



Continuing Care Strategy

Living well in a place you can call home.

Long-Term Care Beds Renewal Program
for

The Province of Nova Scotia

RFP 60137609

Vendor Consultation Briefing #2

July 27, 2009



Preamble

This presentation and an attendee list will be distributed via email (or other contact method if identified) to all who complete the sign-in sheet.

Briefing Invitations and Released RFP documents are posted at

http://www.gov.ns.ca/tenders/search/search_all.asp?x=1



RFP Working Group

Name	Role
<u>Requirements</u>	
Christian Boudreau	Manager, Infrastructure Management
Mary Lou Klinger	System Planner
Marian Casey	Senior Policy Analyst
JoAnn MacManus	Service Delivery Consultant
Mike Harvey	Architect
Paula Langille and Stephen Palmer	2 Financial Officers
Kenneth Morriscey, Denis Pellichero and Mike Treffler	3 Infrastructure Engineers
<u>Other Participants</u>	
Susan Weagle	Director, Standards and Policy Development
Keith Menzies	Executive Director of Continuing Care
Carolyn Maxwell	A/Director, Service & Business Support
Donna Dill	Director, Monitoring and Evaluation
Lynn Cheek	Director, System Planning & Liaison
Karen McDuff	Director of Finance, Continuing Care
Diane Rowe	DOH Legal Advisor
Shelley Arsenault	LTC Beds Renewal Project Owner
Kathy Palmer	LTC Beds Renewal Project Coordinator
Sheila Bourque	Procurement Specialist, Procurement Division
Gordon Kyle	Procurement Consultant, PPI Consulting



Agenda

- Briefing and Overall Objectives
- Project Status
- Newly released RFP Section Drafts
 - Facility Requirements
 - Facility Developments Approval Process
 - Program Requirements
 - Financial Requirements
- Newly released RFP Section
 - Development and Service Agreements
 - LTC Claims Process
- Feedback



Briefing Objectives

The team's objectives for this session are to:

- Review the overall project objectives
- Review the status of the project and timetable of upcoming stages and events
- Review the draft and final version releases of new sections of the RFP
- Invite feedback regarding the newly released draft RFP components
- Address questions regarding the initiative and the procurement process



Overall Objectives

- To meet the objectives in the ten-year Continuing Care Strategy by increasing local solutions and ensuring care options are available where they are needed.
- To support Nova Scotians in their desire to live well in a place they can call home.
- To contract for the provision of continuing care services for two 22 bed residential care facilities to be located in DHA #1 and DHA#5.
- To achieve the optimum combination of cost and value in continuing care facilities, programs and services that meet or exceed all specified requirements.
- To minimize the cost and effort required for the administration and monitoring of the agreement(s).

