



STATE OF ARKANSAS
ARKANSAS DEPARTMENT OF HEALTH
 4815 West Markham Street
 Little Rock, Arkansas 72205

REQUEST FOR PROPOSALS FOR AQUISITION
BID SOLICITATION DOCUMENT

SOLICITATION INFORMATION			
ADH BID Doc. Number:	ADH-AQ-001	Solicitation Issued:	2-10-2016
Description:	Acquisition of In Home Health Care Operations Statewide		
Agency:	Arkansas Department of Health		

SUBMISSION DEADLINE FOR RESPONSE			
Bid Opening Date:	March 9, 2016	Bid Opening Time:	3:00 p.m., Central Time
<p>Proposals shall not be accepted after the designated bid opening date and time. It is the responsibility of Bidders to submit proposals at the designated location on or before the bid opening date and time. Proposals received after the designated bid opening date and time shall be considered late and shall be returned to the Bidder without further review. It is not necessary to return "no bids".</p>			

DELIVERY OF RESPONSE DOCUMENTS	
Delivery Address:	Department of Finance and Administration / Office of State Procurement 1509 West 7 th Street, Room 300 Little Rock, AR 72201-4222 Delivery providers, USPS, UPS, and FedEx deliver mail to DFA/OSP's street address on a schedule determined by each individual provider. These providers will deliver to DFA/OSP based solely on the street address.
Proposal's Outer Packaging:	Outer packaging must be sealed and should be properly marked with the following information. If outer packaging of proposal submission is not properly marked, the package may be opened for bid identification purposes. <ul style="list-style-type: none"> • ADH Bid document number • Date and time of bid opening • Bidder's name and return address

DEPARTMENT OF FINANCE AND ADMINISTRATION CONTACT INFORMATION			
DFA Contact:	Jessica Lowder	Contact's Direct Phone Number:	501-371-6059
Email Address:	Jessica.lowder@dfa.arkansas.gov	Main Number:	501-324-9316

SECTION 1 - GENERAL INSTRUCTIONS AND INFORMATION

- **Do not provide responses to items in this section unless specifically and expressly required.**

1.1 PURPOSE

This Request for Proposals for Acquisition (RFP) is issued by the Department of Finance and Administration (DFA) on behalf of the Arkansas Department of Health (ADH) to obtain proposals for the acquisition of ADH's entire statewide In-Home Health Care Operations (the "Agency") by a qualified Vendor who is committed to:

- Continued high quality In-Home Health Care Services,
- Continued provision of In-Home Health Care Services to indigent / self-insured patients,
- Continued provision of In-Home Health Care Services adequate to meet the needs of the State of Arkansas
- Continued employment of the Agency's employees.

The following **shall** be excluded from consideration under this RFP, but are open for negotiation/discussion following the submission of the RFP. Please do not include consideration for the following items in the Bid Sheet:

- Building/office leases. ADH will terminate these leases
- Computer hardware and software
- Furniture, supplies, equipment and any other state owned capital assets
- A Due Diligence Packet is posted with this Bid Solicitation which provides data to assist Vendors in creating their proposals and bid

1.2 BACKGROUND

The Agency has been providing In-Home Health Care Services for many decades with the goal of providing care that sets the standard in the State of Arkansas for quality, accessibility and cost effectiveness.

The Agency provides:

- Home Health,
- Personal Care,
- Hospice Services,
- Elder Choices and Community-Based Case Management Services (collectively, "In-Home Health Care Services").

Financial constraints and competition from the private sector prompted ADH to conclude that it was no longer in the best interest of the people of Arkansas for the State Government to continue to provide In-Home Health Care Services. As a State sponsored provider of In-Home Health Care Services, the Agency is at a disadvantage from a number of perspectives including:

- Few resources to commit to marketing efforts to help grow revenue/volume base and help obtain referrals of more financially desirable patients
- Elevated overall cost structures including a rich employee benefit package required for State employees that creates a significant cost burden unlike competing agencies
- A dense network of office locations

A transition to the private sector should alleviate these constraints and provide a Vendor with the opportunity to capitalize on the Agency's foundation and supplement future growth and success.

The Agency is unique because it operates within State government and has offices throughout Arkansas where direct patient care is provided. While many administrative functions such as billing, collections, budgeting, and purchasing are provided through a central office location, the Agency is well-separated and distinct from other State government operations.

Home Health Services

The Agency is licensed to provide Home Health services in 69 of the 75 counties in Arkansas. Currently, the Agency maintains a parent office in Little Rock, AR, and 74 Medicare certified and State licensed Home Health locations. These counties are grouped into five (5) regions: Southwest, Southeast, Northwest, Northeast, and Central. Each region maintains an office housing the Regional Nursing Coordinator. Home Health Nursing Program

Specialists are located throughout each region. Each individual agency office has an In-Home Service Administrator.

It is noteworthy that under current licensing guidelines in the State, providers can provide Home Health services within a 50 mile radius of a location. While the Agency was grandfathered in and elected to maintain its Home Health licensure generally by county, a provider could choose to change the operating and licensure structure and significantly reduce the number of locations needed to cover the home health needs across the State under the 50 mile radius licensing structure.

The Agency bills for Medicaid Home Health services under one (1) statewide Medicaid number. A list of Home Health locations by Regions, Medicare Provider Numbers, and Counties has been provided in the Due Diligence Packet.

The Agency serves between 6,500 and 8,000 Home Health patients, providing between 180,000 and 220,000 visits annually.

Hospice Services

The Agency also maintains seven (7) Medicare certified and State licensed area Hospice agencies and offices covering 44 Arkansas counties. Hospice Nursing Program Specialists are located throughout each region. Hospice Services bill for Medicaid hospice services under one (1) statewide Medicaid number. A current listing of Hospice Services locations by Region, Hospice Area, Medicare Provider Numbers and Counties has been provided in the Due Diligence Packet.

