



Request for Proposals
Due Diligence Services
Lower Mainland Consolidation Project
Ministry of Health Services, Request for Proposals Number: SATP-280
Issue date: February 12, 2010

Closing Time: Proposal must be received **before** 2:00 PM Pacific Time on: Tuesday February 23, 2010

GOVERNMENT CONTACT PERSON: All enquiries related to this Request for Proposals (RFP), including any requests for information and clarification, are to be directed, in writing, to the following person who will respond if time permits. Information obtained from any other source is not official and should not be relied upon. Enquiries and any responses will be recorded and may be distributed to all Proponents at the Province's option.

Mike Kishimoto, Director SATP, email: purchasing@gov.bc.ca

DELIVERY OF PROPOSALS:

Proposals must not be sent by mail, facsimile or e-mail. Proposals are to be submitted to the closing location as follows:

- A.** 5 complete hard-copies and 1 copy on diskettes or CDs should be delivered by hand or courier to:

Procurement Services, SATP
 c/o 2nd Floor 563 Superior Street
 Victoria, B.C. V8V 1T7
 Attention: Mike Kishimoto, Director, SATP

Proposal envelopes should be clearly marked with the name and address of the Proponent, the Request for Proposals number, and the project or program title.

PROPONENTS' MEETING:

Please note that a Proponents' meeting **will not** be held.

PROPONENT SECTION:

For hard-copy proposals, a person authorized to sign on behalf of the Proponent **must** complete and sign the Proponent Section (below), leaving the rest of this page otherwise unaltered, and include the originally-signed and completed page with the first copy of the proposal.

The enclosed proposal is submitted in response to the above-referenced Request for Proposals, including any addenda. Through submission of this proposal we agree to all of the terms and conditions of the Request for Proposals and agree that any inconsistent provisions in our proposal will be as if not written and do not exist. We have carefully read and examined the Request for Proposals, including the Administrative Section, and have conducted such other investigations as were prudent and reasonable in preparing the proposal. We agree to be bound by statements and representations made in our proposal.

<i>Signature of Authorized Representative:</i>	Legal Name of Proponent (and Doing Business As Name, if applicable):
<i>Printed Name of Authorized Representative:</i>	<i>Address of Proponent:</i>
<i>Title:</i>	
<i>Date:</i>	<i>Authorized Representative phone, fax or email address (if available):</i>

Table of Contents

A.	DEFINITIONS AND ADMINISTRATIVE REQUIREMENTS	3
B.	REQUIREMENTS AND RESPONSE	5
1.	SUMMARY OF THE REQUIREMENT	5
2.	MINISTRY SITUATION/OVERVIEW	5
3.	SCOPE OF THIS REQUEST FOR PROPOSAL	10
4.	CONTRACTED SERVICES REQUIREMENTS	12
5.	PRICING RESPONSE REQUIREMENTS.....	13
6.	REFERENCES.....	13
7.	EVALUATION	14
8.	PROPONENT RESPONSE GUIDELINES.....	17
APPENDIX A	CONTRACT FORM.....	20
APPENDIX B	NOTICE TO CONTRACTORS	21

A. Definitions and Administrative Requirements

1. Definitions

Throughout this Request for Proposals, the following definitions apply:

- a) “SSBC” means Shared Services BC of the Ministry of Citizens’ Services;
- b) “Contract” means the written agreement resulting from this Request for Proposals executed by the Province and the Contractor;
- c) “Contractor” means the successful Proponent to this Request for Proposals who enters into a written Contract with the Province;
- d) “FHA” means the Fraser Health Authority;
- e) “Lower Mainland Consolidation” or “LMC” means the Ministry’s initiative to consolidate corporate, clinical support and back office functions to achieve savings and efficiencies across FHA, VCHA, PHSA and their affiliate Providence in order to address the health authorities budget deficits;
- f) “Ministry” means Ministry of Health Services;
- g) “must”, or “mandatory” means a requirement that must be met in order for a proposal to receive consideration;
- h) “Participating Health Authorities” means the FHA, VCHA, PHSA and includes Providence;
- i) “PHSA” Provincial Health Services Authority;
- j) “Proponent” means an individual or a company that submits, or intends to submit, a proposal in response to this Request for Proposals;
- k) “Providence” means Providence Health Care which is an affiliate of the Province’s health authorities;
- l) “Province” means Her Majesty the Queen in Right of the Province of British Columbia and includes SSBC and the Ministry;
- m) “Request for Proposals” or “RFP” means the process described in this document;
- n) “should” or “desirable” means a requirement having a significant degree of importance to the objectives of the Request for Proposals; and
- o) “VCHA” means the Vancouver Coastal Health Authority.

2. Terms and Conditions

The following terms and conditions will apply to this Request for Proposals. Submission of a proposal in response to this Request for Proposals indicates acceptance of all the terms that follow and that are included in any addenda issued by the Province. Provisions in proposals that contradict any of the terms of this Request for Proposals will be as if not written and do not exist.

3. Additional Information Regarding the Request for Proposals

All subsequent information regarding this Request for Proposals, including changes made to this document will be posted on the BC Bid website at www.bcbid.ca. It is the sole responsibility of the Proponent to check for amendments on the BC Bid website.