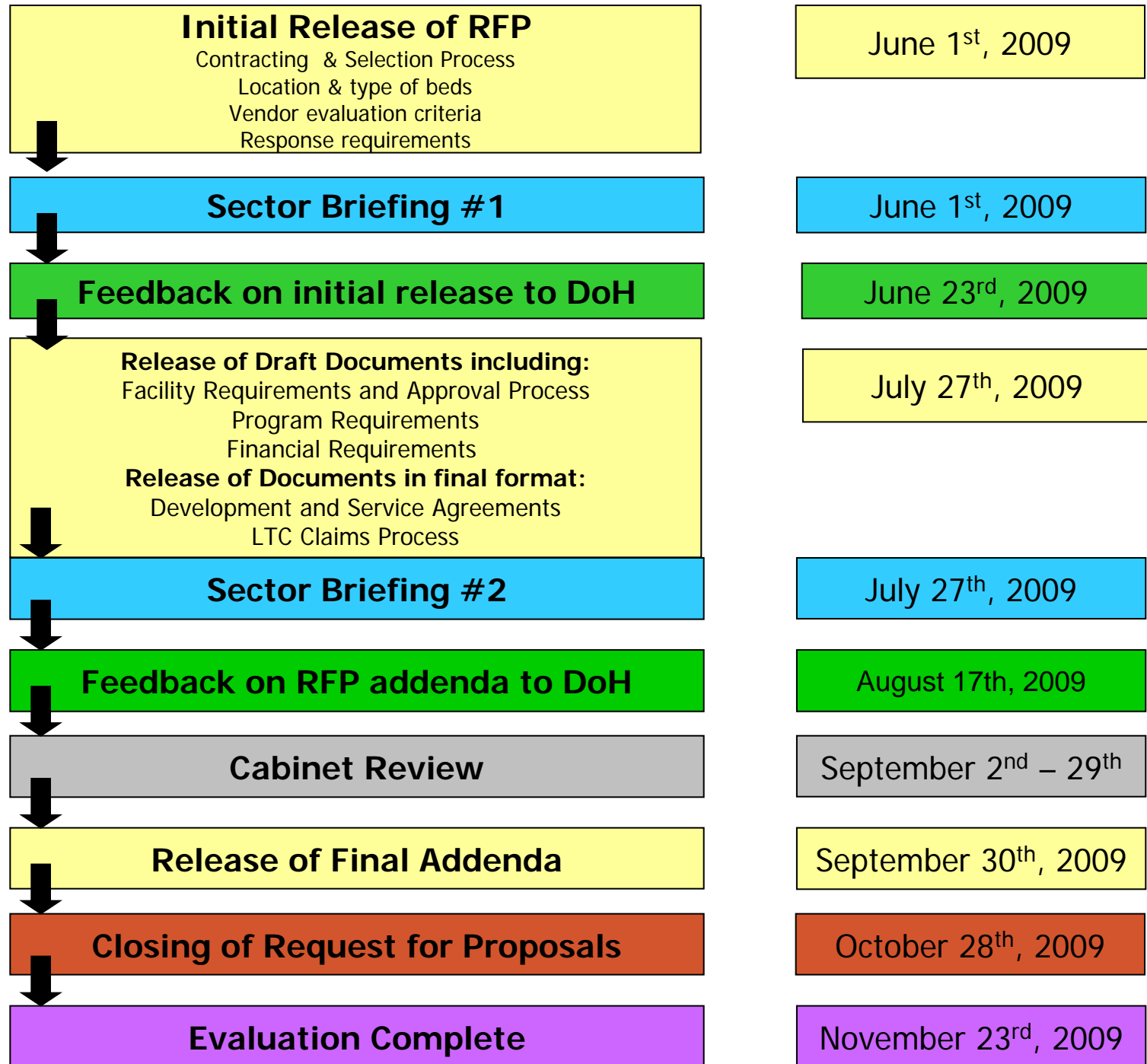


LTC Beds Renewal Program Status

- The RFP has been released including the Proponent Evaluation and Bed Location Requirements
- The facility, program, financial and facility development approval process response requirements documents have been released in draft
- Development & Service Agreements and LTC Claims Process have been released in the final version



Supplemental LTC Beds RFP 60137609 Timeline





Agenda

- Briefing and Overall Objectives
- Project Status
- Newly released RFP Section Drafts
 - Facility Requirements
 - Facility Development Approval Process
 - Program Requirements
 - Financial Requirements
- Newly released RFP Sections
 - Development and Service Agreements
 - LTC Claims Process
- Feedback



Newly released RFP Section Drafts

- **Facility Requirements**
- Facility Development Approval Process
- Program Requirements
- Financial Requirements



Residential Care Facility Definition

- *RCF means a building or place, or part of a building or place, where supervisory or personal care is provided to four or more persons. (As defined by the Homes for Special Care Act, Section 2 (1) (m).*



Facility Requirements

- RCF Facilities to be built to residential care facility standards
- Class C type building



Facility Requirements

- Provincially developed and sponsored
- Spatial requirements, i.e:
 - Room size
 - Room location
- Design requirements, i.e:
 - Living Room has exterior views
 - Minimum distances from dining/living room to bedrooms



