Claims processing and authorization services with edits for benefit maximums, frequency and eligibility
  - Portal to enable exchange of data between FHCPS and the Departments' systems
  - Registration of Providers; negotiation of provider rates
  - Registration of Clients
  - Multi Channel Contact Centres for both clients and providers
  - Real-time and static reports, at various intervals
  - Location/status of specific claims received by the contractor must be tracked and accessible
  - Services and user interfaces available in both official languages



## CORE REQUIREMENTS: Non-Standard

- The need for the following requirements, atypical of employer-sponsored plans, will be frequent and ongoing:
  - Multi-faceted eligibility criteria; eligibility-based access to health care benefits and services directed by the Department;
  - FHCPS orientation of client service excellence first; cost containment second
  - Departments require more pre-authorizations than a standard industry plan; approval by the Department, not the Contractor
  - Non-standard drugs must be pre-approved 24 / 7



## CORE REQUIREMENTS: Non-Standard <sup>cont'd</sup>

- Appeal process is the responsibility of the Departments for most health benefits
- Costs for partner departments will need to be modularized for billing including:
  - Core Costs: Shared costs utilized by all partners
  - Unique Costs: Program/service costs not shared by all departments
  - Transactional Costs: Based on departmental claims volume processed by the Contractor
- Requirement for conversion and storage of 7 years of claims-related data



## UNIQUE REQUIREMENTS

- System used for managing mainly historical data rather than for processing claims
- Flexibility required within the FHCPS system and service to support periodic exceptional requests (e.g. Formularies established for individuals; ability to manually generate client eligibility)



## NEXT STEPS

- Bilateral and/or one-on-one sessions offered to interested potential bidders
- Review of responses to posted MERX questions
- Anticipated posting of Draft RFP: May 2012



# QUESTIONS?



**FEDERAL HEALTH CLAIMS PROCESSING SYSTEM (FHCPS)  
INDUSTRY MEETING**

February 14<sup>th</sup>, 2012  
10 a.m. to 12 p.m. EST  
Government Conference Centre  
Ottawa, Ontario

**ATTENDEES:** See attached participants and attendance lists

**1. WELCOME AND OVERVIEW:**

- Allan Keith, Manager, Compensation and Acquisitions, Atlantic Region (PWGSC) welcomed Industry representatives to the meeting.
- Keith Hillier, Assistant Deputy Minister, Service Delivery Branch (VAC) provided introductory remarks and noted that until the Government of Canada's budget is formally released, there will remain a level of uncertainty around the implications for the three partner organizations (VAC, CF and RCMP) that are engaged in this procurement. A final review will be conducted quickly once the budget is announced to ensure the impacts are identified and to share a final draft of the full Request for Proposals package.
- Mr. Hillier thanked participants for providing their input and feedback to date and for their presence at today's meeting.

**2. INDUSTRY PRESENTATION**

- Andrée Métivier, Director General, Business Re-Engineering (VAC), provided an overview of the core service requirements for health claims processing which are standard to all three partner departments, and similar to common Industry offerings. She also outlined the non-standard, unique requirements that are grounded in legislation and regulations in departmental programs and services offered to clients.
- An outline of the FHCPS Procurement approach was also provided. It was noted that an outcome-based Statement of Work is being developed with a commitment to increase alignment both interdepartmentally and with Industry, and that no funding will be offered for required system modifications.

### **3. QUESTION PERIOD**

- Participants were invited to ask questions of interest to the panel of presenters.

**Q1** – Overall, how many clients does the the system serve?

**A1** – Andrée Métivier (VAC) – Approximately 200 000 clients between the three partner departments.

**Q2** – Can you provide examples of what you mean by asking Industry to provide “existing solutions”?

**A2** – Keith Hillier (VAC) noted that the outcome-based approach would allow industry to use current systems to meet the requirements. However, industry will need to adapt solutions in order to be able to interface with the three departments

**Q3** – Do you foresee any changes with regards to services, for example, is VIP part of the solution?

**A3** – Keith Hillier (VAC) noted that the inclusion of certain services in FHCPS is currently under review. He noted that feedback on the ability and ease with which industry can provide a range of services whether it a health related claim or for grounds-keeping services, will assist in decision making.

**Q4** – Can you elaborate on the security requirements for the system?

**A4** – Keith Hillier (VAC) – noted that although the Canadian Forces (CF) certainly have unique issues relating to security and privacy policies, the overall level and requirements of security is standard and as indicated the acts and regulations of the Government of Canada.

**Q-5** – With regards to slide # 6 of the presentation, can you please elaborate on what is meant by CF and RCMP being “excluded from the Canada Health Act”?

**A-5** – Colonel Grondin (CF) – noted that as per stipulated in the 1984 law, some federal employees are excluded from the Canada Health Act, including RCMP and CF members (as well as inmates and First Nations and Inuits). These clients are not covered by any provincial health insurance or programs and therefore do need comprehensive access to medical and after opening hours care which is covered by the federal government.

- Keith Hillier (VAC) – also explained that in Canada, when a CF member leaves DND and has a service injury, VAC will reimburse/cover the costs of the illness related to “Service to Canada”, but if the illness is not related to service, the cost will be covered by the province, but that some coordination of benefits is required.

#### **4. CLOSING COMMENTS**

- Keith Hillier (VAC) thanked all the participants for attending today's meeting and looked forward to further discussions with them at bi-lateral meetings should they choose to avail themselves of this option.

Meeting adjourned at 11:50 a.m.