

State of Wisconsin

Department of Health Services



**Long-term Care
Industry Study**

Request for Services

S-1167 DHS-23

Event Number: 12319

Responses Due: June 24, 2022 at 2:00 p.m. CDT

Procurement Manager: Tory Ortscheid

Date of Issue: June 9, 2022

Long-term Care Industry Study

Attachments:

Attachment A - Cost Sheet

Attachment B - Vendor Questions Submittal Sheet

Definitions

For the purposes of this Request for Service and resulting Contract(s), the following definitions of terms shall apply, unless otherwise indicated.

Agency, Department, or DHS:	Wisconsin Department of Health Services.
Contract or Agreement:	The written agreement between the successful Vendor and the State covering the goods and services to be performed pursuant to this RFS.
eSupplier	Wisconsin's statewide electronic purchasing information system.
National Comparison:	Researching a specific social institution, trend, or phenomenon nationally using the same research methods, with the intention of comparing how this institution, trend, or phenomenon manifests in different geographic settings.
Procurement Manager:	The Procuring Agency's procurement specialist or other person responsible for overseeing and administering the procurement process.
Regional Analysis:	The search for explanations as to why such regional phenomena are constant across a geographic location, or why differences occur within a region.
RFS:	Request for Service.
State:	The State of Wisconsin.

INTRODUCTION

Scope and Background

The Department of Health Services (DHS) is seeking responses for a consultant/consulting service to conduct a market study of the long-term care (LTC) industry in Wisconsin and the State's role in supporting the industry. In this context, "long-term care" includes nursing homes, licensed assisted living facilities, 1- to 2-bed adult family homes, and independent living with medical and home- and community-based supports for individuals who are elderly or who have physical, intellectual, and developmental disabilities.

LTC industry leaders frequently approach the State for help in addressing financial and operational needs of facilities and community-based care providers. LTC leadership believes the industry is quickly eroding and many facilities could close or downsize without a sustainable "fix."

DHS will engage a consultant to **conduct a market study with three main components**. Throughout the analysis and recommendations, the consultant will be expected to consider health equity implications for individuals receiving services.

Procurement Manager

All communication and/or questions on all matters regarding this Request for Services must be made in writing and refer to Request for Services Wisconsin Long-term Care Industry Study S-1167 DHS-23 and be directed to the DHS Procurement Manager: Tory Ortscheid at dhsprocurement@dhs.wisconsin.gov.

Any contact or communication with any employee or officer of the State of Wisconsin concerning this RFS, with the exception of the Procurement Manager, is strictly prohibited from the date this RFS is released until the notification of contracting. Vendors who hold a current Contract with DHS may continue to communicate with the appropriate Contract Administrator regarding the performance of that current Contract.

Contracts

The Department has sole discretion to select the Vendor(s) with which to enter into a Contract and is not subject to appeal either formal or otherwise.

Any Contracts awarded as a result of this RFS will run from the Contract start date for eight months.

Long-term Care Industry Study

All Vendors who respond to this RFS will be notified in writing of DHS' intent to award the Contract.

Calendar of Events

Listed below are dates and times of actions related to this RFS. The events with specific dates must be completed as indicated unless otherwise amended by the DHS. In the event that DHS finds it necessary to change any of the specific dates and times in the Calendar of Events listed below, it will do so by issuing an amendment to this RFS.

Date	Event
June 9, 2022	Date of issue of the RFS - Posted to eSupplier Portal
June 15, 2022 at 2:00 p.m. CDT	Written Questions Due
June 20, 2022 - <i>Estimated</i>	Responses to Questions Posted on eSupplier Portal - <i>Estimated</i>
June 24, 2022 at 2:00 p.m. CDT	Responses Due - late submissions will not be accepted
July 1, 2022 - <i>Estimated</i>	Vendor Selection – <i>Estimated</i>
August 1, 2022 - <i>Estimated</i>	Contract Start Date – <i>Estimated</i>

Vendor Questions

Vendors are expected to raise any questions, exceptions, or additions they have concerning the RFS document by the Question Due Date specified in the Calendar of Events. Questions must be submitted to the Procurement Manager in writing using the Vendor Questions Submittal Sheet provided in Attachment B.

