Public Works and Government Services Canada

Travaux publics et Services gouvernementaux Canada

RETURN BIDS TO:
RETOURNER LES SOUMISSIONS À:

Aaron Wong-Sing
Place du Portage, Phase III
12C1
11 Laurier St.\11, rue Laurier
Gatineau
Québec
K1A 0S5
Bid Fax: (613) 934-1235

LETTER OF INTEREST
LETTRE D'INTÉRÊT

Title - Sujet HICPS	
Solicitation No. - N° de l'invitation HT426-144642/A	**Date** 2015-05-20
Client Reference No. - N° de référence du client HT426-144642	**GETS Ref. No. - N° de réf. de SEAG** PW-$$XF-008-28919
File No. - N° de dossier 008xf.HT426-144642	**CCC No./N° CCC - FMS No./N° VME**
Solicitation Closes - L'invitation prend fin **at - à 02:00 PM** **on - le 2015-07-07**	**Time Zone** **Fuseau horaire** Eastern Daylight Saving Time EDT
F.O.B. - F.A.B. Specified Herein - Précisé dans les présentes **Plant-Usine:** ☐ **Destination:** ☐ **Other-Autre:** ☑	
Address Enquiries to: - Adresser toutes questions à: Wong-Sing, Aaron	**Buyer Id - Id de l'acheteur** 008xf
Telephone No. - N° de téléphone (819) 956-2219 ( )	**FAX No. - N° de FAX** (819) 934-1235
Destination - of Goods, Services, and Construction: **Destination - des biens, services et construction:** Specified Herein Précisé dans les présentes	

Comments - Commentaires

Instructions: See Herein

Instructions: Voir aux présentes

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

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

Issuing Office - Bureau de distribution

Health Services Project Division (XF)/Division des projets de services de santé (XF)
Place du Portage, Phase III, 12C1
11 Laurier St./11 rue, Laurier
Gatineau
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K1A 0S5

Canada

Please see the following RFI.

Health Canada

Health Information and Claims Processing Services

Request for Information #1

Table of Contents

Purpose and Contents of this Request for Information

This is the Request for Information (RFI) #1 pertaining to the Health Information and Claims Processing Services (HICPS) for Health Canada (HC). It is a document written for the purpose of engaging with and eliciting feedback from industry in regards to the Health Information and Claims Processing Services. The general contents of this Request for Information document are:

- **PART I – Request For Information Process**: Information about the intent of this Request for Information and the procedure for industry to follow for responding to this Request for Information;
- **PART II – HICPS Background, Aboriginal Participation Component, and Engagement Approach**: Purpose of this RFI, HC's Requirement, the Aboriginal Participation Component, and the proposed Engagement Approach;
- **PART III – Questions to Industry**: Questions asked to elicit feedback from industry that will help Canada define its technical requirements, commercial requirements, Aboriginal Participation Component, as well as to inform of any challenges respondents may foresee;
- **Annex A – Glossary of Terms and Acronyms**
- **Annex B - Non-Insured Health Benefits Program Background Information**
- **Annex C - NIHB-HICPS High Level Requirements**
- **Annex D - Procurement Strategy for Aboriginal Business (PSAB) Backgrounder**
- **Annex E - Example of Aboriginal Participation Component**
- **Annex F – Rules of Engagement**: Respondents wishing to participate in the follow-up engagement activities must complete, sign, and return this form;
- **Annex G – Registration Form for Industry Engagement Information Session #1 and One-on-One Sessions #1**: Respondents wishing to participate in the follow-up engagements activities should register using this form; and
- **Annex H – Industry Engagement Information Session #1 and One-on-One Sessions #1 Draft Agenda and Schedule.**

PART I: REQUEST FOR INFORMATION PROCESS

1. Introduction

This is the Request for Information #1 pertaining to the Health Information and Claims Processing Services for Health Canada.

The purpose of this RFI is to inform industry of HC's requirement for HICPS and to provide industry an opportunity to provide feedback on the requirement and subsequent engagement activities. Responses to this RFI will assist Canada initiating a dialogue about the requirements and possible solutions.

RFI #1 will be followed by a one-day Industry Engagement Information Session #1 and separate One-on-One Sessions #1.

1.1 Nature of this Request for Information

This is not a bid solicitation. This RFI will not result in the award of any contract. Potential suppliers of any goods or services described in this RFI should not reserve stock or facilities, nor allocate resources, as a result of any information contained in this RFI. Nor will this RFI result in the creation of any source list. Therefore, whether or not any potential supplier responds to this RFI, it will not preclude that supplier from participating in any future procurement. Also, the procurement of any of the goods and services described in this RFI will not necessarily follow this RFI. This RFI is simply intended to solicit feedback from industry with respect to the subject matter described in this RFI.

2. INSTRUCTIONS FOR RESPONDING TO THIS REQUEST FOR INFORMATION

2.1 Nature and Format of Responses Requested

Respondents are reminded that this is an RFI and not a Request for Proposals (RFP) and, in that regard, respondents are requested to provide their comments, concerns and, where applicable, alternative recommendations regarding how the requirements or objectives described in this RFI could be satisfied. RFI responses should also clearly identify any additional information and/or clarification that respondents suggest be incorporated into any future solicitation documents. Respondents are also invited to provide comments regarding the content, format and/or organization of any draft documents included in this RFI. Respondents should explain any assumptions they make in their responses. Any marketing or promotional information submitted as part of the responses will not be reviewed.

Responses will not be used for competitive or comparative evaluation purposes thus the response format is not as rigorously defined as would normally be for an RFP; however, for ease of use and in order that the greatest value be gained from responses, Canada requests that respondents follow the structure outlined in Section 2.7.

2.2 Response Costs

Canada will not reimburse any organization for expenses incurred in responding to this RFI including, but not limited to, expenses incurred for participating in subsequent Engagement Activities.

2.3 Treatment of Responses

Use of Responses: Responses will not be formally evaluated. However, the responses received may be used by Canada to develop or modify the procurement approach, as well as

any draft documentation contained in this RFI. Canada will review all responses received by the RFI closing date. Canada may, in its discretion, review responses received after the RFI closing date.

Review Team: A review team composed of representatives of Health Canada, Aboriginal Affairs and Northern Development Canada (AANDC) and Public Works and Government Services Canada (PWGSC) will review the responses. Canada reserves the right to hire any independent consultant, or use any Government of Canada (GC) resources that it considers necessary to review any response. Not all members of the review team will necessarily review all responses.

Confidentiality: Respondents should mark any portions of their response that they consider proprietary or confidential. Canada will handle the responses in accordance with the *Access to Information Act*.

2.4 Follow-up Activity

Canada may, in its discretion, contact any Respondent to follow-up with additional questions or for clarification of any aspect of a response.

Subsequent Engagement Activities: This RFI #1 is part of Engagement Phase 1, and will be followed by a one-day Industry Engagement Information Session #1 and separate One-on-One Sessions #1. For more details, please refer to:

- Section 5.3: Engagement Phase 1 Activities Subsequent to RFI #1; and
- Annex G: Registration Form for Industry Engagement Information Session #1 and One-on-One Sessions #1.

Media: Media cannot participate in any of the One-on-One or Working Group Sessions.

2.5 Communication with Industry

During the Subsequent Engagement Activities for this Engagement Phase, the Contracting Authority may communicate with registered Industry Participants through direct email rather than by posting additional notices on the GETS.

2.6 Contents of the RFI

The information contained in this document remains a work in progress and Respondents should not assume that new requirements will not be added to any bid solicitation that is ultimately published by Canada. Nor should Respondents assume that none of the requirements will be deleted or revised. Comments regarding any aspect of the draft documents are welcome. This RFI also contains specific questions addressed to the industry.

2.7 Format of Responses

Cover Page: If the response includes multiple volumes, Respondents are requested to indicate on the front cover page of each volume the title of the response, the solicitation number, the volume number and the full legal name of the Respondent.

Title Page: The first page after the cover page, should be the title page, which should contain:

(i) The title of the Respondent's response and the volume number;

(ii) The name and address of the Respondent;

(iii) The name, address and telephone number of the Respondent's contact;

(iv) The date, and

(v) The RFI number.

Number of Copies: Canada requests that Respondents submit their response in unprotected PDF format (i.e. no password) by email if the size of the document is less than 6MB to: TPSGC.DGASTRDPSS-AQCBHICPS.PWGSC@tpsgc-pwgsc.gc.ca .

Alternatively, Canada requests that Respondents save a copy of their PDF (2003 or later) document onto each of four USB Memory Drives and deliver by mail to the address specified in Section 2.8.

2.8 Enquiries

All enquiries and other communications related to this RFI and associated Industry Engagement activities shall be directed exclusively to the PWGSC Contracting Authority. Since this is not a bid solicitation, Canada will not necessarily respond to enquiries in writing or by circulating answers to all Respondents; however, Respondents with questions regarding this RFI may direct their enquiries to:

Contracting Authority: Aaron Wong-Sing

Public Works and Government Services Canada

Place du Portage III, 12C1
11 Laurier Street
Gatineau, Quebec

K1A 0S5

Email Address: TPSGC.DGASTRDPSS-AQCBHICPS.PWGSC@tpsgc-pwgsc.gc.ca

Telephone: 819-956-2219

Facsimile: 819-934-1235

Alternate:

Delegate Contracting Authority: Betty Cole

Telephone: 819-956-1360

The use of e-mail to communicate is preferred.

2.9 Submission of Responses

Time and Place for Submission of Responses: Organizations interested in providing a response should deliver it to the Contracting Authority identified above by the time and date indicated on page 1 of this solicitation document.

Responsibility for Timely Delivery: Each Respondent is solely responsible for ensuring its response is delivered on time, to the correct location.

Identification of Response: Each Respondent should ensure that its name, return address, the solicitation number and the closing date appear legibly on the outside of the response.

Return of Response: Responses to this RFI will not be returned.

2.10 Fairness Monitor

Canada has engaged the services of an organization to act as an independent third party Fairness Monitor (FM) for the HICPS procurement process. The role of the FM is to provide an attestation of assurance on the fairness, openness, and transparency of the monitored activities.

The Fairness Monitor's duties will include, but not be limited to:

i. observing all or part of the procurement process (including, but not limited to, the Engagement and contemplated RFP processes);

ii. providing feedback to Canada on fairness issues; and

iii. attesting to the fairness of the procurement process.

Please note, for the purpose of carrying out its Fairness Monitor related obligations, the Fairness Monitor will be granted access to industry responses and related correspondence received by Canada pursuant to this RFI (any subsequent RFI and any resulting RFP) and may act as an observer at the subsequent follow-up Engagement and Contracting activities indicated in Section 2.4 above and Sections 5.2 and 5.3 below.

The Fairness Monitor engaged for this procurement is:

Samson and Associates

PART II:
HICPS BACKGROUND, ABORIGINAL PARTICIPATION COMPONENT, AND ENGAGEMENT APPROACH

3. HICPS Background, Objectives, and Anticipated Solution

3.1 The Non-Insured Health Benefits Program

The Non-Insured Health Benefits (NIHB) Program of the First Nations and Inuit Health Branch (FNIHB) at Health Canada provides eligible registered First Nations and recognized Inuit with a range of medically-necessary goods and services not provided through private insurance plans, provincial/territorial health and social programs or other publicly funded programs. These medically necessary benefits are:

- Certain prescription and over-the-counter drugs;
- Medical supplies and equipment;
- Dental care;
- Vision care;
- Other health care services such as short-term crisis intervention mental health counselling; and
- Medical transportation to access medically required health services not available on reserve or in the community of residence.

NIHB is the largest program of HC, representing approximately 31% of the department's total budget and 46% of FNIHB's budget in 2013-14. Total annual expenditures for all NIHB benefit areas amounted to $1,026.4 million in fiscal year 2013-14.

