

# United States Government Accountability Office Washington, DC 20548

## **Decision**

**Matter of:** Managed Care Concepts, LLC

**File:** B-402750

**Date:** July 15, 2010

Anthony J. Mungin for the protester.

LTC Michael L. Norris, Department of the Army, for the agency. Susan K. McAuliffe, Esq., and Christine S. Melody, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

#### **DIGEST**

Protest of agency's rejection of proposal as technically unacceptable for failure to adequately demonstrate compliance with solicitation resume and start-up requirements is denied where record shows evaluation was reasonable and consistent with solicitation terms.

#### **DECISION**

Managed Care Concepts, LLC protests the rejection of its proposal as technically unacceptable under request for proposals (RFP) No. W81K02-10-R-0005, issued by the Department of the Army for medical coding services. The protester primarily contends that the evaluation of its proposal was unreasonable and inconsistent with the terms of the solicitation.

We deny the protest.

The RFP, which was issued on December 3, 2009 and subsequently amended, anticipated the award of an indefinite-delivery/indefinite-quantity contract for certain medical coding services to the offeror that submitted the proposal considered the best value to the agency in terms of technical and price factors. RFP amend. No. 3 at 5, RFP at 59. The RFP set out the following four equally-weighted non-price evaluation factors: technical expertise; management (staffing, retention, and quality

<sup>1</sup> The services sought, referred to as "remote backfill" medical coding services, are supplemental services to be provided "during periods of staff loss, scheduled leave or unplanned staff absence due to illness or emergency." RFP at 35.

control plan); start-up (recruitment); and past performance. RFP at 54-55. These factors combined were to be significantly more important than price. <u>Id.</u> at 61.

Under the management factor, for the evaluation of proposed staffing, offerors were to provide resumes for proposed candidates, and were informed that "[a]ll candidates must meet the minimum qualifications as stated in [the] Performance Work Statement [PWS]." <u>Id.</u> at 54. For staff performing the coding services, the PWS required, among other things, certain certifications, communication and computer skills, and participation in a continuing education program. <u>Id.</u> at 42-43. Under the start-up factor, each offeror was to demonstrate in its proposal the ability to provide the required services within 30 days of contract award; in this regard, offerors were required to "[p]rovide, in writing, your plans to meet this requirement date. All proposed dates/start-up times submitted must be realistic and valid dates must be adhered to." <u>Id.</u> at 55. The evaluation was to be based on the written documentation provided by each firm in its proposal, and all offerors were instructed to provide sufficient narrative and supporting data for evaluation under each factor. <u>Id.</u> at 54. The RFP further provided that "to be considered for award, a rating of satisfactory or better must be achieved on all factors and sub-factors." <u>Id.</u> at 59.

Twelve proposals were received by the closing date of December 29, 2009, and an initial award was made to an offeror other than the protester on February 5, 2010. Managed Care filed an agency-level protest of that award on February 11, alleging a conflict of interest between an evaluator and the awardee; finding a possible appearance of impropriety, the agency sustained the protest, removed the individual from the procurement, and sought revised proposals. Eleven offerors, including the protester, submitted revised proposals by March 16. The protester's proposal was found technically unacceptable, for among other things, the firm's failure to provide resumes for its proposed coders in its proposal, and its failure to adequately demonstrate compliance with the RFP's 30-day start-up requirement. On April 7, the agency issued a pre-award notice to Managed Care informing the firm that its proposal was rejected as technically unacceptable and eliminated from the competition. After a debriefing, the firm filed the current protest challenging the propriety of the agency's evaluation.<sup>2</sup>

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<sup>&</sup>lt;sup>2</sup> Managed Care raises additional challenges, including that the agency improperly "manipulated" its proposed price and showed bad faith in awarding a separate contract for work the protester believes was included in the current solicitation's workload. The record does not support these contentions. As the agency explains, Managed Care's price proposal reflected the quantities of work set out in the original RFP rather than the higher quantities in the RFP as amended. The agency thus asked Managed Care for confirmation as to whether an upward adjustment in its price was warranted to reflect the amended higher quantities. The agency ultimately accepted Managed Care's confirmation that its initial price remained unchanged and applied to the higher quantities as well. We fail to see how the agency's actions were

In reviewing a protest against the propriety of an evaluation, it is not our function to independently evaluate proposals and substitute our judgment for that of the contracting activity. Barents Group, L.L.C., B-276082, B-276082.2, May 9, 1997, 97-1 CPD ¶ 164 at 6. Rather, we will review an evaluation to ensure that it was reasonable and consistent with the evaluation criteria in the solicitation and applicable procurement statutes and regulations; a protester's mere disagreement with the evaluation does not show it lacked a reasonable basis. Id.

