

REQUEST FOR PROPOSALS (RFP)
REQUEST FOR PROPOSALS FOR CONTRACTED THERAPY SERVICE PROVIDER

FOR

IMMANUEL FONTENELLE
AND
THE LIGHTHOUSE AT LAKESIDE VILLAGE

HEALTH DIMENSION GROUP
4400 BAKER ROAD
MINNEAPOLIS, MN 55343
ATTENTION: MICHELLE KASTENHOLZ
MICHELLEK@HDGI1.COM

ISSUE DATE
MAY 9, 2014

DUE DATE
MAY 23, 2014
5:00 P.M. CENTRAL STANDARD TIME

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1. SUMMARY AND BACKGROUND

Health Dimension Group (HDG), a Minneapolis, Minnesota-based health care management and consulting company, is currently accepting proposals from organizations interested in providing contracted physical, occupational, and speech therapy to two client skilled nursing centers located in Omaha, Nebraska.

The purpose of this Request for Proposals (RFP) is to solicit proposals from various candidate organizations, conduct a fair and extensive evaluation based on criteria listed herein, and select the candidate who best represents the direction in which HDG and client skilled nursing centers wish to proceed.

HDG is a privately held entity that was formed in May 2000, with roots deeply set within the acute and post-acute industry. HDG offers industry-leading expertise in consulting and management services to hospitals, health systems, and post-acute, long-term care, and senior living providers across the nation. Senior care is HDG's focus, and services encompass every aspect of pre- and post-acute care. HDG also offers practical business solutions, drawing on its strategic and operational expertise to make recommendations on what is achievable, and how to successfully develop those recommendations.

Some of the services HDG provides include strategic planning and positioning, health care continuum alignments, market growth strategies, payor-provider model development, senior service line development, operational and performance improvement, transitional leadership services, transaction advisory solutions, home health and hospice management, and turnaround and full-service management.

2. PROPOSAL GUIDELINES

This Request for Proposals represents the requirements for an open and competitive process. Proposals will be accepted until 5:00 p.m. CST on May 23, 2014. Any proposals received after this date and time will be returned to the sender. All proposals must be signed by an official agent or representative of the company submitting the proposal.

If the organization submitting a proposal must outsource or contract any work to meet the requirements contained herein, this must be clearly stated in the proposal. Additionally, all costs included in proposals must be all-inclusive to include any outsourced or contracted work. Any proposals that call for outsourcing or contracting work must include a name and description of the organizations being contracted.

All costs must be itemized to include an explanation of all fees and costs.

Contract terms and conditions will be negotiated upon selection of the winning vendor for this RFP. All contractual terms and conditions will be subject to review by HDG's operations and legal departments and will include scope, budget, schedule, and other necessary items pertaining to the project.

3. PROJECT PURPOSE AND DESCRIPTION

The purpose of this project is as follows:

HDG has determined that, effective July 1, 2014, two skilled nursing centers, Immanuel Fontenelle and Lighthouse, will require the services of a third party to provide oversight and treatment for all physical, occupational, and speech therapy services to the patients and residents residing at these locations. It is feasible that services may also include outpatient treatment for patients who do not live in the skilled nursing facilities.

Project Description:

HDG is seeking a provider that will work in concert with other health care professionals to deliver superior care and exceptional customer service.

Once HDG has fully implemented its operating model at these two skilled nursing facilities, vendors should anticipate average daily occupancy of 160 at Immanuel Fontenelle and 35 at Lighthouse. Further, it is anticipated that the skilled census mix (Medicare/managed care) per day will range from 35 to 45 at Immanuel Fontenelle, and from 5 to 10 at Lighthouse. HDG plans to expand the current scope of services at these locations and will give preference to vendors who have supported clinical program development as part of the services they provide. Vendors should recognize that there will be a strong emphasis on creating programs that will attract high volumes of shorter stay, high rehabilitation needs patients.

4. PROJECT SCOPE

HDG seeks to contract with a vendor that will charge for services based on a minutes of service basis for patients served that are under a Medicare part A stay. The centers will pay for therapy in accordance with the following schedule:

- Ultra High RUG day = 103 minutes/day
- Very High RUG day = 71 minutes/day
- High RUG day = 46 minutes/day
- Medium RUG day = 21 minutes/day
- Low RUG day = 6 minutes/day

HDG seeks to contract with a provider that will charge centers a percentage of the Medicare Fee Schedule for patients receiving services under a Part B stay.

