



STATE OF NEW YORK DEPARTMENT OF HEALTH

Corning Tower The Governor Nelson A. Rockefeller Empire State Plaza Albany, New York 12237

Antonia C. Novello, M.D., M.P.H., Dr.P.H.
Commissioner

Dennis P. Whalen
Executive Deputy Commissioner

November 3, 2006

Via facsimile

Dear Potential Bidder:

**Re: Request for Proposal (RFP)
Patient Review Instrument (PRI) Audit and Hotline Function
PRI, H/C PRI and Screen Training**

The enclosed document provides a summary of the questions asked at the PRI bidder's conference held on October 10, 2006, and the Department's responses. It should be noted that no written questions were received prior to the bidder's conference.

As discussed in previous mailings, all proposals in response to the RFP must be received in our office by 2:00 p.m. on December 1, 2006.

Thank you for your expressed interest in the PRI RFP. We look forward to a potential receipt of your proposal.

Sincerely,

A handwritten signature in black ink, appearing to read 'Richard Pellegrini', with a long horizontal line extending to the right.

Richard Pellegrini
Director
Bureau of Financial Management
and Information Support

Enclosure

Request for Proposal
PRI Audit and Hotline
Training Program for PRI, H/C PRI and Screen
Bidder's Conference Summary
October 10, 2006

- 1. Is it acceptable to submit different prices for each year of the contract or, is the price the same in each of the three years?**

Prices for the audit/hotline contract as well as the prices (registration fees) for the training contract will be firm and not subject to any increase during the three-year period of the contracts. For the audit/hotline contract it is expected that there be separate per diem rates for Downstate (New York City and Long Island) and Upstate (rest of New York State). These per diem amounts however, must remain the same during the three-year period of the audit/hotline contract. For the training contract, it is expected that there be one fee for the PRI-H/C PRI training and a separate fee for the SCREEN training. While these two fees may vary, both fees will be firm and not subject to increase during the three-year period of the training contract.

- 2. Can you provide a brief history on these program activities and identify who were the previous contractors?**

Prior History:

On January 1, 1986 a new case mix reimbursement system for Residential Health Care Facilities (RHCFS) was implemented in New York State. This reimbursement methodology is based on a resident classification system determined by responses to PRIs submitted by each facility. Due to their reimbursement implications, submitted PRIs are subject to periodic on-site reviews (audits). The PRI audit ensures that the form has been accurately completed and is in full compliance with the assessment instrument's instructions. To help interpret these instructions, as well as those applicable to the H/C PRI and the Screen, a hotline must also be maintained. The H/C PRI is used for preadmission review of persons in a hospital or, living in community-based residences, that apply for admission to a nursing facility. The Screen is used for the Pre-Admission Screening and Resident Review (PASSAR) which, assesses individuals with possible mental illness (MI) and/or mental retardation (MR) and other related conditions. The Screen is also used to determine a person's potential for care outside of a nursing facility setting. To foster uniformity in completing the forms, training to obtain either an assessor or screener number is required.

Recent PRI Developments:

Although there are no changes for PRI filing requirements in 2006, recently enacted statutory provisions contained in Chapter 109 of the Laws of 2006 repeals the requirement that nursing homes submit PRIs in 2007 and 2008. Nursing homes are however, permitted to voluntarily submit full house PRIs if they believe they will result in a case-mix increase greater than .05. Upon doing so, they are then required to submit full house PRIs for the remainder of 2007 and 2008. Effective 2009, no new PRI

submissions will be permitted since the State will transition to a new reimbursement classification system using the Minimum Data Set (MDS). An existing backlog of unprocessed PRIs and, PRIs which will be filed through 2008, will be subject to the audit requirements specified in this RFP. Consequently, the extent to which the above referenced statutory changes will impact PRI audit volume over the course of this contract remains unclear. This uncertainty also exists on the need for PRI training in 2007 and 2008 however, it is important to note that required training in the HC/PRI and the Screen are not impacted by such changes.

