REQUEST FOR PROPOSALS

Title of RFP: Corporate Reorganization/Restructuring Professional & Management Support Services

Date of Issuance of RFP: Monday, February 16, 2009

Deadline for Submission of Written Proposals: Monday, March 9, 2009

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SCHEDULE A

DESCRIPTION OF SERVICES SOUGHT

Please read the full text of the Request for Proposals to which this Schedule is attached for important information concerning the terms of this Request for Proposals and additional required information.

1. Introduction/Background

The Nassau Health Care Corporation ("NHCC") is an integrated 1200 bed health care delivery system, which includes a 530 bed tertiary care teaching hospital (Nassau University Medical Center), a 589-bed skilled nursing facility (A. Holly Patterson Extended Care Facility), and a network of seven Community Health Centers. Committed to providing high quality, personalized, culturally sensitive, and evidence-based care, NHCC provides the following medical services:

<table>
<thead>
<tr>
<th>Ambulatory &amp; Community Medicine</th>
<th>Physical Medicine &amp; Rehabilitation</th>
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<tbody>
<tr>
<td>Anesthesia</td>
<td>» Pain Services</td>
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<tr>
<td>Dentistry/Oral Surgery</td>
<td>» Physical Therapy</td>
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<tr>
<td>Emergency Medicine</td>
<td>» Occupational Therapy</td>
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<td>Medicine</td>
<td>» Speech Therapy</td>
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<td>» Rheumatology</td>
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<td>» Nephrology</td>
<td>» Psychiatry</td>
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<td>» Hematology/Oncology</td>
<td>» Substance Abuse</td>
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<td>» Cardiology</td>
<td>» Detoxification</td>
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<tr>
<td>» Infectious Diseases</td>
<td>» Child &amp; Adolescent Psychiatry</td>
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<tr>
<td>» General Adult Medicine</td>
<td>» Psychology</td>
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<td>» Endocrinology</td>
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<td>» Pulmonary</td>
<td>» Radiology</td>
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<td>» Gastroenterology</td>
<td>» Nuclear Medicine</td>
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<td></td>
<td>» Radiation Therapy</td>
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<td>» Breast Imaging</td>
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<td>Neurology</td>
<td>» Thoracic</td>
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<td>Obstetrics/Gynecology</td>
<td>» Critical Care</td>
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<tr>
<td>Ophthalmology</td>
<td>» Vascular</td>
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<td>Orthopedics</td>
<td>» Plastics/Burns</td>
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<tr>
<td>Pathology &amp; Laboratory Services</td>
<td>» Wound</td>
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<tr>
<td>» Blood Bank/Blood Donor Center</td>
<td>» Hyperbaric</td>
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<tr>
<td>» Shared Labs</td>
<td>» Hand</td>
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<td></td>
<td>» Neurosurgery</td>
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<td>» Neonatology</td>
<td>» Urology</td>
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<td>» Pediatric Intensive Care Unit</td>
<td>» Ears, Nose and Throat</td>
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<td>» Child Development Center</td>
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<td>» Infectious Diseases</td>
<td>» Colorectal</td>
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In order to meet the challenges of a rapidly changing health care marketplace, to comply with new health care reform requirements and to improve the efficiency and quality of services provided to its patient population, NHCC is seeking proposals from qualified sources to provide professional and management support services for operational restructuring. Proposals in response to this RFP are due no later than March 9, 2009. The contract resulting from this solicitation, if any, will be effective May 1, 2009, for a period of one year ending May 31, 2010, with options to renew or extend the contract.

2. **Description of Services Sought**

The Nassau Health Care Corporation (NHCC) is seeking a professional firm who can perform the following tasks:

A. **Project Management**: Prepare phased work plan with specific details about project methodology, resources, milestones, progress monitoring and other activities needed to ensure completion of tasks within required timeframes.

   1. Phase I of the work plan should address diagnostic activities including research, review, recommendations and reporting needed to complete work under the contract.

   2. Phase II of the work plan should cover tasks needed to fully implement an approved corporate restructuring/reorganization plan.

B. **Research**: Identify new federal and state laws, regulations, policies and guidelines applicable to the NHCC health care delivery system and analyze the operational and financial impact of new health care reform initiatives on current operations.

