

REQUEST FOR LEGISLATIVE ACTION

Completed by County Counselor's Office:

Res/~~Ord~~ No.: 19132

Sponsor(s): Alfred Jordan

Date: April 25, 2016

<p>SUBJECT</p>	<p>Action Requested <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Ordinance</p> <p>Project/Title: <u>Transferring \$150,000.00 within the Health Fund and authorizing the Award of a Thirty-Six Month Term and Supply Contract, with Two Twelve Month Options to Extend for the furnishing of Comprehensive Medical, Dental and Pharmaceutical Services to the Inmate Population of the Jackson County, Missouri Detention Center and the Regional Correctional Center to Correct Care Solutions of Nashville, TN under the terms and conditions of Request for Proposal No. 4-16.</u></p>														
<p>BUDGET INFORMATION <i>To be completed By Requesting Department and Finance</i></p>	<table border="1"> <tr> <td>Amount authorized by this legislation this fiscal year:</td> <td></td> </tr> <tr> <td>Amount previously authorized this fiscal year:</td> <td></td> </tr> <tr> <td>Total amount authorized after this legislative action:</td> <td></td> </tr> <tr> <td>Amount budgeted for this item * (including transfers):</td> <td></td> </tr> <tr> <td>Source of funding (name of fund) and account code number:</td> <td></td> </tr> <tr> <td>Transfer From: 002-8005-56830 Health Fund, Non-Mandated Contingency, Contingency Fund</td> <td>\$150,000.00</td> </tr> <tr> <td>Transfer To: 002-5102-56790 Health Fund, Non-Departmental, Other Contractual Services</td> <td>\$150,000.00</td> </tr> </table> <p>* If account includes additional funds for other expenses, total budgeted in the account is: \$</p> <p>OTHER FINANCIAL INFORMATION:</p> <p><input type="checkbox"/> No budget impact (no fiscal note required) <input checked="" type="checkbox"/> Term and Supply Contract (funds approved in the annual budget); estimated value and use of contract: Department: Department of Corrections Estimated Use: \$3,331,352.00</p> <p>Prior Year Budget (if applicable): Prior Year Actual Amount Spent (if applicable):</p>	Amount authorized by this legislation this fiscal year:		Amount previously authorized this fiscal year:		Total amount authorized after this legislative action:		Amount budgeted for this item * (including transfers):		Source of funding (name of fund) and account code number:		Transfer From: 002-8005-56830 Health Fund, Non-Mandated Contingency, Contingency Fund	\$150,000.00	Transfer To: 002-5102-56790 Health Fund, Non-Departmental, Other Contractual Services	\$150,000.00
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<p>PRIOR LEGISLATION</p>	<p>Prior ordinances and (date): Prior resolutions and (date): 18048, January 7, 2013 and 19076, February 22, 2016</p>														
<p>CONTACT INFORMATION</p>	<p>RLA drafted by (name, title, & phone): Barbara Casamento, Purchasing Supervisor, 881-3253</p>														
<p>REQUEST SUMMARY</p>	<p>The Department of Corrections requires Comprehensive Medical, Dental and Pharmaceutical Services for the Inmate Population of the Jackson County, Missouri Detention Center and the Regional Correctional Center. The Purchasing Department issued Request for Proposal No. 4-16 to meet those requirements.</p> <p>Out of thirteen notifications distributed, two responses were received and evaluated as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>Evaluation Points</th> <th>Base Contract Fee</th> </tr> </thead> <tbody> <tr> <td>Correct Care Solutions, Nashville, TN</td> <td>86</td> <td>\$3,206,352.00</td> </tr> <tr> <td>Advanced Correctional Healthcare, Peoria, IL</td> <td>80</td> <td>\$2,622,578.10</td> </tr> </tbody> </table> <p>Evaluation points were based on the following: Responsiveness to Request for Proposal; Qualifications; Experience and Expertise; References and Pricing. 100 Evaluation Points were possible.</p> <p>A minimum of \$125,000.00 over the base contract fees will be needed to cover the estimated expected overages on medications such as HIV and psychotropic medications and services such as X-Ray and Dialysis.</p>		Evaluation Points	Base Contract Fee	Correct Care Solutions, Nashville, TN	86	\$3,206,352.00	Advanced Correctional Healthcare, Peoria, IL	80	\$2,622,578.10					
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Correct Care Solutions, Nashville, TN	86	\$3,206,352.00													
Advanced Correctional Healthcare, Peoria, IL	80	\$2,622,578.10													

