




## Notice of Intent to Certify Sole Source

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**To:** Interested Parties  
**From:** David C. Johnson   
**CC:** ITS Project Number 47983  
**Date:** January 30, 2024  
**Re:** Sole Source Certification Number 4598 to provide Clinical Decision Support Software for the Mississippi State Hospital  
**Contact Name:** Matthew Livingston  
**Contact Phone Number:** 601-432-8244  
**Contact E-mail Address:** matthew.livingston@its.ms.gov

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### Sole Source Certification Award Details

Regarding Information Technology Services (ITS) Sole Source Certification Number 4598 for the Mississippi State Hospital (MSH), please be advised that ITS intends to award Change Healthcare Technologies, LLC as the sole source provider of Clinical Decision Support Software through February 28, 2027, in an amount not to exceed \$133,936.74. Please be advised that ITS will determine if additional software, support, or subscriptions are within scope during the certification period and may increase the spending authority accordingly. Should Change Healthcare Technologies, LLC change their name during this certification period, then ITS will determine if a recertification is necessary. For an explanation regarding Mississippi state law, policy and procedures for sole source procurements, refer to Attachment B: Sole Source Procurement Overview.

### Sole Source Criteria

1. The product or services being purchased must perform a function for which no other product or source of services exist:

**Change Healthcare's proprietary InterQual Clinical Content decision support system has been in place at Mississippi State Hospital (MSH) since 1999. The system support as well as all modules, updates, enhancements, and releases can only be acquired through Change Healthcare. InterQual products have been used by MSH for utilization management of medical surgical patients and inpatient psychiatric patients ages 4-12, adolescents, adults, and geriatrics as well as the certification process for the adolescent substance use disorder patients. Change Healthcare Technology, LLC's InterQual Clinical Content also includes case management, regulatory compliance, and quality control. The InterQual solution is utilized by 44 hospitals throughout Mississippi, including the contractor that**

reviews records for the Mississippi Division of Medicaid. Nationally, 86% of hospital discharges and admissions are informed by InterQual Clinical Content.

2. The purchaser must be able to show specific business objectives that can be met only through the unique product or services:

The software allows MSH to automate workflows to achieve greater consistency from reviewer to reviewer. InterQual improves process as it has the ability to collect and organize data to identify trends, meet regulatory requirements, explore reasons behind utilization patterns, and identify areas for quality improvement. In addition, the software meets recognized Utilization Review Accreditation Commission (URAC) standards in the Health Utilization Management Program. Continued use of InterQual Clinical Content will allow MSH to determine the medical necessity of patients. This solution is a tool used in the process to obtain reimbursement for the various populations served at MSH. MSH must have clinical decision support software to help guide the treatment, billing and claim defense processes.

3. The product or services must be available only from the manufacturer and not through resellers who could submit competitive pricing for the product or services:

Change Healthcare Technologies, LLC is the sole manufacturer and authorized supplier of InterQual, including all related Change Healthcare-developed or owned modules, updates, enhancements, and releases. The software was developed by Change Healthcare and only Change Healthcare is authorized to supply (a) implementation, validation, and upgrade services; (b) support and maintenance services; (c) diagnostics and defect analysis; and (d) consulting, education, and training in connection with the software. The Vendor's sole source certification letter is included as Attachment A.

## Schedule

Task	Date
First Advertisement Date	01/30/24
Second Advertisement Date	02/06/24
Response Deadline From Objectors	02/13/24 at 3:00 P.M. Central Time
Notice of Award/No Award Posted	Not before 02/14/24

## Project Details

MSH used the printed version of the InterQual Clinical Content as the framework for its business processes since 1999, but the printed version was no longer published after 2016. In October 2015, ITS issued Sole Source Certification Number 3829 for InterQual Clinical Content software for utilization management and received no objections. A Software License and Application Service Provider Agreement was executed in February 2016 and has been subsequently amended. In January 2021, ITS issued Sole Source Certification Number 4362 for clinical decision support and received no objections. The existing contract expires February 28, 2024. Since 2016, MSH has been approved to spend \$349,247.05 for the software solution.

## Submission Instructions and Format of Response from Objecting Parties

Interested parties who have reason to believe that the Clinical Decision Support Software should not be certified as a sole source should provide information in the following format for the state to use in determining whether or not to proceed with awarding the Sole Source contract to Change Healthcare Technologies, LLC.

1.1 Interested Party Information

1.1.1 Contact Name, Phone Number and email address

1.1.2 Company Website URL, if applicable

1.2 Objection to Sole Source Certification

1.2.1 Interested parties must present specific objections to the Sole Source certification using the criteria listed above.

1.2.2 A statement regarding the Interested Party's capabilities as related to this Sole Source Certification Request.

1.3 Comments will be accepted at any time prior to Tuesday, February 13, 2024 at 3:00 p.m. (Central Time) to Matthew Livingston at [matthew.livingston@its.ms.gov](mailto:matthew.livingston@its.ms.gov) or at the Mississippi Department of Information Technology Services, 3771 Eastwood Drive, Jackson, Mississippi 39211. Responses may be delivered by hand, via regular mail, overnight delivery, e-mail or by fax. Fax number is (601) 713-6380. ITS WILL NOT BE RESPONSIBLE FOR DELAYS IN THE DELIVERY OF RESPONSES. It is solely the responsibility of the Interested Parties that responses reach ITS on time. Interested Parties may contact Matthew Livingston to verify the receipt of their Responses. Responses received after the deadline will be rejected.