1 REQUIREMENTS

This section of the RFS contains an overview and description of the DHS objectives and requirements. The Vendor is required to provide narrative responses in this section, outlining the specifics of how their proposed solution will meet the associated objectives and requirements.

Instructions: Use the Vendor Response sections below to provide specific details of the proposed approach to meeting the objectives and functional requirements in each market study component.

Long-term Care Industry Study

Responses in this section must be highly focused on the DHS requirements and not generic or marketing descriptions of capabilities. Responses should be comprehensive and contain details of the full solution being proposed.

1.1 Retrospective Analysis

Conduct a root-cause analysis of challenges in cost and reimbursement structure, labor shortages, operational impediments, and meeting federal and State quality assurance standards.

Requirement: Retrospective Financial and Operational Analysis: Three-to-five-year lookback

- 1.1.1 *National Comparison* - Compare Wisconsin trends to national averages, across all available LTC settings, in the following:
 - 1.1.1.1 Funding case mix
 - 1.1.1.2 Service utilization
 - 1.1.1.3 Community integration
 - 1.1.1.4 Rehabilitation versus residential case mix within nursing homes

- 1.1.2 *Regional Analysis* - Analyze the following by geographic service area in the state:
 - 1.1.2.1 Demographic and economic trends.
 - 1.1.2.2 Census of types of LTC facilities, types of services, and payer mix.
 - 1.1.2.3 Referral patterns from health care systems and hospitals to the LTC facilities.
 - 1.1.2.4 Age and condition of the physical buildings, by type of LTC facility.
 - 1.1.2.5 Labor pool and root causes of staffing shortages (e.g., are benefits and wages equitable and competitive).
 - 1.1.2.6 What facilities in Wisconsin are highly rated for compliance with quality standards and continuous quality improvement? What are the attributes of their success?
 - 1.1.2.7 Financial stability
 - 1.1.2.7.1 What facilities are successful financially and operationally and why?
 - 1.1.2.7.2 What factors place facilities at risk of closure or downsizing?
 - 1.1.2.8 Based on similar acuity levels, what is the cost of care in various facility-based and community-based settings?

Vendor Response 1: Vendor shall submit a detailed proposal describing their proposed study design across these questions of interest, including available data sources, sample information, outcome measures, and other relevant information that would demonstrate the vendor's ability to conduct this analysis and provide the information requested.

1.2 Prospective Analysis

This component of the market study focuses forecasting the future-state of the long-term care industry to determine consumers' preferences for long-term care in the next five-to-ten-years, and whether Wisconsin's LTC industry is positioned to meet these needs.

Requirement: Prospective Financial and Operational Analysis: Five-to-ten-year lookahead

- 1.2.1 *Future Demand* - Analyze the following questions related to consumer demand for LTC services:
 - 1.2.1.1 What is the projected demand for nursing home and other LTC service categories?
 - 1.2.1.2 How will policy systems and programs currently in place affect future demand for services (e.g., family care and other community residential options)?
 - 1.2.1.3 As the next generation of LTC residents start to seek care, what areas or services will see the highest increase in demand?

- 1.2.2 *Future Supply* - Analyze the following questions related to provider supply of LTC services:
 - 1.2.2.1 Do we expect there will be consolidation, downsizing, and/or closure due to demographic trends of the service area?
 - 1.2.2.2 What will be the projected balance of rehabilitation services and long-term residential services?
 - 1.2.2.3 What is the regional "right size" of the various sectors of the LTC system based on future demand?

Vendor Response 2: Vendor shall submit a detailed proposal describing their proposed study design, available data sources, sample information, outcome measures, and other relevant information that would demonstrate the vendor's ability to conduct this analysis and provide the information requested.