4. Late Proposals

Proposals will be marked with their receipt time at the closing location. Only complete proposals received and marked before closing time will be considered to have been received on time.

Hard-copies of late proposals will not be accepted and will be returned to the Proponent. Electronic proposals that are received late will be marked late and will not be considered or evaluated.

In the event of a dispute, the proposal receipt time as recorded at the closing location shall prevail whether accurate or not.

5. Eligibility

- a) Proposals will not be evaluated if the Proponent’s current or past corporate or other interests may, in the Province’s opinion, give rise to a conflict of interest in connection with the project described in this Request for Proposals. This includes, but is not limited to, involvement by a Proponent in the preparation of this Request for Proposals. If a Proponent is in doubt as to whether there might be a conflict of interest, the Proponent should consult with the Government Contact Person listed on page 1 prior to submitting a proposal.
- b) Proposals from not-for-profit agencies will be evaluated against the same criteria as those received from any other Proponents.

6. Evaluation

Evaluation of proposals will be by a committee formed by the Province and may include employees and contractors of the Province. All personnel will be bound by the same standards of confidentiality. The Province’s intent is to enter into a Contract with the Proponent who has the highest overall ranking.

7. Negotiation Delay

If a written Contract cannot be negotiated within 5 days of notification of the successful Proponent, the Province may, at its sole discretion at any time thereafter, terminate negotiations with that Proponent and either negotiate a Contract with the next qualified Proponent or choose to terminate the Request for Proposals process and not enter into a Contract with any of the Proponents.

8. Debriefing

At the conclusion of the Request for Proposals process, all Proponents will be notified. Unsuccessful Proponents may request a debriefing meeting with the Province.

9. Alternative Solutions

If alternative solutions are offered, please submit the information in the same format, as a separate proposal.

10. Changes to Proposals

By submission of a clear and detailed written notice, the Proponent may amend or withdraw its proposal prior to the closing date and time. Upon closing time, all proposals become irrevocable. The Proponent will not change the wording of its proposal after closing and no words or comments will be added to the proposal unless requested by the Province for purposes of clarification.

11. Proponents’ Expenses

Proponents are solely responsible for their own expenses in preparing a proposal and for subsequent negotiations with the Province, if any. If the Province elects to reject any or all proposals, the Province will not be liable to any Proponent for any claims, whether for costs or damages incurred by the Proponent in preparing the proposal, loss of anticipated profit in connection with any final Contract, or any other matter whatsoever.

12. Limitation of Damages

Further to the preceding paragraph, the Proponent, by submitting a proposal, agrees that it will not claim damages, for whatever reason, relating to the Contract or in respect of the competitive process, in excess of an amount equivalent to the reasonable costs incurred by the Proponent in preparing its proposal and the Proponent, by submitting a proposal, waives any claim for loss of profits if no Contract is made with the Proponent.

13. Proposal Validity

Proposals will be open for acceptance for at least 90 days after the closing date.

14. Firm Pricing

Prices will be firm for the entire Contract period unless this Request for Proposals specifically states otherwise.

15. Currency and Taxes

Prices quoted are to be:

- a) in Canadian dollars;
- b) inclusive of duty, where applicable; FOB destination, delivery charges included where applicable; and
- c) exclusive of Goods and Services Tax and Provincial Sales Tax.

16. Completeness of Proposal

By submission of a proposal the Proponent warrants that, if this Request for Proposals is to design, create or provide a system or manage a program, all components required to run the system or manage the program have been identified in the proposal or will be provided by the Contractor at no charge.

17. Sub-Contracting

- a) Using a sub-contractor (who should be clearly identified in the proposal) is acceptable. This includes a joint submission by two Proponents having no formal corporate links. However, in this case, one of these Proponents must be prepared to take overall responsibility for successful performance of the Contract and this should be clearly defined in the proposal.
- b) Sub-contracting to any firm or individual whose current or past corporate or other interests may, in the Province's opinion, give rise to a conflict of interest in connection with the project or program described in this Request for Proposals will not be permitted. This includes, but is not limited to, any firm or individual involved in the preparation of this Request for Proposals. If a Proponent is in doubt as to whether a proposed subcontractor gives rise to a conflict of interest, the Proponent should consult with the Government Contact Person listed on page 1 prior to submitting a proposal.
- c) Where applicable, the names of approved sub-contractors listed in the proposal will be included in the Contract. No additional subcontractors will be added, nor other changes made, to this list in the Contract without the written consent of the Province.

18. Acceptance of Proposals

- a) This Request for Proposals should not be construed as an agreement to purchase goods or services. The Province is not bound to enter into a Contract with the Proponent who submits the lowest priced proposal or with any Proponent. Proposals will be assessed in light of the evaluation criteria. The Province will be under no obligation to receive further information, whether written or oral, from any Proponent.
- b) Neither acceptance of a proposal nor execution of a Contract will constitute approval of any activity or development contemplated in any proposal that requires any approval, permit or license pursuant to any federal, provincial, regional district or municipal statute, regulation or by-law.

19. Definition of Contract

Notice in writing to a Proponent that it has been identified as the successful Proponent and the subsequent full execution of a written Contract will constitute a Contract for the goods or services, and no

Proponent will acquire any legal or equitable rights or privileges relative to the goods or services until the occurrence of both such events.