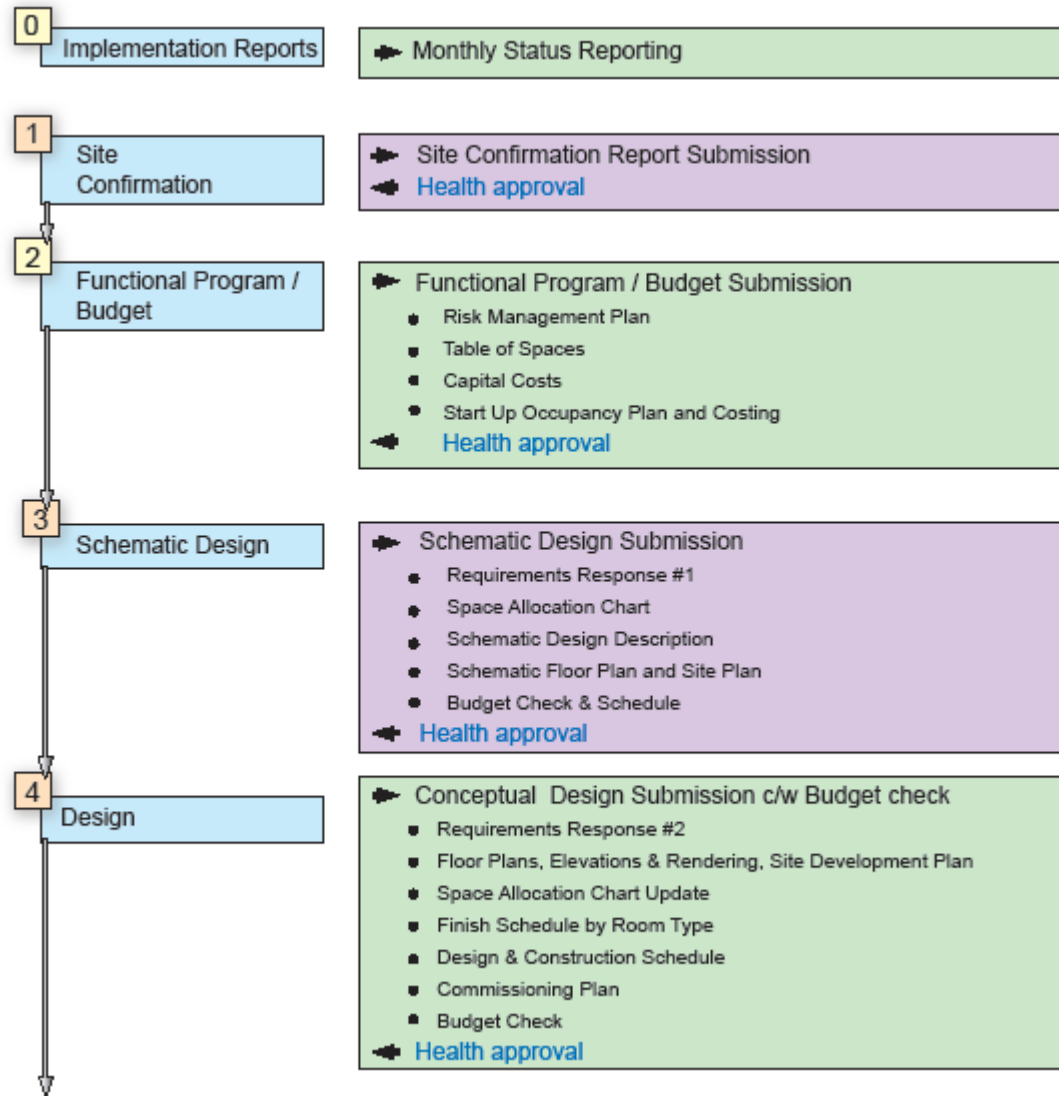
Newly released RFP Section Drafts

- Facility Requirements
- **Facility Development Approval Process**
- Program Requirements
- Financial Requirements

Living well in a place you can call home.



