



STATE OF ARIZONA
Department of Health Services

**NOTICE OF REQUEST FOR INFORMATION
(RFI)**

**ARIZONA DEPARTMENT
OF HEALTH SERVICES**

1740 West Adams Street
Phoenix, Arizona 85007
(602) 542-1040
(602) 542-1741 Fax

REQUEST NUMBER: HF641001

REQUEST DUE DATE/TIME: July 29, 2016 at 3:00 p.m. Arizona Time

SUBMITTAL LOCATION: Submit via email to the Procurement Officer indicated below

DESCRIPTION: **Arizona State Hospital Public-Private Partnership Opportunity**

In accordance with A.R.S. § 41-2555, the Arizona Department of Health Services (ADHS) is issuing a Request for Information (RFI) for the behavioral health-related services specified herein. It is the responsibility of the Respondent to routinely check the ADHS Procurement website for any changes to this request <http://www.azdhs.gov/procurement/index.htm>

Additional instructions for preparing the information are included in this RFI.

With seventy-two (72) hours prior notice, persons with disabilities may request special accommodations such as interpreters, alternative formats, or assistance with physical accessibility. Such requests are to be addressed to the RFI contact person named below.

RESPONDENTS ARE STRONGLY ENCOURAGED TO CAREFULLY READ THE ENTIRE REQUEST FOR INFORMATION (RFI) BEFORE RESPONDING.

Contact Person:

Russell Coplen, Procurement Officer

Arizona Department of Health Services

(602) 542-1043

E-mail: Russell.Coplen@azdhs.gov

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1. Requirements / Instructions

- 1.1 Submit your response via email to the Procurement Officer listed on Page 1, as an Attachment of no more than twenty (20) written pages, single spaced, 12-point font size. The 20 page limit is inclusive of any and all information, attachments, pictures, etc.
- 1.2 Responses should be organized to correspond to the numbering convention indicated in this RFI.
- 1.3 Responses should include Company name, address and telephone number on a cover page. In addition, provide the name, title, telephone number and e-mail address of your organization's designated contact person for questions or clarification related to your response.
- 1.4 The Arizona Department of Health Services (ADHS) will not provide any reimbursement for the cost of developing a response to this RFI.
- 1.5 A copy of this RFI can be found at <http://azdhs.gov/operations/financial-services/procurement/index.php#rfi>

2. RFI Opening

Information received by the requested due date and time will be reviewed. The name of each Responder will be publicly available. Pursuant to A.A.C. R2-7-G301.2, to the extent allowed by law, information contained in a response may be considered confidential until the procurement process is concluded or two (2) years, whichever occurs first. Responses to a RFI are not offers and cannot be accepted to form a binding contract. A.A.C. R2-7-G301.1.

3. Questions

All questions related to this RFI shall be submitted by email to the Procurement Officer named on page one (1) of this document no later than **5:00 PM on June 21, 2016**.

4. Pre Submission Informational Meeting

An informational meeting will be held on **June 9th, 2016 at 1:00 pm** at the location below:

**Arizona Department of Health Services
State Laboratory
250 N 17th Ave, Phoenix, AZ 85007**

During this meeting ADHS will present ideas and information regarding the partnership vision, timing and details. Interested parties will also have the opportunity to ask questions to assist in the preparation of their response to the RFI. At this meeting ADHS will announce the opportunity to tour the Arizona State Hospital (ASH) campus. Two (2) tours will be scheduled and will be limited to the dates and times announced at the informational meeting.

5. Presentations

After receipt of responses ADHS reserves the right to select respondents to conduct a presentation at ADHS or a location chosen by ADHS. The format for the Presentation will be determined by ADHS.

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Arizona State Hospital Public-Private Partnership Opportunity

1. Background

- 1.1. The Arizona Department of Health Services (ADHS) is seeking information related to opportunities for public-private partnerships to utilize available property and/or buildings located on the Arizona State Hospital (ASH) campus to enhance and improve the behavioral health services available to the community, with a goal of creating a Center of Psychiatric Excellence. ADHS is not seeking nor is ADHS interested in any partnership that would lead to the privatization of current statutory required services provided at ASH.
- 1.2. ADHS is seeking information from interested parties that would participate in the creation and development of new opportunities to allow for the future Arizona Center of Psychiatric Excellence to better serve Arizona residents in providing state of the art comprehensive behavioral health care;
- 1.3. ADHS is interested in maximizing underutilized or unused resources at the ASH location, including land, buildings, and other resources. ADHS would like information and ideas from potential partners that would result in a mutually beneficial partnership to support the vision of a Center of Psychiatric Excellence in Arizona.

