

State of Hawaii  
Department of Health  
Adult Mental Health Division

## **Addendum 1**

**September 18, 2014**

**To**

**Request for Proposals**

**RFP No. HTH 420-2-15**

**Temporary Locum Tenens Psychiatrists  
Statewide**

**Proposal Deadline  
October 1, 2014**

September 18, 2014

**ADDENDUM NO. 1**

To

**REQUEST FOR PROPOSALS  
Temporary Locum Tenens Psychiatrists Statewide  
RFP No. HTH 420-2-15**

The Department of Health, Adult Mental Health Division is issuing this addendum to RFP No. 420-2-15, Temporary Locum Tenens Psychiatrists Statewide for the purposes of:

- Responding to questions that arose at the orientation meeting of September 10, 2014 and written questions subsequently submitted in accordance with Section 1-V, of the RFP.
- Amending the RFP.
- Final Revised Proposals

The proposal submittal deadline:

- is amended to <new date>.
- is not amended.
- for Final Revised Proposals is <date>.

Attached is (are):

- A summary of the questions raised and responses for purposes of clarification of the RFP requirements.
- Amendments to the RFP.
- Details of the request for final revised proposals.

If you have any questions, contact:

Ms. Betty Uyema  
Telephone: (808) 586-8281  
Facsimile: (808) 586-4745

RFP No. HTH 420-2-15, Temporary Locum Tenens Psychiatrists Statewide is amended as follows:

*Page*

**Section 1, Administrative Overview**

No Changes

**Section 2, Service Specifications**

2.4 Scope of Work, B. 2-15      Subparagraph B.1.b.7) is revised to read as follows:  
Management Requirements

“B.1.b.7) Be available for a) shift work which could be day, evening, or night, and b) overtime work which is defined as work time past any routine eight (8) hour shift.”

**Section 3, Proposal Application Instructions**

3.2 Experience and      3-3      Subparagraph B.2.b. has been revised to read as:  
Capability, B.

Necessary Skills

“B.2.b. Detailed list of experience as an agency providing services to adults with severe and persistent mental illness.”

**Section 4, Proposal Evaluation**

No Changes

**Section 5, Attachments**

Cover, Attachments

Section 5 Attachments Cover page was revised. Please refer to Attachment 1.

Attachment G, General Conditions for Health and Human Services Contracts is added as Attachment 2.

**Responses to Questions Submitted by Applicants  
for RFP No. HTH 420-2-15,  
Temporary Locum Tenens Psychiatrists Statewide**

**1. Question:**

There are several references throughout the RFP to the psychiatrists as employees of provider. Psychiatrists are independent contractors. Is the Division agreeable to making the following clarification: “Notwithstanding anything contained in the RFP or resulting agreement to the contrary, physicians furnished by provider are independent contractors of provider. Physicians shall not be considered employees of provider for any purpose. Provider shall be responsible for compensating physicians directly. However, as independent contractors, provider does not pay employment taxes for physicians or furnish Worker’s Compensation coverage, employer’s liability, unemployment insurance, health insurance or any other employee type benefit for physicians. Provider’s interest is in furnishing physician locum tenens staffing services. Provider does not make clinical decisions for physicians and does not otherwise direct, control or supervise the clinical services furnished by physicians.”

**Answer:**

No, as some organizations may elect to hire psychiatrists as employees or utilize its own psychiatrists to also perform services under this procurement. The DIVISION expects providers to provide the appropriate coverage, benefits, etc. according to how it obtains the services requested in this RFP.

**2. Question:**

Page 1-2, Section 1.2. We are unable to locate the Standards Contract – General Conditions, AG103F13 in the reference website. Will the Division send out a copy of this document with the responses to questions? Are the insurance and indemnity provisions (if any) in that Standards of Contract negotiable?

**Answer:**

On page 1-2, the General Conditions are referenced in item no. 6, Standard Contract – General Conditions, AG103F13. However, a copy of the General Conditions document is attached. The insurance provisions on page 2-9 are not negotiable. Changes to the indemnity provision in the General Conditions may be considered for negotiation, dependent upon what is requested.