	<p>Pursuant to Section 1054.6 of the Jackson County Code, the Director of Finance and Purchasing recommends the award of a Thirty-Six Month Term and Supply Contract, with Two Twelve Month options to extend for the furnishing of Comprehensive Medical, Dental and Pharmaceutical Services for the Inmate Population of the Jackson County, Missouri Detention Center and the Regional Correctional Center to Correct Care Solutions of Nashville, TN as the best proposal received. Although the annual Base Contract Fee was higher, Correct Care Solutions was considered the best proposal as their proposal included the additional staffing required to handle the American Corrections Association Accreditation requirement to medically screen all new admissions to the facility.</p> <p>The Director of Finance and Purchasing also requests the transfer of \$150,000.00 within the Health Fund as follows:</p> <table data-bbox="326 464 1511 554"> <tr> <td></td> <td style="text-align: right;">FROM:</td> <td style="text-align: right;">TO:</td> </tr> <tr> <td>002-8005-56830 Health Fund, Non-Mandated Contingency, Contingency Fund</td> <td style="text-align: right;">\$150,000.00</td> <td></td> </tr> <tr> <td>002-5102-56790 Health Fund, Non-Departmental, Other Contractual Services</td> <td></td> <td style="text-align: right;">\$150,000.00</td> </tr> </table>		FROM:	TO:	002-8005-56830 Health Fund, Non-Mandated Contingency, Contingency Fund	\$150,000.00		002-5102-56790 Health Fund, Non-Departmental, Other Contractual Services		\$150,000.00
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CLEARANCE	<input type="checkbox"/> Tax Clearance Completed (Purchasing & Department) N/A <input type="checkbox"/> Business License Verified (Purchasing & Department) N/A <input checked="" type="checkbox"/> Chapter 6 Compliance - Affirmative Action/Prevailing Wage (County Auditor's Office)									
ATTACHMENTS	The Bid Abstract, Recommendation Memorandum from Laura Scott of the Department of Corrections, and the pertinent pages of Correct Care Solution's proposal.									
REVIEW	<table border="1" data-bbox="321 806 1547 1054"> <tr> <td data-bbox="321 806 1256 865">Department Director: <i>Laura G. Scott</i></td> <td data-bbox="1256 806 1547 865">Date: 4/20/16</td> </tr> <tr> <td data-bbox="321 865 1256 924">Finance (Budget Approval): <i>If applicable</i> <i>[Signature]</i></td> <td data-bbox="1256 865 1547 924">Date: 4/20/16</td> </tr> <tr> <td data-bbox="321 924 1256 989">Division Manager: <i>[Signature]</i></td> <td data-bbox="1256 924 1547 989">Date: 4/21/16</td> </tr> <tr> <td data-bbox="321 989 1256 1054">County Counselor's Office:</td> <td data-bbox="1256 989 1547 1054">Date:</td> </tr> </table>	Department Director: <i>Laura G. Scott</i>	Date: 4/20/16	Finance (Budget Approval): <i>If applicable</i> <i>[Signature]</i>	Date: 4/20/16	Division Manager: <i>[Signature]</i>	Date: 4/21/16	County Counselor's Office:	Date:	
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Division Manager: <i>[Signature]</i>	Date: 4/21/16									
County Counselor's Office:	Date:									

Fiscal Information (to be verified by Budget Office in Finance Department)

- This expenditure was included in the annual budget.
- Funds for this were encumbered from the _____ Fund in _____.
- There is a balance otherwise unencumbered to the credit of the appropriation to which the expenditure is chargeable and there is a cash balance otherwise unencumbered in the treasury to the credit of the fund from which payment is to be made each sufficient to provide for the obligation herein authorized.
- Funds sufficient for this expenditure will be/were appropriated by Ordinance # _____
- Funds sufficient for this appropriation are available from the source indicated below.

Account Number:	Account Title:	Amount Not to Exceed:

- This award is made on a need basis and does not obligate Jackson County to pay any specific amount. The availability of funds for specific purchases will, of necessity, be determined as each using agency places its order.
- This legislative action does not impact the County financially and does not require Finance/Budget approval.

