



DEPARTMENT OF
BUDGET & MANAGEMENT

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Deputy Secretary

Amendment #8
to
REQUEST FOR PROPOSALS (RFP)
DPSCS INMATE MEDICAL HEALTH CARE AND UTILIZATION SERVICES
SOLICITATION NUMBER DPSCS Q0012013
NOVEMBER 22, 2011

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 1.2.23 (**Abbreviations and Definitions**), as follows:

1.2.23 “**Contract Period**” means the length of time the Contractor must maintain the same Monthly Price per Inmate (See Attachment F-1, F-2 and F-3) except for Inmate census adjustments as per § 3.3.2, and Firm Fixed Pricing for Optional Services (See Attachment F-4 and § 3.3.4).

There are five contract periods covered by this Contract. The first Contract Period shall run from the date of Contract Commencement (See § 1.4) through June 30, 2013. ~~Accordingly, the duration of this first Contract Period may be for up to 18 months of paid Contract services.~~ The four Contract Periods following the first Contract Period shall each be for 1 year, and will coincide with the State Fiscal Year. The State Fiscal Year (FY) runs from July 1st of one year to June 30th of the next year.

2. Revise Section 1.2 (**Abbreviations and Definitions**) to **add** the following term/definition:

1.2.113 “Medical Co-Pay” means, as per DPDS policy 245.008, that Inmates must pay a nominal fee for access to certain types of routine medical services. (See § 3.2.8)

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3. Revise Sections 1.4.2 and 1.4.3 (**Contract Commencement and Duration**), as follows:

~~1.4.1.1~~ **1.4.2** From the date of Contract Commencement through **June 30, 2012** ~~December 31, 2011~~, or a later date contained in a Notice to Proceed issued by the Procurement Officer, the Contractor shall perform start-up activities such as are necessary to enable the Contractor to begin the successful performance of Contract activities as of **the Go Live Date (defined below)** ~~January 1, 2012, or a later date contained in a Notice to Proceed issued by the Procurement Officer~~. No compensation will be paid to the Contractor for any start-up activities it performs between the date of Contract Commencement and the **Go Live Date** ~~date it initiates the delivery of Contract services, on January 1, 2012, or later date as contained in a Notice to Proceed issued by the Procurement Officer~~.

~~1.4.2~~ **1.4.3** As of **July 1, 2012** ~~January 1, 2012~~, or later date as contained in a Notice to Proceed issued by the Procurement Officer (the “Go Live Date”) the Contractor shall perform all activities required by the Contract, including the requirements of the RFP, and the offerings in the Technical Proposal, for the compensation contained in the Financial Proposal.

4. Revise Section 3.2.8 (**General Provisions and Other Requirements**), as follows:

3.2.8 The Contractor shall assist the Department in fulfilling the Department’s obligation to collect ~~co-pays~~ **Medical Co-Pays (See § 1.2.113)** in accordance with Maryland law and DPSCS policy and procedure for all medical services to the extent authorized by statute. (Correctional Services Article of the Maryland Annotated Code, Section 2-118) **In this regard, the Contractor must complete a Co-Pay roster form daily identifying all Inmates receiving designated routine medical services and provide this roster at the end of each day to the office of the Warden at the involved facility.**

5. Revise Section 3.2 (**General Provisions and Other Requirements**) on pages 33 through 35, to **add** Section **3.2.16**, as follows:

3.2.16 Litigation:

3.2.16.1 When litigation involving any activity under this Contract is filed directly with the Contractor, the Contractor shall promptly notify the DPSCS Manager/Director (See § 3.7.3). The notification shall include:

- 1. Name of court,**
- 2. Case number,**
- 3. Whether counsel filed or pro se, and**
- 4. Amount of claim.**

3.2.16.2 Whenever there is any progress or activity involving the case, the Contractor shall notify the DPSCS Manager/Director to delineate:

- 1. Whether dispositive motions are pending,**
- 2. Discovery proceeding,**
- 3. Trial set (date),**
- 4. Trial held,**
- 5. Judgment rendered,**
- 6. And/or appeal noted.**

All rulings on dispositive motions, judgments and settlements, and the terms of any judgment or settlement shall also be reported, regardless of whether the named defendant is the corporate defendant, a corporate subcontractor, or an individual employed by the Contractor or a subcontractor if the suit arises from performance of the services under this RFP and resulting Contract. For any claim filed with the Contractor, the Contractor shall cooperate with the Department with the defense of such claim. For any claim filed with the Department, the Department will notify the Contractor and will coordinate with the Contractor for any necessary information needed in the suit.

3.2.16.3 The Contractor shall participate in providing expert testimony for any litigation filed during the Contract period stemming from a Medical Health claim.

6. Revise Section 3.3.2.6.1 (Billing, Billing Adjustment for Inmate Census Changes), as follows:

3.3.2.6.1 For any Episode of Hospital-Based Inpatient Care (See § 1.2.49) for an Inmate/Detainee exceeding \$25,000, the Department will pay 50% of ~~these~~ costs that exceed \$25,000; the Contractor will pay the other 50%. During the last State fiscal year (2010), the total number of Hospital-Based Inpatient Care Episodes exceeding \$25,000 was 95 cases and the total dollar amount was about \$7,100,000.