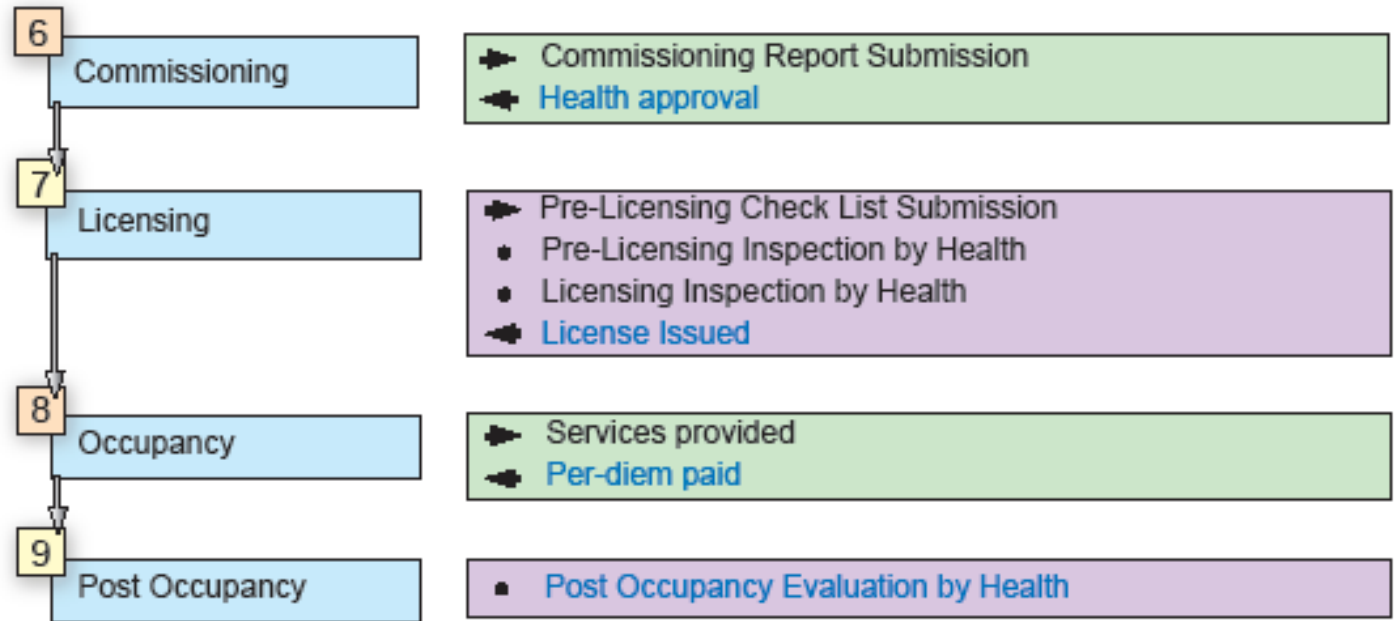
Facility Development Approval Process



Living well in a place you can call home.



Facility Development Approval Process





Next Steps

Please review the Facility and Approval Process Requirements

Feedback is encouraged by
August 17, 2009.

Thank You





Newly released RFP Section Drafts

- Facility Requirements
- Facility Development Approval Process
- **Program Requirements**
- Financial Requirements



Program Requirements

- RCF Client Profile
- Care Model Philosophy
- Care Model
- Assumptions
- Protected Staffing Table
- Education Requirements and Experience



A Typical RCF Resident:

- - usually suffers from chronic disease (ie. arthritis, hypertension)
- - has decreased physical and/or mental abilities that reduces their independence
- - has care needs that cannot safely or consistently be provided at their home
- - requires supervision and/or personal care of no more than 1.5 hours per day
- - does not require the services of an on-site registered nurse
- - can get around on their own (with or without assistance of canes, walkers, or wheelchairs)
- - has the physical and mental ability to escape from a building unassisted in the case of an emergency



Care Model Philosophy

- Decentralization of care into separate self-contained more home like units offers a personal and flexible living experience and is fundamental to the philosophy of successful small group living.



Care Model

- Limiting the number of resident rooms per care unit supports a more residential setting that enhances the RCF experience for residents and allows programming to be tailored to meet the unique needs of the residents.



Care Model

- Smaller numbers of residents and staff encourages relationship-building between and amongst residents, families, and staff members.
- It increases resident and family participation and decision-making, staff-resident collaboration, and teamwork by enhancing resident quality of life and well-being.



Care Model

- Small group living supports innovative and alternative models of care delivery for the provision of resident centered care by enabling flexible scheduling of the activities of daily living.
- Staff have the ability to tailor resident care in a manner that is flexible in nature and allows for resident choice and control.



Assumptions

- Food will be prepared elsewhere and delivered to the unit to be served by the staff.
- Daily light housekeeping on the unit will be performed by the staff.
- Resident's personal laundry will be performed by the staff on the unit.
- Deep cleaning, carbolising, floor buffing etc will be completed by facility housekeeping staff
- Laundry services will be provided off unit.



The following table defines the protected staffing that will be funded for a 22 bed RCF

• Position	FTE
• LPN	0.40
• RCW	9.90
• Dietician	0.05
• Recreation	0.50
• Total	10.75



Minimum Education Requirements and Experience –Residential Care Facility

Administrator	A combination of education and experience necessary to achieve the required outcomes.
Dietician	Current registration with the Nova Scotia Dietetic Association (NSDA)
Licensed Practical Nurse (LPN)	Current registration with the College of Licensed Practical Nurses of Nova Scotia.
Residential Care Worker (RCW)	Completion of the five mandatory core competences: <ol style="list-style-type: none"> 1.First Aid & CPR 2.Personal Care 3.Fire & Life Safety 4.Medication Awareness 5.Non Violent Crisis Intervention
Recreational	A combination of education and experience necessary to achieve the required outcomes.



