

April 5, 2016

To Potential Offerors:

*Sent via e-mail*

**Subject: Request for Quotations # 16-0404**

The Hilo Medical Center, (HMC), of the East Hawaii Region of the Hawaii Health Systems Corporation, an Agency of the State of Hawaii, is soliciting a quotation for:

**Provider-based Billing Consultant Services**

If your firm is interested in providing these services, please review the “**Statement of Work**” below, and provide a written quotation, not later than **Noon (HST), Wednesday, April 20, 2016**. The quotation must address and contain, at a minimum, the following:

1. A list of relevant experience of the firm with similar projects;
2. Resumes and related project experience of key personnel;
3. Two (2) references from relevant projects conducted within the past two (2) years;
4. Written acknowledgement agreeing to provide the services and are qualified pursuant to requirements of the “Scope of Services”;
5. A narrative detailing your firm’s method of approach to the Statement of Work, explaining your methodology of providing the services requested; and
6. The quote should provide an hourly rate for the consultant(s) involved in the project; the estimated number of hours to be worked by each consultant(s); and a total “Not-to-Exceed” dollar amount, listing any and all additional costs & travel expenses.

The **Statement of Work** is as follows:

**1.0. Background.**

Hilo Medical Center employs 17 providers who work in 9 clinics who perform Evaluation and Management services. All of the employed providers have historically been billed as physician clinics. HMC desires to convert four (4) clinics to provider-based status in 2016 and potentially convert four (4) additional clinics in 2017. (At the present time, it appears that one of the clinics will continue under the physician clinic billing methodology due to its location off campus.)

The clinics and the timeframe for possible conversion to provider-based status are as follows:

<u>Clinics</u>	<u># of Providers</u>	<u>Year of Conversion</u>
1) Pain Management	1	2016
2) Medical Oncology	3	2016
3) Cardiology	1	2016
4) Neuro	1	2016 (August)
5) ENT	1	2017
6) Family Practice Residency	5	2017 (excludes residents)
7) General Surgery	3	?
8) Urology	1	2017
9) Orthopedics	1	Not expected to convert

Only clinics #1-3 are currently on campus. Clinic # 4 will be moving to campus in 2016. Clinics #5, #6, and #8 are expected to move to within 250 yards of the hospital's campus in 2017. General Surgery may relocate to the hospital's campus in 2017, however, no firm move date exists.

**Statement of Work**

Hilo Medical Center is seeking a consultant to perform the following:

- 1) Assess whether the eight clinics meet the criteria for “provider-based billing.” Provide a report which outlines the steps needed to meet the criteria.
- 2) Assist the hospital in meeting financial and clinical integration requirements with the eight clinics. Assist with the implementation of new policies, procedures, and/or processes to fulfill integration requirements.
- 3) Draft the attestation statements with supporting documentation and assist with the filing of those statements with CMS up to four clinics.
- 4) Identify stakeholders who need to be part of the implementation team and conduct weekly implementation conference calls to monitor the organization's progress in converting to provider-based status for up to four clinics in 2016.
- 5) Provide a countdown schedule of the tasks necessary to convert to provider-based status.
- 6) Provide additional communication with key stakeholders outside of the weekly conference calls throughout the course of the engagement.
- 7) Convert up to four clinics to provider-based status by July 1, 2016.
- 8) Provide assistance in meeting signage requirements and any other public awareness requirements.
- 9) Provide assistance with monitoring the status of our CMS attestation and assist with any needed follow-up to ensure a successful conversion to provider-based status.
- 10) Consultant will work closely with the clinical staff, billing staff, and the CDM Specialist in establishing the proper professional and technical charge codes as well as in setting the (retail) charge for those codes.

- 11) Consultant will provide draft correspondence to 3<sup>rd</sup> party payers notifying them of the hospital's conversion to provider-based status. Consultant will advise the hospital in its communication with non-Medicare payers to ensure compliance with Medicare requirements.
- 12) Consultant will provide assistance to Management and Community Relations with its communications with physicians and the community.

