

## **Questions and Answers for Hospital/24 Hour Emergency Healthcare Facility RFP #VCR-FY18-011**

**Q1.** Section II. C. 6 (page 10): The RFP states that “Offerors will be allowed to withdraw their proposals at any time prior to the deadline for receipt of proposals. The Offeror must submit a written withdrawal request signed by the Offeror's duly authorized representative addressed to the Procurement Manager. The approval or denial of withdrawal requests received after the deadline for receipt of the proposals is governed by the applicable procurement regulations.” Please explain what “applicable procurement regulations” means – is this the Valencia Procurement Policy or the NM Procurement Code, or some other set of regulations?

**A1.**

While the Procurement Code establishes a process regarding the withdrawal or modification of bids, the Code is silent with respect to whether a proposal may be withdrawn after the deadline for submission of the competitive sealed proposals. Pursuant to NMSA 1978, Section 13-1-106 (1984), “[a] bid containing a mistake discovered before bid opening may be modified or withdrawn by a bidder prior to the time set for bid opening by delivering written or telegraphic notice to the location designated in the invitation for bids as the place where bids are to be received. After bid opening, no modifications in bid prices or other provisions of bids shall be permitted. A low bidder alleging a material mistake of fact which makes his bid nonresponsive may be permitted to withdraw its bid if: (1) the mistake is clearly evident on the face of the bid document; or (2) the bidder submits evidence which clearly and convincingly demonstrates that a mistake was made. B. Any decision by a procurement officer to permit or deny the withdrawal of a bid on the basis of a mistake contained therein shall be supported by a determination setting forth the grounds for the decision.” The determination as to whether to permit modification or withdrawal of the proposals after the deadline for submission of the proposals rests within the discretion of the CPO, which discretion will be exercised in the manner set forth in Section 13-1-106.

**Q2.** Section II. C. 8 (page 10): The RFP states that, “If a request is received for disclosure of data for which an Offeror has made a written request for confidentiality, the Purchasing Agent shall examine the Offeror's request and make a written determination that specifies which portions of the proposal should be disclosed. Unless the Offeror takes legal action to prevent the disclosure, the proposal will be so disclosed. The proposal shall be open to public inspection subject to any continued prohibition on the disclosure of confidential data.” Would the Purchasing Agent consult with the contractor before providing the written determination?

**A2.** Yes the Purchasing will consult with the offeror prior to issuing a written determination to acquire a better understanding before making a determination.

**Q3.** Section IV. B. 10 (page 19): Does this requirement for references include only the contact information and services offered, or do the references themselves need to submit content to the County? If so, in what form/format should this be submitted, and through what process?

**A3.** Contact information and services provided for references only. The County will reach out to references as needed for additional information during the evaluation process.

**Q4.** Section IV. B. 11 (page 19): Should the estimated cost of capital improvements include only those costs incurred for immediate use upon opening, or should the estimate include the costs of additional shelled space and equipment for future expansion?

**A4.** Please include all estimated costs of capital improvements for incurred costs upon opening, and those for future additional shelled space and equipment for future expansion.

**Q5.** Section V. B. 11 (page 22): Please provide additional explanation or an example of how the formula will be used to calculate pointage for the Capital Improvements evaluation, as it appears the formula will give the greatest number of points to the Offeror with the lowest value in capital improvements. Was this the intent?

**A5.** Correction to the Formula:

$$\text{Offeror's Points} = \frac{\text{Offeror's Proposed Capital Improvements}}{\text{Highest Capital Improvements}} \times 150$$

**Q6.** Appendix C (page 34): Is the contribution of existing capital assets, including but not limited to currently owned land, existing buildings, and existing equipment permissible for inclusion on the Capital Improvement Form to articulate the Offeror's total capital investment as part of the response?

**A6.** Yes, based on current assessed value of the land and buildings.

**Q7.** Have any of the local municipalities proposed specific opportunities or incentives for the final location of the proposed facility?

**A7.** The County is unaware of any specific opportunities or incentives that local municipalities have made, or are making, available to entice the offerors to situate the hospital in their municipality. The County will have no part in the development of specific opportunities and incentives, and encourages the offerors to explore any such opportunities and incentives directly with the municipalities.

**Q8.** How hard and fast are the deadlines?

**A8.** The deadlines are subject to changes by the Certified Purchasing Officer due to any amendments or unforeseen situations throughout the RFP process.

**Q9.** What do you mean by site visit? A site visit is mentioned.

**A9.** No type of site visits will take place during the RFP. Site visits may be a part of the contract between the awarded vendor and the County after award of the contract.

**Q10.** To clarify, please explain definition of ER, MOB, Licensed Hospital, Healthcare Center. There are a variety of ways these terms are being used within the RFP.

**A10.** ER- Emergency Room- 24 Hour, 7 Day a week Emergency Room.

MOB- Medical Office Building

Licensed Hospital A hospital that is licensed and certified by the New Mexico Department of Health  
Healthcare Center- a public hospital, profit or nonprofit private hospital, general or special hospital, outpatient facility, adult daycare facility, assisted living facility, freestanding birth center, nursing home, intermediate care facility, diagnostic and treatment center, rehabilitation center, infirmary, community mental health center, hospice or a home health agency.

**Q11.** Does Valencia County want an MOB? Would this RFP include an MOB?

**A11.** While the County is not specifically seeking an MOB, an MOB may render the offeror eligible for additional points based on the additional services identified in the solicitation. This solicitation is predominantly concerned with meeting the requirements set forth in the Hospital Funding Act, and in securing a 24 hour emergency room/hospital for the residents of the County.

