

Witbank Coalfields Medical Aid Scheme (WCMAS)

REQUEST FOR PROPOSALS (RFP) TO PROVIDE HOSPITAL BENEFIT AND PROVIDER NETWORK MANAGEMENT TO MEMBERS

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Request for Proposal

REFERENCE NUMBER:	WCMAS-01-2025
CLOSE DATE:	Wednesday 7 May 2025 at 12:00 – no late bids will be accepted
SUBMISSION ADDRESS:	via email to mperestrelo@wcmas.co.za
DESCRIPTION OF BID:	Appointment of a service provider to provide a Hospital Benefit Management and Provider Network Management to the members of Witbank Coalfields Medical Aid Scheme
GENERAL AND TECHNICAL ENQUIRIES:	Ms. Monica Perestrelo Javed CFO E-mail: mperestrelo@wcmas.co.za

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1. INTRODUCTION

Witbank Coalfields Medical Aid Scheme (“the Scheme” or “WCMAS”) seeks to appoint a duly accredited managed healthcare organization (“MCO”), with demonstrable experience and expertise in one or more of the areas specified in section 6 of this RFP. The MCO must be able provide managed healthcare services (“the Services”) to manage key service areas within Hospital Benefit Management and Provider Network Management.

2. BACKGROUND

WCMAS is a restricted medical scheme registered in terms of the Medical Schemes Act of South Africa, No. 131 of 1998, as amended (“the Act” or “MSA”) under registration number 1291. The Scheme is incorporated and domiciled in the Republic of South Africa. WCMAS is self-administered and is concentrated to the coal mining and related industries. We have been in operation for 90 years providing cover for approximately 10,000 members and 26 000 lives. The Scheme offers three (3) registered options to suit a range of member needs.

3. INSTRUCTIONS

All respondents are expected to fully acquaint themselves with the conditions, requirements, and specifications of this RFP before submitting the requested information. Failure to do so will be at the respondent’s own risk and the respondent cannot secure relief on the grounds of any mistakes. WCMAS will not be held liable for any costs incurred by all respondents in connection with their response to this RFP.

To facilitate the review of all submissions, the Scheme requests that all respondents submit comprehensive information. Only the requested information should be provided. The Scheme requires clear, concise, and factual responses. The Bidders can assist in the evaluation process by ensuring that they cross-reference their response to the requirements within the bid.

The proposal submitted by the respondent constitutes an offer. All respondents are required to provide a full written response to this RFP. Bids received late or without the required minimum documents accompanying it will not be considered.

All Bidders are to take note of the implications of contravening the Prevention and Combating of Corrupt Activities Act No 12 of 2004 and any other applicable Acts.

No briefing session will be held. Enquiries can be addressed via email to mperestrelo@wcmas.co.za. The last date for receiving queries is 30 April 2025 at 17h00. The Scheme will reply to queries within 3 business days.

For a set of latest Annual Report or details on the benefit options, we refer you to our website at <https://www.wcmas.co.za/>.

4. CONFIDENTIALITY

This information document may not be used for any purpose by the respondent other than for developing their response to the RFP and all reasonable efforts must be taken by the respondent to ensure the confidentiality of any information provided. This document and any other information of a confidential nature provided to the respondent during this RFP process are and shall be covered by a written undertaking.

WCMAS, however, reserves the right to share the information received from interested parties with its management, legal and financial advisors, and any other entity or person who advises WCMAS on matters relating to the purpose for which this RFP is issued.

5. SPECIFIC QUALIFYING CRITERIA

Due to the complexity and uniqueness of the Medical Scheme Industry and associated legislation, it is a requirement that the following qualifying criteria are both met:

- Provided accredited hospital benefit management services within the last three (3) years, and
- All managed care services proposed are accredited by the Council for Medical Schemes.

6. SCOPE OF SERVICES

WCMAS seeks to appoint a duly accredited managed healthcare organization (“MCO”) with demonstrable experience and expertise in one or more of the following areas, to provide managed healthcare services and provider network services (“the Services”) to manage key service areas within the benefit structures of the Scheme.

The key areas identified within Hospital Benefit Management are the following:

6.1 Hospital Benefit Management and management of the related discipline authorization and expenditure (example specialists, auxiliary services etc.);

- 6.1.1 Pre-Authorization;
- 6.1.2 Concurrent Review;
- 6.1.3 General Case Management;
- 6.1.4 Discharge Planning;
- 6.1.5 Clinical Audit and Retrospective Review;
- 6.1.6 Medical Advisory Services integrated into the Hospital Benefit Management Service
- 6.1.7 Specialized Managed Programs (as detailed in *section 6.2*);
- 6.1.8 Quality Management Programs;
- 6.1.9 Verification of Eligibility;
- 6.1.10 Reporting as required by WCMAS;
- 6.1.11 Continuing of Effective Resources within the entity supplying the Services;
- 6.1.12 Investigation and Confirmation of non-disclosure of pre-existing conditions and ensuring non-payment by the Service Provider and ultimately the Scheme;
- 6.1.13 Claims Management;
- 6.1.14 The successful bidder should be able to work with scheme on fraud, waste and abuse investigations where required;
- 6.1.15 Query Management (of all the above services); and
- 6.1.16 Protocol review, frequently updated SOPs and a medical review team.