Jackson County Department of Corrections

Kansas City, Missouri

Comprehensive Medical, Dental and Pharmaceutical Services
RFP No. 4-16

February 16, 2016, 2:00 p.m. CST

ORIGINAL

Pricing Proposal



Respectfully Submitted to:

Barbara Casamento
Office of the Jackson County Purchasing Department
Jackson County Courthouse
415 East 12th Street, Room G-1, Ground Floor
Kansas City, MO 64106
(816) 881-3253



Submitted by:

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Nashville, TN 37217
(800) 592-2974 X5777
Tax ID# 32-0092573

Point of Contact:

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President
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Patrick@ccsks.com

This submission includes one (1) original and (5) copies.



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1 Cost and Staffing Overview

Correct Care Solutions (CCS) is pleased to provide the following cost proposal for the consideration of Jackson County. CCS has developed our cost proposal for the services required by RFP NO. 4-16 for Comprehensive Medical, Dental and Pharmaceutical Services for the inmate populations of the Jackson County, Missouri Detention Center, the Regional Correctional Center and Kansas City Police Department arrestees. Additionally, we have reviewed the addendums and have utilized our knowledge of your program and Missouri state systems.

Our proposal is based on our extensive experience in Jackson County, our perspective on the needs of the patient population, competitive salary surveys for healthcare professionals in Jackson County, and our experience at multiple similarly sized facilities. We are proposing the following solution to best meet the County’s specific needs. CCS is open to discussing our proposal in order to provide the optimal healthcare program for the County; at the same time, we are very confident in our understanding of your facility. With staffing comprising the vast majority of costs, we have looked intensely at the operations to ensure that we have the capacity to operate within the needs of the patient population and JCDOC expectations. Simply stated, our goal is to provide the County with the best healthcare services program that meets or exceeds your requirements. We look forward to discussing our proposal with you.

The proposed CCS staffing plan was developed consistent with your stated goals of program improvement and movement towards facility accreditation. The plan also recognizes significant changes that have already occurred within the facility such as the introduction of new arrestees from the Kansas City Police Department and the requirement to screen all inmates at intake, and seeks to provide staffing solutions to provide care for this added population.

Staffing and Services Overview Jackson County, Missouri		
ADP Overview	Proposed	
Average Daily Population (ADP)	952	
Per Diem Reconciliation (ADP over 1050/under 850)	\$.73	
Professional Staffing (Hours per Week)	Proposed	FTE
Medical Director - Physician	16.00	0.40
Mid-Level Provider	24.00	0.60
Health Services Administrator	40.00	1.00
Director of Nursing	40.00	1.00
Charge Nurse	84.00	2.10
Registered Nurse (RN)	252.00	6.30
Licensed Practical Nurse	672.00	16.80
Administrative Assistant	40.00	1.00
Medical Records Clerk	40.00	1.00
Pharmacy Tech/CMA	40.00	1.00
Dentist	8.00	0.20
Dental Assistant	10.00	0.25
Total Equivalent Full-Time Employees	1266	31.65



Professional Onsite Services	Proposed	Cap
Medical Services	✓	
Dental Services	✓	
Mental Health Coordination Services	✓	
On-Call 24/7	✓	
Policies and Procedures	✓	
Laboratory Services	✓	1
X-Ray Services	✓	1
Electronic Medical Records	✓	
Medical Supplies	✓	
Medical Waste Removal	✓	
Office Supplies	✓	
Performance Bond 100% of annual value	✓	
Basic Medical Training - Jail Staff	✓	
Mental Health Training - Jail Staff	✓	
TB Testing - Jail Staff	✓	
Hepatitis Vaccination - Jail Staff	✓	
Comprehensive Medical Malpractice Insurance	✓	
Corporate Management and Oversight	✓	
Professional Offsite Services	Proposed	Cap
Laboratory Services	✓	1
X-Ray Services	✓	1
Dialysis	✓	1
Utilization Management	✓	
Pharmacy Services	Proposed	Cap
Complete Pharmaceutical Management	✓	
Pharmaceuticals: Over-the-Counter	✓	
Pharmaceuticals: Prescriptions	✓	1
Pharmaceuticals: Mental Health/Psychotropic	✓	1
Pharmaceuticals: AIDS, HIV, and Cancer	✓	1
Caps	Option 1	
(1) Annual Aggregate Cap	\$100,000	
Percentage of Unused Cap Returned to County	100%	
Monthly Cost	\$267,195.97	
Annual Cost	\$3,206,352.00	

CCS realizes this annual rate constitutes a significant investment in contract value for Jackson County. The cost of the additional staffing (discussed below) presents the vast majority of the increase over our current contract. Other factors include:

- Inmate ADP increased from 800 in our current contract to 952 in this contract
- Inclusion of a Performance Bond
- Addition of shift differentials for nursing staff and on-call pay for the dentist, per RFP requirement



With nearly all costs being fixed, the CCS proposal is based on this annual rate. The RFP requests pricing based on per diem costs. With an ADP of 952, the annual costs would average a Per Inmate Per Day rate of \$9.23. However, since fixed costs will not adjust with fluctuations in population, our proposal is for a contract in which invoicing will be monthly, based upon 1/12 of the annual rate, and payable within 45 days of billing to ensure timely subcontractor payment as outlined in RFP section 9.22.6.