20. Contract

By submission of a proposal, the Proponent agrees that should its proposal be successful the Proponent will enter into a Contract with the Province on the terms set out in Appendix B.

21. Liability for Errors

While the Province has used considerable efforts to ensure information in this Request for Proposals is accurate, the information contained in this Request for Proposals is supplied solely as a guideline for Proponents. The information is not guaranteed or warranted to be accurate by the Province, nor is it necessarily comprehensive or exhaustive. Nothing in this Request for Proposals is intended to relieve Proponents from forming their own opinions and conclusions with respect to the matters addressed in this Request for Proposals.

22. Modification of Terms

The Province reserves the right to modify the terms of this Request for Proposals at any time in its sole discretion. This includes the right to cancel this Request for Proposals at any time prior to entering into a Contract with the successful Proponent.

23. Ownership of Proposals

All proposals submitted to the Province become the property of the Province. They will be received and held in confidence by the Province, subject to the provisions of the *Freedom of Information and Protection of Privacy Act* and this Request for Proposals.

24. Use of Request for Proposals

Any portion of this document, or any information supplied by the Province in relation to this Request for Proposals may not be used or disclosed, for any purpose other than for the submission of proposals. Without limiting the generality of the foregoing, by submission of a proposal, the Proponent agrees to hold in confidence all information supplied by the Province in relation to this Request for Proposals.

25. Reciprocity

The Province may consider and evaluate any proposals from other jurisdictions on the same basis that the government purchasing authorities in those jurisdictions would treat a similar proposal from a British Columbia supplier.

26. No Lobbying

Proponents must not attempt to communicate directly or indirectly with any employee, contractor or representative of the Province, including the evaluation committee and any elected officials of the Province, or with members of the public or the media, about the project described in this Request for Proposals or otherwise in respect of the Request for Proposals, other than as expressly directed or permitted by the Province.

27. Collection and Use of Personal Information

Proponents are solely responsible for familiarizing themselves, and ensuring that they comply, with the laws applicable to the collection and dissemination of information, including resumes and other personal information concerning employees and employees of any subcontractors. If this RFP requires Proponents to provide the Province with personal information of employees who have been included as resources in response to this RFP, Proponents will ensure that they have obtained written consent from each of those employees before forwarding such personal information to the Province. Such written consents are to specify that the personal information may be forwarded to the Province for the purposes of responding to this RFP and use by the Province for the purposes set out in the RFP. The Province may, at any time, request the original consents or copies of the original consents from Proponents, and upon such request being made, Proponents will immediately supply such originals or copies to the Province.

B. Requirements and Response

1. Summary of the Requirement

The purpose of this Request for Proposals (“RFP”) is to select a management consulting firm to provide due diligence on an initiative to consolidate the corporate, clinical support and back office functions of the Lower Mainland B.C. health authorities. The due diligence services include reviewing current project plans, gathering and assessing baseline project and financial information related to the consolidation projects and establishing a framework for monitoring project performance against planned outcomes.

Proponents should note that time is of the essence. As such services are expected to be substantially completed within 2 months of commencing services and with all work completed by the end of the 4th month. The Ministry has included an option, at its sole discretion, for a further 2 month extension so as to complete any related project assessments. Due to the nature of this work this Contract will be a time and materials engagement.

2. Ministry Situation/Overview

The Participating Health Authorities (FHA, VCHA, and PHSA and includes Providence) are in the process of completing plans to consolidate key corporate, clinical supports and back office functions to achieve savings and efficiencies.

In the longer term, additional benefits will be achieved as the entities function as an integrated system.

The collaboration of the Participating Health Authorities presents the opportunity to look for efficiencies within departments that are common across the four organizations as a way of finding additional money that can be used for clinical care. For this reason, the Ministry requires corporate, back office and support service consolidations across the Lower Mainland. Some work has already been done both within and across the organizations – including consolidated services and initiatives such as integrated support service contracts, security, and a common pharmacy formulary.

Going forward, virtually every non-clinical service will be looked at as a potential consolidation opportunity. Each of the health organizations involved have been assigned responsibility for managing the planning, implementation and delivery of specific services.

By continuing to reduce duplication or triplication (of effort, structures and systems) savings can be realized from a variety of sources. These may include standardization of workflow, a reduction in the overall number of positions, reductions in space and facilities, consolidation of technology, shared licenses and the elimination of redundant processes. Consolidation of three or four departments into a single, central service also has the potential to create a pool of staff with a wide range of skills and expertise.

As part of this initiative a series of implementation projects have been developed in order achieve these outcomes. Accountability for these projects resides with the respective chief executive officers of the participating organizations.

2.1 Ministry Responsibility

The Ministry of Health Services has overall responsibility for ensuring that quality, appropriate and timely health services are available to all British Columbians.

The Ministry works with health authorities, care providers, agencies and other groups to provide access to care. The Ministry provides leadership, direction and support to these service delivery partners and sets province-wide goals, standards and expectations for health service delivery by health authorities. The Ministry undertakes this leadership role through the development of social policy, legislation and professional regulation, through funding decisions, negotiations and bargaining, and through its accountability framework for health authorities and oversight of health professional regulatory bodies.

