

Department of Social Services Procurement Plan for Purchase of Services Contracts State Fiscal Years 2013 - 2015

I. Purpose

This plan describes the approach that the Department of Social Services (DSS) will take during the next three state fiscal years to purchase, through Purchase of Service (POS) contracts, quality and cost-effective human services for clients from private providers. The plan is designed to combine DSS operational requirements with state and federal requirements, while requiring a consistent, open, transparent, fair, and competitive process for the procurement of services. The plan will direct all aspects of such procurements and will be periodically reviewed to ensure its continued relevance. Changes in DSS operational requirements, state and federal requirements, and a commitment by DSS to have the most responsive and effective service delivery system possible may necessitate adjustments to the plan. Such adjustments will be proposed to OPM as an amendment to the approved plan.

II. Procurement Process

The Department of Social Services provides a broad range of services to the elderly, persons with disabilities, families, and individuals who need assistance in maintaining or achieving their full potential for self-direction, self-reliance and independent living. It administers over 90 legislatively authorized programs and one-third of the state budget. By statute it is the state agency responsible for administering a number of programs under federal legislation, including the Rehabilitation Act, the Food Stamp Act, the Older Americans Act, and the Social Security Act. The department is also designated as a public housing agency for the purpose of administering the Section 8 program under the federal Housing Act.

To support the department's current programs DSS has entered into more than 540 Purchase of Service (POS) contracts for the provision of direct client services totaling \$577,611,154.00. Many of the existing contracts for direct client services have been historically funded following a determination that the quality of the services provided coupled with the need for continuity of services outweighed the benefit of competitive procurement. All contractors are monitored for compliance with program delivery requirements and fiscal accountability.

The decision to conduct a competitive procurement, regardless of the historical funding of contracts supporting a particular program is impacted by several factors:

- the identification of a new service need;
- changes to the current program by design or through state and/or federal requirements;
- a desire to restructure the existing service delivery system;
- Contractor performance issues; or
- Changes to available program funding.

The decision to conduct a competitive procurement is first addressed by the specific programmatic division. Programmatic divisions within the Department that operate

programs supported by POS contracts include the Division of Aging, Community and Social Work; Children's Trust Fund; Medical Care Administration; Strategic Planning; and Bureau of Rehabilitative Services¹. Staff within these divisions have experience in the design and delivery of services to the elderly, persons with disabilities, families, and individuals who need assistance in maintaining or achieving their full potential for self-direction, self-reliance, and independent living, and are knowledgeable regarding the populations' needs.

Division staff responsible for the underlying program contacts Contract Administration /Procurement when the need to conduct a competitive procurement has been identified. The procurement development process is facilitated by the Procurement Unit, within the Contract Administration Division. Procurement Unit staff control the working document, request the necessary approvals from OPM and post the RFP to the State Contracting Portal and DSS website. Procurement Staff are responsible for the procurement process, coordinating the receipt and responses to questions and the development of the evaluation tool. Procurement staff coordinate the scoring meetings, reference checks and any requests for clarification. A member of the Procurement Unit is the Official Contact for each procurement. Respondents are advised not to discuss the procurement with any other DSS representative or they will risk disqualification. Procurement staff facilitate the scoring meetings to ensure that such meetings are conducted in accordance with the procurement standards. Following the conclusion of the scoring session and following the recommendation of the evaluation team, the Procurement Unit submits a Procurement Summary and Recommendation to the Commissioner.

While Procurement Unit staff manage the development of the procurement and the procurement process, both the development and process require the active participation of Program Staff and Fiscal Staff. Program Staff, located within the program division, are responsible for ensuring that the scope of the procurement accurately reflects the programmatic needs. They are also responsible for identifying the documentation and information to be included in a response to a procurement that will allow the Department to select the most qualified respondent. Fiscal staff, within the Program Division (if available) and the Division of Financial Management and Analysis, address the programmatic funding and fiscal reporting requirements and assist in the fiscal review to validate the financial health of responding organizations and the proposed use of funds.

