Request for Proposals (RFP) Addendum #1

SWIFT Event #: 2000018587
Agency: Minnesota Department of Health
Addendum Number: 1
Date of Addendum: September 4, 2026
Title: Development of Healthcare Affordability Standards
Response deadline: September 14, 2026, 12:00 pm, Central Time
Question deadline: August 31, 2026

SCOPE OF ADDENDUM

The following are changes to the RFP: The following questions were received from responders. Answers are provided below and are issued as an addendum to the solicitation.

1. Could MDH provide the anticipated budget range or maximum available funding for the base contract, including any expected allocation by contract year? Please also clarify whether the budget is intended to cover Tasks One through Eight, optional activities, and potential ad hoc support, or whether those should be priced separately.

   Answer: MDH is not providing an anticipated budget range or maximum available funding. Costs should reflect each responder's proposed approach. Please refer to Cost Proposal instructions for breaking out various components of the cost proposal.

2. For the potential three-and-a-half-year extension period, should responders provide pricing assumptions or escalation rates?

   Answer: No. Responders should provide cost detail only as required in Attachment C and consistent with Section 6 (Conditions of Offer).

3. Is there an expected minimum or maximum number of final affordability standards?

   Answer: MDH anticipates having at least one statewide spending metric and at least one household affordability measure.

4. For ad hoc support under Task Eight, can MDH provide an estimated number of hours or anticipated level of effort? Should responders include a not-to-exceed amount in addition to personnel and hourly rates?

Answer: The information on personnel to be available for ad hoc support will be used solely for contracting purposes. MDH will not add hourly rates or use them as part of the Cost Proposal scoring. Responders must include personnel and hourly rates for ad hoc work in Attachment C. Responders are welcome to provide any limitations they may have on availability of listed personnel to provide ad hoc support. MDH does not have an anticipated level of effort associated with Task Eight.

5. How many rounds of MDH review and revision should responders assume for each major deliverable?

   Answer: Responders can expect at least 2 rounds of review.

6. Is there a target date by which MDH expects the affordability standards to be finalized and Minnesota's performance calculated?

   Answer: All timelines, including finalizing standards and calculating Minnesota's performance, will be defined through the workplan developed under Task One.

7. Should responders assume that the presentations to Health Care Affordability Advisory Task Force (HCAATF) and Provider and Payer Advisory Task Force (PPATF) will each require only one meeting and one round of follow-up?

   Answer: Responders should assume one presentation to each group (HCAATF and PPATF).

8. Does MDH expect the responder to use existing MDH calculations and reporting methodologies where available, or should the responder independently validate and reproduce those analyses?

   Answer: Yes. Independent validation or reproduction is not required unless necessary for calculating the new affordability standards.

9. Will MDH work with the winning bidder to arrive at an acceptable contract (negotiate contract terms)?

   Answer: Yes. Responders are instructed to identify and list any standard contract template language to which they take an exception on Attachment B. The State reserves the right to reject, negotiate, or accept any exception during the contract negotiation process.

10. Section 2, Summary of Scope, Tasks and Deliverables, Task Two (page 6) Can MDH please clarify the division of responsibilities expected between the current contractor and the awarded respondent for the meetings noted?

Answer: As stated in Task Two, the awarded respondent will provide briefing materials and lead the HCAATF in a discussion and may require the awarded respondent to coordinate with MDH's current contractor facilitating the task forces. The current contractor is responsible for facilitating the task forces broadly, while the awarded respondent is responsible for preparing materials and leading the specific affordability standards discussion and Technical Panel meetings.

11. Section 2, Procurement Overview and Goals (page 6) The Health Care Affordability Advisory Task Force has received prior briefing and foundational analysis on healthcare affordability measurement. Will MDH make those materials, along with any prior HCAATF or Provider and Payer Advisory Task Force work products related to affordability standards, available to all responders so that proposals can build from a common base?