The Agency provides Hospice Services to between 600 and 650 patients, providing between 46,000 and 49,000 days of hospice care annually.

Personal Care Services

The Agency also maintains Personal Care services to assist patients with activities of daily living to help them remain in their own home.

The Agency provides Personal Care services to between 4,500 and 4,700 patients, providing between 1,850,000 and 1,900,000 hours of care annually.

Software

The Agency currently uses the following software and/or services:

- McKesson Homecare™ and McKesson Hospice™ software as the electronic medical record.
- SHP (Strategic Healthcare Programs), LLC provides services for the required Customer Satisfaction Survey without any interventions or assistance from the agency, pulls the agency's Outcome and Assessment Information Set (OASIS) data and "scrubs" it (by running the OASIS data through issue identifying software), to identify clinical and financial issues.
- Services of CGS Administrator, Centers for Medicare, and Medicaid Services as the assigned Medicare Administrative Contractor.

The Bidder(s) chosen for continued discussion **must** be prepared to utilize its own claims and reporting systems at closing (The Agency is open to discussion on the possibility of transferring its software as part of this transaction or retaining its software through a transition period) but for the purposes of submitting proposals and bids, Vendor **must** assume the implementation and use of its own systems.

Indigent / Self-Insured Care

Indigent / self-insured care is provided by the Agency on a sliding-fee scale or at no charge. The Agency utilizes the Medicare Home Health criteria for Home Health and Hospice Services indigent / self-insured patients. The patient must have a skilled need, have a physician's order for services and meet the homebound criteria. The Agency provides all medical supplies for the duration of patient care without regard to location of residence within licensed coverage area. Patients are eligible to receive Home Health and Hospice Services without regard to age, race, ethnicity, sex or diagnosis. A RN Case Manager reviews referrals to ensure the patient meets all admission criteria for Home Health and Hospice Services.

For Personal Care patients who do not qualify for Medicaid, the Agency utilizes a sliding-fee scale and charges are based on the patient's resources.

Referral Sources and Marketing

The Agency receives its referrals from multiple sources throughout the State, including hospitals, physician offices, rehabilitation facilities, managed care contracts, nursing homes, other In-Home Health Care service providers and the Veterans Administration (VA).

The Agency's marketing strategy has been limited, utilizing only brochures, its website, and nurse liaisons assigned to hospital referral sources. The Agency's staff members have long standing relationships with referral sources throughout the State. As the public provider in the State, the Agency did not dedicate funding to formal marketing or promotions.

1.3 AWARD METHOD

- A. Qualifying proposals **shall** be evaluated for further consideration.
- B. ADH may elect to conduct discussions and/or negotiations with one or more Bidder(s), selected at ADH's sole discretion, based on the scoring of the Bidder's proposal.
- C. ADH intends to transfer the operations of the Agency to one Vendor. However, the Agency shall have the right to transfer the operations to more than one Vendor or form a partnership, joint venture or other legally established entity.
- D. The final decision **shall** be within the Agency's sole discretion with careful consideration of regulatory requirements for license transfer.
 1. Initially **only** proposals which transfer operations to a single Vendor will be considered. If an award is made to a single Vendor, partial proposals shall not be considered.
 2. If ADH does not have an acceptable proposal from a single Vendor, only then will they consider proposals for partial areas/services.
- E. All Proposals **shall** be evaluated based on the instructions, objectives, requirements, qualifications and criteria set forth in Sections 1, 2, 3 and 5 of this RFPA

1.4 TYPE OF CONTRACT

- A. A firm contract **shall** be awarded to a Bidder(s).

1.5 POINT OF CONTACT

Listed on page one (1), is the sole point of contact in the State for the solicitation process. Vendor questions regarding RFPA related matters should be made through the State's contact as shown on page one (1) of this RFPA. Bidder's questions **shall** be answered as a courtesy and at Bidder's own risk.

1.6 BID OPENING LOCATION

Proposals submitted by the opening time and date **shall** be opened at the following location:

DFA/OSP
1509 West Seventh Street, Room 300
Little Rock, AR 72201-4222

1.7 DEFINITION OF REQUIREMENT

- A. The words "**must**" and "**shall**" signify a Requirement of this Bid Solicitation and that Bidder's agreement to and compliance with that item is mandatory.
- B. Exceptions taken to any Requirement in this *Bid Solicitation*, whether submitted in the Bidder's proposal or in subsequent correspondence, **shall** cause the Bidder's proposal to be disqualified.
- C. Bidder may request exceptions to NON-mandatory items. Any such request **must** be declared on, or as an attachment to, the appropriate section's *Agreement and Compliance Page*. Bidder **must** clearly explain the requested exception and should reference the specific solicitation item number to which the exception applies. (See *Agreement and Compliance Page*.)

1.8 DEFINITION OF TERMS

- A. The Agency has made every effort to use industry-accepted terminology in this *Bid Solicitation* and will attempt to further clarify any point of an item in question as indicated in *Clarification of Bid Solicitation*.
- B. The words “Vendor” and “Bidder” are used synonymously in this document.
- C. The terms “Request for Proposal for Acquisition”, “RFPA” and “Bid Solicitation” are used synonymously in this document.

D. ACRONYMS

The following is a listing of acronyms used in this document.