We appreciate the opportunity to engage in discussion with JCDOC about this Cost Proposal.

Flexible Staffing Matrix

CCS will provide the County with a comprehensive healthcare staffing program consisting of qualified medical professionals. The following staffing matrix provides detailed staffing plans for the Jackson County Department of Corrections. This enhanced staffing plan represents an increase of 8.3 FTE which will allow for CCS to dedicate a RN and an LPN 24/7, to the intake screening process and the detox need of your increased admissions.

Please note that the exact days shown in the charts below are for illustrative purposes only and are flexible to meet the County’s needs. We will work with the County to create an exact schedule which best maximizes the County’s utilization of CCS’s resources.

Jackson County, MO - Proposed Staffing										
Day Shift										
POSITION	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Hrs/WK	FTE	
Physician	6		6	4				16	0.400	
Mid-Level		8		8	8			24	0.600	
Healthcare Services Administrator	8	8	8	8	8			40	1.000	
Director of Nursing	8	8	8	8	8			40	1.000	
Registered Nurse	24	24	24	24	24	24	24	168	4.200	
Licensed Practical Nurse	48	48	48	48	48	48	48	336	8.400	
Administrative Assistant	8	8	8	8	8			40	1.000	
Medical Records Clerk	8	8	8	8	8			40	1.000	
Pharm. Tech./CMA	8	8	8	8	8			40	1.000	
Dentist		8						8	0.200	
Dental Assistant		10						10	0.250	
Total Hours/FTE - Day								762	19.050	
Night Shift										
POSITION	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Hrs/WK	FTE	
Charge Nurse	12	12	12	12	12	12	12	84	2.100	
Registered Nurse	12	12	12	12	12	12	12	84	2.100	
Licensed Practical Nurse	48	48	48	48	48	48	48	336	8.400	
Total Hours/FTE - Night								504	12.600	
Weekly Total										
TOTAL HOURS/FTE - WEEKLY								1,266	31.650	



Enhancement Option

CCS proposed that, in addition to the staffing defined above, the contracted matrix include a Quality Assurance & Accreditation Nurse. This role would be filled by a Registered Nurse, who would work with current on-site leadership to monitor our processes through our Quality Improvement program, facilitate nurse training in policies and procedures to ensure appropriate and consistent care in accordance with accreditation standards.

The addition of this position would be \$95,000 incremental cost over our base pricing.

Intake Nursing

The CCS staffing matrix allows for one (1) Registered Nurse in intake at all times, with assistance by an LPN to ensure management of the detoxification population and peak intake times. The LPN is, according to licensure and industry standard, able to collect information and he or she will consult with the RN regarding any inmate who meets certain criteria for emergent and further evaluation.

Based on our operations in various sites and national standards, CCS is comfortable with this model, and we feel it is a more financially responsible model for Jackson County. However, we understand that JCDOC may prefer two RNs in intake instead of an LPN, based on the RFP. This would require replacing 4.2 LPNs (2.1 on Day Shift and 2.1 on Night Shift) with RNs, at an incremental cost of \$119,220 per year over our base pricing.

Comprehensive Medical, Dental, and Pharmaceutical Services

CCS will provide the County with a wide-ranging inmate healthcare program consisting of 31.65 equivalent full-time employees as well as comprehensive onsite medical, dental, and pharmaceutical services. CCS will also provide the County with healthcare policies and procedures, 24 hours a day on-call services, medical and office supplies, medical waste disposal, comprehensive medical malpractice insurance, an electronic medical records application (ERMA) as well as corporate management and oversight.

