

COUNTY OF WESTMORELAND, PENNSYLVANIA

REQUEST FOR PROPOSALS

**MANAGEMENT FIRM TO MANAGE OPERATION OF
WESTMORELAND COUNTY'S SKILLED NURSING FACILITY
WESTMORELAND MANOR**

NOTICE TO PROPOSERS

REQUEST FOR PROPOSALS #_____

Sealed Proposals for a Management Firm to manage the operation of Westmoreland Manor, Westmoreland County's Skilled Nursing Facility, will be received by the Westmoreland County Controller, 2 North Main Street, Suite 111, Greensburg, PA 15601 until **2:00 P.M.** Eastern Daylight Time on **Friday October 25, 2013**.

Documents describing the terms of the Request for Proposals (RFP) may be obtained at the office of the Westmoreland County Controller, 2 North Main Street, Suite 111, Greensburg, PA 15601, or may be downloaded from the Westmoreland County web site at www.co.westmoreland.pa.us. Interested Proposers should register on-line and provide contact information to receive communications relating to this RFP should there be need to update or modify RFP information.

A pre-submission meeting with interested Proposers will be held on **Tuesday October 15, 2013**, at **10:00 A.M.** in the Multi-Purpose Room at Westmoreland Manor, located at 2480 South Grande Boulevard, Greensburg (Hempfield Township) Pennsylvania. While not mandatory, attendance is strongly encouraged.

REQUEST FOR PROPOSALS (RFP)

MANAGEMENT FIRM TO MANAGE OPERATION OF WESTMORELAND COUNTY'S SKILLED NURSING FACILITY WESTMORELAND MANOR

GENERAL INFORMATION

The County of Westmoreland is located in the southwestern region of the Commonwealth of Pennsylvania, and has a population of approximately 364,000. The County is governed by a Board of three County Commissioners, which has both legislative and executive authority. Since December of 1996, Westmoreland County has contracted for management services to operate the county-owned Westmoreland Manor skilled nursing facility. Under the current contract, the Administrator and Director of Nursing are employed by the management firm, while all other nursing facility employees are employed by Westmoreland County. Full time County employees are represented by Service Employees International Union, Health Care. Pharmacy services, physical therapy, and other medical and healthcare services are provided by independent contractors.

Due to changes taking place in the provision of long term care and the declining availability of State and Federal funds for such operations, the County is currently exploring options for the future management and operation of Westmoreland Manor, and seeks an experienced Management Firm to advise and assist the County in this endeavor. Westmoreland Manor has been operating on a self-funded basis without need for appropriations of tax dollars from the county treasury, and the County Commissioners desire to continue operating in this manner.

The County is seeking a qualified independent contractor who will continue to provide high quality services to the residents of Westmoreland Manor, while achieving cost savings to avoid or minimize the need to use local tax dollars to cover operating expenses. The initial term of the management contract is expected to begin on January 1, 2014, and is intended to be within a range of three years to five years, with options for extending the contract for additional terms of one to three years each. The final determination of initial term and extension options will be subject to negotiations with the successful Proposer.

A non-mandatory pre-submission meeting of interested Proposers will be held on **Tuesday October 15, 2013, at 10:00 A.M.** in the Multi-Purpose Room at Westmoreland Manor, located at 2480 South Grande Boulevard, Greensburg (Hempfield Township) Pennsylvania, to enable interested Proposers to view the physical layout of the facility and observe the operation of the facility.

SCOPE OF SERVICES

I. THE FACILITY:

A. Westmoreland Manor is located in Hempfield Township, Westmoreland County, at the street address 2480 South Grande Boulevard, Greensburg, PA 15601. Westmoreland Manor is licensed for 408 beds and is certified for Medicare and Medicaid.