Contract History:

The initial audit and training contracts were bid separately resulting in two different contractors, NextWave Inc., was the first training contractor and the Foundation for Quality Medical Care (FQMC) was the first audit contractor. After a few years, the training contract was subsequently awarded to the Professional Standards Review Council of America, Inc., an affiliated organization of the FQMC. With the issuance of the last RFP for these functions, the DOH and Health Research Incorporated (HRI) decided to seek a sole contractor to provide both the audit/hotline and training functions. While the same sole contractor is expected to provide both functions, two contracts are necessary for this purpose: an audit/hotline contract administered by DOH; and, a training contract administered by HRI. The Island Peer Review Organization (IPRO) holds the current contracts awarded from the issuance of the last RFP.

3. **Are these medically related reviews?**

The on-site review is meant to ascertain the accuracy of PRIs prepared and submitted by nurse assessors retained by facilities. To do so, auditors are to complete audit forms through a review of medical record documentation with assistance from facility staff, as needed. As such, these reviews require clinical expertise. At a minimum, PRI auditors must be registered nurses (RNs) certified as PRI assessors with experience in resident chart reviews including, the completion of PRIs or a similar resident assessment form.

4. **Is there a page limit to the proposal? Page 15, Part C speaks about ‘clarity and conciseness’. Would a proposal be turned down because it is too long?**

There are no page limits. The bidder should be as clear and concise as possible regardless of the length of their proposal.

5. **Is there an estimate as to the volume of the training?**

Section C-1.3 of the RFP discusses the estimated volume of attendance at the training sessions. This section states that:

- 1) A one day training session will be scheduled every six months in each of the major five regions in New York State, i.e., New York City, Long Island, Albany, Syracuse, and Rochester/Buffalo, for **PRI training**. It is estimated that there will be 50

participants at each session, for a total of 500 participants annually. Additional sessions may be scheduled as demand warrants.

- 2) A one day training session will be scheduled every six months in each of the major five regions in New York State, i.e., New York City, Long Island, Albany, Syracuse, and Rochester/Buffalo, for **Screen training**. It is estimated that there will be 75 participants at each session, for a total of 750 participants annually. Additional sessions may be scheduled as demand warrants.

6) **Is there a maximum dollar amount to the contract?**

The audit and hotline contract is supported by a budgetary appropriation. Historically, this appropriation has been approximately \$500,000 annually. A budget appropriation for the audit/hotline contract that will result from this RFP has yet to be enacted.

There is no budget appropriation for the training contract since it is fully funded through fees charged to attendees.

7) **In lieu of the \$300,000 performance bond [stated in Section D-12.10 of the RFP] would the State allow the contractor to deposit that amount in an account?**

The deposit of \$300,000 into an account(s) would not meet the requirements of Section D-12.10 of the RFP which states that the “contractor will be required to post a performance bond in the amount of \$300,000 for the period of the audit and hotline contract... and an additional \$300,000 for the period of the training contract... ” The cost of posting such bonds is considered an allowable expense in determining the prices for the audit/hotline and training functions.

8) **Does the DOH advertise for the PRI and Screen training or, is this part of the budget we submit?**

The DOH does not advertise for the PRI-H/C PRI or Screen training sessions. It is expected that a bidder’s proposal will include any expense necessary for such advertising as part of their administrative overhead costs.

9) **How is the success of the contractor measured?**

The DOH evaluates the contractor’s performance by monitoring the contractor to ensure contract compliance. The Bureau of Financial Management and Information Support (BFMIS), which is part of the Division of Health Care Financing (DHCF), is responsible for monitoring and approving the services provided under the audit/hotline contract. The DHCF and the Division of Quality Assurance and Surveillance (DQAS) are responsible for monitoring and approving the services provided under the training contract. Sections C-1.4 through 1.8 of the RFP addresses requirements for providing information to the DOH for contract monitoring purposes. Such requirements include appointment of an

overall project manager, providing mechanisms to assure quality control, supplying utilization reports, meeting continuing education credits needs, and participation in dry run training sessions. In addition, staff from the BFMIS periodically conducts on-site monitoring of PRI auditors and performs desk reviews of all audits completed by the contractor. DHCF and DQAS staff must also approve all training materials and will periodically attend training programs for monitoring purposes.

10) Can additional questions be submitted after the Bidder's conference?

The Department is not permitted to accept any additional questions in regard to this RFP after the bidder's conference (October 10, 2006).