The Ministry directly manages a number of provincial programs and services. These programs include:

- The Medical Services Plan, which covers most physician services;
- PharmaCare, which provides prescription drug insurance for British Columbians;
- The B.C. Vital Statistics Agency, which registers and reports on vital events such as a birth, death or marriage; and
- The Emergency and Health Services Commission, which provides ambulance services across the province and operates HealthLink BC, a confidential health information, advice and health navigation system available by telephone or on the web (see www.healthlinkbc.ca). HealthLink BC also publishes the BC HealthGuide which is available through local pharmacies and operates bcbedline, the provincial acute bed management system.

2.2 Health Authority Responsibility

The Province's six health authorities are the organizations primarily responsible for health service delivery.

Five regional health authorities deliver a full continuum of health services to meet the needs of the population within their respective geographic regions and a sixth health authority, the Provincial Health Services Authority, is responsible for managing the quality, coordination and accessibility of selected province-wide health programs and services. These include the specialized programs and services provided through the following agencies: BC Cancer Agency, BC Centre for Disease Control, BC Children's Hospital and Sunny Hill Health Centre for Children, BC Women's Hospital and Health Centre, BC Provincial Renal Agency, BC Transplant Society, Cardiac Services BC, and BC Mental Health and Addiction Services including Riverview Hospital and the Forensic Psychiatric Services Commission.

Providence Health Care provides a faith-based health-care service to patient and residents from the Lower Mainland and the rest of British Columbia through agreements with the VCHA, the PHSA.

Providence, through an agreement with VCHA and PHSA, takes organizational and planning direction and priorities from these two health authorities. The delivery of health services and the health of the population are monitored by the Ministry on a regular basis. These activities inform the Ministry's strategic planning and policy direction to ensure the delivery of health services continues to meet the needs of British Columbians.

2.3 Lower Mainland Consolidation Project Background

Although B.C.'s health authorities have received significant funding increases over the last few years, demand continues to grow. The collaboration of the Participating Health Authorities (and

Providence) presents the opportunity to look for efficiencies within departments that are common across the four organizations. Although some work on consolidation has been done by some of the organizations, the potential for more integration and alignment has been identified as a way of creating greater efficiencies.

The Ministry has directed that the Lower Mainland Consolidation project be initiated to ensure full consolidation of all corporate, clinical support and back office functions unless there is a definitive and undeniable reason for exclusion.

2.3.1 The strategic level objectives of the LMC are to:

- (a) Undertake a review of all common departments (except direct clinical services) so as to identify the feasibility of consolidation for efficiency;
- (b) Prioritize departments to be consolidated based on potential savings, time to implement and effort required;
- (c) Utilize the existing health authority structure and expertise to assign accountability to each chief executive officer for specific departments and delivery of the project deliverables related to their areas of accountability;
- (d) Implement consolidation plans that include savings and timelines for all in scope departments; and
- (e) Develop basic service level agreement for each LMC service.

2.3.2 Some guiding principles for the LMC Project include:

- (a) All non-clinical services should be considered in-scope for the LMC unless there is a compelling business case for exclusion. All resources (FTEs, supplies, projects) related to an area targeted for Lower Mainland consolidation are included in scope and subject to the business model. The starting point for consolidation was review and data collation of health authority budgets which commenced summer of 2009.
- (b) The primary focus of the LMC is the Lower Mainland; however the intent is for consolidation to be expanded to the Northern Health Authority, Interior Health Authority and the Vancouver Island Health Authority once the value is demonstrated in the Lower Mainland.
- (c) The initial scope of the LMC includes; FHA, VCHA, PHSA and Providence. From a practical perspective, the LMC operating approach will be as though the four organizations act as a single corporate entity.
- (d) The project initiatives have to have a reasonable expectation of returning financial benefit by fiscal 2009/10 year end.
- (e) The consolidation project activities have to not jeopardize other budget management activities or health authority clinical services delivery capacity.
- (f) Comprehensive business cases will not be required for each project initiative; the pace and magnitude of savings will drive flexibility in the business models. Leaders to be selected and savings targets set; it is understood that course correction may be periodically required as initiatives are implemented.
- (g) Project consistency is required where common templates and reporting methodologies are to be used where possible to ensure comparability of evaluations and outcomes.

- (h) Financial benefits resulting from consolidation will be distributed back to participating health authorities relative to their investment in the process.
- (i) The participating health authorities are responsible for the transformation costs related to implementing their assigned consolidated departments.
- (j) Consolidated services will reside within an existing administrative structure (i.e. within one of the participating health authorities) and will report to the leadership of that health authority, while providing services to the other participating health authorities.
- (k) Flexibility in the mechanisms and structures of service relationships will allow a common sense approach.

2.3.3 The LMC Projects:

The summary project information provided in this section is intended to provide Proponents with an appreciation for the scope of due diligence work that will need to be performed within the 2 - 4 month service delivery target.

At this time a total of 12 projects are in progress. A summary of these projects including baseline budget and FTE's is provided below. Proponents should note that due to the confidential nature of the LMC project, the full project information will only be disclosed to the successful Proponent to this Request for Proposal.

