



# **STATE OF NORTH CAROLINA**

**Department of Health and Human Services,  
Division of Health Benefits**

**Request for Applications #: 30-2019-022 DHB**

**Program of All-Inclusive Care for the Elderly (PACE)  
Service Area Expansion**

**REQUEST FOR APPLICATIONS**

**North Carolina PACE Service Area Expansion (SAE)**

RFA Issued/Posted	May 24, 2019		
Applications Opened	July 12, 2019, 2:00PM ET		
Program/Service	North Carolina Program of All-Inclusive Care for the Elderly (PACE)		
Issuing Agency	North Carolina Department of Health and Human Services, Division of Health Benefits		
Refer ALL Inquiries and Questions Regarding this RFA to:	Amanda Roberson 919-527-7239	Email	<a href="mailto:Medicaid.Procurement@dhhs.nc.gov">Medicaid.Procurement@dhhs.nc.gov</a>

**THIS REQUEST FOR APPLICATIONS (RFA)** advertises the Division’s need for the services described herein and solicits applications offering to provide those services pursuant to the specifications, terms and conditions specified herein. All applications received shall be treated as offers to initiate the PACE Service Area Expansion process and complete the Centers for Medicare and Medicaid Services (CMS) application process. If the Division selects an application, an authorized representative of the Department will sign in the space provided below. Selection of an application will result in the Division recommending expansion of services by the PACE Organization to CMS, subject to the PACE Organization meeting all federal requirements and executing a State Contract, if required by the State Administering Agency. Selection of an application will not create a contract and does not guarantee service area expansion.

**THE UNDERSIGNED HEREBY SUBMITS THE FOLLOWING APPLICATION AND CERTIFIES THAT:** (1) he or she is authorized to bind the named Applicant to the terms of this RFA and Application; (2) the Applicant hereby offers and agrees to provide services in the manner described in this RFA and Application and in accordance with any Contract(s) that results from the Division’s recommendation of expansion to CMS from this RFA; (3) this Application shall be valid for 120 days after the end of the application period in which it is submitted.

**To Be Completed By Applicant:**

Applicant Name:	
Applicant’s Street Address:	E-Mail Address:
City, State & Street Address Zip:	Telephone Number:
Name & Title of Authorized Representative:	DUNS Number:
Signature of Authorized Representative:	Date:

**Unsigned or Incomplete Applications May Be Returned Without Being Reviewed**

**FOR NC DHHS USE ONLY:** Application selected and recommendation for PACE Service Area Expansion provided on \_\_\_\_\_.

By: \_\_\_\_\_  
 Signature of Authorized Representative      Printed Name of Authorized Representative      Title of Authorized Representative

## Table of Contents

I.	Introduction, Background and Purpose .....	4
A.	Introduction.....	4
B.	Purpose.....	4
C.	Background.....	4
II.	General Application Information and Notices .....	5
A.	Important Notices .....	5
B.	General Application Information & Instructions .....	5
C.	Request for Application Functionality and Related Notices .....	6
D.	Schedule and Important Events .....	8
E.	Submission of Application .....	9
F.	Confidentiality and Prohibited Communications During Evaluation.....	11
G.	Evaluation Process and Application Selection .....	12
III.	Definitions, Acronyms and Abbreviations; Terms and Conditions.....	16
A.	Definitions, Acronyms and Abbreviations.....	16
B.	Terms and Conditions .....	17
IV.	Minimum Eligibility Requirements .....	18
V.	PACE Program Statement of Work.....	19
VI.	Attachments.....	20
	ATTACHMENT A: MINIMUM ELIGIBILITY REQUIREMENTS TABLE.....	20
	ATTACHMENT B: STATEMENT OF INTENT (SOI) .....	21
	ATTACHMENT C: CERTIFICATION OF FINANCIAL CONDITION AND LEGAL ACTION SUMMARY .....	31

## I. Introduction, Background and Purpose

### A. Introduction

The Division of Health Benefits is pleased to announce the release of a Request for Applications (RFA) for the expansion of the Program of All-Inclusive Care for the Elderly (PACE). This RFA solicits applications, from existing qualified PACE providers, to seek approval to expand their existing service areas.

Federal regulations require the State Administering Agency (SAA) to assign zip code specific service areas and determine whether an overlap in a service area is economically feasible for the state and potential PACE providers.

### B. Purpose

The purpose of this RFA is for the expansion of PACE in North Carolina into areas where PACE is currently not available. This RFA solicits applications from existing qualified PACE providers, to potentially expand their existing service areas.

This RFA is issued in direct response to recommendations to “consider the expansion of PACE” included in the March 2018 Study of the Program of All-Inclusive Care Legislative Report, submitted in accordance with Section 11H.25.(b) of Session Law 2017-57. As a means of expanding the PACE program in NC, the SAA will solicit and may select service area expansion applications from existing PACE organizations for further application to CMS. The SAA is not required to make any recommendations for expansion and will only make recommendations that are in the best interest of the State.

### C. Background

PACE provides all health and long-term care services to individuals, 55 years of age and older, who meet nursing facility level of care criteria and reside in their own communities. PACE is a voluntary program, centered on an adult day health care model, and combines Medicaid and Medicare funding.