Next Steps

Please review the Program Requirements

Feedback is encouraged by
August 17, 2009.

Thank You





Newly released RFP Section Drafts

- Facility Requirements
- Facility Development Approval Process
- Program Requirements
- **Financial Requirements**



Financial Requirements

2.4 Financing Requirements

2.5 Funding Arrangements

2.5.1 Model of Care

2.5.1.1 Protected Envelope

2.5.1.2 Unprotected Envelope

2.5.1.3 Restricted Envelope

2.6 Financial Reporting Requirements

3.2 Facility Proposal

3.2.1 Proposed Facilities

3.2.2 Financial Proposal

3.2.2.1 Financial Plan

3.2.2.2 Facilities and Accommodation Services (FAS) Per Diem Proposal

4 Evaluation and Selection Process

4.2 Evaluation Scheme

4.2.3 Evaluation of Financial Proposals



2.4 Financing Requirements

- For all new construction, mortgage financing **must (M)** be either obtained from the Housing Development Corporation (HDC), or, in the case where the Proponent can obtain mortgage financing at a rate equal to or less than that offered by HDC, guaranteed by HDC. Any financing or guarantee from HDC will be subject to all the terms and conditions of HDC. HST must be declared on your RFP submission.
- The mortgage **must (M)** be amortized over a period of 25 years.
- DOH prefers mortgage terms with a fixed 25 year interest rate.
- If a current mortgage exists on a facility to which the Proponent proposes to attach a new facility, the existing facility mortgage **must (M)** be assumed and incorporated into a new mortgage for the entire combined facility, unless government determines that circumstances dictate it would not be beneficial to do so.

Note: If non-DOH services (such as assisted living) are provided at the same site as the proposed residential care facility, unless the properties associated with each type of service delivery are legally separate, the Proponent will risk forfeiting the entire property in the event of foreclosure.



2.5 Funding Arrangements

Envelope	Costs
Protected	<ul style="list-style-type: none"> • Care Salaries & Benefits • Care operations • Program supports • Raw food
Unprotected	<ul style="list-style-type: none"> • Accommodation-related costs • Capital construction costs <ul style="list-style-type: none"> – Land acquisition – Design/build – Furnishings and equipment • Financing costs
Restricted	<ul style="list-style-type: none"> • Facility component replacement



2.6 Financial Reporting Requirements

On an annual basis within 4 months of the fiscal year end:

- Audited financial statements with Accountability Review Appendix audited and attached
 - A review engagement is acceptable for Residential Care Facilities.
- A copy of the annual auditor's management letter
- Accountability Review Appendices
- Special purpose audit report - Protected Envelopes
- Annual business plan



3.2.2.1 Financial Plan (Development Phase)

Downloadable Excel File

- Tab S1 - Budget Summary
- Tab S2 - Facility Budget Submission
- Tab S3 - Budgeted Cash Flow

Remaining tabs are for progress reporting during the project

Tab S1 - Budget Summary



Capital Project - Budget Summary (S1)

Long Term Care Facilities - Proposals

Project Name: _____

Location: _____

Service Provider: _____

Development Agreement #: _____

Date: _____

Development Agreement #	Beds =	0	Gross Sq Ft =	0
-------------------------	--------	---	---------------	---

Development Agreement #	Category	Budget	Notes
1	Total Facility Budget w HST (S2 - Line 9)	0	
2	Land Purchase (S2 - Line A)	0	
4	Total Project Budget	\$0	
Facilities Ratios			
	Facilities Cost/GSF		\$0
	Facilities Cost/Bed		\$0
	Facilities + Land Cost/GSF		\$0
	Facilities + Land Cost/Bed		\$0

Tab S2 - Facility Budget Submission

		Beds =	0	Gross Sq Ft =	0
Category	Account	Item	Budget	Notes	
Pre-design	1.100	Functional Program	0		
	1.200	Consultants	0		
	1.300	Site Selection Process	0		
	1.400	Site Investigation/survey	0		
	1.500	Site Appraisal	0		
	1.600	Design Consultant Selection	0		
	1.700	Expenses	0		
	1.900	Contingency (0%)	0		
	Total Pre-design			\$0	0%
Design	2.100	Design Consultants (Prime)	0		
	2.200	Cost Consulting	0		
	2.300	Other Consulting	0		
	2.400	Site Inspection	0		
	2.700	Expenses	0		
	2.900	Contingency (0%)	0		
	Total Design			\$0	0%
Construction	3.100	Construction Contracts	0		

