NOTICE OF INTENT TO CONTRACT (NIC)

WITH

A SELECT PROVIDER FOR A PILOT PROGRAM
TO PROVIDE
GASTROINTESTINAL SURGICAL PROCEDURES
FOR THE
TREATMENT OF MORBID OBESITY

ISSUED BY

STATE OF LOUISIANA

OFFICE OF GROUP BENEFITS (OGB)

Issued December 2, 2002
SECTION I

GENERAL INFORMATION

A. Purpose/Scope of Services

The State of Louisiana, through the Office of Group Benefits (hereinafter sometimes referred to as OGB) through this Notice of Intent to Contract (NIC) requests proposals for a Select Provider for a Pilot Program (minimum of 40 procedures) to provide gastrointestinal surgical procedures for the treatment of morbid obesity from a qualified Proposer having a minimum of three (3) years experience in providing such services and that currently provides such services.

The Office of Group Benefits is seeking a relationship with a Proposer that can work with the OGB’s administrative staff to fulfill the mission to provide cost-effective, high quality gastrointestinal surgical treatments for a Pilot Program (minimum of 40 procedures) for plan participants diagnosed as being morbidly obese. The OGB has defined morbid obesity as an individual with a body mass index of 40 or above.

B. Background

The Office of Group Benefits is authorized by statute to administer a health and accident benefits program on behalf of the State of Louisiana.

At this time, plan member eligibility includes employees and retirees of State agencies, institutions of higher education, local school boards that elect to participate in the OGB, and certain political subdivisions. Eligibility does not include local government entities or municipalities.

Currently, the OGB provides coverage for approximately 120,000 covered contracts. The term-covered contract as used throughout this NIC is defined as any class of coverage in which a plan member is enrolled, whether single, two-party or family. Therefore, a contract includes the employee or retiree and any covered dependents.
C. **Goal and Objective**

**Goal:** The goal of the Office of Group Benefits is to implement a Pilot Program (minimum of 40 procedures) with a select provider for gastrointestinal surgical procedures for the treatment of morbid obesity.

**Objective:** The objective of the Office of Group Benefits is to contract with a qualified Proposer to achieve its goal.

D. **Standard Contract Provisions**

It is expected that a multi year contract (surgeries should be completed within 12 months of the effective date of the contract, however, post surgery services will continue) will be awarded with the contract terms provided in the Appendix. Any deviation sought by a Proposer from these contract terms should be included in Tab 6 of the Proposal. The provisions of the NIC and the winning proposal will be incorporated by reference into the contract. Any additional clauses or provisions required by the Federal or State law or regulation in effect at the time of execution of the consultant services contract will be included.

E. **Instructions on Proposal Format**

1. **State the question, then answer the question directly.** Do not number answers without providing the question. Proposers should respond thoroughly, clearly and concisely to all of the points of each question. Answers should specifically address current capabilities separately from anticipated capabilities.

   For questions for which you do not want to provide an answer, indicate "not applicable" or "no response". A response to a narrative question should not be more than two to three paragraphs long.

   Do not answer a question by referring to the answer of a previous question. Restate the answer or recopy the answer under the new question. If, however, the question asks you to provide a copy of an exhibit, you may indicate where the copy may be found by providing an attachment/exhibit number, letter, or heading.
2. Submit one (1) original and five (5) copies of a completed, numbered proposal placing each in a three-ring binder.

3. Order of presentation:
   Cover letter (Optional)
   Tab 1. Contracting Parties
   Tab 2. Qualifications and Experience of Proposer
   Tab 3. Qualifications and Experience of Assigned Staff
   Tab 4. Administrative Management and Coordination Strategy
   Tab 5. Signature Page
   Tab 6. Attachment to NIC

4. Use tabs to divide each section and each attachment. The tabs should extend beyond the right margin of the paper so that they can be read from the side and are not buried within the document.