B. Westmoreland Manor currently provides an array of healthcare services to meet the needs of individuals who may be recovering from an illness or injury or in need of long term nursing care. Medical Services include Rehabilitation, Skilled Nursing, On-site Physicians, On-site Clinics (Podiatry, Dentistry, Ophthalmology, Audiology, Psychiatry, Psychology, Vascular Surgeon); and Enhanced Services include Wound Care, Surgical Recovery, Bariatric Program, Palliative Care, Hospice Care, and Respite Care; and Therapy Services include Physical Therapy, Occupational Therapy, Speech Therapy, Respiratory Therapy and IV Therapy. In addition, Westmoreland Manor operates 21 Independent Living apartments within the Westmoreland Manor building complex, providing residents with access to services and activities in the building. More information is available at the Westmoreland Manor web site www.westmorelandmanor.org.

II. SCOPE OF WORK:

A. Contractor's Responsibilities:

The Proposer selected for award of a management contract shall perform management services in accordance with the requirements of this RFP and any addenda thereto, and shall sign a Contract that incorporates such requirements, along with such agreed-upon information and provisions provided in the Proposal.

The Proposer shall be required to manage the daily operations of Westmoreland Manor in full compliance with all statutes, rules, regulations, directives, practices and procedures required by Federal, State and local authorities, and shall follow generally accepted best practices and procedures for operation of skilled nursing homes.

The Proposer shall provide at Proposer's sole expense a licensed Nursing Home Administrator, and may provide such additional management employees as Proposer deems necessary, (such as Director of Nursing) who shall be employees of the Proposer for all purposes, including Workers Compensation, payment of compensation and fringe benefits, employer's FICA payments, withholding of all payroll taxes, etc. The Proposer shall provide and assign to work under the management contract only individuals who have experience with management services for skilled nursing facilities that provide long-term care principally for senior residents. The Proposer shall insure that all such individuals meet all statutory and regulatory requirements and standards for serving in Pennsylvania skilled nursing facilities, including all required criminal background checks.

The Administrator must be duly licensed and qualified under Pennsylvania law to serve in such capacity, and shall be responsible for administration of the Facility as provided in 28 Pa. Code §201.18

Westmoreland Manor operates under the Westmoreland County budget and fiscal year, which is based on the calendar year. The Proposer shall be responsible for preparing an annual proposed operating budget for Westmoreland Manor that shall be presented not later than September 1st of each year for review and approval by the Westmoreland County Department of Financial Administration. The annual budget for Westmoreland Manor as adopted by the Board of County Commissioners shall be binding on the Proposer, and the Proposer must conform to the annual budget regarding all expenditures associated with providing services at Westmoreland Manor. The Proposer will be expected to generate sufficient revenues from payment sources other than the Westmoreland County Treasury so as to continue the present practice of operating the facility without requiring the appropriation of County General Fund tax dollars.

The Proposer's management employees will be expected to meet with and provide pertinent information to the Board of County Commissioners, the County Director of Financial Administration, and other County management regarding the operations of Westmoreland Manor, both on a regularly scheduled basis (e.g., monthly updates) and additionally as often as the County deems necessary. The Proposer will serve as primary consultant for the County with respect to all regulatory matters impacting the operations of Westmoreland Manor, and will be responsible for instituting all plans, practices and procedures necessary to assure compliance with all applicable statutes, rules, regulations, directives, practices and procedures required by Federal, State and local authorities.

B. County's Responsibilities:

Westmoreland County shall provide use of office space located in the Westmoreland Manor building, including use of existing office furniture, telephone equipment and services (limited to Westmoreland Manor business), and existing computer equipment. The expenses of such building and equipment provided by the County shall be included in the budget for the operation of Westmoreland Manor for which the successful Management Firm will be responsible.

Westmoreland County shall provide access to budget information associated with the operation of the Westmoreland Manor facility for the current fiscal year and two previous years.

With the exception of the management positions for which the Proposer is responsible under subsection A above, Westmoreland County shall employ or contract for services of all personnel necessary to operate Westmoreland Manor, subject to the discretion of the Westmoreland County Salary Board in authorizing the creation of job positions and fixing compensation rates, as provided by state statute, and further subject to the discretion of the Board of Commissioners in approving contracts and adopting annual budgets that limit expenditures in the operation of Westmoreland Manor.