**Approach**

It's anticipated that all of the work will be done remotely. If an on-site visit is needed, additional timing and fees will be discussed in advance with Client.

Please submit your quotation no later than the due date and time listed above to:

**Hilo Medical Center**  
ATTN: Gary L. Callahan, Senior Contracts Manager  
1190 Waianuenue Avenue  
Hilo, Hawaii 96720-2020

Quotations may be submitted via e-mail to [gcallahan@hpsc.org](mailto:gcallahan@hpsc.org) prior to the due date and time shown above. Vendors submitting quotations via e-mail shall provide an original signed hard copy of the quote to the address above within five (5) business days after the due date.

The quotations received will be reviewed on a "Best Value" basis with the contract award being offered to the vendor whose total quotation is deemed to be in the best interest of the State to accept.

Also attached are the General Conditions, **Attachment 2** and the attached Special Conditions, **Attachment 3**, which will be a part of the subsequent contract that may be awarded. These are included for your review.

Please direct all inquiries pertaining to this letter to my attention, at (808) 932-3112 or via e-mail at [gcallahan@hpsc.org](mailto:gcallahan@hpsc.org). Thank you for your interest in providing the referenced consultant services to Hilo Medical Center.

Sincerely,



Gary L. Callahan  
Senior Contracts Manager

*Attachments*

## Provider-based Billing Consultant Services

### Scope of Services

#### 1.0. Background.

Hilo Medical Center employs 17 providers who work in 9 clinics who perform Evaluation and Management services. All of the employed providers have historically been billed as physician clinics. HMC desires to convert up to four (4) clinics to provider-based status in 2016 and potentially convert the remaining four (4) clinics in 2017. (At the present time, it appears that one of the clinics will continue under the physician clinic billing methodology due to its location off campus.)

The clinics and the timeframe for possible conversion to provider-based status are as follows:

<u>Clinics</u>	<u># of Providers</u>	<u>Year of Conversion</u>
1) Pain Management	1	2016
2) Medical Oncology	3	2016
3) Cardiology	1	2016
4) Neuro	1	2016 (August)
5) ENT	1	2017
6) Family Practice Residency	5	2017 (excludes residents)
7) General Surgery	3	?
8) Urology	1	2017
9) Orthopedics	1	Not expected to convert

Only clinics #1-3 are currently on campus. Clinic # 4 will be moving to campus in 2016. Clinics #5, #6, and #8 are expected to move to within 250 yards of the hospital's campus in 2017. General Surgery may relocate to the hospital's campus in 2017, however, no firm move date exists. The Hospital is asking for assistance to convert our clinics to provider-based status and request that the firm/consultant also assess our readiness for converting all eight (8) clinics within an agreed to timeline.

#### 2.0 Statement of Work

##### 2.1 **CONTRACTOR'S Responsibilities:**

Hilo Medical Center is seeking a consultant to perform the following:

1. Assess whether the eight clinics meet the criteria for "provider-based billing." Provide a report which outlines the steps needed to meet the criteria.
2. Assist the hospital in meeting financial and clinical integration requirements with the eight clinics. Assist with the implementation of new policies, procedures, and/or processes to fulfill integration requirements.
3. Draft the attestation statements with supporting documentation and assist with the filing of those statements with CMS for up to four clinics in 2016.
4. Identify stakeholders who need to be part of the implementation team and conduct weekly implementation conference calls to monitor the organization's progress in converting to provider-based status for the first four clinics.

5. Provide a countdown schedule of the tasks necessary to convert to provider-based status.
6. Provide additional communication with key stakeholders outside of the weekly conference calls throughout the course of the engagement.
7. Convert up to four clinics to provider-based status by July 1, 2016.
8. Provide assistance in meeting signage requirements and any other public awareness requirements.
9. Provide assistance with monitoring the status of our CMS attestation and assist with any needed follow-up to ensure a successful conversion to provider-based status.
10. Consultant will work closely with the clinical staff, billing staff, and the CDM Specialist in establishing the proper professional and technical charge codes as well as in setting the (retail) charge for those codes.
11. Consultant will provide draft correspondence to 3<sup>rd</sup> party payers notifying them of the hospital's conversion to provider-based status. Consultant will advise the hospital in its communication with non-Medicare payers to ensure compliance with Medicare requirements.
12. Consultant will provide assistance to Management and Community Relations with its communications with physicians and the community.

