



# OAHU REGION

LEAHI HOSPITAL ■ MALUHIA

HAWAII HEALTH SYSTEMS CORPORATION

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June 23, 2023

TO: Interested Parties

FROM: Scott Kawai  
HHSC Oahu Region

SUBJECT: Addendum No. 4  
RFP No. HHSC 23OR-0010  
Contract Management/Operation of the Daniel K. Akaka State Veterans Home, State of Hawaii

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Addendum No. 4 provides clarification to the subject solicitation.

1. Question: Section 1.04 RFP Schedule and Significant Dates lists Estimated Contract start Date as December 15 2023. However, Section 2.01 states the estimate is April 30, 2024 with an opening date of late 2024 or early 2025. These dates are quite a ways apart--any update on expected construction completion and/or contractor start date?

Response: At one point, we anticipated opening for patient intake late 2024 or early 2025 due to essential equipment delay, but that concern has been modified so that now we anticipate opening for patient intake in Spring / Summer 2024.

2. Question: Section 2.02 Scope of Work, item F.b. Billing and Third-Party Reimbursement states the contractor will conduct the billing for goods and services provided by the home. As per Federal VA regulations the contractor is unable to bill the federal VA for services provided as these bills must be put through the State where the SVH is located. Is the state willing to assist in the billing of the Federal VA for the VA component of services rendered (i.e. the basic and prevailing Veterans rates)?

Response: Yes, there will be one or more State representatives full time at this facility for oversight purposes. The persons in these positions can certainly (and should) be involved in approving the billing (as well as other things) prior to submission.

3. Question: Section 2.02 Scope of Work, Item K Pharmacy Services states the contractor will operate an onsite pharmacy. Is the intent that we will function as a standalone separately licensed, dispensing Pharmacy, or that we will manage medications for those Residents who reside in the home?

Response: The on-site full pharmacy will be managed/operated by the contract manager as an agent of the State of Hawaii. The sole purpose of the pharmacy will be to manage medications

for facility patients and perhaps later for adult day care (ADC) patients, but decision on ADC medication is still TBD after management contact is awarded.

4. Question: Section 2.02 Scope of Work, item N. Quality of Life, J. Beauty and Barber states the contractor will provide these services at no cost to the patient. Is the expectation that the facility assumes responsibility to pay for these services for all residents? Or just the Veterans under the Prevailing rate?

Response: The expectation is that the facility assumes responsibility to pay for these services for all residents from revenues generated by the facility.

5. Question: Section 2.02 Scope of Work, item N. Quality of Life, n. Transportation states the contractor will provide, maintain, and operate at least one van... capable of transporting a minimum of seven passengers. Is it expected that the contractor purchases this vehicle, or is the vehicle a part of a State Fleet, or purchased by Oahu Regional Healthcare System and managed by the home?

Response: At this time, vehicles are not included on our Facility Furniture & Equipment (F&E) List thus expectation is that contract manager will purchase the vehicle. Should sufficient funds become available during the F&E negotiation process, vehicle purchase will be considered by owner.

6. Question: Section 2.02 Scope of Work, item P. Additional Contractor Responsibilities: a. Items in Daily Room Rate (SNF only) states \*Pharmacy Services and \*Physician Services (not included in Medicaid). Is it intended that the contractor pays for all drugs and medications as part of pharmacy services, or is this implying only the packaging and labeling of the medications for administration? Additionally, for \*physician services, is it intended that the daily room rate includes physician visits as outlined in Section 2.02, H.a. "at least once every 30 days for the first 90 days after admission, and at least once every 60 days thereafter"? Can this be clarified?

Response: Medication services provided to all financial classes of veterans/residents in the facility will be billed per applicable State/Federal guidelines. Yes, packaging and labeling shall be paid by the contractor. No, physician services, other than for those provided for Veterans with 70% or higher VA service connected disability rating, should be billed to the appropriate 3rd party payer such as Medicaid, Private, etc. This is a minimum standard for physician visits.

7. Question: Section 2.02 Scope of Work, item Q. Capital Expenditures, states the contractor will be responsible for maintenance or improvements up to \$1,000 per bed per annum, and items greater than \$1,000 per bed per annum subject to approval of Owner. Is this meant to imply the Contractor will be responsible for any and all maintenance and/or improvements regardless of cost? Who then gets to direct/decide which improvements are needed/necessary?

Response: Yes, contract manager is responsible and decides upon maintenance and improvements up to \$1000 per bed per annum then Owner will decide, with advice from contract manager, maintenance and improvements greater than \$1000 per bed per annum.

8. Question: Section 3.11 Proposal Contents, Item B.c. states “the subcontractor’s willingness to perform for the indicated price.” The only cost analysis this RFP has requested is annual fee for management/operation of the facility as a percent of gross annual revenue. There is no section requesting costs associated with services potentially subcontracted. Is this an additional item to be added if subcontractors are to be used?

Response: Yes.

9. Question: Is the Proposal Submission Checklist (Attachment 2) required to be submitted? If so, where should it be included?

Response: Yes, the checklist should be attached immediately following the one page cover letter.

10. Question: Is the “one-page cover letter” referenced in section 3.14 in addition to the “transmittal cover letter” referenced in section 3.11?

Response: No.

11. Question: Please clarify if the proposal should be submitted according to section 3.11 (page 25) the Proposal Submission Checklist (Attachment 2, page 42), or the Evaluation Criteria (section 4, page 32)? They are inconsistent.

Response: A specific order of contents is not required to be considered a valid proposal. Section 3.11 provides guidance on how the proposal should be submitted. Attachment 2 provides a checklist to be sure all necessary items are included in the proposal. The Proposal Submission Checklist can be attached immediately following the one page cover letter. Evaluation Criteria are shown for full transparency on how the proposal will be evaluate utilizing indicated weighted values, it is neither a submission proposal guide nor a submission format.

12. Question: Should the Proposal Transmittal Cover Sheet, Technical Proposal, Cost Proposal and Attachment 1 be submitted in a single binder, or in separate binders, i.e., 4 binders (1 original and 3 copies) or 16 binders (4 originals and 12 copies) submitted?

Response: Single Binder (1 original and 3 copies)

13. Question: Section 2.02 Scope of Work does not include podiatry services. Are Offerors required to provided podiatry services to residents, which is typical in State Veterans Homes?

Response: Although not specifically mentioned, if podiatry services are needed by facility patients, then Yes.

14. Question: In section 3.11 Proposal Contents, item C.e. asks for “A summary listing of judgments or pending lawsuits or actions against; adverse contract actions, including termination(s), suspension, imposition of penalties, or other actions relating to failure to perform or deficiencies in fulfilling contractual obligations against the Offeror.”

If the Offeror is part of a nursing home chain organization, does this question require reporting for all affiliated entities or is the reporting limited to the Offeror? Additionally, does “contract actions” refer to Medicare/Medicaid contract actions? Finally, is reporting for three years acceptable or is a longer time frame required? If so, what is the required reporting time frame?

Response: If Offeror is responsible for management of one or more affiliated entities, then Yes for those affiliated entities under Offeror’s purview.

Yes, as this facility will be certified for participation in Medicare and Medicaid.

There is no minimum time frame stipulated in the RFP. If Offeror is not able to state “None” in response to this question, then the Offeror need not go back further than three years.