The NIHB Program is a critical program designed to address the health inequalities of First Nations and Inuit, so that they may attain a level of health comparable to other Canadians living in similar locations. The NIHB Program operates according to the following guiding principles:

- All registered First Nations and recognized Inuit normally resident of Canada, and not otherwise covered under a separate agreement with federal or provincial governments or through a separate self-government agreement, are eligible for non-insured health benefits, regardless of location in Canada or income level;
- Benefits will be provided based on professional, medical or dental judgment, consistent with the best practices of health services delivery and evidence-based standards of care;
- There will be national consistency with respect to mandatory benefits, equitable access and portability of benefits and services;
- The NIHB Program will be managed in a sustainable and cost-effective manner;
- Management processes will involve transparency and joint review structures, whenever jointly agreed to with First Nations and Inuit organizations; and
- When an NIHB-eligible client is also covered by another public or private health care plan, claims must be submitted to the client's other health care/benefits plan first. NIHB will then coordinate payment with the other payor on eligible benefits.

3.2 The Health Information and Claims Processing Services

As with other public and private plans, the NIHB Program does not provide direct services to clients. It relies mainly on pharmacists, dentists and other health providers to deliver services to clients. Through the Health Information and Claims Processing Services (HICPS), the NIHB Program reimburses providers for the cost of eligible services. These services are essential to the NIHB Program's ability to fulfill its mandate to ensure access by First Nations and Inuit clients to needed health benefits.

HICPS includes all services and supporting systems used to process Non-Insured Health Benefits claims, supporting providers with the processing and settlement of their claims, ensuring compliance with NIHB Program policies including audit, reporting and financial control practices, automated information management systems used to process and pay claims in accordance with NIHB Program client/benefit eligibility and pricing policies.

Since 1990, Canada has retained the services of a private sector contractor to administer the following core health information and claims processing services on its behalf:

- Requests and claims processing, adjudication and settlement;
- Provider registration and communications;
- Payment and Financial operations;
- Systems and services in support of the various NIHB operated Review, Prior-Approval, and Predetermination Centres.
- Provider Audit program and audit recoveries; and
- Data retention, collection, analysis and reporting

NIHB Program uses this third party claims processor to review and process claims for the pharmacy, dental benefits, and medical supplies and equipment[1]. In addition to ensuring claims are processed in a timely manner and in keeping with NIHB Program policies and rules, HICPS includes a range of pre-payment and post-payment controls (including a provider audit program that covers provider Profiling, Next Day Claim Verification, Client Confirmation Program, On-Site and Desk audit), which help to ensure the accountability of the NIHB Program. In 2013-14, HICPS processed 21.2 million claim lines of nationally administered pharmacy and dental benefits which accounted for approximately 55.4% of all NIHB expenditures (or over $570 million).

Refer to Annex B for more information on the NIHB Program Background Information, including Business Operations and Expenditures data.

3.3 HICPS Objectives

HICPS is expected to help the NIHB Program achieve the following:

- Improve the health outcomes for NIHB clients
- Contain the costs of the NIHB Program
- Improve the efficiency and efficacy of NIHB processes to manage the health benefits, and
- Improve access and analysis of NIHB benefits usage data to improve the program decision and policy making

[1] Vision Care and Mental Health Counselling claims are not currently processed through the NIHB current HICPS.

As such, HICPS must ensure that core services are delivered in an operationally sustainable, cost-effective manner and that all financial transactions with providers reflect the terms established by HC. These services and systems must be able to accommodate and enforce NIHB Program rules and policies including audit, reporting and financial control practices. HICPS must also comply with the Government of Canada IM/IT, Security and Privacy Acts, Regulations and Standards.

3.4 Anticipated Solution

Health Canada will require the services of a third / private party to provide Health Information and Claims Processing Services (HICPS) for the Pharmacy, Medical Supplies and Equipment (MS&E), Dental Care, Vision Care and Mental Health Counseling (short term crisis intervention) benefits components of the NIHB program. This will allow the NIHB Program to conduct the following services for Drug, MS&E, Dental, Vision Care, and Mental Health:

1. Provider Registration and Communications Services that encompass registering providers and communicating with registered providers, primarily through a Provider Claims Processing Call Centre, website and any other appropriate medium;

2. Manual and Electronic Claims Processing of eligible non-insured health benefits claims, which encompasses:

- Requests and Claims Capture and Processing;
- Claims Adjudication; and
- The support of HC's Review, Prior-Approval, and Pre-determination/Pre-verification Centres ;

3. Claims Settlement that encompasses finalizing the claim payment amount to individual providers and the production and distribution of claim statements;

4. Financial Operations that encompasses the financial practices to request, reconcile, and process claims payment and recovery amounts with HC;

5. Provider Audit Services that encompasses auditing claims submitted by registered providers and recovering monies owed where applicable;

6. Business Management and IT Operations and Maintenance Services that encompass:

- The activities to ensure services comply with NIHB policies, rules and standards;
- Planning and analysis services that offer opportunities to improve the efficiency and effectiveness of HICPS;
- The quality assurance and performance reporting activities and processes that ensure the business solution (e.g. services and systems) meets defined performance standards;
- The activities to ensure that the business solution conforms to applicable laws, regulations and Government policies and that the solution is adaptive to accommodate any change in laws or regulation;
- The activities to ensure information and data are current and correct as well as secure and private at all times;
- Data collection, analysis and reporting;

- Records retention (electronic and paper based records);
- Systems maintenance and management;
- Disaster recovery and business continuity plans.

Refer to Annex C for more details on NIHB-HICPS High Level Requirements

3.5 Security Considerations

The solution will handle information classified at PROTECTED B level as per the Government of Canada Information Management Classification Standards. The information handled will include personal, medical and other sensitive information pertaining to NIHB clients, as well as financial information pertaining to health claims and business process-related correspondence. Unauthorized disclosure could cause serious injury to individuals; and depending on the nature of the disclosure, a confidentiality compromise could discredit Health Canada and undermine the government of the day.

The solution must ensure that all data systems, connectivity and telecommunication methods, data transfers, reports, physical locations and individuals with access to systems and/or data, and handling of all PROTECTED B information meets the following privacy and security policies and legislation:

A. Privacy Act - http://laws.justice.gc.ca/en/P-21/index.html

B. Personal Information Protection and Electronic Documents Act (PIPEDA) - http://laws.justice.gc.ca/en/P-8.6/index.html (or any legislation in a province that has been deemed by a province to be substantially similar to PIPEDA)

C. Policy on Government Security - http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=16578

D. Operational Security Standard: Management of Information Technology Security (MITS) - http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=12328

E. Other applicable Federal/Provincial/Territorial privacy and security legislation/regulations.

The high water mark rule applies when legislation or policies overlap.

4. Aboriginal Participation Component

The HICPS requirement will include an Aboriginal Participation Component (APC), which is a mechanism designed to meet the Government of Canada's objectives of encouraging Aboriginal socio-economic development through federal contracting opportunities that are not subject to International Trade Agreements. The APC is designed to develop long-term sustainable and meaningful socio-economic benefits for Aboriginal people, businesses and communities and compliments the objectives of the Procurement Strategy for Aboriginal Businesses (PSAB).

The PSAB is a federal policy that reserves, or "sets-aside" certain contracts exclusively for competition among Aboriginal businesses where capacity exists. For more information on the PSAB, refer to Annex D and visit PSAB web site at http://www.aadnc-aandc.gc.ca/psab .

The APC is designed to generate sustainable Aboriginal business capacity, develop skills, create and maintain employment, and generate community economic development. It will require the contractor to create and maintain jobs for Aboriginal individuals as well as provide contracting and sub-contracting opportunities for Aboriginal businesses throughout the

duration of the HICPS contract. The APC will be closely monitored and managed throughout the life of the contract to ensure that Aboriginal benefits are achieved, and the contractor will be required to report on data itemized in the Aboriginal Participation Component.

Please refer to Annex E for an example of the use of the Aboriginal Participation Component, including the definition of an Aboriginal Person in Attachment 1.

5. Proposed Engagement Approach

5.1 Engagement Strategy

Three phases are planned for the Industry Engagement process. However, as the process evolves, additional activities could be incorporated into the engagement schedule or engagement phases may be combined, modified, or eliminated depending on timelines and feedback from industry.

Please note that participation in any of the Engagement activities is not a mandatory requirement for eventual submission of a bid; industry representatives that do not participate in the Engagement process will remain eligible to submit a bid in response to any future RFP relating to the HICPS procurement.

Engagement Phase 1

The objectives of this Engagement Phase are:

i. To share information on NIHB program current business model, high level needs, and projected clientele and business volume growth.

ii. To seek information on new technologies, business models and practices that would help NIHB save or contain costs while improving health outcomes and providing enhanced services.

iii. To introduce to the industry the Aboriginal Participation Component of the solicitation.

iv. To engage Aboriginal businesses and communities interested in the requirement.

Information gathered will serve as a baseline to start drafting the RFP.

The activities planned for this Engagement Phase are:

i. *Request for Information #1* – this document and subsequent responses

ii. *Industry Engagement Information Session #1* – The purpose is to provide RFI respondents ("participants") and stakeholders with general information on NIHB needs and requirements, the Aboriginal Participation Component, the consultative process, and to obtain industry comments on the process in general.

iii. *One-on-One Sessions #1* – Following the Industry Engagement Information Session #1, participants will be invited to one or more individual sessions. These sessions will represent an additional opportunity for RFI respondents to clarify or expand on their response. These sessions also represent an additional opportunity for Canada to learn more about the industry and gather additional information.

Engagement Phase 2

The objectives of this Engagement Phase are:

i. To share with participants scenarios about specific NIHB needs for enhanced systems components and improved or reengineered services.
    a. To seek technical solutions and best practices from Industry
    b. To involve Industry in refining NIHB requirements
    c. To identify and explore and assess opportunities for innovation
    d. To give a heads up to Industry on NIHB needs for new enhanced system and/or services component

ii. To share scenarios/options for Aboriginal Participation Component
    a. To help industry achieve readiness to meet Aboriginal requirements
    b. To identify the optimal Aboriginal Participation Component scenarios

The information gathered will serve to fully define the RFP and to refine the requirements.

The activities planned for this Engagement Phase are:

i. *Request for Information #2* – RFI #2 will be published which will include HC's revised business needs and requirements for industry review and comments. This RFI will also include specific scenarios for improved or new services. HC will ask industry questions for specific feedback and validation.

ii. *Industry Engagement Information Session #2* – HC can present and explain their specific scenarios to participants, including the Aboriginal Participation Component.

iii. *Working Group Sessions and/or One-on-One Sessions #1* – Following the Industry Engagement Information Session #2, the participants will be invited to one or more individual sessions and/or working groups. These sessions will represent an additional opportunity for RFI respondents to clarify or expand on their responses, particularly regarding HC's specific scenarios. These sessions also represent an additional opportunity for Canada to learn more about the readiness of the industry and the available solutions and/or innovation, and to gather additional information from industry subject matter experts.

Engagement Phase 3

The objectives of this Engagement Phase are:

i. To validate with Industry the final NIHB requirements and needs

ii. To validate with Industry the final Aboriginal Participation Component of the RFP

iii. To provide a heads-up on what to expect in the RFP

iv. To address any last minute issues or show stoppers

The activities planned for this Engagement Phase are:

i. *Request for Information #3* – RFI #3 will be published and will include including near-final Statement of Work and technical documentation.

ii. *Working Group Sessions* may be scheduled if deemed necessary.

Rules of Engagement

All participants must sign and submit the Rules of Engagement form (Annex F) to the Contracting Authority prior to their participation in any of the Industry Engagement Information Sessions, One-on-One Sessions, or Working Group Sessions.

5.2 Engagement Timeline

HICPS Milestones and Associated Timeline

The following milestones and their associated target delivery dates are estimates which have been provided for information purposes only. Canada reserves the sole option to delete or change each of the individual named milestones and their associated delivery dates as Canada sees fit.

Engagement Milestone		Target Date
Engagement Phase 1		
1	Industry Engagement Information Session #1	September 21, 2015
2	One-on-One Sessions #1	September 21 – 23, 2015
Engagement Phase 2		
3	RFI #2	Spring 2016
4	Industry Engagement Information Session #2	Summer 2016
5	Working Group Sessions #2	Summer 2016
6	One-on-One Sessions #2	Summer 2016
Engagement Phase 3		
7	RFI #3	Autumn 2016

5.3 Engagement Phase 1 Activities Subsequent to RFI #1

Following the closure of this RFI, copies of the responses to this Request for Information #1 will be distributed to representatives of HC, PWGSC, and AANDC for review and consideration. Copies of the responses will also be made available to the Fairness Monitor (FM) for review.