CCS Proposed Range of Wage Rates

Position	Hourly rate
Healthcare Services Administrator	\$37.44 - \$43.07
Director of Nursing	\$34.41 - \$39.59
Medical Director – Physician	\$102.30 - \$117.70
Mid-Level Provider	\$42.48 - \$48.87
Dentist	\$96.75 - \$111.32
Dental Assistant	\$14.16 - \$16.29
Registered Nurse (RN)	\$28.51 – \$32.80
Charge Nurse	\$30.69 - \$35.31
Licensed Practical Nurse (LPN)	\$19.67 - \$22.63
Pharmacy Technician / CMA	\$13.22 - \$15.20
Medical Records	\$12.00 - \$15.44
Administrative Assistant	\$14.88 - \$17.12



Pharmacy

Our proposal includes a comprehensive pharmacy program and management solution. This program includes medication prescribing, filling, dispensing, administration, accurate recordkeeping, reporting/invoicing, and quality assurance. CCS will be responsible for all the pharmaceutical costs incurred for County inmates, with the exception of certain medications that are included in the cap.

Electronic Medical Records Application (ERMA)

CCS will provide Jackson County with its electronic medical record application (EMRA) at no cost. This offering also includes installation of and any updates to our exclusive Electronic Records Management Application (ERMA) and Electronic Medication Administration Record (eMAR) during the life of the contract, along with related computer installations and software, as well as regular refreshing of computer hardware.

To ensure the facility receives the maximum benefit of ERMA, CCS would act in a consultative role regarding upgrades and expansion of internet coverage to areas where medical services are normally performed, but not for the cost of system upgrades. Additionally, we would require an interface with your JMS systems. We understand currently there are separate JMS systems documenting inmate information for the County inmates and the Municipal inmates. CCS will not bear any costs that the county or city might incur in the building of this interface.

Performance Bond

CCS understands the mandatory RFP requirement of a performance bond. The cost of issuing and maintaining the bond is \$44,553.00 annually. If the county elects to waive the requirement of the bond in recognition of CCS's continuation of satisfactory performance, CCS will remove this amount from our annual costs.

Pricing Assumptions

The proposed prices reflect the scope of care as outlined in our technical proposal, in the RFP requirements, and based on the current community standard of care with regard to correctional healthcare services. Should there be any change in or modification of the local, national, or community standards of care or scope of services, court rulings or interpretation, state or federal law or statute, or interpretation thereof that results in sustained and material increase in costs, coverage of costs related to such changes are not included in this proposal and may need to be negotiated with Jackson County.

Annual Adjustments – Renewal Pricing

CCS agrees that the contract length shall be 36 months with two (2) 12 month options. The annual cost presented in this price quote will remain in effect through the initial 12-month period. CCS proposes an annual increase based upon the medical component of the Consumer Price Index, not to exceed 3 percent per year.



2 Per Diem Adjustments

This proposal is based on a base average daily population (ADP) of 952 total inmates. If, in any calendar month, the County ADP exceeds 1050 inmates, the County will pay CCS a per diem of \$.73 per inmate to be reconciled quarterly. If, in any calendar month, the ADP falls below 850 inmates, CCS will credit the County a per diem of \$.73 per inmate to be reconciled quarterly. As mentioned above, the majority of expenses are fixed costs related to staffing, as reflected by this minimal per diem rate.

This per diem is intended to cover additional costs in those instances where short-term changes in the inmate population result in higher utilizations of routine supplies and services. However, the per diem is not intended to provide for any additional fixed costs, such as new staffing positions, which might prove necessary if the inmate population grows significantly and if the population increase is sustained. In such cases, CCS reserves the right to negotiate for a contract price increase in order to maintain the same high quality of care for the increased inmate population. If the County experiences a sustained decrease in inmate population, CCS is open to discussing changes in staffing levels to better reflect the normalized inmate population.

3 Aggregate Capitation Limits

Aggregate Cap with County Rebate

CCS will incur the first \$100,000 in costs associated with healthcare services defined under its Aggregate Cap (Cap 1). Such services under the annual Aggregate Cap include all pharmaceuticals for municipal inmates; HIV, Hepatitis, mental health, cancer, and court-ordered pharmaceuticals for county and municipal inmates; onsite and offsite laboratory services; onsite and offsite radiology services; and onsite and offsite dialysis. Any expenses incurred for such services in excess of \$100,000 per year will be the responsibility of the County. Should the costs associated with the provision of healthcare services listed above not exceed \$100,000 in the aggregate in any contract year, CCS shall reimburse the County at a rate of 100% of the difference between the actual cost to CCS for these services and the \$100,000 Aggregate Cap.

We thank you for the opportunity to present this Cost Proposal in conjunction with our Technical Proposal. CCS truly values our partnership in Jackson County, and we respectfully ask to continue this partnership. We welcome discussion on this or any aspect of our proposal.