



DEPARTMENT OF
BUDGET & MANAGEMENT

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Amendment #12
to
REQUEST FOR PROPOSALS (RFP)

DPSCS INMATE MEDICAL HEALTH CARE AND UTILIZATION SERVICES

SOLICITATION NUMBER DPSCS Q0012013

MARCH 15, 2012

Ladies and Gentlemen:

This Addendum is being issued to amend and clarify certain information contained in the above named RFP. All information contained herein is binding on all Offerors who respond to this RFP. Specific parts of the RFP have been amended. The following changes/additions are listed below; new language has been double underlined and marked in red bold (ex. **new language**) and language deleted has been marked with a strikeout (ex. ~~language deleted~~).

1. Revise Section 1.3 (**Contract Type**), as follows:

The Contract that results from this RFP shall be a combination of ~~three~~ **four** different contract type components, described as follows:

1. The primary contract type component is characterized by Fixed Contract prices that are subject to ~~Adjustment~~ in terms of variations in the Consumer Price Index and ~~of variations in~~ **Inmate census variations**, as described in **RFP §§ 3.3.1.2 and 3.3.2**, respectively. (See COMAR 21.06.03.02.A.(3) and 21.06.03.02.B.(3));

2. Firm Fixed prices for the Acquisition/Implementation Price for the three Optional Services described in RFP §§ 3.3.4.1.1 and 4.5 and Attachments, F-1, F-3, F-4 and F-5). (See COMAR 21.06.03.02 (A)(1));

3. Fixed Contract prices that are subject to adjustment for the License/Maintenance, Customization/Other Prices, and if applicable Mobile Units, for the three Optional Services described in RFP §§ 3.3.4.1.1.2 and 4.5 and Attachments F-1, F-3, F-4, and F-5. (See COMAR 21.06.03.02.A (3) and 21.06.03.02B.(3)). These fixed prices are subject to reduction depending upon when the Department accepts the optional service as being fully implemented as described in § 3.3.4.1.1; and

4. Incentive payments as described in RFP § 3.6.6, § 3.69.1.2.3 and Contract § 5.4. (See COMAR 21.06.03.04 (A)(2)).

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2. Revise Sections 3.6.1 and 3.6.1.1 (Contractor Staffing and Management) and **add** Section **3.6.1.1.1**, as follows:

3.6.1 The Final staffing plan submitted in response to 4.4 Tab D § 1.6 shall be formalized as the **Contractor's initial** ~~Contractors'~~ staffing plan. **The Contractor's staffing plan shall primarily focus on the total number of Staff to be provided and the number of Staff in each position category; e.g. R.N., NP/PA, LPN, etc. Although the staffing plan will indicate the projected work site and working hours for each included position, unless directed otherwise in writing by the DPSCS Manager/Director, the Contractor may alter Staff work sites or work times without revising its current staffing plan. However, annually the Contractor must submit a staffing plan as described in 3.6.1.1.1.**

3.6.1.1 If at any time during the ~~e~~**C**ontract term the Contractor determines that staffing is necessary to deliver the services required in addition to that contained in its current staffing plan, the Contractor shall institute that staffing at its own expense, absent a material change in circumstances stemming from a ~~Contract~~**Contract** modification executed by the Procurement Officer. ~~The Contractor shall provide a revised staffing plan whenever there is a change in staffing. This revised staffing plan shall be provided to the DPSCS Medical Director and Regional ACOM for clinical review and if appropriate approval prior to submission to the DPSCS Contract Manager. If approved, the revised staffing plan shall be provided to the DPSCS Contractor Manager within 10 days of the clinical approval for final disposition by the DPSCS Contractor Manager of the change.~~

3.6.1.1.1 Beginning with the second year of the Contract, within 10 days after the start of each Contract year the Contractor shall submit a staffing plan, to be known as the Annual Staffing Plan, which reflects its then current staffing arrangement. This Annual Staffing Plan shall indicate all positions working under this Contract, either On-Site or at a Contractor Off-site location in Maryland such as a regional office, including the typical work hours and location for each position. Each Annual Staffing Plan shall highlight staff additions or deletions, by location, since the Initial staffing plan, or a prior Annual Staffing Plan, as applicable. Any overall increase in the number of Staff working under the Contract, or, with prior approval as described in §3.6.6, Staff reductions shall also be specifically described.