Respondents to this RFI who wish to participate in any of the follow-up activities (Industry Engagement Information Session #1 and/or One-on-One Sessions #1) must complete, sign, and submit to the Contracting Authority the Rules of Engagement form (Annex F herein) prior to their participation. Participants should complete and submit the Registration Form for Industry Engagement Information Session #1 and One-on-One Sessions #1 (Annex G herein) to indicate their intention to participate in the subsequent Engagement activities. Participants are encouraged to submit these forms to the Contracting Authority as soon as possible (i.e. prior to closing date of this RFI solicitation).

Registration for the Industry Engagement Information Session #1 must be submitted prior to the session. Registration for the One-on-One Sessions #1 must be submitted by August 14, 2015 to be assured a meeting. Registrations received after this date will be accommodated at Canada's discretion. Requests for one-on-one meetings outside of the scheduled One-on-One Sessions #1 dates will be accommodated at Canada's discretion. At the time of registration, suppliers may submit their preferred dates for the One-on-One Session. Canada will do its best to accommodate the requests. Suppliers will be contacted directly by the Contracting Authority with their One-on-One Session date and time no later than 5 days prior to the Industry Engagement Information Session #1.

The ability for Participants to attend these sessions via WebEx and/or teleconference is provided as a courtesy. Canada is not responsible for technical or connectivity issues outside of Canada's control.

Industry Engagement Information Session #1

An Industry Engagement Information Session is scheduled for Monday, September 21, 2015 in the National Capital Region (NCR). During this session, PWGSC, HC, and AANDC representatives will present the proposed procurement strategy, the business needs of NIHB and the HICPS, as well as the Aboriginal Participation Component approach. The Industry Engagement Information Session #1 is intended to be an open forum allowing Canada to communicate its requirements at a high level, and for industry to ask questions and seek information in order to gain a sound understanding of the business needs of HC. Please refer to Annex H Industry Engagement Information Session #1 and One-on-One Sessions #1 Draft Schedule and Agenda for more details.

One-on-One Sessions #1

One-on-One Session(s) with individual participants will be held to discuss requirements in more detail and possible options for service delivery models. Participants will be provided a list of questions at least three working days prior to their scheduled session based on their response to this RFI #1. Participants are invited to respond to these questions during their Session or otherwise make use of their allotted time as they see fit.

One-on-One Sessions will be held from September 21 through to September 23, 2015 in the NCR (additional days for One-on-One Sessions may be added as required). Each participant will be allotted a maximum of two hours.

PART III: QUESTIONS TO INDUSTRY

6. Questions to Industry

Canada is seeking comments and recommendation on the HICPS requirements. Canada encourages the respondents to provide feedback on some of the specific challenges and needs of NIHB Program and the possible solutions available. Information is also being sought to identify future technologies, best practices and innovative business or service models. Detailed written responses will enable Canada to consider industry perspectives in the development of HICPS requirement and the eventual RFP.

Responses to this RFI should include, but not be limited to, responses to the following questions.

For answered questions, please provide the rationale, details, the additional information needed, and any price or performance impacts of each of the additions or changes suggested:

7. Technical Questions

7.1 General

7.1.1 Given the NIHB and HICPS High Level Requirements described in this document, could a solution be configured using existing Commercial Off-The-Shelf Services and Systems, or would a solution require customization or building of such services or systems?

7.1.2 What information is required such that a potential Bidder would have an understanding of the HICPS Requirement in order to participate in the latter phases of the Engagement Process and to submit a comprehensive bid?

7.1.3 Based on NIHB high level requirements provided herein and taking into consideration the complexity of NIHB policies, rules and standards, please describe any concerns (i.e. scope of work, span of operations, technical complexities, volumes of transactions, etc.) that could impact the implementation of the Health Information and Claims Processing Services and supporting systems?

7.1.4 What best practices for business continuity, disaster recovery, privacy and security would be most suitable for the HICPS and supporting systems?

7.2 NIHB Management

7.2.1 What services, systems and tools are available in the industry to manage and administer MS&E, Vision Care, and Mental Health counselling benefits?

7.2.2 What services, systems and tools are available in the industry to manage and register/enrol MS&E, Vision Care, and Mental Health counselling benefits providers?

7.2.3 What solutions and technologies are available in the industry for formulary management? What solutions and technologies are available for prescription monitoring program? What solutions and technologies are available for case management?

7.2.4 What solutions, best practices and capabilities are available in the industry for fraud detection systems and prevention?

7.2.5 What solutions, best practices and capabilities are available in the industry to assist the NIHB Program in developing tools, documents, policies to improve administrative efficiency and improve access to providers and clients?

7.2.6 NIHB expects the claims processor to have health professional capacity (e.g. dental health profession) that can understand and facilitate the management of NIHB Program business policies and rules. Please describe the general best practices in the industry to engage health professionals to understand and facilitate the management of sponsored plans such as the NIHB Program, including its policies, rules and standards for dental, pharmacy, medical supplies and equipment, vision care, and mental health benefits.

7.2.7 What reporting capabilities, data collection, data analysis, and data mining services are available in the industry in order to produce meaningful reports, business intelligence and knowledge to enable NIHB make better decisions to contain program costs and/or improve clients' safety and health outcomes (i.e. to help facilitate NIHB policy development and decisions that will optimize client health benefits within the Program's budgetary allocations)?

7.2.8 The NIHB Program includes advisory groups whose role is to provide recommendations for adjudication decisions for a large volume of requests for NIHB benefits (such as Medical Supplies and Equipment health benefit) submitted from health providers (such as equipment vendors whether they are pharmacies and/or medical groups). The recommendations are based on the information in the Claims Processing System, and information received from the vendors. The advisory group also responds to inquiries from vendors regarding program criteria, and status of their submissions.

7.2.8.1 What tools and functionalities are available in the industry that could assist HC with appropriate decision making for the recommendation and adjudication process including information analysis and search functionality, program customization, and inclusion of supporting documentation as it relates to the various NIHB benefits?

7.2.8.2 What tools and functionalities are available in the industry that could assist NIHB Program and these advisory groups with streamlining of the recommendation process and reduce turn-around time including workflow capabilities, automation such as auto-generation of documents and reports, e-forms, and e-tracking of claims?

7.3 Innovation

7.3.1 What innovative technologies, products, service models, and best practices are available that could improve the productivity, effectiveness and efficiency of NIHB Business and HICPS Operations?

7.3.2 What are the best practices available for keeping up with and managing technological advancements (i.e. software, hardware, telecommunications, smart cards, etc.)?

7.3.3 What key issues (e.g. operational and technological), opportunities, or threats are emerging in the health claims processing industry that may impact and affect NIHB Business and HICPS Operations, and what would be possible approaches to address such issues?

7.3.4 HC expects that advances in technology and capabilities will enable the industry to address the different challenges for large data/information transmission and the need for better data quality, an example can be to allow the transmission and the storage of large size dental x-rays data. How could HICPS leverage such tools and capabilities?

7.4 Quality Assurance

7.4.1 What quality assurance programs are available in the industry? Describe the best practices for quality assurance methodology, tools, processes and standards.

7.4.2 Describe the current service level standards generally accepted in the industry, in particular for the following:

- provider registration services
- call centre services
- claims processing and claims settlement
- financial operations
- provider audit services
- reporting services
- retention of records

7.5 Change Management

7.5.1 Describe industry best practices for service and system change management with an emphasis on flexibility, efficiency and cost effectiveness aspects.

7.5.2 NIHB business policy, rules and standards constantly changes to adjust to the evolving NIHB Program needs (to contain costs) and clients' needs (for clients' safety and to improve their health outcomes).

7.5.2.1 Please describe what solutions and/or system flexibility and adaptability are available in the industry that could address NIHB required changes.

7.5.2.2 As an example, there is a constant need for flexibility to adopt policy changes within the drug benefit (MS&E and/or Dental care) management area; what solutions are available that could give control to HC in order to manage business and policy changes related to drug benefit (MS&E or Dental care) management without requiring system changes or to go through the claims processor?

7.5.3 Describe the industry best practices for keeping up to date and for accommodating the standards and regulations associated with professional bodies for dental, pharmacy, medical services and equipment, vision care, and mental health as relates to NIHB program (as an example for health professional accreditation verification if it is part of the required registration process).

8. Commercial Questions

8.1.1 Canada is considering amortizing any system and services development, build and customization costs into the Operations Phase of the Initial Contract Period (contemplated to be 5 years), either embedded into a claim line fee or as a firm fixed monthly fee, rather than as a firm fixed fee(s) for completion of milestone(s) during the Pre-Implementation Phase. Please provide any feedback on this approach and the pros and cons of the various pricing scenarios.

9. Aboriginal Participation Component Questions

AANDC is seeking feedback on approaches and measures designed to enhance Aboriginal socio-economic development for qualified Aboriginal businesses and individuals such as employment, business capacity building and skills development.

9.1.1 Do you have experience working with Aboriginal businesses and communities? Please elaborate and provide details (e.g. objectives, HR strategies, outreach activities, etc.).

9.1.2 Is there any capacity within the Aboriginal Business community to provide health claims and processing systems and services to fulfil the complete requirements of HICPS?

9.1.3 Provide any feedback on the Aboriginal Participation Component example and identify any challenges or issues that may be encountered by using this model.

10. Proposed Engagement Approach Questions

10.1.1 Respondents are asked to provide feedback on the strengths, weaknesses and general feasibility of the HICPS engagement approach described in this RFI, and provide any suggestions on how to make the process more efficient.

10.1.2 Please comment on whether there are any challenges in the engagement schedule. If so, please describe.

ANNEXES

ANNEX A:
GLOSSARY OF TERMS AND ACRONYMS

The following acronyms and abbreviations have been used in this document:

Acronym	Definition
AANDC	Aboriginal Affairs and Northern Development Canada
ABD	Aboriginal Business Directory
APC	Aboriginal Participation Component
CCP	Client Confirmation Program
DEC	Drug Exception Centre
EDI	Electronic Data Interface
FM	Fairness Monitor
FNIHB	First Nations and Inuit Health Branch
GC	Government of Canada
GETS	Government Electronic Tendering Service
HC	Health Canada
HICPS	Health Information and Claims Processing Services
MS&E	Medical Supplies & Equipment
NCR	National Capital Region
NDCV	Next Day Claims Verification
NIHB	Non-Insured Health Benefits
PA	Prior Approval
PD	Pre-Determination
PSAB	Procurement Strategy for Aboriginal Business
PWGSC	Public Works and Government Services Canada
RFI	Request For Information
RFP	Request For Proposal

Acronym	Definition
SA	Special Authorization

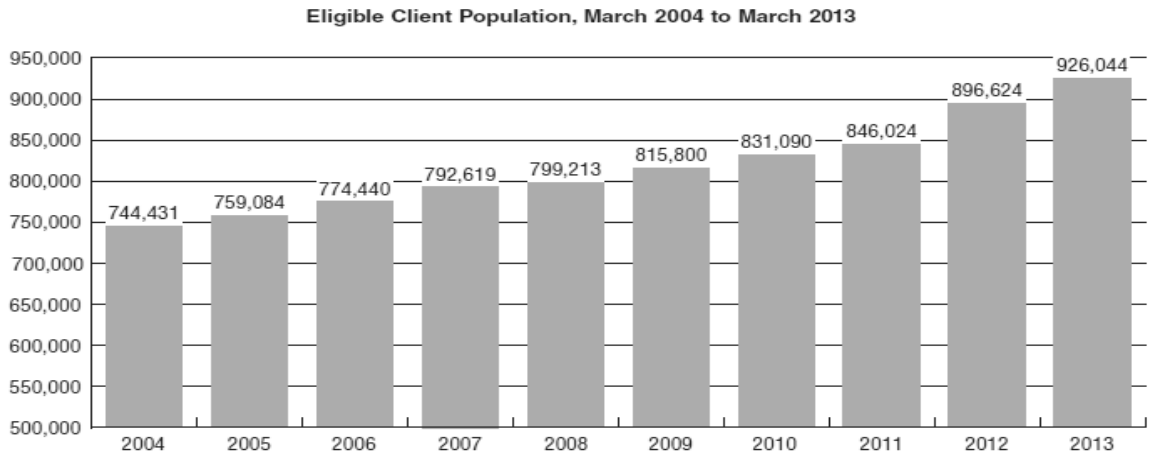
ANNEX B:
NON-INSURED HEALTH BENEFITS PROGRAM
BACKGROUND INFORMATION

1. NIHB CLIENT POPULATION

From 2004 to 2013, Canada's population increased by 10.3% while the NIHB eligible First Nations and Inuit client population increased by 24.4% (the total number of eligible clients has increased from 744,431 in March 2004 to 926,044 in March 2013). Over the same period, the First Nations and Inuit client population grew at an average annual rate of 2.4% compared to 1.1% for the Canadian population. The share of NIHB client population under 20 years of age (34.2%) is high compared to the overall Canadian population (22.4%). There is a much higher percentage of seniors (65 and over) in the Canadian population (14.9%) than in the NIHB client population (6.8%). The average age of NIHB clients is 32, which is below the Canadian average of 40.

