

Clarifications and Responses to Questions regarding ASH Birch Building RFP

As of September 28, 2020

What is the position of ADOH if the \$3,000,000 to renovate the Birch property is not sufficient? Is the successful bidder then responsible to identify/obtain or otherwise invest its own funds in the project?

ADOH expects that the \$3 million will be sufficient to cover necessary renovations to the facility. The scope will include new utility meters to establish utility services separate from the main campus, and there may be upgrades to those systems at that time. Most of the work will be cosmetic in nature, since there are already separate rooms to accommodate sleeping quarters, showers, and restrooms for both men and women. The kitchen/break area is envisioned as a place to bring meals into for consumption; a full commercial kitchen will not be part of the scope at this time. It is not anticipated that the Operator would pay for any portion of the necessary renovations or furnishings, unless the Operator wishes to invest beyond the State's final, approved scope of work, which would not be reimbursed by the State.

What assumptions has ADOH made regarding the timelines regarding a potential renovation of the Birch building?

Fall 2020: Selection of Operator

Fall-Winter 2020-2021: Meetings between ADOH, Operator and ADOA to outline scope of work

Winter-Spring 2021: ADOA bids out work; renovation begins

June 30, 2021: Building ready for occupancy by late spring, early summer of next year

Per the RFP, since the successful bidder cannot bill AHCCCS directly for any of its services, what is the expectation for sources of operating funds for a non-behavioral health non-profit agency?

Suggestions for funding the ongoing operations of the facility include:

- Grants; fundraising;
- Program fees for long-staying participants who are able to pay from Disability or Social Security Benefits;
- Associated service providers who are able to bill Medicaid for services may be willing/able to invest fee income or other resources into the Operations.

What other government or non-government agencies has ADOH had conversations with about providing cash or non-cash resources, either directly or indirectly, in regards to this RFP?

ADOH has had informal discussions with several behavioral health organizations about the industry's ability to cover costs with the above suggested resources, and collected responses to an RFI earlier this year concerning potential funding strategies. The project is known to the County and City governmental jurisdictions in which it is located and both have been supportive of the concept, but have not been approached for funding.

Is the lease with ASH negotiable, either in terms of amount or in terms of when lease payments would commence?

ADHS/ASH would entertain negotiation, but final terms are subject to review by ADHS/ASH's Assistant AGs and ADOA Risk.

Are there any other plans under consideration regarding the potential alternative use of other buildings around the Birch building on the ASH campus?

No.

Have any service delivery assumptions been made by ADOH or its program partners at the State?

Section 4.3 of the RFP describes the key service requirements. No inpatient physical, clinical or behavioral health services, or residential behavioral health services, may be made available on site. Physical and behavioral health service delivery needs to be headquartered off site, and/or brought into the facility on an as needed basis by an outpatient service provider, and/or arrangements will need to be made for transportation to off-site locations. In other words, physical and behavioral health services cannot be established on-site exclusively for program participants. In addition, AHCCCS residents shall have a choice of all contracted outpatient providers and cannot be limited by the facility operator in any manner. This does not apply to general shelter services, operations or accommodations the shelter operator may include in their proposal such as food or laundry services, security or 24/7 shelter staffing,

Under what conditions can an interested bidder have access to inspect the current condition and configuration of the building/site?

A date/time will be announced via an ADOH Information Bulletin for any interested bidders to take a tour of the facility in September.

Do the service provider and shelter operator need to be separate legal entities

No. The shelter operator could be another division or arm of the service provider, however, care would need to be taken that the service division or arm not establish permanent clinical space for the delivery of services 24/7 within the facility. The service provider would need to bill Medicaid individually for outpatient services on behalf of program participants, just like they would for other program participants living independently outside of a licensed facility. Also, as described above, AHCCCS members residing in the Transitional Shelter program should still have a choice of all contracted outpatient providers and could not be limited by the facility operator to exclusive use of outpatient services provided by their related party service provider.