2. History

- 2.1 In 1885, the 13th Territorial Legislature met to appropriate \$100,000 for the construction of the "Insane Asylum of Phoenix" in Arizona. In addition, an Honorary Board of Directors of the Insane Asylum of Phoenix was established. County bonds were issued for \$3,500 for 160 acres with water rights 2-1/2 miles east of Phoenix. Construction began in 1886, to accommodate up to 280 patients, taking eight months to complete; over time, the use of that parcel of land has evolved and the provision of behavioral health services at this location is now under the direction and control of the ADHS/ASH. "According to law, this parcel of land is held in trust for the benefit of the mentally ill of the State; the Director of ADHS is the trustee of this charitable trust and ensures that the future use of this land meets the charitable purposes of the trust."
- 2.2 Today, ASH is located on a 93-acre campus at 24th Street and Van Buren, in Phoenix, Arizona. ASH provides long-term inpatient psychiatric care to the most seriously mentally ill Arizonans. The facility operates programs within a 260-funded bed facility, has Civil and Forensic beds accredited by the Joint Commission, and the Civil Campus is certified to receive reimbursement from The Centers for Medicare and Medicaid Services (CMS);
- 2.3 The ADHS/ASH is required to provide court ordered inpatient care and treatment to patients with mental disorders, personality disorders or emotional conditions. While providing evaluation and active treatment, the ASH strives to protect the rights and privileges of each patient, particularly the patients' rights to confidentiality and privacy; and
- 2.4 Treatment at the ASH is considered "the highest acuity and complexity of care needs provided in the most restrictive setting", and patients are admitted as a result of an inability to be safely maintained in a community facility. ADHS/ASH personnel endeavor to provide state-of-the-art inpatient psychiatric and forensic care. The ADHS/ASH is committed to treating all patients and personnel with dignity and respect. Interdisciplinary care is delivered in collaboration with community providers with a focus on recovery and community reintegration, and the patient, family or legal representatives.

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3. Current State of Care in Arizona

- 3.1. Data from the public behavioral health system have identified several challenges related to the provision of care. One of these issues is prolonged stays in Emergency Departments (EDs). In March of 2016 there were 17 Children held in local EDs for a total of 1,678.25 hours (average of 98.72 hours), 33 General Mental Health/Substance Abuse (GMH/SA) adults held in EDs for a total of 3,174.58 hours (average of 96.20 hours), and 28 adults determined to have a Serious Mental Illness (SMI) held in EDs for a total of 2,687.07 hours (average of 95.97 hours). The March 2016 data indicate 78 individuals were held for a total of 7,539.90 hours (average of 96.67 hours). Another significant challenge in Maricopa County is that Urgent Psychiatric Centers operate at or near capacity. Data show that admissions to these facilities were halted for a total of 58 hours 50 minutes in March of 2016.
- 3.2. A 2015 report from the Arizona Hospital and Healthcare Association (Waiting for Care: Causes, Impacts and Solutions to Psychiatric Boarding in Arizona) discussed “psychiatric boarding,” which is the practice of holding behavioral health patients in an emergency department for more than 24 hours. The report lists the following contributing factors: provider shortages, psychiatric bed shortages, stigma and social norms against behavioral health, shortages of outpatient services, complex legal environment and civil commitments, payment incentives, disincentives, and reform implications. Finally, the report points out some primary prevention recommendations including: investment in psychiatric urge care centers (private & public resources), community-based services focused on social support, and additional stabilization units.

4. Future Vision of the Arizona State Hospital Campus

- 4.1. The ADHS vision is to enhance the current ASH campus into a Center of Psychiatric Excellence that would provide a continuum of services to those with significant behavioral health needs. Possible ideas for this public-private partnership include but are not limited to:
 - 4.1.1. Outpatient integrated behavioral health services;
 - 4.1.2. Medical Office Space;
 - 4.1.3. Urgent Psychiatric Services: observation and Stabilization (24 hr. holds);
 - 4.1.4. Free standing psychiatric emergency room;
 - 4.1.5. Adult Inpatient Acute Psych Services (Short-stay);
 - 4.1.6. Residential Treatment Center;
 - 4.1.7. Pediatric/adolescent Psychiatric Residential Treatment Unit;
 - 4.1.8. Jail diversion, and
 - 4.1.9. Other pediatric/adolescent services.
- 4.2. ADHS and ASH have identified several structures and plots of land that could be used for this partnership. These include, but are not limited to (See Exhibit A Property Map):
 - 4.2.1. Approx. 80 beds on the Civil Campus.
 - 4.2.2. Approx. 28 beds in the Birch Building (building in front of ACPTC with direct access to 24th Street.
 - 4.2.3. Approx. 23 beds at Community Reintegration Unit (CRU), which was formerly the Adolescent Unit.
 - 4.2.4. Office Space in the Mahoney Building (a historic building that is need of renovations before it can be used).
 - 4.2.5. Potential beds and office space in the Granada Building (an older building that is in need of renovation).
 - 4.2.6. Land where the old Wick and Juniper buildings currently stand.
 - 4.2.7. Bower Park vacant land.