2.3.3.1 Fraser Health Authority

1. *Facility Management - Consolidation of the administration of capital projects, real estate and facilities departments across the participating organizations. Approximate total budget: \$190 million. Approximate total FTE 660.*
2. *Protection Services - Current scope includes protection/security and parking services for the participating organizations. These services broadly include security contract management, loss prevention, people protection, investigations and security technology/design. Parking, including contract management, financial management, parking design and technology, pass controls and transportation demand management as well as photo identification services are in scope for all 4 organizations. Approximate total budget: \$17 million. Approximate total FTE 20.*
3. *Pharmacy - Phase 1. Common formulary. Focusing on non-clinical pharmacy operations falling within the project scope, this plan contemplates standardization, consolidation and integration of distribution, procurement and production functions. Approximate Total Budget: \$150 million. Approximate Total FTE 800.*

2.3.3.2 Providence Health Care

1. *Biomedical Engineering – Current scope include all four biomedical engineering departments across the participating organizations. Biomedical engineering departments include clinical support equipment such as diagnostic imaging equipment, laboratory equipment. However linear accelerators and radiations therapy services technology is excluded from the LMC project. Approximate Total Budget: \$26 million. Approximate Total FTE 160.*
2. *Health Information Management – Current scope includes integration of records management, transcription, coding and registration services across the participating organizations. Approximate Total Budget: \$43 million. Approximate Total FTE 695*

2.3.3.3 Provincial Health Services Authority

1. *Interpretation Services – Current scope include consolidation of interpretation services (phone and in-person) across the participating organizations. Approximate Total Budget: \$2.4 million. Approximate Total FTE 30.*
2. *Pathology and Laboratory Medicine – Current scope includes optimization (integration, standardization, and consolidation) of lab services across the participating organizations. Approximate Total Budget: \$200 million. Approximate Total FTE 1800.*
3. *IT/ IMIS (including switchboard) – Current scope covers VCHA, PHSa and Providence and is to integrate and optimize the IM/IT organizations of the participating organizations. The project includes cost savings through reduction of labour, non-labour and depreciation expenses, and to enable organizational effectiveness through benefits of synergies, governance and strategy. Approximate Total Budget: \$82 million. Approximate Total FTE 560.*

2.3.3.4 Vancouver Coastal Health Services Authority

1. *Communication Services – Current scope is to consolidate services across the participating organizations. Approximate Total Budget: \$9 million. Approximate Total FTE 75.*
2. *Diagnostic Imaging – Current scope is to consolidate diagnostic imaging services across the participating organizations. Approximate Total Budget: \$220 million. Approximate Total FTE 1400.*
3. *Human Resources – Current scope covers VCHA, PHSa and Providence and is to consolidate transactional human resources services (e.g. labour relations, employee and family assistance, employee records and benefits, recruitment) and strategic human resources (e.g. executive recruitment and compensation, leadership and management education) across the participating organizations. Approximate Total Budget: \$40 million. Approximate Total FTE 400.*
4. *Housekeeping Food Laundry, Business Initiatives Revenue, and Patient Transport – Current scope is to consolidate services across the participating organizations. Approximate Total Budget: \$200 million. Approximate Total FTE 795.*

3. Scope of this Request for Proposal

3.1 Scope of this Procurement

The purpose of this Request for Proposals (“RFP”) is to select a management consulting firm to provide due diligence on LMC project work performed to date by the respective Lower Mainland health authorities. The required due diligence services include; reviewing existing project plans and deliverables; gathering and assessing baseline project and financial information related to the assigned consolidation projects and establishing a mechanism for monitoring and evaluating project progress against plan and realized savings. The Contractor will also be expected to provide a report detailing recommendations on actions needed in order to ensure that consolidation efficiencies are realized.

The scope of due diligence work encompasses the LMC projects assigned to FHA, PHSA, VCHA and Providence outlined in Section 2.3.3 The LMC Projects.

Soon after a Contract has been executed with the successful Proponent, the Contractor will be provided access to project materials as well as project staff working on the LMC projects. Very soon after Contract execution a work-plan addressing the 2 – 4 month engagement is expected to be delivered by the Contractor for review by the Ministry (anticipated to be within 1 week of starting services).

3.2 Conflict of Interest when Delivering Services

Due to the nature of the work in which the Contractor’s staff will engage, any real or perceived conflict of interest that may arise related to activities of the Contractor’s team during the term of the Contract has to be resolved to the satisfaction of the Ministry.

3.3 Limitations to Downstream Work

As the scope of this Contract is limited to performance of the services related to the deliverables described in this RFP, the Contractor will not include in their deliverables, proposals for further involvement of the Contractor’s firms or affiliates in further services related to the project provided for in the Request for Proposal.

3.4 Anticipated Work Load

The Ministry anticipates that the Contractor’s team will be required on a full-time basis and be available to perform work on-site at the health authority offices in the Lower Mainland as well as attend meetings with Ministry staff in Victoria.

3.5 Work Location

The Contractor is expected to perform the majority of activities on-site. The Ministry will only pay for pre-approved travel, accommodation and related expenses. Expenses will be based on government’s group 2 policies for travel and only for travel undertaken outside of the Lower Mainland of British Columbia.

Any personal information under the custody of the Ministry or under the control of the Ministry should be stored only in Canada and accessed only in Canada pursuant to section 30.1 of the *Freedom of Information and Protection of Privacy Act*. A Privacy Protection Schedule (PPS) should be completed and attached as a schedule to any contract between the government and a contractor that involves ‘personal information’ as defined in the *Freedom of Information and Protection of Privacy Act*.