C. **Data Collection and Analysis**: Conduct comprehensive efficiency and productivity review of NHCC operations, infrastructure and clinical services. Specific areas to be reviewed include, but are not limited to, the following:

   1. Table of Organization

   2. Departmental Staffing

   3. Faculty Practice Plan

      a. Current/Proposed Physician Compensation

      b. Contractual Arrangements

   4. Inpatient Services

   5. Ambulatory Care/Federally Qualified Health Centers

   6. Revenue Cycle Maximization
7. Supply Chain Opportunities

8. Information Technology Management

9. Major Modernization Capital Planning

10. Contractual Arrangements

D. Professional Consultation Services: Provide consultation and advice to NHCC on corporate reorganization, operational restructuring, program expansion opportunities, elimination/reduction of services, cost-containment strategies, etc.

E. Reporting: Prepare and submit Report of Findings and Recommendations of appropriate administrative actions, including implementation strategies and cost-benefit analyses, to the NHCC Senior Leadership Team and Board of Directors.

F. Implementation: Coordinate implementation of the approved Corporate Restructuring/Reorganization plan.

3. Proposal Pricing

The Proposer should consider the following guidelines for proposal pricing:

a. Phase I: Hourly Rate and/or Not-To-Exceed pricing arrangements; and,

b. Phase II: Combination of Hourly Rates, Not-to-Exceed and/or Contingency-based pricing arrangement.

4. Performance Guarantee

The Proposer must state a willingness to guarantee that all performance guarantees required by this RFP will be met or exceeded, and propose a penalty for failure to meet each guarantee. NHCC reserves the right to negotiate performance guarantees different from those proposed by the selected proposers. Performance audits will be based upon the performance guarantees set forth in the contractual agreement resulting from this RFP.
I. Introduction

The Nassau Health Care Corporation (“NHCC”) is a New York State public benefit corporation created by the Public Authorities Law of the State of New York that operates the Nassau University Medical Center (“NUMC” or the “Hospital”); the A. Holly Patterson Extended Care Facility (“AHP” or the “Nursing Home”); and five community health centers (the “Diagnostic and Treatment Centers” or “DTCs”).

NHCC is requesting proposals for the services described in Schedule A of this Request for Proposals (“RFP”). The deadline for submission of Proposals is set forth in Schedule A.

II. Process To Be Followed

This RFP is available to interested parties through the NHCC office designated in Schedule A. All requests for information concerning this RFP should be directed to that office in writing by the due date for information requests specified in Schedule A, or if no date is specified, SEVEN (7) business days prior to the due date for proposals. All inquiries regarding this RFP must be in writing.

Proposers must submit an ORIGINAL AND SEVEN (7) PAPER COPIES of their proposals in a sealed envelope of box marked “Corporate Reorganization/Restructuring Professional & Management Support Services RFP” by 3:00 p.m. on the Due Date specified in Schedule A. Each envelope or package containing responses shall clearly state the name of the Proposer. In addition, Proposers shall submit their proposals electronically, to the contact person identified in Schedule A of this RFP.

Each written proposal must include the forms attached in Appendix I to this document. Each Proposer shall be notified whether it has been selected following completion of NHCC’s evaluation of proposals received. The selected Proposer will then enter into negotiations with NHCC regarding the specific terms of an appropriate agreement. If agreement cannot be reached with a selected Proposer within a reasonable time, NHCC may reject that Proposer and commence negotiations with one or more other Proposers.

Proposals are to be prepared in such a way as to provide a straightforward, concise description of capabilities to satisfy the requirements of this RFP. Expensive bindings, colored displays, promotional materials, etc., are neither necessary nor desired. Emphasis should be concentrated on conformance to the RFP instructions, responsiveness to the RFP requirements, and on completeness and clarity of content.
III. Contents of Proposals

A. Name of the Proposer.

B. Contact person for the Proposer, including name, address, phone and fax numbers, e-mail address and other contact information.

C. Background information regarding the Proposer, including:

1. A summary description of its organizational structure (e.g., corporation, partnership, LLC, etc.), its history (including information on the date of its formation and the State of its formation), its management and ownership structure (including the name and address of its officers, and of each person, directly or indirectly holding a five percent (5%) or greater ownership interest in the Proposer.