## **2.2 Approach**

It's anticipated that all of the work will be done remotely. If an on-site visit is needed, additional timing and fees will be discussed in advance with Client.

## **2.3. HMC's Obligations.**

HMC shall have provide the following to the CONTRACTOR:

1. Assistance to the Contractor in their research and development of the provider-based billing plan;
2. Time for Contractor to meet with Executive Staff and available clinic physicians to research needs and desires of hospital staff related to this project; and
3. Availability of conference rooms for interviews, meetings, or for use as a workroom.

## **2.4. Pricing and Compensation.**

It is anticipated that CONTRACTOR will provide an hourly rate for each of their staff involved with the project. HMC is also requesting a firm fixed price for the total project, including travel and related expenses.

The CONTRACTOR shall invoice HMC monthly for their services, or in a manner mutually agreeable to both parties.

HMC agrees to make payment to CONTRACTOR under the terms of the agreement within sixty (60) days of receipt of CONTRACTOR'S invoice.

## **3. Qualifications:** The firm/consultant shall:

- Have sufficient staff and resources to provide strategic planning consulting services;
- Have expertise with healthcare facilities strategic planning, including development and implementation; and
- During the project, regularly report to East Hawaii Region Executive Management Team on the progress of research, development, and implementation of the Plan.

## HAWAII HEALTH SYSTEMS CORPORATION GENERAL CONDITIONS (SHORT FORM)

**OTHER TERMS AND CONDITIONS.** The General Conditions (Short Form) are attached hereto and made a part of this Agreement. In the event of a conflict between the General Conditions (Short Form) and the vendor terms and conditions, the General Conditions (Short Form) shall control.