**3. Question:**

Page 2-1, Section 2.1.A(11). This item refers to “billing practices” of the provider. Is the provider (locum tenens agency) or the psychiatrist expected to perform medical billing services?

**Answer:**

No, but the locum tenens psychiatrist needs to be aware that the CENTERS and HOSPITAL will be submitting claims to third party insurance payers and they need to document progress notes in each Consumer’s record to substantiate the claim.

4. **Question:**  
Page 2-3, Section 2.1.F. Fourth paragraph. What is expected by provider's participation in outside funding opportunities?

**Answer:**  
The locum tenens psychiatrist may be asked to assist the CENTERS and/or HOSPITAL by collecting additional data during assessment and/or intake, or during consumer appointments.

5. **Question:**  
Page 2-3 through 2-8, Section 2.3.A(1) – (8). Provider performs locum tenens staffing services only. Provider is not a provider of medical services, nor does it direct or control the medical services furnished by the locum tenens physicians place by Provider. Most of the provisions found in items 1-8 of Section 2.3.A. contemplate that Provider will be furnishing medical services, that it will have direction or control over the medical services furnished by the physicians, or are not applicable to the staffing services furnished by the provider. Does the Division intend for any of these provisions to apply when working with a locum tenens staffing agency? If so, can the Division specify which provisions will require for a locum tenens staffing agency?

**Answer:**  
The locum tenens psychiatrist needs to be informed of the general requirements that are expected of all purchase of service providers. These requirements inform the locum tenens psychiatrists of the rights that our consumers have, how the DIVISION intends to provide services to our consumers, and the city, state, and federal laws that govern how the DIVISION is required to provide services for our consumers, etc.

6. **Question:**  
Page 2-9, Section 2.3.A (9), first paragraph. What is required by "other insurance necessary?" Does the Division require insurance coverage not specifically addressed in this RFP? Is the Division agreeable to replacing "or indirectly in connection with the" in the sixth line "by provider's?"

**Answer:**  
The DIVISION expects each provider to obtain insurance that will meet the requirements as stated in this paragraph (2.3, A., 9.). The DIVISION will not prescribe how the provider should obtain its insurance, only that the insurance meets the requirements of this section. The DIVISION will not replace any language in this section.

7. **Question:**  
On page 2-15 (Section 2.4 Scope of Work, B. Management Requirements, 1. Personnel 1.a.7). It states: be available for a) some weekend call duty: 2) shift work which could be day, evening, or night, and c) overtime work which is defined as work time past any routine eight (8) hour shift. Is the intent to have on-call services if necessary and may we include on-call pricing in our proposal?

**Answer:**  
No. On-call rates are not applicable for this RFP, and this section has been revised.

- 8. Question:**  
Please define overtime parameters. The same section as listed above states c) overtime work which is defined as work time past any routine eight (8) hour shift, but on page 2-21, Compensation A., 2b., states overtime shall be determined separately for the hospital or appropriate center.
- Answer:**  
Yes, if a locum tenens psychiatrist is needed to work overtime hours, it will be scheduled by the CENTERS and HOSPITAL. The requirements of the CENTERS and HOSPITAL may not always overlap, so the overtime shall be determined separately by each unit.
- 9. Question:**  
Please confirm candidate's CVs are not required with the solicitation.
- Answer:**  
Yes, the psychiatrists' CVs are not required to be submitted with a providers' application. However, if a provider has recruited psychiatrists with exemplary backgrounds, this could substantiate a provider's claim that they only employ/subcontract with psychiatrists who meet a minimum standard.
- 10. Question:**  
Is there an incumbent provider/agency?
- Answer:**  
The DIVISION currently has contracts with Global Medical Staffing and Jackson and Coker.
- 11. Question:**  
What do you expect the usage of temporary psychiatrists to be?
- Answer:**  
In the last fiscal year (July 2013 through June 30, 2014), the HOSPITAL utilized the services of nine (9) psychiatrists, with 2 to 3 month placements. The CENTER on the island of Maui, utilized the services of three (3) psychiatrists, with 3 month placements. The CENTERS on the island of Hawaii, plan to utilize psychiatric services year-round, for two (2) full-time and one half-time (1/2) psychiatrist placements. The CENTER on Windward, Oahu, plans to utilize the services of two (2) psychiatrists.
- 12. Question:**  
Can you provide historical pricing for the positions listed in the RFP?
- Answer:**  
The current direct labor rate is \$105.00 an hour; the all-inclusive unit rate is \$150.00 an hour.
- 13. Question:**  
If the provider is unable to obtain additional insured for auto insurance what are the alternatives to adhere to the insurance requirements?
- Answer:**  
The insurance provisions for General Liability, Professional Liability and Auto are