Acronym	Description
ADH	Arkansas Department of Health
CMS	Centers for Medicare and Medicaid Services
DFA	Department of Finance and Administration
EO	Equal Opportunity
FOIA	Arkansas Freedom of Information Act
OASIS	Outcome and Assessment Information Set
OSP	Office of State Procurement
RFPA	Request for Proposals for Acquisition
SHP	Strategic Healthcare Programs, LLC

1.9 RESPONSE DOCUMENTS

A. Original Technical Proposal Packet

- 1. The original *Technical Proposal Packet* **must** be submitted on or before the bid opening date and time.
- 2. The Proposal Packet should be clearly marked “Original” and **must** include the following:
 - a. Original signed *Proposal Signature Page*. (See *Proposal Signature Page*.)
 - b. Original signed *Agreement and Compliance Pages*. (See *Agreement and Compliance Pages*.)
 - c. *Technical Proposal* response to the *Information for Evaluation* section included in the *Technical Proposal Packet*.
 - d. Other documents and/or information as may be expressly required in this *Bid Solicitation*.
 - e. EO 98-04 Disclosure Form. (See *Standard Terms and Conditions, #27. Disclosure*.)
 - f. Copy of Bidder’s *Equal Opportunity Policy*. (See *Equal Opportunity Policy*.)
- 3. **DO NOT** include any other documents or ancillary information, such as a cover letter or promotional/marketing information.

B. Bid Sheet. (See *Pricing*.)

- 1. Bidder’s original *Bid Sheet* **must** be submitted in hard copy format.
- 2. Bidder should also submit one (1) electronic copy of the *Bid Sheet*, preferably on a flash drive. A CD will also be acceptable.
- 3. Vendor’s *Bid Sheet*, including the hard copy and electronic copy, **must** be separately sealed from the *Technical Proposal Packet* and should be clearly marked as “BID”. Bidder **must not** include any monetary contribution information in the hard copies or electronic copies of their *Technical Proposal Packet*.

C. Additional Copies and Redacted Copy of the Technical Proposal Packet

In addition to the original *Technical Proposal Packet* and the *Bid Sheet*, the following items should be submitted:

1. Additional Copies of the *Technical Proposal Packet*
 - a. Three (3) complete hard copies (marked "COPY") of the *Technical Proposal Packet*.
 - b. Four (4) electronic copies of the *Technical Proposal Packet*, preferably on flash drives. CDs will also be acceptable.
 - c. All additional hard copies and electronic copies **must** be identical to the original hard copy. In case of a discrepancy, the original hard copy **shall** govern.
 - d. If the Agency requests additional copies of the proposal, the copies **must** be delivered within twenty-four (24) hours of request.
2. One (1) redacted (marked "REDACTED") copy the original *Technical Proposal Packet*, preferably on a flash drive. A CD will also be acceptable. (See *Proprietary Information*.)

1.10 ORGANIZATION OF RESPONSE DOCUMENTS

- A. It is strongly recommended that Bidders adhere to the following format and suggestions when preparing their Technical Proposal response.
- B. The original *Technical Proposal Packet* and all copies should be arranged in the following order.
 - *Proposal Signature Page.*
 - *All Agreement and Compliance Pages.*
 - *E.O. 98-04 – Contract Grant and Disclosure Form.*
 - *Equal Opportunity Policy.*
 - Other documents and/or information as may be expressly required in this *Bid Solicitation*. Label documents and/or information so as to reference the *Bid Solicitation's* item number.
 - Technical Proposal response to the *Information for Evaluation* section of the *Technical Proposal Packet*.

1.11 CLARIFICATION OF BID SOLICITATION

- A. A detailed Due Diligence Packet is available for download through the State website at <http://www.arkansas.gov/dfa/procurement/bids/index.php> The Diligence Packet contains detailed information spanning the Agency's operations and should be utilized in preparing proposals and bid responses.
- B. If additional information is necessary to enable Bidder(s) to better interpret the information contained in this RFP or within the Diligence Packet, written questions should be submitted by 3:00 p.m., CST on February 23, 2016.
 1. Submit written questions to the State's contact as shown on page one (1) of this RFP.
- C. Bidder's questions submitted in writing will be consolidated and responded to by the State. The State's consolidated written response is anticipated to be posted to the website by the close of business on March 1, 2016.
- D. Answers to verbal questions may be given as a matter of courtesy and **must** be evaluated at Bidder's risk.
- E. All Proposals must be submitted by 3:00 p.m. CST on March 9, 2016.
- F. The Agency reserves the right to extend the deadline for receiving proposals.

1.12 PROPOSAL SIGNATURE PAGE

- A. An official authorized to bind the Bidder(s) to a resultant contract **must** sign the *Proposal Signature Page* included in the *Technical Proposal Packet*.
- B. Bidder's signature on this page **shall** signify Bidder's agreement that either of the following **shall** cause the Bidder's proposal to be disqualified:
 - 1. Additional terms or conditions submitted intentionally or inadvertently.
 - 2. Any exception that conflicts with a Requirement of this *RFP*.

1.13 AGREEMENT AND COMPLIANCE PAGES

- A. Bidder **must** sign all *Agreement and Compliance Pages* relevant to each section of the *Bid Solicitation Document*. The *Agreement and Compliance Pages* are included in the *Technical Proposal Packet*.
- B. Bidder's signature on these pages **shall** signify agreement to and compliance with all Requirements within the designated section.