1. **CONTRACTOR EXCLUSION FROM FEDERAL PROGRAMS.** CONTRACTOR warrants that it and none of its employees, agents, or subcontractors performing services or providing goods pursuant to this Agreement are excluded from participation in federal health care programs, as defined in the Social Security Act (Section 1128 and 1128A), and other federal laws and regulations relating to health care. CONTRACTOR has an affirmative duty to verify the accuracy of this statement at least annually and to inform HHSC in the event it is discovered that it is no longer true. HHSC reserves the right to verify that the above sentences are true and to immediately cancel this Agreement in the event they are violated.
2. **NONDISCRIMINATION.** No person performing work under this Agreement, including any subcontractor, employee, or agent of the CONTRACTOR, shall engage in any discrimination that is prohibited by any Federal, State, or County law.
3. **INDEMNIFICATION AND DEFENSE.** The CONTRACTOR shall defend, indemnify and hold harmless HHSC, the contracting facility and their directors, employees and agents from and against all liability, loss, damage, cost and expense, including all attorney's fees and costs, and all claims, suits and demands therefor, arising out of or resulting from any acts or omissions of the CONTRACTOR or the CONTRACTOR'S employees, officers, agents or subcontractors under this Agreement. The provisions of this paragraph shall remain in full force and effect notwithstanding the expiration or early termination of this Agreement for any reason.
4. **UNILATERAL RIGHTS OF HHSC.** HHSC may take the following actions in writing at any time during the pendency of this Agreement: (1) Terminate the Agreement in whole or in part for the convenience of HHSC. Any such termination shall be done in good faith and not arbitrarily or capriciously; (2) Order changes in the work within the scope of the Agreement; (3) Order changes in the time of performance of the Agreement that do not alter the scope of the work of the Agreement; (4) Suspend or stop the work provided for in the Agreement for a period not to exceed sixty (60) days. If any adjustments in price are occasioned by such actions on the part of HHSC, or by variations in quantity for definite or indefinite quantity Agreements, the price adjustments shall be made pursuant to the provisions of Section 103D-501(b), Hawaii Revised Statutes, or, for Agreements not governed by Chapter 103D HRS, then by mutual agreement of the parties.
5. **TERMINATION FOR DEFAULT.** If the CONTRACTOR refuses or fails to perform any of the provisions of this Agreement with such diligence as will ensure its completion within the time specified, or any extension thereof, or commits any other substantial breach of this Agreement, HHSC may terminate the CONTRACTOR'S right to proceed with the Agreement or such part of the Agreement as to which there has been delay or a failure to properly perform. CONTRACTOR shall not be in default if the cause of the delay or failure in performance arises out of causes such as: acts of God, acts of a Public enemy, fires, floods, epidemics or labor disputes.
6. **VOLUNTARY TERMINATION.** Either party may, in its sole discretion, terminate this Agreement without cause upon giving the other party at least sixty (60) days prior written notice. As of the effective date of termination, neither party shall have any further rights or obligations under said Agreement except: (1) As otherwise provided in this Agreement; (2) for rights and obligations accruing prior to the effective date of termination; or (3) rights arising as a result of any breach of the this Agreement.
7. **GOVERNING LAW.** The validity of this Agreement and any of its terms or provisions, as well as the rights and duties of the parties to this Agreement, shall be governed by the laws of the State of Hawaii.
8. **COMPLIANCE WITH LAWS.** The CONTRACTOR shall comply with all Federal, State, and County laws, ordinances, codes, rules, and regulations as the same may be amended from time to time, that in any way affect the CONTRACTOR's performance of this Agreement. This specifically includes Sections 103-55 and 103-55.5, Hawaii Revised Statutes, dealing with wages, hours and working conditions of employees of contractors providing services or construction.
9. **WARRANTIES.** CONTRACTOR warrants that it has all legal rights, title and interest in all products or goods sold, leased or licensed to HHSC. CONTRACTOR also warrants that such products substantially conform to all descriptions, specifications, representations, schedules and publications of CONTRACTOR and/or orders. Unless the warranty period provided by CONTRACTOR is longer, CONTRACTOR warrants that all products provided by CONTRACTOR shall be free from defects in materials, performance, workmanship and design for a period of one year. The Warranty period shall commence after Acceptance, as defined in this Agreement. CONTRACTOR further warrants that it will perform any services required under this Agreement with promptness, diligence and in accordance with prevailing standards in the industry to the reasonable satisfaction of HHSC.
10. **ACCESS TO BOOKS AND RECORDS.** If the value or cost of services rendered to HHSC pursuant to this Agreement is Ten Thousand Dollars (\$10,000.00) or more over a twelve month period CONTRACTOR agrees as follows:
  - a. Until the expiration of four (4) years after the furnishing of such services, CONTRACTOR shall, upon written requests, make available to the Secretary of the Department of Health and Human Services (the "Secretary"), the Secretary's duly authorized representative, the Comptroller General or the Comptroller General's duly authorized representative, such books, documents and records as may be necessary to certify the nature and extent of the cost of such services; and
  - b. If any such services are performed by way of subcontract with another organization and the value or cost of such subcontracted services is Ten Thousand Dollars (\$10,000.00) or more over a twelve month period, such subcontractors shall contain and CONTRACTOR shall enforce a clause to the same effect as paragraph 9.a immediately above. The availability of CONTRACTOR'S books, documents and records shall be subject at all times to all applicable legal requirements, including, without limitation, such criteria and procedures for seeking and obtaining access that may be promulgated by the Secretary by regulation. The provisions of these paragraphs relating to access to books and records shall survive the expiration or other termination of this Agreement regardless of the cause of such termination.
11. **CORPORATE COMPLIANCE PROGRAM.** A description of the Corporate Compliance Program of HHSC, including orientation materials, is posted on the HHSC internet site ([www.hhsc.org](http://www.hhsc.org)). The CONTRACTOR, by signing this contract, acknowledges that it has read said description, and that the CONTRACTOR knows of the fact and substance of the Corporate Compliance Program, which governs operations at all facilities of the