Is there a middle ground between a kitchen used for seating/eating and a commercial kitchen (eg, use of a stove, oven, toaster, mixer, etc. common in everyday homes)? If possible, we would like to have as much kitchen equipment as possible to teach healthy cooking skills and to use food preparation as an employment training and resume building program. Since the facility will be serving three meals a day to 50 individuals there needs to be sufficient space and equipment in the kitchen and dining area. If the food is delivered, it is not likely that it will be

brought in individual servings, so the food will have to be served and in some cases reheated. In addition, the RFP indicated that dietary restrictions will be followed.

It is recommended that the Applicant connect with Maricopa County Health Department to discuss licensing requirements for foodservice/handling as it relates to a commercial kitchen.

4.3.1 says “Outpatient services to be provided to Participants may include but are not limited to” items a through n, but 4.3.2 says “No Medicaid reimbursable services may be provided at the Transitional Shelter with the exception noted in 4.3.1.” Can you clarify and is personal assistance a Medicaid reimbursable service for activities of daily living for which the participants require assistance?

Many if not most of the individuals referred to the facility will have had experience in other housing situations where they have not been successful due to their lack of personal living skills and mental health instability. In order for them to be successful in their next setting, substantial efforts will need to occur to ensure that they succeed in their next placement. The necessary services will need to include personal living skills, assistance with the self-administration of medications and services to address individual needs identified in their assessments. While a list of outpatient services has been identified in the RFP there are other services that are available to Medicaid members that are not identified. Are you indicating that only certain Outpatient Medicaid reimbursable services can be provided at this facility? Currently, Outpatient Medicaid reimbursable services can be delivered wherever the person lives with the exception of Jails, Inpatient and residential settings.

The list of Medicaid reimbursable services that was included in the RFP was intended to provide guidance and identify potential key services that would be appropriate for the proposed Transitional Shelter project but it was not intended to be comprehensive. It will be the responsibility of the outpatient service provider to develop and establish a program model of appropriate outpatient wrap around supportive services to be provided at or in coordination with the Transitional Shelter operations. The ability of the provider to secure Medicaid reimbursement for any particular service will be determined by the qualifications of the provider and its ability to deliver these services consistent with established AHCCCS reimbursement standards and coding requirements.

As noted in the RFP and subsequent clarifications, regardless of what services the outpatient service provider elected to offer, the entity would have to deliver the services in such a way as to avoid a determination that the facility is an Institution for Mental Disease (IMD) (42 CFR 435.1010).

Can referrals be either T19 or NT19 and from any health plan, including plans outside of Maricopa County?

It is AHCCCS’ understanding that Birch Transitional Shelter referrals will be aligned with the Maricopa Regional Continuum of Care Coordinated Entry System based on presenting needs including potential mental health challenges and other established prioritization criteria. This could include persons presenting with mental health symptoms or conditions but who are not currently enrolled or connected to services. Therefore, the Transitional Shelter may serve persons determined SMI as well as GMH/SUD members. Potential residents could include T19 and NT19 members as well. Finally, program residents could potentially come from any health plan, including

plans outside of Maricopa County or persons not currently on any health plan. One primary function of the Transitional Shelter program will be to assist residents to enroll in and connect to appropriate behavioral health services to meet their needs.

Per 4.3.5, the transitional Shelter must have an appropriate number of staff onsite 24/7/365. If the Shelter operator uses staff from outside or affiliated organizations, can these staff bill the services outlined in 4.3.1 during the day or night?

Per the RFP, the Shelter Operator is required to provide appropriate on-site 24/7/365 staff to manage and oversee room and board/shelter operation functions. The RFP also asks the Offeror to describe how outpatient Medicaid reimbursable supportive services will be provided. If staff from outside or affiliated organizations provide outpatient services as described in 4.3.1, Medicaid reimbursement would have to be consistent with current established reimbursement and payment standards. The Offeror should describe how it will coordinate these two functions to meet program participants' needs without creating an IMD pursuant to 42 CFR 435.1010.