1.14 MONETARY CONTRIBUTION BIDS

- A. Vendors shall be responsible for creating their own Bid Sheet.
- B. The total Monetary Contribution must include all requirements as written in the *RFP* and must not include any items specifically noted as excluded from the bid in Section 1.1.B
- C. Vendor shall itemize their bid sheet as applicable.
- D. Bid Sheet must clearly exhibit at total sum of the Vendor's Monetary Contribution.
- E. Vendors have the option of bidding for the entire statewide operation or for particular areas and services.
- F. THE AGENCY WILL INITIALLY CONSIDER PROPOSALS WHICH INTEND TO ACQUIRE THE ENTIRE STATEWIDE OPERATION. IF AN ACCEPTABLE PROPOSAL IS NOT RECEIVED FOR THE ENTIRE STATEWIDE OPERATION, ONLY THEN WILL ADH REVIEW AND CONSIDER PROPOSALS FOR PARTIAL AREAS OR SERVICES.
- G. Bids for the In Home Health Care Operation **shall** be divided into two categories of options:
 - 1. Option one (1) is for the pricing of the entire statewide In Home Health Care Operations.
 - 2. Option two reflects individual components/regions/locations that the Vendor may choose to price on an individual or group basis.
 - 3. The bidder may choose to price either option or both options
 - 4. If the bidder chooses to submit both pricing options, the pricing options **must** be sealed separately and labeled Statewide Option Pricing for the pricing of the entire statewide program or Component Option Pricing for a portion of the statewide operation.
- H. Bidder(s) **must** include all pricing on the Bid Sheet(s) only. Any cost not identified by the successful Bidder but subsequently incurred in order to achieve successful operation **shall** be borne by the Bidder. The *Bid Sheet* **shall** include all pricing, terms and conditions set forth and offered by Bidder.
- I. To allow time to evaluate proposals, prices **must** be valid for 200 days following the bid opening.
- J. The *Bid Sheet*, including the hard copy and electronic copy, **must** be separately sealed from the *Technical Proposal Packet* and should be clearly marked as "Pricing" with either pricing option identified. DO NOT submit any ancillary information not related to actual pricing in the sealed pricing package.
- K. Bidder **must not** include any pricing in the hard copies or electronic copies of their *Technical Proposal Packet*. Should hard copies or electronic copies of their *Response Packet* contain any pricing, the response **shall** be disqualified.

- L. Failure to complete and submit the *Bid Sheet* **shall** result in disqualification.
- M. All proposal pricing **must** be in United States dollars and cents.

1.15 **PRIME CONTRACTOR RESPONSIBILITY**

- A. A joint proposal submitted by two or more Bidders is acceptable. However, a single Bidder **must** be identified as the prime contractor.
- B. The prime contractor **shall** be held responsible for the contract and **shall** be the sole point of contact.

1.16 **INDEPENDENT BID DETERMINATION**

- A. By submission of this proposal, the Bidder certifies, and in the case of a joint proposal, each party thereto certifies as to its own organization, that in connection with this proposal:
 - The bids in the proposal have been arrived at independently, without collusion.
 - No prior information concerning these bids has been received from, or given to, a competitive company.
- B. Evidence of collusion **shall** warrant consideration of this proposal by the Office of the Attorney General. All Bidders **shall** understand that this paragraph may be used as a basis for litigation.

1.17 **PROPRIETARY INFORMATION**

- A. Submission documents pertaining to this *Bid Solicitation* become the property of the State and are subject to the Arkansas Freedom of Information Act (FOIA).
- B. One (1) complete copy of the submission documents from which any proprietary information has been redacted should be submitted on a flash drive in the *Technical Proposal Packet*. A CD is also acceptable.
- C. Except for the redacted information, the redacted copy **must** be identical to the original hard copy, reflecting the same pagination as the original and showing the space from which information was redacted.
- D. The Bidder **shall** be responsible for identifying all proprietary information and for ensuring the electronic copy is protected against restoration of redacted data.
- E. The redacted copy **shall** be open to public inspection under the Freedom of Information Act (FOIA) without further notice to the Bidder.
- F. If a redacted copy of the submission documents is not provided with Bidder's response packet, a copy of the non-redacted documents, with the exception of financial data (other than pricing), **shall** be released in response to any request made under the Arkansas Freedom of Information Act (FOIA).
- G. If the State deems redacted information to be subject to FOIA, the Bidder will be contacted prior to release of the documents.

1.18 **CAUTION TO BIDDERS**

- A. Until the time of proposal opening, any communication concerning this RFPA **must** be addressed through the DFA contact.
- B. The Bidder should ensure all copies and all media are identical to the Bidder's hard copy original proposal. In case of a discrepancy, the hard copy **shall** govern.
- C. Failure to submit the required number of copies with the proposal may be cause for rejection.
- D. If DFA requests additional copies of the proposal, the copies **must** be delivered within twenty-four (24) hours of request.
- E. An official authorized to bind the Bidder(s) to a resultant contract **must** sign the proposal.
- F. Proposals **shall** be accepted only in the English language.

- G. ADH **shall** have the right to award a contract or reject a proposal for any or all line items of a proposal received as a result of this RFPA, if it is in the best interest of the State to do so. Proposals **shall** be rejected for one or more reasons including the following:
1. Failure of the Bidder(s) to submit a proposal(s) on or before the date and time designated for proposal opening for this RFPA.
 2. Failure to sign an Official RFPA Document.
 3. Failure of the Bidder(s) to respond to a requirement for clarification.
 4. Any wording by the Bidder(s) in their response to this RFPA, or in subsequent correspondence, which conflicts with or takes exception to a requirement in this RFPA.
 5. Failure of any proposed solution to meet or exceed the requirements.
- H. Bidder **must not** alter any language in any *Bid Solicitation* document provided by the State.
- I. All official documents and correspondence related to this *Bid Solicitation* **shall** be included as part of the resultant contract.
- J. Proposals **must** be submitted only the English language.
- K. The State **shall** have the right to award or not award a contract, if it is in the best interest of the State to do so.
- L. Bidder **must** provide clarification of any information in their response documents as requested by DFA or ADH.
- M. Qualifications and proposed terms **must** meet or exceed the required specifications as set forth in this *Bid Solicitation*.
- N. Bidders may submit multiple proposals.
- 1.19 REQUIREMENT OF ADDENDUM**
- A. This *Bid Solicitation* **shall** be modified only by an addendum written and authorized by DFA.
- B. An addendum posted within three (3) calendar days prior to the bid opening **shall** extend the bid opening and may or may not include changes to the Bid Solicitation.
- C. The Bidder **shall** be responsible for checking the website, <http://www.arkansas.gov/dfa/procurement/bids/index.php>, for any and all addenda up to bid opening.
- 1.20 AWARD PROCESS**
- A. Proposal Evaluation
1. ADH and an evaluation committee appointed by ADH will be responsible for the evaluation, award and administration of any resulting contract(s).
 2. Following the acceptance of proposals and for the purpose of obtaining clarification of proposal responses, discussions may be conducted with responsible Bidder(s) who submit proposals determined to be reasonably capable of being selected for award. All further discussions or negotiations shall be conducted at the sole discretion of ADH.
 3. The Grand Total Score for each Bidder **shall** be used to determine the ranking of proposals. The Bidder(s) with the highest ranking proposal(s) **shall** move forward to the next step in the solicitation process.
- B. Negotiations
1. It is the intent of ADH to select up to three of the highest ranking Bidders for discussions/negotiations; however, ADH shall have the right to select any number of Bidders for discussions.