The NIHB Program client population is constantly changing. The growth in the eligible NIHB client population will continue to be impacted by the higher birth rate within the First Nations and Inuit populations and by amendments to the *Indian Act*, such as the passage of Bill C-31, Bill C-3, and the creation of the new Qalipu Mi'kmaq Band, which have and will continue to result in significant increases in the NIHB client population.

In contrast, the settlement of First Nations and Inuit self-government agreements, such as those with the First Nations Health Authority (FNHA)[2] in British Columbia (BC), the Nisga'a Lisims Government and the Nunatsiavut Government, have resulted in decreases in the total NIHB client population, as these individuals are no longer eligible to receive benefits through Health Canada's NIHB Program.



[2] In 2013-14, First Nation clients residing in British Columbia needs have been covered by the newly created health authority: the First Nations Health Authority (FNHA) which is the first province-wide health authority in Canada that assumes the programs, services, and responsibilities formerly delivered by Health Canada's First Nations and Inuit Health Branch to only First Nation clients residing in British Columbia.

Eligible Client Population by Region, March 2009 to March 2013

REGION	March 2009	March 2010	March 2011	March 2012	March 2013
Atlantic	34,141	34,615	35,269	58,271	62,030
Quebec	58,028	58,802	59,659	63,209	65,944
Ontario	176,401	179,641	182,900	189,903	197,019
Manitoba	131,363	134,224	137,212	140,987	144,748
Saskatchewan	129,315	132,141	134,633	138,513	142,056
Alberta	103,716	105,932	107,839	112,264	115,867
British Columbia	121,053	122,989	124,988	128,597	131,782
Yukon	7,999	8,087	8,168	8,430	8,682
N.W.T.	24,644	24,991	25,236	25,412	26,125
Nunavut	29,140	29,668	30,120	31,038	31,791
Total	**815,800**	**831,090**	**846,024**	**896,624**	**926,044**
Annual % Change	**2.1%**	**1.9%**	**1.8%**	**6.0%**	**3.3%**

Source: SVS adapted by Program Analysis Division

Eligible Client Population by Type and Region

REGION	First Nations		Inuit		TOTAL		% Change
	March 2012	March 2013	March 2012	March 2013	March 2012	March 2013	2012 to 2013
Atlantic	57,970	61,719	301	311	58,271	62,030	6.5%
Quebec	62,077	64,767	1,132	1,177	63,209	65,944	4.3%
Ontario	189,309	196,406	594	613	189,903	197,019	3.7%
Manitoba	140,823	144,571	164	177	140,987	144,748	2.7%
Saskatchewan	138,461	141,998	52	58	138,513	142,056	2.6%
Alberta	111,757	115,343	507	524	112,264	115,867	3.2%
British Columbia	128,359	131,515	238	267	128,597	131,782	2.5%
Yukon	8,341	8,589	89	93	8,430	8,682	3.0%
N.W.T.	17,912	18,224	7,500	7,901	25,412	26,125	2.8%
Nunavut	0	1	31,038	31,790	31,038	31,791	2.4%
National	**855,009**	**883,133**	**41,615**	**42,911**	**896,624**	**926,044**	**3.3%**

Source: SVS adapted by Program Analysis Division

2. PROGRAM EXPENDITURES DATA

2.1. NIHB PHARMACY (DRUGS AND MS&E) EXPENDITURE

The NIHB Program covers claims for pharmacy benefits not covered by private, public or provincial/ territorial health care plans. The NIHB Program covers prescription drugs listed on the NIHB Drug Benefit List (DBL). In addition, a limited but comprehensive range of medical supplies and equipment (MS&E) items are also covered by the Program. The NIHB Program's client population faces many unique health needs requiring medical attention, such as a high prevalence of diabetes, cardiovascular disease and tobacco-related illnesses.

In 2012/13, the NIHB Program paid for pharmacy claims made by a total of 557,459 First Nations and Inuit clients. The total expenditures for these claims was $462.7 million or 41.9% of total NIHB expenditures. Of all the NIHB Program benefits, the pharmacy benefit accounts for the largest share of expenditures and is the benefit most utilized by clients.

The NIHB Program provides eligible clients with access to pharmacy benefits that will contribute to better health outcomes in a fair, equitable and cost-effective manner, while recognizing the unique health needs of First Nations and Inuit clients. Policies to achieve this objective have and will continue to be adopted by the NIHB Program. For example, NIHB policy is to pay the 'lowest cost alternative drug', and to reimburse only the best price alternative or equivalent product. This policy effectively addresses client health needs while delivering the benefit in a cost-effective manner consistent with Parliamentary appropriations.

Another objective of the Program is to provide pharmacy benefits and services based on professional judgment, consistent with the current best practices of health services delivery and evidence-based standards of care. To achieve this objective, the addition and removal of pharmacy benefits covered by the NIHB Program follows an evidence-based standard of care approach with a particular emphasis on client safety.

Like prescription and over-the-counter medications, MS&E benefits are covered in accordance with Program policies. Clients must obtain a prescription from a prescriber that is recognized by the NIHB Program for MS&E items, and have the prescription filled at an NIHB approved provider. Items covered under the MS&E benefit include:

- Audiology benefits, such as hearing aids and repairs;
- Medical equipment, such as wheelchairs and walkers;
- Medical supplies, such as bandages and dressings;
- Orthotics and custom footwear;
- Pressure garments;
- Prosthetics;
- Oxygen supplies and equipment; and
- Respiratory supplies and equipment.

Prescription drug costs paid through the Health Information and Claims Processing Services system represented the largest component of total costs accounting for $338.6 million or 73.2% of all NIHB Pharmacy costs.

REGION	OPERATING						Total Operating Costs	Total Contribution Costs	TOTAL COSTS
	Prescription Drugs	OTC/CAD Drugs	Drugs/ MS&E Regional	Medical Supplies	Medical Equipment	Other Costs			
Atlantic	$ 20,744	$ 4,537	$ 11	$ 595	$ 1,547	$ -	$ 27,435	$ 2,545	$ 29,979
Quebec	31,954	7,069	12	549	801	-	40,384	9	40,393
Ontario	55,966	13,428	25	1,204	3,087	-	73,710	3,422	77,131
Manitoba	63,903	11,976	0	1,606	3,191	-	80,676	0	80,676
Saskatchewan	56,678	11,053	1,409	1,884	3,579	-	74,604	42	74,646
Alberta	43,161	6,734	165	1,731	3,463	-	55,255	5,329	60,584
British Columbia	47,849	6,385	36	1,285	3,863	-	59,418	441	59,858
Yukon	3,237	354	35	77	291	-	3,994	0	3,994
N.W.T.	7,059	1,027	61	339	514	-	8,999	0	8,999
Nunavut	8,081	1,089	297	390	833	-	10,690	0	10,690
Headquarters	-	-	-	-	-	15,749	15,749	0	15,749
Total	$ 338,632	$ 63,651	$ 2,050	$ 9,659	$ 21,170	$ 15,749	$ 450,912	$ 11,788	$ 462,699

Source: FIRMS adapted by Program Analysis Division

Total NIHB Pharmacy Expenditures by Type and Region ($ 000's) 2012/13

NIHB Pharmacy Expenditures ($ 000's)					
REGION	2008/09	2009/10	2010/11	2011/12	2012/13
Atlantic	$ 20,119	$ 21,357	$ 23,689	$ 27,571	$ 29,979
Quebec	36,069	37,358	38,234	38,827	40,393
Ontario	77,244	77,564	73,887	76,430	77,131
Manitoba	71,081	72,789	76,496	80,639	80,676
Saskatchewan	62,809	66,639	70,625	73,293	74,646
Alberta	54,189	56,570	59,738	61,621	60,584
British Columbia	56,104	58,862	60,097	60,890	59,858
Yukon	3,779	3,723	3,792	3,878	3,994
N.W.T.	8,210	8,595	8,999	9,090	8,999
Nunavut	7,084	8,237	10,399	10,894	10,690
Headquarters	22,281	23,403	14,814	16,227	15,749
Total	$ 418,968	$ 435,097	$ 440,768	$ 459,359	$ 462,699

Source: FIRMS adapted by Program Analysis Division

Over the past five years, growth in pharmacy expenditures has ranged from a high of 4.2% in 2011/12 to a low of 0.7% in 2012/13. The annualized growth rate over these five years is 2.8%.

2.2. NIHB DENTAL EXPENDITURE

The NIHB Program recognizes the importance of good oral health in contributing to the overall health of First Nations and Inuit clients, and covers a broad range of dental services in an effort to address the unique oral health needs of this client population.

In 2012/13, the NIHB Program paid for dental claims made by a total of 331,670 First Nations and Inuit clients. The total expenditure for these claims was $222.7 million or 20.2% of total NIHB expenditures. The dental benefit accounts for the third largest Program expenditure.

First Nations and Inuit experience a higher rate of dental disease such as periodontal disease and caries compared to other Canadians. Poor oral health can contribute to a greater incidence and severity of other medical conditions such as diabetes, respiratory illnesses and cardiovascular diseases. The broad range of dental services covered by the NIHB Program provides the opportunity to ensure that proper oral care required for overall good health is available to First Nations and Inuit clients. In 2012/13, through the NIHB Program's Dental benefit, the oral health needs of approximately 210,000 clients who required intraoral radiograph services, 189,000 clients who received scaling procedures, and 173,000 clients who required restoration treatments were met.

Coverage for NIHB Dental benefits is determined on an individual basis, taking into consideration the client's current oral health status, client history and accumulated scientific research. Dental services must be provided by a licensed dental professional, such as a dentist, dental specialist, or denturist, who has agreed to provide services to First Nations and Inuit clients through the NIHB Program.

NIHB Dental services are determined on individual assessment and are based on current Program policies. Some dental services require predetermination prior to the initiation of treatment. Predetermination is a review that determines if the proposed dental service is covered under the Program's criteria, guidelines and policies. During the predetermination process, HC reviews the dental services submitted against its established Dental Policy Framework and the NIHB Dental Benefits Guide which outline clear definitions of the types of benefits available to clients.

The range of dental services[3]* covered by the NIHB Program, includes:

- Diagnostic services such as examinations and radiographs;
- Preventive services such as scaling, polishing, fluorides and sealants;
- Restorative services such as fillings and crowns;
- Endodontic services such as root canal treatments;
- Periodontal services such as deep scaling;
- Removable prosthodontic services such as dentures;
- Oral surgery services such as extractions;
- Orthodontic services to correct significant irregularities in teeth and jaws; and
- Adjunctive services such as general anaesthesia and sedation.

NIHB Dental expenditures totalled $222.7 million in 2012/13. Of the $222.7 million in dental expenditures, $209.0 million (93.9%) were operating expenditures while $13.7 million (6.1%) were contribution expenditures. Fee-for-service costs paid through the Health Information and Claims Processing Services) system represented the largest component of total costs

[3] Predetermination is required for some dental services within these categories.

accounting for $196.8 million or 88.4% of all NIHB Dental costs while contract dentists accounted for $9.4 million (4.2%).