required. There is a Hired/Non-Owned Automobile coverage that many organizations are able to purchase, which does have an additional insured option. The DIVISION will not be able to contract with a provider that is unable to meet this requirement.

**14. Question:**

All of our Providers are independent contractors, so any of the insurance certificates with the exception of the professional liability insurance, will only cover our own employees. Will this be sufficient?

**Answer:**

With the exception of professional liability insurance, providers are expected to obtain general liability and automobile insurance coverage that adds the State of Hawaii as an additional insured. If the provider's insurance coverage meets the requirements as stated in paragraph 9, which starts on page 2-9, this is sufficient. The provider needs to ensure that all independent contractors obtain the required insurance coverage.

**15. Question:**

On page 2-10. The two statements needed on the certificate of insurance (COI), would not generally appear on a COI. We can agree to them as part of the contract, but it is doubtful we can place those statements on a COI. Can we get those statements removed or at least revised?

**Answer:**

No, both statements are requirements of this RFP and the State of Hawaii.

**16. Question:**

Will rates for Nurse Practitioners or Physicians Assistants be considered to fill the mental health needs due to the shortage of psychiatrists nationally?

**Answer:**

No, nurse practitioners or physicians assistants are not an option as this time.

**17. Question:**

Will telepsychiatry be used as an option?

**Answer:**

No, telepsychiatry is not an option at this time.

**18. Question:**

Will the positions be a combination of inpatient and outpatient?

**Answer:**

Possibly. Most of the assignments shall be with either the CENTERS or HOSPITAL. However, the CENTERS may be required to provide coverage in the community hospitals. If so, the assignment would be made to include inpatient and outpatient coverage.

- 19. Question:**  
Are all the positions designated as full time, 40 hours a week?
- Answer:**  
The total number of services hours to be performed and billed shall be determined on each individual assignment. The actual scheduling of these shift/hours shall be made by the CENTERS or HOSPITAL.
- 20. Question:**  
Will the positions require work on the weekends?
- Answer:**  
Possibly.
- 21. Question:**  
Will any of the positions involve call, either onsite or by telephone?
- Answer:**  
No.
- 22. Question:**  
Is the AMHD willing to look at the labor rate and a unit rate for doctors within the State of Hawaii and another rate for those outside of Hawaii?
- Answer:**  
No.
- 23. Question:**  
Can the provider piggyback with the hospitals from the Hawaii Health Systems Corporation? And will medical services be included in this RFP?
- Answer:**  
No, the DIVISION does not plan to participate in a secondary purchaser participation with the Hawaii Health Systems Corporation. Medical services will not be included in this RFP.
- 24. Question:**  
How will we be notified of addendums to the RFP? Do we continually check the website for updates?
- Answer:**  
Addendums shall be posted on the State Procurement Office (SPO) website. It is the responsibility for each interested applicant to check this website for any updates to the RFP.
- 25. Question:**  
Will the doctors have an orientation from the hospital and centers?
- Answer:**  
Yes.

