



**State responses to bidder questions are in italics.**

1. Special education expenses are shared between local school districts, the state and special education aid by the state and IDEA funding from the federal government:
  - a. Can you provide more detail on the shares of the state and the federal government?
    - i. *The New Hampshire special education funding formula requires the LEA to pay special education costs up to 3.5 times the average cost per pupil for education. From 3.5 times to 10 times the average cost per pupil, the state is responsible for 80% of the cost and the LEA is responsible for 20%. Over 10 times the average cost per pupil, the state is responsible for 100%. Historically, the state has only funded approximately 72% of its obligation (although in 2019, the state funded closer to 92% of its obligation.) When the state underfunds its obligation, the local school district pays for the funding shortfall. These costs are associated with the state obligation without any supplanting of state obligation by federal funding sources.*
  - b. Do you expect the pro-forma financial projection to detail the split of cost between the three entities (school district, state and federal government)?
    - i. *The pro-forma model will estimate the LEA cost when the state underfunds its obligation.*
2. RFP indicate the need to supplement data from the Department with that of third-party. Would the Department assist with targeting and accessing other entities data source (public or non-public)?
  - a. *Yes, the department will work with the vendor to use department data (certain data may require the execution of a privacy non-disclosure agreement for student level data) and/or third party data that the vendor believes is required to meet the requirements of the project. The department does not know that external data will be required, but recognizes that a vendor may determine that such data is important to completion of the project.*
3. The predictive model is expected to have some data visualization element. Is the Department opened to purchasing license of such software (e.g Tableau or Power BI)?
  - a. *The department already owns Tableau licenses.*
4. Section 2 of the RFP contemplates exploration of a risk financing mechanism (likely an insurance product) that would be made available to schools districts to manage the risk of special education costs. Please confirm our understanding that Phase 2 of the scope of work anticipates completing a feasibility analysis, however developing the insurance product and bringing the product to market is outside the scope of this RFP.
  - a. *Yes, at this stage of this project, the department is simply evaluating the feasibility of some type of risk management product that can be used by LEA's to create predictability from year to year for special education costs and to smooth wide cost fluctuations resulting from high cost cases and/or fluctuations in state level funding.*
  - b. *Attached to these responses is a draft report prepared by the state that provides a preliminary evaluation of this product. It is anticipated that the contracted vendor will fully develop this modeling.*
5. With regard to the predictive model to be developed by the selected vendor in Phase I of the Scope of Work, please clarify the following:



- a. Will the model be owned by the State at the completion of the project, or will the vendor maintain ownership of the model?
  - i. *The state will own the model.*
- b. Please confirm that ongoing maintenance of the model is outside the scope of this RFP. If you anticipate some ongoing support, please indicate the time period after completion of the model that we should assume such support will be provided so that we may include the expected cost of those services in our cost proposal.
  - i. *This RFP does not anticipate on-going model maintenance.*
6. Section 3 of the RFP indicates that anonymized student level data may be able to be made available for use in parameterizing the predictive model in order to generate the best fit.
  - a. Are you able to provide any further detail around the type of data that may be able to be made available at the student level so that we could consider that in developing our proposed scope of work? For example, would information such as type of special need or disability, number of years attending school in the district, grade level, type of special services required (e.g., speech/language services, physical therapy, special transportation, school health services, etc.) potentially be available? Would this information be available by year?
    - i. *The data set will include the years from 2007-2008 to 2018-2019.*
    - ii. *The data itself will include fields for: district name, total number of student per district who has reached cap, expenditures from 3 1/2 times the student's estimated average expenditure per pupil (EAEP) to 10 times the student's EAEP, expenditures over the 10 EAEP, Total expended, districts entitlement, Prorated share of costs (districts final entitlement)*
  - b. Is there a need for the ability to provide forecasts for sub-categorizations of Special Education costs (as credibility of the data permits)?
    - i. *If the vendor determines that such detail would enhance the predictability of the model, such data can be explored.*
  - c. Can you provide the frequency with which you would require forecasts? Does this engagement also require a need for periodic forecast revisions as more data is accumulated throughout the year?
    - i. *For this initial feasibility analysis, there will not be on-going maintenance of the model required. If the modeling ultimately converts to a product for LEA's, further modeling would be required at that time.*
  - d. Do you require an Application Programming Interface (API) or some form of model scoring algorithm be built so that the Department of Education can generate predictions using the model going forward?
    - i. *That is not anticipated at this time.*
  - e. Are there any specifications or restrictions around the platform in which the model must be built and handed over? Our preferred platforms are Python, and R but we may be able to work within alternative environments if necessary (e.g. SAS).
    - i. *The department would look for the model to be delivered in Excel.*
  - f. Regarding the determination of, "The type of statistical modeling to be used as a best fit for this application, based on characteristics of the data set and model objectives," are there limitations around the types of models that can be used? For example, if it is necessary to be able to provide information regarding the level of statistical significance



for each variable in the model and a point estimate for the marginal effect of each variable, then that would inform our model choice.

