



Solicitation Addendum

Solicitation Number: 30-2019-022-DHB

Solicitation Description: Program of All-Inclusive Care for the Elderly (PACE) Service Area Expansion

Solicitation Opening Date and Time: October 1, 2019 at 2:00 PM ET

Addendum Number: 8

Addendum Date: August 9, 2019

Addendum Description/Purpose: Conforming Changes to RFA

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NOTIFICATIONS AND INSTRUCTIONS:

1. **Return one properly executed copy of this Addendum with response. Failure to sign and return this Addendum may result in the rejection of Applicant's application.**
2. **Carefully read, review, and adhere to all of Department's changes to the RFA in this Addendum.**

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Revisions to the RFA:

1. **Section II. A. Important Notices, 5. Submission of Applications is revised and restated in its entirety as follows:**

5. **Submission of Applications:** Applications will be accepted until October 1, 2019 at 2:00 PM ET. See Section II.E. *Submission of Application* for details and instructions.

2. **Section II. D. Schedule and Important Events, 1. is revised and restated in its entirety as follows:**

1. The Department will make every effort to adhere to the schedule detailed below in *Section II.D. Table 1. RFA Schedule*. The Department reserves the right to adjust the schedule and will post an Addendum at: <https://medicaid.ncdhhs.gov/pace-service-area-expansion-rfa>, except the Department may not post an addendum if there is a delay in the Notifications of Accepted Applications.

Section II.D. Table 1: RFA Schedule		
Activity	Responsible Party	Due Date
Issue Request for Applications	Department	May 24, 2019
First Deadline to Submit Written Questions to the Department	PACE Organization	June 3, 2019 by 12:00PM ET
Issue Addendum with Responses to First Set of Questions	Department	June 25, 2019
Second Deadline to Submit Written Questions to the Department	Department	August 16, 2019
Issue Addendum with Responses to Second Set of Questions	Department	August 30, 2019
Deadline to Submit Applications	PACE Organization	October 1, 2019 by 2:00PM ET
Conduct Evaluation of Applications	Department	October 1, 2019 through November 12, 2019
Notification of Selected Applications	Department	November 12, 2019

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Deadline for Electronic Submission of CMS PACE Application via HPMS	PACE Organization	4 th Quarter: December 27, 2019 2020 Dates as determined by CMS
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3. **Section II. G. Evaluation Process and Application Selection, 4. Scoring of proposals will reflect the following weights/percentages is revised and restated in its entirety as follows:**

4. Scoring of proposals will reflect the following weights/percentages:

Section II.G.4. Table 1: Evaluation & Scoring Criteria	Sub-Weights/ Percentages	Scoring Weights/ Percentages
Experience Providing PACE Services		25%
Current participant enrollment and projected full enrollment	1%	
Date full enrollment achieved for current service area	1%	
Utilization analysis of slot allocations for 2018	1%	
Staff turnover and retention rates	3%	
Interdisciplinary team members	3%	
Service package and provision of services beyond those required under 42 CFR § 460.92 as value added	4%	
Board member recruitment and governance plan	2%	
Active Plan of Correction	10%	
Market Assessment		25%
Market size; underserved and difficult to serve cohorts; profile of target population	4%	
Strategies for engaging target population	3%	
Barriers to enrolling target population and strategies for addressing, and measuring success	3%	
Unmet LTSS needs and anticipated impact of expansion	5%	
Capacity to support transitions between and among various sites of care	5%	
Availability and occupancy of nursing homes in the proposed area and anticipated impact of expansion	3%	
Number of individuals on CAP/DA waitlist and anticipated impact of expansion	2%	
Proposed Arrangements to Implement the Service Area Expansion		25%
Direct services and contracted services	3%	
Letters of support/commitment from anticipated contractors	4%	
Business plan, implementation timeline, goals and objectives	10%	
Organizational assessment of demographics and resources and services available	5%	

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Organization chart to support expansion	3%	
Financial Support for PACE Service Area Expansion		25%
Financial capacity to fund service expansion	2%	
Support of current financial obligations and existing operations during SAE	6%	
Anticipated sources of capital and operating funds for SAE	5%	
Verifiable insolvency plan	2%	
Equity Partnerships and letters of support	4%	
Notices from CMS related to fiscal soundness	6%	
Letter approval and financial support from the Board	Not scored separately but may be considered in scoring other components as applicable	
Attachment C: Certification of Financial Condition and Legal Action Summary		
Total All Scoring Criteria		100%

4. Section II. G. Evaluation Process and Application Selection, 5. Application Selection and Recommendation for Expansion is revised and restated in its entirety as follows:

5. Application Selection and Recommendation for Expansion

Upon conducting a comprehensive, fair, and impartial evaluation of the applications received in response to this RFA, the Department reserves the right to select none, one or more applications to recommend for service area expansion. Upon selection, the Department will sign the “*Selection of Application*” found at the bottom of the Execution Page (Page2).

