

State of Hawaii  
Department of Health  
Adult Mental Health Division

## **Addendum 4**

**December 9, 2009**

**To**

**Request for Proposals**

**RFP No. HTH 420-3-10**

**Supported Employment Services - Statewide**

**Proposal Deadline  
December 21, 2009**

December 9, 2009

**ADDENDUM NO. 4**

To

**REQUEST FOR PROPOSALS  
Supported Employment Services - Statewide  
RFP No. HTH 420-3-10**

The Department of Health, Adult Mental Health Division is issuing this addendum to RFP No. 420-3-10, Supported Employment Services - Statewide for the purposes of:

- Responding to questions that arose at the orientation meeting of November 18, 2009 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. Enid Kagesa  
Telephone: (808) 586-8287  
Facsimile: (808) 586-4745  
1256 Punchbowl Street

Responses to Question Raised by Applicants  
For RFP No. HTH 420-3-10, Supported Employment Services - Statewide

- 1. Question:**  
On page 2-3, (2.I.E). Geographic coverage: If the applicant proposes to serve all areas of Oahu, is this considered one area, thus one proposal is needed?

**Answer:**  
Yes.

- 2. Question:**  
On page 2-8 (2.II.A.11.c.4). Will the provider be paid for Milestones for a consumer with Provisional eligibility?

**Answer:**  
No.

- 3. Question:**  
On page 2-4 (2.I.G.1.b) and page 2-10 (2.II.A.11.g). There seems to be a conflict. Are providers assured that (page. 2-4) external funding will not result in adjustments downward of Milestones payments?

**Answer:**  
If there is any conflict between these two provisions, the former (on page 2-4) supercedes the later provision (on page 2-10). Failure to meet the minimum cost sharing requirement of 20% of milestone billings, will result in downward adjustments of future milestone payments to recoup the entire 20% cost share for year one (1).

- 4. Question:**  
On page 2-17 (2.III.A.2.f). This paragraph and several other places in the RFP necessitate Supported Employment Specialists' participation in provider treatment team meetings. Even after the AMHD Administrative Directive of 2004 suggesting SES access to treatment team meetings, providers in general have been reluctant to permit access due to perceived HIPAA restrictions. Some Providers have granted limited access, such as only to the portion of the meeting dealing with a specific consumer. However national research data shows dramatically increased success in job placement and retention when the SES participates in the treatment team as a viable and full-fledged member of the treatment team. Will AMHD take any action to permit SES to attend Provider treatment team meetings as a full-fledged member?

**Answer:**  
Yes, the DIVISION offers its complete support to the provider to ensure integration with the treatment/recovery team to the extent that the consumer has agreed to Supported Employment Specialist (SES) participation in the recovery team meetings. Failure by any DIVISION provider to adhere to this standard should be reported to the DIVISION by the provider of this service in the form of a complaint/grievance.

- 5. Question:**  
On page 2-21 (2.III.A.3.g). Will providers lose points on RFP scoring if they don't submit a proposal to manage Kau Kau café?

**Answer:**

Yes. Applicants are required to submit proposals to include the managing of Kau Kau Café's training program, as part of one of the following: 1) a supported employment/ supported self-employment program or 2) combined supported employment/self-employment and micro-enterprise development program.

- 6. Question:**  
On page 2-25 (2.III.B.1.a.2). This paragraph states: "In the absence of a SES Manager/Team Leader, the QMHP shall meet at least monthly with the Supported Employment Manager/Team Leader and document, sign, and date legibly in writing these supervision sessions..." Assuming the "SES Manager/Team Leader" and "Supported Employment Manager/Team Leader are two different positions:

- A** Can the QMHP directly supervise the Supported Employment Specialists?

**Answer:**

Yes.

- B** Must there be a Supported Employment Manager/Team Leader?

**Answer:**

Yes.

- C.** The qualifications for SES Manager/Team Leader are given above in paragraph (b): what are the qualifications for a Supported Employment Manager/Team Leader?

**Answer:**

These are not two (2) different positions. They are the same position, with "SES" used interchangeably with "Supported Employment".

- 7. Question:**  
On page 2-33 (2.IV). For payment of Milestones 2, 3, 4, and 5 of the RFP requires continuous employment for ten (10) hours per week. Is this correct? May consumers must work up to this level of employment, especially given this service is designed for those who have not consistently worked or who have never been in competitive employment.

**Answer:**

Yes, consumers are required to have continuous employment for ten (10) hours per week for payment of milestones.

- 8. Question:**  
On page 3-11 & 3-12 (3.IV.A.5 & 10-12). Does “NA” mean these paragraphs are not applicable to the service?