- 26. Question:**  
Can there be a specific provision for conversion to a permanent employee for interested providers? It might be good to have this addressed in the contract so the centers know the rules ahead of time.
- Answer:**  
Each CENTER or HOSPITAL shall be responsible for the negotiation and permanent placement of the temporary locum tenens provider should the opportunity arise.
- 27. Question:**  
Is there a way to get specific information about a center's operation and culture that can be passed along to the provider ahead of time and as a way of educating them about a position before they come to Hawaii?
- Answer:**  
Possibly. The CENTERS are currently working on developing a handbook for locum tenens psychiatrists. Until the handbook is finalized, each CENTER and the HOSPITAL shall provide an orientation to the locum tenens psychiatrist when they report to duty.
- 28. Question:**  
On page 3-6, A. Pricing Structure. Nine (9) budget forms are referenced. Do we need to use all 9 budget forms?
- Answer:**  
No. The applicant will need to submit forms applicable to their agency. SPO-H-205 – Budget and SPO-H-205A Organization-Wide Budget by Source of Funds are required forms.
- 29. Question:**  
Should the proposal rate be all inclusive to include direct labor rate, transportation, holiday rate, and overtime rate, etc.?
- Answer:**  
The all-inclusive rate should include direct labor, transportation, lodging, etc. The all-inclusive rate should not include holiday or overtime rates.
- 30. Question:**  
What is the minimum amount of points needed to be awarded a contract? Is there a limit on the specific number of vendor awarded?
- Answer:**  
No, there is no minimum score that applicants need to obtain to be awarded a contract. That said, all applicants may not be awarded a contract. The amount of contracts to be awarded is dependent upon the number of psychiatrists each applicant states that they can provide in its application.
- 31. Question:**  
What if we don't know if a Consumer has a 3<sup>rd</sup> party liability?
- Answer:**  
The locum tenens psychiatrist is not required to know if a consumer has a third party

eligibility. The DIVISION staff shall verify eligibility. However, the locum tenens psychiatrist needs to know that the DIVISION is required to check eligibility status prior to providing services to each consumer.

**32. Question:**

On page 2-18, 2.g. Administrative. All work under this contract shall be performed by the provider or its psychiatrists. The provider shall be responsible for the accuracy, completeness, and adequacy of any and all work and services performed under this contract. The provider intentionally and voluntarily, and knowingly shall assume the sole and entire liability, if such liability is determined to exist, to the provider's psychiatrists, and to any individual not a party to this contract for all loss, damage, or injury cause by the provider, or by the provider's psychiatrist in the course of their employment. Is there an indemnification clause?

**Answer:**

Yes, there is an indemnification clause in the General Conditions, located under 5.1.

**33. Question:**

On page 2-3.A.4. The provider shall assign staff to attend provider meetings and training as scheduled by the DIVISION. Is there a checklist or orientation of meeting and trainings that the PROVIDER is required to attend? Does the psychiatrist receive a handbook from the center they are assigned to?

**Answer:**

For the locum tenens psychiatrist services, at this time there are no scheduled meetings or trainings. However, if the DIVISION should schedule a meeting or training, the locum tenens psychiatrist would be expected to attend. There is no checklist or orientation of meetings and trainings to attend. The CENTERS are working on a handbook that can be provided to locum tenens psychiatrists. Until this is finalized, each CENTER and the HOSPITAL shall provide an orientation to the locum tenens psychiatrist when they report to duty.

**34. Question:**

On page 2-11, 2.3.C. What is multiple and alternate proposals?

**Answer:**

Multiple and alternate proposals are when an applicant submits more than one proposal application from the same organization, for a single procurement.

**35. Question:**

Can you provide information on the selection process for psychiatrists? What information will be required before a physician can be cleared to start credentialing? What is the typical credentialing time period? Who handles the credentialing? Is that done at the Center level or by the AMHD?

**Answer:**

After the CENTER or HOSPITAL makes a request for a placement, the locum tenens provider sends the CENTER or HOSPITAL the psychiatrist's CV for approval. After the CENTER or HOSPITAL approves the psychiatrist's placement, the DIVISION works on credentialing the psychiatrist. The information required from the psychiatrist for credentialing are: Curriculum Vita, Hawaii license in good standing (MD and Narcotic),

DEA (Hawaii address), Diplomas, Certificates, Board Certification, copy of driver license or passport for signature verification, and certificate of liability insurance. Since the DIVISION does not have primary source verification, the DIVISION requires copies of all this documentation. The typical credentialing time period is between 30 to 90 days (per Centers for Medicare and Medicaid Services guidelines), and dependent upon each individual psychiatrist's paperwork. The DIVISION handles the credentialing for the CENTERS and HOSPITAL.

**36. Question:**

Are there any unique situations where lodging on a specific island will be difficult to obtain or if it can be obtained? Would it be an unusually high rate due to shortages of availability of designation primarily as a tourist area?