PACE was developed to provide the integration of post-acute care with long-term services and support (LTSS), providing older adults the opportunity to receive services while remaining in a private living setting of their community, versus a nursing facility. PACE programs offer participants options in receiving LTSS that delay or avoid preventable visits to the emergency department, hospitalization, or nursing facility placement by expanding the range and intensity of services provided within a community setting. PACE uses an interdisciplinary team, with participant/caregiver input, to determine what services will best meet the needs of their condition and achieve their goals. Some of the services provided include, but are not limited to: adult day care that offers nursing, physical, occupational, speech and recreational therapies; meals, nutritional counseling, social services, personal care, medical care provided by a PACE physician; home health care; all necessary prescription drugs; medical specialists, such as dentistry, optometry and podiatry services; respite care, hospital and nursing facility care (when necessary); and transportation. The PACE team is responsible for authorizing services, as well as the provision of those services.

Currently there are eleven (11) PACE organizations operating within North Carolina in twelve (12) locations. Below are the PACE organizations approved to provide services in North Carolina and CMS approval dates:

<b>Pace Organization</b>	<b>Location</b>	<b>CMS Approval Date</b>
Elderhaus	Wilmington	February 2008
Piedmont Health Senior Care	Burlington	November 2008
Life St. Joseph of the Pines	Fayetteville	April 2011
PACE of the Triad	Greensboro	July 2011
PACE @ Home	Newton	January 2012
Carolina SeniorCare	Lexington	October 2012
PACE of the Southern Piedmont	Charlotte	July 2013
VOANS Senior Community Care of North Carolina	Durham	July 2013
Senior Total Life Care	Gastonia	January 2014
Piedmont Health Senior Care	Pittsboro	January 2014
Randolph Health StayWell Senior Care	Asheboro	December 2014
CarePartners	Asheville	March 2015

## II. General Application Information and Notices

### A. Important Notices

1. **Read, Review, and Comply:** It is the Applicant's responsibility to read this entire document, review all notices, requirements and attachments, and comply with all instructions specified herein.
2. **Execution of Application:** Failure to sign the Execution Page (Page 2) in the indicated space or return all attachments, completed, and signed where required, may render the application non-responsive, and it may be rejected or disqualified.
3. **No Contract Created:** Any recommendation for expansion resulting from this RFA does not create a contract nor an obligation to fund or implement service area expansion.
4. **Questions:** Questions concerning this RFA must be submitted in writing by **June 3, 2019 at 12:00PM ET**. See *Section II.D.2. Questions Concerning this Request for Applications* for details and instructions.
5. **Submission of Applications** will be accepted until **July 12, 2019 at 2:00 PM ET**. See *Section II.E. Submission of Application* for details and instructions.

### B. General Application Information & Instructions

1. **INFORMATION AND DESCRIPTIVE LITERATURE:** The Applicant shall furnish all information requested as part of this RFA. Each Applicant shall submit, with its application, detailed narratives, diagrams, exhibits, examples, sketches, descriptive literature, complete specifications, etc., as needed, to support its expansion request and services offered.
2. **HISTORICALLY UNDERUTILIZED BUSINESSES:** Pursuant to G.S. § 143-48 and Executive Order 150 (1999), the Department invites and encourages participation in this application process

by businesses owned by minorities, women, disabled, disabled business enterprises, and nonprofit work centers for the blind and severely disabled.

3. **MISCELLANEOUS:** Pronouns, whether masculine, feminine, or gender-non-specific, shall be read to be inclusive of all genders and shall be read to include the plural and vice versa.
4. **INFORMAL COMMENTS:** The Department shall not be bound by informal explanations, instructions or information given at any time by anyone on behalf of the Department prior to or during the application process, or after applications are selected. The Department is bound only by information provided in this RFA and in formal Addenda issued.
5. **COST FOR APPLICATION PREPARATION:** Any costs incurred by an Applicant in preparing or submitting a response to this RFA are the Applicant's sole responsibility.
6. **APPLICANT'S REPRESENTATIVE:** Each Applicant shall submit in its response to this RFA the name, title, email address, physical address, and telephone number of the person(s) with authority to bind the Applicant and answer questions or provide clarification concerning the Applicant's response.
7. **INSPECTION AT APPLICANT'S SITE:** The Department reserves the right to inspect, at a reasonable time, the equipment/item, plant, or other facilities and operations of a PACE Organization prior to service area expansion, and during the term of the PACE Program Agreement as necessary for the Department to determine that such equipment/item, plant or other facilities and operations conform with the specifications/requirements and are adequate and suitable for the proper and effective performance of the PACE Program Agreement.

## C. Request for Application Functionality and Related Notices

### 1. RFA Functionality

- a. This RFA serves two functions:
  - i. Defines the specifications and information sought by the Department and are to be provided by the Applicant; and
  - ii. Provide the requirements and terms of any applications selected and recommendations for PACE service area expansion resulting from this RFA.
- b. All Terms and Conditions in this RFA shall be enforceable. The use of phrases such as "shall", "will", "must", and "required" and "requirements" are intended to be adhered to and followed by the Applicant. In determining whether proposals should be evaluated or rejected, the Department will take into consideration the degree to which the Applicant has proposed or failed to propose solutions that are responsive to the Department's needs as described in this RFA.

