

WRITTEN QUESTIONS AND ANSWERS

AQ-ADH-001 Acquisition of In Home Health Services RFPA

The information in this document **shall** supersede any conflicting or duplicate information in the original RFPA. The specifications by virtue of this document **shall** become a permanent addition to the above referenced RFPA.

ANSWERS ARE IN BLUE

1.	In what county offices are the current Home Health employees located? What are their hometowns? See the Q&A packet, document Q.1 – All Locations Data.xlsx
2.	What is the amount of current accounts receivable and will they transfer to the company who successfully bids on contract? Accounts receivable will not transfer to the company who successfully bids on the contract.
3.	What insurance companies and Medicare HMOs does the State of Arkansas currently have contracts? <u>Insurance Companies contracted with ADH In-Home Services</u> Arkansas First Source Arkansas Municipal Health Arkansas Blue Cross and Blue Shield Corvel NovaSys Health, Inc Qual Choice Humana <u>Networks</u> Arkansas Managed Care Organization (AMCO) Network
4.	Are they an accredited agency, who is their accrediting body, and when is the agency due for re-accreditation? The Agency is not accredited.
5.	Please provide a more detailed description of the Health Service Specialists II job duties? A more detailed description of the Health Services Specialist II is not available.
6.	Please provide a detailed Profit and Loss statement for 2014, 2015 See the Q&A packet, document Q.6.1 - Financials revised - 1-31-16.xlsx. This is the most detailed P&L currently available. and accurate payroll for November 2015, December 2015, and January 2016? See the Q&A packet, document Q.6.2 - Payroll Expense updated.xlsx
7.	Are home health aides provided through a contracted service? No, all home health aides are contracted individually. They are considered state employees and receive payroll deductions, but do not receive benefits (retirement plan, health, etc.)
8.	Who does Home Health currently have contracts with for services they do not provide? See the Q&A packet, document Q.8 – Outside Service Contracts.doc
9.	Can you please provide the applicants a list of top referral sources for home health broken down like the hospice referral source? See the Q&A packet, document Q.9 - Top HH referral sources 080115-11091.xlsx
10.	What is the current value of an Arkansas certificate of need? ADH is not in a position to comment on this question.
11.	Please provide a current breakdown of home visits by discipline since November 14, 2015. See the Q&A packet, document Q.11 - home visits by discipline since nov 14.2015.pdf
12.	Please breakdown each of the 5 Home Health Regions by counties. Please see the Q&A Packet, document Q.1 – All Locations Data.xlsx along with the following webpage: http://www.healthy.arkansas.gov/programsServices/LocalPublicHealthOffices/Pages/default.aspx

13.	<p>As discussed on page 3 of 18 in the third paragraph of the Bid Solicitation Document, it goes on to explain that there is one distinct statewide Medicaid number for each service line.</p> <p>Questions: 1) Would all of the above mentioned Medicaid numbers transfer to the purchaser via the transaction. Agency cannot transfer their Medicaid number but will assist the successful bidder in the application process.</p> <p>2) Do the local health units also utilize the same statewide group of Medicaid numbers? Yes. If so, will the State assist the purchaser with securing approvals for all new Medicaid provider numbers for each program prior to the date of closing? Agency cannot transfer their Medicaid number but will assist the successful bidder in the application process.</p>
14.	<p>Since there is one distinct Medicaid number for each service line, at closing, will the purchaser be allowed to maintain one Medicaid number for each service line or will the purchaser be required to apply for a new Medicaid provider/s number for each location? ADH is not in a position to comment on this question, beyond noting that the Vendor would need to contact DHS Division of Medicaid.</p>
15.	<p>If the Medicaid provider numbers are not assignable to the purchaser, please help explain how the continuity of care for all Medicaid patients would continue post closing until new Medicaid provider numbers are issued. The details of transferring patients to ensure continuity of care will be negotiated with the successful bidder.</p>
16.	<p>Is “In-home Pediatric Care” the same service as “Maternal Infant and Home Visiting Services”?</p> <p>No – The Mother-Infant Program will not be included in the transaction, but will be transferred to other ADH departments. The Mother-Infant Program is a short-stay maternity program that combines a brief hospital stay with registered nurse (RN) home visits. Before the baby is born, a registered nurse does a home environment evaluation to help the family prepare the home for the baby. Social Workers can also assist with the home evaluations and help the family deal with any anxiousness they may have about this big change in their lives. When the mother and infant arrive home after the birth, the nurse assesses both the mother (physical, nutritional and social assessment) and the infant (a well-baby assessment). The RN also answers questions about caring for the child, teaches breastfeeding, bottle feeding, bathing, diapering and comforting the child. Medicaid is billed for all mothers and infants meeting eligibility requirements.</p> <p>The In-Home Pediatric Care refers to the provision of Home Health, Personal Care, Hospice Services and other eligible services to qualifying children and infants.</p>
17.	<p>As discussed on page 3 of 18 in the second paragraph of the Bid Solicitation Document, it goes on to explain that the purchaser could choose to close certain locations and significantly reduce the number of locations if they decided to do so.</p> <p>Question: If this were to occur, would the purchaser still be required to offer similar positions and wages to active employees that were employed by the closed location?</p> <p>Yes – the purchaser would still be required to offer similar positions and wages to active employees that were employed by the closed locations.</p>
18.	<p>Provide the organizational ownership chart for each entity/provider by service line.</p> <p>See the diligence packet, document B.1 – Organization Chart.xls</p>
19.	<p>Do the Attendant, Homemaker, Companion and Personal Care Medicaid numbers operate under the skilled home health entity or are they operating independently under their own separate entity? If they operate under the home health entity, does the home health have a Derivative B license along with the appropriate state certification?</p> <p>The Agency has both A and Derivative B license. The Agency’s Personal Care Program operates under the skilled Home Health Entities and have derivative B licenses along with the appropriate state certification.</p>
20.	<p>(Home Health) Provide a list of all locations by city, county and Medicare provider number identifying if the location is a provider or a branch.</p> <p>See the Q&A packet, document Q.20 - HH PROVIDER NUMBERS.doc</p>

