

Robert Doar
Commissioner

June 20, 2013

Roy A. Esnard
General Counsel

Vincent Pullo
Agency Chief
Contracting Officer

180 Water Street
New York, NY 10038

212 331 3434

Dear Community Members:

The New York City Human Resources Administration (HRA) Home Care Services Program (HCSP) intends to issue a Request for Proposals to procure an adequate number of New York State Department of Health (NYSDOH) licensed home care agencies to directly provide personal care services, i.e., home attendant (HA), housekeeper (HK), emergency and exceptional home attendant (DTS) and consumer directed personal assistance program (CDPAP) services, for the approximately 4,000 to 5,000 HRA HCSP clients who are currently exempt from enrollment in mandatory managed care and managed long term care programs. Recipients eligible to continue receiving services through the HRA personal care services program fall within one or more of the following categories: under 21 years old; require less than 120 days of personal care services; are eligible for Medicaid only after spending down a portion of their income; have traumatic brain injury; or are receiving hospice care at the time of their Medicaid enrollment. Recipients may also have a combination of any of the above.

In advance of the release of the RFP, HRA is issuing this concept paper which outlines the program model that HRA developed in light of the significant reductions in the HRA home care client population due to New York State Medicaid Redesign. Unique to this model are the following features:

- Contractors shall provide all service types under one combined program, instead of separate programs for each service type.
- Contractors must have a NYSDOH license that covers at least 4 NYC boroughs for Personal Care Level I (Housekeeping) and Level II (Home Attendant) services. Contractors will be required to provide services in at least 2 of the boroughs.
- Contractors will receive a mix of service types and the caseload size will fluctuate during the life of the contract. Cases will be distributed based on the contractor's ability to provide services to meet the specific needs of the client, including the client's cultural background, primary language, personal characteristics, geographic location, and the ability of the contractor to assign a home care worker to communicate with the client or on the client's behalf in

accordance with the Department's care plan; HRA will also consider the capability of the contractor to serve Difficult to Serve (DTS) clients.

- Methodology for rate reimbursement will be jointly determined by NYSDOH and HRA.
- Contractors must use a 3rd party computer service bureau for electronic billing and accounts receivable records and must provide HRA with online internet access to all data and HRA required reports.

Please read the attached Concept Paper carefully. As we develop and finalize the RFP, we welcome constructive feedback from all interested parties as part of our planning process. Comments should be sent to ACCOProcurements@hra.nyc.gov.

We look forward to hearing from you and thank you for your careful consideration of this Concept Paper.

Sincerely,

A handwritten signature in black ink, appearing to read "Vincent Pullo", written in a cursive style.

Vincent Pullo

**THE CITY OF NEW YORK HUMAN RESOURCES ADMINISTRATION
CONCEPT REPORT
HOME CARE SERVICES
PIN: 06914H084300 EPIN: 09613P0002**

Purpose of RFP:

New York State is in the process of restructuring its Medicaid Program, including how non-institutional long term care services are provided. Under the current New York State (“the State”) Medicaid Plan, New York State assigns authority to the local social services department of each New York County to oversee and/or provide access to most of their county’s Medicaid non-institutional in-long term care programs. New York City Human Resources Administration (“HRA”) is the local social services department for New York City. HRA’s Home Care Services Program (“HCSP”) is responsible for authorizing in-home long term care services for Medicaid-eligible individuals. One of the long term care programs funded by NYS Medicaid is Personal Care Services. Types of Personal Care Services are Home Attendant, Housekeeper, and Consumer Directed Personal Assistance Program Services. New York Counties currently provide these services via fee for service contracts with vendor agencies and the State approves the vendor’s rates. Under the new proposed multi-year phased-in Medicaid State Plan, the State beginning September 2012, will gradually take over the Medicaid program and replace the local county administered fee for service system with a State administered, full capitation¹ or partial-capitation² care management system that can coordinate and integrate care services at lower costs and with higher patient care quality. The State’s move to a managed care system for most Medicaid home care services effectively changes who administers the New York City Personal Care Program and how clients receive their services.