5. Submit one (1) original and five (5) numbered copies of the Fee Proposal Form, in a separate, sealed envelope clearly marked, “Proposal for Select Provider for Treatment of Morbid Obesity” on the outside of such envelope.


1. All proposals submitted in response to this NIC become the property of OGB and will not be returned to the proposers.

2. After award of the Contract, all proposals will be considered public record and will be available for public inspection during regular working hours.

3. Costs of preparation, development and submission of the response to this NIC are entirely the responsibility of the proposer and will not be reimbursed in any manner.
SCHEDULE II

MINIMUM PROPOSER REQUIREMENTS

1. Have a minimum of three (3) years experience in performing the type of services requested in the NIC.

2. Have a representative(s) of your Proposer attend the Mandatory Proposers Conference.

3. Be able to provide documentation of your financial condition by audited financial statements for the two most complete fiscal years or by prospectus.
SECTION III

SCHEDULE OF EVENTS

A. Time Line

Public Notice by advertising  December 2, 2002
NIC mailed or made available to prospective offerors  December 2, 2002
Deadline to receive written questions  January 6, 2003
Written answers to questions issued  January 20, 2003
Proposers’ Conference (MANDATORY)  January 20, 2003
Proposals due  February 10, 2003
Finalist interviews  TBD
Probable selection and notification of award  TBD
Contract Initiation  TBD

The OGB reserves the right to deviate from this schedule.

B. Mandatory Proposers' Conference

The Proposers' Conference will be held in the boardroom of the Office of Group Benefits (OGB) at 5825 Florida Boulevard, Second Floor, in Baton Rouge.

A representative of your organization must attend the Proposers’ Conference listed in the Schedule of Events. OGB staff will be available to discuss the proposal specifications with you and answer any questions that you may have. The Proposers’ Conference is considered an integral part of the NIC process. A representative of the organization must attend the Proposers’ Conference. Any Proposer that fails to attend the Mandatory Proposers’ Conference will not be eligible to submit a proposal.

C. Written Questions on the NIC

Written questions regarding the NIC are to be submitted to and received in the office of the Chief Executive Officer of the OGB on or before 4:30 pm on the date listed in the Schedule of Events. This will allow the OGB staff the opportunity to research the questions and prepare responses for the mandatory Proposers’ Conference. Written questions should be directed to:
D. Proposal Due Date

The original proposal must be signed by an authorized representative of your organization and delivered, together with one (1) original and five (5) numbered copies, between the hours of 8:00 a.m. and 4:30 p.m. on or before the date listed in the Schedule of Events to:

A. Kip Wall
Chief Executive Officer
Office of Group Benefits
Office of Group Benefits (OGB)
5825 Florida Boulevard, Second Floor
Baton Rouge, LA 70806

The proposals should be clearly marked: “Proposal for Select Provider for a Pilot Program for the Treatment of Morbid Obesity”.

Because OGB will evaluate all of the proposals on the same basis, your proposal will not be considered unless it conforms in all respects to the specifications outlined in this NIC.
SECTION III

PROPOSAL EVALUATION

A. Proposal Evaluation

Proposals will be evaluated by a Selection Committee.

Each proposal will be evaluated to insure all requirements and criteria set forth in the NIC have been met. Failure to meet all of the minimum requirements may result in rejection of the proposal.

After initial review and evaluation, the Selection Committee may invite those organizations whose proposals are deemed reasonably susceptible of being selected for award for interviews and discussions at the OGB’s offices in Baton Rouge, Louisiana. The interviews will allow the Committee to substantiate and clarify representations contained in the written proposals, evaluate the capabilities of each organization, and discuss each organization’s understanding of the OGB’s needs. The results of the interviews will be incorporated into the final scoring for each organization selected as a finalist.

Following interviews and discussions, scoring will be finalized in accordance with the mandatory requirements and evaluation criteria below. The proposal receiving the highest total score will be recommended for contract award.