The RFP expressly required each offeror to demonstrate compliance with the RFP requirements through supporting data and documentation, including resumes for proposed personnel. While the protester's proposal includes general statements that its coders will meet the RFP's certification, communication, and computer skills requirements, the firm did not provide the required resumes, thus failing to provide adequate supporting documentation of its proposed staff's compliance with the RFP's minimum qualifications requirements. Managed Care explains that it interpreted the RFP's requirement for resumes to apply only to offerors proposing to hire new personnel, rather than those like the protester, who intended to use its existing personnel for the effort. We find the protester's interpretation unreasonable; in our view, the solicitation's requirement for resumes of "proposed candidates" is subject to only one reasonable interpretation, that is, that each offeror was to provide resume information for the staff it was proposing to perform the required work, whether that staff was already employed by the offeror or otherwise.<sup>3</sup>

As stated above, the RFP also required offerors to demonstrate the ability to begin performing the coding services within 30 days of the award. <u>Id.</u> at 55. Managed Care included in its proposal an "implementation plan" that listed estimated periods of time for completion of certain start-up tasks (with estimated performance of

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improper or were prejudicial to the firm. See McDonald-Bradley, B-270126, Feb. 8, 1996, 96-1 CPD ¶ 54 at 3. Regarding the firm's allegation of bad faith by the agency by removing work allegedly contemplated under the RFP to make a sole-source award to another firm, the contention is untimely, as the protester states it knew of the sole-source award several weeks before it filed this protest. 4 C.F.R. § 21.2(a)(2) (2010) (protests based on other than solicitation improprieties must be filed within 10 calendar days of knowledge of the basis of protest). In any event, the assertion is factually inaccurate, as the cited procurement involved a need for full-time coding services as well as coder training services that are separate and distinct from the remote backfill coding services called for under the current RFP.

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<sup>&</sup>lt;sup>3</sup> In fact, despite the interpretation of the resume requirement asserted in the protest, the record shows that Managed Care did provide resumes for some of its, and its teaming partner's, current (non-coder) personnel.

individual tasks ranging from 1-3 hours to 1-3 weeks), and "due dates" expressed as periods of time from other events not otherwise defined in the proposal, such as "1-3 weeks after Final Report" or "8-12 weeks prior to proposed Implementation." Managed Care's Proposal at 26.

The agency reports that the protester's proposed implementation plan lacked clarity in that it did not, for example, indicate a start-up time for each task in relation to the receipt of award, or indicate a sequence of events showing whether tasks were to be accomplished concurrently or consecutively. Having found that the proposed plan failed to adequately show that Managed Care would comply with the RFP's requirement for performance to start within 30 days after award, the evaluators rated the proposal as technically unacceptable under the start-up factor. We see no basis to question the agency's finding.

Offerors bear the responsibility to submit an adequately written proposal with sufficiently detailed information to establish that their proposals will meet the solicitation requirements. <u>G&M Indus.</u>, B-290354, July 17, 2002, 2002 CPD ¶ 125 at 4. An offeror is responsible for demonstrating affirmatively the merits of its proposal and risks rejection if it fails to do so. <u>See HDL Research Lab, Inc.</u>, B-294959, Dec. 21, 2004, 2005 CPD ¶ 8 at 5. Further, no matter how competent an offeror may be, the technical evaluation must be based on information included in the firm's proposal, as the RFP here explicitly instructed. <u>See Watson Indus.</u>, Inc., B-238309, Apr. 5, 1990, 90-1 CPD ¶ 371 at 3-4.

Here, as noted above, the protester's proposal did not define some of the terminology used in its implementation plan; for instance, while the proposed implementation plan states that the listed tasks are "due" (and thus presumably will be completed) prior to "proposed implementation," the protester's proposal does not define what is meant by "implementation." Even assuming that the term refers to the beginning of performance, the proposal simply does not state with sufficient clarity or specificity when the protester planned to begin each implementation task, in order to demonstrate completion within a 30-day period. Additionally, while, in its comments on the agency report, the protester states that it planned to start performing some of the listed tasks well prior to the agency's award decision, neither its implementation plan nor any narrative in its proposal so indicated. Accordingly, we think that the agency reasonably concluded that Managed Care's proposal did not demonstrate that the firm would be prepared to begin performance within 30 days after contract award, as required by the RFP. See Kiewit Texas Constr., L.P., B-402090, B-402090.2, Jan. 12, 2010, 2010 CPD ¶ 27 at 5-6.

In sum, we conclude that the agency reasonably found that the protester's proposal failed to meet the resume and start-up plan requirements of the RFP, and thus that the proposal was unacceptable under the associated staffing and start-up evaluation subfactors. Given those ratings, and since the RFP provided that, to be considered

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for award, an offer had to receive a rating of satisfactory or better on all factors and subfactors, the agency properly rejected Managed Care's proposal.<sup>4</sup>

The protest is denied.

Lynn H. Gibson Acting General Counsel

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<sup>&</sup>lt;sup>4</sup> Since the protester's proposal was properly rejected, we need not discuss the firm's additional challenges to the evaluation of the firm's proposal under the technical expertise or past performance factors; in light of the discussion above, Managed Care would remain ineligible for award even if its proposal were to receive additional credit under the two additional challenged evaluation areas.