

## Notice of Intent to Award Sole Source Contracts

<b>Notice Date</b>	September 11, 2012
<b>Response Due Date (10 business days from Notice Date)</b>	September 25, 2012
<b>Contract Caption/Description</b>	Managed Care Organization
<b>Vendor Name</b>	Health Services Children with Special Needs
<b>Agency</b>	Department of Health Care Finance
<b>Contract Specialist Email</b>	<a href="mailto:jacquelyn.alpert@dc.gov">jacquelyn.alpert@dc.gov</a>
<b>Contract Officer Email</b>	<a href="mailto:angela.turner@dc.gov">angela.turner@dc.gov</a>

**DETERMINATION AND FINDINGS  
FOR A  
SOLE SOURCE PROCUREMENT**

**CONTRACT NO:** CW14164

**CAPTION:** Children With Special Needs Managed Care Organization

**PROPOSED CONTRACTOR:** Health Services Children With Special Needs

**PROGRAM AGENCY:** Department of Health Care Finance

**FINDINGS**

**1. AUTHORIZATION:**

D.C. Official Code §2-354.04, 27 DCMR 1304 and 1700

**2. MINIMUM NEED:**

The District of Columbia (District), Department of Health Care Finance is the single state agency with the responsibility for implementation and administration of the District's Medicaid (Title XIX of the Social Security Act) and State Children's Health Insurance (SCHIP, Title XXI of the Social Security Act) programs. Through these programs, approximately 150,000 eligible low-income family members and disabled and elderly individuals receive health insurance coverage.

The District has created a unique managed care program for children and adolescents with special healthcare needs, the District Child and Adolescent Supplemental Security Income Program (CASSIP). CASSIP Enrollees receive medically necessary services for physical health, mental and behavioral health, and substance abuse, nursing home care, Intermediate Care Facilities for Mental Retardation (ICF/MR) and residential treatment services.

The contract is necessary as the District is required by Federal law to provide Medicaid services to eligible children and this contract allows the District to seamlessly provide medical services to children with special needs, until September 30, 2013, as DHCF prepares a new Request for Proposal.

**3. ESTIMATED REASONABLE PRICE:**

The estimated fair and reasonable price to provide the required services for a period of performance of one year from date of award is \$145,283,558.00. The price offered by Health Services Children With Special Needs (HSCSN) has been determined fair and reasonable based on the comparison of prices received in response to a competitive

solicitation issued in 2008. Additionally, their rates have been determined to be sound and approved by the District's actuary.

**4. FACTS WHICH JUSTIFY SOLE SOURCE PROCUREMENT:**

The Government of the District of Columbia, Department of Health Care Finance has a need to maintain health care services for the District's Medicaid eligible population enrolled in the Child and Adolescent Supplemental Security Income Program (CASSIP). The CASSIP program provides an array of comprehensive health care, mental health and substance abuse services to approximately 3,600 Medicaid eligible children and adolescents up to the age of 25 with disabilities and complex health care needs.

As the original contract with HSCSN expired, the the District must continue these services as they are essential to the vulnerable District residents affected and mandated under Federal law. Furthermore, HSCSN is the only vendor currently licensed by the Department of Insurance, Securities, and Banking to perform these services.

Any disruption to these services could cause great harm to those residents affected. Furthermore, a break in service would cause the District a financial burden as, absent this contract, the District would have to pay for these healthcare expenses on a more-expensive "fee- for-service" basis.

**5. CERTIFICATION BY AGENCY DIRECTOR**

I hereby certify that the above findings are true, correct and complete to the best of my knowledge and belief.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Wayne Turnage, Director  
Department of Health Care Finance

**6. CERTIFICATION FINDINGS AND DETERMINATION BY THE CONTRACTING OFFICER**

Based on the findings, I hereby determine Health Services Children With Special Needs, shall be responsible and is capable of providing Managed Care Organization services under the Proposed Sole Source Contract. It is further determined that the approval shall be in the best interest of the District and that the cost is fair and reasonable.

I recommend that the Office of Contracting and Procurement (OCP) Chief Procurement Officer approve the use of the Sole Source Procurement method for this Proposed Sole Source Contract. I have reviewed the above findings and certify that they are sufficient to justify the use of the sole source method of procurement under the cited authority. I

certify that the notice of intent to award a sole source contract was published in accordance with Section 404(c) of the District of Columbia Procurement Practices Reform Act of 2010 (D.C. Official Code §2-354.04) and that no response was received. I recommend that the Chief Procurement Officer approve the use of the sole source procurement method for this proposed contract.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Angela Turner, CPPB  
Contracting Officer  
Office of Contracting and Procurement

**DETERMINATION**

Based on the above findings and in accordance with the cited authority, I hereby determine that it is not feasible or practical to invoke the competitive solicitation process under either Section 404 of the District of Columbia Procurement Practices Reform Act of 2010 (D.C. Law 18-371; D.C. Official Code § 2-354.04 Sec 404 (a)(b)(c) DCMR 1700, D.C. Law 18-371; ). Accordingly, I determine that the District is justified in contracting with the Sole Source Method Of Procurement.

\_\_\_\_\_  
Date

\_\_\_\_\_  
James D. Staton, Jr.  
Chief Procurement Officer  
Office of Contracting and Procurement