B. Evaluation Criteria

After determining that a proposal satisfies the minimum requirements stated in the NIC, an assessment of the relative benefits and deficiencies of each proposal, including information obtained during the interviews and discussions, shall be made using the following criteria:

1. Qualifications and Experience of Proposer; Surgical Team; Support Professionals; Equipment; and Facilities 200 points
2. Administrative Management and Coordination Strategy 50 points
3. Number of Surgical Procedures Performed in the immediately preceding 24 months 50 points
4. Cost of Service 200 points

TOTAL 500 points
C. **Cost Evaluation**

The total cost per case per type of procedure shall be quoted on the Fee Proposal Form (Schedule IV) of this NIC. If a fee quote is submitted for multiple procedures, the multiple fee quotes will be averaged to determine a single fee quote.

Points shall be awarded using the following formula:

\[
\frac{(X)}{N} \times 100 = Z
\]

Where:

- \( (X) \) = lowest proposed cost
- \( N \) = actual proposed cost (averaged for multiple fee quotes)
- \( Z \) = awarded points

Therefore, the proposer that provides the lowest fee quote will be awarded the full points for cost of services.

All expenses (assessment, surgery, post surgery, etc.) should be included in the proposed fee quote. Any projected increases for delivery of services for the entire contract period should be anticipated in the proposed fee quote.
TAB 1

CONTRACTING PARTIES

A. PRIMARY PROPOSER

Name of Organization________________________________________________

Address___________________________________________________________

_________________________________________________________________

Principals_________________________________________________________

_________________________________________________________________

Date Founded______________________________________________________

B. PARENT COMPANY

Name of Organization_______________________________________________

Address___________________________________________________________

_________________________________________________________________

Principals_________________________________________________________

_________________________________________________________________

Date Founded______________________________________________________
C. SUBSIDARIES/AFFILIATES TO PERFORM SIGNIFICANT SERVICES
(Provide the requested information for each subsidiary or affiliate.)

Name of Organization____________________________________________________

Address________________________________________________________________
_____________________________________________________________________

Principals________________________________________________________________
_____________________________________________________________________

Date Founded_____________________________________________________________

D. NIC COORDINATOR/CONTACT

Name______________________________________________________________

Title______________________________________________________________

Address________________________________________________________________
_____________________________________________________________________

Telephone Number ____________________________________________________
(with extension)
Fax Number __________________________________________________________
1. Please provide a brief (1-3 pages) summary of the background and history of your organization and state why it is best qualified to provide the services requested in this NIC.

2. How long has the requested procedure been performed by the Proposer?

3. Please list the names, tenure, credentials and certifications of your physicians and surgeons.

4. How many procedures have been performed in the last 36 months (by month and by surgeon(s)).

5. Is there a waiting list to perform the surgery (how many/how long)? What is your present case load per month?

6. Describe the program process (assessment, surgery, post surgery)? Do you have an established criteria for this procedure? If so please attach.


8. Report on how many of your cases elected to reverse the procedure and why. Please show the date of surgery and the date of reversion.

9. Has a bariatric surgery patient or family member sued the facility? If yes, please explain.

10. Do you hold any other preferred/exclusive/select Provider status with a health plan or self insured entity? If yes, please list what and how long.
TAB 3

QUALIFICATIONS AND EXPERIENCE OF ASSIGNED STAFF

Identify all persons (physicians, psychologists, dieticians and etc.) who will be assigned any responsibility under the Contract, defining the role and providing credentials of each. For each staff member, include the individual’s résumé, the individual’s training and experience in providing the same type or similar services set forth in this NIC, and identify clients for whom such services have been performed.
TAB 4

ADMINISTRATIVE MANAGEMENT AND COORDINATION STRATEGY

1. Service approach: Detail the manner and form in which services will be provided. Provider will be responsible for establishing criteria and selection process for plan members who apply for surgery.