Ratios (no land w HST)			
Construction Cost/Gsf			\$0
Construction Cost/Bed			\$0
Facility Cost/GSF			\$0
Facility Cost/Bed			\$0
Land Purchase	0.100	Land Purchase	\$0

Tab S3 - Budgeted Cash Flow

		06/07				07/08				08/09				09/10				10/11				11/12			
Budget Category	Value	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Pre-design	-																								
Site Purchase	-																								
Design	-																								
Construction	-																								
Project Management	-																								
Furnishings & Equipment	-																								
Commissioning	-																								
Approved Project Budget	\$0	\$0				\$0				\$0				\$0				\$0							



Next Steps

Please review the Financial Requirements

Feedback is encouraged by

August 17, 2009.

Thank You





4.2.3 Evaluation of Financial Proposals

General

Principles:

- Maximum acceptable proposed FAS per diem rates by facility and staffing approach - Appendix M.
- Rates reflecting achievable economies are encouraged and rewarded down to 80% of the maximum.
- The scoring assigns up to 12 percentage points based on the degree to which the proposed FAS per diem approaches the 80% minimum.

Appendix M – Max Per Diem Rates

Facilities and Accommodation Maximum Allowable Per Diem Rates

**APPENDIX M
FINAL - RFP 60137609**

DHA	Community	RCF Beds	Facility Total	Per Diem ^a
Stand Alone Facilities				
1	Chester/New Ross	22	22	\$107.25
5	Western Part of South Cumberland- Parrsboro	22	22	\$106.25
	Total:	44	44	

Living well in a place you can call home.



Per Diem Rate Score Calculator

		Bid A	Bid B
Max FAS per diem	\$100.00		
Nominal Minimum per diem (80%)	\$80.00		
Proposed FAS per diem		\$70.00	\$95.00
Score, max =	12	12.00	3.00



Agenda

- Briefing and Overall Objectives
- Project Status
- Newly released RFP Section Drafts
 - Facility Requirements
 - Facility Development Approval Process
 - Program Requirements
 - Financial Requirements
- New released RFP Sections
 - Development and Service Agreements
 - LTC Claims Process
- Feedback



Newly released RFP Sections

- **Development and Service Agreements**
- LTC Claims Process



Development and Service Agreements

- Development Agreement
- Service Agreement
- Financing
- Funding



Development Agreement

Agreement between Service Provider and Minister of Health

- acquisition of site
- construction
- equipment and furnishing
- pre-licensing
- licensing
- occupancy



Service Agreement

Agreement between Service Provider and Minister

- performance based
- 25 year term, subject to annual licensing
- revocation of license means termination of the agreement with “default” triggered.



Financing

- Financing through Housing Development Corporation; or
 - Guarantee from Housing Development Corporation if a rate can be obtained from a financial institution which is equal to or less than the HDC rate
- Termination of the agreement will trigger default under mortgage.



Funding

- Per diem based as per Proposal.
- Protected envelopes for health care and raw food.
- Accommodation and capital costs not protected.
- Capital renewal reserve fund available but restricted.



Capital Renewal Fund

Purpose:

To ensure that funding will be available to replace Facility Components once the useful life of those components has been reached with the overall objective of maximizing the life of the facility which is assumed to be up to XX years.

<http://www.gov.ns.ca/health/ccs/ltc/Capital%20Renewal%20Reserve%20Policy.pdf>



Capital Renewal Reserve Policy

How it works:

- The Province will contribute an annual amount per square foot for each facility
- Use of funds restricted to a defined component list (and replacement of components that have reached their theoretical lives)
- List includes building components, furniture and equipment
- Operators required to submit an annual Capital Renewal Reserve Audit Report
- Ownership of the fund remains with the operator