In addition, a non-disclosure agreement may be required to be signed by the employees and /or sub-contractors of the successful Proponent to ensure that any personal information held by the Ministry and accessed by those employees /sub-contractors assigned to the Contract remains confidential.

3.6 Time is of the Essence

This opportunity is a short term 4 month engagement with a requirement that a majority of the deliverables be completed and presented to the Ministry within 2 months of service commencement.

In order to move quickly on this work the Ministry expects that a Contract will be signed with the successful Proponent very soon after the successful Proponent has been identified. If within 5 days of notification to the successful Proponent of its status the Contract cannot be executed then the Ministry at any time thereafter may do one of the following:

- (a) Continue to meet with the successful Proponent so as to execute the Contract;
- (b) Provide notice to the Proponent that it is no longer the successful Proponent and without further obligation, terminate effort to execute a Contract for the service; at which time the Ministry may invite the next highest ranked Proponent to execute a Contract; or
- (c) Close the Request for Proposal process and not award a Contract to any Proponent.

Proponents should note that the Ministry will not allow work to commence until a Contract has been executed.

3.7 Term of the Contract

The term of the Contract is 4 months, commencing on or about March 1, 2010. The due diligence services are expected to be completed within the 4 month term, however, the majority of the due diligence work is expected to be completed and deliverables provided and presented to the Ministry within 2 months of commencing services.

At the sole discretion of the Ministry, the Contract may be extended for an additional 2 months in order to address any related LMC project reviews.

Proponents should note that this is a time and materials Contract. As such the Ministry may terminate the services for any reason upon 10 days written notice to the Contractor.

Please note that due to the project nature of work, the Ministry makes no guarantee as to the minimum number of billable hours under the Contract.

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4. Contracted Services Requirements

Proponents should note that the LMC project is a high profile initiative that needs to be delivered quickly so as to achieve savings. The Ministry expects that Proponents propose senior level staff with expertise in performing due diligence and project assessment services for situations similar to the projects outlined in Section 2.3.3.

4.1 Responsibility of the Contractor

The Contractor is required to deliver the following services:

- 4.1.1 Within 1 week of execution of the Contract, meet with Ministry and health authority project staff so as to review existing materials, assess and document the extent of due diligence work needed to achieve the objectives of the engagement, agree on deliverables (including content such as written reports, presentation materials, etc) and provide a work-plan (including resource chart and estimated effort) for the remaining term of the Contract. The Contractor is expected to deliver a substantial degree of the work within 2 months of commencing services. Proponents should note that acceptance by the Ministry of the work plan is a key milestone. As such failure to meet this requirement to the satisfaction of the Ministry may, at the sole discretion of the Ministry, result with termination of the Contract.
- 4.1.2 For each of the projects described in Section 2.3.3 (and as may be modified during the initial work-plan development period) provide the following services and deliverables:
- (a) Review scope, project structure and implementation plans and provide independent due diligence on the work performed to date, accuracy of baseline data (project, financial and asset – as applicable) used to monitor progress, performance of the project team, outcomes achieved and prognosis for achieving project objectives. The Contractor may provide other due diligence services as agreed to in the (to be developed) work-plan described in (4.1.1) above. The Contractor is required to provide an initial report detailing its due diligence findings at the agreed to work-plan timelines and make any required presentations to the Ministry of its findings.
 - (b) Review the LMC project management structure and make written recommendations for tracking, monitoring and managing the LMC projects.
 - (c) Review and assess financial baseline data as part of the due diligence assessment and provide a report on achieved savings to date. This will also include a report on whether these targets are reasonable and achievable.
 - (d) Establish mechanisms for monitoring and evaluating project progress against plan and realized savings. The Contractor is required to provide materials describing the mechanisms and provide a current state report of the LMC projects currently in progress using the performance monitoring and evaluation process. These materials will be delivered according to the work-plan to be delivered soon after Contract execution.
- 4.1.3 A final report will be provided by the Contractor detailing the due diligence findings (at the both the individual project (service-line) level and overall Lower Mainland consolidation project). The report will also include recommendations on actions needed in order to ensure that consolidation efficiencies are realized. The Contractor will be

expected to present these findings to the Ministry. The final report will be a presentation supplemented by project management documentation.

4.2 Responsibility of the Ministry

The Ministry will perform the following:

1. Work with the Contractor in developing the work-plan and accepting the work-plan in an expedited manner so as not to unnecessarily delay commencement of services;
2. Provide access to project materials to the Contractor;
3. Provide access to project staff; and
4. Provide appropriate direction.

5. Pricing Response Requirements

The Contract will be a time and materials engagement.

The Ministry understands that the type and number of resources may vary depending on the nature of the due diligence performed over the Contract period as such Proponents are asked to provide a blended hourly rate for resources in two broad categories. These are as follows:

- Hourly rate for the proposed lead (partner) level individual responsible for delivery of the contracted services; and
- A blended hourly rate for all other staff performing the day-to-day work over the term of the Contract. This includes any project management level staff, analysts or other subject matter experts and administrative staff where applicable.

The blended rates will be used for determining scores in the pricing section of the evaluation process.