Westmoreland County shall engage the services of a qualified physician to serve as Medical Director of Westmoreland Manor, and who shall oversee the delivery of clinical care or

medical care for residents by the residents' attending physicians. The Proposer shall not be responsible for medical and health care decisions that legally must be managed by physicians and medical professionals, but shall be responsible for maintaining appropriate policies and procedures to assure that all residents have arrangements for attending physicians and such other medical professionals as may be required to oversee and administer their medical care.

Westmoreland County shall cooperate with the Proposer in contracting for such equipment, goods and services as may reasonably be necessary for the proper operation of the Westmoreland Manor facility, subject to the discretion of the Board of County Commissioners and compliance with applicable budget constraints.

III. INSURANCE REQUIREMENTS

A. The Proposer will be required to procure and maintain at Proposer's sole expense the following insurance coverage:

1. Workers' Compensation and Employer's Liability Insurance policy or policies providing protection for Proposer's employees in the event of job related injuries.

2. General Liability Insurance policy or policies in the following minimum coverage amounts:

Property Damage	\$1,000,000 per claim/\$2,000,000 aggregate
Bodily Injury	\$1,000,000 per claim/\$2,000,000 aggregate
Personal Injury	\$1,000,000 per claim/\$2,000,000 aggregate
Umbrella	\$2,000,000 aggregate

3. Professional Liability Insurance policy or policies with minimum coverage of \$1,000,000 per claim/\$2,000,000 aggregate

4. Errors and Omissions Insurance policy or policies with minimum coverage of \$1,000,000 per claim/\$2,000,000 aggregate

CONTENT OF PROPOSALS

All Proposals must include information addressing the following:

I. STATEMENT OF QUALIFICATIONS:

The Proposal shall include a Statement of Qualifications containing the following:

A. Complete legal name of your firm, principal business address, and a brief history and description of the firm's operations.

B. Names of the professional staff members who will be involved in the services to be provided to Westmoreland County under the Management Agreement, the education, training and experience of each person, and the location of the office from which each staff member works.

C. Name and title of the person(s) authorized to bind the Proposer to a Management Agreement, and contact information, including address, telephone number(s) and email address.

D. References from public bodies or private owners for whom nursing home management services similar in scope and nature to those contemplated in this RFP have been provided within the past five years, including names, addresses, telephone numbers, email addresses, and a description of the services performed. These references are not required if all nursing homes managed by the Proposer are also owned by the Proposer, but all information relating to all such Proposer-owned nursing homes shall be supplied as required under subparagraph II. Long Term Care Experience.

E. Any additional information that the Proposer considers relevant to demonstrate the firm's ability to perform all nursing home management services contemplated in this RFP.

Westmoreland County shall have the right to make such investigation as it deems necessary to determine the ability of the Proposer to perform the work under the agreement contemplated in this RFP.

II. LONG TERM CARE EXPERIENCE:

A. The Proposer must have at least five (5) years of continuous corporate experience. Describe in detail and provide materials pertinent to showing Proposer's experience in the long-term care industry, as well as any other health care related experience.

B. Provide name and address of each public and private nursing home/long term care facility owned, leased or operated by Proposer or any member of its ownership structure during the past ten (10) years. Specify which are owned, leased, or operated pursuant to management agreement, and the term (dates) of any contracts, description of type and size of facilities, and scope of services provided. Provide complete contact information (name of client and contact person, address, email address, telephone number) for these facilities, specifically identifying facilities that are comparable to Westmoreland Manor.

C. For each facility identified under subparagraph B above, provide all Federal and State licensure, inspection, citation and other regulatory compliance information for the five (5) most recent annual surveys.

D. The Proposer must demonstrate to the satisfaction of the County that it has a history of successfully performing its contractual obligations without default, without imposition of fines or penalties for failure to perform as promised and in accordance with law and regulations, and without excessive litigation involving claims of negligence, civil rights violations, or breach of contract for nursing home management services.

E. The Proposer must list any contracts that were terminated or not renewed upon expiration within the last five years, giving the client name and address, contact person, e-mail address and phone number; and the reason for termination or non-renewal.