2. If negotiations fail to result in a contract, ADH **shall**, at its sole discretion, begin the negotiation process with the next highest ranking Bidder(s). The negotiation process may be repeated until a Bidder has been awarded with a contract, or until such time ADH decides not to move forward with an award.

C. Further Reservations

1. This RFPA does not commit ADH or the Agency to award a contractor to pay costs incurred in the preparation of a proposal in response to this request.
2. ADH and the Agency reserves the right to request any information it deems necessary to evaluate any Bidder's ability to provide the services requested herein before entering into a contract.
3. ADH and the Agency also shall have the right to extend the time period during which it may consider proposals or complete any transfer of licenses.

D. Successful Bidder Selection

All Bidders shall be notified when a successful Bidder has been chosen. ADH will post the award determination on its website at: www.healthy.arkansas.gov

1.21 MINORITY BUSINESS POLICY

A. Minority is defined by Arkansas Code Annotated § 15-4-303 as a lawful permanent resident of this State who is:

- African American
- American Indian
- Asian American
- Hispanic American
- Pacific Islander American
- A Service Disabled Veterans as designated by the United States Department of Veteran Affairs

B. The Arkansas Economic Development Commission conducts a certification process for minority businesses and disabled veterans. The Bidder's Certification Number should be included on the Bidder's *Proposal Signature Page*.

1.22 EQUAL OPPORTUNITY POLICY

A. *EO Policies* **must** be included in the Bid Solicitation response.

B. Bidders, who are not required by law by to have an *EO Policy*, **must** submit a written statement to that effect.

1.23 PROHIBITION OF EMPLOYMENT OF ILLEGAL IMMIGRANTS

A. Prior to the award of a contract, selected Bidder(s) **must** provide certification included in their bid stating that they do not employ or contract with illegal immigrants.

1.24 PAST PERFORMANCE

A Bidder's past performance with the State may be used to determine if the Bidder is "responsible". Proposals submitted by Bidders determined to be non-responsible **shall** be disqualified.

1.25 PUBLICITY

A. Bidders **shall not** issue a news release pertaining to this *Bid Solicitation* or any portion of the project without DFA's prior written approval.

B. Failure to comply with this Requirement **shall** be cause for a Bidder's proposal to be disqualified.

1.26 RESERVATION

The State **shall not** pay costs incurred in the preparation of a proposal.

SECTION 2 – MINIMUM REQUIREMENTS

- **Do not provide responses to items in this section unless specifically and expressly required.**

2.1 BID SOLICITATION OBJECTIVES

After an extensive strategic positioning process, ADH has decided to seek a **Bidder to take over operations of the provision of quality In-Home Health Care Services in the State of Arkansas**. ADH intends to transfer the operations of the Agency to one Vendor. However, ADH reserves the right to transfer the operations to more than one Vendor or form a partnership, joint venture or other legally established entity

Key Bid Solicitation objectives include:

- A. Provision of high quality In-Home Health Care Services
 1. Bidders **shall** continue to provide high quality In-Home Health Care Services in the State of Arkansas. Continuation of high quality In-Home Health Care Services **shall** be evaluated on a case-by-case basis, through an analysis of relevant operational, compliance, and patient outcome indicators and the plans outlined in the Bidders' proposals.
- B. Provision of In-Home Health Care Services to indigent / self-insured patients, Medicaid patients and children and infants (Pediatric Care)
 1. The Bidder **shall** adopt the Agency's indigent / self-insured patient care policies, subject to changes in law and legislation, for at least a period of eighteen (18) months following closing. Additionally, Bidders **shall** demonstrate a clear commitment to continuing In-Home Health Care Services to indigent / self-insured patients in the Agency's service area following the expiration of the initial eighteen (18) month period following Closing.
 2. The Bidder **shall** continue to provide care to the Medicaid population across the Agency's service area. Additionally, the Bidder **shall** continue providing in-home Pediatric Care.
- C. Provision of In-Home Health Care Services adequate to meet the needs of the Agency's entire service area
 1. It is ADH's intention to pursue one transaction with one Bidder which would encompass the entire Agency. Thus, the Bidders **shall** carefully outline a plan to continue the provision of In-Home Health Care Services to the Agency's entire service area.
- D. Continued employment of the Agency's employees.
 1. The Agency's employees **shall** be retained by the Bidder for at least 12 months following Closing.
 2. At Closing, and subject to the provisions below, the Bidder **shall** offer employment to all persons who are active employees of the Agency who satisfy negotiated, reasonable and customary pre-employment screening procedures.
 3. Such offers **shall** be for positions and at wages comparable to those offered by the Agency prior to Closing.
 4. Seniority **shall** be recognized for all aspects of the Bidder's benefit plans and for the purposes of accruing personal time off and other Human Resources related matters. The Bidder's customary pre-employment screening procedures **shall** be addressed during negotiations.
- E. The Bidder **shall** make a one-time monetary contribution to ADH in consideration for the fair-market acquisition value of the Agency.