    Answer: All HCAATF and PPATF meeting materials are made public and available on the Center for Health Care Affordability task force websites: https://www.health.state.mn.us/data/affordability/ataskforce.html.

12. Section 2, Summary of Scope, Task Six (page 8) Will MDH provide access to the required data within a State-managed environment, or will data be transferred to the awarded respondent for analysis in the respondent's own environment? If the latter, can MDH identify the applicable security requirements, whether a security review or approval is required before transfer, and the expected duration of that review?

    Answer: Under Task Six, MDH is prepared to provide data or access to data necessary for the awarded respondent's work. Any access to nonpublic data requires fulfilling MDH's access and data security requirements, including training. The duration of that review depends on the data source.

13. Section 2, Summary of Scope, Tasks and Deliverables, Task Eight (page 9) To let responders price Task Eight (ad hoc support) on a comparable basis, can MDH please provide an estimated number of ad hoc hours (annually or over the full term) or a not to exceed amount to assume?

    Answer: The information on personnel to be available for ad hoc support will be used solely for contracting purposes. MDH will not add hourly rates or use them as part of the Cost Proposal scoring.

14. Section 3, Anticipated Contract Term, and Attachment C, Cost Detail Is there an available budget range or not to exceed amount for the base term (October 2026 to December 2027), and separately for the optional extension periods?

    Answer: MDH is not providing an anticipated budget range or maximum available funding.

15. Section 6, Solicitation Terms, #13, Targeted Group, Economically Disadvantaged Business, Veteran-Owned and Individual Preference (page 14) Are preference points available only to a responder that is itself a certified TG/ED/VO business, or may a responder qualify by subcontracting a portion of the work to a certified business? If subcontracting qualifies, is a minimum percentage of contract value required?

    Answer: Preference points are only available to a responder themselves who is contracting as a certified TG/ED/VO business, not a subcontractor.

16. In Task 3, do the "up to three options" referenced include 3 options total, or up to 3 options for a statewide spending measure and up to 3 options for a household level measure? Do the "options" refer to options for how spending will be measured (e.g., total health care expenditures per capita), or the external benchmarks that will serve as targets for the spending metrics (e.g., growth in median income), or both?

    Answer: For Task Three, vendors should propose three options for a statewide spending measure and two options for a household level measure. Options refer to external benchmarks that Minnesota should use to compare it's spending (e.g., growth in median income). Each option should consider comparability to existing Minnesota spending trends (e.g., per capita healthcare expenditures).

17. Is there an expectation in the base contract period that that statewide healthcare spending measures and/or or the household level measures be broken into subcategories, such as payer or other detail?

    Answer: MDH may require disaggregation of statewide or household measures into payer or other subcategories within the base contract term. Any disaggregation would be completed using available data rather than collecting new data in the first round of reporting against selected targets. Any such specifications would be

developed in Task Five when that awarded respondent finalizes measure specifications.

18. Is the expected outcome of Task 4 (technical panel facilitation) that the options are narrowed to one option that will be brought to the Task Forces in Task 5? Or does MDH expect that all of the options identified in task 3 will be part of the Task Forces' discussion?

    Answer: The awarded respondent will bring affordability standards options to the HCAATF and PPATF with a recommended statewide healthcare spending metric and recommended household level metric. The Task Forces will have an opportunity to see all options considered.

19. Can MDH provide guidance on the expected length of each Technical Panel meeting in Task 4?

    Answer: MDH expects Technical Panel meetings to be 2 to 2.5 hours in duration. It requires up to three virtual meetings.

20. Does MDH anticipate further revision to the finalized affordability standards specifications based on input from the Task Forces in Task 5, and will the vendor be expected to make additional changes at this stage based on Task Force input?

    Answer: Yes, the awarded respondent may need to revise measure specifications based on MDH feedback and based on Task Force input.

21. In Task 6, can MDH explain more about what is meant by "data templates must be developed in Microsoft Excel or Microsoft PowerBI and include key data visualizations?"