21.	(Home Health) Identify which counties and locations are assigned to each region (Southwest, Southeast, Northwest, Northeast, and Central). Please see the Q&A Packet, document Q.1 – All Locations Data.xlsx along with the following webpage: http://www.healthy.arkansas.gov/programsServices/localPublicHealthOffices/Pages/default.aspx
22.	(Home Health) Admissions for FY14, FY 15, FY16 YTD, broken out by payer, by month, and by location Please see the Q&A Packet, documents: Q.22.1 - fy16 hh admissionsbypayorand loc.pdf Q.22.2 - fy15 hh admissionsbypayorand loc.pdf Q.22.3 - fy14 hh admissionsbypayorand loc.pdf
23.	(Home Health) Current Census report, broken out by payer and by location. Please include the following on the census report: patient MR #, start of care date, payer source, and primary diagnosis. Please see the Q&A Packet, document Q.23 - current census report.pdf
24.	(Home Health) Number of Visits made in the last 12 months, broken out by payer, by discipline (RN, PT, Aide, etc.), by month, and by location Please see the Q&A Packet, document Q.24 - numberof visitsbydiscipline.pdf
25.	(Home Health) Average Daily Census report for FY14, FY15, FY16 YTD, broken out by payer, by month, and by location Please see the Q&A Packet, document Q.25 - Statistics for Health Planning 1.2014 thru 12.2014.xlsx for census / admissions / discharges. This document is only completed on a CY basis, and has not been completed for CY 2015 yet. No additional information is readily available at this time.
26.	(Home Health) Report showing Length of Stay for active patients, broken out by payer and by location No information regarding length of stay for active patients is readily available at this time.
27.	(Home Health) Average discharged length of stay for FY'15 and YTD'16 by payer and by location Please see the Q&A Packet, document Q.25 - Statistics for Health Planning 1.2014 thru 12.2014.xlsx for discharges by location. This document is only completed on a CY basis, and has not been completed for CY 2015 yet. No additional information is readily available at this time.
28.	(Home Health) List of the current per-visit reimbursement rates by payer and by type of visit (RN, PT, Aide, etc.) See the diligence packet, document C.5 – Rate Schedule.xls
29.	(Home Health) Listing of Indigent patient admissions over the last 12 months, by month and by location See the diligence packet, document G.1.a as well as Q&A Packet, documents: Q.29.5 – No Source Admissions by Month – LTM.pdf Q.29.1 – No Source Current Census.pdf Q.29.2 – No Source Census FYTD 2016.pdf Q.29.3 – No Source Census FY15.pdf Q.29.4 – No Source Census FY14.pdf
30.	(Home Health) Percentage of referrals by referral type (physicians, hospitals, ALFs, SNFs, etc.) by location for FY14, FY15, and FY16 YTD broken out by payer and by location. See the Q&A Packet, document Q.25 - Statistics for Health Planning 1.2014 thru 12.2014.xlsx. No additional information is readily available at this time.
31.	(Hospice) Provide a list of all locations by city, county and Medicare provider number identifying if the location is a provider or a branch. See the Q&A packet, document Q.1 – All Locations Data.xlsx
32.	(Hospice) Identify which counties and locations are assigned to each region (Southwest, Southeast, Northwest, Northeast, and Central). Please see the Q&A Packet, document Q.1 – All Locations Data.xlsx along with the following webpage: http://www.healthy.arkansas.gov/programsServices/localPublicHealthOffices/Pages/default.aspx
33.	(Hospice) Provide a summary by provider describing which locations have historical and current Medicare CAP liabilities along with all applicable outstanding balances. Please see the Q&A Packet, document Q.33 Hospice Cap Liability.pdf

34.	(Hospice) Admissions for FY14, FY15, FY16 YTD, broken out by payer, by diagnosis, by month, and by location Please see the Q&A Packet, documents: Q.34.1 - Hospice Adm DC Census by Location FY14 & FY15.pdf Q.34.2 - Hospice Adm DC Census by Location FY 16.pdf No additional information with breakout by payer or diagnosis is readily available at this time.
35.	(Hospice) Discharges for FY14, FY15, FY16 YTD, broken out by payer, by month, and by location Please see the Q&A Packet, documents: Q.34.1 - Hospice Adm DC Census by Location FY14 & FY15.pdf Q.34.2 - Hospice Adm DC Census by Location FY 16.pdf No additional information with breakout by payer is readily available at this time.
36.	(Hospice) Current Census report, broken out by payer and by location. Please include the following on the census report: patient MR #, start of care date, benefit period, payer source, primary diagnosis, and location of care (whether the patient resides at home or in a nursing home, assisted living facility, or other facility) (do not include any patient identifiers) Please see the Q&A Packet, documents: Q.34.1 - Hospice Adm DC Census by Location FY14 & FY15.pdf Q.34.2 - Hospice Adm DC Census by Location FY 16.pdf No additional census information is readily available at this time.
37.	(Hospice) Identify the top ten diagnosis categories by percent of patient days for FY14, FY15, FY16 YTD by location Please see the Q&A Packet, documents: Q.37.1-Diags LOS (DC Pats) Days (DC Pats) Days by LOC Refer -CY 13.pdf Q.37.2 -Diags LOS (DC Pats) Days (DC Pats) Days by LOC Refer-CY14.pdf These documents are only completed on a CY basis, and have not been completed for CY 2015 yet. No additional information is readily available at this time.
38.	(Hospice) Average active and discharged length of stay for FY'14 and YTD'15 by payer and by location Please see the Q&A Packet, documents: Q.34.1 - Hospice Adm DC Census by Location FY14 & FY15.pdf Q.34.2 - Hospice Adm DC Census by Location FY 16.pdf Q.37.1-Diags LOS (DC Pats) Days (DC Pats) Days by LOC Refer -CY 13.pdf Q.37.2 -Diags LOS (DC Pats) Days (DC Pats) Days by LOC Refer-CY14.pdf Documents Q.37.1 & Q.37.2 are only completed on a CY basis, and have not been completed for CY 2015 yet. No additional information is readily available at this time.
39.	(Hospice) Patient Days by month and payer for all patients (active and discharged) and Total Patient Days for discharged patients only. Please see the Q&A Packet, documents: Q.37.1-Diags LOS (DC Pats) Days (DC Pats) Days by LOC Refer -CY 13.pdf Q.37.2 -Diags LOS (DC Pats) Days (DC Pats) Days by LOC Refer-CY14.pdf This document is only completed on a CY basis, and has not been completed for CY 2015 yet. No additional information is readily available at this time.
40.	(Hospice) Patient Days by level of care: Routine Home Care, General Inpatient, Respite, & Continuous Care for FY14, FY 15, FY16 YTD Please see the Q&A Packet, documents: Q.37.1-Diags LOS (DC Pats) Days (DC Pats) Days by LOC Refer -CY 13.pdf Q.37.2 -Diags LOS (DC Pats) Days (DC Pats) Days by LOC Refer-CY14.pdf This document is only completed on a CY basis, and has not been completed for CY 2015 yet. No additional information is readily available at this time.
41.	(Hospice) Percentage of referrals by referral type (physicians, hospitals, ALFs, SNFs, etc.) by location for FY14, FY 15, FY16 YTD broken out by payer, and by location. No additional information is readily available at this time.