The DPSCS Manager/Director, ACOMS and other designated DPSCS personnel will have the ability to monitor the Contractor's staffing real time via access to the Contractor's monthly staffing schedules as described in §3.6.4. As long as in the opinion of the DPSCS Contract Manager there are not an excessive number and amount of liquidated or

direct damages being assessed due to the failure of the Contractor to comply with various Contract requirements, the Contractor shall be afforded the flexibility to use its Staff in the manner it deems most appropriate to satisfy the services requirements of the Contract. However, if in the opinion of the DPSCS Contract Manager there are an excessive number and amount of liquidated or direct damages being assessed due to the failure of the Contractor to comply with various Contract requirements, for as long as deemed appropriate the DPSCS Contract Manager may require the Contractor to obtain his/her advanced, written approval for any proposed staffing changes.

3. Delete the second paragraph in Section 3.6.3.1 (Contractor Staffing and Management), as follows:

3.6.3.1 The Contractor shall have a Statewide Medical Director and Statewide DON, which shall be separate and distinct from the Contractor's Contract Manager. (See § 1.2.25 ~~42.25~~) The Statewide Medical Director must be a physician (MD) licensed in Maryland and be Board certified or Board eligible in Internal Medicine, Primary Practice or Family Practice. The Statewide DON must be a masters level Nurse (RN) registered in Maryland. These Statewide positions shall be strategically placed organizationally to properly oversee the total delivery of Inmate healthcare services required by this RFP. Facility medical staff, including Clinicians, shall report to a Contractor ~~facility~~ **Regional** Medical Director who in turn shall report to the Contractor Statewide Medical Director. Similarly, Healthcare Professionals and other Staff, including nurses, clerks, and schedulers, ~~and other Staff~~ necessary to perform daily functions of Inmate healthcare and health problem prevention, shall report to a Contractor ~~facility~~ DON or nursing supervisor, as appropriate, who in turn shall report to the Contractor Statewide DON for all clinical related activities, unless the DPSCS Manager/Director agrees in writing to a different reporting structure. The management structure indicated on the organization chart shall constitute a critical component of the staffing pattern for which the Contractor is obligated. (See Attachment R and the Specialist Staffing Positions in Attachment CC (the CCC)).

~~The Contractor shall provide a revised organizational chart whenever there is an approved change in staffing as described in § 3.6.1.1 and/or staff organization. This revised organizational chart shall be provided to the DPSCS Contractor Manager within 10 days of approval by the DPSCS Contract Manager of the change.~~

4. Revise Sections 3.6 (Contractor Staffing and Management) to **add** Section **3.6.6** and all accompanying paragraphs, as follows:

3.6.6 **Over the term of the Contract through such factors as the implementation of labor saving technologies, improved training, enhanced supervision, or augmented remote support it may be possible to reduce Contract staffing levels without appreciable reduction in the type, quantity, quality or timeliness of services being provided.**

To not only allow for, but to encourage such possibility the following staff reduction circumstances will apply beginning one year after the Go Live Date. (No Staff reduction will be permitted within the first twelve months after the Go Live Date unless implemented via a formal Contract modification.)

Anytime beyond twelve months after the Go Live Date the Contractor may request approval from the DPSCS Manager/Director for the elimination of one or more positions from its staffing plan. Any such request must be accompanied by an explanation, including any supporting statistical analyses, of why the elimination of such position(s) will not result in other than a negligible impact on the delivery of services under the Contract. It should also be stated whether such position elimination, if approved, would result in the termination of any existing Staff, or whether the individual(s) occupying such position(s) can continue working for the Contractor in another capacity.

The DPSCS Manager/Director shall have the right to approve or disapprove a position elimination request on a position by position basis; i.e. approval may be granted to eliminate some or all requested positions, or not permit any position elimination. If approval is granted for any position elimination, the DPSCS Manager/Director will provide the earliest effective date for the elimination. However, any such position elimination will take effect as of the beginning of a month. The Contractor may not eliminate any position included in its staffing plan unless and until such elimination is approved by the DPSCS Manager/Director.

If approval is granted for the elimination of a position, both the Contractor and DPSCS shall share in the resulting reduction in Contractor *minimum hourly rate* expenses on a 30%/70% basis, as follows.

The Contractor shall realize 30% of the *minimum hourly rate* savings from the approved elimination of any position, and DPSCS shall realize 70% of such *minimum hourly rate* savings. Moreover, the Contractor may retain all savings resulting from any difference between the wages actually being paid for a position requested to be eliminated versus the *minimum hourly rate* for the position, the

reduction in fringe benefits and savings in any other position related expense other than the *minimum hourly rate*, such as the cost of supplies, training, supervision, and overhead support. The savings that accrue to DPSCS because of the approved elimination of any position shall take the form of a reduction in the monthly submitted invoices for the duration of the elimination. The DPSCS Contract Manager will inform the Contractor of the amount of monthly reduction that should occur because of the approved elimination of one or more positions and the resulting appropriate monthly invoice amount.