### 2. Notices Regarding RFA Terms and Conditions and Changes to Requirements and Specifications Prior to the Submission of Applications

- a. It is the Applicant's responsibility to read the instructions, terms and conditions, specifications, requirements, attachments, and any other components made a part of this RFA and comply with all instructions and directives. The Applicant is responsible for obtaining and complying with all Addenda and other changes that may be issued relating to this RFA.

- b. All questions and issues regarding any term, condition, specification, requirement, instruction or other component within this RFA must be submitted in accordance with *Section II.D.2. Questions Concerning this Request for Application*. If the Department determines any changes will be made as a result of the questions asked, then such decisions will be communicated in the form of an RFA Addendum posted on the DHHS, Division of Health Benefits (NC Medicaid) website at: <https://medicaid.ncdhhs.gov/pace-service-area-expansion-rfa>.
- c. The Applicant is cautioned that the terms, conditions, specifications, requirements and other components of this RFA can only be altered by written Addendum issued by the Department, and that oral or emailed communications from any other source(s) is (are) of no effect.
- d. The Department reserves the right to modify any term, condition, specification, requirement, instruction or other component contained herein without modifying the timelines in this RFA. Any modification to specifications will be specified in an Addendum posted on the <https://medicaid.ncdhhs.gov/pace-service-area-expansion-rfa>.

#### 4. **Right Reserved**

The Applicant is cautioned that this is a Request for Applications, not a request to contract, and the Department reserves the unqualified right to reject all applications deemed failing to meet minimum eligibility requirements, not responsive, incomplete, or non-compliant with the requirements and instructions described herein; or when such rejection is deemed to be in the best interest of the Department or the State of North Carolina.

The Department may also:

- a. Modify provisions of this RFA in response to changes in law, funding, or as required by CMS;
- b. Waive any formality;
- c. Waive a specification or requirement of the RFA if it is in the best interest of the Department or State;
- d. Cancel this RFA at any time. Notice of Cancellation will be posted on the <https://medicaid.ncdhhs.gov/pace-service-area-expansion-rfa>. Email notification of cancellation will also be made to any PACE Organization submitting an application prior to cancellation from [Medicaid.Procurement@dhhs.nc.gov](mailto:Medicaid.Procurement@dhhs.nc.gov).

Remainder of Page Intentionally Blank

## D. Schedule and Important Events

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>.

Section II.D. Table 1: RFA Schedule		
Activity	Responsible Party	Due Date
Issue Request for Applications	Department	May 24, 2019
Deadline to Submit Written Questions to the Department	PACE Organization	June 3, 2019 by 12:00PM ET
Issue Addendum with Responses to Questions	Department	June 17, 2019
Deadline to Submit Applications	PACE Organization	July 12, 2019 by 2:00PM ET
Conduct Evaluation of Applications	Department	July 15, 2019 through August 19, 2019
Notification of Accepted Applications	Department	August 26, 2019
Deadline for Electronic Submission of CMS PACE Application via HPMS	PACE Organization	3 <sup>rd</sup> Quarter: September 27, 2019 4 <sup>th</sup> Quarter: December 27, 2019

2. Questions Concerning this Request for Applications
  - a. Written questions concerning this RFA will be received until the date and time indicated in *Section II.D. Table 1: RFA Schedule*.
  - b. Questions **must** be sent via email to the email address identified on page 2 of this RFA. Insert "Questions RFA # 30-2019-022 DHB" as the subject for the email. Question submittals should include a reference to the applicable RFA section and be submitted in a format shown below:

RFA Section	RFA Page Number	Question
<i>Example: V.A.1</i>	<i>Page Number</i>	<i>Question...?</i>

- c. The Department will prepare responses to all written questions submitted by the stated deadline in *Section II.D. Table 1: RFA Schedule*, unless additional time is required, and post



an Addendum at: <https://medicaid.ncdhhs.gov/pace-service-area-expansion-rfa>. The Applicant is cautioned that contacting anyone other than the individual noted on the Execution Page (Page 2) of this RFA may be grounds for rejection or disqualification of said Applicant's response.

## E. Submission of Application

### 1. Consideration

- a. The Applicant must meet the minimum requirements of this RFA, as defined in *Section IV. Minimum Eligibility Requirements and Attachment A*, for its response to be evaluated.
- b. Applicant's response must clearly demonstrate compliance with all the requirements and instructions stated within this RFA. The Department reserves the right to reject proposals deemed incomplete, non-responsive, or non-compliant with the RFA requirements; or when such rejection is deemed to be in the best interest of the Department or the State of North Carolina.
- c. The Applicant must demonstrate it will comply with the Statement of Work and other requirements in this RFA and must provide a detailed description and response to demonstrate its ability to completely fulfill each requirement.

### 2. Responses to RFA Requirements

- a. The Applicant must complete and return all documents and attachments as required in the RFA. Failure to complete and return all documents and attachments as indicated may result in disqualification.
- b. The application must clearly articulate and address all requirements of this RFA. The Applicant must provide a detailed narrative description with supporting information that may include diagrams, exhibits, examples, samples, sketches, descriptive literature, etc.
- c. The Applicant must describe any limitations, qualifications, or contingences impacting its ability to expand its service area and provide services as required by the RFA and federal requirements.
- d. The Applicant should not make any assumptions in its application. The Applicant should seek clarity on any questions or concerns during the defined question period for this RFA.