42.	(Personal Care) Provide a list of all locations by city and county Please see the Q&A Packet, document Q.1 – All Locations Data.xlsx along with the following webpage: http://www.healthy.arkansas.gov/programsServices/localPublicHealthOffices/Pages/default.aspx
43.	(Personal Care) Identify which counties and locations are assigned to each region (Southwest, Southeast, Northwest, Northeast, and Central). Please see the Q&A Packet, document Q.1 – All Locations Data.xlsx along with the following webpage: http://www.healthy.arkansas.gov/programsServices/localPublicHealthOffices/Pages/default.aspx
44.	(Personal Care) Admissions for FY14, FY15, FY16 YTD, broken out by payer, by month, and by location Please see the Q&A Packet, documents: Q.44.1 - PC - FY14.xls Q.44.2 - PC - FY15.xls Q.44.3 – PC – FYTD 2016.xls
45.	(Personal Care) Discharges for FY14, FY15, FY16 YTD, broken out by payer, by month, and by location Please see the Q&A Packet, documents: Q.44.1 - PC - FY14.xls Q.44.2 - PC - FY15.xls Q.44.3 – PC – FYTD 2016.xls
46.	(Personal Care) Current Census report, broken out by payer and by location. Please include the patient MR #, start of care date, payer source, patient age, and primary diagnosis. Please see the Q&A Packet, documents: Q.46.1 - IHS 07-01-15 through 01-31-16 patient census by payor.pdf Q.46.2 - IHS current 03-01-16 patient census by payor.pdf Q.46.3 - IHS FY14 patient census by payor.pdf Q.46.4 - IHS FY14 patient census by payor.pdf NOTE: these documents cover all programs.
47.	(Personal Care) Number of Hours made in FY14, FY15, FY16 YTD, broken out by payer, by discipline (RN, PT, Aide, etc.), by month, and by location Please see the Q&A Packet, documents: Q.44.1 - PC - FY14.xls Q.44.2 - PC - FY15.xls Q.44.3 – PC – FYTD 2016.xls
48.	(Personal Care) Average Daily Census report for FY14, FY15, FY16 YTD, broken out by payer, by month, and by location Please see the Q&A Packet, documents: Q.44.1 - PC - FY14.xls Q.44.2 - PC - FY15.xls Q.44.3 – PC – FYTD 2016.xls
49.	(Personal Care) Report showing Length of Stay for active patients, broken out by payer and location Please see the Q&A Packet, documents: Q.44.1 - PC - FY14.xls Q.44.2 - PC - FY15.xls Q.44.3 – PC – FYTD 2016.xls
50.	(Personal Care) Report showing historical Length of stay for FY15, FY16 YTD, broken out by payer and by location Please see the Q&A Packet, documents: Q.44.1 - PC - FY14.xls Q.44.2 - PC - FY15.xls Q.44.3 – PC – FYTD 2016.xls