2.2 **BIDDER REQUIREMENTS**

A. Bidder **shall** comply with the following regulations, standards, and policies.

1. Medicare Conditions of Participation for Home Health and Hospice
2. Centers for Medicare and Medicaid Rules and Regulations governing Home Health and Hospice
3. Licensure Rules and Regulations for Home Health and Hospice agencies in Arkansas
4. Arkansas State Medicaid Rules and Regulations governing Home Health and Hospice
5. Medicare Administrative Contractor Interpretations and Guidance
6. Standards of Care related to:
 - a. Arkansas Nurse Practice Act
 - b. Arkansas Physical Therapy Act
 - c. Arkansas Licensure Act for Speech Pathologists and Audiologists
 - d. Arkansas Social Work Licensing Act
 - e. Arkansas Occupational Therapy Practice Act
 - f. Arkansas Medical Board
 - g. Arkansas Pharmacy Board

2.3 **COMPLIANCE WITH STATE OR FEDERAL LAWS, REGULATIONS OR CONDITIONS OF PARTICIPATION**

The Bidder **must** meet all State, Federal, CMS and its contractor's requirements for In-Home Health Care Service providers and **must** acknowledge such compliance in its Proposal.

2.4 **BIDDER QUALIFICATIONS**

A. The Bidder **shall** provide an overview of the organization's history and mission with bid submission. Please note, the following information is collectively referenced in section E.5 of the *Technical Proposal Packet*.

1. Business name
2. Number of years in business
3. Size of organization, including approximant information regarding:
 - a. Number of In-Home Health Care Services Agencies owned and/or operated
 - b. Number of patients and visits per year
 - c. Number of employees
 - d. Number of locations
 - e. Number of markets served
 - f. Copies of any licenses or certifications
4. Any recent or anticipated changes in the size or scope of the organization

5. An organizational chart
- B. Overview of services the Bidder currently offers and the percentage of its revenue generated by each service.
- C. Describe the geographic reach and populations served by the organization's In-Home Health Care Services.
- D. Staffing structure in your current In-Home Health Care Services agencies
- E. Your organization's financial viability and capability to complete this transaction, if your bid is selected.
 1. As part of the packet to support your organization's financial viability and capacity to complete this transaction, please provide the two most recent year's audits and 2015 and YTD 2016 financial statements.
- F. Vendor must comply with all applicable laws, regulations, standards and polices as referenced in 2.2.A and 2.3.

2.5 **BIDDER PROFILE**

1. A disclosure of all the Arkansas counties and jurisdictions in which the Bidder does business and the nature of the business for each county or jurisdiction.
2. A disclosure of all the counties and jurisdictions in which the Bidder has Contracts to supply In-Home Health Care goods or services and the nature of the goods or services involved for each county or jurisdiction.
3. A disclosure of the details of a finding or plea, conviction, or adjudication of guilt in a state, federal, foreign, or international court or tribunal for a criminal offense other than a traffic violation committed by Bidder or a person identified under Arkansas Code Annotated § 23-115-501 (b)(1). The ADH may request that any or all of the persons identified under § 23-115-501 (b)(1) undergo a state and federal criminal background check. If requested, a state and federal criminal background check shall be conducted in the manner under § 23-115-601(e).
4. A disclosure of the details of a Bidder's bankruptcy, insolvency, reorganization, or corporate or individual purchase or takeover of another corporation, including without limitation the assumption of bonded indebtedness.

2.6 **DISCLOSURE OF LITIGATION**

Bidder **must** include in its proposal a complete disclosure of any civil or criminal litigation or indictment involving such Bidder, and the Bidder **must** also disclose any civil or criminal litigation or indictment involving any of its joint ventures, strategic partners, executive management team members, and subcontractors. This disclosure requirement is a continuing obligation, and any litigation commenced after a Bidder has submitted a proposal under this RFP **must** be disclosed to the ADH in writing within five (5) days after the litigation is commenced.

2.7 **CONFLICT OF INTEREST/LITIGATION**

Bidder **shall** provide information on any conflict of interest with the products and goals of ADH that could result from other projects in which the Bidder is involved. Failure to disclose any such conflict **shall** be cause for disqualification of the response.

SECTION 3 – CRITERIA FOR SELECTION

- Do not provide responses to items in this section.

3.1 GENERAL INFORMATION

- A. After initial qualification of proposals for mandatory requirements, submissions proposing transfer of operations to a single Vendor will be evaluated and scored by an evaluation committee appointed by the Agency.
- B. Submission of a proposal implies Bidder acceptance of the evaluation technique and Bidder recognition that subjective judgments must be made by the evaluation committee during the assignment of rating points.
- C. Other agencies, consultants, and experts may also examine documents at the discretion of the Agency.

3.2 TECHNICAL PROPOSAL SCORE FOR TRANSFER TO A SINGLE VENDOR

- A. ADH will review each *Technical Proposal Packet (single vendors)* to verify submission Requirements have been met. *Technical Proposals Packets* that do not meet submission Requirements **shall** be disqualified and **shall not** be evaluated.
- B. An agency-appointed Evaluation Committee will evaluate and score qualifying single vendor Technical Proposals. Evaluation will be based on Bidder’s response to the *Information for Evaluation* section included in the *Technical Proposal Packet*. Other agencies, consultants, and experts may also examine documents at the discretion of the Agency.
- C. The *Information for Evaluation* section has been divided into sub-sections.
 1. In each sub-section, items/questions have each been assigned a maximum point value of ten (10) points. The total point value for each sub-section is reflected in the table below as the Maximum Raw Score Possible.
 2. The agency has assigned Weighted Percentages to each sub-section according to its significance.