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5. Partnership Benefits

With a known community shortage of behavioral health services the following potential exists:

- 5.1. The leasing/renting of buildings and/or land at the ASH;
- 5.2. Wide range of options for partners, individually or collectively, in a desirable, central location;
- 5.3. Partner/Contract with community providers and stakeholders for sharing of services to realize the best value for all project partners;
- 5.4. Access to qualified personnel resources; and
- 5.5. Infrastructure needs.

6. Models of Partnerships (Examples include but are not limited to)

- 6.1. Design-Build (DB): The private-sector partner designs and builds the infrastructure to meet the public-sector partner's specifications, often for a fixed price. The private-sector partner assumes all risk.
- 6.2. Operation & Maintenance Contract (O & M): The private-sector partner, under contract, operates a publicly-owned asset for a specific period of time. The public partner retains ownership of the assets.
- 6.3. Design-Build-Finance-Operate (DBFO): The private-sector partner designs, finances and constructs a new infrastructure component and operates/maintains it under a long-term lease. The private-sector partner transfers the infrastructure component to the public-sector partner when the lease is up.
- 6.4. Build-Own-Operate (BOO): The private-sector partner finances, builds, owns and operates the infrastructure component in perpetuity for the benefit of the mentally ill in Arizona. The public-sector partner's constraints are stated in the original contract and through on-going regulatory authority.
- 6.5. Build-Own-Operate-Transfer (BOOT): The private-sector partner is granted authorization to finance, design, build and operate an infrastructure component (and to charge user fees) for a specific period of time, after which ownership is transferred back to the public-sector partner.
- 6.6. Build-lease-operate-transfer (BLOT): The private-sector partner designs, finances and builds a facility on leased public land. The private-sector partner operates the facility for the duration of the land lease. When the lease expires, assets are transferred to the public-sector partner.

7. Public Private Partnership Examples

- 7.1. Parks: The US Forest Service partnered with a private management company to assist with operations of recreational areas;
- 7.2. Education: Repurposing vacant and semi-vacant private real estate into classrooms.
- 7.3. Transportation: Private companies combined funding to build a roadway and are awarded revenue from tolls;
- 7.4. Gaming: Illinois partnered with an outside agency to assist with its State Lottery program; and

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7.5. Information Technology: City of Seattle partnered with a high speed internet company to provide a fiber network infrastructure.

8. Purpose of the RFI

8.1. ADHS is determining the interest, potential partners, types of services that would support the vision of creating the Center of Psychiatric Excellence in Arizona, as well as the feasibility of forming a Public-Private Partnership (P3) with one or more companies, organizations or governmental entities to create and expand behavioral health care services, and establish long term partnerships; and

8.2. ADHS is seeking appropriate expertise, knowledge and input from potential business partners who may share the same vision.

9. Requirements for the Public Private Partnership with ADHS/ASH

9.1. Commitment to collaborate to benefit the mentally ill and serve the public interest;

9.2. Emphasis on Quality of Care and Recovery;

9.3. Align with the objectives and mission of the ADHS/ASH (For information about ADHS visit <http://azdhs.gov/index.php>);

9.4. Comply with all Local, State and Federal requirements;

9.5. Available and willing to participate through a competitive procurement process as determined by ADHS;

9.6. Comply with all resulting contract terms and conditions set forth by the State of Arizona;

9.7. Assume the responsibility and risks associated with the project/s;

9.8. Willing to explore, develop and entertain new ideas; and

9.9. Have the desire and resources for a long-term partnership.

10. RFI Instructions and Documentation

ADHS and ASH request a response to the following questions. Please submit an email and attachments detailing your interest and response to the questions listed below.

10.1. Tell us about your organization and how it would be an ideal partner for ASH.

10.2. How do your plans or goals complement the vision for the ASH Campus?

10.3. What services could you add to the ASH Campus? Are there any special qualities, talents or resources within your organization that will enhance the vision to realize the Center of Psychiatric Excellence?

10.4. Identify your proposed timeline and key milestones for partnering with the ASH.

10.5. What other partnerships of this nature have you been involved in or are currently involved in, and provide details?

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11. Additional Information

11.1 For more information on ADHS and ASH, visit our website at <http://www.azdhs.gov> and <http://www.azdhs.gov/az-state-hospital/index.php>.

11.2 The ASH building and land map for reference is included as Exhibit A.

12. Respondent Contact Information to be included in the Response:

Contractor Name: _____
Attention: _____
Address _____
Address _____
City, State, ZIP _____
Phone _____
Email _____
Website _____

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EXHIBIT A
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ASH Property Map