**Answer:**  
Yes.

- 9. Question:**  
Attachment D. Is it preferable or acceptable for AMHD POS Providers to collaborate in Micro-enterprise development? If so, is there a requirement for a MOA or other instrument of general agreement to be part of the RP response?

**Answer:**  
Yes, collaboration is preferable. Formalized collaborative agreements are also preferable but not required.

- 10. Question:**  
Still need further clarification of section 2 letter G1 “a” and “b” (p. 2-4) regarding matching of external funds.

**Answer:**  
For example, if a provider is reimbursed by DIVISION for the achievement of \$100,000 in SE milestones during the last nine (9) months of the first year of the contract, the provider is responsible for obtaining and documenting at least \$20,000 in external funding for the SE program. Any amount short of that will be recouped by DIVISION from future withheld payments, whereas any amount above \$20,000 obtained from external funding remains with the provider as an incentive for surpassing the 5:1 cost sharing ratio.

- 11. Question:**  
Section 2 under section II entitled “General Requirements” A.8 (p. 2-6) states “All consumer satisfaction surveys and methodology must be reviewed and approved by the Division prior to implementation.” What are the specific line items DIVISION would like us to include in this survey? Will an example be provided?

**Answer:**  
The DIVISION shall coordinate with the provider(s) of this service at the time of contract implementation to determine specific survey items and provide examples.

- 12. Question:**  
Currently, Division pays SHDC/SEP \$1,000 for initial intake assessments and 6 month/annual assessments. Now that the milestone outcomes are all placement driven rather than assessment and placement, how often should the program reassess consumers? Should it be every 6 months or annually? (Note: a lot of footwork and communications/meetings goes into completing these assessments)

**Answer:**

Assessments should be done at intake and as needed throughout a consumer's eligibility for this service.

**13. Question:**

Page 2-25 states the minimum qualifications for Supported Employment staff is minimum of a high school diploma or GED. Why is a bachelor's level degree for this position not required for this type of professional position?

**Answer:**

For the purposes of this contract, the DIVISION supports the hiring of individuals with non-traditional life experiences relevant to providing mental health employment supports and planning entrepreneurial endeavors with DIVISION consumers, but appropriate supervision must be in place as stated in this RFP. However, a provider may use a higher standard than stated in this RFP for hiring of SE staff.

**14. Question:**

To clarify, if a consumer is already employed prior to being referred to our program, and they are in need of job retention support, can our program claim for milestones from the client's "start date of employment" OR from "date of entry into our program"?

**Answer:**

For consumers already employed upon entry into the SE program, the provider shall calculate milestone eligibility from the consumer's "start date of employment", by subtracting the number of days already on the job prior to SE program entry from the number of days (3, 30, 90, 180 or 360) required to reach a milestone, in order to determine which milestones are still available and at what point they will be achieved. For example, if a consumer has already been employed for 270 days before program entry, the provider would be eligible only for Milestone #5 (employment for 360 days) after 90 days in the SE service. Therefore, the consumer would be ineligible for Milestones #1 to 4 and not eligible for reimbursement. For Milestone #1 to be payable, the consumer cannot be employed three (3) or more days prior to entry into the SE program.

**15. Question:  
Cost Sharing:**

- A. What is the contractual impact for not obtaining any additional funding? What is the contractual impact if the additional funding is less than \$1.00 for every \$5.00 (20%) reimbursed from the DIVISION?

**Answer:**

Failure to meet the minimum cost sharing requirement of 20% of milestone payments, will result in downward adjustments of future eligible milestone payments to recoup the entire 20% cost share. Failure to comply with contractual requirements may result in contract termination or non-extension of contract

beyond current contract period in which provider did not fulfill contract requirements.

- B. How was the additional funding requirement (\$1.00 for every \$5.00 (20%) reimbursed from the DIVISION) arrived at? Does DVR or the SSA “Ticket to Work Employment Network” limit or allow additional funding of more than 20% of reimbursed costs?

**Answer:**

B1. The DIVISION considered other models of federal funding cost share requirements in developing the current requirements. B2. DVR, SSA TTW EN and DIVISION represent separate and non-mutually exclusive streams of funding, which would allow the provider to obtain any or all such types of funding.

- C. Does three (3) month grace period apply to subsequent years or just year one (1)?

**Answer:**

Year one (1) only.

- D. Does reconciliation and cost recovery 20% apply to years 2 and 3?