F. Identify any individual shareholders or owners of your company or entity that own or control an interest of 5% or more in your operation, and any individual who meets the Centers for Medicare & Medicaid Services (CMS) definition of being in a position of "managerial control."

III. FACILITY PERSONNEL:

A. The Proposer shall identify by position title and job description all of the management personnel who will be provided at Proposer's sole expense to perform the services necessary for administration of Westmoreland Manor. The Proposer must include a resume for its candidate for each position, and proof of each person's qualifications (including any required licenses).

B. The Proposer shall identify the personnel and staffing levels that Proposer projects that Westmoreland County will need to employ to operate Westmoreland Manor. Current staffing information will be provided at the pre-submission meeting of Proposers.

IV. PLAN OF OPERATION:

A. The Proposer shall provide a plan describing how the Proposer envisions the organization and operation of the various departments of Westmoreland Manor, and how and where Proposer anticipates that its management personnel can achieve cost savings in future operations. The plan should address the matters set forth in the Scope of Work section of this RFP. The Plan should address the occupancy levels and population mix (self-pay and Medical Assistance) along with projected per diem rates, as well as any other revenue-generating uses of the Facility that Proposer believes to be necessary to generate sufficient revenues to support the operations of the Facility.

B. The Proposer's plan shall address any services currently provided by third party contractors, and any modifications that Proposer would institute to achieve cost savings.

C. The Proposer's plan shall address any capital expenditures, including repair or replacement of equipment that Proposer expects to propose to be made at the County's expense.

Proposer's plan must show how payment of capital costs will be amortized so they can be incorporated within the annual budget for operation of Westmoreland Manor.

D. The Proposer shall identify any subcontractors that Proposer expects to use in providing the management and administrative services required under the proposed contract with the County.

V. FINANCIAL MATTERS & COMPENSATION:

A. Proposer shall detail the fee structure for all management fees and other forms of compensation that Westmoreland County will have to pay for the Proposer's services in managing and operating Westmoreland Manor. Proposer shall explain how its fees will be covered by revenue sources other than County tax dollars.

B. Proposer shall include a proposed budget for Westmoreland Manor setting forth the revenues and expenditures that Proposer would propose to institute for the fiscal year of January 1, 2014 through December 31, 2014. A budget narrative should be included that identifies proposed changes from current budgeted revenue and expenditure levels, and the proposed budget must have sufficient line item detail to enable the County to evaluate the practicality of instituting the proposed budget.

VI. CONFLICTS OF INTEREST:

A. Since the Proposer may currently provide services to other nursing home facilities and/or other facilities offering services that are similar to those provided at Westmoreland Manor, and which may be located sufficiently near Westmoreland Manor as to be competing in the same market, the Proposer must disclose to the County in its proposal the existence of any interests it may have (or reasonably expects to have) with any companies or individuals for which a conflict of interest exists or may arise in the foreseeable future.

B. The Proposer shall explain in its proposal how the Proposer proposes to deal with existing or potential conflicts of interest, and how confidential or proprietary information will be protected from disclosure to any companies or individuals affiliated with competitors of Westmoreland Manor.

C. The Proposer shall disclose in its proposal the existence of any interests it may have, contractual or otherwise, with any County department, agency, Authority, elected official, officer or employee.

SUBMISSION OF PROPOSALS

1. The deadline for submission of Proposals in response to this RFP is **2:00 P.M.** Eastern Daylight Time, **Friday October 25, 2013**. An original signed Proposal and five (5) copies shall be submitted in a sealed opaque envelope (or other opaque container), with the Proposer's name and return address on the outside, along with the following recipient address information:

Westmoreland Manor Management Proposal
RFP Submission Deadline 2:00 P.M. October 25, 2013
Westmoreland County Controller
2 North Main Street, Suite 111
Greensburg PA 15601

The County shall not be responsible for premature opening of submissions that do not follow this labeling instruction.

Facsimile or e-mail transmittals will not be accepted. All RFP submissions will remain sealed until after the submission deadline, at which time the names of the firms from whom Proposals have been timely received shall be publicly announced. The Proposals will be privately opened and examined by representatives designated by the County Commissioners to screen for the best submissions.

