

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

DATE: December 4, 2018

TO: Theodore Lipscomb, Sr., Chairman, and Milwaukee County Board of Supervisors

FROM: Amy Pechacek, Deputy Director, Department of Administrative Services

SUBJECT: Correctional Medical Services Status Update – Timeline Memo

BACKGROUND

This memo provides additional detail regarding the timeline related to the RFP process, and outlines important highlights of communication between the numerous stakeholders and others who were consulted throughout the process.

Some information in this section is repeated from the October 18, 2018 and November 16, 2018 informational reports for clarity.

Pursuant to the Order of the Milwaukee County Circuit Court in the case of Christensen v. Milwaukee County et al., the County was required to enter into a contract with Armor Correctional Health Services, Inc. to obtain reasonably necessary health care (including medical, dental and mental health services) for detainees and inmates in the physical care, custody and control of the Sheriff at the Milwaukee County Jail (hereinafter “Jail”) and of the Superintendent at the Milwaukee County House of Correction (hereinafter “HOC”).

The Court and Court Monitor establish the staffing and service requirements, and references in the agreement to “Sheriff” or “Superintendent” are understood to constitute a reference to each individual department having custody of inmates. The Sheriff has responsibility to provide medical care for Inmates at the Jail and the Superintendent has responsibility to provide medical care for Inmates in his physical care, custody and control at the HOC. The current medical contract funds reside in the budget of the House of Correction, under the control of the Superintendent and the contract is set to expire on December 31, 2018.

In 2018, with support from the Department of Administrative Services Procurement Division, the House of Correction and Milwaukee County Sheriff's Office issued a Request for Proposals for a Correctional Medical Services provider for a new contract beginning in 2019. Additional detail regarding the RFP was provided to the Judiciary Committee in the October 18, 2018 and November 16, 2018 informational reports.

RFP PROCESS AND TIMELINE

January 2018

Early in January of 2018, the House of Correction along with representatives from the Office of the Sheriff and the Department of Administrative Services, Procurement Division met to discuss the process of soliciting a vendor to provide medical services to inmates in the Milwaukee County Jail and House of Correction. This meeting acknowledged that the contract with Armor Correctional would expire on December 31, 2018 and identified the need to use a competitive solicitation process due to the complexity and required spend for services to be provided. The RFP process was selected in order to enable the County to assess proposing vendors on a combination of technical quality, potential risk, and cost-effectiveness. A tentative timeline was established for the RFP process which identified required time to perform market research, draft and polish an RFP document, release the RFP and receive responses, evaluate responses, negotiate a contract, obtain County Board approval of the new contract if the Courts did not further mandate the service, and transition to a new vendor, if the incumbent vendor did not propose or was not awarded the contract.

February 2018

In February of 2018, the Procurement Division engaged in robust market research regarding the provision of correctional medical care services at the municipal level for entities of similar size to Milwaukee County throughout the United States. This research included:

- Received and reviewed Pew Charitable Trusts' January 24, 2018 report titled "Jails: Inadvertent Health Care Providers," which discussed the role that County correctional facilities across the country are playing in the health care safety net, and which included valuable information regarding crafting RFPs to obtain high-quality care;
- Contacted several counties with jail or county correctional facilities of a similar size and with a similar average daily population ("ADP") as the County's Jail and House of Correction to obtain data and use case information regarding successes and concerns in the operation of the facilities. Contact included discussions with Broward County, Florida, which also utilized Armor Correctional to provide inmate health care and which at that time in an RFP process set to close in April of 2018 for a new provider.

- Researched and reviewed numerous RFPs from other counties and similarly sized correctional facilities, as well as industry guidance on the crafting of high-quality RFPs designed to focus on care outcomes and cost controls.
- Researched and reviewed standards promulgated by the National Commission on Correctional Health Care (NCCHC) to understand requirements for NCCHC accreditation in our facilities and to ensure that standards were included in the RFP document and clearly stated for respondents.
- Reviewed past contracts with Armor Correctional, reports from the Court Monitor under the Christensen Consent Decree, Dr. Ron Shansky, and other internal documentation to identify areas of need or weakness in the current relationship and to develop solutions for those areas to be included in the RFP document.

March 2018

Following the robust market research, the Procurement Division and House of Correction determined that it would be necessary to engage a consultant to assist in the development of an RFP document. Specifically, the County acknowledged the need to involve a consultant with clinical experience providing medical, dental, and mental health care to an inmate population and who would be capable of advising the County on the necessary service level requirements to include in an RFP document to ensure thorough and valuable RFP responses from respondent vendors.

In March of 2018, the Procurement Division began a search for qualified consultants to assist in the drafting of an RFP document. The process included contact to a number of notable medical providers and experts in the area of correctional health care, including, but not limited to, Pew Charitable Trusts; NCCHC Resources, Inc, the consulting arm of the NCCHC; and Dr. Marc Stern, MD, MPH, a professor of public health and consultant in correctional health care across the country.