2. A description of the Proposer’s existing business operations.

3. Each proposal must include Proposer’s financial information. This information is needed to ensure that each Proposer will be capable of performing its obligations under any agreement entered into between the Proposer and NHCC. Demonstration of the applicant’s financial soundness shall be established by submitting the following information:

   a. A copy of the Proposer’s most recent annual audited financial statement and annual audited financial statements for the previous two years.

   b. Copies of the Proposer’s subsequent quarterly financial reports.

   c. Detailed information of any changes in the mode of conducting the Proposer’s business, including bankruptcy proceedings or filings, and merges or acquisitions within the past 3 years.

   d. List of any bankruptcy proceedings in the past ten years initiated by or against the Proposer or any affiliate or related company.

4. At least three business references (including names of individuals, their titles, organizations, mailing addresses, telephone and fax numbers, and e-mail addresses).

5. A Proposer that is a licensed health care provider or other licensed entity must include information concerning any material negative findings, sanctions imposed or pending regulatory or legal proceedings.
6. Proposals must include the following:

   a. List of any and all criminal convictions within the last ten years rendered against the Proposer, any officer or director thereof, or any affiliate or related company.

   b. List of any and all civil penalties, judgments, consent decrees, violations, Statements of Deficiency or other sanctions within the last ten years rendered against the applicant, any officer or director thereof, or any affiliate or related company.

   c. List of any and all current investigations, indictments or pending litigation by any Federal, State or local jurisdiction initiated against the applicant, any officer or director thereof, or any affiliate or related company.

   d. List of any and all actions occurring with the last ten years which have resulted in revocation or suspension of any permit or authority to do business in any Federal, State, or local jurisdiction, by the applicant, any officer or director thereof, or any affiliate or related company.

   e. List of any and all actions occurring in the past ten years that have resulted in the barring from public proposal submission of the applicant, any officer or director thereof, or any affiliate or related company.

D. Qualifications of Proposer to carry out this specific project or to provide these services, including a list of comparable consulting projects and identification of individuals (including their names, titles, organizations, mailing addresses, telephone, fax numbers, and e-mail addresses) who may be contacted with respect to each comparable project.

1. The Proposer must have at least ten (10) years experience designing, planning and implementation of major operational and financial restructuring for large-scale academic health care institutions and/or integrated health care delivery systems with operating budgets in excess of $500 million.

2. The Proposer must be qualified and licensed to conduct business in the State of New York.

3. The Proposer must be qualified to adhere to the plan design within this RFP.

E. The qualifications and experience of Proposer’s staff and management for the project, including any proposed sub-contractors.

1. List the professional and support positions and number of personnel in each position.
2. Provide an organizational chart, including resumes of all personnel who will be committed to this engagement including specific information as to their experience on engagements similar to this one.

3. For the project leader, provide the name and contact information of three clients with whom he/she has worked on a similar project.

F. Scope of proposed services, including work plan and methodology.

G. List your general liability and professional liability insurance coverage.

H. Describe any contingencies or conditions on the proposal.

I. Provide information required in Appendix I to this RFP.

IV. Confidential Information

The New York State “Freedom of Information Law,” Public Officers Law Article 6, permits access to government records and may permit public access to proposals submitted in response to this RFP. To protect any portion of responses that constitutes technical, financial or other data whose public disclosure would cause substantial injury to a Proposer’s competitive position, or would constitute disclosure of a trade secret, a Proposer must designate any sections of its proposal that meet those criteria. NHCC assumes no responsibility for disclosure of unmarked data for any purpose. NHCC will review such designations in making its determination whether disclosure is required, which determination shall be binding on the Proposer.

V. Selection Criteria

Proposals from responsible parties (see Appendix I) will be reviewed and evaluated from the point of view of cost, qualifications, references and other appropriate factors relevant to: (i) the Proposer’s ability to provide the services; (ii) the anticipated quality of the services to be provided; and (iii) financial and other benefits to NHCC. Additional selection criteria may be set forth in Schedule A.

VI. Terms and Conditions

A. This RFP constitutes an invitation to make proposals to NHCC. Accordingly, NHCC reserves and, in its sole discretion, may exercise any or all of the following rights and options with respect to this RFP, any proposals and any related agreements, without incurring any liability to Proposers:

1. NHCC reserves the right to disqualify any and all proposals that fail to meet the requirements specified in this RFP.

2. NHCC reserves the right to determine whether to interview some or all of the Proposers, and to conduct such interviews privately.
3. NHCC reserves the right to select and enter into a contract with the Proposer whose proposal best satisfies NHCC’s overall interests.