Proposals must describe all billing adjustments to be made for MPPR (multiple therapy reduction code).

For services provided to Medicaid patients, vendor will bill services to the facilities, but not until authorization for services is received from the approving agency.

Vendor will bill for managed care payors the same per-minute charge as Medicare Part A for both RUG-based and per diem contracts for managed care.

Each proposal must identify the hours of non-patient related care that will be included as part of the agreement, and hours to assist staff with the following:

- Falls
- Clinical
- Standup
- Medicare weekly
- Medicare daily
- Wounds
- Weight loss
- Monthly Triple Check meeting
- Marketing
- Care conferences
- Input of MDS data
- Other areas as deemed appropriate by contracting parties

Proposals must indicate how much the SNF will be charged per hour for additional services outside those noted above.

Proposals must indicate the duration of time that the pricing will remain in effect.

Vendors must indicate how they bill for services and how quickly the facilities will receive an invoice after the close of each month.

Proposal must indicate payment terms (in days) for the duration of the agreement.

Vendors must have computer software that is SNF-therapy driven and interfaces with PointClickCare.

Vendors should have tracking, projections, and all regulatory compliance pieces that are currently RAI appropriate.

HDG requests that all proposals also include therapy management only approach, and pricing for same, provided that the vendor can and will support that type of oversight structure. Under this model, the two SNFs will employ the therapist, and the vendor would provide oversight for a fee. Fees for this approach must be outlined in the proposal.

5. REQUEST FOR PROPOSAL AND PROJECT TIMELINE

Request for Proposal Timeline:

All proposals in response to this RFP are due no later than 5:00 p.m. CST, on May 23, 2014.

All questions regarding the RFP must be submitted electronically to MICHELLEK@HDGI1.COM by 5:00 P.M CST, on May 16, 2014. All questions will be answered and distributed to all those who have submitted questions by end of business on May 20, 2014.

Evaluation of proposals will be conducted from May 27, 2014, until May 28, 2014. If additional information or discussions are needed with any bidders during this window, the vendor(s) will be notified.

The selection decision for the winning vendor will be made no later than May 30, 2014.

Upon notification, the contract negotiation with the winning vendor will begin immediately. Contract negotiations will be completed by June 6, 2014.

Notifications to vendors who were not selected will be completed by June 6, 2014.

Project Timeline:

Project initiation phase must be completed by July 1, 2014.

Project planning phase must be completed by June 6. Project planning phase will determine the timeline/schedule for the remaining phases of the project.

6. VENDOR QUALIFICATIONS

Proposed vendors should provide the following items as part of their bid for consideration:

- Description of experience providing therapy services in a skilled nursing facility
- Examples of three (3) similar start-ups completed by your organization
- Testimonials from past clients
- Anticipated resources you will assign to this project (e.g., total number, role, title, experience)
- Timeframe for completion of the project
- Project point person

7. PROPOSAL EVALUATION CRITERIA

HDG will evaluate all proposals based on the following criteria. To ensure consideration for this Request for Proposals, your proposal should be complete and include all of the following criteria:

- Overall suitability: proposed solution(s) must meet the scope and needs included herein and be presented in a clear and organized manner
- Organizational Experience: Vendors will be evaluated on their experience as it pertains to the scope of this project
- Previous work: Vendors will be evaluated on examples of their work pertaining to providing therapy services in a skilled nursing environment
- Vendors will be evaluated on the quality and cost of their work to be performed in accordance with the scope of this project
- Technical expertise and experience: Vendors must provide descriptions and documentation of staff clinical and technical expertise and experience

Each vendor must submit one (1) electronic copy of their proposal to the address below by 5:00 p.m. CST, on May 23, 2014:

MICHELLE KASTENHOLZ
MICHELLEK@HDGI1.COM

HDG has the right to reject any and all proposals at any time and for any reason. HDG does not guarantee that any part of the services advertised in the RFP will be awarded. Business volume is not guaranteed or implied from the award of any contract related to this RFP.