6.2 Specialised Management Programmes (integrating with existing Scheme providers where applicable):

- 6.2.1 Oncology (Medical, Radiotherapy and management of related costs);
- 6.2.2 In-Hospital Dentistry;
- 6.2.3 Renal Care (End stage Renal Failure-Dialysis);
- 6.2.4 Alternatives to Hospitalization:
 - Rehabilitation
 - Step Down
 - Home Nursing
 - Hospital at Home
 - Wound Care

- Oxygen Therapy/CPAP
- Spinal Care Programs (Lumbar and Cervical)
- Management of re-admissions, etc.

6.2.5 Treatment facilitation with Centers of Excellence.

6.3 Create and maintain preferred provider and designated service provider networks based on an analysis of the WCMAS benefit structures and claiming patterns to promote better value and clinical outcomes (including reducing upfront payments / co-payments for members):

- 6.3.1 GP DSP Network (for Ntsika option only)
- 6.3.2 Dental DSP Network (for Ntsika option only)
- 6.3.3 Optical DSP Network (for Ntsika option only)
- 6.3.4 Specialist Preferred Provider Network (for all options)

In addition to the key areas listed above, the contracted MCO is required to:

6.4 Provide for the Investigation and Confirmation of Non-disclosure of pre- existing conditions and ensure that there is non-payment for the related claims.

6.5 Conduct their services in full compliance with the Medical Schemes Act, the Regulations of the Act, the registered rules of the Scheme and the principles of sound corporate governance;

6.6 Provide clinical and financial risk assessment and management through the use of both rules-based and clinical management-based processes in rendering the Services;

6.7 Assist the Scheme in Hospital tariff negotiations, pricing and utilisation management - the Scheme conducts its own negotiations, but the successful Service Provider will be required to assist and provide inputs into this process in structured meetings, engagements, and formal Reports/Proposals. This is with particular reference to Tariff Pricing recommendations and move from fee for service (FFS) to alternative reimbursement models (ARMS) including Value Based Care Models.

6.8 Demonstrate the outcome of the interventions in the form of Savings and report quarterly on Return on Investment compared to the Annual Managed Healthcare Fee. The Service Provider must have this actuarially calculated at their own cost which may be ratified by the Scheme's Actuaries on request by the Scheme.

6.9 Demonstrate the adequacy and efficiency of the IT system to be used for the Hospital Benefit Management Programme to manage WCMAS' membership profile and claiming experience with authorisations and claims management on which it must be further:

- 6.9.1 Load data extracts thereof daily onto WCMAS' IT system (MIP);
- 6.9.2 Provide and load pre-authorisation instructions onto MIP;
- 6.9.3 Ensure that they are able to apply and adhere to WCMAS' pricing tariffs in accordance with WCMAS Networks which will be utilised in the payment of claims. This includes application of related professional tariff pricing as part of the Pre-authorisation process to inform members and providers of benefit entitlement;
- 6.9.4 Provide claims status instructions and the created pre-authorisations and descriptions as mapped to MIP with relevant explanations, where applicable;
- 6.9.5 Provide business to business claims processing and interfacing between with service providers where this is required;
- 6.9.6 Ability to accept authorisation directly from hospitals/facilities;
- 6.9.7 Ability to accept authorisations from the Schemes mobile application;