**Answer:**

We are not aware of any unique situations regarding lodging.

**37. Question:**

Provider's professional liability insurance is not occurrence based. Provider's professional liability insurance is claims made. Is a claims made professional liability policy acceptable to the Division?

**Answer:**

The DIVISION will accept professional liability insurance on a claims made basis, with coverage to continue two (2) years beyond the termination date of the contract.

**38. Question:**

Page 2-13, Section 2.4, A., 4(a). What is expected by the reference to "administrative services?" Provider's professional liability policy does not cover administrative duties, which provider defines as anything that is outside the scope of actual delivery of healthcare services directly to a patient (e.g., planning, organizing, directing and controlling business operations). Will psychiatrists furnished by provider be required to provide the in-service training required by item g?

**Answer:**

Some psychiatrists have viewed the services listed in 2.4, A.4.a. through j. to be administrative services, which the DIVISION considers to be part of the services to be provided by its psychiatrists. If the locum tenens psychiatrist has a "best practice" or evidence-based practice that they would like to share with the CENTERS or HOSPITAL, the DIVISION would expect the locum tenens psychiatrist to provide the in-service training to CENTER or HOSPITAL staff.

**39. Question:**

Page 2-14, Section 2.4, A.8. Is the Division agreeable to adding an exception for psychiatrists who contact provider on their own volition for opportunities? As a staffing agency, non-solicitation provisions are difficult to manage. Although provider can agree not to directly target the DEPARTMENT's psychiatrists, provider does issue mass mailings, general advertisements, posting on websites, etc. to which such psychiatrist may respond.

**Answer:**

No.

- 40. Question:**  
Page 2-15, Section 2.4, B.1., b.(5). This language requires that the psychiatrist be licensed to practice surgery. Will the psychiatrists be expected to perform surgeries?
- Answer:**  
No.
- 41. Question:**  
Page 2-15, Section 2.4, B.1., c(3). Provider can share a summary or synopsis of performance evaluations but cannot share actual performance evaluations performed by other clients. Is a summary or synopsis acceptable?
- Answer:**  
Yes, a summary or synopsis is acceptable for placements made at the HOSPITAL.
- 42. Question:**  
Page 2-18, Section 2.4, B.2., g. Is this provision negotiable? The psychiatrists furnished by provider are independent contractors and not employees of provider. Provider cannot agree to unlimited liability with respect to the acts and omissions of the psychiatrists. Provider can agree to indemnify the Division for the acts and omissions of the psychiatrists up to and pursuant to the provider's limits of professional liability insurance policy with limits of \$1,000,000 per incident and \$3,000,000 in the aggregate with the understanding that those limits are shared between and among the named insureds and the indemnitee and the psychiatrists are first in priority of payment. Is the Division open to alternate/limited indemnity language?
- Answer:**  
In this situation, the DIVISION is not open to alternate/limited indemnity language.
- 43. Question:**  
Page 2-19, Section 2.4, B.2.1.(3). Provider is a locum tenens staffing agency and will not be on-site providing services. Is this provision applicable to staffing agencies?
- Answer:**  
Yes.
- 44. Question:**  
Page 3-2, Section 3.2., A.2. What are the Division's expectations regarding this requirement? Is the provider expected to respond to consumers (patients) directly regarding complaints and grievances?
- Answer:**  
The locum tenens psychiatrist may be expected to respond to consumer complaints, if the complaint is made to them or is about them.
- 45. Question:**  
Page 3-3, Section 3.2, C-F. Are sections marked "N/A" to be included in our response?
- Answer:**  
No, as these sections are not applicable to this service.

- 46. Question:**  
Page 3-6, Section 3.5, A and B.1. From the teleconference orientation September 10, our understanding is the response should only include those SPOH forms which apply to Locum Tenens staffing (200, 200A, 205, 206a) and the budget sheets are only to include the all-inclusive rates per hour for psychiatry physicians plus the direct labor rate used to calculate overtime and holiday pay, correct? How should we respond to the required column "Completed by Applicant" on the Proposal Application Checklist for those items marked X in the "Required by Purchasing Agency" column?

