



AGENDA ITEM REPORT

Forsyth County

MEETING DATE: May 6, 2021 Agenda Item: 11

CONTRACT NUMBER: 2022-0002-00

STAFF CONTACT: Randy C Hunsucker, Department Business Manager
DEPARTMENT: Sheriff's Office

SUBJECT: RESOLUTION AWARDING A CONTRACT FOR INMATE HEALTH CARE DELIVERY SERVICES FOR THE LAW ENFORCEMENT DETENTION CENTER
 (FORSYTH COUNTY SHERIFF'S OFFICE)

ATTACHMENTS: [Resolution-2021-088 - Consider Award of Jail Medical Contract to NaphCare, Inc. - Pdf](#)

EXECUTIVE SUMMARY

BACKGROUND INFORMATION:

Proposals were received January 29, 2021, in response to a Request for Proposals (RFP) to provide inmate health care delivery services for the Law Enforcement Detention Center (LEDC). This followed the release of the solicitation on November 13, 2020. Fourteen (14) vendors attended a pre-bid conference on December 11, 2020. Six (6) proposals were received January 29, 2021.

Proposals were asked to include:

A fixed annual cost for the management and operation of on-site medical services (all resident inmates regardless of jurisdictional responsibility), and;

A fixed annual cost for third party administration of off-site medical services with local medical providers and sharing the cost of those claims.

Each proposal was evaluated and rated by a diverse team of County staff representing the Sheriff's Office, County Manager's Office, Public Health Department and Budget & Management. In all, assessment criteria included six (6) mandatory requirements, a review of past performance and experience, including reference checks, and twenty-one (21) technical and clinical criteria. The

individual assessment scores from each of the nine (9) assessors was consolidated into an average score.

The Assessment Team conducted the finalist interviews with NaphCare, Inc., Wexford Health Sources, Inc., and Armor Correctional Health Services, Inc., between March 11 and March 18, 2021. Of the six (6) proposals, NaphCare, Inc., obtained the highest assessed value and is the recommendation of the assessment team.

The Assessment Team and staff recommend that a contract for inmate medical care delivery services for the LEDC be awarded to NaphCare, Inc., for an initial three-year term (2 years and 10 months to align with fiscal year) in the following amounts:

Fixed Costs

On-site operation and management of an on-site medical unit and related health services:

\$14,876,502.45

Third party administration of off-site claims: \$2,437,348.48

Variable Costs

County and Sheriff's Office staff estimate of local health care provider claims during the initial term;

County's 50% share: \$1,998,580

Staff estimate of net per diem costs during the term, for when Inmates per Day Exceeds an ADP

Contract Base of 850: \$172,900

The total estimated cost during the initial term is \$19,485,330.93.

As specified in the RFP, the contract will be for an initial two year and 10 month term, from September 1, 2021, through June 30, 2024, and prior to the expiration of the initial three-year contract, upon 180 days written notice, the contract may be extended in one-year increments for up to three (3) additional one (1) year periods, and upon 90 days written request, the provider may adjust prices beginning July 1 of each additional new year thereafter by an amount not to exceed the Annual Consumer Price Index unadjusted percent change as reported by the Bureau of Labor Statistics for the Medical Care Group published in the Consumer Price Index Detailed Report for December (Table 3. Consumer Price Index for all Urban Consumers: U.S. city average, detailed expenditure categories) or 5%, whichever is less.