- 6.9.8 Provide full audit trail on authorisations that are integrated with MIP;
 - 6.9.9 Ability to save communication shared with all the stakeholders in the MCO's management system and MIP;
 - 6.9.10 Admission specific authorisations with authorisation types in order to apply benefits limits correctly and for statistical reporting as required by the Regulator and the Scheme;
 - 6.9.11 The IT System should be able to indicate PMB/DTP eligibility and apply Legislation requirement to related;
 - 6.9.12 Must have the ability to integrate with our medicine management provider for services like oncology or organ transplant medicine; and
 - 6.9.13 Ensure the System is able to apply to load the various networks/DSPs and apply the to the applicable benefit options.
- 6.10 Employ adequate number of appropriately skilled, suitably qualified experienced healthcare professionals and other personnel to render the Services.
- 6.10.1 Provide Medical Advisor/s-details/credentials as part of the tender submission;
 - 6.10.2 Provider Services personnel details/credentials as part of the tender submission;
 - 6.10.3 Ensure management and supervision of the performance of the Services personnel.
- 6.11 Ensure and demonstrate to the Scheme that all standard operating procedures, protocols, and formularies used in the programme are:
- 6.11.1 Based on evidence-based medicine;
 - 6.11.2 Evaluated regularly to ensure relevance for funding decisions;
 - 6.11.3 Consider both cost-effectiveness and affordability;
 - 6.11.4 Ensure that provision is made for appropriate exceptions where a protocol and/or formulary has been ineffective or causes or would cause harm to a beneficiary, without penalty to that beneficiary; and
 - 6.11.5 Medical advisory engagement with treating providers as and when required.
- 6.12 Have in place appropriate mechanisms to ensure the consistent application of clinical review criteria and compatible decisions.
- 6.13 Provide access to protocols, formularies and treatment lists to the Scheme, healthcare providers and beneficiaries, upon request.
- 6.14 Demonstrate the ability to measure quality and best medical practice by benchmarking against standards and norms to improve outcomes.
- 6.15 Ensure that the Services are fully operational during Business hours and in accordance with the Service Level Agreement (SLA):
- 6.15.1 Provide a recommended SLA and Performance Indicators as part of this submission.
 - 6.15.2 Demonstrate the ability to provide best practice service levels and turn-around times in line with WCMAS mandated SLA'S to optimise the member and service provider experience.
- 6.16 Demonstrate the ability to communicate timeously, accurately, and clearly to members and providers.
- 6.17 Provide a seamless customer service experience to members, providers and the Scheme integrated with the Schemes operations and service providers.

- 6.18 Demonstrate the ability to provide complaints or appeals procedures/ mechanisms and management capabilities, this must include systems to manage, record and resolve such complaints or appeals in accordance with the Scheme's Delegation of Authority and CMS requirements.
- 6.19 Provide projected development and implementation timelines to WCMAS in respect of the Service deployment, subject to services enhancements and required development for WCMAS which shall be agreed to by the parties.
- 6.20 Provide a dedicated account manager responsible for the management of the relationship with WCMAS and resolution of any escalated queries within the agreed upon timelines.
- 6.21 Provide support for the resolution of queries and assistance post the roll out of the Services.
- 6.22 Ensure full compliance with POPIA and PAIA, and any other confidentiality obligations as may be necessary in the circumstances.
- 6.23 Demonstrate the Reporting capability on aspects of Service Delivery, Clinical and Cost Effectiveness and Quality Outcomes. Examples of such reports to be provided as part of the Bid submission.
- 6.24 Be willing and able to constructively engage and participate with all other service providers that are contracted by the Scheme. The onus is on the MCO to ensure the appropriate integration of their IT systems with that of the Scheme and any other contracted MCO. The MCO must be able to interface with the Schemes IT administration system (MIP).
- 6.25 Demonstrate the ability to present to the Scheme a list of Specialist Medical Experts and draw on their expertise in complex cases.
- 6.26 Provide detail on how they will provide a pool of Business Analysts and Systems support staff to ensure excellence in providing the Hospital Benefit Management Services and analysis.
- 6.27 Ensure that business continuity and disaster recovery procedures exist and are stable.

6. SUBMISSION INSTRUCTIONS

The following items must be provided for in the submission utilising the sections as:

SECTION A

1. Proposals must be made in the official name of the entity under which the business is conducted (showing the official business address) and **MUST BE SIGNED** by a person duly authorized to legally bind the entity submitting the proposal.
2. The entity background and profile. This will include the information relating to the shareholding and management of the entity.

3. The latest B-BBEE rating certificate. An official rating to be done by an accredited ratings agency.
4. Proof of registration, accreditation and licensing.
5. Proven track record, experience and reputation of the team.
6. Declaration on independence from any activities that could result in a conflict of interest.
7. Declaration to maintain the confidentiality of this RFP process.

SECTION B

1. The latest South African Revenue Services Tax Compliance Certificate (or exemption) or letter of good standing.
2. The audited financial statements of the entity for the last financial year. Where audited financial statements are not available, the management accounts for the last twelve (12) months, accompanied by a letter from the accountant or financial manager explaining why there are no audited financial statements.
3. Valid Insurance Certificate for Professional Indemnity.

SECTION C

1. Experience – summarize your entity's experience and special expertise in providing the type of services identified in the requested services, including resumes of key personnel.
2. Include the relevant accreditation, professional association, and registration with relevant authority bodies (e.g. Council for Medical Schemes).
3. Value proposition and/or differentiated service offering to WMCAS.
4. Documented success in servicing your client's specific needs.
5. If subcontracting is envisaged, the Bidder must clearly indicate in the proposal which parts of the work will be subcontracted and to whom.