**Answer:**  
Budget sheets are requested by the DIVISION to verify how the applicant determined its unit rate. Also, it will help the DIVISION to determine if the amount of psychiatrist placements the applicant is proposing to provide, at the unit rate cited, will equate to a viable locum tenens program. The applicant will not be penalized for not submitting a cited budget form.

- 47. Question:**  
Section 3.5, B.2., a. Please further explain the purpose of submitting a cost allocation plan as it relates to Locum Tenens staffing. If a response is required here, please offer another explanation of what is needed from us, an explanation more clearly spelling out what a desired response may contain.

**Answer:**  
A cost allocation plan is required from all applicants. Since the DIVISION is placing psychiatrists from your organization into our CENTERS and HOSPITAL to provide mental health services to our consumers, continuity of care is preferable. The DIVISION also needs to ensure that the provider of this service is a fiscally sound organization, so that we do not have to worry about psychiatrists not being paid on a timely basis, which may affect the quality of care delivered to our consumers. For more information on what is being evaluated in this section, please refer to the Financial section, on page 4-6.

- 48. Question:**  
Section 3.5, B.2., a.-c. If this refers to our internal allocations of revenue for ongoing operations, that information is proprietary as we are a privately held company and will not release information other than appropriate annual financial statements. Is that acceptable?

**Answer:**  
Not necessarily. Applicants are required to submit the information that is requested in the financial section. Please refer to page 4-6 for the scoring for the financial section of the application.

- 49. Question:**  
Attachment C, Draft Special Conditions. Where can a provider find Attachments 3-7 referenced in items 1-5?

**Answer:**  
If awarded a contract, Attachment C (which is also noted as Attachment 7) is one part of the overall contract. This attachment includes other conditions of the contract that the DIVISION felt may be necessary for the applicant to be aware of. Attachments 3 through 7 are attachments of the overall contract that will be sent to applicants awarded a contract

to provide temporary locum tenens psychiatrist services. Attachments 3 through 7 do not pertain to the proposal application that should be submitted by the applicant.

**50. Question:**

Attachment C, Draft Special Conditions, Section 12. Is this provision applicable to a locum tenens staffing agency?

**Answer:**

Yes, as it is a requirement for all contracts issued by the State of Hawaii.

**51. Question:**

What are 2013 annual expenditures and 2014 YTD expenditures for services required in this RFP?

**Answer:**

For fiscal year (FY) 2013, the annual expenditures were \$2,027,100. For FY 2014, the annual expenditures were \$2,694,088.

**52. Question:**

What are the names and addresses of clinics and hospitals which will be staffed with services required in this RFP?

**Answer:**

Hawaii State Hospital  
45-710 Kealahala Road  
Kaneohe, Hawaii 96744

Kalihi-Palama Community Mental Health Center  
1700 Lanakila Avenue  
Honolulu, Hawaii 96817

Central Oahu Community Mental Health Center  
860 Fourth Street  
Pearl City, Hawaii 96782

Diamond Head Community Mental Health Center  
3627 Kilauea Avenue, Room 408  
Honolulu, Hawaii 96816

Windward Oahu Community Mental Health Center  
45-691 Kealahala Road  
Kaneohe, Hawaii 96744

Makaha Community Mental Health Center  
84-1170 Farrington Hwy, Bldg A2, Suite BF1A  
Waianae, Hawaii 96792

East Hawaii Community Mental Health Center  
75 Aupuni Street, 2<sup>nd</sup> Floor, Room 26  
Hilo, Hawaii 96720

West Hawaii Community Mental Health Center  
79-1020 Haukepila Street  
Kealahou, Hawaii 96750

Kauai Community Mental Health Center  
4370 Kukui Grove Street, Suite 3-211  
Lihue, Hawaii 96766

Maui Community Mental Health Center  
121 Mahalani Street  
Wailuku, Hawaii 96793

Kona Community Hospital  
79-1019 Haukapila Street  
Kealahou, Hawaii 96750

Maui Memorial Medical Center  
221 Mahalani Street  
Wailuku, Hawaii 96793

Samuel Mahelona Memorial Hospital  
4800 Kawaihau Road  
Kapaa, Hawaii 96746