HHSC. The CONTRACTOR understands and agrees that employees, agents, and contractors performing any services at any of the HHSC facilities shall be fully subject to such Corporate Compliance Program, as may be amended from time to time, as well as all federal program requirements and applicable policies and procedures of HHSC and its facilities. The Corporate Compliance Program requires periodic training, including an orientation program, of all people who provide financial, business office, personnel, coding, medical records information systems and clinical services in the facility. The CONTRACTOR agrees to cause its employees, agents and contractors who provide financial, business office, personnel, coding, medical records information systems and/or clinical services at any of the HHSC facilities to review the posted orientation materials and participate in any compliance training programs HHSC may require.

**12. BUSINESS ASSOCIATE ADDENDUM.** By signing this Agreement, CONTRACTOR acknowledges that CONTRACTOR is a Business Associate of HHSC within the meaning of the federal privacy and security laws as stated in 45 C.F.R. Parts 160 and 164, Subparts A, C, and E. CONTRACTOR further acknowledges that CONTRACTOR has read the Business Associate Addendum, which is posted on the HHSC internet site (<http://bit.ly/HHSC-BAA>) and is applicable to all Business Associates. Said Business Associate Addendum is hereby incorporated by reference and made a part of this Agreement as if fully repeated herein. By signing this Agreement, CONTRACTOR agrees to fully comply with, and be bound by, all terms set forth in the Business Associate Addendum, as it may be amended from time to time.

**13. INSURANCE.** The CONTRACTOR shall obtain and maintain and keep in force throughout the time of performance of services under this Agreement general and professional liability insurance issued by an insurance company authorized to do business in the state of Hawaii in an amount of at least ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00) per occurrence and THREE MILLION AND NO/100 DOLLARS (\$3,000,000.00) aggregate. HHSC shall be named as an additional insured under the CONTRACTOR'S policies for any liability arising out of or resulting from occurrences during or in connection with the performance of the CONTRACTOR'S services under this Agreement. At the request of HHSC, CONTRACTOR will provide HHSC a certificate of insurance showing compliance with these provisions. CONTRACTOR shall carry workers' compensation insurance in accordance with applicable law.

**14. CAMPAIGN CONTRIBUTIONS.** CONTRACTOR acknowledges that it is unlawful under Section 11-355, Hawaii Revised Statutes, unless specifically permitted under that law, for CONTRACTOR at any time between the execution of this Agreement through the completion of the Agreement to: (a) directly or indirectly make any contribution or to promise expressly or impliedly to make any contribution to any political party, committee or candidate or to any person for any political purpose or use; or (b) knowingly solicit any contribution from any person for any purpose during any period.

**15. ACCEPTANCE OF GOODS AND SERVICES.** HHSC shall accept goods and services or give CONTRACTOR notice of rejection within a reasonable time, notwithstanding any payment, prior test, or inspection. No inspection, test, delay or failure to inspect or test, or failure to discover any defect or other nonconformance with the specifications, shall relieve CONTRACTOR of any obligations under this Agreement or impair any rights or remedies of HHSC.

**16. DISCOUNT AND REBATE.** CONTRACTOR hereby acknowledges its obligations to comply with any and all requirements imposed upon it as a seller under 42 U.S.C. Sec.1320a-7b(b)(3)(A) and 42 C.F.R. Sec. 1001.952(h) Discounts.

