



DEPARTMENT OF GENERAL SERVICES
OFFICE OF STATE PROCUREMENT
ACTION AGENDA
December 18, 2024



SUPPLEMENTAL

REVISED

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41-IT **INFORMATION TECHNOLOGY**
Department of Health

Contract ID: Medicaid Dental Benefits Administrator; *MDH/OCMP 23-19707*
ADPICS No.: M00B5600301

Contract Description: Dental Benefits Administrator with the technical, professional, and managerial capabilities to administer dental benefits for eligible Medicaid participants.

Award: DentaQuest of Maryland, LLC; Boston, MA

Contract Term: 01/01/ 25 – 12/31/27 (w/three 1-year renewal options)

Amount: \$20,987,525.26 (Base Term)
\$11,008,262.63 (Renewal Option #1)
\$11,359,262.63 (Renewal Option #2)
\$11,716,262.63 (Renewal Option #3)
\$55,071,313.15 Total Contract Amount

Procurement Method Competitive Sealed Proposals

Proposals:

<i>Offerors</i>	<i>Technical Rankings</i>	<i>Financial Offers (Rankings)</i>	<i>Overall Rankings</i>
DentaQuest of Maryland, LLC. Boston, MA	1	\$55,071,313.15 (2)	1
Skygen USA, LLC. Menomonee Falls, WI	2	\$52,110,706.72 (1)	2

Technical proposals were weighed greater than the financial proposals.

Living Wage Eligible: Yes

MBE/VSBE Participation: 26.5% / .08%

Performance Security: No

Incumbent: Skygen; Menomonee Falls, WI



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41-IT **INFORMATION TECHNOLOGY** *(cont'd)*

Requesting Agency Remarks: The Maryland Department of Health issued the RFP to secure a Dental Benefits Administrator or a Dental Administrative Services Organization to manage dental services for Maryland Medicaid participants. Specifically, the Department sought a vendor with the technical, professional, and managerial expertise necessary to administer dental benefits for eligible Medicaid participants.

The Request for Proposals (RFP) was released on eMMA on August 31, 2022, and 901 prospective offerors were notified of the posting. Three proposals were received in response to the RFP on November 30, 2022. Two were deemed reasonably susceptible for award, and one was disqualified for failing to meet the minimum qualifications.

DentaQuest demonstrated a comprehensive understanding of both federal requirements related to the role of dental benefits administrators and the specific requirements outlined in the RFP. Their work plan was detailed and thoroughly addressed Maryland's needs as outlined in the RFP. Their proposal emphasized the integration of cutting-edge technologies tailored to meet the evolving needs of dental programs. The Committee unanimously recommends awarding the contract to DentaQuest, as their proposal was the most advantageous to the State and achieved the highest technical rating.

Dentaquest has committed to exceeding the 20% MBE participation and 0.5% VSBE participation goals by 6.5% and 0.3%, respectively, by committing to 26.5% MBE participation and 0.8% VSBE participation.

Skygen formally protested the award of the contract on July 15, 2024. Skygen submitted a supplemental protest on July 24, 2024. MDH denied the protest on November 18, 2024. On November 21, 2024, MDH was notified that Skygen USA filed an appeal with the Maryland State Board of Contract Appeals (MSBCA).

[...] DentaQuest showcased an exceptional understanding of both federal regulations governing dental benefits administration and the specific requirements detailed in the RFP. Their proposal emphasized the integration of cutting-edge technologies tailored to meet the evolving needs of dental programs.

Although SKYGEN is contracted to continue operations through the new vendor's design, development, and implementation (DDI) phase, continued performance issues will still require significant time by MDH in order for the transition to be successful. It is critical that this award to Dentaquest moves forward as soon as possible to allow the new vendor to meet DDI requirements, enabling them to assume full operations as the DASO for the State of Maryland.



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Remarks (cont'd):

MDH is seeking BPW approval of this contract in the face of a pending appeal at MSBCA. Execution of this contract without delay under COMAR 21.10.02.11 is necessary to protect the substantial State interest of ensuring the continued delivery of dental services to 1.6 million Medicaid recipients. If the contract is not awarded, continued delivery of dental services to 1.6 million Medicaid recipients will be impeded. Many Marylanders live in dental shortage areas and if there is a poor transition to a new vendor, dental access could be further deteriorated, adversely impacting Marylanders and dental providers. Furthermore, if there is no dental ASO in place, MDH does not have the capacity and technology available in house to administer the Maryland Healthy Smiles Dental Program. Although the current contract includes a 6-month option period, that option is solely to act as a “fail-safe” in case the design, development, and implementation period requires more than the estimated 6 months.

Fund Source: 75% Federal Funds, 25% General Funds

Approp. Code: 17.01.08

Resident Business: Yes

MD Tax Clearance: 24-5449-0000

BOARD OF PUBLIC WORKS		THIS ITEM WAS:	
APPROVED	DISAPPROVED	DEFERRED	WITHDRAWN
WITH DISCUSSION		WITHOUT DISCUSSION	