

**SUMMARY OF DEPARTMENT OPERATIONAL SUPPORT CONTRACT
REQUEST TO THE HEALTH COMMISSION**

A DOS Contract is a Contract for the provision of goods or services that directly supports DPH's operations.

Contractor: Health Management Associates, Inc.	Division/Section:	DPH
	Deputy Director:	Roland Pickens
Address: 120 N. Washington Square, Suite 705	DPH Administrator:	Drew Murrell
Lansing, MI 48933	Program Administrator:	Matthew Sur Phone: 628-271-7555
Contact: Warren Brodine Phone:	Contract Analyst:	Lin Qiu Phone: 628-271-6164

Request for approval of a new Professional Services Agreement with Health Management Associates, Inc. to provide consulting services pertaining to the Department’s revenue associated with its Federally Qualified Health Centers. The total proposed contract amount is \$5,900,000 which includes a 0% contingency for the term of October 15, 2024 through October 14, 2029 (5 years).

Mark only one for each question below:

- Vendor Type** For Profit Non-Profit Government Entity
- Is the Vendor a CMD Certified LBE?** Yes No
- Purchasing Authority:** RFP Sole Source GPO
Solicitation SFGOV-0000009190 08/06/2024
- Does DPH have other existing contracts with this Vendor?** Yes No
If yes, approximately how many years has DPH been doing business with this Vendor? Provide explanation, as needed. 7 years. Since year 2017.

CONTRACT INFORMATION

Proposed Transaction

October 15, 2024 to October 14, 2029

FUNDING SOURCES:

General Fund	\$5,900,000
<u>TOTAL DPH REVENUES:</u>	\$5,900,000
12% Contingency Amount	\$0
<u>TOTAL CONTRACT AMOUNT WITH CONTINGENCY:</u>	\$5,900,000
<u>ONE-TIME UPFRONT COSTS:</u>	N/A
<u>ANNUAL AMOUNT OF CONTRACT*:</u>	\$1,180,000 (estimated, but depends on task order completion)
<i>*Excludes one-time upfront/implementation costs.</i>	

[FOR PROGRAM ADMINISTRATION CONTRACTS ONLY]

Program Administrator Indirect Percent	
<u>TOTAL INDIRECT EXPENSES:</u>	
<u>TOTAL DIRECT EXPENSES:</u>	

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PROPOSED BREAKDOWN OF ITEMS/SERVICES

Item or Service (Task Order Categories)	Quantity	Unit Price	Amount
(1) Legislative Analysis	Multiple		\$200,000
(2) Financial Sustainability	Multiple		\$2,000,000
(3) Rate Change Support	Multiple		\$700,000
(4) Project Management DHSC CSOR filing	Primarily One		\$1,300,000
(5) All Other Consulting Services	As requested		\$1,600,000
Travel (Hotel, Airfare, Transportation, and Per Diem)	As needed		\$100,000

*Amounts provided in table are task order based. Calculations for the total Amount are estimates based on presumed number of hours, and the hourly rate, which will vary by position role. Range of hourly rates available.

Purpose of Contract:

Health Management Associate (HMA) will serve as a Federally Qualified Health Center (FQHC) subject matter expert to assist the Department with FQHC tasks and requirements including: (1) research, stay up to date, and inform the Department of all legislative and/or regulatory changes related to FQHC's. HMA will provide periodic regulatory reporting including all updates; (2) Provide guidance on financial sustainability, including regulatory compliance and change of scope recommendations; (3) Assist the City with rate change requests, including rate setting optimization and rate setting risk analysis; (4) Provide rate setting project management, including submission of required reports and audit support; and (5) Provide as needed consulting and reporting services related to the Department's FQHCs. The Department's Ambulatory Care Division consists of 18 FQHC clinics, including over 150 services and generates approximately \$70 million in FQHC revenue annually.

Health Management Associates (HMA) is a national research and consulting firm in the healthcare industry. Founded in 1985, today HMA have more than 700 consultants and 30 locations across the country, with local expertise and intel in all 50 states plus the District of Columbia and Puerto Rico through HMA State Connect. HMA provides technical assistance, resources, decision support and expertise.

Health Management Associate, Inc. was selected under RFP Sourcing Event ID SFGOV-0000009190. Health Management Associate, Inc. was the highest ranked proposer.

Performance Monitoring:

The contract will be monitored in accordance with the requirements and task order completion by the business owner over the duration of the contract.

Health Equity and Inclusion Compliance:

The Contractor will provide necessary information to comply with the Department's Office of Health Equity (OHE) requirements and will align with the citywide efforts on contract equity as overseen by the Office of Racial Equity (ORE) in the Human Rights Commission.

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Listing of CEO, Board of Directors, and Owners of 10% or More of the Firm:

CEO: Chuck Milligan

Board of Directors: Grant Patrick, Greg Moerschel, Tim Sheehan, John P. Morris, Jay Rosen, Chuck Milligan
Marilyn Evert, Michael Leavitt, Ross Winkelman