### 3. Required Application Documents

To demonstrate Applicant is qualified to meet the ongoing demands of the Department and comply with federal and state requirements, the Applicant is required to return the following documents, completed and signed where indicated, with their RFA response, the entirety of which shall be called the *Applicant's PACE Expansion Application*:

- a. Completed and signed Execution Page (Page 2);
- b. The entire body of this RFA, and signed receipt pages of any addenda released in conjunction with the RFA;
- c. Cover Letter on agency letterhead, signed and dated by an individual authorized to legally bind the Applicant and including the following information:
  - i. Name of PO and summary of the PO's 's qualifications and rationale for expansion;
  - ii. Service area requested by the PO; and

- iii. Primary contact for the application, including name, title, address, phone number, fax number, and e-mail address;
- d. Completed *Attachment A: Minimum Eligibility Requirements Table*;
- e. Completed *Attachment B: Applicant's Statement of Intent* to address all requirements and specifications identified within this RFA; and
- f. Completed *Attachment C: Certification of Financial Condition and Legal Action Summary*, including all documents and information requested therein to demonstrate its financial stability.

**4. Application Submission and Number of Copies**

- a. The *Applicant's PACE Expansion Application*, subject to the conditions made a part hereof and the requirements described herein, must be received at the email address indicated below:

<b>Section II.E.4 Table 1: Application Submission Address</b>
RFA NUMBER: 30-2019-022 DHB Attn: Amanda Roberson Department of Health and Human Services Division of Health Benefits <a href="mailto:Medicaid.Procurement@dhhs.nc.gov">Medicaid.Procurement@dhhs.nc.gov</a>

- b. Electronic Copies:
  - i. The Applicant **must** deliver the following, preferably simultaneously if email system and file size limitations permit, to the address identified above by the deadline to submit applications in *Section II.D. Table 1: RFA Schedule*. If multiple emails are required, Applicant should include a summary of the number of emails sent and the contents of each email. All emails comprising the *Applicant's PACE Expansion Application* must be submitted by the deadline in *Section II.D. Table 1: RFA Schedule* to be eligible for consideration.
  - ii. One (1) copy of the signed, original executed application named/marked ***RFA 30-2019-022 DHB-Applicant's Name***.
  - iii. One (1) copy of the signed, original executed application redacted in accordance with G.S. § 132, the Public Records Act, named/marked ***RFA 30-2019-022 DHB-Applicant's Name-Redacted***. For the purposes of this RFA, redaction means to edit a document by obscuring or removing information that is considered confidential and proprietary by the Applicant and meets the definition of Confidential Information set forth in G.S. § 132-1.2. Any information removed by the Applicant should be replaced with the word "Redacted". If the response does not contain Confidential Information, Applicant should submit a signed statement to that effect.
  - iv. The electronic copies of the response must not be password protected.

**IMPORTANT NOTE:** It is the responsibility of the Applicant to submit all required documents and electronic copies by the specified time and date of opening. **This is an absolute requirement.** The time of delivery will be noted on each application when received, and any application received after the submission deadline **will not be accepted or evaluated.** All risk of late arrival due to unanticipated delay is entirely on the Applicant.

**5. Falsified Information**

If it is determined that the Applicant has withheld relevant or provided false information, the Department shall disqualify the Applicant from consideration for this RFA and may initiate proceedings to debar an Applicant from future participation in the application process and PACE program participation as authorized by North Carolina law.

**F. Confidentiality and Prohibited Communications During Evaluation**

1. As provided for in the North Carolina Administrative Code (NCAC), including but not limited to 01 NCAC 05B.0210, 09 NCAC 06B .0103 and 09 NCAC 06B .0302, all information and documentation relative to the development of a contractual document for a proposed procurement or contract shall be deemed confidential in nature. This includes documents related to this application process. In accordance with these and other applicable rules and statutes, such materials shall remain confidential until the selection of applications for recommendation or until the need for the solicitation no longer exists. Any proprietary or confidential information, which conforms to exclusions from public records as provided by G.S. § 132, **must be clearly marked as such and reflected in the redacted copy submitted on RFA 30-2019-022 DHB–Applicant’s Name-Redacted as applicable.** By submitting a redacted copy, the Applicant warrants that it has formed a good faith opinion, having received such necessary or proper review by counsel and other knowledgeable advisors, that the portions marked **Confidential** and/or **Redacted** meet the requirements of N.C.G.S. § 132. The Applicant must identify the legal grounds for asserting that the information is confidential, including the citation to state law. **However, under no circumstances shall price information be designated as confidential.**
2. Except as otherwise provided above, pursuant to G.S. § 132-1, et seq., information or documents provided to the Department in response to this RFA are Public Record and subject to inspection, copy and release to the public unless exempt from disclosure by statute, including, but not limited to, N.C.G.S. § 132-1.2. Redacted copies provided by the Applicant to the Department may be released in response to public record requests without notification to the Applicant.
3. During the period spanning the issuance of the RFA and selection of applications, possession of proposals, accompanying information, and subsequent negotiations are limited to personnel of the Department and any third parties involved in this RFA process.
4. Each Applicant submitting an application, including its representatives, subcontractors, and suppliers, is prohibited from having any communications with any person inside or outside the using agency, issuing agency, other government agency office, or body, including the purchaser named above, department secretary, agency head, members of the General Assembly and Governor’s office, or private entity, if the communication refers to the content of Applicant’s application or qualifications, the content of another Applicant’s response, another Applicant’s qualifications or ability to perform, and/or the transmittal of any other