Information for Evaluation Sub-Sections	Maximum Raw Points Possible	Sub-Section’s Weighted Percentage	* Maximum Weighted Score Possible
E.1 Continuing high quality In-Home Health Care Services	60	20%	200
E.2 Continuing In-Home Health Care Services to indigent / self-insured patients, Medicaid patients and Pediatric patients	50	25%	250
E.3 Continuing In-Home Health Care Services to the Agency’s service area	60	20%	200
E.4 Continued employment of the Agency’s employees	50	20%	200
E.5 Qualifications	10	10%	100
E.6 Profile and disclosures	10	5%	50
Totals	240	100.0%	1000

*Sub-Section’s Percentage Weight x Total Weighted Score = Maximum Weighted Score Possible for the sub-section.

- D. The Bidder’s weighted score for each sub-section will be determined using the following formula:

(A/B)*C = D

A = Actual Raw Points received for sub-section in evaluation
 B = Maximum Raw Points possible for sub-section
 C = Maximum Weighted Score possible for sub-section
 D = Weighted Score received for sub-section

- E. Bidder's weighted scores for sub-sections will be added to determine the Total Technical Score for the Proposal.

3.3 MONETARY CONTRIBUTION PAYABLE

- A. The bidder with the highest monetary contribution bid shall be awarded full points (700).
- B. The amount of monetary contribution payable points awarded to the remaining Bidders **shall** be allocated by using the following formula:

$$(A/B)*(C) =D$$

- A = Second (third, fourth, etc.) Highest Monetary Contribution Payable
- B = Highest Monetary Contribution Payable
- C = Maximum Points for Highest Monetary Contribution Payable
- D = Number Monetary Contribution Payable points scored

3.4 GRAND TOTAL SCORE

The Technical Proposal Score and Monetary Score will be added together to determine the Grand Total Score for each Bidder.

The Three (3) Bidders with the highest Grand Total Scores may be selected for further negotiation and evaluation. See *Award Process*.

	Maximum Points Possible
Technical Proposal	1000
Monetary Contribution Payable	700
Maximum Possible Grand Total Score	1700

3.5 BIDDER ACCEPTANCE OF EVALUATION TECHNIQUE

- A. Bidder **must** agree to all evaluation processes and procedures as defined in this *Bid Solicitation*.
- B. The submission of a *Technical Proposal Packet* **shall** signify the Bidder's understanding and agreement that subjective judgments **shall** be made during the evaluation and scoring of the Technical Proposals.

SECTION 4 – GENERAL CONTRACTUAL REQUIREMENTS

4.1 GENERAL INFORMATION

- A. The State **shall not** contract with another party to indemnify and defend that party for any liability and damages.
- B. The State **shall not** pay damages, legal expenses, or other costs and expenses of any other party.
- C. Any litigation involving the State **must** take place in Pulaski County, Arkansas.
- D. The State **shall not** agree to any provision of a contract which violates the laws or constitution of the State of Arkansas.
- E. The State **shall not** enter a contract which grants to another party any remedies other than the following:
 - The right to possession.
 - The right to accrued payments.
 - The right to expenses of deinstallation.
 - The right to expenses of repair to return the equipment to normal working order, normal wear and tear excluded.
 - The right to recover only amounts due at the time of repossession and any unamortized nonrecurring cost as allowed by Arkansas Law.
- F. The laws of the State of Arkansas **shall** govern this contract.
- G. A contract **shall not** be effective prior to award being made by ADH.
- H. In a contract with another party, the State will accept the risk of loss of the equipment and pay for any destruction, loss or damage of the equipment while the State has such risk, when:
 - The extent of liability for such risk is based upon the purchase price of the equipment at the time of any loss, and
 - The contract has required the State to carry insurance for such risk.

4.2 CONDITIONS OF CONTRACT

- A. The Bidder **shall** at all times observe and comply with federal and State of Arkansas laws, local laws, ordinances, orders, and regulations existing at the time of, or enacted subsequent to the execution of a resulting contract which in any manner affect the completion of the work.
- B. The Bidder **shall** indemnify and save harmless the agency and all its officers, representatives, agents, and employees against any claim or liability arising from or based upon the violation of any such law, ordinance, regulation, order or decree by an employee, representative, or subcontractor of the Bidder.

4.3 STATEMENT OF LIABILITY

- A. The State will demonstrate reasonable care but will not be liable in the event of loss, destruction or theft of Bidder-owned equipment or software and technical and business or operations literature to be delivered or to be used in the installation of deliverables and services. The Bidder **shall** retain total liability for equipment, software and technical and business or operations literature. The State **shall not** at any time be responsible for or accept liability for any Bidder-owned items.
- B. The Bidder's liability for damages to the State **shall** be limited to the value of the Contract or \$5,000,000, whichever is higher. The foregoing limitation of liability **shall not** apply to claims for infringement of United States patent, copyright, trademarks or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the Bidder; to claims covered by other specific provisions of the Contract calling for damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on the Contract. The Bidder and the State **shall not** be liable to each other, regardless of the form of action, for consequential, incidental, indirect, or special damages. This limitation of liability **shall not** apply to claims for infringement of United States patent, copyright, trademark or

trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the Bidder; to claims covered by other specific provisions of the Contract calling for damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on the Contract.

- C. Language in these terms and conditions **shall not** be construed or deemed as the State's waiver of its right of sovereign immunity. The Bidder agrees that any claims against the State, whether sounding in tort or in contract, **shall** be brought before the Arkansas Claims Commission as provided by Arkansas law, and **shall** be governed accordingly.

4.4 **RECORD RETENTION**

- A. The Bidder **shall** maintain all pertinent financial and accounting records and evidence pertaining to the contract in accordance with generally accepted principles of accounting and as specified by the State of Arkansas Law. Upon request, access **shall** be granted to State or Federal Government entities or any of their duly authorized representatives.
- B. Financial and accounting records **shall** be made available, upon request, to the State of Arkansas's designee(s) at any time during the contract period and any extension thereof, and for five (5) years from expiration date and final payment on the contract.
- C. Other sections of this *Bid Solicitation* may contain additional Requirements regarding record retention.