SECTION D

Approach – provide a brief overview of your philosophy, methods, and practices and how they would meet the needs identified in the requested services section.

SECTION E

Competitiveness of management and applicable fees for our organization. Significant consideration will be given to the proposed fee structure and estimated costs, but price indicating the full scope of fees together with a breakdown thereof, including VAT. Also, describe the payment terms and schedules, including any proposed conditions thereof.

SECTION F

References: include a list of references (including contact names, telephone numbers, and email addresses)

of at least three (3) recent or current clients within the last four (4) years and accompanying reference letters. The Scheme reserves the right to contact references without prior notification.

7. EVALUATION CRITERIA

The Proposal will be evaluated in terms of the following criteria:

- Functionality – 70
- Black Economic Empowerment (BEE) status – 10
- Price and Costing Model – 20

Therefore, the total score is a 100.

7.1 Functionality

The functional evaluation criteria will be as follows and carries a weight of 70 towards the Total Score. A score of less than 80% for functionality will disqualify the Bidder.

Criteria	Weight
FUNCTIONAL EVALUATION CRITERIA	
Approach, methodology and take-on implementation project plan	30
Company experience in performing this service	15
Key personnel experience in performing this service (as per CVs submitted)	15
Capacity, Technical Capability and relevant infrastructure of the bidding entity	30
Reporting	10
Total for Functionality	100

The Technical Response to this Specification will be rated using the following value scale:

Rating	Assessment	Description
5	Excellent	Exceeds the required standard. Response answers the question with precision and relevance. Includes improvement through innovation/ added value.
4	Good	Meets the standard required. Comprehensive response in terms of detail and relevance to the question.
3	Acceptable	Meets the standard requirements in most aspects but fails in some areas. Acceptable level of detail, accuracy and relevance.
2	Limited	Fails the standard in most aspects but meets some. Limited information, only partially addresses the question.
1	Inadequate	Significantly fails to meet the standard. Inadequate detail provided, question not answered, answers not directly relevant to the question.
0	Not eligible for consideration	Completely fails to meet the standard. Response significantly deficient/ no response.

7.2 Black Economic Empowerment (BEE) status

The BEE evaluation criteria will be as outlined below and carry a weight of 10% towards the Total Score. Evaluation will be in accordance with the code of good practice on black economic empowerment, issued in terms of Section 9(1) of the Broad-Based Black Economic Empowerment Act. The applicable levels are shown in the table below.

Criteria	Indicator	Score
B-BBEE	Level One	10
	Level Two	8
	Level Three	7
	Level Four	6
	Level Five to Six	5
	Level Seven to Eight	2
	Non-compliant contributor	0

7.3 Price

The price evaluation formula will be as follows and carries a weight of 20% towards the Total Score.

The price quoted must be inclusive of VAT.

The percentage scored for price shall be calculated as follows:

The lowest acceptable bid will obtain the maximum percentage allocated for price. The other bids with higher prices will proportionately obtain lower percentages based on the following formula:

$$Ps = (P_{min} \div P_t) \times A_p$$

Where:

Ps = percentage scored for the price by bid under consideration

P_{min} = lowest acceptable bid

P_t = price of bid under consideration

A_p = percentage/weight allocated for price.

8. BID AWARD AND ADJUDICATION

The Scheme is not obliged to accept or award the bid to the lowest price and retains the right to award the bid in the best interest of the Scheme members. Notwithstanding the foregoing, the Scheme reserves the right to accept a Proposal with minor deviations, which will not influence the provision or supply of the Services required. The decision by the Scheme regarding the awarding of a contract shall be final, and the Scheme shall not be obliged to give reasons for its decision to unsuccessful Bidders.

WCMAS reserves the right to engage in a second phase which may require further proposals from other interested service providers.

Shortlisted providers may be invited to present to the Scheme at its offices situated Emalahleni,

Mpumalanga. The Scheme will advise shortlisted providers in advance.

WCMAS reserves the right to carry out site visits or call for supporting documentation in order to confirm any information provided by a Bidder. It will be the responsibility of the Bidder to ensure access to such premises within a reasonable time. The site visit results will be used to confirm the validity of the technical scores.

The service providers who apply for this contract must adhere to and operate within the ambit of all relevant legislation and regulatory standards.

Please note that WCMAS reserves the right to terminate this process, extend it, or otherwise amend or vary any aspect thereof in its sole discretion. Participation in this process does not mean that any participant will be guaranteed any commercial or other relationship with WCMAS.