**Answer:**

Yes, but contracts in subsequent years will actually require higher cost sharing by the provider, increasing minimally to 5:1.5 in year 2, 5:2 in year 3 and 5:2.5 in year 4. Thus the cost share shall increase by 10% points per year, which is equivalent to:

1<sup>st</sup> year: 5:1 (20%)  
2<sup>nd</sup> year 5:1.5 (30%)  
3<sup>rd</sup> year 5:2 (40%)  
4<sup>th</sup> year 5:2.5 (50%)

- E. If reconciliation applies to year 3, how is recovery applied when the contract expires and cannot be extended at the end of year 3?

**Answer:**

If the contract is not extended beyond year 3, the reconciliation process will be adjusted in the final year of the contract to allow for any necessary recoupments during that year.

- F. Since a new contract is to be entered into after year 3, how do we carry forward provisions to apply to an expired contract?

**Answer:**

See Response 15.E.

G. What if the vendor does not apply for a contract after the 3<sup>rd</sup> year?

**Answer:**

If a provider's contract is not extended beyond the third year, a new RFP will need to be released and the 3<sup>rd</sup> year shall be considered the final year, with funds withheld until reconciliation.

H. How will recovery of year 3 funding occur?

**Answer:**

The reconciliation process will be adjusted in the final year of the contract to allow for any necessary recoupments during that year. If there is a deficit at the end of year 3, the balance will be recouped in full to the DIVISION. For example if \$20,000 is the required match at the end of the year 3, and the provider obtains \$15,000 of other funds, the DIVISION will reduce the final payment by the entire \$20,000.

**16. Question:  
Cost Sharing Recovery**

A. Since recovery of \$1.00 for every \$5.00 (20%) of AMHD funds paid to the vendor occurs in the following year (“..reduced future DIVISION payments to the provider until the DIVISION recoups the amount due from the previous year.”); how will monthly payments in the following year be affected?

**Answer:**

The DIVISION shall determine a process and timeframe for the recoupment of any cost sharing shortfalls of the provider.

B. Will the amount recovered be equal to and applied to the month (in the contract) when the 20% was calculated; or will the amount (20%) be equally applied over 12 months of year 2 (and year 3) or if not recovered will the amount to be recovered be applied in another manner (i.e. bi-monthly, quarterly, semi-annually, annually)?

**Answer:**

The DIVISION shall determine a process and timeframe for the recoupment of any cost sharing shortfalls of the provider.

**17. Question:**  
Employer (satisfactory) evaluations are required for billing for Milestones 2 ,3, 4 and 5. If an employer does not have a written evaluation process or obligation, is there another means to achieve this verification?

**Answer:**

If the consumer and employer consent, the provider may supply the evaluation form/process. If not, an evaluation is not required but the refusal of this process by consumer and/or employer must be documented by the provider.

**18. Question:**

Would one provider be awarded the contract to manage Kau Kau Café?

**Answer:**

Yes.

**19. Question:**

Do we need a committee to run Kau Kau Café?

**Answer:**

No.

**20. Question:**

Does the applicant need to submit a proposal for all three (3) services; Supported Employment, Self Employment and Micro-Enterprise? Will points be deducted if applicant does not submit a proposal for all three (3) services?

**Answer:**

The applicant must submit a proposal that addresses both supported employment and supported self-employment at a minimum. The applicant may also propose a supported micro-enterprise development service (such as a consumer-operated business) in addition to the above services.

**21. Question:**

Is micro-enterprise an option when submitting a proposal?

**Answer:**

Yes. See Response to Question #20.

**22. Question:**

Does Social Security Administration Ticket to Work recognized self-employment?

**Answer:**

Yes.

**23. Question:**

Why was the milestone for assessment deleted from this RFP?

**Answer:**

The DIVISION believes that the current milestones, consistent with Employment

Network funding requirements, better support the focus of this service on consumer employment outcomes.

**24. Question:**

Are DBRF funds applied to cost share?

**Answer:**

Any external funding sources in addition to the ones identified in the RFP, may be applied to the cost sharing requirements, with prior DIVISION approval.

**25. Question:**

Does the source of revenues of cost share fall in the scope of contract?

**Answer:**

No.

**26. Question:**

Does NISH and Partners in Employment Program (PEP) provide reimbursement?

**Answer:**

No. They provide opportunities for employment and contracting via access to procurement preference programs.

**27. Question:**

What if agency runs out of funds in the employer network and the project closes?

**Answer:**

It is not anticipated that the federal government will reduce or end the availability of Employment Network funding during the duration of this contract.

**28. Question:**

On page 2-35 and 2-36 - If the consumer does not meet the minimum ten (10) hour per work week, will the consumer be discharged?

