

REQUEST FOR PROPOSAL

CONSULTING SERVICES

HAWAII UNINSURED PROJECT

October 25, 2005

The Hawai'i Uninsured Project  
Hawaii Institute for Public Affairs  
American Savings Bank Tower  
1001 Bishop Street, Suite 1132  
Honolulu, Hawaii 96813

**SECTION I**  
**CALENDAR OF EVENTS**

<u>Activity</u>	<u>Scheduled Date</u>
RFP issued	October 26, 2005
Deadline to submit letter of interest	October 28, 2005 (5:00 p.m.)
Deadline to submit proposals	November 9, 2005* (5:00 p.m.)

Note: All time specified herein are based on Hawaii Standard Time (“HST”).

\*Proposals must be received via e-mail or FAX by 5:00 p.m. (HST), November 9, 2005. Late proposals shall not be considered.

The above dates are estimates only and are subject to change at HIPA’s sole discretion. HIPA reserves the right to change any date(s) as deemed necessary and in the best interest of HIPA.

**SECTION II**  
**INTRODUCTION**

A. Background

1. The Hawaii Institute for Public Affairs (“HIPA”), through the Hawai’i Uninsured Project, has been contracted by the Department of Commerce and Consumer Affairs of the State of Hawaii to provide research and technical support for the Health Care Task Force in developing a plan to provide health care coverage to all of Hawaii’s people pursuant to Act 223, Session Laws of Hawaii 2005 (**Appendix A**). In this capacity, HIPA seeks the services of a consultant to analyze the costs and benefits of establishing a single payer system **versus** Hawaii’s existing hybrid system of employer-sponsored and government-supported health care coverage.

B. Purpose

1. HIPA seeks to have a consultant analyze House Bill 1617 (**Appendix B**) to determine the costs and benefits associated with it and other related issues.

**SECTION III**  
**SCOPE OF WORK**

The Contractor shall:

A. Analyze the costs and benefits of a single payer system for Hawaii as outlined in H.B. 1617. The cost analysis shall estimate the total cost for a single payer system, to include the amount of state funds required. The cost analysis shall evaluate the financial impact, including:

- (a) the extent to which mandating coverage will increase or decrease the cost of the service;
- (b) the extent to which mandating coverage will increase use of the service and attendant costs;
- (c) the extent to which the mandated service will be used as a substitute for a more expensive service and result in cost savings;
- (d) the extent to which mandating coverage will increase or decrease the administrative expense of carriers, and the premiums and administrative expenses of policyholders, members of mutual benefit societies, and subscribers of health maintenance organizations;
- (e) the effect of mandating coverage on the total cost of health care;
- (f) the effect of mandating coverage on consumer access to health insurance, and on employers' ability to purchase health benefits policies to meet employees' needs.

B. Analyze the cost and benefit differential between the single payer system and the system currently in place in Hawaii, including any administrative cost savings.

C. Evaluate whether the existing Hawaii healthcare delivery system can support a single payer system.

D. Evaluate the effects that a single payer system will have on healthcare providers, including their ability and willingness to remain in Hawaii.

E. Evaluate the costs associated with non-Hawaii residents coming to Hawaii to take advantage of the single payer system.

The basic assumptions to be used in conducting the study are as follows:

1. The benefits package to be offered by the single payer system will be the same as the benefits packaged offered by the Hawaii Employer Union Health Benefits Trust Fund and shall include medical, dental, vision and drug.
2. Reimbursement rates for providers shall be the current Medicare reimbursement rates, current rates plus five percent, and current rates plus ten percent.
3. Assume a moderate level of managed care.

4. Assume that all persons in Hawaii who wish to be part of the program will be covered, except those insured through the Federal Employee Health Benefit Plan, Medicare, and TRICARE.

HIPA reserves the right in its sole discretion to reduce the scope of work prior to entering into the Contract because the fee proposals are not yet known.

#### **SECTION IV** **COMPENSATION**

A. Hourly or Aggregate Fee

An Offeror shall specify hourly fees or an aggregate fee charged for services provided under this RFP.

B. Maximum Amount of Compensation

The Offeror shall indicate a maximum amount of compensation payable to the Offeror for services provided under this RFP. The total compensation paid to the CONTRACTOR shall not exceed this amount.

D. Cost Estimates

The Offeror shall estimate the cost associated with performing each of A through E of the Scope of Work. This will assist HIPA in determining whether all services will be included in the final Contract.

E. Method of Payment

The CONTRACTOR shall submit a monthly invoice for services rendered under the Contract to HIPA.

**SECTION V**  
**ADMINISTRATIVE PROVISIONS**

A. Issuing Officer

This RFP is issued by HIPA. The individual listed below is the sole point of contact from the date this RFP is issued until the award of the Contract.