**17. COSTS AND EXPENSES.** Any reimbursement due the CONTRACTOR for per diem cost and transportation expenses under this Agreement is subject to the following limitations:

- a. Reimbursement for air transportation shall be actual cost or coach class airfare, whichever is less.
- b. Reimbursement for ground transportation costs shall not exceed the actual cost of renting an intermediate-sized vehicle.
- c. Unless prior written approval of the head of the purchasing agency is obtained, reimbursement for subsistence allowable (i.e., hotel and meals) shall be \$145 per day, which consists of \$85 for hotel and \$60 for food, computed on quarter days. No other travel or living expense (e.g., tips, entertainment, alcohol, etc.) shall be reimbursed by HHSC, other than those items listed in subparagraphs a and b, above. Invoices shall document the days of travel by including the name of the traveler, itinerary, airfare receipt, hotel receipt, and ground transportation receipts. All travel must be pre-approved by the HHSC technical representative.
- c. CONTRACTORS with an office located on the same island as the site of the services to be provided pursuant to this Agreement are not entitled to per diem or transportation expense reimbursement unless explicitly specified in the Agreement.

**18. CONFIDENTIALITY OF MATERIAL.**

- a. All material given to or made available to the CONTRACTOR by virtue of this Agreement, which is identified as proprietary or confidential information, will be safeguarded by the CONTRACTOR and shall not be disclosed to any individual or organization without the prior written approval of the HHSC. It is acknowledged and agreed that all of the trade secrets, business plans, marketing plans, know how, data, contracts, including this Agreement, documents, scientific and medical concepts, billing records, personnel records, medical records of any kind, and referral sources for existing or future services, products, operations, management, business, pricing, financial status, valuations, business plans, goals, strategies, objectives and agreements of HHSC and any of its facilities, affiliates or subsidiaries, and all patient information in any form, whether written, verbal or electronic are confidential ("Confidential Information"); provided, however, that Confidential Information, with the exception of patient information, shall not include information that is in the public domain.
- b. All information, data, or other material provided by the CONTRACTOR to the HHSC is subject to the Uniform Information Practices Act, chapter 92F, HRS, as modified by chapter 323F.HRS.

**19. COUNTERPARTS.** This Agreement may be executed in any number of counterparts with the same effect as if all of the parties had signed the same document. Such executions may be transmitted to the parties by facsimile or electronically and such facsimile or electronic execution and transmission shall have the full force and effect of an original signature. All fully executed counterparts, whether original executions or facsimile/electronic executions or a combination thereof, shall be construed together and shall constitute one and the same Agreement.

**[End of Document]**

## SPECIAL CONDITONS

### 1. INSURANCE REQUIREMENT.

During the term of this Agreement, CONTRACTOR shall maintain at all times or cause to be maintained Professional and General Liability Insurance coverage (the "POLICY") for CONTRACTOR and its Employees rendering the services at HHSC. The POLICY shall be maintained with a Company or Companies approved by HHSC, with combined single limits of not less than ONE MILLION DOLLARS (\$1,000,000.00) per occurrence and TWO MILLION DOLLARS (\$2,000,000.00) in the aggregate, or such greater amount as may be required from time to time by HHSC Corporate Bylaws. Said POLICY shall provide that HHSC shall receive not less than THIRTY (30) days notice prior to any cancellation or material change or reduction of coverage. No material change or reduction may be made without HHSC approval. Prior to the commencement of this Agreement, CONTRACTOR shall provide HHSC with a certificate of insurance and a copy of the policy. Thereafter, prior to the expiration of each policy period, the insurance carrier for the CONTRACTOR shall provide HHSC with certificates of insurance evidencing the foregoing coverage and provisions. HHSC reserves the right to request certified copy of the policy. CONTRACTOR shall also carry workers' compensation insurance for CONTRACTOR employees in the statutory amounts. Failure to maintain or cause to be maintained insurance in accordance with the provisions set forth herein shall be a material breach of this AGREEMENT and shall provide HHSC with the option of pursuing remedies for breach and/or immediate termination of this AGREEMENT.

2. The parties to this Agreement certify that they shall not violate the Anti-Kickback Statute or the Stark Law with respect to the performance of this Agreement.
3. The CONTRACTOR must provide written notice to Hilo Medical Center's Contracting Officer upon receipt of notification that the CONTRACTOR has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity. The Contracting Officer may, upon receipt of such written notice, immediately terminate this Agreement if the Contracting Officer or HHSC determine that the CONTRACTOR has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body.