1.4 Interested Party responses should include the following information:

**SUBMITTED IN RESPONSE TO  
Sole Source Certification No. 4598-47983  
Accepted until February 13, 2024 @ 3:00 p.m.,  
ATTENTION: Matthew Livingston**

If you have any questions concerning the information above or if we can be of further assistance, please contact Matthew Livingston at 601-432-8244 or via email at [matthew.livingston@its.ms.gov](mailto:matthew.livingston@its.ms.gov).

Attachment A: Vendor Correspondence

Attachment B: Sole Source Procurement Overview

# CHANGE HEALTHCARE

Date: November 16, 2023

Mississippi State Hospital  
3550 Highway 468W  
Whitfield, MS 39193  
Attn: Coordinated  
Care Department

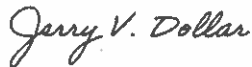
☎ 601-815-2837  
☎ 601-815-2901

RE: Change Healthcare Technologies, LLC Authorized Provider of  
InterQual Services and Products

Please be advised that Change Healthcare is the sole manufacturer and authorized supplier of InterQual, including all related Change Healthcare-developed or owned modules, updates, enhancements, and releases as described in your software license agreement. The software was developed by Change Healthcare and only Change Healthcare is authorized to supply you with (a) implementation, validation and upgrade services; (b) support and maintenance services; (c) diagnostics and defect analysis; and (d) consulting, education, and training in connection with the software.

Please let me know if you have any questions or if you need additional information.

Sincerely,



Jerry V. Dollar, Senior Sales Executive  
303-261-7199  
Jerry.Dollar@changehealthcare.com

cc:

David Oliphant, Area Vice President Sales, Remote Sales

Change Healthcare  
3035 Lebanon Pike, Suite 1000  
Nashville, TN 37214

☎ 615.932.3292  
☎ 615.231.4843

[changehealthcare.com](http://changehealthcare.com)

## Attachment B

The acquisition of information technology for all state agencies and institutions of higher learning (IHLs) is within the scope of the ITS law, found in Mississippi Code Section 25-53-1, et seq., and the policies and procedures established in accordance with this statute, found in the ITS Procurement Handbook posted on the ITS website ([www.its.ms.gov](http://www.its.ms.gov)).

ITS enabling legislation requires that information technology hardware, software and services be acquired in a manner that insures the maximum of competition among all manufacturers and suppliers of such equipment and services. Accordingly, ITS promotes full and open competition through the issuance of open specifications and the objective evaluation of Interested Party proposals to determine the lowest and best offering to meet an agency's or public university's business requirements. True competition protects the integrity and credibility of purchasing in the public sector and is essential in providing best value and adequate contractual protection for the purchasing entity. In certain limited situations, information technology acquisitions may be sole-sourced.

ITS utilizes the provisions of Public Purchasing Law for Sole Source and Emergency procurements of information technology. Mississippi Public Purchasing Law (Mississippi Code Section 31-7-13) specifies that noncompetitive items available from one source only be exempted from bid requirements (sole-sourced). ITS statute, in Section 25-53-5 (p), permits ITS to utilize provisions in Public Purchasing Law or regulations, when applicable.

Per Public Purchasing law, acquisitions must meet the following criteria to be authorized as sole source:

1. The product or services being purchased must perform a function for which no other product or source of services exists,
2. The purchaser must be able to show specific business objectives that can be met only through the unique product or services, AND
3. The product or services must be available only from the manufacturer and NOT through resellers who could submit competitive pricing for the product or services. The vendor's correspondence regarding this criterion for this project is included as Attachment A.

By policy as documented in the ITS Procurement Handbook, acquisitions of IT services must include the following information to be authorized as sole source:

1. An explanation about why the amount to be expended is reasonable, and
2. An explanation regarding the efforts by the purchaser to obtain the best possible price.

For state agencies, approval of all technology purchases with a lifecycle cost of \$5,000 or less, including sole source purchases, has been delegated to the agency. The ITS Procurement Limits Policies for Agencies (a section in the ITS Procurement Handbook) require a minimum of two competitive written bids or proposals for technology purchases with a lifecycle cost over \$5,000 but not over \$75,000 (not over \$25,000 for projects funded by the American Recovery and Reinvestment Act). Since, for single source items, the procuring agency will be unable to obtain two written bids, ITS must certify all sole source acquisitions of information technology with a lifecycle cost greater than \$5,000.

Institutions of Higher Learning (IHLs) or public universities have been delegated the authority to certify sole source procurements up to \$250,000 lifecycle cost under the ITS Procurement Limits Policies for IHLs (a section in the ITS Procurement Handbook). For the certification of sole source procurements delegated to the CIOs at public universities, the public university must follow ITS' Sole Source Procedure, including advertisement of the intent to award as sole source. Institutions certifying a sole source purchase must ensure the criteria listed above are met and documented in writing by the institution and the Interested Party prior to certifying a product or service as sole source. Sole source documentation must be reviewed and approved by the IHL's CIO for any sole-source certification

above \$5,000. All sole source documentation should be retained in the public university's procurement file. Sole source requests above \$250,000 lifecycle cost require ITS approval.

Other than the delegations outlined above, all sole source technology procurements must be certified by ITS.

ITS thoroughly reviews Sole Source Certification Requests, determining if competing products and/or services exist. If so, ITS conducts a competitive procurement. If ITS' review confirms the sole source, then a Sole Source advertisement is issued, giving other Interested Parties an opportunity to identify competing products and/or services. Based upon the results of the Sole Source advertisement, ITS will either certify the request as a sole source or conduct a competitive procurement.

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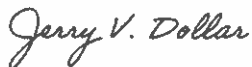
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