    Answer: Task Six requires the awarded responder to develop data templates in Microsoft Excel or Power BI that include key data visualizations. These templates are not intended for collecting new data from payors or other entities. Instead, they should enable MDH staff to organize and use existing MDH data sources to calculate Minnesota's performance against the selected targets in ongoing annual reporting. Templates may either be built in Excel with links, or in PowerBI.

22. In Task 8, must the hourly rates included in the proposal be valid only for the base contract period through December 2027, or for the full potential 5-year contract period?

    Answer: Responders do not need to submit hourly rates for the potential extension period. The terms of any potential extension would be negotiated through a contract amendment process.

23. In the sample contract, can MDH confirm that Exhibit A, Supplement 1 is not applicable to this contract since it is not an IT project?

    Answer: Exhibit A, Supplement 1 is not applicable to this contract since it is not an IT project.

24. We are having difficulty discerning from the RFP whether MDH is anticipating de novo analysis of a large dataset such as the APCD, or use of existing state data such as the HEP spending estimates. The former would require significantly more work and accordingly different analytic capacity than the latter. Correspondingly, there are also large budget implications. Is MDH able to provide any additional direction to bidders on this question?

    Answer: Responders should expect to use existing MDH reporting (e.g., HEP spending estimates) as a starting point for reporting against selected targets whenever possible and to identify target options that do not require doing de novo analysis of a large dataset. That said, interpreting the results and supporting reporting against the target may require access to additional data. Task Six states MDH is prepared to provide access to MN APCD, HPFSR, the Minnesota Health Access Survey, existing spending estimates, hospital finance and utilization data, and other sources.

    a. If the contractor will need to analyze state datasets, will they be available at the start of the contract period, or should respondents anticipate the need to execute data use agreements and complete other data access processes before work can begin?

       Answer: Once a contract is fully signed and executed, MDH will work with the awarded vendor team to determine the extent to which data access is needed versus how much work can happen with existing data sources. Some data is already publicly available, and some data may require data privacy training and

certification, in addition to establishing data access credentials and relevant metadata resources. For non-public data (other than data from the MN APCD), MDH will make arrangements for securely sharing data.

b. Will MDH provide datasets in an analysis-ready format, or does the scope anticipate that the contractor will perform activities such as data cleaning, validation, reconciliation, and quality assurance before conducting analyses?

Answer: Responders should anticipate performing necessary preparation as part of calculating performance. MDH will be involved in a collaborative manner and will provide input regarding project direction, planning, oversight, methodology, and review of preliminary and final work products throughout the course of the project. MDH will not be conducting the analyses or data cleaning but see our role as supporting that work. We are prepared to provide limited technical assistance with using the MN APCD and other Minnesota-specific data sources. Responder's proposal should include their assumption for the engagement by MDH staff.

25. The RFP identifies "best practices in data tuning" as a desired area of expertise. Could MDH clarify what is meant by "data tuning" in this context and what activities or deliverables it expects respondents to address? Are you referring to the concept of "database tuning"?

Answer: "Best practices in data tuning" refers to a vendor's experience cleaning, preparing, and using data to develop measures.

26. Does MDH have an anticipated budget range or funding level for this work that respondents should consider when developing their proposed approach and staffing model?

Answer: MDH is not publishing an anticipated budget range or funding level for this work. Responders should propose costs based on their planned approach.

27. Division of expertise between MDH and the responder: The RFP indicates that MDH will convene a Technical Panel of health economists or related experts and will provide data, documentation, and technical assistance. To what extent is the responder expected to independently supply health economics, healthcare

affordability, actuarial, statistical, or policy expertise on its own project team? May the vendor rely on MDH staff and Technical Panel members for specialized subject-matter input, or should the proposal include dedicated experts capable of independently developing, testing, and calculating the standards?

Answer: The awarded responder is expected to bring its own substantiative technical capacity and dedicated experts capable of independently developing, testing, and calculating the standards. The responder should also be knowledgeable about these types of standards and measures and the experience other states have had with them.