7. Revise Section 3.3.4 (Billing, Pricing for Optional Services), as follows:

3.3.4 **Pricing for Optional Services**

In the event the Department directs the Contractor to implement any of the three optional Contract activities for which separate fixed prices have been quoted on Attachment F, (a new Inmate Health Record system, new digital X-ray system, and enhanced Telemedicine capabilities), the Contractor shall implement the respective

system/enhancement as described in its final Technical Proposal for the quoted firm fixed prices per Forms F-3, F-4 and F-5 for the pricing scenario as per the Contract Period during which the optional service is to be installed/implemented. ~~NTE for the service is issued. e.g., if a NTE is issued on June 1, 2013, the 1st-Contract Period fixed price will apply. For a NTE issued June 29, 2016, the 4th-Contract Period price will apply.~~

The Department will only provide a Notice to Proceed (NTP) for an optional service to be installed/implemented as of the beginning of a Contract Period. e.g., if a NTP is issued on January 31, 2013, the installation/implementation of the optional service will start as of July 1, 2013 and the quoted prices for the 2nd installation/implementation Scenario ~~Contract Period~~ will apply. For a NTP issued June 29, 2016, installation/implementation will start as of July 1, 2016 and the installation/implementation Scenario 5 ~~appropriate 5th-Contract Period~~ prices will apply.

8. Revise the last paragraph of Section 3.3.4.1.1 (Billing, Pricing for Optional Services), as follows:

3.3.4.1.1 For the Contract Period when an optional service is first installed/implemented the Contractor will be paid a pro-rata share up to 20% of its firm, fixed price for acquisition/implementation on price forms F-2, F-3 and F-4 in accordance with the milestone pay out points described in its Technical Proposal (See § 4.4 Tabs, L, N and Q). For this first Contract Period of installation/implementation the Contractor will not receive a higher percentage of its acquisition/implementation price than this Contract Period represents of the remainder of the Contract term. If, Upon installation/implementation and Acceptance (Acceptance is explained in § 3.3.4.1.2) has occurred during the Contract Period within which it was projected to be installed/implemented, for each Contract Period thereafter the Contractor will be paid the balance of its acquisition/implementation price evenly amortized on a monthly basis over the remainder of the Contract term.

~~For instance, under Scenario 2, for an optional service that is installed/implemented in the 2nd-Contract Period, there are only 4 Contract Periods over which to amortize the acquisition/implementation price. Accordingly, the Contractor's milestone payout points for the first Contract Period of installation/implementation cannot exceed 25% of the total acquisition/implementation price. The remaining 75% of the installation/implementation price will be paid out in equal monthly increments over the remaining 3 Contract periods.~~

~~Under Scenario 3, for an optional service that is installed/implemented in the 3rd Contract Period, there are only 3 Contract Periods over which to amortize the acquisition/implementation price. Accordingly, the Contractor's milestone payout points for the first Contract Period of installation/implementation cannot exceed 33.3% of the total acquisition/implementation price. The remaining 66.7% of the installation/implementation price will be paid out in equal monthly increments over the remaining 2 Contract periods.~~

~~For example, if an optional activity with a quoted acquisition/implementation price of \$300,000 is implemented in the 3rd Contract Period, the Contractor can be paid \$100,000 (1/3rd of the quoted price) during the 3rd Contract Period in accordance with the Contractor's milestone payout points identified in its Technical Proposal. For the 4th and 5th Contract Periods the Contractor would be paid \$200,000 evenly over the 24 months remaining in the Contract term, or \$8,333 per month for each of those 24 months.~~

~~However, if installation/implementation and Acceptance did not occur within the Contract Period as was originally projected the Contractor would receive no payments during this Contract Period, beyond those payments specified for milestones actually achieved during the Contract Period. Instead, the Contract Period during which installation/implementation and Acceptance actually occurred would become the Contract Period within which the payment methodology described above would apply.~~

~~For instance, if Scenario 2 was originally projected to occur, with installation/implementation expected during the 2nd Contract Period, and instead installation/implementation occurred during the 3rd Contract Period, the circumstances described in Scenario 3 would apply.~~

9. Revise the last paragraph of Section 3.3.4.1.2 (**Billing, Pricing for Optional Services**), as follows:

A NTP for a given optional service was provided in the second Contract Period with installation/implementation to commence as of the beginning of the 3rd Contract Period, but during the 3rd Contract Period the implementation/Acceptance did not occur, If in the 13th month of installation/implementation activity (the first month of Contract Period 4) the optional service is implemented/Accepted, the Contractor would invoice and be paid 1/11th of its 4th Contract Period prices (other than for acquisition/implementation which will be paid as described in §

3.3.4.1.1) each month during the ~~3rd~~ 4th Contract Period. There would be no payment for 3rd Contract Period prices (other than acquisition implementation).