New York State’s Medicaid program is the largest in the nation with more than five million New Yorkers receiving benefits. In light of rising health care costs and the anticipated increase in Medicaid recipients due to the Affordable Care Act, New York State in 2011, initiated a major overhaul of its Medicaid program to reduce and cap Medicaid costs, improve patient outcomes, and ensure Medicaid sustainability. With Executive Order #5, Governor Cuomo established the New York Medicaid Redesign Team (MRT), and appointed stakeholders from almost all sectors of the health care industry and consumer advocates. The MRT recommendations were presented at public forums, amended when needed, and enacted into law in New York State’s 2011 Executive Budget. The New York State Department of Health (NYSDOH) developed the MRT multi-year action plan with continued stakeholder and public involvement. On April 13, 2011, the State applied to the US Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS) for a new Medicaid 1115 waiver³ to implement the plan. CMS has

¹ HMO is paid a specified amount per patient to deliver services over a set period of time. Payment is determined on a per member/per month (PMPM) basis.

² Certain types or categories of services are paid on a capitated basis.

³ States must apply for waivers if their Medicaid programs deviate from the federal standard. Section 1115 waivers are for research and demonstration projects to allow States to try new approaches to program design and administration, such as expanded eligibility or coverage options, and must be renewed every five years. The demonstration project must be in accord with the objectives of the program and must demonstrate that it will slow

now approved most of the provisions to expand mandatory managed care enrollment to Medicaid recipients over age 21 who receive community-based, in-home long term care services in excess of 120 days. A full description of the State's redesigned Medicaid plan, along with public comments, and the State's responses to CMS's questions can be obtained at the NYSDOH website at: www.health.ny.gov/health_care/medicaid/redesign/

As stated on NYSDOH's website, interested parties can receive MRT information by subscribing to the MRT website by email to: listserv@listserv.health.state.ny.us. In the body of the message, type: SUBSCRIBE MRT-L Your First Name Your Last Name. (Example: SUBSCRIBE MRT-L John Doe.)

Effective August 1, 2011, CMS approved the expansion of mandatory managed care enrollment to most long term care recipients over age 21 years who are on Medicaid but not on Medicare. Approximately 4,000 HCSP clients were affected by this ruling and had to sign up with a Managed Care Organization (MCO) to manage all their health needs, including the supervision of their community based home care services. On August 31, 2012, CMS approved the expansion of mandatory managed long term care ("MLTC") enrollment to most dual-eligible individuals over age 21 who receives community-based long term care services in excess of 120 days. The MLTC programs will assume the responsibility of the HRA's Community Assistance Services Agency (CASA), i.e., they will assess the client's eligibility for home care and will determine the type and amount of services required to keep the client safely at home. Unlike the Managed Care Organization that provides for the client's entire medical needs, the MLTC programs cover the client's home care needs and other long term care services only. Dual eligible clients continue to obtain their medical needs through regular Medicare or Medicaid Advantage plans. The mandatory MLTC enrollment in NYC will be phased-in by service type, by borough, and by zip code and began September 2012. When clients receive official notification from the State, they have 60 days to select a managed long term care plan or the State will select the plan for them. With CMS approval, starting in 2014, the State will roll out Fully-Integrated Dual Advantage (FIDA) managed care plans and clients enrolled in the MLTC program will be passively transferred to FIDA managed care plans.

the cost of growth in Medicaid and Medicare, improve overall health of recipients, and provide better quality patient care. The demonstration project is required to be cost neutral.

LTC Medicaid Recipients Exempt from Mandatory MCO and MLTC Enrollment.

Recipients that are eligible to receive personal care services through the HRA HCSP will fall within one or more of the following categories:

- Be under 21 years of age;
- Require less than 120 days of personal care services;
- Be eligible for Medicaid-only after spending down a portion of their income;
- Have Traumatic Brain Injury (TBI);
- Be in hospice care at the time of Medicaid Enrollment.

HRA projects that there will be approximately 4,000 to 5,000 recipients that are exempt from the NYSDOH MLTC plan at any one time and for whom HRA must provide or continue to provide their personal care services. The number of HRA clients will fluctuate as clients with surplus income become eligible for Medicare, or exceed 120 days of long term care, or reach age 21, and must enroll in a managed long term care program.