Application selections and recommendations by the Department will be based on anticipated funding availability, the recommendation of the evaluation committee and in the best interest of the State. Selection of a PACE Organization’s application reserves the zip code service area requested in response to this RFA and permission to move forward with submission of the application to CMS.

Final approval for expansion is contingent upon CMS approval of the application; completion of the final state readiness review; a satisfactory plan to address any ICAR, if applicable; maintaining a fiscally sound operation, as required in 42 CFR 460.80; and the availability of funds for the SFY in which expansion is scheduled to take effect.

4. Section IV. Minimum Eligibility Requirements is revised and restated in its entirety as follows:

IV. Minimum Eligibility Requirements

The Department has defined minimum eligibility requirements that the Applicant must meet to be considered and have its response evaluated as defined in *Section II.G. Evaluation Process and Application Selection*. Applicants that do not meet all the following criteria are **not** eligible for selection and recommendation of expansion:

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Section IV. Table 1: Minimum Requirements	
1.	Applicant is an existing PACE organization seeking to expand its service area of an existing contract. This includes an expansion of the currently approved geographic service area and/or the addition of a new PACE center site.
2.	Applicant must be fully certified as an Adult Day Health Program.

The Applicant must complete *Attachment A: Eligibility Requirements* and provide the appropriate details to support each requirement as part of the Applicant’s PACE Expansion Application.

5. **Section VI. Attachments, Attachment A: Minimum Eligibility Requirements Table is revised and restated in its entirety as follows:**

[ATTACHMENT A: MINIMUM ELIGIBILITY REQUIREMENTS TABLE](#)
[Revised and Restated August 9, 2019](#)

The Applicant must complete the following table and provide the appropriate details to support each requirement.

Include the section citation, attachment or exhibit name/number and page numbers where details can be found in Applicant’s response if not included in this table.

Minimum Eligibility Requirement		Applicant’s Confirmation of Eligibility and Statement of Demonstration.
1.	Applicant is an existing PACE organization seeking to expand its service area of an existing contract. This includes an expansion of the currently approved geographic service area and/or the addition of a new PACE center site.	
2.	Applicant must be fully certified as an Adult Day Health Program.	

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6. Section VI. Attachments, Attachment B: Statement of Intent is revised and restated in its entirety as follows:

ATTACHMENT B: STATEMENT OF INTENT (SOI)

Revised and Restated August 9, 2019

Applicants shall submit a Statement of Intent (SOI) and supporting documentation in the form of this Attachment B by responding to the following questions and providing information and documentation as indicated. Responses will be used to evaluate and score applications for PACE service area expansion.

If additional space is needed or Applicant is asked or wants to include exhibits, tables, diagrams, examples, or other materials as attachments to its application, the Applicant should provide, in the appropriate response field in Attachment B, the name/number of the attachment or exhibit and the corresponding page number where the attachment can be found.

A. General Information: Weighted 0% (Responses to this section will not be scored separately but may be considered in scoring other sections, if applicable)

1	Name of PACE Organization
Response:	
2	PACE Organization’s eligibility qualifications
Response:	
3	By zip code, provide the current service area and expansion area requested; include a description of the current and anticipated geographic boundaries of service provision (counties and cities); attach a map showing both current and requested service areas.
Response:	
4	Name of the primary contact for the application, including title, mailing and physical address(es), phone numbers, fax number, and e-mail address.

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Response:

5 List of board members, their tenure on the Board, and their affiliations.

Response:

6 Does the Board have term limits? Is so what is the term?

Response:

No Yes

Length appointment/term and maximum number of terms:

7

- A. Provide a current list of all contracts with every outside organization, agency, or individual furnishing administrative or care-related services not furnished directly by the Applicant.
- B. Provide Applicant's written plan to handle emergency care.

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Response:

B. Experience Providing PACE Services: Weighted 25% (Limit response to 8 pages)

1	Provide current participant enrollment, include date.
Response:	
2	Provide projected participant enrollment for current service area based on slot allocations.
Response:	
3	If the PACE organization is currently operating at full enrollment, provide the date when achieved.
Response:	
4	Complete the following table and provide a utilization analysis of slot allocations for 2018 .

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Response:

Month	Participant Enrollment as of the 1st day of the Month	Number of New Enrollments	Number of Disenrollments (All cause)	Net Change in Enrollments
Jan				
Feb				
Mar				
Apr				
May				
Jun				
Jul				
Aug				
Sep				
Oct				
Nov				
Dec				
Utilization Analysis Narrative:				

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5 Provide information on staff turnover by completing the following table. Describe any challenges recruiting and retaining staff, how those challenges were resolved in the past and strategies for addressing on an on-going basis.