51.	(Personal Care) Listing of current per-visit, units or hourly reimbursement rates by payer and by type of visit (RN, PT, Aide, etc.) As of 1/1/2016, the following Medicaid rates apply: PC/AR CHOICES = \$18.00 PER HOUR CASE MANAGEMENT - \$7.50 PER UNIT (UNIT = 15 MINUTES)												
52.	(Personal Care) List of all referring physicians, with name, address, phone number, and NPI# for the last 12 months Not available.												
53.	(Personal Care) List of all other referral sources (hospitals, acute care facilities, etc.) for the last 12 months See the diligence packet, document C.8.1 - Referral Sources.docx. This list is an overview of both top referral sources and payor sources. Most personal care referrals come from families. No additional information is readily available at this time.												
54	Income Statement for FY'14, FY'15 and FY'16 YTD with Revenue broken out by payer (Medicare, Medicaid, Medicare Advantage, etc), by month, by service line, and by location. Please include listing of expenses with detail on each expense grouping. See the diligence packet, document D.2 – Revenue by Location.pdf for revenue broken out by service line by location. Because the Agency operates on a centralized system the revenue can be reported by program and county. However the expenses by county and program are not readily available. No additional information is readily available at this time.												
55	Please detail what is included in the allocated shared expense. Please see the Q&A Packet, documents: Q.55.1 - Shared Admin Jan 2016 revised.xlsx Q.55.2 - IHS Budgeted Position Report with Job Titles Shared Admin - FY16.xlsx												
56	Please provide a list of all contract companies and the annual spend by company. What services are under arrangement? (HHA / PT / OT / ST). Please see Q&A Packet, document Q.56 – Therapy Groups Under Contract.xls												
57	Are the contracted nursing aides and personal care attendants contracted through a staffing company or does the state have individual contracts with each worker? All nursing aides are contracted individually. They are considered state employees and receive payroll deductions, but do not receive benefits (retirement plan, health, etc.)												
58	What is the fiscal year for all agencies June 30												
59	Identify all payer agreements that are currently in place and if they are assignable. Please see response to Question #3.												
60	Provide a spreadsheet with the following information on EACH employee: NOTE: Limited information is currently available for Contract State Employees. The “Unique” Identifier is specific to each year, and is not comparable between the two spreadsheets. Q.60.2 - Gross Salary CYTD Contract State Employees.xls Q.60.3 - Gross Salary CY15 Contract Employees Personal Care.xls <table border="1"> <tr> <td>i) Employee Identifier/Name</td><td>See the Q&A packet, document Q.60.1 - IN Home filled Regular State Positions 3-2-2016 FLSA.xlsx</td></tr> <tr> <td>ii) Title/Position</td><td>See the Q&A packet, document Q.60.1 - IN Home filled Regular State Positions 3-2-2016 FLSA.xlsx</td></tr> <tr> <td>iii) Employment Status - Full Time, Part Time, PRN, etc.</td><td>See the Q&A packet, document Q.60.1 - IN Home filled Regular State Positions 3-2-2016 FLSA.xlsx</td></tr> <tr> <td>iv) Identify the primary payment method (hourly, salary, per-visit, etc.)</td><td>See the Q&A packet, document Q.60.1 - IN Home filled Regular State Positions 3-2-2016 FLSA.xlsx</td></tr> <tr> <td>v) Rates of pay and list pay rates, including ALL visit rates, on-call rates, shift diffs., other special pay - (including applicable)</td><td>See the Q&A packet, document Q.60.1 - IN Home filled Regular State Positions 3-2-2016 FLSA.xlsx</td></tr> <tr> <td>vi) Hire date</td><td>See the Q&A packet, document Q.60.1 - IN Home filled Regular State Positions 3-2-2016 FLSA.xlsx</td></tr> </table>	i) Employee Identifier/Name	See the Q&A packet, document Q.60.1 - IN Home filled Regular State Positions 3-2-2016 FLSA.xlsx	ii) Title/Position	See the Q&A packet, document Q.60.1 - IN Home filled Regular State Positions 3-2-2016 FLSA.xlsx	iii) Employment Status - Full Time, Part Time, PRN, etc.	See the Q&A packet, document Q.60.1 - IN Home filled Regular State Positions 3-2-2016 FLSA.xlsx	iv) Identify the primary payment method (hourly, salary, per-visit, etc.)	See the Q&A packet, document Q.60.1 - IN Home filled Regular State Positions 3-2-2016 FLSA.xlsx	v) Rates of pay and list pay rates, including ALL visit rates, on-call rates, shift diffs., other special pay - (including applicable)	See the Q&A packet, document Q.60.1 - IN Home filled Regular State Positions 3-2-2016 FLSA.xlsx	vi) Hire date	See the Q&A packet, document Q.60.1 - IN Home filled Regular State Positions 3-2-2016 FLSA.xlsx
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	<p>vii) Location / Service Line See the Q&A packet, document Q.60.1 - IN Home filled Regular State Positions 3-2-2016 FLSA.xlsx</p> <p>viii) Identify the employer entity The Agency / ADH</p>
61	<p>Provide a description of all benefits offered. Please see Q&A Packet, document Q.61 – AR State Employee Benefits Summary.pdf However, the Awarded Bidder will not be asked to continue the same level of benefits. The Awarded Bidder shall provide its own benefit package commensurate with the employee's position and continued tenure as other employees of the Awarded Bidder.</p>
62	<p>How much employee attrition should be expected prior to the closing date of the contemplated transaction? ADH is not in a position to predict the level of attrition prior to the closing date.</p>
63	<p>Please provide a list of addresses for all local health unit locations See the diligence packet, document C.6 – All Locations Data.xlsx</p>
64	<p>Please provide a list of offices that are currently providing services for pediatric patients, and what the current census is. Please see Q&A Packet, documents: Q.64.2 – Historical Pediatric Patient totals.pdf Q.64.1 – Pediatric Census by County.xls</p>
65	<p>How will the transition or termination of the current third-party leases be handled at closing or post-closing? What type of arrangements can be made for the use of space for the rest of the locations operating out of the State's Local Health Units? Depending on the needs or requests of the successful vendor, the 19 currently established third-party lease agreements are assignable to the new vendor or cancellable with a 30-day notice. The remaining locations, located within the State's Local Health Units, will remain available for use by the successful vendor for a reasonable and agreed upon transition period. Following the transition period, the successful vendor will be required to relocate from the shared Local Health Unit space.</p>
66	<p>Can the agency please provide a current patient census with payer source? Please see response to Questions #23, #36 & #46.</p>
67	<p>Attachment #9 – Organizational charts. For those personnel listed on the IHS Admin and Regional Coordinator tabs, please provide the amount of time each of these personnel dedicate to the various service lines (home health, personal care, hospice) Staff at the administrative level are not required to participate in Time Distribution System (TDS). The Program Directors are committed 100% to their program. Other staff works across program lines as needed.</p>
68	<p>In the normal course of an acquisition due diligence, the interested buyers would be allowed to perform on-site diligence to verify existing clients, revenue, quality of service records etc. Will the State consider bids that are contingent on further diligence and if so, under what circumstances Bids will be compared to each other based on the requirements outlined in the RFP. The State understands that further due diligence will likely be required prior to signing a final contact and will consider requests for further due diligence as part of the bids on a case-by-case basis.</p>
69	<p>Revenues have been provided through January of 2016 which show a significant decline in revenue and earnings.</p> <ul style="list-style-type: none"> o Please provide the factors influencing this decrease and has the decrease continued into February. As noted in the RFP, the Agency is at a disadvantage from few resources to commit to marketing efforts to help grow revenue/volume base and help obtain referrals of more financially desirable patients and elevated overall cost structures including a rich employee benefit package required for State employees that creates a significant cost burden, unlike competing agencies. These factors are exacerbated by news of the pending RFP process. o Please provide an updated chart (attachment # 22 ADH Dashboard) with clients and units/hours through the end of January 2016 and if available, data by month for October of 2015 through January of 2016 Please see Q&A Packet, document: Q.69 - ADH Dashboard FY11-16 Comparison.xlsx
70	<p>Do the locations hold a separate Department of Health license for each service or is there only one license per location covering all three services. Please see response to Question #19.</p>

