REQUEST FOR PROPOSALS
TO ASSESS OPPORTUNITIES FOR CONSOLIDATION OR REGIONALIZATION OF HOSPITAL SERVICES
IN NEWARK AND SURROUNDING TOWNS

INTENT:

The New Jersey Health Care Facilities Financing Authority (the “Authority”) is seeking a consultant ("Consultant") to evaluate the current inventory of health care services in the Greater Newark Area (the “Area”). The evaluation should include acute care services, tertiary services, sub-specialty services, ambulatory services and publicly funded primary care and long-term care services and should also address where the Area’s patients come from and what services they are using at Area hospitals as well as the demographic of doctors serving Area hospitals. It should also provide an analysis of where patients in the Newark area are going for health care services and, if a substantial number are going elsewhere, why they are doing so. The Consultant should also provide recommendations on steps, if any, that can be taken to keep patients in the Newark area. It should also address the needs of and suggest methods of support for the mission of University Hospital and the Rutgers-Newark Biomedical and Health Sciences schools. The purpose of the evaluation is to determine whether there is duplication of services, unused capacity or a lack or insufficiency of necessary services in the Area and to propose recommendations for consolidation or regionalization of services if there is duplication or overcapacity and expansion of services if there is a lack of necessary services.

The Department of Health (the “Department”) being charged with the responsibility for the development and administration of the State's policy with respect to health planning, hospital and related health care services, the results of this report will be presented to the Commissioner of the Department and the Executive Director of the Authority no later than November 15, 2014.

SCOPE:

The facilities to be evaluated pursuant to this engagement shall include, but not be limited to: (i) the following hospitals: Clara Maass Medical Center, East Orange General Hospital, Newark Beth Israel Medical Center, St. Michael’s Medical Center and University Hospital; (ii) the following health centers that receive public funding: Jewish Renaissance Medical Center, Newark Community Health Centers, Newark Homeless Health Care; and (iii) the following long-term care facility: the Broadway House.
ENGAGEMENT SPECIFICATIONS:

The Consultant is expected to complete the following tasks:

1. Assess the current inventory of health care services, including but not limited to, inpatient, emergency department, outpatient clinics and community services in the Area;
2. Assess the current demographic of doctors serving at the hospitals in the Area;
3. Assess the current demographic of patients in the Area and to what extent patients are seeking health care services elsewhere and, if so, why;
4. Identify any unique or sensitive services provided by the hospitals in the Area and explain, based on the Area’s demographic, why those services are unique or sensitive and why there are no alternatives;
5. Identify any duplicative services and/or unused capacity or lack or insufficiency of necessary health care services in the Area, including non-acute health care services;
6. Inventory, evaluate and appraise the physical plants of all hospitals in the Area;
7. Propose recommendations to address any duplication or excess capacity, or lack or insufficiency of necessary health care services identified as well as steps needed to attract Area patients to hospitals in the Area. These recommendations could include proposals for expansion, consolidation, merger or closure of services or entire facilities as well as identification of new health care services not currently offered in the Area that could address unmet needs in the community while rationalizing the delivery of care in the Area, including non-acute health care services, taking into account the physical plants of the Area hospitals;
8. Outline key steps for implementing the recommendations;
9. Assess the financial impact of the recommendations, including the adequacy of revenues and the effect on third party reimbursement, potential cost savings and the need for capital expenditures in the Area;
10. Assess the opportunities for consolidation or regionalization of hospital services, if there is duplication or overcapacity, and expansion of services if there is a lack of necessary services;
11. Provide additional recommendations either related or unrelated to any proposal to purchase an Area hospital, which present viable regional health planning solutions to the community, including both short term and long term strategies;
12. Discuss how the Consultant’s recommendations would improve population health in the area; and
13. Provide regular updates to the Department and the Authority on the progress of the engagement.

The Consultant shall prepare a written report of its research and analysis for the Commissioner of the Department and the Executive Director of the Authority no later than November 15, 2014. The Consultant will meet with staff from the Department and the Authority at least once prior to preparing the report and at least once after the report is complete to field questions from staff.
The Department and the Authority will facilitate information gathering in order for the Consultant to conduct its work. Audited financial statements for the hospitals for the years through 2012 are available from either the Authority or the Department. Unaudited quarterly financial statements and utilization data through December 31, 2013 are available from the Department.

**EVALUATION CRITERIA**

The Authority will evaluate each proposal based on the following criteria:

1. Experience in health planning issues;
2. Demonstrated knowledge of issues and policies affecting hospitals’ financial performance;
3. Demonstrated knowledge of and experience in working with health care data sources;
4. Demonstrated knowledge of applicable state and federal laws, rules and regulations applicable to health planning;
5. Ability to complete the engagement by November 15, 2014; and

**INFORMATION TO BE CONTAINED IN THE PROPOSAL**

1. Name, address, telephone number, fax number and e-mail address of the firm and primary contact.
2. A brief descriptive statement of not more than two pages about the firm.
3. Name, role, and credentials of individuals who will be assigned to the Authority’s account.
4. A brief description of the firm’s experience with similar engagements, including data sources used.
5. Proposed fee and expenses.
6. The proposed approach to the engagement.
7. A description of data not available from existing sources that the firm will need to prepare the report.
8. Whether the firm or any of its owners and employees have any relationships and/or conflicts with the Authority or any of the acute care hospitals or major health care facilities covered in this study. If so, please elaborate. Firms that have done significant work at any of the hospitals in the last five years will be considered conflicted out of the engagement.
9. At least three but no more than five references from prior engagements.
TEN (10) COPIES OF PROPOSALS MUST BE RECEIVED BY THE AUTHORITY BY 3:00 P.M. ON TUESDAY, JUNE 17, 2014 AT THE FOLLOWING LOCATION:

New Jersey Health Care Facilities Financing Authority

Overnight/Hand Delivery Address:
Station Plaza, Building #4
22 South Clinton Avenue
Trenton, NJ 08609-1212

Mailing Address
P.O. Box 366
Trenton, NJ 08625-366

Questions regarding this proposal should be directed to Steve Fillebrown, Deputy Executive Director, at 609-789-5631 between 9:00 a.m. and 5:00 p.m. weekdays.

The Authority reserves the right to reject any and all proposals. **BY SUBMITTING A RESPONSE TO THIS PROPOSAL, THE BIDDER AGREES TO THE PROVISIONS OUTLINED IN THE ATTACHED “STANDARD TERMS AND CONDITIONS.”**