Ms. Laurel Johnston  
Executive Director  
The Hawai'i Uninsured Project  
Hawaii Institute for Public Affairs  
American Savings Bank Tower, Suite 1132  
Honolulu, HI 96813

Telephone: (808) 585-7931 (ext. 102)  
Fax: (808) 585-7932  
E-mail: ljohnston@hipaonline.com

B. Letter of Interest

Offerors shall submit a letter of interest via FAX or e-mail by 5:00 p.m. HST on October 28, 2005. The purpose of submitting a letter of interest is to provide a point of contact with HIPA in case there are amendments or changes to the RFP or the process.

C. Offeror's Questions on the RFP

If an Offeror has any question on the provisions of the RFP, the Offeror may contact the Issuing Officer. Offerors shall not receive copies of each others questions or the responses to those questions.

D. RFP Amendments

HIPA reserves the right to amend this RFP any time prior to the closing date for final receipt of proposals (i.e., prior to 5:00 p.m. HST on November 9, 2005).

E. Cancellation of RFP/Rejection of Proposals

1. HIPA reserves the right to cancel the RFP when, in HIPA's opinion, such cancellation is in the best interest of HIPA, the Health Care Task Force, or the State of Hawaii.
2. HIPA may reject any and or all proposals, in whole or in part, and waive any defects, when in HIPA's opinion, such rejection or waiver will be in the best interest of HIPA.

3. HIPA, the Health Care Task Force, and the State of Hawaii shall not be liable for any costs, expenses, loss of profits, or damages whatsoever incurred by the Offerors in the event this RFP is canceled or a proposal is rejected.
4. Multiple, alternate, or conditional proposals shall not be accepted.

**SECTION V**  
**OFFEROR'S QUALIFICATIONS AND EXPERIENCE**

A. Company Description

1. State the name, address, telephone, e-mail and Internet addresses and fax number(s) of your corporate offices and the principal contact for this RFP.
2. Describe fully your company's corporate or other business entity structure, including the state of incorporation or formation and list any controlling stockholders, general partners, principals, etc.
3. State that the Offeror is in good standing and qualified to do business in the State of Hawaii.
4. Given your current contractual obligations, will your company have any problem providing the services required under this RFP?
5. Has any contract of your company ever been terminated for cause? If so, when, by whom and under what circumstances?

B. Professional Staff

1. It is preferred that the Offeror have at least five (5) years experience (within the preceding five (5) years of the award of the Contract) in providing relevant consulting services.
  - a. It shall be the Offeror's responsibility to ensure that any subcontractor of the Offeror complies with the provisions of this RFP.
2. Identify the individuals who would be responsible for the specific tasks required by this RFP, and provide background and experience information on each individual as they relate to the specific tasks, emphasizing their specific experience with providing health policy consulting and the relative contribution each is expected to make.
  - a. Please provide resumes of these individuals with your proposal.

C. Offeror's References

1. Each Offeror shall provide the names, addresses, contact persons, and telephone numbers of at least three (3) clients who can be contacted for reference purposes.
2. By providing the information under this section, the Offeror consents to HIPA contacting any of the Offeror's private sector and governmental clients for reference purposes.

**SECTION VII**  
**PROPOSAL SUBMISSION INSTRUCTIONS AND REQUIREMENTS**

A. Submission of Proposals

1. To be considered responsive, an Offeror's proposal must be for all items specified in this RFP (and any subsequent Addendum(s)). Any proposal offering any other set of terms and conditions contradictory to those included herein (or in any subsequent Addendum) may be rejected without further consideration. HIPA reserves the right to consider as acceptable only those proposals submitted in accordance with all requirements set forth in this RFP and which demonstrate an understanding of the scope of work. Any proposal offering any other set of terms and conditions, or terms and conditions contradictory to those included in this RFP, may be disqualified without further notice.

An offeror will be disqualified and the proposal automatically rejected for any one or more of the following non-exclusive reasons:

- Proof of collusion among offerors, in which case all proposals and offerors involved in the collusive action will be rejected.
- The offeror's lack of responsibility and cooperation as shown by past work.
- The proposal shows any noncompliance with applicable law.
- The proposal is conditional, incomplete, or irregular in such a way as to make the proposal incomplete, indefinite, or ambiguous as to its meaning.
- The proposal has any provision reserving the right to accept or reject award, or to enter into an agreement pursuant to an award, or provisions contrary to those required in the solicitation.
- The delivery of the proposal after the deadline specified in the timetable.
- The offeror's lack of sufficient experience to perform the work contemplated.