REGION	OPERATING			Total Operating Costs	Total Contribution Costs	TOTAL COSTS
	Fee-For-Service	Contract Dentists	Other Costs			
Atlantic	$ 8,604	$ 0	$ 5	$ 8,609	$ 1,051	$ 9,660
Quebec	15,194	0	0	15,194	45	15,239
Ontario	33,541	2,447	78	36,065	6,194	42,259
Manitoba	25,912	4,782	0	30,693	41	30,734
Saskatchewan	32,777	0	3	32,781	3,438	36,219
Alberta	32,338	175	6	32,519	1,981	34,501
British Columbia	29,257	1,639	0	30,896	646	31,543
Yukon	2,177	309	0	2,486	0	2,486
N.W.T.	7,100	0	0	7,100	145	7,244
Nunavut	9,892	0	0	9,892	151	10,043
Headquarters	-	-	2,779	2,779	-	2,779
Total	**$ 196,791**	**$ 9,352**	**$ 2,871**	**$ 209,014**	**$ 13,692**	**$ 222,706**

Source: FIRMS adapted by Program Analysis Division

NIHB Dental Expenditures ($ 000's)					
REGION	2008/09	2009/10	2010/11	2011/12	2012/13
Atlantic	$ 4,945	$ 5,426	$ 6,481	$ 7,164	$ 9,660
Quebec	12,895	14,159	15,245	15,138	15,239
Ontario	35,457	38,047	40,594	41,848	42,259
Manitoba	24,444	26,954	29,399	29,861	30,734
Saskatchewan	28,102	30,777	35,317	36,941	36,219
Alberta	25,016	27,756	33,421	34,543	34,501
British Columbia	24,718	28,042	30,187	30,620	31,543
Yukon	2,246	2,271	2,629	2,583	2,486
N.W.T.	6,279	7,067	7,603	7,054	7,244
Nunavut	8,349	10,289	12,306	10,442	10,043
Headquarters	3,932	4,130	2,614	2,864	2,779
Total	**$ 176,382**	**$ 194,918**	**$ 215,796**	**$ 219,057**	**$ 222,706**

Source: FIRMS adapted by Program Analysis Division

Over the last five years, annual growth rates for NIHB Dental expenditures have ranged from a high of 10.7% in 2010/11 to a low of 1.5% in 2011/12, with an annualized growth rate of 6.1%.

2.3. NIHB VISION CARE

Vision care benefits are covered in accordance with the policies set out in the NIHB Vision Care Policy Framework. The NIHB Program covers:

- Eye examinations, when they are not insured by the province/territory;
- Eyeglasses that are prescribed by a vision care professional;
- Eyeglass repairs; and
- Other vision care benefits depending on the specific medical needs of the client.

Vision care benefits are provided by an NIHB recognized provider. A vision care provider must be an Optometrist or Optician who is licensed/certified, authorized, and in good standing with the regulatory body of the province/territory in which they practice.

NIHB Vision expenditures totalled $32.2 million in 2012/13. Operating expenditures accounted for $26.7 million or 82.9% of total expenditures while contribution costs accounted for $5.5 million or 17.1%. In 2012/13, NIHB Vision expenditures increased by 8.0%, compared to the 1.9% increase recorded in 2011/12. Over the past five years, growth in NIHB Vision expenditures has ranged from a high of 8.0% in 2012/13 to a low of 1.9% in 2011/12. The annualized growth rate over these five years was 4.7%.

Over the past five years, overall vision benefit costs have grown by 21.0% from $26.6 million in 2008/09 to $32.2 million in 2012/13.

2.4. MENTAL HEALTH COUNSELLING

NIHB Other Health Care comprises primarily of short-term crisis intervention mental health counselling benefits to address at-risk situations. This service is provided by a recognized professional mental health therapist when no other service is available to the client. The NIHB Program may cover the following services:

- The initial assessment;
- Development of a treatment plan;
- Mental health treatment by an eligible NIHB Provider as per NIHB Program directives;
- Individual, conjoint (with a couple), family, or group (with unrelated individuals) counselling sessions; and
- Fees and associated travel costs for the professional mental health therapist when it is deemed cost-effective to provide such services in a community.

In 2012/13, NIHB Other Health Care expenditures, which consist primarily of short-term crisis intervention mental health counselling, amounted to $14.3 million. Operating expenditures accounted for $9.9 million or 68.8% of total expenditures while contribution costs accounted for $4.5 million or 31.2%.

NIHB Other Health Care expenditures, like other NIHB benefits, are demand-driven and influenced by the number of clients accessing services in a specific year. In 2012/13, expenditures for this benefit area increased by 10.8%, representing a second consecutive year of high growth (7.1% growth recorded in 2011/12). Over the previous five years, growth in NIHB Other Health Care expenditures has ranged from a high of 10.8% in 2012/13 to a low of -7.4% in 2008/09. The annualized growth rate over these five years was 3.1%.

3. NIHB HEALTH BENEFIT CLAIMS

Claims for the Non-Insured Health Benefits Program pharmacy, dental and medical supplies and equipment benefits provided to eligible First Nations and Inuit clients are processed via the Health Information and Claims Processing Services system. HICPS includes administrative services and programs, technical support and automated information management systems used to process and pay claims in accordance with NIHB Program client/benefit eligibility and pricing policies.

Health Canada is responsible for developing, maintaining and managing key business processes, systems and services required to deliver eligible non-insured health benefits. Since 1990, Canada has retained the services of a private sector contractor to administer the following core claims processing services on its behalf:

- Claim processing and payment operations;
- Claim adjudication and reporting systems development and maintenance;
- Provider registration and communications;
- Systems in support of pharmacy and MS&E benefits prior approval and dental predetermination processes;
- Provider audit programs and audit recoveries; and
- Standard and ad hoc reporting.

The number of claims settled through the HICPS system in 2012/13 is highlighted in the Figure below:

REGION	Pharmacy	Dental	MS&E	Total
Atlantic	1,157,766	151,560	29,744	**1,339,070**
Quebec	2,343,458	205,449	21,660	**2,570,567**
Ontario	4,834,119	539,322	38,081	**5,411,522**
Manitoba	3,056,888	385,717	70,227	**3,512,832**
Saskatchewan	2,754,330	449,185	68,985	**3,272,500**
Alberta	2,212,266	431,112	50,504	**2,693,882**
British Columbia	2,524,308	465,625	39,793	**3,029,726**
Yukon	110,045	24,419	2,925	**137,389**
Northwest Territories	279,765	97,470	8,447	**385,682**
Nunavut	221,832	120,895	9,212	**351,939**
Total Claim Lines	**19,494,777**	**2,870,754**	**339,578**	**22,705,109**

Source: HICPS adapted by Program Analysis Division

Note: Vision and Mental Health Benefits are not processed through the present HICPS

4. PROGRAM CLAIM LINES PROJECTIONS FOR 2020 TO 2030

The table below provides an estimate of the number of claim lines the Program could anticipate from 2020 to 2030. The estimates assume that NIHB is no longer processing claims of clients eligible under the First Nations Health Authority in BC (FNHA) and that the eligible population grows at 2.2% as was observed between 2003 and 2012 also it assumes that the average number of claims per capita (pharmacy and dental) remain the same as what was observed in 2014.

Please note that given the long range outlook, the impact of Program policy decisions and external factors (such and increased or reduced client populations) the claims volume could vary significantly from the values presented.

Year	***Client Population***	***Claim Estimate***
2020	921,479	24,443,990
2021	941,751	24,981,757
2022	962,470	25,531,356
2023	983,644	26,093,046
2024	1,005,284	26,667,093
2025	1,027,401	27,253,769
2026	1,050,003	27,853,352
2027	1,073,103	28,466,126
2028	1,096,712	29,092,380
2029	1,120,839	29,732,413
2030	1,145,498	30,386,526

5. THE NIHB DRUG EXCEPTION CENTRE

The NIHB Drug Exception Centre (DEC) was established in December 1997 and operated by HC to process and expedite pharmacists' requests for drug benefits that require prior approval, to help ensure consistent application of the NIHB drug benefit policy across the country, and to ensure an evidence-based approach to funding drug benefits. The DEC handles requests for prior approval from pharmacy providers across Canada. DEC operates a dedicated call centre.

DEC supports the implementation of the Prescription Drug Abuse Strategy to address and prevent potential misuse of prescription drugs. The Program has set limits on medications of concern, and developed a structured approach towards client safety which includes the implementation of the Prescription Monitoring Program across the country.

The Special Authorization Process for pharmacy providers has been in effect since November 2009. This program has accelerated the internal DEC process to extend medication approvals to approximately 60 additional drugs for chronic conditions. These drugs have been granted extended authorization periods beyond one year, and some will now have an indefinite authorization period, thereby facilitating access for NIHB clients and eliminating unnecessary calls by pharmacists to the DEC.

For limited use (LU) medications with an indefinite authorization, it is only necessary for the pharmacy provider to confirm that the client meets the clinical criteria once by obtaining a prior approval and then the client will be set up on indefinite approval. For other drugs that continue to have a defined authorization period (i.e., 2, 3 or 5 years), a new approval must be completed according to the authorization period.

Status	Open Benefit	Exceptions	Limited Use	Total
Total Requested	4,493	45,978	80,131	**135,502**
Total Approved	3,523	37,496	60,190	**104,527**

Open Benefit: Drugs included on the NIHB Drug Benefit List for which the total dollar value exceeds Point of Sale limit or for which more than a three-month supply is requested.

Exceptions: Drugs not included on the NIHB Drug Benefit List, as well as requests for drugs for which the physician has indicated "No Substitution".

Limited Use: Drugs covered only if they are prescribed for conditions which meet specific criteria for Program coverage.

Total NIHB Drug Exception Centre Requests/ Approvals 2012/13

Note: The DEC is a single call centre that provides efficient responses to all requests for drugs that are not on the NIHB Drug Benefit List or require prior approval, for extemporaneous mixtures containing exception or limited use drugs, for prescriptions on which prescribers have indicated "No Substitution", and for claims that exceed $999.99.

6. NIHB HEALTH BENEFIT PROVIDERS

As of March 31, 2013, 25,919 active providers were registered with the HICPS claims processor to deliver NIHB Pharmacy, MS&E and Dental benefits. The number of active providers by region and by benefit is outlined in the table below.

Number of NIHB Providers by Region and Benefit, April 2011 to March 2013

REGION	Pharmacy	MS&E	Dental
Newfoundland	191	30	157
Nova Scotia	315	84	488
Prince Edward Island	45	10	50
New Brunswick	221	64	280
Quebec	1,883	146	2,670
Ontario	3,574	673	5,288
Manitoba	388	77	706
Saskatchewan	375	67	469
Alberta	1128	222	2139
British Columbia	1,250	388	2,329
Yukon	9	6	45
Northwest Territories	11	6	69
Nunavut	5	1	60
Total	**9,395**	**1,774**	**14,750**

Source: HICPS adapted by Program Analysis Division

Note: Vision and Mental Health Benefits Providers are not currently registered through the present HICPS

7. NIHB PROVIDER AUDIT PROGRAM

The NIHB Program is publicly-funded and must account for the expenditure of those public funds. The Provider Audit Program contributes to the fulfillment of this overall requirement.

The objectives of the audit program are to detect billing irregularities, to validate active licensure of providers, to ensure that any required signatures on claim submissions are valid, to ensure that services paid for were received by eligible NIHB clients and to ensure that providers retained appropriate documentation in support of each claim. Claims not meeting the billing requirements of the NIHB Program are subject to audit recovery.

There are five components of the Provider Audit Program for the pharmacy, medical supplies and equipment and dental benefit areas. These are:

1) Next Day Claims Verification (NDCV) Program which consists of a review of a defined sample of claims submitted by providers the day following receipt by the Contractor;

2) Client Confirmation Program (CCP) which consists of a monthly mail-out to a randomly selected sample of NIHB clients to confirm the receipt of the benefit that has been billed on their behalf;

3) Provider Profiling Program which consists of a review of the billings of all providers against selected criteria and the determination of the most appropriate follow-up activity if concerns are identified;

4) On-Site Audit Program which consists of the selection of a sample of claims for administrative validation with a provider's records through an on-site visit; and

5) Desk Audit Program which consists of the selection of a sample of claims for administrative validation with a provider's records. Unlike on-site audits, a desk audit serves to validate records through the use of fax or mail. Generally, a smaller number of claims are reviewed during a desk audit.