communication of information that could be reasonably considered to have the effect of directly or indirectly influencing the evaluation of application and/or the selection or recommendation of applications. An Applicant not in compliance with this provision shall be disqualified from consideration and selection, unless it is determined in the Department's discretion that the communication was harmless, that it was made without intent to influence and that the best interest of the Department would not be served by the disqualification. An Applicant's response may be disqualified if its subcontractor and supplier engage in any of the foregoing communications during the time that this RFA is active (*i.e.*, the issuance date of the RFA until the date of the Notification of Selected Applications is posted or the RFA is cancelled). Only those discussions, communications or transmittals of information authorized or initiated by the issuing agency for this RFA or general inquiries directed to the purchaser regarding requirements of the RFA (prior to application submission) or the status of the application selection and recommendation (after submission) are excepted from this provision.

5. The Department may serve as custodian of Applicant's confidential information and not as an arbiter of claims against Applicant's assertion of confidentiality. If an action is brought pursuant to G.S. § 132-9 to compel the Department to disclose information marked confidential, the Applicant agrees that it will intervene in the action through its counsel and participate in defending the Department, including any public official(s) or public employee(s). The Applicant agrees that it shall hold the Department, State of North Carolina, and any official(s) and individual(s) harmless from all damages, costs, and attorneys' fees awarded against the Department in the action. The Department agrees to promptly notify the Applicant in writing of any action seeking to compel the disclosure of Applicant's confidential information. The Department shall have the right, at its option and expense, to participate in the defense of the action through its counsel. The Department shall have no liability to Applicant with respect to the disclosure of Applicant's confidential information ordered by a court of competent authority pursuant to G.S. § 132-9 or other applicable law.

## G. Evaluation Process and Application Selection

Evaluation of applications will commence soon after the date and time responses are unsealed, as defined in this RFA. The Department's evaluation process will commence in accordance with the method, process, and scoring/weighting criteria stated herein.

### 1. Evaluation Committee and Method

- a. An Evaluation Committee (Committee) will be established to review each Applicant's response and recommend applications for selection and recommendation to CMS. The Department may designate other individuals or subject matter experts to assist in the evaluation process. The Department reserves the right to alter the composition of the Committee or designate other staff or contractors to assist in the process.
- b. The Committee will review and evaluate all qualified responses submitted by the deadlines specified in this RFA. The Committee will be responsible for the entire evaluation process, including any clarifications.
- c. Scoring will be determined by consensus of the Evaluation Committee.

2. **Evaluation Process:** The following descriptions are to provide general information about the Department's evaluation process. The Department reserves the right to modify the

evaluation process, including the order or content of the following evaluation process components:

- a) The Committee will review each Applicant's proposal to validate all required proposal documents are included and completed, and all instructions to Applicants have been followed. Failure to adhere to these requirements may render the Applicant's response incomplete and may be grounds for rejection during any part of the evaluation process.
- b) The Committee will determine if minimum requirements are met as required in *Section IV. Minimum Eligibility Requirements*. If the Applicant does not provide the required information, or the Department determines that the Applicant does not meet the minimum requirements, that Applicant's response will be excluded from further consideration and evaluation. Applications will be disqualified for failure to meet minimum requirements at any time during the evaluation process if the failure is not identified during the Committee's initial determination and review of response to minimum requirements.
- c) The Committee will review and evaluate the Applicant's Statement of Intent and other information included in the PACE Expansion Application. Each Applicant should exercise due diligence to ensure their response is consistent with the instructions, clearly written and addresses all requirements and questions of this RFA.
- d) The Committee may make one or more recommendations for PACE service area expansion. Upon approval of the recommendation(s) by the Department, the Notice of Selected Applications will be issued with the Department notifying the successful Applicant(s).
- e) **Clarifications:** The Department reserves the right to request Clarifications at any time from any Applicant, and such Clarifications must be submitted in writing to the Applicant to respond. However, the Department *is not required* to request Clarifications from any Applicant, and Applicants should exercise due diligence to ensure its response is clear and addresses all the requirements and specifications of the RFA.
- f) **In-Person or Oral Presentations:** The Department reserves the right to request in-person or oral presentations from any Applicant as part the Committee's evaluation of proposals. In-person presentations shall be conducted in Raleigh, NC at a site chosen by the Department. Oral presentations may be conducted by conference call. The presentations will address specific topics provided in advance to the Applicant. However, the Department *is not required* to request in-person or oral presentations from any or all Applicants and may limit any presentations only to those Applicants which are deemed competitive. Additional details regarding the scheduling of the in-person or oral presentations will be provided by the Department upon determination that such presentation is needed. The Applicant is solely responsible for any costs associated with making in-person or oral presentations, including but not limited to travel and the preparation of additional materials.