2. What implementation/transition issues do you foresee in assuming responsibility for providing the services as set forth in this NIC. What is your plan for effectively resolving these issues? What Contractor resources will be required to complete the plan? What OGB resources will be required to complete the plan?

3. Do you anticipate subcontracting any service or requirement of the Contract? If yes, please describe the services that will be subcontracted and how your organization will control the quality of the required services.

4. Describe your quality assurance OGB.

5. Has your organization undergone any reorganization/restructuring within the past three (3) years? If yes, explain.

6. Do you anticipate any reorganization within the next eighteen (18) months? If yes, explain.
STATE OF LOUISIANA
OFFICE OF GROUP BENEFITS (OGB)

Select Provider for a Pilot Program (minimum of 40 procedures) for the Treatment of Morbid Obesity

This proposal, together with all attachments and the Fee Proposal Form, is submitted on behalf of:

Proposer: _______________________________________________________________

I HEREBY CERTIFY that:

1. This proposal complies with all requirements of the NIC. In the event of any ambiguity or lack of clarity, the response is intended to be in compliance.

2. This proposal was not prepared or developed using assistance or information illegally or unethically obtained.

3. I am solely responsible for this proposal’s fulfillment of the requirements of the NIC.

4. I am solely responsible for this proposal’s compliance with all applicable laws and regulations regarding the preparation, submission and contents of this proposal.

5. All information contained in this proposal is true and accurate.

Date:_________________________ ______________________________

Authorized Representative

Title
TAB 6

ATTACHMENT TO PROPOSAL
SCHEDULE IV

STATE OF LOUISIANA
OFFICE OF GROUP BENEFITS (OGB)

PROPOSAL FOR “SELECT PROVIDER FOR A PILOT PROGRAM
(MINIMUM OF 40 PROCEDURES) FOR THE TREATMENT OF
MORBID OBESITY”

FEE PROPOSAL FORM

Proposed Per Case Per Type of Procedure Fee Quote $_________________

NOTE: If a fee quote is submitted for multiple type of procedures, the multiple fee quotes will be averaged to determine a single fee quote.

NOTE: All expenses (assessment, surgery, post surgery, etc.) should be included in the proposed fee quote. In addition, any projected increases for delivery of services for the entire contract period should be anticipated and included in the proposed fee quote (surgeries should be completed within 12 months of the effective date of the contract, however, post surgery services will continue).

____________________________________
Name of Authorized Representative

____________________________________
Signature of Authorized Representative

____________________________________
Title

____________________________________
Date

Note: The original and five (5) copies of the Fee Proposal Form are to be submitted in a separate sealed envelope marked “Proposal for Select Provider for a Pilot Program for the Treatment of Morbid Obesity” on the outside of such envelope. Do not include this Fee Proposal Form in the three ring binder with the other required portions of your proposal.
APPENDIX

STATE OF LOUISIANA

OFFICE OF GROUP BENEFITS (OGB)

CONTRACT

The State of Louisiana, Division of Administration, Office of Group Benefits (OGB) (hereinafter sometimes referred to as “State” or “OGB”), located at 5825 Florida Blvd., Baton Rouge, LA 70806 and ________________ (hereinafter sometimes referred to as “Contractor”) do hereby enter into a contract under the following terms and conditions:

1.0 SCOPE OF SERVICES/Deliverables

TO BE DETERMINED

2.0 TERM OF CONTRACT

A. This contract shall begin on ___________ and terminate ____________.

B. The foregoing provisions notwithstanding, this contract shall not become effective until approved, as required, by statutes and regulations of the State of Louisiana regarding contracts with an agency of the State.

3.0 PAYMENT TERMS

A. In consideration of the services described in this contract, State hereby agrees to pay Contractor a maximum fee of $________________.