Annually, the NIHB Program conducts reviews of providers to identify anomalous billing patterns. Providers with unexplained billings can be put under a restricted billing regime or de-listed as a provider because of financial risk to the Program. In 2012/13 eighteen dental providers and one pharmacy provider were de-listed from the Program due to audit finding results and/or irregular billing patterns detected through provider profiling.

ANNEX C:
NIHB-HICPS
HIGH LEVEL REQUIREMENTS

1. NIHB Business High-Level Requirements

This section of the document lists high-level capabilities of the solution. Each requirement is a high level requirement that should directly fulfill a need but should not be considered as detailed requirement. These requirements support the administration of each of the following NIHB benefits:

1. Pharmacy (certain prescription and over-the-counter drugs)
2. Dental care
3. Medical Supplies and Equipment (MS&E)
4. Vision care
5. Mental Health counseling (Short term crisis intervention)

Requirements that follow are grouped in the following categories to reflect current business processes:

1. Provider management
2. Claims and Request Processing
3. Claims Settlement
4. Financial Operations
5. Provider Audit program
6. Data collection, analysis and reporting.

2. Provider Management

The following includes, but not limited to, HC's needs related to Provider management:

- Ability to register and capture provider information/profile for each of the NIHB benefits
- Ability to update provider information/profile for each of the NIHB Program benefits
- Ability to communicate with providers through electronic media and correspondence e.g. generates notifications, confirmations, etc.
- Ability to capture multiple provider office location(s), specialty, and preferred language of communication,
- Ability to carry out Provider Verification: as an example, ability to verify that the provider to be registered with the NIHB Program is authorized to provide the product or service claimed based on their area of specialization, and the date of service falls within the provider's effective period of being registered.
- Ability to capture reason for provider de-registration (retired, change of professional status, etc.)
- Ability to capture authorizing body's decision to de-register a provider
- Ability to automate provider registration; this includes web-based user accounts
- Ability to manage provider practice/group arrangements
- Ability to assemble provider market intelligence

- Ability to assemble provider performance indicators
- Ability to manage and monitor providers
- Ability to maintain provider data and directories
- Ability to perform provider reimbursement
- Ability to manage provider services and relationships
- Ability to conduct provider performance management

3. Claims and Request Processing

The following includes, but not limited to, HC's needs related to Claims and Request processing:

- Ability to receive, register, process, and validate the claims according to the NIHB Program policies; and to be able to capture and retain claims for reporting purposes. Types of claims submitted:
    - Provider submitted Electronic Data Interface (EDI) Claims; this type of claim is electronic and processed in real-time
    - Provider submitted manual claims
    - Client Reimbursement claims
- Ability to receive, register, process, and validate the request according to the NIHB Program policies; and to be able to capture and retain requests for reporting purposes.
- Note: Requests become claims once approved as meeting NIHB program guidelines. Type of requests submitted:
    - Provider submitted Electronic Data Interface requests; this type of request is electronic and processed in real-time
    - Provider submitted manual requests
    - Client Reimbursement requests
- Ability to automate claims verification requirements; and automate process to authorize and manage provider requests (approval/denial)
- Ability to process claim line adjustments accurately and in a timely manner according to NIHB Program policies.
- Ability to capture benefit information on claims for which payment is to be suppressed (as an example, in the event of HC hiring a health provider to provide services in the community; the service provider needs to be registered in HICPS, but the claim does not need to be adjudicated and the payment must be suppressed.)
- Ability to generate electronic adjudication results in real time
- Ability to track and report on NIHB claims through each stage of the claims processing and settlement processes
- Ability to reverse and re-key claim lines
- Ability to process a dental pre-verification for frequency limited benefits on request
- Ability to create system user profiles in accordance to their role

- Ability for authorized users to update system data information in real time (both electronically and manually)
- Ability for authorized users to conduct pre-defined queries directly from the Claims Processing System in real time
- Ability to generate and store static NIHB Claims Processing Management Reports
- Ability to conduct claim encounter Informatics, such as:
    - Manage and report on claim processing activity
    - Manage quality assurance and auditing procedures
    - Manage critical inquiry process and appeals
- Ability to adjudicate claims, such as:
    - Determine coverage/benefits
    - Determine eligibility
    - Determine covered service
    - Perform clinical editing
- Ability to perform claim policy management, such as:
    - Develop claim policy rules
    - Monitor claim policy
    - Review claim policy appeal
- Ability to communicate claim outcomes, such as:
    - Generate remittance advice
    - Generate explanation of benefits
    - Ability to perform benefits management, such as:
    - Provide benefits support
    - Provide benefits administration
- Ability to prepare and process claims
- Ability to process reimbursement and notification
- Provider Verification: Ability to verify that the provider is registered with the NIHB Program is authorized to provide the product or service claimed based on their area of specialization, and the date of service falls within the provider's effective period of being registered.
- Benefit Verification: Ability to verify that the services meet the NIHB Program benefit rules, claims that require a Prior Approval (PA), Pre-Determination (PD), or a Special Authorization (SA) have the required authorization number, and claims that exceed a frequency limitation have the necessary authorization to be adjudicated and paid.
- Client Verification: Ability to verify that the client is eligible under the NIHB Program, the date of service is within the client eligibility coverage period, and the client is the client is not covered under a Health Canada transfer program for the benefit claimed.

- General Verification: Ability to verify that all required information has been submitted correctly, that the request/claim is not a duplicate, and the request/claim has been submitted within an acceptable timeframe
- Pricing Verification: Ability to ensure that the claim is paid appropriately based on Health Canada pricing in effect on the date that the service was provided. Or according to the PA, and SA terms, ability to ensure that claims are paid against the Pricing and Fee Schedule in place in the region or Province the service is obtained
- Ability to authorize and manage provider requests
- Ability to generate and distribute the results (approval/denial) of benefit requests to the providers
- Ability to process the intake of claims
    - Enter paper claims into claims system
    - Enter electronic claims into claims system
    - Create claims imaging and record within claims system
    - Assign claim control ID
    - Route claims for processing
    - Conduct pre-edit claims examination
    - Validate claims
- Ability to produce and distribute (various methods e.g. email) NIHB Claims Statements
- Ability to track when a statement was generated, produced and distributed based on the various methods
- Ability to issue payments electronically and by paper cheque for adjudicated claims to registered providers, clients and authorized parties
- Ability to track all activities on settled claim(s) payments
- Ability to cancel and re-issue settled claims payments
- Ability to manage the receipt and routing of transactions
    - Process web-based transactions
    - Process electronic data interchange (EDI) transactions
    - Process paper transactions (mail room)
- Ability to provide explanation of benefits to clients and providers

4. Financial Operations

The following includes, but not limited to, HC's needs related to Financial Operations:

- Ability to capture all manual adjustments that will affect the HICPS Claims Funding Request: as an example, manual adjustments will off-set against claims settled in the payment period
- Ability to capture and track amount payable to individual providers, individual clients and approved third parties for the payment period. Amount payable to be captured by type of benefit:
    - Dental care;
    - Pharmacy:
        - Prescription Drugs
        - Over the counter drugs
    - Medical Supplies and Equipment:
        - Medical Supplies
        - Medical Equipment
    - Vision care
    - Mental Health counselling
- Ability to verify payments to providers, clients and approved third parties. This requirements will allow payment to Claims Processor once the verification process is complete
- Ability to manage and report on the disbursement and collection of funds through a dedicated account with a Canadian Financial Institution.
- Ability to generate HICPS claims expenditure data; the expenditure data shall support the Claims Funding Request. This requirements will allow for the expenditure data and claims expenditure to balance against the HICPS Claims Funding Request for the specified period
- Ability to track and maintain a record of amount receivable from providers, clients and third parties as a result of audits, claims errors, corrections, or other adjustments.
- Ability to apply financial controls and practices to support HICPS financial operations. This requirement includes the ability to conduct financial management planning and control processes and procedures that will be used to ensure efficient budgeting, cash flow planning and financial management, financial integrity, accuracy and probity.
- Ability to collect amounts receivable from providers, clients and third parties as a result of audits, claims errors, corrections or other adjustments.
- Ability to conduct all financial activities in a manner that permits and facilitates the Canadian Standard on Assurance Engagement (CSAE) 3416 of the Handbook of the Canadian Institute of Chartered Accountants (CICA).

5. Provider Audit

Provider audit services are needed to ensure that claim submissions and financial transactions between the contractor and providers are correct and reflect the NIHB program requirements set out by Health Canada as well as provincial/territorial and federal regulations. The five major components of provider audit services include:

1. Next day claims verification
2. Client confirmation
3. Provider profiling
4. On-site provider audits
5. Desk audits

The following includes, but not limited to, HC's needs related to provider audit:

- Ability to identify, monitor, and report on billing irregularities and inappropriate billing practices
- Ability to validate active licensure of registered providers
- Ability to confirm the status of paid services (e.g. received, outstanding) by NIHB Program clients
- Ability to track and report on provider billing and documentation for all submitted claims
- Ability to conduct client confirmation based on rules defined by NIHB program guidelines. This requirement is to ensure that eligible clients, for whom claims have been submitted by providers, have actually received the claimed services
- Ability to conduct provider profiling through sampling methodology that targets and verifies details of high-risk payments to providers. This requirements is to allow detection of billing irregularities and to approve on-site audits if required
- Ability to recover monies owed where applicable.

6. Data Collection, Analysis and Reporting

The following includes, but not limited to, HC's needs related to data collection, analysis and reporting:

- Ability to capture complete history of all transactions
- Ability to generate reports according to pre-defined queries/standards
- Ability to employ data discovery and reporting tools to design and develop, then execute ad-hoc queries/reports
- Ability to track and report on NIHB claims through each stage of the request/claim's processing and settlement processes.
- Ability to maintain and access complete history of benefits received by clients
- Ability for data analysis and data mining to identify to important trends in provider and/or beneficiary behavior such as fraudulent activity, program misuse, high-risk behaviour, and probable determinants of developing diseases.

7. Technical Requirements

	Category	Non-Functional Requirement
1	Security	Login requirements – the solution must include access levels based on user role; and include Create, Read, Update, Delete (CRUD) levels Password requirements – the solution must include specifications for length, special characters, expiry, and recycling policies Inactivity timeouts – the solution must have timeout durations and actions
2	Audit	The solution must have the ability to audit elements, fields, and file characteristics
3	Performance	The solution must be prompt in response times, processing times, and Query and Reporting times
4	Capacity	Throughput – the solution must be able to handle a large volume of transactions per hour as specified by HC Storage – the solution must be able to store a large volume of data and allow for year-on-year growth
5	Availability	The solution must be available during agreed upon hours of operation; and The solution must be available at all locations of operation
6	Reliability	Mean Time between failures: The mean time between failures cannot exceed acceptable threshold for down-time Mean time To Recovery: In the event of a failure, the system must be operational again within agreed upon time from the time of failure
7	Integrity	The solution must have the ability to carry out fault trapping (I/O), bad data trapping, data integrity (referential integrity in database tables and interfaces, and image compression and decompression standards

	Category	Non-Functional Requirement
8	Recovery	The solution must have a recovery process and recovery within acceptable agreed upon time scale The solution must have daily back up frequencies for transaction data, set-up data, system (code) backed-up The solution must have daily back up generations for restoring to previous instance(s) in the event of a failure
9	Compatibility	The solution must be compatible with shared applications identified by HC that are operationally required by the NIHB Program for HICPS The solution must be compatible with third party applications required for HICPS operations as specified by HC The solution must be compatible with operating systems that conform to Government of Canada standards The solution must be ISO 27001 certified to increase and enhance data security The solution must be compatible with hardware platforms that conform to Government of Canada standards
10	Maintainability	The solution must have architecture, design, and coding standards that conform to Government of Canada/Shared Services Canada standards
11	Usability	The solution must meet Government of Canada standards for look and feel, language (official languages), spellings, paper sizes
12	Documentation	There must be user documentation for all items related to the solution

ANNEX D:
PROCUREMENT STRATEGY FOR ABORIGINAL BUSINESS (PSAB) BACKGROUNDER

Procurement Strategy for Aboriginal Business (PSAB) for Government of Canada

The Procurement Strategy for Aboriginal Business (PSAB) was established to help Aboriginal businesses do more contracting with the Government of Canada and to promote Aboriginal business development through the federal government procurement process. This initiative consists of the following elements: greater emphasis on Aboriginal economic development when planning procurements; mandatory set-asides and voluntary set-asides; provision for subcontracting with Aboriginal businesses when the primary requirement is outside of international trade agreements (NAFTA, WTO-AGP and CETA); and, requirements for each department and agency with an annual contracting budget in excess of $1.0 million to develop multi-year performance objectives for contracting with Aboriginal businesses.