2. An Offeror shall prepare and submit a proposal that fully describes the services, time frame, and compensation that the Offeror proposes in response to this RFP. An Offeror shall describe how its proposal meets HIPA's needs. The description shall be in sufficient detail to enable HIPA to evaluate the services offered. This is in addition to any brochures or printed materials that may be submitted with this RFP.
  - a. The following format shall be used when responding to requirements of this RFP:
    1. Identify the relevant section number and heading;
    2. Repeat the relevant request, condition, or term; and
    3. Provide the response to the matter as appropriate.
  - b. Any supplemental information thought to be relevant, but not applicable to the specified categories, should be provided as an appendix to the proposal.
  - c. All proposal responses must be in accordance with the terms and conditions stated herein.
  - d. The Offeror shall submit a proposal in electronic format (MSWord protected or PDF readable).
3. An Offeror is required to submit its proposal using the Offeror's exact legal name, as registered in the state in which it is incorporated. Failure to do so may delay proper execution of the Contract. The original proposal response must also contain original signatures, and facsimiles shall not be accepted.
4. All materials submitted shall become the property of HIPA, unless otherwise noted, and shall not be returned.
5. Proposals must be received by the Issuing Officer not later than **5:00 p.m., HST, on November 9, 2005.** Proposals shall be submitted electronically to the Issuing Officer via the designated e-mail address or FAX with a follow-up telephone call to confirm receipt as follows:

E-mail: [ljohnston@hipaonline.com](mailto:ljohnston@hipaonline.com)  
FAX: (808) 585-7932  
TEL: (808) 585-7931 X102

  - a. Any proposal received after that date and time shall be rejected.



- b. The cover memo containing the proposal shall be marked:

“Proposal Submitted in Response to RFP for Consulting Services  
to the Hawai`i Uninsured Project  
(Name, address, FAX number and e-mail address of Offeror)”

- c. All proposals must formatted as either MSWord protected or Portable Document Format (PDF) readable documents using 12 point font for black ink printing on 8 ½" x 11" white paper.

7. Proposal Format

In addition to the other specific requirements noted in Section VII, each proposal shall contain the following sections.

- a. Cover letter;
- b. Table of Contents;
- c. Executive Summary (as described below);
- d. Statement of qualifications and experience (as described above);
- e. Management plan (this shall describe the management structure for the project);
- f. Facilities resources (this shall describe what non-Personnel resources Offeror will bring to bear);
- g. Compensation (as described above);
- h. Disclosure of conflicts of interest (this shall describe actual and potential conflicts of interest that might impair the ability of the Offeror to render an objective analysis).

8. Executive Summary

An Offeror shall provide an executive summary of the Offeror’s proposal that shall:

- a. Be detachable from the Offeror’s main proposal and not exceed three (3) pages;
- b. Fully disclose ALL materials facts, terms, and conditions, and include a detailed summary of:
  - 1. The Offeror’s qualifications and experience;
  - 2. The Offeror’s proposed fees (hourly per staff type; maximum annual; and maximum for the total contract);
  - 3. The Offeror’s costs and expenses, if any; and
  - 4. Why the Offeror should be selected.

9. Costs for Proposal Preparation

Any and all costs incurred by an Offeror in preparing or submitting a proposal shall be the Offeror's sole responsibility, and shall not be reimbursed by HIPA, the Health Care Task Force or the State of Hawaii whatsoever.

**VII. PROPOSAL EVALUATION AND SELECTION**

**A. Introduction**

1. Only those proposals that substantially meet all of the terms, conditions, and requirements specified in this RFP shall be considered. All other proposals shall be considered non-responsive and shall be eliminated from the evaluation and selection process.
2. HIPA is committed to a fair and impartial evaluation of all proposals received.
3. HIPA may recommend one or more proposals to the Health Care Task Force. The Health Care Task Force reserves the right to make the final selection of a vendor.

**B. Evaluation Criteria**

The evaluation shall be based on the following criteria and the corresponding point system:

	<u>Criteria</u>	<u>Maximum Points</u>
1.	Offeror's qualifications and experience	40
2.	Proposal	20
3.	Costs/fees	40
	TOTAL	100 ==

**C. Contract Period**

1. The Contract Period shall be determined by HIPA.
2. Thereafter, the Contract may be extended by mutual written agreement.
3. Either party may elect not to extend the Contract on the expiration or extension date of the Contract; provided that the party electing not to extend must notify the other party in writing at least ninety (90) calendar days prior to the expiration or extension date.

D. Contract Execution

1. The successful Offeror shall be required to enter into a formal written Contract with HIPA.
2. By bidding on this RFP, the Offeror agrees to such Contract, as supplemented and amended by HIPA in its sole discretion to meet the particular needs of this procurement.