B. Payment is to be made within 30 days of receipt of invoice after approval of the State’s Project Director.
4.0 STAFF INSURANCE

Contractor shall procure and maintain for the duration of this contract insurance Against claims for injuries to persons or damages to property which may arise From or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

5.0 TAXES

Contractor hereby agrees that the responsibility for payment of taxes from the funds thus received under this contract and/or legislative appropriation shall be contractor’s obligation and identified under Federal Tax Identification Number ____________.

6.0 SECURITY

Contractors personnel will always comply with all security regulations in effect at the States premises, and externally for materials belonging to the State or to the project. Contractor is responsible for reporting any breach of security to the State promptly.

7.0 CONFIDENTIALITY

The parties, their agents, staff members and employees agree to maintain as confidential all individually identifiable information regarding Louisiana Office of Group Benefits plan members, including but not limited to patient records, demographic information and claims history. All information obtained by Contractors from the Office of Group Benefits shall be maintained in accordance with state and federal law, specifically including but not limited to the Health Insurance Portability and Accountability Act of 1996, and any regulations promulgated thereunder (collectively, “HIPAA”). To that end, the parties anticipate amending this Agreement to be in full compliance with all relevant provisions of HIPAA, including but not limited to all provisions relating to Business Associates.
Further, the parties agree that all financial, statistical, personal, technical and other data and information relating to either party’s operations which are designated confidential by such party and made available to the other party in carrying out this Contract, shall be protected by the receiving party from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as is applicable to the State and/or Contractor. Neither party shall not be required to keep confidential any data or information, which is or becomes publicly available, is already rightfully in the party’s possession, is independently developed by the party outside the scope of this Contract, or is rightfully obtained from third parties.

8.0 PROJECT MANAGEMENT/MONITORING PLAN

TO BE DETERMINED

9.0 PERFORMANCE MEASURES

TO BE DETERMINED

10.0 TERMINATION FOR CAUSE

State may terminate this Contract for cause based upon the failure of Contractor to comply with the material terms and/or conditions of the Contract; provided that the State shall give the Contractor written notice specifying the Contractor’s failure. If within thirty (30) days after receipt of such notice, the Contractor shall not have either corrected such failure or, in the case of failure which cannot be corrected in thirty (30) days, begun in good faith to correct said failure and thereafter proceeded diligently to complete such correction, then the State may, at its option, place the Contractor in default and this Contract shall terminate on the date specified in such notice. Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the State to comply with the terms and conditions of this Contract; provided that the Contractor shall give the State written notice specifying the State’s failure. Furthermore, the Contractor shall be entitled to suspend any and all services until such time as when the State is not in default of its obligations under this contract.
10.1  TERMINATION FOR CONVENIENCE

The State may terminate the contract at any time without penalty by giving thirty (30) days written notice to Contractor. Upon any termination of this contract the Contractor shall be entitled to payment for deliverables in progress, to the extent work has been performed satisfactorily.

10.2  REMEDIES FOR DEFAULT

Any claims or controversy arising out of this contract shall be resolved in accordance with the provisions of La R.S. 39:1524 – 1526.

The validity of this contract and any of its terms or provisions, as well as the rights and duties of the parties hereunder, shall be construed pursuant to, and in accordance with, the laws of the State of Louisiana and venue of any action brought under this contract shall be the Parish of East Baton Rouge of the State of Louisiana.

11.0  OWNERSHIP OF PRODUCT

All records, reports, documents and other material delivered or transmitted to Contractor by State shall remain the property of State, and shall be returned by Contractor to State, at Contractor’s expense, at termination or expiration of this contract. Contractor may retain one copy of such records, documents or materials for archival purposes and to defend its work product. All records, reports, documents, or other material related to this contract and/or obtained or prepared by Contractor specifically and exclusively for State in connection with the performance of the services contracted for herein shall become the property of State, and shall, upon request, be returned by Contractor to State, at Contractor’s expense, at termination or expiration of this contract.