71	<p>Page 7 – Section 1.14(A) indicates Vendors are to create their own Bid Sheets. Are there specific items required or that the State would like included in the monetary bid? As noted in the RFP, the bids will be ranked based on the highest monetary contribution payable. Other terms outside of the monetary contribution are expected to be market terms and may be negotiated with individual Vendors at the State's sole discretion.</p>
72	<p>Page 16 - 4.1 (E) indicates the following: The State shall not enter a contract which grants to another party any remedies other than the following:</p> <ul style="list-style-type: none"> • The right to accrued payments. – does this mean the State is asking the Vendor to assume the current accounts receivable as part of this transaction? Does this also apply to accrued expenses? As noted under #2, accounts receivable will not transfer to the company who successfully bids on the contract. The right to accrued payments language is standard language for all State documents that might result in a contract. However, the right to accrued payments is not expected to play a significant role in the transfer of the operations of the Agency to the winning bidder. • The right to expenses of de-installation. – does this mean that it will be the responsibility of the vendor to remove the computer equipment, office furniture, supplied and equipment excluded as part of this transaction? No - the right to expenses of deinstallation is standard language for all State documents that might result in a contract. However, the right to expenses of deinstallation is not expected to play a significant role in the transfer of the operations of the Agency to the winning bidder. • The right to expenses of repair to return the equipment to normal working order, normal wear and tear excluded. – Does this mean the State is allowing the Vendor to recover costs for repair of equipment and if so what is the mechanism for recovering those costs? No - the right to expenses of repair is standard language for all State documents that might result in a contract. However, the right to expenses of repair is not expected to play a significant role in the transfer of the operations of the Agency to the winning bidder.
73	<p>Page 13 – 2.6 This is a very broad request. The information provided would include extraneous and inconsequential information. This may impose a hardship both on proposers to collect and present the information as well as the State to review and determine the relevance of the submissions. Would the State consider narrowing this request in some way (either by date, scope or both)? Language we have seen in similar state proposals is listed below for consideration:</p> <ol style="list-style-type: none"> 1. The Offeror will disclose any involvement by the organization or any officer or principal in any material business litigation within the last five years. The disclosure will include an explanation, as well as the current status and/or disposition. Failure to fully disclose or accurately state litigation may result in the proposal not being further reviewed or, in the event of an award, termination of the contract. 2. Has the Applicant/Vendor or any of its Key Personnel (defined as the applicant, any partner, manager, director, officer or person directly controlling 10% or more of the outstanding voting shares or other ownership interest of the Applicant) been party to any litigation relating to the provision services in this state or any other within the past (5) years. Are there any court actions or judgments pending against the applicant or Key Personnel relating to the provision of services in this state or any other within the past (5) years. <p>No – section 2.6 of the RFP is standard language for all State documents that might result in a contract and will not be modified. However, how the Vendor chooses to respond to section 2.6 of the RFP is open to interpretation by the Vendor.</p>
74	<p>Page 17 – 4.4 indicates that records are to be made available for five years. Does this imply that the Vendor will be responsible for maintaining client/patient records for services that occurred prior to the transaction date? Section 4.4 is standard Department of Finance and Administration (“DFA”) RFP language. This does not imply that the Vendor will be responsible for maintaining client/patient records for services occurring prior to the transaction date.</p>
75	<p>Does the State currently provide services to Pediatric patients under the Personal Care service line? If the State is providing Personal Care to pediatric clients, please statistics on the number of cases, hours of service provided and revenue. Yes. Personal Care does not see many infants, but provides service to kindergarten through high school students with both developmental and physical disabilities. We provide services both in the school and at home. Please also see question #64.</p>

76	Will the State entertain attachments in response to questions within the Technical Proposal such as financial statements, branch directories, P&P manuals or manual sections beyond those specifically indicated in the RFP. At ADH's discretion, attachments may be considered if the attachment is in direct and clear response to a question in the Technical Proposal packet. However, voluminous and / or superfluous attachments will not be considered.
77	Several sections in the Technical Proposal ask for descriptions of milestones "prior to closing". Does the State have an anticipated/desired closing timeline? No – however, the Vendor should be aware that the State intends to pursue an expedited process.
78	The payroll expense report is provided through October. Can an updated sheet be provided through January 2016. Please see response to Question #6
79	The payroll expense report provided indicates a line item cost for State Retirement. Will the successful Vendor be required to contribute any funds to this plan during the transition or in the first year of employment? No, the successful vendor will not be required to contribute any funds to the State Retirement program.
80	The payroll expense report indicates "contract pay". Can the state please clarify what these services include and what the rates of pay are for each contractor? Also FICA/Medicare is being charged to this line item. If these are contracted employees, please clarify if the state is contributing to the employees taxes? Contract pay applies to home health aides who are contracted individually. They are considered state employees and do receive payroll deductions, but do not receive State benefits (retirement plan, health, etc.)
81	Will the Agency document all communications received (whether to the DFA Contact or otherwise) for purposes of compliance and disclosure pursuant to the requirements of the RFP, the Arkansas Procurement Laws and Rules, and the Arkansas Freedom of Information Act? The Agency will comply with all applicable laws regarding this process.
82	If additional copies of the proposal are requested pursuant to Section 1.18.D of the RFP, will the twenty-four (24) hour period be tolled or otherwise extended if such period ends outside the normal hours of operation of the Agency? In such a case, Bidders may be permitted additional time sufficient for overnight mail at ADH's discretion.
83	What is the criteria and process for determining whether to modify the RFP by Addendum? The RFPA may be modified by Addendum at the discretion of ADH. All Addendums, if any, will be posted to the State's DFA website along with the RFPA and related documents.
84	If addenda are issued with respect to the RFP, will strict compliance with the RFP as amended by all addenda be required? Yes, strict compliance with the RFPA as amended by all addenda will be required.
85	What is the projected period of time between the awarding of the RFP and execution of resulting agreement between the State and Awarded Bidder? Although this is dependent on a number of variables, the projected time period between the awarding of the RFPA and execution of the resulting purchase agreement is 30-60 days.
86	Are there any technical requirements with respect to electronic copies of proposals (i.e., PDF or Word formatting, copy protection, etc.)? There are no technical requirements with respect to electronic copies of proposals other than what's been provided for in the RFPA.
87	Are there any technical requirements or limitations with respect to redacting the REDACTED copy of the Technical Proposal Packet? There are no technical requirements with respect to redacting the redacted copy of the Technical Proposal Packet.
88	Will questions answered verbally pursuant to Section 1.11.D of the RFP be reflected and published in the Agency's response under Section 1.11.C? No - although exceptions may exist. As a general rule, questions asked and answered verbally will not be reflected and published in the Agency's response under Section 1.11.C. It is also noted that answers to verbal questions may be given and must be evaluated at Bidder's risk.
89	What are the criteria for extending the deadline for receiving proposals under Section 1.11.F of the RFP? There are no defined criteria for extending the deadline for receiving proposals. ADH may extend the deadline at its discretion.