The Procurement Strategy for Aboriginal Business (PSAB)

What is the Procurement Strategy for Aboriginal Business?

PSAB is administered by Aboriginal Affairs and Northern Development Canada (AANDC). For more information please visit the PSAB website.

There are two forms of set-asides:

- Mandatory: applies to all contracts that serve a primarily Aboriginal population (i.e., at least 80 per cent) and that are valued at more than $5,000.
- Voluntary: may be applied to other contracts by federal buyers whenever practical and where Aboriginal business capacity exists.

Who is eligible to bid on a PSAB set-aside?

Set-asides are designated for Aboriginal businesses, defined as:

- Business enterprise (a sole proprietorship, limited company, co-operative, partnership, or not-for-profit organization) which has: 1) a minimum of 51 per cent ownership and control by Aboriginal persons, and 2) when the business has six or more full-time employees, at least 33 per cent of the full-time employees are Aboriginal persons.

  OR

- A joint venture or consortium in which Aboriginal businesses and/or non-Aboriginal businesses partner must have at least 51 percent ownership and control by Aboriginal persons. All joint ventures or consortiums also require that Aboriginal content is at least 33 per cent of the total value of the work to be performed.

Set-asides may only be awarded if:

Aboriginal businesses and/or joint ventures certify in bid documentation that they meet the above eligibility criteria, agreeing to comply with required Aboriginal content in the performance of the contract, and agreeing to furnish required proof and comply with eligibility auditing provisions; and Aboriginal businesses are registered in the Aboriginal Business Directory (ABD).

What is the Aboriginal Business Directory (ABD)?

The ABD is a **flexible, customized** database and **marketing agent** where buyers and sellers can identify and generate **networking opportunities** and increase the **global visibility** of their businesses.

The ABD is used to identify Aboriginal business capacity across the country and to promote federal, provincial and private sector procurement opportunities.

The ABD is comprised of a wide variety of business industries such as restaurants, accommodations, construction, information technology and consulting services to name a few.

Registration in the Aboriginal Business Directory is voluntary and subject to the eligibility criteria under the Procurement Strategy for Aboriginal Business (PSAB).

Why join the ABD?

It's **free**, **easy**, increases business visibility and allows you to bid on PSAB set-aside contract opportunities!

http://www.aadnc-aandc.gc.ca/abd

Contacts and Resources

Aboriginal Procurement and Business Promotion (APBP) Directorate

For more information on the PSAB:

Telephone (Toll-free): 1-800-400-7677

saea-psab@aandc-aadnc.gc.ca

http://www.aadnc-aandc.gc.ca/psab

PSAB Coordinators

Each federal department has a PSAB Coordinator.

The contact information for each coordinator can be found at the following website:

http://www.aadnc-aandc.gc.ca/psab

ANNEX E:
EXAMPLE OF
ABORIGINAL PARTICIPATION COMPONENT

REQUIREMENT FOR ABORIGINAL PARTICIPATION

The contract shall include the following:

1. Preamble

Canada has determined that there is sufficient Aboriginal representation in _____ that this solicitation warrants Aboriginal Engagement.

2. Scope of Document

This document provides details on the Crown's requirements for Aboriginal Participation. This document includes definitions on terminology used. Definitions that apply to the requirements of this Annex are provided in Attachment 1.

3. Aboriginal Participation Component

The Aboriginal Participation Component will be submitted as part of the Contractor's proposal and shall include the following:

3.1 Aboriginal Participation Content

The Aboriginal Participation Component shall include a clear statement of the minimum amount of Aboriginal Participation that the Contractor proposes to provide, expressed in dollars and as a percentage of the total contract value. The Component should include a clear statement of the minimum hours of direct employment of Aboriginal resources as well as a clear statement of the minimum dollar value of business sourced to Aboriginal firms that the Contractor proposes to use in carrying out the work. The amount of Aboriginal Participation outlined must equal a minimum of 10 per cent of the total contract value.

3.2 Human Resources Plan

The Aboriginal Participation Component shall include a Human Resources Plan that details how the Contractor or its subcontractor(s) intends to maximize the use of Aboriginal employment. The Human Resources Plan shall address how employment of Aboriginal people will be managed and shall provide:

a) Details on the work to be carried out for each position proposed to be filled by an Aboriginal person;

b) Strategies for recruitment of Aboriginal persons;

c) Strategies for retention of Aboriginal persons;

d) Details on succession planning; and,

e) Details on staff management.

The Human Resources Plan must describe the measures undertaken by the Contractor to determine the availability and capabilities of proposed Aboriginal employees. It shall be in sufficient detail to allow the Crown to assess the quality and value of the Aboriginal Participation proposed as well as the probability of meeting the objectives contained therein.

3.3 Skills Development Plan

The Aboriginal Participation Component shall include a Skills Development Plan that details how the Contractor or its subcontractor(s) intends to maximize the training and skills development of Aboriginal persons. The Skills Development Plan shall address the use of:

a) Apprenticeship programs;

b) Pre-professional programs;

c) College programs;

d) On the job training; and,

e) In-house training programs.

The Skills Development Plan shall address how training of Aboriginal people will be managed. It shall also address the complexities introduced by the annual cycle of work at _____, the cultural cycles of Aboriginal life, the capacity of Contractor's staff to supervise, monitor, support and coordinate trainees as well as the availability of training facilities. It shall describe how proposed measures will enhance Aboriginal labour force capacity and contribute to long-term employability of Aboriginal employees.

The Skills Development Plan shall be in sufficient detail to allow the Crown to assess the value of the Skills Development proposed as well as the probability of meeting the objectives contained therein.

3.4 Aboriginal Business Plan

The Aboriginal Participation Component shall include an Aboriginal Business Plan that details how the Contractor intends to maximize the use of Aboriginal firms. The Aboriginal Business Plan shall:

a) Identify the work intended to be carried out by Aboriginal firms, as well as the dollar value of the work;

b) Detail how business with Aboriginal firms will be managed, from developing sources of supply to administration; and,

c) Detail any development of new sources of supply or new capabilities.

The Plan shall address how the Contractor or its subcontractor(s) intends to work with outside organizations that have experience or mandates in various aspects of contracting with Aboriginal people or firms. Such outside organizations known to the Crown include:

Labrador Aboriginal Training Partnership

Aboriginal Affairs & Northern Development (AANDC) – Government of Canada

Human Resources and Skills Development Canada (HRSDC) / Service Canada – Government of Canada

Atlantic Canada Opportunities Agency – Government of Canada

Public Works and Government Services Canada (PWGSC) – Government of Canada

Department of National Defence (DND) – Government of Canada

Innu Nation

Nunatsiavut Government

NunatuKavut

If the Contractor has consulted with other organizations, it must present details substantiating that the organization has experience or a mandate related to contracting with Aboriginal people or firms.

For a comprehensive list of Aboriginal firms, together with information on the goods and services, that they would be in a position to furnish in relation to government contracts, please refer to Industry Canada's Aboriginal Business Directory.

The Plan should be in sufficient detail to allow the Crown to develop a clear assessment of the viability of the Aboriginal Business Plan.

3.5 Other Measures

The Aboriginal Participation Component shall include other measures that the Contractor or its subcontractor(s) considers relevant, such as, but not limited to

a) Specialized training or programs required for employment at _____;

b) Other activities related to but not specifically detailed in the Statement of Work;

c) Participation in careers events, such as high school visits, career presentations and scholarships; and,

d) Community outreach projects to create a positive image for _____.

3.6 Transactions

Each item of Aboriginal Participation shall be detailed in Transaction form, detailing the type of participation, the amount of work involved in terms of dollars and labour, and a description of the lasting value to be achieved.

3.7 Allowable Expenses

The following defines what is allowable as an expense for Aboriginal Participation.

3.7.1 Allowable costs associated with labour carried out by an Aboriginal person are direct salaries, benefits (including but not limited to health, pension, and vacation) and other associated costs, which are paid to Aboriginal persons or firms

3.7.2 Allowable costs associated with work placed with Aboriginal Firms include but are not limited to direct costs, overhead, G&A and profit.

3.8 Risk Assessment

The Aboriginal Participation Component must identify risks associated with the proposed approach and provide mitigation strategies.

3.9 Relevant Experience

The Aboriginal Participation Component must outline any relevant experience in managing relationships with and career development of Aboriginal employees, as well as in subcontracting to Aboriginal firms to allow the Crown to develop a clear assessment of the Contractor's past experience and viability of the Plan.

4. Finalized Aboriginal Participation Component

Within 90 days after date of Contract Award, the Contractor shall submit to the Crown for approval a finalized Aboriginal Participation Component based upon the draft Aboriginal Participation Component submitted as part of its proposal. This finalized Aboriginal Participation Component will not be a copy of the draft Aboriginal Participation Component but should provide additional details on the Contractor's plans to ensure Aboriginal participation in its activities of a meaningful, sustainable and achievable nature.

4.1 Amendment of Aboriginal Participation Component

At any time during the contract, the Contractor may propose amendments to the Contracting Authority to the Aboriginal Participation Component. Any such proposal must include a justification for the change and a detailed explanation that the change results in Aboriginal Participation that are not reduced in quantity or quality. Canada shall provide comments or agreement within 15 working days. Canada is under no obligation to accept any such proposal regardless of its content or justification.

5. Other Requirements

5.1 Quality of the Participation

While Aboriginal participation in the work is a mandatory requirement, it is desirable that this participation be of a lasting, sustainable and meaningful nature. These requirements may be met by the Contractor or by any of its subcontractors, sub-subcontractors, etc.

5.2 Assessment of Participation

Canada will carry out an annual assessment of the benefits achieved compared against the Aboriginal Participation Component. Canada's review shall be completed within 1 month after receipt of the Annual Report of Section 6.2 below.

The assessment shall compare the participation forecast in each transaction against actual results accomplished by the Contractor or its subcontractor(s). The assessment shall examine each transaction and report on whether or not the transaction was completed and whether or not the objectives of the transaction were accomplished. If any objectives were not met, the report shall, if possible, identify why not.

A draft final assessment shall be provided by Canada to the Contractor for comment within 5 days thereafter. Canada shall review these comments, finalize the Assessment and issue it within 5 days after receiving Contractor's comments.

5.3 Aboriginal Participation Advisory Panel

Canada shall establish an Aboriginal Participation Advisory Panel to:

a) Provide information, advice and guidance to the successful contractor in terms of hiring Aboriginal persons for employment, sub-contracting, and on-the-job training and skills development; and

b) Provide guidance to Canada on the assessment of the successful Contractor's progress in providing Aboriginal Participation

More specifically, the proposed role and responsibilities of the Aboriginal Participation Advisory Panel are to:

1. Help stakeholders design the right programs to support business/stakeholders;
2. Help the Contractor find ways to overcome issues;
3. Assist the Crown in evaluating the success or failure of the Contractor's attempt at achieving its commitments as detailed in the Aboriginal Participation Component; and,
4. Defend legitimate reasons the Contractor cannot achieve its commitments as detailed in the Aboriginal Participation Component.

The Aboriginal Participation Advisory Panel shall be composed of participants from:

1. Aboriginal Affairs and Northern Development
2. Public Works and Government Services Canada

…

6. Reporting Requirements

6.1 Yearly Plan Update

The Contractor shall provide updates to the Aboriginal Participation Component, which add details on the specific transactions that the Contractor proposes to accomplish in the upcoming contract year.