Competitive procurements initiated by DSS adhere to the procurement standards set forth in the Connecticut General Statutes and established by the Secretary of OPM in the [Procurement Standards: for Personal Service Agreements and Purchase of Service Contracts](#), which is embedded in this section as a hyperlink. RFPs are standardized to the greatest extent possible, regardless of the services being sought, though each RFP is tailored to meet the needs of the program. On those rare occasions when a procurement result is contested or appealed, the Procurement Unit is charged with the

¹ The Bureau of Rehabilitative Services is attached to the Department for administrative purposes only. It is comprised of the former DSS Bureau of Rehabilitation Services; Commission on the Deaf and Hearing Impaired; Board of Education and Services for the Blind; the driver training program for persons with disabilities, formerly at the Department of Motor Vehicles; and the rehabilitation programs for employees suffering compensable injuries that have disabled them from performing their customary or most recent work, formerly at the Workers Compensation Commission.

review of the procurement. This is usually handled by a member of the Procurement Unit that was not directly involved in the procurement in question and members of the Division of Quality Assurance.

III. Planning Approach

This procurement plan has been developed by Procurement Staff in the Contract Administration Division with input from the DSS staff who are responsible for the administration of each program identified in this plan. Specifically, the program managers have recommended programs that will require competitive procurement or waivers from competitive procurement to ensure continuity of services to DSS clients.

Particular challenges were encountered in aligning State requirements with actual and anticipated federal requirements, while ensuring continuity of services to DSS clients.

IV. Procurement Schedule

The [DSS Procurement Schedule](#) is attached and embedded in this section as a hyperlink.

V. Planning Factors

Several important factors were considered by DSS when determining when and/or how to procure a particular program/service. Procurement planning for human services must consider the client first and foremost. Competitively procuring services should not take priority over continuity of care for vulnerable populations and should minimize disruption in services. Procurements for programs/services with multiple funding sources need to be coordinated to ensure that programs remain fully operational.

Development of the procurement schedule involved consideration of the date of the last RFP, the identification of changes to the program, both anticipated and planned, the performance of the current contractors and changes to the available funding for the program. Program services that remain unchanged with level funding and Contractors that are performing well under contracts that were procured during the last procurement schedule were identified as those that the Department could request to be renewed absent a competitive procurement and thereafter scheduled for a future RFP cycle.

The DSS programs identified in the procurement plan are supported by multiple Purchase of Service (POS) contracts with uniform contract periods that usually conform to the fiscal year of the funding source (State or federal). When preparing the schedule the Department schedules the procurement for a program rather than for individual contracts.

A. Key Principles

This procurement plan is guided by the following principles:

1. Maintenance of continuity of care for the vulnerable populations DSS serves to ensure that disruption in services is minimized as programs are competitively procured and new contracts are implemented;

2. Stimulation of quality, innovation, current best practices, and efficiency in service delivery;
3. Use of clearly defined, measurable outcomes and quality/performance measures;
4. A procurement schedule based on a strategic approach that considers client needs, barriers, and best timing; and
5. Coordination of procurement activities with other State human service agencies.

B. Best Practices

In addition, the procurement process reflects best practices in the public sector, which include the following principles:

1. **Openness** – Current service providers will be notified at least 90 days in advance when one of their funded services will be competitively procured. Requests for Proposals (RFPs) are posted on the State Contracting Portal and DSS RFP web page.
2. **Transparency** – RFPs clearly state the criteria by which proposals will be evaluated. Results of the RFP process are posted on the State Contracting Portal.
3. **Fairness** – Private providers that participate in the development of an RFP for new or existing service delivery models or programs are not allowed to compete for the right to negotiate a contract to provide those services. Members of the RFP development and evaluation teams are required to sign an Ethics and Confidentiality Statement, in which they declare and attest that they have no personal or financial interests in the outcome of the RFP process.
4. **Competition** – All eligible private providers have an equal opportunity to compete for the right to negotiate a contract with DSS. No RFP requirements specify any features that unnecessarily discriminate, either directly or indirectly, against current or prospective providers.
5. **Consistency** – A standardized procurement process is implemented. The process includes the use of a standardized RFP template, uniform submission requirements including a minimum of seven weeks between release of the RFP and the proposal due date, and standardized proposal review and scoring procedures.