90	<p>Pursuant to Section 1.15.A, is a joint proposal submitted by affiliated Bidders (such as parent-subsidiary or subsidiaries of a common holding company) acceptable so long as a prime contractor is identified and accepts all responsibility for the contract? Yes</p> <p>If joint submission by affiliates is permitted, how can Bidders demonstrate to ADH there was no "collusion" between affiliates under Section 1.16 of the RFP? Affiliates may work together to submit a joint proposal with a bid that was arrived at independently from other Bidders and/or industry competitors. However, any Bidders and/or industry competitors that engage in anticompetitive activity related to this RFPA, including bid suppression, complementary bidding, or other types of bid rigging or collusion, will be pursued to the full extent of the law.</p>
91	<p>Please confirm whether the hospice service line is "grandfathered" similarly to the home health service line as described in Section 1.2 of the RFP. Yes</p>
92	<p>For purposes of Section 2.1, what legal title to any specific assets of ADH will be transferred under this RFP? No significant, transferable assets with legal titles have been identified by ADH or the Agency. Any specific assets that may be identified by the Awarded Bidder will be open for discussion between the Awarded Bidder and ADH.</p>
93	<p>Will the Award agreement reflect indemnification provisions between the Agency and Awarded Bidder for matters occurring prior to the Closing? Does the answer vary upon whether the Agency enters into a partnership, joint venture, or other legally established entity (as set forth in Section 1.3C of the RFP)? As a state agency, the Agency cannot agree to indemnification language.</p>
94	<p>Will the Agency retain liability and responsibility for all acts undertaken (or required to be undertaken) by the Agency prior to the effective date of the Closing? If so, is there a time limitation on which such liability and responsibility is retained? Does the answer vary upon whether the Agency enters into a partnership, joint venture, or other legally established entity (as set forth in Section 1.3C of the RFP)? The Agency will retain liability and responsibility for all acts undertaken prior to the effective date of closing. The Agency cannot comment on any time limitations. The Agency has no intention of entering in to any partnerships or joint ventures.</p>
95	<p>Will Awarded Bidder be subject to any additional compliance requirements or restrictions than those imposed on private operators licensed under traditional (i.e., non-RFP) permits of approval? No, the Awarded Bidder will not be subject to any additional compliance requirement or restrictions outside of what's imposed on private operators or requirements stated in the RFPA</p> <p>If so, will these additional requirements be set forth in law, regulation, or governmental agreement? N/A</p>
96	<p>Will Awarded Bidder be required to maintain any specific levels of care with respect to the serviced populations? For example, must current levels of care by counties or region be maintained or used as a benchmark? Must specific levels of indigent care be maintained? Please clarify and identify if any response is affirmative. Although the Awarded Bidder will not be required to maintain specific levels of care, fulfilling the other service and employee related requirements set forth in the RFPA are expected to result in similar or greater levels of care being provided.</p>
97	<p>Will there be any restrictions or limitations placed on Awarded Bidder ability to close or consolidate operations amongst the current county and office operations? No, there will be no restrictions or limitations placed on the Awarded Bidder's ability to close or consolidate locations outside of any licensure rules and regulations and the service, service area and employment requirements as described in the RFP.</p>
98	<p>Will there be any restrictions or limitations placed on Awarded Bidder's ability to sell or delegate by contractual agreement any portion of the awarded services and/or operations conveyed pursuant to the RFP? Any post-closing sale or delegation by contractual agreement of the awarded services and/or operations conveyed by ADH would require ADH's review and approval if the Awarded Bidder intends to also transfer the contractual agreements/commitments it has agreed to abide by. However, if the Awarded Bidder intends to retain responsibility for all contractual obligations despite selling or delegating any portion of the awarded services and/or operations, then no additional restrictions or limitations would apply outside of the State's standard change of ownership procedures.</p>
99	<p>How is an "active" employee of the Agency defined for purposes of Section 2.1.D? All In Home Service employees who are presently employed by the Agency at closing and are seeking continued employment.</p>