Each update shall provide details on how each transaction will be carried out, the proposed objectives and schedule, required resources, any dependencies, and what benefits (employment, skills development, or other) will be provided.

The update shall be submitted to the PWGSC Contract Authority for review and comment. PWGSC shall provide comments, or approval within 10 calendar days thereafter. The Contractor shall revise and resubmit the update within 1 week of receipt of PWGC comments. The updates must be submitted

a) within 90 days after date of Contract Award

b) not later than March 1 of each subsequent year

6.2 Annual Report

The Contractor shall provide annually a detailed report on the Aboriginal Participation accomplished in the preceding year. This report shall be provided to the PWGSC Contracting Officer within 1 month after each anniversary of Contract Award.

It shall provide for each Transaction listed in the Aboriginal Participation Component what was actually accomplished, the dollar value of the Aboriginal Participation achieved and an assessment of the quality of the benefit.

6.3 Interim Report

The Contractor shall provide an Interim Aboriginal Participation Report within 6 months after each anniversary of Contract Award. The Interim Report shall provide the same detail as for the Annual Report, but shall also provide a projection on the total benefits anticipated by the end of the year.

6.4 Submission of Documents

The documents detailed above shall be submitted in hard copies (an original plus 2 copies) as well as in electronic format to the PWGSC Contracting Authority.

Annex E Attachment 1 - Definitions

Aboriginal Content

"Aboriginal content" refers to the amount (e.g. dollar value or percentage of total value) of Aboriginal participation that will be created through this project. Aboriginal participation will include both labour force participation (i.e. value of salary and non-salary committed to employment and development of Aboriginal people), business participation (i.e. value of contracts awarded to Aboriginal subcontractors) and other measures.

Aboriginal Firm

"Aboriginal firm" means an entity which complies with the criteria set out in the Procurement Strategy for Aboriginal Business (PSAB). According to the PSAB, "Aboriginal firms" include sole proprietorships, limited companies, co-operatives, partnerships, or not-for-profit organizations. To be considered an Aboriginal business, a firm must meet the following criteria:

(1) At least 51 percent of the firm is owned and controlled by Aboriginal people; and,

(2) At least one third of the firm's employees, if it has six or more full-time staff, are Aboriginal.

If a firm is starting a joint venture or consortium, at least 51 percent of the joint venture or consortium must be controlled and owned by an Aboriginal business or businesses, as defined above.

To determine if a firm qualifies as an Aboriginal firm, along with information on the goods and services it provides, please refer to the Industry Canada Aboriginal Business Directory.

Aboriginal Person

An Aboriginal Person is defined as a Status or Non-Status Indian, Metis or Inuit person who is a Canadian citizen and resident in Canada.

On-the-job Training

Formalized instruction, or instruction in formal systems, conducted on or near the workplace, during normal work hours. It is most often required or desired by the employer. It is usually done to bring less-qualified staff up to satisfactory performance, introduce new systems or technologies, or prepare staff for advancement. Supervisors, experienced staff or professional specialized trainers may be utilized.

Professional and Para-Professional Education

Includes participation in a formal course of study that has been approved by the employer or another body recognized as an accrediting agency in a specific occupational field. It most often includes instruction away from the workplace in a classroom or laboratory. The instructor is customarily from outside the organization.

Training

To form a skill by instruction, discipline or drill. The focus is most often a product, process, craft, trade or art. In today's workplace, it is expanded to include information, attitudes and values. The instructor is selected for his or her skill and experience, as well as effectiveness and efficiency in training others.

Sustainability (Aboriginal Participation Component)

Demonstrates how long-term participation may be generated for Aboriginal firms, Aboriginal self-employment and/or for individual Aboriginal employees through workforce development including, but not limited to skills development on-the-job training, and apprenticeship.

Total Contract Cost

For the purposes of evaluating the Aboriginal Participation Component, or performance against it, the Total Contract Cost shall be defined as the sum of the cost of all firm price line items and all estimated price line items that are subject only to economic price adjustment only in the contract.

ANNEX F:
RULES OF ENGAGEMENT

Health Information and Claims Processing Services

Industry Engagement Process

Rules of Engagement

(Mandatory Form for Participant)

An overriding principle of the Industry Engagement is that it be conducted with the utmost fairness and equity between all parties. No one person or organization shall receive nor be perceived to have received any unusual or unfair advantage over the others.

All GC documentation provided throughout the Industry Engagement Process, which begins with the RFI #1 and concludes when an official RFP is published on the Government Electronic Tendering Service (GETS) or when the GC advises Participants that the Industry Engagement Process ("Process") has concluded, will be provided to all participants who have agreed to and signed the Terms and Conditions of Engagement Process ("Participant").

The GC will not disclose proprietary or commercially sensitive information concerning a Participant o other Participants or third parties, except and only to the extent required by law.

TERMS AND CONDITIONS

The following terms and conditions apply to the Process. In order to encourage open dialogue, Participants agree:

- To discuss their views concerning the HICPS requirement and to provide positive resolutions to the issues in question. Everyone shall have equal opportunity to share their ideas and suggestions;
- To allow the GC to record and/or make notes during the One-on-One Sessions and/or Working Group sessions should clarification of information be required;
- NOT to reveal or discuss any information to the MEDIA/NEWSPAPER regarding the HICPS requirement during the Engagement Process. Any media questions will be directed to the PWGSC Media Relations Office at 819-956-2313;
- To direct enquiries and comments only to authorized representatives of the GC, as directed in notices given by the Contracting Authority from time to time. Any communication to unauthorized representatives of Canada may be subject to full disclosure by Canada on the GETS;
- That the GC is not obligated to issue any Request for Proposal (RFP), or to award any Contract for the HICPS requirement;
- That if the GC does release an RFP, the GC retains absolute discretion over the terms and conditions of the RFP;
- That the GC will not reimburse any person or entity for any cost incurred in participating in this Process;
- To direct all enquiries with regard to the procurement of HICPS to the Contracting Authority;
- That participation is not a mandatory requirement. Not participating in this Process will not preclude a supplier from submitting a bid;

- That a Draft RFP may be posted on GETS for industry comment;
- That failure to agree to and to sign the Terms and Conditions will result in the exclusion from the Process;
- That any information submitted to the GC as part of this Process may be used by the GC in the development of a subsequent competitive RFP. However, the Government is not bound to accept any expression of interest or to consider it further in any associated documents such as a RFP;
- That the GC may disclose the names of Participating Suppliers that choose to participate in the Process;
- That other Participants may join the Process at any time in the process; and,
- That a dispute resolution process to manage impasses throughout this Process shall be adhered to as follows:

Dispute Resolution Process

1. By informal discussion and good faith negotiation, each of the parties shall make all reasonable efforts to resolve any dispute, controversy or claim arising out of or in any way connected to this Industry Engagement.
2. Any dispute between parties of any nature arising out of or in connection with this industry engagement shall be resolved by the following process:
    a. Any such dispute shall first be referred to the Participating Supplier's Representative and the PWGSC Procurement Manager managing the Industry Engagement. The parties will have three (3) business days in which to attempt to resolve the dispute;
    b. In the event the representatives of the parties specified in Article 2.a. above are unable to resolve the dispute, it shall be referred to the Participating Supplier's Project Director and the PWGSC Senior Director of the Directorate responsible for managing the industry engagement. The parties will have three (3) business days to attempt to resolve the dispute;
    c. In the event the representatives of the parties specified in Article 2.b. above are unable to resolve the dispute, it shall be referred to the Participating Supplier's Vice President and the PWGSC Director General of the Sector responsible for managing the industry engagement. The parties will have three (3) business days to attempt to resolve the dispute;
    d. In the event the representatives of the Parties specified in Article 2.c. above are unable to resolve the dispute, it shall be referred to the Participating Supplier's President and the PWGSC Assistant Deputy Minister of the Branch responsible for managing the industry engagement, who will have five (5) business days to attempt to resolve the dispute; and,
    e. In the event the representatives of the Parties specified in Article 2.d. above are unable to resolve the dispute, the Contracting Authority shall within five (5) business days render a written decision which shall include a detailed description of the dispute and the reasons supporting the Contracting Authority's decision. The Contracting Authority shall deliver a signed copy thereof to the Participating Supplier.

By signing this document, the individual represents that they have full authority to bind the Participating Supplier listed below and that the individual and the company agrees to be bound by all the terms and conditions contained herein.

Company Name of Participating Supplier:

Name of Individual:

Telephone:

E-mail:

Signature:

Date:

IMPORTANT: Suppliers interested in participating in the HICPS Industry Engagement Process must agree to and sign this mandatory form.

Participants are requested to return this completed from via e-mail to: TPSGC.DGASTRDPSS-AQCBHICPS.PWGSC@tpsgc-pwgsc.gc.ca

ANNEX G:
REGISTRATION FORM FOR
INDUSTRY ENGAGEMENT INFORMATION SESSION #1 AND ONE-ON-ONE SESSIONS #1

Registration Form for
Industry Engagement Information Session #1 and One-on-One Sessions #1

Company Name of Participating Supplier:

Contact Name:

Title:

E-mail:

Telephone: **Fax:**

Mailing Address:

Preferred Language: English ☐ French ☐

Supplier is an Aboriginal Business ☐

Industry Engagement Information Session #1

Attendance: Yes ☐ No ☐

Attendees:

	Name:	**Title:**
1.		
2.		
3.		

Attendance via:

In Person in the NCR ☐ **WebEx and/or Teleconference ☐**

One-on-One Session #1

Attendance: Yes ☐ No ☐

Attendees:

	Name:	**Title:**
1.		
2.		
3.		

Attendance via:

In Person in the NCR ☐ **WebEx and/or Teleconference ☐**

Preferred Meeting Schedule

Please rank your preferred meeting time(s) (i.e. 1st choice = 1, 2nd choice = 2, etc.). One meeting time will be allocated to each Participant, primarily on a first-come-first-served basis. Resolution of conflicts will be attempted; however the Contracting Authority reserves the right to assign meeting times at their sole discretion.

(Times are EDT)	**Monday September 21, 2015**	**Tuesday September 22, 2015**	**Wednesday September 23, 2015**
Morning **9:30 am – 11:30 am**			
Afternoon **1:00 pm – 3:00 pm**			

Note: Additional days for One-on-One Sessions may be added as required

Please advise if any attendee requires special venue arrangements for any of the meetings (i.e. persons with special needs)

ANNEX H:
INDUSTRY ENGAGEMENT INFORMATION SESSION #1 AND ONE-ON-ONE SESSIONS #1
DRAFT SCHEDULE AND AGENDA

Industry Engagement Information Session #1 and
One-on-One Sessions #1
Draft Schedule and Agenda

September 21 – 23, 2015

National Capital Region

Day 1: Monday September 21, 2015

Time	Event	Speaker
	Industry Engagement Information Session #1	
8:30 am – 9:00 am	Sign-in and Industry networking opportunity	
9:00 am – 9:15 am	Opening Remarks	PWGSC & HC
9:15 am – 9:45 am	Smart Procurement and Engagement Model	PWGSC – Services and Technology Acquisition Management Sector – Director General
9:45 am – 10:15 am	Proposed Engagement Approach for HICPS	PWGSC Contracting Authority
10:15 am – 10:30 am	Break	
10:30 am – 10:45 am	NIHB and HICPS Overview	HC – NIHB Director General
10:45 am – 11:15 am	HICPS Requirement Overview	HC – NIHB Executive Director
11:15 am – 11:45 am	Aboriginal Participation Component	AANDC – Senior Program Manager
11:45 am – 12:15 pm	Questions and Answers	PWGSC, HC & AANDC
	One-on-One Sessions #1	
1:30 pm – 3:30 pm	One-on-One Session A	

Day 2: Tuesday September 22, 2015

Time	Event
9:30 am – 11:30 am	One-on-One Session B
1:00 pm – 3:00 pm	One-on-One Session C

Day 3: Wednesday September 23, 2015

Time	Event
9:30 am – 11:30 am	One-on-One Session D
1:00 pm – 3:00 pm	One-on-One Session E

Note: Additional days for One-on-One Sessions may be added as required