4.5 **CONFIDENTIALITY**

- A. The Bidder, Bidder's subsidiaries, and Bidder's employees **shall** be bound to all laws and to all Requirements set forth in this *Bid Solicitation* concerning the confidentiality and secure handling of information of which they may become aware of during the course of providing services under a resulting contract.
- B. Consistent and/or uncorrected breaches of confidentiality may constitute grounds for cancellation of a resulting contract, and the State **shall** have the right to cancel the contract on these grounds.
- C. Previous sections of this *Bid Solicitation* may contain additional confidentiality Requirements.

4.6 **CONTRACT INTERPRETATION**

Should the State and Bidder interpret specifications differently, either party may request clarification. However if an agreement cannot be reached, the determination of the State **shall** be final and controlling.

4.7 **SEVERABILITY**

If any provision of the contract, including items incorporated by reference, is declared or found to be illegal, unenforceable, or void, then both the agency and the Bidder **shall** be relieved of all obligations arising under such provision. If the remainder of the contract is capable of performance, it **shall not** be affected by such declaration or finding and **shall** be fully performed.

SECTION 5 – STANDARD TERMS AND CONDITIONS

- **Do not provide responses to items in this section.**
- 1. **GENERAL:** Any special terms and conditions included in this Bid Solicitation **shall** override these Standard Terms and Conditions. The Standard Terms and Conditions and any special terms and conditions **shall** become part of any contract entered into if any or all parts of the bid are accepted by the State of Arkansas.
- 2. **ACCEPTANCE AND REJECTION:** The State **shall** have the right to accept or reject all or any part of a bid or any and all bids, to waive minor technicalities, and to award the bid to best serve the interest of the State.
- 3. **BID SUBMISSION:** Original Proposal Packets **must** be submitted to the Department of Finance and Administration on or before the date and time specified for bid opening. The Proposal Packet **must** contain all documents, information, and attachments as specifically and expressly required in the *Bid Solicitation*. The bid **must** be typed or printed in ink. The signature **must** be in ink. Unsigned bids **shall** be disqualified. The person signing the bid should show title or authority to bind his firm in a contract. Multiple proposals **must** be placed in separate packages and should be completely and properly identified. Late bids **shall not** be considered under any circumstances.
- 4. **PRICES:** Unless otherwise specified, the bid **must** be firm for acceptance for thirty days from the bid opening date.
- 5. **AMENDMENTS:** Bidder's proposals cannot be altered or amended after the bid opening except as permitted by regulation.
- 6. **AWARD:** A contract award will be issued to the successful Bidder. It results in a binding obligation without further action by either party.
- 7. **STATE PROPERTY:** Any specifications, drawings, technical information, dies, cuts, negatives, positives, data or any other commodity furnished to the contractor hereunder or in contemplation hereof or developed by the contractor for use hereunder **shall** remain property of the State, **shall** be kept confidential, **shall** be used only as expressly authorized, and **shall** be returned at the contractor's expense to the F.O.B. point provided by ADH, the Agency or by DFA. Bidder **shall** properly identify items being returned.
- 8. **ASSIGNMENT:** Any contract entered into pursuant to this Bid Solicitation **shall not** be assignable nor the duties thereunder delegable by either party without the written consent of the other party of the contract.
- 9. **OTHER REMEDIES:** In addition to the remedies outlined herein, the contractor and the State **shall** have the right to pursue any other remedy permitted by law or in equity.
- 10. **CANCELLATION NOTHING IN THIS CONTRACT SHALL BE DEEMED A WAIVER OF THE STATE'S RIGHT TO SOVEREIGN IMMUNITY.**
- 11. **DISCRIMINATION:** In order to comply with the provision of Act 954 of 1977, relating to unfair employment practices, the Bidder agrees that: (a) the Bidder **shall not** discriminate against any employee or applicant for employment because of race, sex, color, age, religion, handicap, or national origin; (b) in all solicitations or advertisements for employees, the Bidder **shall** state that all qualified applicants **shall** receive consideration without regard to race, color, sex, age, religion, handicap, or national origin; (c) the Bidder will furnish such relevant information and reports as requested by the Human Resources Commission for the purpose of determining compliance with the statute; (d) failure of the Bidder to comply with the statute, the rules and regulations promulgated thereunder and this nondiscrimination clause **shall** be deemed a breach of contract and it may be cancelled, terminated or suspended in whole or in part; (e) the Bidder **shall** include the provisions of above items (a) through (d) in every subcontract so that such provisions **shall** be binding upon such subcontractor or Bidder.
- 12. **CONTINGENT FEE:** The Bidder guarantees that he has not retained a person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies maintained by the Bidder for the purpose of securing business.
- 13. **ANTITRUST ASSIGNMENT:** As part of the consideration for entering into any contract pursuant to this Bid Solicitation, the Bidder named on the *Proposal Signature Page* for this Bid Solicitation, acting herein by the authorized individual or its duly authorized agent, hereby assigns, sells and transfers to the State of Arkansas all rights, title and interest in and to all causes of action it may have under the antitrust laws of the United States or this State for price fixing, which causes of action have accrued prior to the date of this assignment and which relate solely to the particular goods or services purchased or produced by this State pursuant to this contract.
- 14. **DISCLOSURE:** Failure to make any disclosure required by Governor's Executive Order 98-04, or any violation of any rule, regulation, or policy adopted pursuant to that order, **shall** be a material breach of the terms of this contract. Any contractor, whether an individual or entity, who fails to make the required disclosure or who violates any rule, regulation, or policy **shall** be subject to all legal remedies available to the agency.