*i. There are not and the department anticipates that the vendor will select the modeling type that is a best fit for the project objectives.*

7. We have the following questions related to the Pro-forma financial projections being requested in Phase 2 of the Scope of Work:
  - a. Please state the future time period for which you are expecting the pro-forma financial projections would cover.
    - i. This is a feasibility model that would be used to set rates and contributions at the LEA level for future years based on the further addition of actual data annually.*
  - b. Please confirm our understanding that the comparison of expense loads and premium projections against actual cost experience contemplates conducting a feasibility study of an insurance that could be made available to school districts.
    - i. Yes. Thank you for stating it so succinctly.*
8. We understand that the State is looking for respondents to the RFP to propose a timeline along with the various tasks associated with the scope of work would be completed, and that the term of the contract is expected to be one year, however we were wondering if there is a date by which the State would require that the all work be completed in order to fit with other implementation timelines.
  - a. The department has not set a final deliverable date, although that would be part of the contractual negotiations resulting from this RFP. The department does not anticipate this work extending beyond June 30, 2020.*
9. Does the State have a budget limit for the Scope of Services being requested in the RFP that could be shared?
  - a. The department is looking for a best fit vendor for this project, including cost, as indicated in the RFP.*
10. Section 4 of the RFP indicates that proposal are to be submitted to the Department of Education to the attention of Ms. Angela Adams and copying Mr. Frank Edelblut, however no address is listed.
  - a. Can you please provide the address to which we should send our proposal package?
    - i. Angela Adams, New Hampshire Department of Education, 101 Pleasant Street, Concord, NH 03301*
11. Section 4 of the RFP indicates that the electronic copy of the proposal should include all required attachments. Please confirm our understanding that there are not any additional forms or attachments that are to be submitted as there are none attached to the RFP.
  - a. Appendix A, standard terms and conditions for the state of New Hampshire, are included with this response.*
12. Please confirm that the Technical and Cost proposals are to be submitted as a single proposal, and not as two separate documents in separate sealed envelopes.
  - a. Yes.*
13. Other than entities prohibited under RSA 21-l:11-c, are all other firms eligible to submit a proposal?
  - a. Yes, all qualified firms are encouraged to submit a proposal.*



14. Are there any minimum requirements/qualifications that must be met other than being able to demonstrate sufficient applicable experience and capacity to provide the services being requested?
  - a. *Vendor responses will be evaluated based on the stated rubric.*
15. We have the following questions related to the terms and conditions that would govern a potential contract awarded under this RFP:
  - a. Section 8, Item C of the RFP indicates that the terms and conditions included in Appendix A would be used, however we cannot find an Appendix A attached to the RFP. Can the applicable Standard Terms and Conditions be provided?
    - i. *Appendix A represents standard contract terms and conditions for the state of New Hampshire. These are contained on form P-37, which is attached here.*
  - b. Given that the Standard Terms and Conditions do not appear to have been attached, would the State consider allowing prospective bidders to include proposed contract exceptions as part of their proposal rather during the Proposer Inquiry Period, in order for their respective legal teams to review the Terms and Conditions once provided?
    - i. *Contract exceptions, if any, would be determined after the vendor selection and in the contract negotiation phase.*
  - c. Given responses to bidder questions, including the applicable Standard Terms and Conditions, may not be provided until February 24, 2020, would the State consider extending the proposal submission deadline to allow potential bidders' legal staff sufficient time to review the Standard Terms and Conditions and draft any proposed exceptions for the State's consideration, assuming the State will allow prospective bidders to include them as part of their proposal?
    - i. *Contract exceptions, if any, would be determined after the vendor selection and in the contract negotiation phase.*
  - d. If the expectation is that a model will be delivered that will be owned by the State at the completion of the project, and to the extent one is not included in the Terms and Conditions the State would propose apply to this work, can you comment on whether you would at a minimum accept a limitation of liability, similar to the following: "Neither Party shall be liable for any indirect, special, punitive, consequential or incidental damages, or for loss of profits. Except for any claim for personal injury or death arising out of the negligence or willful misconduct of Consultant, Consultant's liability (whether based on any action or claim in contract, tort, or otherwise) to Client arising out of or relating to services provided by Consultant will not exceed the total professional fees paid to Consultant for such services."
    - i. *Contract exceptions, if any, would be determined after the vendor selection and in the contract negotiation phase.*
16. Does the NH DOE have a specific timeframe in mind for the needed/preferred completion of Phases 1, 2 and 3?
  - a. *The department has not set a final deliverable date, although that would be part of the contractual negotiations resulting from this RFP. The department does not anticipate this work extending beyond June 30, 2020.*
17. Regarding Phase 1 and data:
  - a. Is there a summary of the data fields that would be available to the selected vendor that could be provided?
    - i. *The data set will include the years from 2007-2008 to 2018-2019.*



Special Education Actuarial Services  
RFP 2020-001  
Responses to Bidder Questions



*EAAPP, Total expended, districts entitlement, Prorated share of costs (districts final entitlement)*

21. Approximately how many special education students have been served by the New Hampshire school district over the past five years? How many total students were in the school district over the same time period?
  - a. *Approximately 29,000. Only approximately 850 result in what might be described as high cost cases.*
22. Are their plans being developed or considered as to how the “insurance” mechanism will be administered?
  - a. *Such a determination is beyond the scope of this work.*
23. What expenses should be considered in developing pro-forma projections?
  - a. *This feasibility study will simply determine the feasibility of the product without consideration for the administrative cost.*
24. Will [Vendor] have access to subject matter experts throughout the duration of this project?
  - a. *The department will make special education administrators available to the vendor.*