Description of Personal Care Services

Personal Care Services are defined by NYS regulations, 18 NYCRR 505.14, as Level I, housekeeper services, Level II, home attendant services, and level III, home health aide services. HRA contracts are only for Level I and Level II personal care services. In 1995, NYS established a Medicaid-funded home care program for chronically ill and/or physically disabled individuals who wanted greater flexibility and freedom of choice for their home care. This program is called the Consumer Directed Personal Assistance Program. In April 2011, NYSDOH officially issued rules and regulations for Consumer Directed Personal Assistance Program by adding section 505.28 to 18 NYCRR. In addition, NYC created a special type of home attendant program for clients who have exceptional needs and/or are in exceptional circumstances. This program is called Emergency and Exceptional Home Attendant Services, also known as Difficult to Serve Home Attendant Services. A brief description of these types of programs is detailed below.

Program Model:

HRA is seeking an adequate number of appropriately qualified contractors that can directly provide, under one program, and not through subcontracts, home care services to Medicaid recipients residing in the five NYC counties whose services will remain under the responsibility of HRA. Service types are home attendant, housekeeper, consumer directed personal assistance, and emergency and exceptional home attendant services. Clients shall be self-directing, i.e., capable of making choices about activities of daily living and both understanding and accepting responsibility for the results or will have relatives, significant others, or guardians who direct on their behalf.

Minimum NY State Qualifications:

Vendors must be a NYS licensed home care services agency in accordance with 18 NYCRR 505.14 and must be licensed in at least 4 NYC counties.

Service Types:

Service types are Home Attendant, Housekeeper, Consumer Directed Personal Assistance, and Emergency and Exceptional Home Attendant Services. Contractors must be able to provide all service types under one program administration.

- Housekeepers (Level I of Personal Care Services) assist clients with general cleaning, laundry, meal preparation and shopping. Housekeeping services are limited to 8 hours per week (4 hours a day one or two times per week).
- Home Attendants (Level II of Personal Care Services) assist clients with feeding, ambulation, bathing, toileting, personal grooming, dressing, general cleaning, marketing, laundry, meal preparation, and errands, as required, to safely maintain the client in his/her own home.
- Consumer Directed Personal Assistants assist the chronically ill or physically disabled Medicaid-eligible individual, known as the Consumer, with home health aide services (simple health care tasks, personal hygiene services, housekeeping tasks and other support services essential to the consumer's health) as well as skilled nursing tasks under the direction of the Consumer. HRA authorizes the Consumer's care plan but the "Consumer" assumes responsibility for recruiting, hiring, training, supervising, scheduling, and when necessary, discharging his/her own Personal Assistant. The contractor acts as the paymaster and employer of record for the Consumer Directed Personal Assistants and acts as the fiscal intermediary for the Consumer by processing the Medicaid billings to the State.
- Home Attendants who provide Emergency and Exceptional Home Attendant Services assist clients with personal care (level II) services who have exceptional needs and/or are in exceptional circumstances. The majority of these clients have psychosocial, environmental, and/or family issues. Home Attendants assisting this difficult population require ongoing and intensive support services and training from social workers in order to provide consistent quality care and reduce home attendant turnover and attrition. Social workers also coordinate with and make referrals to the appropriate case management entity to stabilize and maintain the client in a safe environment.

Service Areas

Services are City-wide. Contractors must be licensed for at least 4 boroughs and will be required to provide services in at least 2 boroughs.

Caseload Size:

The number of cases available for distribution will depend on how many cases remain under HRA's supervision and may fluctuate considerably during the life of the contract.

Distribution of Cases:

Contractors will receive a mix of service types and service hours. State Regulations (18 NYCRR 505.14) require that prior to assigning a case, HRA must consider the specific needs of the client,

including the client's cultural background, primary language, personal characteristics, geographic location, and the ability of the vendor agency and assigned home care worker to communicate with the client or on the client's behalf in accordance with the Department's care plan. HRA will also consider the capability of the contractor to serve Difficult to Serve (DTS) clients.

HRA will use the following protocol to assign a client to a vendor:

1. HRA's computerized system (Long Term Care Web) will identify vendors who can provide services in the client's borough who also have the capability to meet the client's language, cultural, ethnic, and other special needs.
2. Clients will be allowed to select the vendor of their choice.
3. If a client does not indicate a preference, Long Term Care Web will randomly generate a list of vendors capable of servicing the client.
4. The first vendor on the randomly generated list, who accepts the referral and can provide services within the prescribed 72 hour timeframe, or for DTS cases within the 24 hour timeframe, will be assigned the case.