Newly released RFP Section

- **Development and Service Agreements**
- **LTC Claims Process**



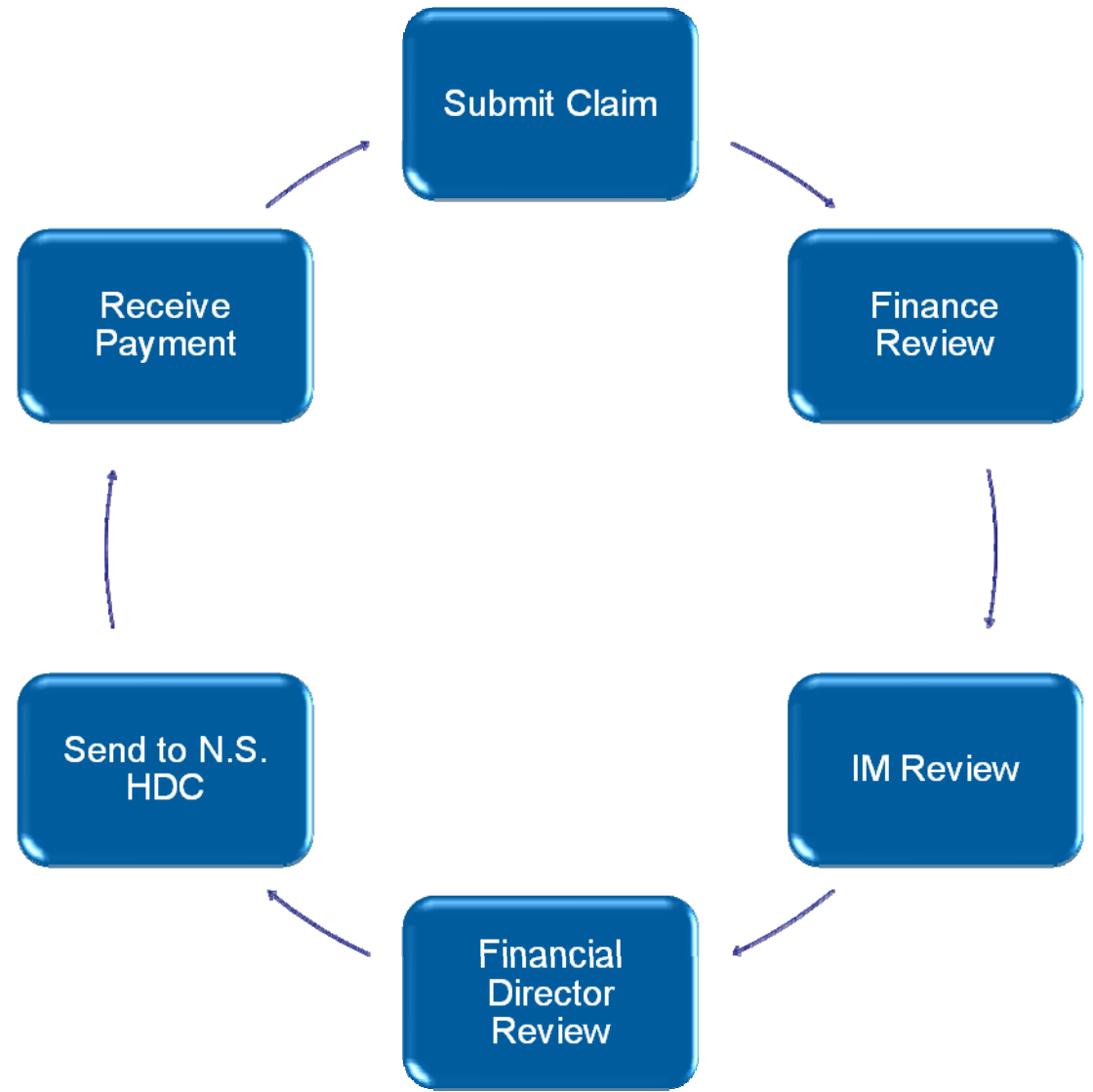
LTC Claims Process

- Progress claims submitted monthly:
 - Actual work completed
 - Target for DoH processing is 10 business days
 - Target for N.S. Housing Development Corporation is 5 business days
- 15 days targeted for overall claim process

Living well in a place you can call home.