1.3 Recommendations

This component of the market study focuses on the developing a set of recommendations for both the public and private sector to position the LTC industry as strongly as possible for the future.

Requirement: Recommendations for the Public and Private Sectors

- 1.3.1 *Public Sector* - Develop recommendations on the appropriate role for the State in supporting the LTC industry in the immediate future as well as in five-to-ten-years.

Long-term Care Industry Study

- 1.3.1.1 What steps should the State take to ensure that patients, especially Medicaid members have access to essential services?
 - 1.3.1.2 What changes, if any should the state consider to the Medicaid nursing home rate setting formula and other rate setting formulae necessary to maintain an appropriately level of access to meet future demand for this level of care?
 - 1.3.1.3 What strategies should the State adopt to ensure access to short-term rehabilitative service and long-term residential services in nursing homes and in the community?
 - 1.3.1.4 To ensure the LTC sector can meet future demand for services and maintain standards for residential safety and independence, what changes, if any should the State consider to the regulatory structure?
 - 1.3.1.5 What other policy changes not captured above should the State consider to best meet future demand for care over the next decade?
- 1.3.2 *Private Sector* - Develop strategies the LTC industry should employ to meet future demand for care in the immediate future as well as in five-to-ten-years:
- 1.3.2.1 How can LTC providers best address complex care needs such as dementia, complex behavioral health, and the medically fragile in the community and in facilities?
 - 1.3.2.2 What approaches will ensure an effective collaborative relationship between hospitals, post-acute care facilities and other community settings.
 - 1.3.2.3 What barriers exist to an effective transfer of patients from inpatient hospitalizations to post-acute care?
 - 1.3.2.4 What strategies can LTC providers employ to address labor shortages? (e.g., What changes should LTC providers consider for recruitment and wage packages, with the focus on turnover reduction and retention)?
 - 1.3.2.5 What other operational changes not captured above should the private sector consider to best serve residents and consumers over the next decade?
 - 1.3.2.6 What resources are needed to address aging or inadequate physical infrastructure of LTC facilities?

Vendor Response 3: Vendor shall submit a detailed proposal describing how they would respond to these questions, providing information on their proposed approach, available data sources, access to and use of subject matter expertise in the public and private long term care sectors, relevant outcome measures, and other information that would demonstrate the vendor's ability to provide sound recommendations.

1.4 References

Long-term Care Industry Study

Requirement: The Vendor must verify the organization's relationship and past successes with one or more of the groups listed in 1.0.

Vendor Response 1.4: The Vendor must provide three (3) references who can attest to the organization's relationship and past successes with one (1) or more of the above groups. For all references, please provide:

- Contact Name
- Organization Name, if applicable
- Contact Email
- Contact Phone Number

1.5 Cost

Requirement: The Vendor shall provide reasonable costs to deliver the services defined under Sections 1.1 through 1.3. The State reserves the right to deny any services based on budget constraints.

Vendor Response #1.5: Alongside attachment A – Cost Sheet, the Vendor shall also provide a detailed breakout of costs to provide all the activities listed in Sections 1.1 through 1.3.

2 ESUPPLIER SUBMISSION

Vendors should use the eSupplier System (<https://esupplier.wi.gov>) to respond to this Request for Services. The eSupplier Sourcing Event number for this solicitation is 12319.

If submitting an electronic copy via eSupplier, the date stamp for eSupplier RFS submittal is the submittal date and time applied by the eSupplier system at the time of submission and serves as documentation of a timely submittal. Vendors should allow ample time to enter their eSupplier response.

Please Note: When all responses to event sections have been entered and saved, click the **Submit** button to send your response to the State. Click **Submit** on the pop-up window to confirm. You should receive a confirmation message that it has been submitted.

If a Vendor(s) is unable to submit their response via eSupplier or email, please contact the Procurement Manager listed above.