

# **Request for Proposals for the Development and Operation of an Acute Care Hospital with Emergency Department**

**July 14, 2014**

## **Introduction**

The Palm Drive Health Care District is governed by California statutes in the Health and Safety Code sections 32000 et seq. The District is requesting proposals for professional health care services or programs that can be offered at the 501 Petaluma Avenue facility and other locations. This facility has served as a full service acute care hospital with a stand-by emergency department. On April 28, 2014, the District ceased all inpatient and outpatient services and closed the hospital. It should be noted that upon the closure of the hospital, its CMS provider number was rescinded.

The District has made available on its web site related background information that may be of use to those completing the RFP. This information can be found at [www.palmdrivehospital.org](http://www.palmdrivehospital.org)

## **Proposal Guidelines**

All proposals must include the following:

1. A comprehensive business plan that includes both start up costs and a plan for achieving financial sustainability. If Palm Drive's acute care hospital license is to be reactivated, include a plan for running the hospital for a period of time without CMS reimbursement, a selected accreditation organization and a plan for accreditation to regain CMS provider status. A financial pro forma for the requested duration of the contract or three years whichever period is less, should be provided. This must also include evidence of financial reserves that will be available to assure needed cash flow during both the startup and ongoing operations.
2. A description of all health services that will be offered, when they will commence, and the location and the hours of operation of such services.
3. A description of how Hospital management and administration will be handled, including the following items:
  - Staffing and equipment requirements
  - Operational service volume forecasts
  - Expected patient payer mix
  - Plans for marketing the Hospital to physicians and the community

4. The portions of the building(s) that will be used (the location and approximate total square feet) and proposed compensation the District will receive for the use of the space.
5. The existing equipment (owned or leased) that will be used and the proposed terms of use or purchase.
6. The duration and terms of the proposed contract with the District including, but not limited to, those related to the use of the building(s).
7. Accreditations that will be obtained.
8. Identification of proposed key personnel (at the start up and ongoing) and their qualifications. At a minimum this will include the Chief Administrative Officer, Chief Financial Officer and Chief Medical Officer.
9. The organizational relationship between the District Board and Applicant.
10. How the proposed services will benefit the residents of the District in the area of wellness, prevention and health promotion.
11. Information about the applicant's organization, its business structure and operations, history and background.
12. Information concerning any actual or potential conflicts of interest involving the applicant's organization or owners and the District.
13. The electronic medical records system that will be used for the facility.
14. Insurance coverage for facility operation and management.

**Evaluation Criteria:**

Proposal evaluation will include, but not be limited to, the following areas:

- The array of services that will be available to district residents, with significant weight given to the provision of an emergency department.
- Economic viability, sufficient capital and feasible business plan for start up and ongoing operations.
- Ability to comply with regulatory requirements.
- Key personnel have demonstrated ability to successfully perform proposed duties.
- Demonstrated experience in providing high quality health services.

- How quickly critical services will commence.
- Appropriate contract termination provisions.

#### RFP Review and Approval Schedule

- Monday, July 14, 2014—Public release of RFP
- Monday, July 28, 2014—Bidders Conference (time/location to be announced)
- Monday, August 25, 2014—Submission Date (no later than noon)
- Monday, October 6, 2014—Board Decision regarding successful Proposal

Please direct all questions concerning the RFP and relevant materials to Gail Mullins who can be reached at (707)829-4300 and [GMullins@palmdrivehospital.com](mailto:GMullins@palmdrivehospital.com).

Proposals must include a complete description of the service or program to be offered and must be submitted in electronic form (PDF) with 10 printed copies no later than **noon, Monday, August 25, 2014**.

The proposals are to be submitted to:

Gail Mullins: Palm Drive Hospital, 501 Petaluma Ave, Sebastopol, 95472 (hard copy)  
[GMullins@palmdrivehospital.com](mailto:GMullins@palmdrivehospital.com).(PDF)

The District reserves the right and ability to reject any and all proposals, to commence discussions or negotiations with any one or more applicants, or to undertake the same or similar services or programs as District operations, completely within the District Board and management's discretion regardless of the evaluation or competitive details of the proposals. Applicants should be aware that proposals will become public records. If there is a need to maintain confidentiality of any specific information, such will need to be discussed with management for consideration under the Public Records Act.