4. Because this RFP is not a “competitive bid” process, the Proposer submitting the lowest cost proposal, or the proposal projecting the greatest financial benefit to NHCC, may not necessarily be selected. NHCC instead reserves the right to select the proposal it believes to be most beneficial to NHCC, with financial terms not being the sole determinative factor. NHCC’s decision-making and selection process will be discretionary and will be based on a variety of factors. By submission of its proposal, each Proposer expressly understands, acknowledges and accepts that this is not a “competitive bid” process, and that NHCC is under no obligation to award a contract through competitive bidding, or at all.

5. NHCC reserves the right to waive or extend deadlines.

6. NHCC reserves the right to accept proposals in whole or part and waive minor technicalities and deficiencies. NHCC’s waiver of any deviations in any response shall not constitute a modification of this RFP and will not preclude NHCC from asserting all rights against a Proposer for failure to fully comply with all of the terms, conditions, and requirements of this RFP.

7. NHCC reserves the right to conduct investigations with respect to the qualifications of each Proposer, to make field investigations with respect to such proposals (including visits to the Proposer’s business offices or field operations).

8. NHCC reserves the right to request additional information from any Proposer and to rely upon any information obtained through NHCC’s own investigations.

9. NHCC reserves the right to cancel this RFP at any time whatsoever, with or without the substitution of another RFP.

10. NHCC reserves the right to supplement, amend or otherwise modify this RFP.

11. NHCC reserves the right to issue additional or subsequent RFPs with regard to the subject matter of this RFP.

12. NHCC reserves the right to negotiate with any Proposer, or with all or none of the Proposers. NHCC has no obligation to offer Proposers the opportunity to meet or exceed terms negotiated with a selected Proposer.

13. NHCC reserves the right to discontinue negotiations at any time and in NHCC’s sole discretion.

14. NHCC reserves the right to request new or revised proposals, including monetary terms from any Proposer at any time.
15. NHCC reserves the right to obtain information concerning any or all Proposers from any source.

B. Preparation of a response to this RFP will be at the cost, expense and risk of the Proposer, with the express understanding and agreement of the Proposer, irrespective of whether it is selected, that it waives all claims whatsoever for reimbursement from NHCC for any cost or expense incurred in the preparation of its proposal and any subsequent contract negotiation.

C. Each and every submitting Proposer expressly understands and agrees that this RFP is not, and shall not be construed as, an offer or an enforceable contract.

D. The contract, if any, that is negotiated with a selected Proposer shall constitute the entire agreement between NHCC and the selected Proposer, and shall set forth all the terms and conditions applicable to the subject matter of this RFP. In the event of a conflict between this RFP and that contract, that contract shall control.

E. No Proposer who has submitted a proposal to NHCC shall have the right to assign its submitted proposal to a third party or the right to enter into an agreement with third parties to perform the services on Proposer’s behalf without the prior written consent of NHCC, which consent may be withheld in NHCC’s sole discretion.

F. This proposal shall be signed by an official authorized to bind the proposer, and shall contain a statement to the effect that the proposal is a firm offer for a one hundred and eighty (180) day (or more) period. The proposal shall also provide the name, title, address, and telephone number of the individual(s) with authority to negotiate and contractually bind the company, and who also may be contacted during the period of contract.

G. Proposals submitted become the property of NHCC. By submitting a proposal, the proposer agrees not to make any claims for or have any right to damages because of any misunderstanding, misrepresentation, or lack of information.

H. This RFP shall be construed in accordance with and governed by the laws of the State of New York, without regard to conflicts of law principles. All actions or proceedings relating, directly or indirectly, to this RFP shall be litigated only in courts located within Nassau County or in the United States District Court for the Eastern District of New York. Each Proposer (by virtue of the submission of its proposal), submits itself, its successors and/or assigns (if any) to the personal jurisdiction of such court, and waives any right to trial by jury.
APPENDIX I

1) REQUIRED DISCLOSURE OF INFORMATION: THE FORMS SET FORTH BELOW MUST BE FULLY COMPLETED AND RETURNED WITH A RESPONDING PROPOSER’S SUBMISSION. A SUBMISSION WILL NOT BE CONSIDERED COMPLETE WITHOUT SUBMISSION OF THIS ATTACHMENT.

2) Contractor Disclosure of Contacts

Instructions:

New York State Executive Order Number 127 (EO 127) provides for increased disclosure in the public procurement process through identification of persons or organizations whose function is to influence procurement contracts, public works agreements and real property transactions.