Notwithstanding anything to the contrary contained in this Contract, it is understood and agreed that the Contractor shall retain all of its rights in its proprietary information including, without limitation, its methodologies and methods of analysis, ideas, concepts, expressions, know how, methods, techniques, skills, knowledge and experience possessed by the Contractor prior to, or acquired by the Contractor during, the performance of this Contract and the Contractor shall not be restricted in any way with respect thereto.
12.0 ASSIGNMENT

Contractor shall not assign any interest in this contract and shall not transfer any interest in same (whether by assignment or novation), without prior written consent of the State, provided however, that claims for money due or to become due to the Contractor from the State may be assigned to a bank, trust company, or other financial institution without such prior written consent. Notice of any such assignment or transfer shall be furnished promptly to the State and to the Office of Contractual Review, Division of Administration.

13.0 RIGHT TO AUDIT

Contractor grants to the Office of the Legislative Auditor, Inspector General’s Office, the Federal Government, and any other duly authorized agencies of the State where appropriate the right to inspect and review all books and records pertaining to services rendered under this contract. Contractor shall comply with federal and/or state laws authorizing an audit of Contractor’s operation as a whole, or of specific program activities. Any audit shall be conducted during ordinary business hours and upon reasonable advance notice to the Contractor.

14.0 RECORD RETENTION

Contractor agrees to retain all books, records, and other documents relevant to this contract and the funds expended hereunder for at least three years after project acceptance, or as required by applicable Federal law, whichever is longer.

15.0 AMENDMENTS IN WRITING

A. Any alteration, variation, modification, or waiver of provisions of this contract shall be valid only when they have been reduced to writing, duly signed. No amendment shall be valid until it has been executed by all parties and approved by the Director of the Office of Contractual Review, Division of Administration.

B. This contract is not effective until approved by the Director of the Office of Contractual Review in accordance with La. R.S. 39:1502. It is the responsibility of the Contractor to advise the agency in advance if contract funds or contract terms may be insufficient to complete contract objectives.
16.0 FUND USE

Contractor agrees not to use funds received for services rendered under this contract to urge any elector to vote for or against any candidate or proposition on an election ballot nor shall such funds be used to lobby for or against any proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority. This provision shall not prevent the normal dissemination of factual information relative to a proposition on any election ballot or a proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority.

17.0 NON-DISCRIMINATION

Contractor agrees to abide by the requirements of the following as applicable: Title VI and VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Federal Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Act of 1972, and Contractor agrees to abide by the requirements of the Americans with Disabilities Act of 1990. Contractor agrees not to discriminate in its employment practices, and will render services under this contract without regard to race, color, religion, sex, national origin, veteran status, political affiliation, disabilities, or because of an individual's sexual orientation. Any act of discrimination committed by Contractor, or failure to comply with these obligations when applicable shall be grounds for termination of this contract.

18.0 HEADINGS

Descriptive headings in this contract are for convenience only and shall not affect the construction or meaning of contractual language.

19.0 ENTIRE AGREEMENT

This contract (together with the NIC issued thereto by the OGB, the Proposal submitted by the Contractor in response to the OGB’s NIC, and any exhibits specifically incorporated herein by reference) constitutes the entire agreement between the parties with respect to the subject matter.
This contract shall, to the extent possible, be constructed to give effect to all provisions contained therein; however, where provisions are in conflict, first priority shall be given to the provisions of the contract, excluding the NIC and the Proposal; second priority shall be given to the provisions of the NIC and amendments thereto; and third priority shall be given to the provisions of the Proposal.

BY SIGNING BELOW, THE PARTIES AGREE TO ALL OF THE TERMS AND CONDITIONS SET FORTH ABOVE.

STATE OF LOUISIANA  
OFFICE OF GROUP BENEFITS (OGB)  
CONTRACTOR

SIGNATURE____________________  
SIGNATURE____________________

NAME___A. Kip Wall___________  
NAME____________________

TITLE___Chief Executive Officer_______  
TITLE____________________