### 3. Scoring, Criteria, and Overall Weights

- a. The Department will evaluate the Pace Organization's application for completeness and reasonableness and to determine if it complies with the instructions in the RFA.
- b. The Department will determine if Applicant meets the following minimum eligibility requirements:

<b>Section II.G.3.b. Table 1: Minimum Requirements</b>		<b>Scoring Weight/Percentage</b>
1.	Applicant is an existing PACE organization seeking to expand its service area. This includes an expansion within an approved geographic service area.	Meets/Does Not Meet
2.	Applicant must be fully certified as an Adult Day Health Program.	Meets/Does Not Meet
3.	Applicant does not have an active plan of correction (programmatic or financial) with the SAA or CMS.	Meets/Does Not Meet

c. The Applicant’s response will be evaluated and scored on several factors, based on an overall weighted point scale developed by the Department.

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

<b>Section II.G.4. Table 1: Evaluation &amp; Scoring Criteria</b>	<b>Sub-Weights/ Percentages</b>	<b>Scoring Weights/ Percentages</b>
<b>Experience Providing PACE Services</b>		<b>15 %</b>
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%	
<b>Market Assessment</b>		<b>30%</b>
Market size; underserved and difficult to serve cohorts; profile of target population	4%	
Strategies for engaging target population	3.5%	
Barriers to enrolling target population and strategies for addressing, and measuring success	3.5%	
Unmet LTSS needs and anticipated impact of expansion	6%	
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	4%	
Number of individuals on CAP/DA waitlist and anticipated impact of expansion	4%	
<b>Proposed Arrangements to Implement the Service Area Expansion</b>		<b>25 %</b>
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%	
Organization chart to support expansion	3%	
<b>Financial Support for PACE Service Area Expansion</b>		<b>30 %</b>
Financial capacity to fund service expansion	2.5%	
Support of current financial obligations and existing operations during SAE	7.5%	
Anticipated sources of capital and operating funds for SAE	5%	
Verifiable insolvency plan	2.5%	
Equity Partnerships and letters of support	5%	
Notices from CMS related to fiscal soundness	7.5%	
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		
<b>Total All Scoring Criteria</b>		<b>100%</b>

**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 the application to CMS. Final approval for expansion is contingent upon CMS approval of the application, completion of the final state readiness review and the availability of funds for the SFY in which expansion is scheduled to take effect.

**6. Protest Procedures**

- a. If an Applicant wishes to protest any application selected for service area expansion as a result of this RFA, the Applicant shall submit a written request via email to the contact and email address identified on page 2 and in *Section II.E.4 Application Submission and Number of Copies*. The protest request must include a signed electronic copy and be received in the proper office within thirty (30) Calendar Days from the Notification of Selected Applications. Protest letters shall contain specific grounds and reasons for the protest, how the protesting party was harmed by the award made and any documentation providing support for the protesting party’s claims. **Note:** Notification of Selected Applications are sent only to Applicants selected and recommended for service area expansion, and not to every organization responding to the RFA. Application status and Notification of Selected Applications will be posted at: <https://medicaid.ncdhhs.gov/pace-service-area-expansion-rfa>. All protests will be handled following the process defined in the North Carolina Administrative Code, 01 NCAC 05B.1519, except as modified by this section, and will be administered by Department of Health and Humans Services personnel

- b. If a protest is determined by the Department to be valid, the following outcomes may occur
  - i. Cancellation of all selections and recommendations, and the RFA is not re-issued;
  - ii. Cancellation of all selections and recommendations, and the RFA is re-issued; or
  - iii. Cancellation of one or more, but not all selections and recommendations, and/or selection and recommendation of one or more additional applications.
- c. The protest procedures outlined in this section shall apply only to the selection of applications by the Department for recommendation to CMS for PACE service area expansion. As provided in the RFA Execution Page and in *Section II.G.4 Application Selection and Recommendation for Expansion* above, final approval for PACE service area expansion is contingent upon CMS approval. Pursuant to 42 CFR §460.20, reconsideration of applications for expansion denied by CMS shall follow the process prescribed by CMS in its notice of denial.

### III. Definitions, Acronyms and Abbreviations; Terms and Conditions

#### A. Definitions, Acronyms and Abbreviations

1. **Active Plan of Correction:** A response to a statement of deficient practice documented by the SAA or CMS during a monitoring activity that has not been closed by the SAA or CMS.
2. **Applicant:** A Pace Organization responding to this RFA for service area expansion.
3. **CMS:** Centers for Medicare and Medicaid Services.
4. **CMS PACE Application:** A federal application applicable for both new applicants and existing PACE Organizations seeking to expand a service area that is completed electronically in the Health Plan Management System (HPMS).
5. **Community-Based Alternatives:** Health care and supports provided in community-based venues rather than in institutional or nursing home settings.
6. **Equity Partnership:** Partner with a percentage interest in partnership assets of an organization.
7. **Fiscally Sound Operation:** A measure of financial health that includes sufficient assets, cash flow and liquidity to manage liability and risk as specified in 42 CFR § 460.80
8. **Home Health Care:** Consists of a wide range of health care services that can be given in a residence for an illness or injury. Home health care is usually less expensive, more convenient, and just as effective as care received in a hospital or Skilled Nursing Facility (SNF).
9. **Inpatient Facilities:** Inpatient care generally refers to any medical service that requires admission into a hospital. Inpatient care tends to be directed towards more serious ailments and trauma that require one or more days of overnight stay at a hospital generally requiring a doctor's order.
10. **Interdisciplinary Team (IDT):** A team composed of a nurse and other appropriate medical professionals which may include physical, occupational, speech and recreational therapists, social workers, general and specialized physicians and case managers, who take the information gathered through the independent assessment process and develop a list of



comprehensive medical and social services the beneficiary may require in order to remain in a home and community-based setting.