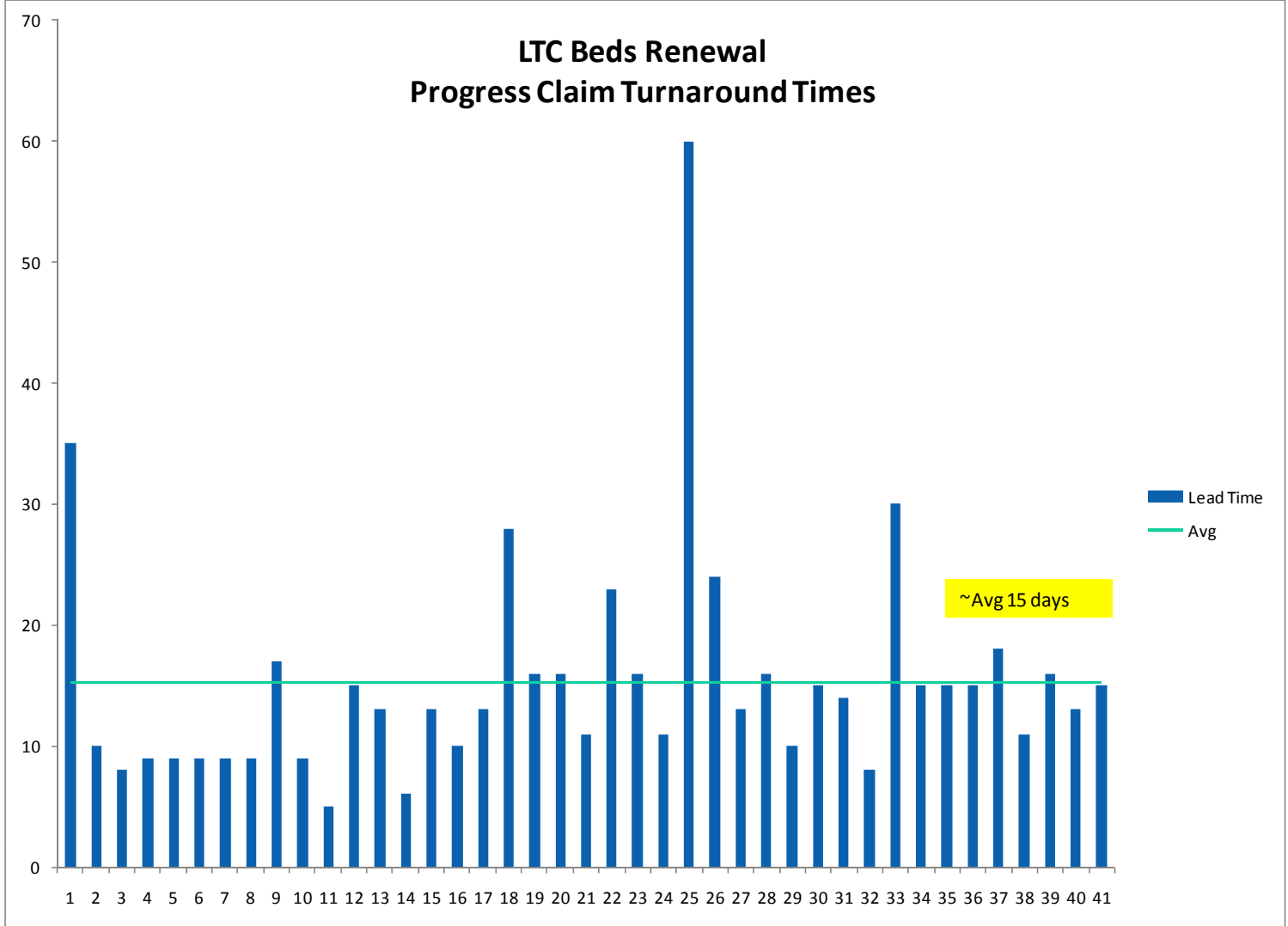


Progress Claim Process



Continuing Care Strategy

Living well in a place you can call home.





Agenda

- Briefing and Overall Objectives
- Project Status
- Newly released RFP Section Drafts
 - Facility Requirements
 - Facility Development Approval Process
 - Program Requirements
 - Financial Requirements
- New released RFP Sections
 - Development and Service Agreements
 - LTC Claims Process
- Feedback



Vendor Feedback: Guidelines

- The Vendor Session process is intended to be:
 - An opportunity to present your concerns and advice regarding this project and procurement process
 - Primarily a flow of information from vendors to the NS DoH.
- Vendors are not required to respond to this request for input
- The NS DoH is not obligated to provide feedback to any response received.
- It is NOT part of the evaluation process



Feedback: Method

Provide comments by email to:
continuingcarestrategy@gov.ns.ca

Attention:
Long-Term Care Beds Renewal
Project Owner

Deadline: August 17, 2009.



Access to RFP Information

NS Department of Health will attempt to notify vendors who have signed in of information releases and briefing sessions. We will not verify that you have received the information.

It is the responsibility of prospective proponents to actively monitor the NS Government Procurement/Tender Web site for relevant information

Briefing Invitations and Released RFP documents are posted at

http://www.gov.ns.ca/tenders/search/search_all.asp?x=1



Questions?

Answers and relevant information at:

www.gov.ns.ca/health/ccs/ccs_strategy/ltc_beds.htm