Can any portion of the budget be used for startup operating costs for the first couple of months as long as the budget does not exceed \$3 million?

If funding remains available after needed improvements to the facility are completed ADOH may consider providing operating reserves for the facility.

For current permanent supported housing and residential programs, some or all of the housing operators' room and board costs are separately covered through Non-Medicaid state housing dollars. Can any portion of the RFP funding request (or separate dollars from ADOH) be available for non-Medicaid reimbursable room & board (especially to the extent that participants do not have income)?

Currently, the RBHA has at least two transitional housing programs that are at least partially funded by Non-Title XIX funds. Does the current RFP prohibit the Bidder from seeking funds from these entities? The RFP talks about not using Medicaid funds for housing but does not indicate the non-Medicaid funds cannot be used.

The use of RFP funding (or separate dollars from ADOH) to cover non-Medicaid reimbursable room & board is at the discretion of ADOH. AHCCCS would defer to ADOH on this matter.

In regards to the use of Non-Medicaid funding, the Offeror is not prohibited and may identify additional Non-Medicaid funding including other Federal, State, or local government or private sector grants to cover room and board or other shelter operations cost and staffing. These sources should be documented in the budget template included with this application. In regards to Non-Medicaid state housing funds administered by the RBHA, at this time no additional funding has been requested from AHCCCS or allocated for this project by the RBHA.

Since the facility will require beds and individual storage space, can these costs be included in the renovation? Many of these individuals will be receiving medications and will need private locked storage areas to keep the medications safe and secure. Can these be built in the rooms using renovation funds?

Reasonable and necessary furnishings to make the project operational may be included in the use of the \$3 million set aside for the facility.

The RFP asks how evidence-based practices such as Housing First will be used at the facility. Housing First principles apply to permanent supported housing and do not readily translate to transitional housing. Can ADOH describe how they believe these principles would apply on a transitional setting? We certainly agree that they would apply when the person is placed in a permanent setting but unsure how they apply to this facility.

The question is correct in stating that Housing First is technically a Permanent Supportive Housing (PSH) model. With that said, many of the evidence based practices and principles of Housing First have been documented to also be applicable in the successful delivery of other types of homeless and behavioral health services systems especially for engaging and serving the hard to serve population identified to be the focus of this project.

In response to the next line of questions, please note: The Arizona Department of Housing has set aside funding to make necessary repairs and reasonable renovations to the building, prior to the beginning of any lease date offered to the selected Operator, and that all work will be carried out by the Arizona Department of Administration. Selected Operators may participate in design and renovation planning sessions with ADOH and ADOA, but will not be responsible for executing any of the actions described below.

Can you provide any and all existing building plans to provide architectural information (and cost estimation) about the existing building, especially mechanical and electrical systems.

Yes. We will make available the limited schematic drawings that we have available* - please keep in mind, these schematics are not entirely relevant since the building will be renovated prior to use to meet the needs of the eventual operator.

*Materials will be posted on the ADOH's website adjacent to the Clarifications.

Please clarify that the chilled water system for the existing mechanical systems will be discontinued.

Yes. Pending funding the Hospital intends to terminate chilled/comfort heating water to the Birch facility and require this building to function on a free-standing chiller and boiler.

Please verify that power, water, sewer systems connection points are existing and will not be terminated or be required to be relocated.

Yes. Utility connections are in place and will not be relocated unless necessary to meet the programmatic design of the operator's proposal and pursuant to the costs associated.

Please verify that the existing fire alarm will remain active.

Pending funding - it is the Hospital's intent to sever the fire alarm system for Birch from the rest of the hospital campus. ASH will not be responsible for providing fire alarm monitoring to the Birch facility.

Please verify if the existing control fencing on the west side entry is required to remain.

All existing fencing must remain in place to ensure ASH maintains and secure perimeter. Furthermore, should the respondent's program utilize the patio directly off the south side of Birch, a no-climb fence must be installed to surround that area as well.