11. **Long Term Services and Supports (LTSS):** These are Medicaid funded services and supports used by individuals of all ages with functional limitations and chronic illnesses who need assistance to perform routine daily activities such as bathing, dressing, preparing meals, and administering medications.
12. **Nursing Home Level of Care:** A formal level of care designation commonly used to determine if a person is eligible for Medicaid-funded, nursing home care. It is also used to determine if someone is eligible to receive long-term care and support from Medicaid at home.
13. **PACE Organization (PO):** An organization, approved by the SAA and CMS, to provide managed care and services in the home, the community, and the PACE center according to a 3-way agreement.
14. **Program of All-Inclusive Care for the Elderly (PACE):** A managed care program for older adults. This program features a comprehensive service delivery system, and integrated Medicare and Medicaid financing.
15. **Respite Care:** temporary institutional or formalized care of a dependent elderly, ill, or handicapped person, providing relief for their usual caregivers.
16. **State Administering Agency (SAA):** State agency responsible for administering and fulfilling state-level responsibilities for operating PACE program. The NC Department of Health and Human Services.
17. **Statement of Intent (SOI):** All applicants seeking to expand their service area must submit a Statement of Intent to the SAA as a first step, indicating their intent to submit a PACE application to CMS. See Attachment B to this RFA.
18. **Service Area Expansion (SAE):** Formalized process by which PO's may apply to provide PACE services in additional areas
19. **Statement of Work:** A description of services to be performed as well as program requirements.
20. **State:** The State of North Carolina, including any of its sub-units recognized under North Carolina law.

## B. Terms and Conditions

Applicant agrees to the following terms and conditions if selected and recommended for PACE service area expansion:

1. **Availability of Funds:** All payments for PACE service area expansion are expressly contingent upon and subject to the appropriation, allocation, and availability of funds to the Department for the purposes set forth in this RFA. The Department's performance and payment is subject to and contingent upon the continuing availability of federal funds for the PACE program. Continuation of PACE funding for current and future fiscal years is expressly contingent upon the appropriation, allocation, and availability of funds by the N.C. General Assembly for the purposes set forth in this RFA and any associated contract, including the State Contract referenced in Section III.B.4 of this RFA and the federal three-party PACE Program Agreement.

2. **CMS PACE Application:**
  - a. Applicant shall follow the application process and requirements specified by CMS for PACE service area expansion as well as any requirements specified in this RFA, including collaborating with the SAA in developing the provider application and cooperating in the readiness review process, as applicable.
  - b. Applicant shall provide information as required by the SAA to complete the State Attestations required by CMS as part of the CMS PACE service area expansion application.
3. **Compliance with Laws:** Applicant shall comply with all applicable federal and state laws, ordinances, codes, rules, regulations, and licensing requirements that are applicable to the conduct of its business and performance.
4. **State Contract:** Applicant agrees to execute a State Contract if required by the SAA.
5. **Time Limit for Service Area Expansion:** Applicants selected for recommendation shall have eighteen (18) months from the date of Notice of Selected Applications to complete all requirements for service area expansion and commence providing services in the approved expansion area. Failure to commence services within the timeline established in this section will result in expiration of the Department’s selection of the application under this RFA and recommendation to CMS for PACE service area expansion.

#### 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:

Section IV. Table 1: Minimum Requirements	
1.	Applicant is an existing PACE organization seeking to expand its service area. This includes an expansion within an approved geographic service area.
2.	Applicant must be fully certified as an Adult Day Health Program.
3.	Applicant does not have an active plan of correction (programmatic or financial) with the SAA or CMS.

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*.

## V. PACE Program Statement of Work

The Program of All-Inclusive Care for the Elderly (PACE) is a pre-paid, capitated managed care long-term services and support plan that provides comprehensive health care services to older adults in the community, who are eligible for nursing home level of care according to State standards outlined in NC Medicaid Clinical Coverage Policy 2B-1. PACE programs must provide all Medicare and Medicaid covered services; financing of this model is accomplished through prospective capitation of both Medicare and Medicaid payments.

CMS regulations at 42 CFR § 460.98(b) (2) require a PACE Organization (PO) to provide PACE services in at least the PACE center, the home, and inpatient facilities. The PACE center is the focal point for the delivery of PACE services; the Center is where the Interdisciplinary Team (IDT) is located, services are provided, and socialization occurs with staff that is consistent and familiar to participants. The PACE model of care includes, as core services, the provision of adult day health care and interdisciplinary team (IDT) care management, through which access to, and allocation of, all health services is managed. Physician, therapeutic, ancillary and social support services are furnished in the participant's residence or onsite at a PACE Center. Hospital, nursing home, home health and other specialized services are furnished in accordance with the PACE participant's needs, as determined necessary by the IDT. To provide PACE participants with flexibility regarding access to quality care, CMS and the State have allowed POs to offer some services in other settings which are referred to as an Alternative Care Setting (ACS). An ACS can be any physical location in the PO's state's approved existing service area other than the participant's home, an inpatient facility, or PACE center.