Proposed Term of the Contract

It is anticipated that the term of the contract(s) awarded from this RFP will be for 3 years, from January 1, 2014 to December 31, 2016, with one 3-year option to renew.

Funding Information

It is anticipated that the estimated annual funding for all contracts awarded from this RFP will be two hundred fifteen million nine hundred and forty three thousand (**\$215,943,000**).

Anticipated Payment Structure

Methodology for rate reimbursement will be jointly determined by NYSDOH and HRA. HRA will not provide any start-up funds as it is not providing a full caseload. Since payment for services is through the NYS Medicaid Management Information System and reimbursement may take up to 6 weeks, the contractor must have available cash or a line of credit from a reputable financial institution to support their caseload throughout the life of the contract. Approximately \$500,000 in working capital is needed to support 100 cases. The City will make a determination as to whether proposers have enough capital to be awarded this contract.

Computer Service Bureau: The contractor must use a third party computer service bureau for electronic billing and accounts receivable records and must provide HRA with online internet access to all data and HRA required reports.

Local Law 73 of 2003 – Language Assistance Services: The contractor must be able to provide free language assistance services to limited English proficient individuals for the languages covered under the Law: Arabic, Chinese, Haitian Creole, Korean, Russian or Spanish.

Local Law 38 of 2002 - Living Wage Law: The contractor must comply with NYC’s Living Wage law to pay home care workers \$10 per hour and either provide health benefits or pay an additional \$1.50 per hour. The Living Wage Law is subject to change.

New York State Wage Parity Law:
The vendor must comply with the New York State Wage Parity Law.

Program Services:

Program services are described under the program model in this Concept Paper. The contractor must provide the services in accordance with all Federal, State, and City laws, rules, and regulations.

Planned Method of Evaluating Proposals:

Proposals will be evaluated pursuant to evaluation criteria set forth in the RFP. It is anticipated the evaluation criteria will be:

- 1. Demonstration of Successful Relevant Experience 40%
- 2. Demonstration of Organizational; Capacity 20%
- 3. Demonstration of Proposed Approach 40%

Proposals will be placed in rank order by technical score, from highest to lowest technical score. HRA will make awards to ensure appropriate distribution of services across geographic areas and to ensure that specific needs of clients are met. All proposers whose technical scores fall above the natural break in such technical scoring will be considered. At the time of contract award, the contractor must sign the Agency Certificate of Compliance with NYC’s Living Wage Law; must provide proof of appropriate liability insurance coverage to protect the City, and must provide proof that it has \$250,000 for every 100 cases or \$62,500 for every 25 cases. This can be in the form of a credit line or unrestricted cash in the bank.

HRA is seeking an adequate number of appropriately qualified contractors who successfully demonstrate the following criteria, pursuant to the requirements of the RFP:

- At least 10 years experience directly providing personal care (home attendant or home health aide) case management services in NYC, some of which must be for services to Medicaid clients.
- An existing NYS licensed 600 case home attendant or home health aide program. Program staff must be shared with the contractor’s existing program as the numbers of cases received from HRA will not be sufficient to support a stand-alone program.
- Satisfactorily addressed any deficiencies cited in NYSDOH Survey(s) of their program(s) and any other evaluations from funding entities of their program(s), including HRA.

- Administrative staff that meet or exceed the qualifications specified in the contract. Preference will be given to proposers with experience serving diverse ethnic and/or multicultural populations and with multi-lingual administrative staff and home care workers.
- “Live” 24-hours per day, 7 days per week, on call staff to cover emergency referrals. Answering machines and answering services are not adequate coverage.
- The capability to initiate the requisite services to clients within twenty-four (24) hours of receipt of a referral for a client in a non-emergency situation; within four (4) hours at any time of the day or night, seven days a week, upon a referral for a client who is in an emergency situation; and to provide emergency replacement home attendants within two hours.
- An established Quality Assessment and Improvement Committee as required by NYSDOH regulations to provide program oversight.

Additional preference will be given to proposers with experience serving clients in exceptional circumstances or with exceptional needs.

Questions/Comments – ACCOProcurements@hra.nyc.gov