

## **APPENDIX C DELEGATION**

An Applicant that is awarded a contract with ODJFS may wish to delegate certain operations to third party entities that are not controlled by the Applicant or by a member of its corporate family. For this appendix, an Applicant must provide information about its administrative expense experience, anticipated administrative expense should it be selected under this RFA, and the portion of those expenses associated with delegated entities. . [Delegated entity is defined in II.A. Definitions/Applicable Regulations of this RFA.]

Definition:

Administrative Expense = administrative expense as would be reported on quarterly and annual Health Statements of the National Association of Insurance Commissioners (NAIC). Any portion of a health care based tax or fee should be removed from this number if the applicant would be expected to receive direct reimbursement back from a governmental body for the expense.

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**Item 1:** Provide the total administrative expense for the corporate family and the amount of this expense associated with delegated entities for CY 2007 or the most recently available year.

Total Administrative Expense: \$ \_\_\_\_\_

Portion of Total Administrative Expense Associated with Delegated Entities:

\$ \_\_\_\_\_

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**Item 2:** Provide an estimate of the total annual administrative expense and the anticipated amount of this expense that will be associated with delegated entities for providing services to the Ohio ABD population should the Applicant be selected under this RFA:

Total Estimated First Year Administrative Expense for Servicing Ohio ABD Population:

\$ \_\_\_\_\_

Portion of Total Administrative Expense Associated with Delegated Entities:

\$ \_\_\_\_\_

**ODJFS reserves the right to contact Applicants subsequent to application submission for clarification.**

## APPENDIX C DELEGATION SCORING METHODOLOGY

**The following score sheet and related scoring methodology will be used by ODJFS to evaluate each applicant's submitted information for this Appendix. Applicants are NOT to fill out and return the "Score Sheet" for this or any section. The score sheets are presented within this RFA to establish the criteria, and their relative importance within the entire RFA scoring process, on which applications will be evaluated and through which the successful applicant selected. Applicants are strongly encouraged to use all score sheets to evaluate their own application packages for completeness, quality, and compliance with instructions and requirements prior to submitting them to ODJFS.**

The total points associated with Appendix C are 1,000 with a possible 500 points associated with Item 1 and 500 points associated with Item 2. ODJFS will calculate a ratio for Item 1 and a ratio for Item 2 based on the information reported on Appendix C as follows:

$$\text{Ratio} = \frac{\text{(Administrative Expense Associated with Delegated Entities)}}{\text{(Total Administrative Expense)}}$$

Results of this calculation will be rounded to the nearest hundredth to get the Ratios.

Applicants will receive the following point values for Item 1 and 2 based on the resulting ratios in the following manner:

<u>Ratio Range</u>	<u>Points</u>
0.00 - 0.30	500
0.31 – 0.50	300
0.51 – 1.00	0

The points earned for Item 1 and 2 are combined to get one score for Appendix C.