Remainder of Page Intentionally Blank

## VI. Attachments

### ATTACHMENT A: MINIMUM ELIGIBILITY REQUIREMENTS TABLE

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. This includes an expansion within an approved geographic service area.	
2.	Applicant must be fully certified as an Adult Day Health Program.	
3.	Applicant does not have an active plan of correction (programmatic or financial) with the SAA or CMS.	

Remainder of Page Intentionally Blank

## ATTACHMENT B: STATEMENT OF INTENT (SOI)

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.
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.

Response:

**B. Experience Providing PACE Services: Weighted 15% (Limit response to 7 pages)**

<b>1</b>	Provide current participant enrollment, include date.																																																																	
Response:																																																																		
<b>2</b>	Provide projected participant enrollment for current service area based on slot allocations.																																																																	
Response:																																																																		
<b>3</b>	If the PACE organization is currently operating at full enrollment, provide the date when achieved.																																																																	
Response:																																																																		
<b>4</b>	Complete the following table and provide a utilization analysis of slot allocations for <b>2018</b> .																																																																	
Response:																																																																		
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Month</th> <th style="width: 20%;">Participant Enrollment as of the 1<sup>st</sup> day of the Month</th> <th style="width: 20%;">Number of New Enrollments</th> <th style="width: 20%;">Number of Disenrollments (All cause)</th> <th style="width: 30%;">Net Change in Enrollments</th> </tr> </thead> <tbody> <tr><td>Jan</td><td></td><td></td><td></td><td></td></tr> <tr><td>Feb</td><td></td><td></td><td></td><td></td></tr> <tr><td>Mar</td><td></td><td></td><td></td><td></td></tr> <tr><td>Apr</td><td></td><td></td><td></td><td></td></tr> <tr><td>May</td><td></td><td></td><td></td><td></td></tr> <tr><td>Jun</td><td></td><td></td><td></td><td></td></tr> <tr><td>Jul</td><td></td><td></td><td></td><td></td></tr> <tr><td>Aug</td><td></td><td></td><td></td><td></td></tr> <tr><td>Sep</td><td></td><td></td><td></td><td></td></tr> <tr><td>Oct</td><td></td><td></td><td></td><td></td></tr> <tr><td>Nov</td><td></td><td></td><td></td><td></td></tr> <tr><td>Dec</td><td></td><td></td><td></td><td></td></tr> </tbody> </table>		Month	Participant Enrollment as of the 1 <sup>st</sup> 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				
Month	Participant Enrollment as of the 1 <sup>st</sup> 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:																																																																		

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	



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:

**C. Market Assessment: Weighted 30% (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/religion; 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.
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.

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:

**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.
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 30%**

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

## ATTACHMENT C: CERTIFICATION OF FINANCIAL CONDITION AND LEGAL ACTION SUMMARY

The Applicant must complete and sign this Certification of Financial Condition and Legal Action Summary and include the required documents as indicated herein.

The undersigned hereby certifies that:

- The Applicant has included the following documents with this completed CERTIFICATION OF FINANCIAL CONDITION AND LEGAL ACTION SUMMARY.
  - a.  Audited or reviewed financial statements (preferably audited) prepared by an independent Certified Public Accountant (CPA) for the two most recent fiscal years, including at a minimum balance sheet, income statement, and cash flow statement for each year. Must provide the contact information for the CPA/audit firm.
  - b.  The current Month End Balance Sheet and Year-to-Date Income Statement at the time of proposal submission.
  - c.  The most recent corporate tax filing OR independent audit report. If submitting the independent audit report must include contact information for the audit firm.
  
- The Applicant is in sound financial condition and, if applicable, has received an unqualified audit opinion for the latest audit of its financial statements.
  
- The Applicant has included a brief statement outlining and describing its financial stability.
  
- The Applicant has no outstanding liabilities, including tax and judgment liens, to the Internal Revenue Service or any other government entity.
  
- The Applicant is current in all amounts due for payments of federal and state taxes and required employment-related contributions and withholdings.
  
- The Applicant is not the subject of any current litigation or findings of noncompliance under federal or state law.
  
- The Applicant has not been the subject of any past or current litigation, findings in any past litigation, or findings of noncompliance under federal or state law that may impact in any way its ability to fulfill the requirements of this Contract.
  
- The Applicant acknowledges that this is a continuing certification, and the Applicant shall notify the Department within fifteen (15) calendar days of any material change to any of the representations made herein.

If any one or more of the foregoing boxes is NOT checked, the Applicant must explain the reason in the space below:

Applicants are encouraged to explain any negative financial information in its financial statement below and are encouraged to provide documentation supporting those explanations:

---

By completing this Certification of Financial Condition and Legal Action Summary, the Applicant affirms the ability to financially support implementation and on-going costs associated with PACE service area expansion if its application is selected for recommendation, and the individual signing certifies he or she is authorized to make the foregoing statements on behalf of the Applicant.

---

Signature

Date

---

Printed Name

Title