Response:

Employee Type	Employment Turnover Rate		
	CY 2017	CY 2018	CY 2019 Year to Date
All Employees			
Executive, Director, and Management Level			
Clinical and Patient Care Staff			
Administrative Staff			
Transportation Staff			
Other (describe)			

Recruiting Challenges	
Retention Challenges	
Past and Future Strategies	

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6	Provide a list of IDT members, as outlined in 42 CFR § 460.102. Include name, role, credentials, length of employment for each member and whether the individual is a PACE employee or contractor.
Response:	
7	Provide the PACE Organization's service package pursuant to 42 CFR § 460.92. If the PACE Organization's provides services beyond what is required under 42 CFR § 460.92, identify those services as value added.
Response:	
8	Describe how board members are recruited, note any current vacancies and length of time the slot has been vacant, include assurances of diversity and representation of PACE members and their families, and provide information and a description of the board's governance plan. Discuss how the Participant Advisory Committee communicates with the Board. Attach the board's articles of incorporation, by-laws or other similar governance documents (articles of incorporation, by-laws or similar documents do not count in page limit).
Response:	

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9	Submit any and all corrective action plans (CAPs) required by CMS or the State (i.e. DHB or DAAS) and any and all sanctions or other findings issued by CMS and/or the State to the PACE Organization dated on or after January 1, 2015. Failure to disclose fully will result in disqualification. For each CAP, sanction or other finding, include the citation and a summary of the issue resulting in the CAP, sanction or finding, the date of issuance, the date CAP was submitted to CMS/State, and the date of resolution (if resolved), or status (if not resolved).
Response:	

C. Market Assessment: Weighted 25% (Limit response to 10 pages)

The market assessment should describe the needs of the area proposed for expansion and include the following:

1	Market size; highlighting underserved and difficult to serve cohorts. Profiling of the target population to include race/ethnicity; nationality of origin, percentage of population 65+, disabled, dually eligible for Medicare and Medicaid, special needs, economic status, housing/living arrangements and family structure.
Response:	
2	Specific strategies for engaging the target population and familiarizing them with the PACE program and the PACE Center.

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Response:

3 Barriers to enrolling members of the target population in a PACE program and strategies for overcoming these barriers, and how success will be measured.

Response:

4 Describe unmet needs related to long term services and supports in the expansion service area and how the PACE program will address these needs for the community in the targeted area.

Response:

5 Capacity to support individuals transitioning from acute care and individuals transitioning from institutional long-term care; and the percentage of individuals each year enrolled in the PO as a result of transition from SNF in the 24 months prior to the RFA application.

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Response:

6

Number of nursing homes in the proposed expansion service area, average occupancy rate and impact of PACE expansion in offering home and community-based care options for Medicaid recipients who qualify for nursing facilities level of care.

Response:

7

Number of individuals in the proposed expansion service area on CAP/DA waitlist and impact of PACE expansion in providing alternative community-based option.

Response:

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D. Proposed Arrangements to Implement the Service Area Expansion: Weighted 25% (Limit response to 10 pages)

1	Indicate the services to be directly provided by the PACE Organization and those to be provided under contract.
Response:	
2	For each contracted service in the proposed expansion service area, attach letters of support/commitment from contractors with whom the PACE Organization anticipates contracting as a result of the service area expansion (support Letters do not count in page limit).
Response:	
3	Provide a business plan for the proposed service area expansion, including a clearly defined implementation timeline for the expansion and measurable goals and objectives.
Response:	
4	Conduct and describe the results of an organizational assessment to determine if demographics and organizational resources and services will support the service area expansion.

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Response:

5 Provide an anticipated organization chart to support the service area expansion (does not count in page limit).

Response:

E. Financial Support for PACE Service Area Expansion: Weighted 25%

1 Provide information to demonstrate the PACE Organization's capacity to fund a service expansion.

Response:

2 Provide documentation to demonstrate how the PACE Organization will support its current financial obligations and existing PACE operations while initiating service area expansion.

Response:

3 Identify anticipated sources of capital and operating funds to support the service area expansion.

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Response:	
4	Submit a verifiable plan in the event of insolvency.
Response:	
5	Submit a list of all Equity Partnerships and letters of support from each partner.
Response:	
6	Submit any and all Notices from CMS related to Fiscal Soundness, as defined in § 460.80, dated on or after January 1, 2015. Failure to disclose fully will result in disqualification. For each Notice received, provide an explanation and documentation of resolution or the current status.
Response:	
7	Submit a letter from the PACE Organization's board providing their approval of and outlining their financial support and commitment to the service area expansion. This letter of support will not be scored separately but may be considered in scoring other components of this section, as applicable.
Response:	
8	Complete Attachment C: Certification of Financial Condition and Legal Action Summary and provide all information required therein. Attachment C will not be scored separately but may be

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	considered in scoring other components of this section, as applicable.
Response:	

Addendum Execution on Next Page

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Execute Addendum #8:

Applicant: _____

Authorized Signature: _____

Name and Title (Typed): _____

Date: _____