The amount of invoice reduction that results from the elimination of any position will be based upon the *minimum hourly rate* for that position as included in the Contractor's technical proposal response to §4.4 Tab D, 1.6 and 1.8. For each month that a position is eliminated, this minimum hourly position rate will be multiplied times 172 hours to yield an imputed monthly savings amount. 70% of this monthly savings amount shall then be reduced from the monthly invoice to DPSCS.

For example if a position with a minimum hourly rate of \$20 is approved for elimination, the resulting monthly invoice reduction would be \$2,408.00. (172 monthly hours X \$20 = \$3,440 X 70% = \$2,408.00.)

If any position is approved by the DPSCS Manager/Director for elimination, the Contractor's performance under the Contract will be monitored to discern if there is any significant negative effect from the elimination. If it is determined by the DPSCS Manager/Director that any such approved position elimination should be rescinded, within a reasonable period of time commensurate with the skill level of the position, the position shall be reinstated to the Contractor's staffing plan, filled and the person filling the position shall commence working under the Contract as if the position had never been eliminated.

In the event of the reinstatement of any eliminated position the monthly invoice from the Contractor shall increase by the same amount as it previously was reduced because of the position elimination. In the above example, the amount of monthly Contract invoice increase would be the same \$2,408.00 as was reduced because of the position elimination. For any position reinstatement the Contractor shall provide the same fringe benefits and support as is provided to its other employees working under the Contract.

5. Revise Sections 3.11.1 (Contractor Staff Time Reporting) and **add** Sections 3.11.1.1 and 3.11.1.2, as follows:

3.11.1 No **more** ~~less~~ than forty (40) days after Contract Commencement, the Contractor shall install, maintain and utilize an electronic timekeeping system for all of its employees providing on-site services. The Contractor shall make the timekeeping records available to the Department Contract Manager, Medical Director and DON, ACOMS, internal and external auditors, and other Department personnel as directed by the Department Contract Manager. The time records submitted shall designate the name of the employee, and the number of hours worked and shall be capable of sorting by institution, by date, by hour/shift, and by occupation/competency. The Department Contract Manager may direct the form in which the information is to be conveyed.

The Contractor shall implement a web-based time and attendance software solution that integrates with the staffing software requirements set forth in § 3.6 of this RFP. The time and attendance software shall be configured to automatically generate various staffing and cost reports in the form and format as required by the Department Contract Manager, including a report that provides hours provided versus hours required for every clinical position, facility and Service Delivery Area by the 10th of the month following each service month. The time and attendance system must be **Biometric** (be uniquely identified as a specific person via a unique physical characteristic(s) of that person, such as, but not limited to, fingerprints, eye scan, or voice recognition), and must have built-in industry standard security features to maintain time and attendance data integrity. The time and attendance software shall provide data analysis capabilities and note taking capabilities, including recording any changes made to Staff schedules or any changes made to employee's time and attendance records to determine abnormal behavior or potential liability issues. ~~The time and attendance software must also maintain the ability to be utilized by the Other Healthcare Contractors with a data feed and an ability to run separate DPSCS Mental Health, Dental and Pharmacy Contractor reports. The DPSCS Contract Manager, Medical Director and DON, ACOMS, DPSCS Chief Financial Officer, internal and external auditors, and other Department personnel as directed by the Department Contract Manager shall have searchable read-only access to the database via secure (password protection) internet or LAN connection. (Also see § 3.11.3.)~~

3.11.1.1 The time and attendance software must also maintain the ability to be accessed/utilized by the Other Healthcare Contractors in such a manner that the Other Healthcare Contractors can aggregate and report information statistics pertaining to its Staff separately from the Contractor or any Other Healthcare Contractor. In addition, the Contractor must provide a data feed of its timekeeping system information pertinent to each of the Other Healthcare Contractors to the Other Healthcare Contractors via an electronic bridge. All services and capabilities in this section 3.11.1.1 shall be provided at no additional cost to the Other Healthcare Contractors.

3.11.1.2 The DPSCS Contract Manager, Medical Director and DON, ACOMS, DPSCS Chief Financial Officer, internal and external auditors, and other Department personnel as directed by the Department Contract Manager shall have searchable read-only access to the database of the Contractor or Other Healthcare Contractors via secure (password protection) internet or LAN connection. (Also see § 3.11.3.)

Date Issued: **MARCH 15, 2012**

By: <signed>
Andrea R. Lockett
Procurement Officer

Enclosures:

Attachment F Financial Proposal Form