100	With respect to Agency employees under Section 2. I D, will the Bidder's obligation to continue the employment of an employee be the subject to such employee's acceptable performance of his or her reasonable employment duties? Yes
101	What employee benefits are offered to full-time employees? Please see response to Question #61.
102	Are the personal care employees subject to an electronic visit verification ("EVV") system? If so, please identify the carrier(s) and whether continued use of the EVV is mandated. IHS utilizes the Horizon Home Care Medical Record. Personal Care employees (aides) utilize McKesson's telephony program and mileage advisor program for documentation of patient care and mileage. Continued use is not mandated.
103	Will Awarded Bidder be permitted to insert standard contractual language into the Award agreement prohibiting the State from hiring or soliciting for employment any Agency employee for a period of ninety (90) days? Standard contractual language prohibiting the State from soliciting the employment of In Home Service employees for an agreed upon period will be permitted.
104	Will Awarded Bidder be permitted to insert standard contractual language into the Award agreement requiring the State to prohibit Agency employees from entering into competing employment arrangements for a period of time following the later of the Closing and any termination of employment by Awarded Bidder, subject to applicable law? The State will not be in a position to prohibit In Home Service employees from entering into competing employment arrangements. At the request of the Awarded Bidder, the Agency may assist the Awarded Bidder in securing specific employment arrangements prior to closing, at the expense of the Awarded Bidder. Post-closing, the Awarded Bidder will be responsible for all such non-compete arrangements.
105	Is the "one-time monetary contribution to ADH" referenced in Section 2.1.E deemed a purchase price under federal and state law? The "one-time monetary contribution to ADH" is meant to serve as the purchase price component of this transaction. ADH is not in a position to comment on whether or not it should be deemed a purchase price under federal and state law.
106	Has ADH calculated, estimated or obtained a "fair market value" for the Agency as described in Section 2. I E? No, ADH has not calculated or obtained a current fair market acquisition value for the Agency.
107	Is the information requested in Section 2 limited to the individual Bidder(s) or extended to include affiliates of the Bidder(s)? If the latter, to what extent is disclosure required? This will be treated on a case-by-case basis, primarily dependent on the type of affiliate relationship and extent of involvement of the affiliate Bidder in the RFP. Please provide information requested in Section 2 for any affiliates that may play a role in the transfer or future operations of the Agency.
108	Under Section 2.6 of the RFP, must the Bidder disclose only litigation which is ongoing or pending at the time of bid submission, or must it include cases which have settled or have otherwise concluded? If so, what period of time is subject to this disclosure? Please disclose only litigation which is ongoing or pending at the time of bid submission along with any cases in excess of \$1 million which have settled or have otherwise concluded within the past 3 years.
109	Under Section 2.6 of the RFP, is the litigation subject to disclosure limited to actions within the State of Arkansas? No
110	What are the selection criteria for the evaluation committee? The evaluation committee will be appointed by ADH's sole discretion on the basis of their willingness to actively participate in the evaluation, along with their knowledge/familiarity with state government, the Agency's operations, and the home health care industry, among other relevant criteria.
111	How was the dollar amount set forth in Section 4.3.B calculated and/or valued? The language in section 4.3.B of the RFP is standard language for all State documents that might result in a contract, and was not calculated specifically for this RFP.
112	Will the contractual agreement between the Agency and Awarded Bidder contain a "further assurances" provision? No assurances can be provided based off of the phrase "further assurances". However, ADH / the State is likely to consider further assurance language as it specifically relates to the parties to the final contract pursuing such further things as may be necessary to implement and carry out the intent of the contract.

113	In the event of a dispute pursuant to Section 4.6, which specific governmental entity, agency, unit, and/or court renders the final and controlling determination? This is standard DFA RFP language. In this case, ADH would be the final and controlling determination as it relates to Section 4.6.
114	How will the contractual agreement(s) to effect conveyance of the operations be structured? This will be mutually agreed upon/negotiated between the Awarded Bidder and ADH. No pre-determined structure has been set.
115	Are there any pending or actual claims, of which Agency is or reasonably should be aware, against Agency regarding services provided to an Agency beneficiary prior to Closing? If response is affirmative, please itemize and detail such claims. There are no enforcement actions or disciplinary actions against the Agency. Current audits include Humana, CIP, CMS (Probe and CERT). There is one EEOC age discrimination complaint by former employee for termination due to violation of Agency policy and the resolution of this claim will remain the responsibility of the Agency.
116	Are there any pending or actual audits, enforcement actions, or other regulatory disciplinary actions against Agency by any governmental or third party payor? There are no enforcement actions or disciplinary actions against the Agency. Current audits include Humana, CIP, CMS (Probe and CERT).
117	Will the Agency provide any assistance with respect to transitioning the current software services to the Awarded Bidder's utilized software, and, if so, what is the length of time such assistance will be provided to ensure compliance with federal and state law regarding electronic protected health information and related privacy protections? Yes, ADH will provide reasonable assistance, limited to internal capabilities, with respect to transitioning the current software services to the Awarded Bidder's utilized software for a mutually agreed upon, reasonable period of time. However, it should be noted that for the purposes of responding to the RFP, the Bidders must assume the implementation and use of their own claims and reporting systems at closing.
118	Please disclose an Agency census report for each location setting forth (i) date of birth, (ii) admitted date, (iii) start-of-care date, (iv) certification start date, (v) certification end date, (vi) current admission status, (vii) ICD Code, (viii) primary diagnosis, (ix) secondary diagnosis, and (x) primary payor. Please see response to Questions #23, #36 & #46.
119	Please describe the reason(s) the Agency does not provide services in the following counties: Benton, Madison, Washington, Franklin, Crawford, and Sebastian? The Agency provides no services in the counties named because it holds no licenses in them.
120	For personal care services, please identify the counties served, as well as the number and location of offices serving such counties. Please see response to Question #42.
121	Are the Department of Health home health and personal care services managed by the same personnel team (, branch manager(s), scheduler(s), etc.)? Yes
122	Is the Agency a party to any managed care contracts? If so, please disclose the counterparties to such contracts, the applicable rates, and current census by contract. Yes, Arkansas Managed Care Organization, Inc. We have no patients at the current time.
123	With respect to the personal care service line, are there plans or discussions to outsource the waiver programs to a managed care organization? If so, what is the projected timeline for such outsourcing? No
124	For personal care services, please identify the counties served, as well as the number and location of offices serving such counties. Please see response to Question #42.
125	Will the Agency be providing detailed financial statements for due diligence disclosure, and if so, when? Please see response to Question #54.
126	On the financial statements set forth in the Disclosure Packet, in what sections and in what manner is indigent care accounted for? "No source" or indigent care costs is not reported as a separate line item on the income statement for In-Home Services. "No source" is billed similar to other services in home health but patient is coded in Horizon as a "no source" patient so that the total amount billed each year to the "no source" patients can be tracked. Essentially the amount remaining in accounts receivable billed to "no source" patients and not collected is the cost of indigent care.