B. Requests for Waivers from Competitive Procurement

DSS is requesting waivers from competitive procurement for specific programs. The following factors were considered in making a determination about which programs should seek waivers from competitive procurement:

1. The current contracts are for clients with chronic conditions requiring ongoing care;
2. The State has invested a significant amount of bond money in real property or physical plant for the program;
3. DSS is contracting with a municipality or other governmental entity;
4. Zoning or citing implications make location or relocation of the service problematic;
5. The cost to the State of a competitive procurement process would outweigh the benefits of such a process;
6. Services will be provided by a contractor mandated by Connecticut General Statutes, a public act or special act;
7. The contractor will provide emergency services, including those needed for the protection of life or health;
8. The contractor has special capability, unique experience, proprietary services, or patent rights; and/or
9. Services will be provided by a contractor mandated by the federal government.

C. Multi-year Contracting

To minimize the administrative burden of an RFP process on its contractors and DSS staff, DSS is considering efficiencies into the development of the procurement schedule. While DSS generally executes multi-year contracts with a maximum term of three years, DSS is considering pursuing approval for some longer-term contracts when appropriate to reduce the frequency of competitive procurement and to allow staggered RFP issue dates. DSS is also considering the ability to extend certain contracts, originally entered into through an RFP, without a subsequent competitive procurement, if circumstances and performance warrant the pursuit of such a request with OPM. New providers with limited or no performance history and/or contracts for the provision of new program services will have shorter contract terms until an acceptable performance history has been demonstrated.

Benefits of longer-term, multi-year contracts for both State agencies and private providers include:

1. Stabilized services and contractor relationships;
2. Long-term program and performance targets; and
3. Reduced paperwork.

VI. Communication Protocol

Upon approval of the procurement plan, it will be posted on the DSS web site. The DSS Contract Administrator is the primary contact for questions pertaining to the procurement plan.

Current service providers will be notified at least 90 days in advance when one of their funded services will be competitively procured.

All RFPs are posted on the State Contracting Portal and the DSS RFP web page. DSS designates one procurement staff member as the "Official Agency Contact" for the purposes of each RFP.

VII. Implementation and Oversight

This plan shall be implemented upon approval by OPM. The DSS procurement plan is effective for State Fiscal Years 2013 through 2015 and shall be subject to review and modification as may be necessary from time to time. All modifications will be submitted to OPM for approval. Requests for Proposals during the time period covered in this procurement plan shall be issued in accordance with the guidelines of this plan. The end date of this procurement plan shall be June 30, 2015.

Currently the Department of Social Services is undergoing organizational changes. The Deputy Commissioner of Administration remains responsible for the Contract and Procurement Units and will, with the assistance of staff, monitor the progress of the procurement plan with the Deputy Commissioner of Programs and staff from the Program Division. Monitoring activities will include:

- A. A review, no less frequently than quarterly of the status of the procurement plan with updates, as needed;
- B. Issuance of recommendations regarding timing and sequencing of release of RFPs for each program/service;
- C. Issuance of recommendations regarding requests for waiver from competitive procurement;
- D. Review and issue recommendations of the potential need to modify DSS' procurement processes and procedures as needed; and
- E. Provide ongoing communication with Executive Leadership to ensure consistency with DSS' overall strategic planning.

This oversight will focus on all competitive procurement for DSS, whether it involves new, first-time funding or competitive procurement of existing services. This will ensure that regardless of the type of procurement the same standardized process, procedure, internal levels of review, and consistency with overall strategic planning will be followed.

The program staff responsible for the administration of each programmatic area encompassed in this plan will be asked to review the plan periodically and will be given the opportunity to request changes in the plan.

Operational oversight of DSS procurement activities is provided by the Procurement Supervisor and the Official Agency Contact for the purposes of each RFP.