

**MEMORANDUM REQUESTING APPROVAL TO AWARD A LETTER CONTRACT
Claims Processing Services for Provider Relief and Protection Fund**

In accordance with FAR 16.603-3 and HHSAR 316.603-3 this memo documents, in writing, that no other contract type is suitable for award of the COVID-19 Uninsured Testing Program

1. Name and Address of Proposed Contractor

United Health Care, Inc.
77 Water Street.
New York, NY 10005-4001

2. Place of Performance

Contractor's facility

3. Contract Number

75R60220C00006

4. Description of Work

HRSA is proposing to issue a contract to provide end-to-end claims processing services to physician practices, clinics, health care centers, hospitals, labs, and any health care entity that provides Claims Processing Services for Provider Relief and Protection Fund. HHS requires services for Claims Processing Services for Provider Relief and Protection Fund.

HHS will be issuing a contract to process and pay claims from eligible health care providers for reimbursement of health care related expenses or lost revenues that are attributable to coronavirus. The scope of this activity may include:

1. Project Management
2. Intake Electronic and Paper Claims
 - a. Electronic Data Interchange
 - b. Paper Claim Intake, Scanning, and Optical Character Recognition
3. Claim Adjudication
 - a. Paper Remittance Advice
 - b. General Claims Processing
 - c. Back-End Processing
 - d. Remittance Advice and Explanation of Benefits
4. Provider Customer Service Program
 - a. Education and Outreach
 - b. Call Center
5. Provider Payment and Integrity
6. Security

5. Performance Schedule

The period of performance will be for 12 months.

6. Amount of Letter Contract

The estimated amount of the definitized contract is \$1,000,000

The letter contract obligates \$500,000

In performance of the Letter contract, UHC is not authorized to make expenditures or incur obligations exceeding \$500,000. In the event of a termination, the maximum amount for which the Government may be liable is \$100,000.

7. Estimated Total Amount of Definitized Contract

Total Estimated Price: \$1,000,000.

8. Type of Definitive Contract to be Executed

HHS/Health Resources and Services Administration (HRSA), Office of Acquisition Management and Policy (OAMP) determined that a Firm Fixed Price contract would be the most advantageous contract type for the Claims Processing Services for Provider Relief and Protection Fund. The Claims processing services will be based on a Commercial Firm Fixed Price for the Claims Processing Services for Provider Relief and Protection Fund. HHS will be issuing a contract to process and pay claims from eligible health care providers for reimbursement of health care related expenses or lost revenues that are attributable to coronavirus.

This letter contract will be issued as authorized by FAR 6.302-2 Unusual and compelling urgency under HHS Class Justification for Other Than Full and Open Competition COVID-19 Response. A class Justification & Approval (J&A) in accordance with FAR § 6.303-1(d) and 6.302-2, Unusual and Compelling Urgency, FAR § 8.405-6(a)(1)(A), Limiting Sources, and FAR § 16.505(b)(2)(i)(A), Exceptions to the Fair Opportunity Process for all contract actions to facilitate the recovery efforts necessary to address the 2019 Novel Coronavirus (COVID-19). Because COVID-19 is an emerging disease, and there are no vaccines or approved treatments, it is prudent to have adequate flexibility to address this public health emergency. The class J&A is essential to enable the Government to act in response to urgent requests for immediate support, and to respond to the expanding outbreak of COVID-19 which was just declared a pandemic on March 11, 2020 and a national emergency via Presidential Proclamation on March 13, 2020. The class J&A supersedes all other class J&As executed and issued by HHS and negates the need for individual J&As for contract actions to facilitate the recovery efforts necessary to address COVID-19.

9. Statement of Necessity and Advantage to Government for Issuing Letter Contract

In December 2019, a novel (new) coronavirus known as SARS-CoV-) was first detected in

Wuhan, Hubei Province, People's Republic of China, causing outbreaks of the coronavirus disease COVID-19 that has now spread globally. The Secretary of Health and Human Services (HHS) declared a public health emergency on January 31, 2020, under section 319 of the Public Health Service Act (42 U.S.C. 247d), in response to COVID-19. The Federal Government, along with State and local governments, has taken preventive and proactive measures to slow the spread of the virus and treat those affected, including by instituting Federal quarantines for individuals evacuated from foreign nations, issuing a declaration pursuant to section 319F-3 of the Public Health Service Act (42 U.S.C. 247d-6d), and releasing policies to accelerate the acquisition of personal protective equipment and streamline bringing new diagnostic capabilities to laboratories. On March 11, 2020, the World Health Organization announced that the COVID-19 outbreak can be characterized as a pandemic, as the rates of infection continue to rise in many locations around the world and across the United States. On March 13, 2020, President Donald J. Trump announced and proclaim that the COVID-19 outbreak in the United States constitutes a national emergency.

On March 27, 2020, the Coronavirus Aid, Relief and Economic Security (CARES) Act (P.L. 116 - 136) became law. The CARES Act provides economic and financial support for individuals and business impacted by the coronavirus outbreak. To provide relief, Congress appropriated funding from the Public Health and Social Services Emergency Fund to reimburse eligible health care providers for health care related expenses or lost revenues that are attributable to coronavirus.

The CARES Act specifies that eligible health care providers are to be reimbursed for health care related expenses or lost revenues that are attributable to coronavirus that have to been reimbursed from other sources or that other sources are obligated to reimburse. Eligible health care providers are public entities, Medicare or Medicaid enrolled suppliers and providers, and other entities the Secretary may specify, that provide diagnoses, testing, or care for individuals with possible or actual cases of COVID- 19. The CARES funds can be used to reimburse eligible providers for lost revenues and costs related to the coronavirus outbreak including building or construction of temporary structures, leasing of properties, medical supplies and equipment including personal protective equipment and testing supplies, increased workforce and trainings, emergency operation centers, retrofitting facilities, and surge capacity.

10. Statement of Percentage of the Estimated Cost that the Obligation of Funds Represents

The obligated funds in the letter contract represent approximately (b) (4) % of the estimated price of the final contract upon definitization.

11. Period of Effectiveness of Letter Contract

It is anticipated that the letter contract will be definitized within 90 days of award. See the definitization schedule below.

12. Statement of Substantive Matters that need to be Resolved

UHC will submit a business proposal for evaluation. A detailed price analysis and, if

necessary, price realism analysis will be performed on the business proposal. UHC is eligible to receive the award based on review of the Federal Awardee Performance and Integrity Information System and the System for Award Management.

13. Definitization Schedule

Action	Date
Estimated issuance of Letter Contract	April 8, 2020
Receipt of Proposal	May 12, 2020
Negotiations Start date	May 27, 2020
Receipt of Final Proposal (if needed)	June 15, 2020
Target Date for Definitization	July 7, 2020

RECOMMENDATION:

In view of the above, it is considered necessary and in the best interest of the Government to award a letter contract because it is not possible to complete the contract documents and supporting file documentation in sufficient time for work to commence. In order to relieve the stress of the Nation’s health care system. It is crucial to process and pay claims from eligible health care providers for reimbursement of health care related expenses or lost revenues that are attributable to coronavirus. A letter contract must be issued in order to begin contractor’s performance immediately.

CONCUR:

 Shirley Karver
 Contracting Officer
 Health Resources and Services Administration

 Date

DETERMINATION & APPROVAL:

In accordance with FAR 16.603-3 and based on the above determination, I determine that no other contract is suitable for award of this contract and hereby approve the use of a letter contract for the Claims Processing Services for Provider Relief and Protection Fund.

 Alexandra B. Garcia
 Head of Contracting Activity
 Health Resources and Services Administration

 Date