10. Revise Section 3.3.6 (Billing), as follows:

3.3.6 Pro-Ration (if the Contract does not start on the first day of a month)

In the event the Contract does not start on the first day of a month, the monthly payment due to the Contractor as taken from the price form will be prorated. The method to determine the appropriate prorated amount will be: divide the monthly amount by the number of days in the month in which the Contact starts to obtain a daily rate, rounded to the nearest cent. Multiply the resulting daily rate times the number of days in the month during which services will be provided.

As an example: If the Contract starts on ~~January 5, 2012~~ **July 5, 2012** instead of ~~January 1, 2012~~ **July 1, 2012**, as anticipated, the payment to the Contractor for ~~January~~ **July** would be calculated by dividing the Contractor's monthly rate by 31 to obtain a daily rate, and then multiplying this daily rate times 26. If the Contractor's monthly fixed fee to provide medical services is \$200,000, this amount would be divided by 31 to yield a daily rate of \$6,451.6129 which rounds to \$6,451.61. This daily rate is then multiplied times 26 to yield a ~~January~~ **July** fixed fee amount of \$167,741.86.

11. Revise Section 3.22.3 (Ambulance/Transportation Services), as follows:

~~3.22.2~~ 3.22.3 ~~Any Inmate committed to the DPSCS who is housed out of the State of Maryland pursuant to the Interstate Compact on Corrections or an agreement between sovereigns who is to be returned to Maryland as a result of medical needs, shall be returned at the expense of the Contractor if special transportation arrangements are required as a result of the Inmate's medical condition. (See Attachment J-5). The total~~ **Contractor shall pay in-state ambulance** transportation costs up to **a maximum of** \$315,000 per Contract Period ~~(\$472,500 maximum for the first Contract Period if this period runs 18 months)~~, with an allowable escalation of 10% per year for the 2nd through 5th Contract Periods (years). (See Attachment J-5)

12. Revise Section 3.28.3 (Sick Call), as follows:

3.28.3 Those sick call slips asserting a medical complaint considered to be an emergency or time sensitive shall be ~~treated accordingly~~ **responded to Immediately**. Immediate referral to a Clinician on-site or on-call shall occur ~~unless access to care is available~~

~~timely through referral to a sick call clinic on the same day.~~ Those sick call slips determined not to constitute an emergency shall be scheduled for a sick call clinic so that the Inmate is seen within 48 hours if submitted Sunday through Thursday or 72 hours if submitted on Friday, Saturday or a holiday. **The Contractor must collect sick call slips daily at any facility for which 24/7 staffing is provided. For facilities where the Contractor does not provide 24/7 staffing, sick call slips should be collected daily Monday through Friday, except for recognized State holidays. However, in no instance shall the Contractor fail to collect sick call slips for more than three consecutive days; i.e. Sick call slips are normally submitted Monday through Friday, but may be submitted Saturday/Sunday if there is a holiday Monday or Friday.**

13. Revise Section 3.67 (Electronic Health Records (EHR)) on pages 113 through 116, to add Section **3.67.3.1.1.1**, as follows:

3.67.3.1.1.1 The Contractor shall provide the initial Contract start-up NextGen (EHR) training for its Staff, including Super Users (See § 1.2.94), no more than 45 days after Contract Commencement (See § 1.4.1). If the contract for one or more Other Healthcare Contractors will start at the same time as the Contract for the Contractor, the Super Users of that/those Other Healthcare Contractors shall also be provided with NextGen (EHR) training within this same no more than 45 days after Contract Commencement (See § 1.4.1) timeframe.

If the contract for one or more Other Healthcare Contractors will start during the term of the Contractor's Contract, but at a different Contract Commencement date than the Contractor's, the Contractor shall provide NextGen (EHR) training for the Super Users of the Other Healthcare Contractor(s) no later than 45 days after the commencement date of the contract for the Other Healthcare Contractor(s).

14. Revise Section 3 (Time for Performance) of the Contract (Attachment A) as follows:

3. Time for Performance.

3.1 In accordance with RFP § 1.4 the term of this Contract begins ~~the later of~~ the date the Contract is signed by the Department following approval of the Contract by the Board of Public Works ~~on November 1, 2011,~~ and unless terminated earlier in accordance with the Contract, ends June 30, 2017. The duration of the Contract will be from the date of Contract Commencement through June 30, 2017 for the provision of all services required by the Contract, the requirements of the RFP including the start-up activities described in **1.4.2** ~~1.4.3~~, and the offerings in the Technical Proposal. The Contractor

shall undertake transition activities necessary to provide its services under the Contract upon receipt of a written Notice to Proceed issued by the Procurement Officer. Apart from start-up transition activities, the Contractor shall provide all the services, hardware, related software, and other deliverables under this Contract during the period ~~January 1, 2012~~ **July 1, 2012** to June 30, 2017. Audit, confidentiality, document retention, and indemnification obligations under this Contract shall survive expiration of the Contract.

Date Issued: **November 22, 2011**

By: <signed>
Andrea R. Lockett
Procurement Officer