127	Where in the financial documents disclosed in the Diligence Packet is bad debt accounted for? Accrual entries have not been made for bad debt expense on In-home. At year end In Home Services submits year end accounts receivable numbers and detail along with payments received on A/R for 45 days after fiscal year end to ADH CAFR Department. There were always some percentages utilized at year end for each category of A/R aging (ie 30 days, 60 days, 90 days, etc) to estimate bad debt % of A/R at year end. The percentages used have stayed consistent from year to year.
128	Has facility rent and/or lease payments been excluded from the financial documents disclosed in the Diligence Packet? All rent expense associated with the third party lease agreements (C.6 Lease Information) is included in the financial documents. The Agency does not pay facility rent associated with the shared space within the Local Health Units.
129	Please specify the financial information encompassed in the rent/lease line item (, equipment rent, durable medical equipment, etc.) 5040011000 includes Teletouch Paging and Hospice DME Equipment, 50400005000 is building leases; and 504007000 is the lease for copy machines.
130	Please specify the expenses encompassed in the allocation expense line item. Please see response to Question #55
131	For home health services, please provide admission and visit data by payor type for fiscal years 2014, 2015, and 2016 (July 1, 2015 through January 31, 2016). Please see the Q&A Packet, documents: Q.23.1 - fy16 hh admissionsbypayorand loc.pdf Q.23.2 - fy15 hh admissionsbypayorand loc.pdf Q.23.3 - fy14 hh admissionsbypayorand loc.pdf Q.23 - current census report.pdf Q.24 numberof visitsbydiscipline.pdf
132	For home health services, please provide revenue by payor type (similar to the Arkansas Department of Health Dash Board) for the period of July 1, 2015 through January 31, 2016. Please see response to Question #69.
133	For hospice services, please provide a revised Hospice Days and Census document updated for the complete period of July 1, 2015 through January 31, 2016. Please see Q.34.2 - Hospice Adm DC Census by Location FY 16.pdf
134	For personal care services, please provide the billed hours for the period of July 1, 2015 through January 31, 2016. Please see the Q&A Packet, documents: Q.44.1 – PC – FY14 Q.44.2 – PC – FY15 Q.44.3 – PC – FYTD 2016.xls
135	For community-based case management services, please describe basis for noted \$167,000 in revenue for the period of July 1, 2015 through January 31, 2016 in the absence of any salaries or other costs. The Community Based Case Management Program operates under the Personal Care Program and all non-employee expenses are recorded under that program. As seen in prior years, the Community Based Case Management Program used to have employees, and related employee expense. However, these employees were part of a RDIF and were laid off or reassigned.
136	Does the maternal and infant home visiting and community based case management fall under the licensure of home health or personal care? The Maternal & Infant program will be transitioned to another division within ADH and will not be part of the transition. Community Based Case Management operates under the Personal Care program.
137	Does the Agency provide both pediatric home health and hospice services? Yes
138	What is the volume of the pediatric service line? Please see Question #64.

139	<p>What are the three (3) most common pediatric diagnoses?</p> <ul style="list-style-type: none"> • Feeding Difficulties • Failure to Thrive • Regurgitation and rumination of newborns • Preterm newborns • HIV • Apnea <p>Also see infections requiring IV, UTI, osteomyelitis, meningitis, wounds Skills include: lab, PICC, port care, chemo administration, Synagis injections. In Home Services also sees a number of Hispanic pediatric patients. Interpreters must be made available.</p>
140	<p>What is the average age of the Agency's pediatric patients? In Home Health normally care for newborns to 3-4 years old. Personal Care program usually cares for pediatric patients at school age 6 through 18.</p>
141	<p>Please disclose the percentages of skilled and unskilled services provided by the Agency to pediatric patients. Home Health FY15 was 9.9% and FY16 10.29%. Personal Care 2% in both FY15 and FY16.</p>
142	<p>Please disclose the percentages of hourly and per-visit care provided by the Agency to pediatric patients. Home Health FY15 was 9.9% and FY16 10.29%. Personal Care 2% in both FY15 and FY16.</p>
143	<p>Does the maternal and infant program include pre- and post-natal care? The Maternal & Infant program will be transitioned to another division within ADH and will not be part of the transition.</p>
144	<p>What is the average length of care for the maternal and infant program clients? The Maternal & Infant program will be transitioned to another division within ADH and will not be part of the transition.</p>
145	<p>Please disclose the Agency's policies with respect to personnel qualifications for delivering pediatric care. Please see Q&A Packet, document Q.145 – ADH IHS Pediatric Policies.pdf</p>
146	<p>Please disclose all licenses held by the Agency. Please also confirm whether each such license is subject to the RFP. Class A and Derivative B from Health Facilities Services are the only license held by the Agency.</p>
147	<p>Are personal care services and home health services separately licensed, or are the two programs operated under a single license at separate physical locations? The two programs operate under the same license. The agency holds a Class A license for home health and a Derivative B license, for non-skilled care. The Derivative B license can be obtained by a Class A license holder and allows for the provision of non-skilled care, including personal care. If not separately licensed, please describe why the State holds a Class B state license for each "personal care" location. The state does not hold a Class B license, but rather a Derivative B license.</p>
148	<p>Please clarify and describe the services provided under "personal care" services (, type and specialization of services, whether medical orders are required, payor source, etc.). Please see Q&A Packet, document Q.148 - 2016 Personal Care Services.docx</p>
149	<p>Will the specific prime contractor identified on the successful bid for Award be required to file any related regulatory change of ownership notices or filings, or will an affiliate (e.g., parent-subsidiary, subsidiaries of a common holding company, etc.) of such entity be permitted to file any such notice or filings? Either the prime contractor or an affiliate would likely be permitted to file any such notice or filings.</p>
150	<p>Change of ownership notices fall under differing notice period requirements for home health and hospice services (sixty (60) and thirty (30) days, respectively); are Bidders permitted to inquire with state agencies on an anonymous basis regarding filing requirements in compliance with the RFP and the Arkansas Procurement Laws and Rules? ? If to familiarize itself, the Bidder desires to inquire with state agencies regarding filing requirements, they are permitted to do so; however, it is not required to do so prior to the submission of the RFP.</p>
151	<p>Will the Department of Health be supplementing the Diligence Packet with identification of all permits of approval held by the Agency relevant to the RFP? If so, please also describe the process for transferring such permits of approval. The permits of approval are only needed in order to obtain new state licenses. Because the state licenses are already in place and will be transferred/sold to the Awarded Bidder, the permits of approval that were obtained prior to the licenses are no longer needed or relevant.</p>