**RESOLUTION AWARDING A CONTRACT FOR INMATE HEALTH CARE DELIVERY
SERVICES FOR THE LAW ENFORCEMENT DETENTION CENTER (FORSYTH COUNTY
SHERIFF'S OFFICE)**

WHEREAS proposals were received by the City/County Purchasing Department at 12:00 p.m. on January 29, 2021, to provide inmate health care services for the Law Enforcement Detention Center from Mediko P.C., NaphCare, Inc., Wexford Health Sources Inc., Armor Correctional Health Services, Inc., Corizon Health, Inc., and Wellpath LLC;

WHEREAS a team of County staff assessed the proposals based on a number of criterion including six (6) mandatory requirements, a review of past performance and experience, including reference checks, and twenty-one (21) technical and clinical criteria;

WHEREAS NaphCare, Inc., was identified as the best overall proposal in terms of best meeting the needs of the County within funding appropriations and constraints;

WHEREAS the contract will be for an initial contract term of two (2) years and ten (10) months, to align the second and third years to the County fiscal year, commencing September 1, 2021, and ending June 30, 2024, reserving the right for the County to extend this Agreement for as many as three (3) additional twelve (12) month periods, through June 30, 2027;

WHEREAS it is the recommendation of the Assessment Team, County Manager, and the Purchasing Director that a contract for inmate health care services for the Law Enforcement Detention Center be awarded to NaphCare, Inc. for the following services set forth as fixed cost services, offsite healthcare costs, and additions or deductions for LEDC Average Daily Population counts (ADP):

FIXED COST SERVICES:

Manage and Operate LEDC On-Site Medical Unit and related health services:
\$14,876,502.45

YEAR 1 - \$4,220,691.60 (10-months)
YEAR 2 - \$5,249,167.91
YEAR 3 - \$5,406,642.94

LEDC Third Party Administration of off-site claims: \$2,437,348.48

YEAR 1 - \$694,583.33 (10-months)
YEAR 2 - \$858,505.00
YEAR 3 - \$884,260.15

Behavioral Health Unit: \$1,155,100

YEAR 1 - \$329,100 (10-month pilot/trial period)
YEAR 2 - \$406,900 (optional, pending review for performance analytics and funding availability)

YEAR 3 - \$419,100 (optional, pending review for performance analytics and funding availability)

ESTIMATED OFF-SITE HEALTHCARE COSTS (COUNTY PAYS 50%):

YEAR 1 - \$518,580.00 (10-months)

YEAR 2 - \$720,000.00

YEAR 3 - \$760,000.00

ESTIMATED PER DIEM COSTS per Inmate per Day (Additional Cost if ADP over 850; Deduction if ADP below 700): \$172,900.00

YEAR 1 - \$3.63 / \$47,900 (10-months)

YEAR 2 - \$4.63 / \$50,000

YEAR 3 - \$4.63 / \$75,000

; and

WHEREAS the contract will be for an initial term from September 1, 2021, through June 30, 2024, and prior to the expiration of the initial term, upon 180 days written notice, the contract may be extended in one-year increments for up to three (3) additional 12-month periods, and the provider may adjust prices beginning July 1, 2024, and for each additional year by an amount not-to-exceed the Annual Consumer Price Index unadjusted percent change as reported by the Bureau of Labor Statistics for the Medical Care Services published in the Consumer Price Index Detailed Report for December (Table 3. Consumer Price Index for all Urban Consumers: U.S. city average, detailed expenditure categories) or 5%, whichever is less;

NOW, THEREFORE, BE IT RESOLVED, by the Forsyth County Board of Commissioners that a contract to provide inmate health care services for the Law Enforcement Detention Center is hereby awarded to NaphCare, Inc., in an amount not to exceed \$20,640,430.93 for the period September 1, 2021, through June 30, 2024, and that the County Manager and Clerk to the Board are hereby authorized to execute a contract with NaphCare, Inc., on behalf of Forsyth County, for the services as set forth herein, subject to a pre-audit certificate thereon by the County Chief Financial Officer, if applicable, and approval as to form and legality by the County Attorney; and

BE IT FURTHER RESOLVED, that the County Manager is hereby authorized to any execute contract amendments, within budgeted amounts, necessary to pay for variable healthcare expenses and per diem rates, as well as continuation of the Behavioral Health Unit, as set forth herein.

Adopted this 6 day of May 2021.