**Answer:**

The 10 hour per week minimum for Milestones #2-6 **applies to both** SE and Supported Self Employment. The only milestone not subject to the 10 hours per week minimum is Milestone #1. Furthermore, if a consumer is working under 10 hours per week, support should continue with the goal of assisting the consumer to increase their stamina/workload to or beyond 10 hours per week, at which point milestones can begin to be paid. If, after a reasonable amount of time, to be not less than 30 days, a consumer may be transitioned out of this service if they do not want to or are unable to increase their work hours beyond 10 hours per week and no longer need/request the SE service.

**29. Question:**

Is there a cap on the number of consumers served?

**Answer:**

No. However, all consumers shall be authorized through the DIVISION's Utilization Management process.

**30. Question:**

On page 2-31 d. – Average length (in service units) of semi-independent living utilization per consumer, per level of care, by county. Is this statement applicable?

**Answer:**

No.

**31. Question:**

If a consumer is discharged from supported employment and returns within six (6) months, does the milestone continue?

**Answer:**

Not necessarily. The answer depends on how long the consumer was working continuously prior to SE program re-entry and how long they continue to work post SE program entry. See Response #14.

**32. Question:**

For consumers in current program will the milestones carry over or will they need to start over again?

**Answer:**

Milestone payments in the new SE contract will be limited to those milestones wholly achieved within the timeframe of the new contract or, in the case of already employed consumers, milestones partially achieved in the timeframe of the consumer's entry into and exit from this program, as described in Response #14.

**33. Question:**

Will the milestones be based on calendar or fiscal year?

**Answer:**

Milestones will be based on the calendar year.

**34. Question:**

What milestone can be billed if consumer is already employed, but receiving support services?

**Answer:**

For consumers who were already employed at time of entry into this service, any portion of a milestone not yet accomplished, is payable at time of entry into this service, any portion of a milestone not yet accomplished, is payable by the DIVISION by the DIVISION. For example, a consumer already employed for 360 days upon entry into the SE program, would not be eligible for any DIVISION milestone payments. However, if

a consumer is employed for 30 days upon entry into the SE program, the provider would be eligible to be paid only for Milestone #3 (employment for 90 days, which would be achieved 60 days after entry into the SE program), Milestone #4 (employment for 180 days; achieved 150 days after entry into the SE program) and Milestone #5 (employment for 360 days; achieved 330 days after entry into the SE program). See #14.

**35. Question:**

If a consumer is employed for thirty (30) days, can supported employment go to the next milestone?

**Answer:**

Yes. See #14 and #35.

RFP No. HTH 420-3-10, Supported Employment – Statewide is amended as follows:

<i>Subsection</i>	<i>Page</i>					
<b>Section 1, Administrative Overview</b>						
I. Procurement Timetable	1-1	<p>The Procurement Table on page 1-1 has been changed as follows:</p> <p><b>Note that the Procurement Timetable represents the State’s best estimated schedule. Contract start dates may be subject to the issuance of a notice to proceed.</b></p> <table border="0" style="width: 100%;"> <thead> <tr> <th style="text-align: left;">Activity</th> <th style="text-align: right;">Scheduled Date</th> </tr> </thead> <tbody> <tr> <td>State purchasing agency’s Response to applicant’s written questions</td> <td style="text-align: right;">12/9/09</td> </tr> </tbody> </table>	Activity	Scheduled Date	State purchasing agency’s Response to applicant’s written questions	12/9/09
Activity	Scheduled Date					
State purchasing agency’s Response to applicant’s written questions	12/9/09					
<b>Section 2, Service Specifications</b>						
I. Introduction, C. Description of the goals of the service.	2-3	<p>The last paragraph in section C. has been revised to read as follows:</p> <p>“Applicants are required to submit proposals to include the managing the Kau Kau Café’s training program, with a 1) supported employment program; or with 2) a self-employment/micro-enterprise development program; or with 3) a combined supported employment and self-employment/micro-enterprise development program.”</p>				
II. General Requirements, C. Multiple or alternate proposals.	2-13	<p>The paragraph in section C. has been revised to read as follows:</p> <p>“Applicants shall submit one (1) proposal application for managing the Kau Kau Café’s training program, with a 1) supported employment program; or with 2) a self-employment/micro-enterprise development program; or with 3) a combined supported employment and self-employment/micro-enterprise development program.”</p>				
<b>Section 3, Proposal Application Instructions</b>						
No Changes						

**Section 4, Proposal Evaluation**

No Changes

**Section 5, Attachments**

No Changes