28. Should responders propose primarily a strong facilitated process through which MDH staff, the Technical Panel, and advisory task forces will examine the data, evaluate options, and develop recommendations? Or does MDH expect the vendor to enter the engagement with demonstrated healthcare affordability expertise and recommend technically developed standards and target values for stakeholder consideration? How will MDH evaluate the balance between process facilitation and substantive technical expertise?

    Answer: The solicitation requires the awarded responder to bring a facilitated process to the affordability standards development, involving both the Technical Panel and guidance from the HCAATF, with demonstrated healthcare affordability expertise. Because the scope of work involves collaborative creation of the affordability standards, the methodology section should focus on the proposed process for helping Minnesota define, develop, test, and implement affordability standards.

29. Does MDH anticipate that changes in federal healthcare policy, federal data availability, or federal funding could affect the scope, assumptions, data sources, or schedule of this project? If so, should responders include contingency planning for those potential changes in their proposed work plans and cost proposals?

    Answer: No. This work is state funded, and we do not anticipate that activity at the federal level would impact the scope of this project. Responders should not build separate contingency pricing into the base cost proposal. Any optional or additional tasks must be clearly marked and separated from the costs of required tasks, as described in Section 3, Additional Tasks or Activities.

30. Because the anticipated contract extends from October 2026 through December 2027, should responders assume that the project's objectives, governance structure, and schedule will continue unchanged through any transition in

gubernatorial or agency leadership? If priorities or approval timelines change, does MDH anticipate adjusting the work plan, milestones, or contract term?

Answer: Yes. Responders should prepare their proposals based on the current scope, governance structure, and timeframes described in this solicitation.

31. Is there an anticipated budget range or maximum contract amount for Tasks One through Seven? Is funding for Task Eight, ad hoc support, included within that amount or expected to be authorized separately?

    Answer: MDH is not publishing an estimated budget range or maximum contract amount for this solicitation. Responders should propose costs that reflect their proposed approach to the scope of work. Respondents should refer to instructions in Exhibit C for structuring their cost proposal.

32. Beyond the October 2026 HCAATF meeting, does MDH have anticipated dates or preferred sequencing for the Technical Panel meetings, HCAATF and PPATF presentations, approval of the final standards, calculation of performance, and final communications products?

    Answer: The only date fixed in the solicitation is the in-person HCAATF meeting to be held in October 2026 under Task Two. MDH has not set dates for the remaining activities, but we expect the technical panel to convene after the October HCAATF meeting. The detailed schedule will be established through the draft workplan the awarded respondent develops under Task One.

33. Does MDH have preferred household affordability measure data sources that responders should assume will be used? Should the vendor budget for acquiring any third-party or proprietary data?

    Answer: MDH is not prescribing a household affordability data source, and responders should not budget for purchasing third-party or proprietary data.

34. Is the October 2026 HCAATF meeting the only required in-person activity? Where will it be held, and should travel expenses be included in the base cost proposal or listed separately?

    Answer: Yes, there is only one required in-person activity - the October 2026 HCAATF meeting - which is a hybrid meeting to be held in St. Paul, Minnesota. Travel expenses should be included as a separate line in the cost proposal, consistent with Exhibit C requirements.

35. May responders identify committed subcontractors or consultants to satisfy the desired qualifications? If a proposed team member becomes unavailable after award, what approval process will apply to replacing that person with someone of comparable qualifications?

    Answer: Yes, responders may use subcontractors, but one awarded responder must serve as the lead and holds the contract with MDH. MDH will require that any changes in subcontracted personnel be shared with MDH in advance for review and approval.

36. Does MDH anticipate a single award for the complete scope, or could it make multiple awards or divide the technical, facilitation, calculation, and communications functions among vendors?

    Answer: MDH may award this solicitation to a single responder, or to multiple responders, whichever is in the best interest of the State.