Following contact, the County selected NCCHC Resources, Inc. (“NRI”) to provide consulting services for the drafting of the RFP. NRI was selected for its substantial experience in correctional health care, its relationship to the NCCHC as accreditation body, and its ability to provide a variety of highly experienced and valuable consultants in a wide array of disciplines to draft the RFP document, including medical doctors, former military members, former directors of nursing and former mental health professionals. The County spent the remainder of March and the beginning of April developing a scope of work for NRI’s engagement and executing a contract with NRI for the provision of consulting services.

April 2018 – July 2018

On April 4, 2018 the County executed a contract with NRI and began work on the development of the RFP document. RFP development continued from mid-April to mid-July, and included the following:

- An on-site tour and in-depth review of the County's correctional facilities (Jail and House of Correction) by NRI consultants to ensure that NRI had a complete picture of the current levels of care, status of facilities, successes, and problem areas represented;
- Collaborative information gathering and document drafting by a variety of County Divisions and Departments along with NRI consultants, including staff from the House of Correction, Office of the Sheriff, Procurement Division, Facilities Management Division, Information Management Services Division, Risk Management Division, Fiscal Affairs Division, and Corporation Counsel.
- Updates and development of a timeline for the RFP process, to include the provision of a report to the County from NRI detailing information found in the site visit, provision of all draft sections of the RFP to the County from NRI's consultants, date of release of the RFP, date and time for vendor site tours, length of vendor question and answer period, RFP proposal receipt deadline, length of evaluation/scoring period, proposed award dates, and a timeline for drafting and submission of documents related to contract approval to the County Board, Finance & Audit Committee. The final RFP document was a total of 123 pages, spanning such areas as patient care, mental health treatment, medical oversight and staffing, utilization and claims management, pharmacy services, licensure and credentialing, continuous quality improvement, performance measures, NCCHC accreditation and standards of care, electronic health records (including requests to interface with the County's inmate management system and the Wisconsin Statewide Health Information Network to encourage continuity of care following release from incarceration), contract administration, and cost requirements from pricing model to assumptions, conditions and constraints and the provision of a Dun & Bradstreet Past Performance Evaluation and Supplier Qualifier Report to assess risk and past performance.
- Polishing and final edits to the RFP document by Procurement and authorization of release of the final document to the public by the House of Correction and Office of the Sheriff.

July 20, 2018 – September 14, 2018

The RFP was publicly posted for vendor responses to the County's Bonfire Portal on July 20, 2018. An optional Pre-Proposal Conference and Site Tour was held August 8, 2018 to enable interested vendors to obtain more information about the County's correctional facilities, so they would be better positioned to provide a complete and thorough RFP response. A total of 14 representatives from seven vendors attended the Pre-Proposal Conference and Site Tour.

The vendor question and answer period extended through August 22, 2018. During the course of questions and answers, responding vendors asked an incredible volume of questions. In total, vendors asked nearly 150 complex, multi-part questions about the

state of the current operations and the County's expectations for an incoming service provider. Due to the overwhelming response by vendors, the Procurement Division, MCSO and HOC spent approximately a month answering the bulk of these questions, providing detailed information to enable vendors to propose accurate pricing and ensure quality care. The original timeline for submission of RFP responses was shifted back by one (1) week to accommodate vendor requests and permit vendors to include answers to questions in their Proposals.

The RFP closed for vendor submissions on September 14, 2018.

September 15, 2018 – Present

Following receipt of vendor submissions, the Proposals were sent to the multidisciplinary Evaluation Committee, which included individuals with areas of expertise such as clinical care, nursing care, mental health care, correctional operations, fiscal operations and administration, budget, and risk management.

The original timeline provided the Evaluation Committee with three weeks' time to evaluate the Proposals. Due to the high number of Proposals, the depth and breadth of the Proposals, and the superb level of detail provided in many of the Proposals, the Evaluation Committee required additional time to fully and accurately score all Proposals. The deadline for completion of the Evaluation was extended to October 10, 2018.

On September 28, 2018, Procurement became aware of the need to extend the deadline for evaluation. It also recognized that the original timeline, which included contract negotiations in October and presentation of a contract to the Finance & Audit Committee in December, would not be feasible. Therefore, stakeholders were advised of this development and the Administration entered into negotiations with Armor to extend its contract for an additional three months in 2019 (January – March) to cover the period of negotiations, Board approval, and transition. Negotiations with Armor began on October 3, 2018. Corporation Counsel advised that any contract extension with Armor is a continuation of the court mandate from 2013, and therefore formal County Board approval was moot.

Consensus scoring meetings with the Evaluation Committee were held throughout October and into November, and additional clarification requests to vendors were made to ensure the Committee fully understood the scope and services of each Proposal.