**Q12.** If an MOB is requested/needed, can this MOB be adjacent to the proposed 24/7ER?

**A12.** The County has no objection to the situation of an MOB adjacent to the proposed 24/7 ER/Hospital, provided the highest ranked offeror determines that placement to be commercially reasonable.

**Q13.** Can an update be given for the legal situation?

**A13.** The current status of the pending case may be found on the case lookup tab at [www.nmcourts.gov](http://www.nmcourts.gov)

**Q14.** On page 30 of the RFP, letter D, can we get clarification on “Failure to provide services to patients within \_\_\_\_\_ months of receiving the Certificate of Operation from the New Mexico Department of Health .....””

**Q14.** This will be negotiated in the contract negotiations after award.

**Q15.** Page 17 Section IV A #3 states the selected offeror will be expected to select a location within Valencia County. Would the county be open to requiring the selected offeror to disclose its preferred location prior to the final committee evaluation and final contract execution. The location should be a significant element of final bidder selection. Specific site selection might not be possible with an extension of time.

**Q15.** The Board will require that the hospital be situated within Valencia County. The County recognizes that the site specific inquiries have resulted in litigation amongst the various incorporated municipalities within the

County, and likely the failure of previous attempts to secure a hospital in the County. The County has expressly made clear that this solicitation is not site-specific, and that the offerors are at liberty to situate the hospital in the area of the County it deems sustainable. Consequently, the County would greatly prefer that the offeror not disclose its preferred location prior to the final committee evaluation and final contract extension.

**Q16.** Page 18 Section IV B #6 request the offeror to detail how to the facility will address primary care in an licensed acute hospital setting. The two should in separate settings. There is no mention to outpatient services. Does the County have a clear understanding that outpatient services, including surgery will be an integral part of the financial viability of the facility?

**A16.** The mill levy may only be made available for the maintenance and operation of a hospital/24 hour emergency facility. The solicitation, and the resultant healthcare facilities contract, are intended to secure an offeror who will satisfy the minimum requirements of the Hospital Funding Act, as well as to provide the broadest possible scope of medical services to the residents of the County. As noted in the solicitation, this section requires that the Offeror detail how the facility will address primary case in a licensed acute hospital setting, as that is the only setting for which the County is able to make the mill levy available. The County would welcome any additional services that expand the availability of healthcare to the community, and would encourage Offerors to not only detail how the facility will address primary care in a licensed acute hospital setting, if at all, and what other services it will commit to make available outside of the licensed acute hospital setting.

**Q17.** Page 18 ! Section IV B #11 is requesting an estimate of capital improvements. How is this possible without requiring the selected bidder to disclose/identify a building site? How do evaluate infrastructure improvements without a specific site? As you know, this type of information requires time and architectural/engineering planning expense. How can you expect an operator to provide any type of meaningful cost estimate with proper planning?

**A17.** There is nothing in the solicitation that would preclude a potential offeror from securing an option to purchase real property in the County contingent upon award of the healthcare facilities contract, or from otherwise purchasing property within the County without any such contingency. That the solicitation does not require that the offeror disclose a site does not bar an offeror from selecting a site, negotiating the costs, and exploring the costs of any required infrastructural improvements. Due diligence would likely demand such an exploration so that the offeror may develop an estimate of capital improvements to be made. The County would respectfully suggest that there is sufficient time within which to develop a meaningful cost estimate of the capital improvements.

**Q18.** Is Valencia County and its residents expecting a newly constructed state of the art ground up facility. This is not stipulated. Will the selected bidder be allowed renovate an existing facility?

**A18.** At minimum, the County and its residents expect that they will obtain a hospital/24 hour emergency facility that satisfies the requirements of the Hospital Funding Act. The solicitation does not require a newly constructed state of the art ground up facility.

**Q19.** Will the County require transparency of the proposed approach? The RFP does not require a defined strategy to ensure a viable well planned facility. Would the County consider a requirement of transparency with the evaluation committee and require detailed plan prior to release of any mill levy money? We would recommend transparency and an inclusion requirement by any selected bidder of the following at a minimum:

### I. Strategic Planning

- Market analysis to project clinical service types and volumes
- Payer analysis for purposes of financial modeling
- Market share to evaluate demand in the local market
- Physician analysis to determine delivery of services utilizing primary care and specialty care.

### 2- Facility Requirements

- Volume projections of types of services and operating models
- Facility design determined and supported by demand modeling (capital cost estimates can derived at this point)
- Overall space program of the facility

### 3. Financial Feasibility

- Market assessment and facility requirements drive revenues and operating cost. The selected operator should be required to provide this information prior to mill levy release.
- Projected profit and loss using assumptions of payer reimbursement for medicaid, medicare, and others.
- Necessary projections for a three year proforma income statement and statement of cash flows on a year to year basis incorporating the mill levy distribution.
- Staffing models for all proposed services and administration

**A19.** Pursuant to NMSA 1978, Section 13-1-116 (1984), the County is statutorily prohibited from disclosing the contents of competitive sealed proposals during the negotiation process. Accordingly, the public will not be permitted to attend and listen to the deliberations of the evaluation committee. The mill levy money will be released in accordance with the requirements of the Hospital Funding Act, and pursuant to the healthcare facilities contract negotiated with the highest ranked offeror. The County is satisfied that the evaluation factors identified in the solicitation are sufficient to identify and select an offeror that is most advantageous to the County.