Proponents should note that the Ministry will only pay for pre-approved travel, accommodation and related expenses. Expenses will be based on government's group 2 policies for travel and only for travel undertaken outside of the Lower Mainland of British Columbia.

6. References

Proponents are required to provide three corporate references that demonstrate the Proponent's ability to deliver services similar to the requirements described in this Request for Proposal. In addition, Proponents are required to provide 2 references for the proposed lead (partner) who will be responsible for delivering the services.

The Ministry may, at its sole discretion, contact client references to validate the statements in the proposal. The Ministry will not enter into a contract with any Proponent whose references, in the sole opinion of the Ministry, are unsatisfactory or do not confirm the information provided in their proposal.

7. Evaluation

This section details all of the mandatory and desirable criteria against which proposals will be evaluated. Proponents should ensure that they fully respond to all criteria in order to receive full consideration during evaluation.

7.1 Mandatory Criteria

Proposals not clearly demonstrating that they meet the following mandatory criteria will be excluded from further consideration during the evaluation process.

Mandatory Criteria	
a)	The proposal must be received at the closing location before the specified closing time.
b)	The proposal must be in English and must not be sent by mail, facsimile or e-mail.

7.2 Desirable Criteria

Proposals meeting all of the mandatory criteria will be further assessed against desirable criteria.

Evaluation Criteria Table	Weighting	Minimum score
Step 1 – Written Evaluation		
1. Proponent Capability and Capacity	25 points	60%
Proponent Capability		
a) Proponent corporate profile		
b) Demonstrated experience delivering management consulting (including performance measurement, financial analysis and organizational transformation) services in the health care industry		
c) Demonstrated experience with delivering due diligence (corporate, clinical support and back-office) services related to consolidation of services across large organizations, preferably in the health care industry		
d) Demonstrated experience managing short-term, fast turn-around complex assessment projects in an environment with multiple stakeholder groups and competing priorities		

Evaluation Criteria Table	Weighting	Minimum score
Proponent Capacity		
a) Corporate and financial capacity		
b) Demonstrate ability to rapidly assess current priorities and deliver credible results in a short-time frame		
c) Capacity to deliver the services		
2. Team Resource Experience	40 points	60%
a) Experience of Proponent's lead (partner) individual		
b) Experience of key delivery team individuals		
3. High Level Conceptual Work Approach	10 points	
a) Provide a high level conceptual work-plan and types of activities that address delivery of due diligence services in a healthcare setting for large scale cross organizational consolidation projects		
4. Pricing	25 points	
a) Hourly rate for the lead (partner) level individual responsible for delivery of the contracted services		
b) A blended hourly rate for all other staff performing the day-to-day work over the term of the Contract. This includes any project management level staff, analysts or other subject matter experts and administrative staff where applicable		
TOTAL	100 points	
Step 2 – Optional Presentations/ Interviews	10 points	
TOTAL Including Step 2 (if utilized)	110 points	

7.2.1 Step 1 - Written Evaluation

Proposals meeting all mandatory criteria are then evaluated against the written proposal desirable criteria #1 through #4, above. A proposal has to receive at least the minimum score in each of the desirable criteria #1 and #2 in order to be considered further. At the conclusion of this evaluation the scores will be tallied and the Ministry may choose to make an award (to the highest ranked Proponent) without proceeding to the Step 2 presentations.

Price points are awarded based on the following formula:

Formula:	$S = \frac{\text{Min} \times M}{P}$		
S	= score	M	= total points available for price
Min	= lowest priced proposal	P	= price on this proposal*

The Ministry at its sole option may however choose to invite up to the top three ranked Proponents to a further step in the evaluation process as described below in Section 7.2.2. Section 9 Proponent Response Guidelines provides detailed response guidelines and further information on each of the evaluation criteria outlined in the Stage Two evaluation table.

7.2.2 Step 2 - Presentations/ Interviews (Ministry's option)

The Ministry reserves the right to invite up to the 3 top ranked Proponents to make a presentation on its value proposition based on the skills-set provided in its proposal. In the event the Ministry chooses to hold presentations, the session should be delivered by one or more of the resources proposed by the Proponent. The duration of presentation will be up to a maximum of 30 minutes. In the event presentations are held, they will likely take place at the Ministry offices in Victoria, B.C.

Presentations may be followed by a questions and answers (“Q&A”) session during which the evaluation committee members may ask for clarifications or to validate statements made in the presented material and written proposal.

The presentation / Q&A session will not be an opportunity for Proponents either to revise existing information or to submit additional information with regards to their proposals. Further guidance from the Ministry with respect to Step 2 of the process will be provided to short-list Proponents if held.

7.3 Identification of Successful Proponent and Execution of Contract

The proposal with the highest total score for all desirable criteria (step 1 or, if utilized, Step 1 plus step 2) will become the successful Proponent.

If a written Contract cannot be negotiated within 5 days of notification of the successful Proponent, the Province may, at its sole discretion at any time thereafter, terminate negotiations with that Proponent and either negotiate a Contract with the next qualified Proponent or choose to terminate the Request for Proposals process and not enter into a Contract with any of the Proponents.

8. Proponent Response Guidelines

8.1 Proposal Format

The following format, sequence, and instructions should be followed in order to provide consistency in Proponent response and ensure each proposal receives full consideration. All pages should be consecutively numbered.