On October 18, 2018 the Procurement Division along with the HOC and MCSO provided an informational report to the Judiciary Committee. At this time, it appeared that all items were proceeding according to plan and that the Administration would be able to present Armor's negotiated amendment to the Board as an informational item in December.

On October 24, 2018, prior to completion of evaluations by the Evaluation Committee and following a hearing on the Christensen Consent Decree, the Administration and Corporation Counsel met to discuss the current status of items. No movement was made at that time as evaluations were not complete and Armor had not responded to the negotiation offer. Due to complexity of negotiations and the interplay between these conversations and pending litigation, Corporation Counsel assumed some responsibilities for negotiation.

On October 30, 2018 Armor responded to the County's initial negotiation offer. The negotiations were fully escalated to Corporation Counsel, and a meeting was held including Corporation Counsel, the Comptroller, Procurement, the HOC, the MCSO, and outside counsel to discuss next steps, including issues surrounding the court, consent decree, and other items. It was apparent at this time that the Armor extension contract negotiations would not be concluded prior to the December deadline for providing an informational report and Administration began advising stakeholders accordingly.

On October 31, 2018 the Administration reached out to Chairman Lipscomb and Supervisors Staskunas and Schmitt along with the Comptroller and Corporation Counsel to advise it was sending a meeting request regarding the status of the inmate medical contract. Specifically, the Administration stated that it "would like to provide you, the County Executive, and the Comptroller the most recent updates on the RFP bid status, the exploration of a potential contract manager for the medical services, new cost estimates, the transition timeline to a potential new vendor, and how a transition relates to the current vendor (and in light of a recent hearing on the consent decree and pending / future litigation)." It also advised that Procurement and the HOC were beginning work on the December cycle informational report to update any committees deemed appropriate on the topics listed.

On November 1, 2018 the Administration developed a three-tiered contingency plan to ensure that under all possible circumstances and scenarios, medical services would be available as of January 1, 2019 at both the Jail and HOC. This included "Plan A", a contract extension with Armor, "Plan B", an emergency, short-term contract with the top point-earning bid proposer, and "Plan C", Milwaukee County acting as the in-house medical services manager and contracting with agency nurses and medical personnel. Each plan had an associated timeline of action items. Human Resources was assigned primary responsibility for Plan C on this date.

On November 1, 2018 the Chairman requested an update on the October 18, 2018 informational report. Procurement began drafting a response to the Chairman's requests the following day, November 2, 2018.

On November 5, 2018 the Administration, Corporation Counsel, Comptroller, and County Board, represented by Chairman Lipscomb, met to discuss the status of the Armor amendment, status of litigation items and the Christensen Consent Decree, status of the RFPs, budget concerns related to the RFPs, the Chairman's questions,

and to discuss the three-pronged strategy for the provision of medical services moving forward, including contingency/emergency planning should Corporation Counsel be unable to successfully negotiate with Armor. The Chairman requested administration explore in-sourcing this service.

On November 7, 2018 the in-sourcing research and strategy discussions began internally between Administration, HOC, MCSO, HR, and the Comptroller's Office and efforts are still underway. This includes locating a prior 2013 analysis performed by PSB, providing a framework to complete an updated study. Stakeholders met on November 26, 2018 to further discuss this initiative.

On November 14, 2018 the Evaluation Committee made a recommendation of award to the Superintendent, Acting Sheriff, and Director of Procurement. At that time, negotiations with Armor were still on-going. As a result of open negotiations, Notice of Intent to Award was not issued, and the Evaluation Period remained open.

On November 29, 2018 at 1:45 pm, a verbal contract extension agreement was reached between Armor and Milwaukee County, as led by the tremendous efforts of Corporation Counsel. Terms were sent to Armor for signature.

On November 29, 2018 the Procurement Division provided its second informational report to the Judiciary Committee. Immediately preceding the Committee meeting, Corporation Counsel advised the Administration it had successfully negotiated an amendment with Armor. That information was also shared with the Judiciary Committee. Additional items regarding the RFP were discussed in closed session due to the status of the RFP, which was still open at that time.

On November 30, 2018 the signed agreement was returned from Armor, and internal circulation of the extension was initiated for execution.

On December 3, 2018 the Armor extension was fully executed by the County, pursuant to Court Order, and all stakeholders were advised.

Approved by:



Amy Pechacek, Deputy Director
Milwaukee County Department of Administrative Services

cc: County Executive Chris Abele
Raisa Koltun, Chief of Staff
Kelly Bablitch, Chief of Staff, County Board of Supervisors
Teig Whaley-Smith, Director, Department of Administrative Services
Michael Hafemann, Superintendent, House of Correction
Richard Schmidt, Interim Sheriff, Office of the Sheriff
Kerri McKenzie, Assistant Superintendent, House of Correction
Aaron Dobson, MCJ Commander, Office of the Sheriff
June Jackson, Fiscal Operations Manager, House of Correction