In the first instance, Section II, paragraph 1 of EO 127 obligates a covered agency or authority (e.g., NHCC) to obtain identifying information on every person or organization retained, employed or designated by or on behalf of the contractor (i.e., the “Proposer” or “you”) to attempt to influence the procurement process. NHCC is also obligated to collect information on whether such person or organization has a financial interest in the procurement.

Thereafter, Section II, paragraph 2 of EO 127 continues to obligate a covered agency or authority to obtain such identifying information on every person or organization subsequently retained, employed or designated by or on behalf of the Proposer to attempt to influence the procurement process.

This form must be completed and submitted with your proposal in accordance with Executive Order Number 127 (EO 127). Failure to complete and submit this form shall result in a determination of non-responsiveness and disqualification of the bid, proposal or offer. If at the time of submission of this form, the specific name of a person authorized to attempt to influence a decision on your behalf is unknown, you agree to provide the specific person’s information when it is available. You also agree to update this information during the negotiation or evaluation process of this procurement, and throughout the term of any contract awarded to your company pursuant to this bid, proposal or offer.
**Disclosure of Contacts Form**

Name of Contractor: ______________________________________________________

Address:  _______________________________________________________________

_______________________________________________________________________

Name and Title of Person Submitting this Form:  ________________________________

_______________________________________________________________________

Is this an initial filing in accordance with Section II, paragraph 1 of EO 127 or an updated filing in accordance with Section II, paragraph 2 of EO 127?  (Please circle one):

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<thead>
<tr>
<th>Initial filing</th>
<th>Updated filing</th>
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The following person or organization was retained, employed or designated by or on behalf of the Contractor to attempt to influence the procurement process:

Name:  _________________________________________________________________

Address:  _______________________________________________________________

_______________________________________________________________________

Telephone Number:  ______________________________________________________

Place of Principal Employment:  _____________________________________________

Occupation:  _____________________________________________________________

Does the above-named person or organization have a financial interest in the procurement?

(Please circle one)       yes       no
3) Contractor Disclosure of Prior Non-Responsibility Determinations

Instructions:

New York State Executive Order Number 127 (EO 127) obligates a covered agency or authority to make a determination of responsibility of the proposed awardee for a procurement contract. EO 127 mandates consideration of whether a contractor has intentionally provided false or incomplete information under such Order within the last five years, and whether a contractor has failed to timely disclose accurate and complete information or otherwise cooperate in the implementation of the Order. For more information on responsibility determinations, please see the New York State Procurement Bulletin entitled “Best Practices - Determining Vendor Responsibility” issued by the New York State Procurement Council, May 1999, for more information on responsibility determinations. See http://www.ogs.state.ny.us/procurecounc/pdfdoc/BestPractice.pdf.
Disclosure of Prior Non-Responsibility Determinations Form

Name of Contractor: ______________________________________________________

Address:  _______________________________________________________________
_______________________________________________________________________

Name and Title of Person Submitting this Form:  ____________________________
_______________________________________________________________________

Has any covered agency or authority made a finding of non-responsibility regarding the Contractor in the last five years? (Please circle one):

    No    Yes

If yes, was the basis for the finding of the Contractor’s non-responsibility due to the intentional provision of false or incomplete information required by Executive Order Number 127? (Please circle one):

    No    Yes

If yes, please provide details regarding the finding of non-responsibility below.

Covered Agency or Authority:  _____________________________________________

Year of Finding of Non-responsibility:  ________________________________

Basis of Finding of Non-Responsibility:  __________________________________
_______________________________________________________________________
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Has any covered agency or authority terminated a procurement contract with the Contractor due to the intentional provision of false or incomplete information required by Executive Order Number 127? (Please circle one):

    No    Yes
4) Contractor Certification of Compliance with Executive Order 127

Instructions:

New York State Executive Order Number 127 (EO 127), section II, paragraph 7 requires that every procurement contract subject to its provisions contain a certification that all information provided to the soliciting agency or authority regarding EO 127 is complete, true and accurate.

Contractor Certification of Compliance with Executive Order 127

Contractor certifies that all information provided to NHCC with respect to Executive Order Number 127 is complete, true and accurate.

By: _________________________________
Name: _______________________________
Title: _______________________________
Organization: _________________________
Address: _____________________________

____________________________________
Date: _______________________________