- a) An unaltered and completed Request for Proposals cover page, including Proponent Section as per instructions.
- b) Table of contents including page numbers.
- c) A short (one or two page) summary of the key features of the proposal.
- d) The body of the proposal, including pricing, i.e. the ‘proposal response’.

8.2 Proposal Response Guidelines

In order to receive full consideration during evaluation, proposals should include a detailed response to the following:

Please note that the guide is not exhaustive and each Proponent is responsible for ensuring that its response to the evaluation criteria is pertinent, detailed and clear.

8.2.1 Proponent Capability

a) Corporate Profile

Each Proponent should include a corporate profile that details background information on the Proponent and any subcontractors, including for each the year they were (and subcontractors, if any) established, corporate ownership and hierarchy, jurisdiction, corporate strategic direction, area of recognized expertise in the market place, and an overview of the corporate information including size, revenues, market and geographic presence. Each Proponent should demonstrate its ability to manage long-term business relationships and contractual engagements by providing examples where the Proponent has successfully done so and by describing the methods and processes applied.

b) Demonstrated experience delivering management consulting services in the health care industry

Each Proponent should describe their experience, delivering management consulting services in the health care industry including functional areas such as performance measurement, financial analysis and organizational transformation. Each Proponent should describe at least two examples of successful service delivery of contracts of similar size and scope to this procurement.

c) Demonstrated experience with delivering due diligence (corporate, clinical support and back-office) services related to consolidation of services across large organizations

Each Proponent should provide examples of delivering due diligence services similar to the type and scope of work required in this Request for Proposal. The information provided should demonstrate how each Proponent managed effective use of its resources and

knowledge through development of appropriate work plans, resource deployment and management. The examples should illustrate pertinence to the consolidation of functions such as corporate, clinical support and back-office areas.

d) Demonstrated experience managing short-term, fast turn-around complex assessment projects in an environment with multiple stakeholder groups and competing priorities

Each Proponent should provide examples that demonstrate capability to deliver short-term, fast-turn around due diligence services similar to the size and scope of this assignment. The examples should be relevant to the health care industry and demonstrate knowledge and experience with working in a multiple stakeholder group with sometimes competing priorities.

8.2.2 Proponent Capacity

a) Corporate and financial capacity

Each Proponent should describe where and when it has been engaged as a service provider with similar to the size of this opportunity. Large scale public or private sector examples would be preferred and if possible, where the services were similar to the requirements described in this Request for Proposal.

b) Demonstrate ability to rapidly assess current priorities and deliver credible results in a short-time frame

Each Proponent should provide examples demonstrating its ability to rapidly assess current priorities in a broad consolidation project and deliver credible due diligence results in a short time frame similar to the requirement described in this RFP. Proponents should describe key success factors that will determine success of their engagement in this project.

c) Capacity to deliver the services

Proponents should describe its capacity to deliver the services in the required timeframes.

8.2.3 Proponent Team Resource Experience

a) Experience of Proponent's lead (partner) individual

Each Proponent should provide a detailed resume of the proposed lead (partner) that will be assigned to deliver this engagement. Proponents should provide sufficient detail of examples of prior assignments that demonstrate the individual's experience in the health care industry and to in particular to deliver the requirements and within the timelines described in this Request for Proposal.

b) Experience of key delivery team individuals

Each Proponent should provide a detailed resume of each of the proposed key staff that will be deployed to deliver the deliverables described in this Request for Proposal. Proponents should provide sufficient detail of examples of prior assignments that demonstrate the proposed individual's experience in the health care industry and in particular their suitability to deliver due diligence services in a consolidation related project.

8.2.4 High Level Conceptual Work Approach

Proponents are required to provide a high level conceptual work-plan and description of types of activities that demonstrates the Proponent's ability to deliver due diligence services in a healthcare setting for large scale cross organizational consolidation projects. Proponents

should use the information provided in this Request for Proposal as a basis for their conceptual approach. As described in Section 4.1.1, a work plan will be finalized with the Contractor soon after a Contract is signed.

8.2.5 Pricing

Proponents are required to provide the following pricing:

- a) Hourly rate for the lead (partner) level individual responsible for delivery of the contracted services.
- b) A blended hourly rate for all other staff performing the day-to-day work over the term of the Contract. This includes any project management level staff, analysts or other subject matter experts and administrative staff where applicable.

8.2.6 References

Proponents are required to provide three corporate references that demonstrate the Proponent's ability to deliver services similar to the requirements described in this Request for Proposal.

In addition, Proponents are required to provide 2 references for the proposed lead (partner) who will be responsible for delivering the services.

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Appendix A Contract Form

By submission of a proposal, the Proponent agrees that should its proposal be successful the Proponent will enter into a Contract with the Province in accordance with the terms of the draft General Service Agreement and attached Schedules; a copy of which may be downloaded from BC Bid as an attachment to this Request for Proposal.

Appendix B Notice to Contractors

As a contractor with the Province, it is your responsibility to abide by all applicable laws. This is to bring to your attention that if you are conducting services for the province, and you also fall within the parameters of the *Lobbyists Registration Act*, then it is your responsibility to make this determination and register if necessary.