The Proposal as submitted shall be the document upon which Westmoreland County will rely in making its initial judgment regarding the Proposer's qualifications, methodology, understanding of the contract scope and objectives, and Proposer's ability to satisfactorily complete all contracted services. Interviews will be scheduled with those Management Firms whose Proposals are considered the most beneficial to the County, and a contract will be awarded to the Management Firm selected by the Board of County Commissioners, in its sole discretion, as being in the best interest of the County.

2. Transmittal Letter: The Proposal shall be accompanied by a brief letter on the Proposer's letterhead, addressed to the County of Westmoreland, and shall include the following information:

- A. Correct legal name and address of the Proposer.
- B. Name, title, telephone, e-mail address and fax number of the contact person for the Proposer.
- C. A statement that the proposal is in response to this RFP and that the Proposer agrees to accept all the requirements of the RFP. Any exceptions to RFP requirements must be clearly identified.
- D. The signature, typed name and title of the individual who is authorized to commit the Proposer to the proposal. The signature must be an original manual signature, not a facsimile.

3. Each proposal must be responsive to the requirements set forth in this Request for

Proposals, and failure to include all information and documents required by this RFP may be cause for disqualification of the Proposal.

4. Proposals may be withdrawn until the submittal deadline. The Management Firm selected shall be obligated to sign a contract within thirty (30) days from the date of notice of award.

5. Questions involving scope of work, contract terms, and submission of proposals must be submitted in writing to Vera Spina, Westmoreland County Chief Clerk, 2 North Main Street, Suite 101, Greensburg, PA 15601, or by email to vspina@co.westmoreland.pa.us. A response will be given within five business days.

6. By submitting a Proposal, the Proposer agrees that the materials presented to the County of Westmoreland will become the sole property of the County of Westmoreland, and further agrees that the County may share such materials with any persons deemed appropriate by the County, at the sole discretion of the County and its authorized officers, agents and/or employees. Any materials considered by the Proposer to be confidential and proprietary must be clearly marked as such. The ability of the County to treat such materials as confidential will depend upon their qualification as confidential under the Pennsylvania Right-to-Know Law (RTKL), and may be subject to disclosure if necessary to comply with the RTKL.

7. Under no circumstance shall the County of Westmoreland be responsible for any costs or expenses incurred by a Proposer in preparing a Proposal for submission in response to this Request for Proposals.

PROCEDURE FOR AWARD OF CONTRACT

1. The County shall review all submitted proposals to determine which Management Firms may best serve the needs of the County. Factors that will be considered include professional qualifications of the Management Firm and all personnel proposed to assist in services to the County, specific experience in managing government-owned nursing homes, responsiveness of the Proposal to the requirements of the RFP, ability to carry out all services identified in the Scope of Work section of this RFP, viability of the Proposer's Plan of Operations, Proposer's personnel and staffing level projections, and cost effectiveness of the Proposal. Additional factors may be considered as they may become apparent during the course of discussions with the Management Firms under consideration for award of the contract.

2. The Proposer may be required to meet with County representatives for one or more interviews prior to the selection of one or more Proposers who will be recommended to the Board of County Commissioners for final interviews. The Westmoreland County Commissioners reserve the right to negotiate the scope of services and specific terms of the contract. The Proposer agrees to negotiate in good faith with the County to enter into a formal agreement with the County, with such agreement substantially incorporating the terms and conditions in the RFP.

3. Final approval for award of the contract shall be at the sole discretion of the Board of County Commissioners. The Westmoreland County Commissioners reserve the right to reject

any or all Proposals.

4. The Agreement will incorporate, in order of precedence, the following:

- A. The Management Services Agreement.
- B. The terms and conditions contained in this RFP document.
- C. The proposal submitted by the Proposer.

5. The successful Proposer shall commence work only after the transmittal of a fully executed contract and all required insurance certificates, and after receiving written notification to proceed from the County. The successful Proposer will perform all services indicated in the Proposal in compliance with the negotiated contract.