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		History	
Policy Number: A001	Subject/Title: Procurement		Replaces: 3/2009
			Last Reviewed: 11/2009
Issued By: Executive Director	Approved By: Board of Directors	Scope: Administration and Providers	Effective: 11/24/2009
	Date:		

1. **POLICY**

It shall be the policy of Mid-South that purchase transactions, whether negotiated or advertised, be conducted openly and competitively, whenever possible, in a manner which does not sacrifice or adversely impact on the quality of services provided for the region.

2. **PURPOSE**

Mid-South solicits contractors to provide programs, services, and supports for individuals needing substance use disorder services and administrative supplies and services. When soliciting contractors, it is Mid-South's objective to acquire needed services and supports at fair and economical prices, with appropriate attention to quality of care and maintenance of existing care relationships and service networks that foster continuity of the care and services provided. The purpose of this policy is to address:

- 2.1. The statutory and fiduciary duty to use public and private funds in an efficient and economical manner.
- 2.2. The statutory duty to provide high quality services to individuals.
- 2.3. The competitive process required by the Michigan Department of Community Health/Office of Drug Control Policy.
- 2.4. The federal procurement regulations that impact the manner in which organizations that receive federal funds must operate grant-aided procurement.

3. **PROCEDURES - GENERAL**

Purchase transactions, whether negotiated or advertised, shall be conducted openly and competitively, whenever possible, in a manner which does not sacrifice or adversely impact on the quality of services provided for the region. Purchase transactions shall:

- 3.1. Be conducted in accordance with the principles and requirements of federal OMB Circular A-102.
- 3.2. Be implemented through applicable portions of the associated "Common Rule" as promulgated by federal contractor(s), 24 CFR, Part 84, or federal OMB Circular A-110, as applicable.
- 3.3. Be awarded to the best bidders when purchasing services for selective contracting.

4. **PROCEDURE FOR REQUEST FOR PROPOSAL (RFP)**

- 4.1. On an as needed basis, Mid-South will solicit services by issuing a Letter of Intent for Request for Proposal.
- 4.2. When issuing an RFP, a Letter of Intent for Request for Proposal will be sent to known eligible applicants, asking them if they would like to receive the Request for Proposal for the service that is being bid out.
- 4.3. Development of Requests for Proposals

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- 4.3.1. In the development of an RFP, Mid-South staff will utilize a standard “boiler-plate” format as well as input from the Board and community representatives regarding the needed services.
- 4.3.2. The RFP process shall be conducted in accordance with the principles and requirements of OMB Circular A-102.
- 4.3.3. The RFP process shall be implemented through applicable portions of the associated “Common Rule” as promulgated by federal contractor(s), 24 CFR, Part 84, or A-110, as applicable.
- 4.4. Prospective respondents will be expected to:
 - 4.4.1. Submit all requested information within the stated time lines.
 - 4.4.2. Provide detailed and clear descriptions of the scope of work to be provided.
 - 4.4.3. Clearly indicate the organization’s experience and/or specialty.
 - 4.4.4. Specify which services the organization will be bidding on.
 - 4.4.5. Have met screening eligibility criteria.
- 4.5. Criteria Guidelines

Mid-south staff will use a review tool that addresses the following criteria:

 - 4.5.1. Provider Capability: Does the organization have the necessary staff qualifications and general experience? Does the organization have experience in servicing the target populations? Is the organization stable? Is there a history of client evaluation of the organization’s services?
 - 4.5.2. Provider Technical Approach: Does the organization have an understanding of the scope, objectives, and requirements of the service? Does the organization have the proper emphasis on various specifications? Was the organization responsive to service specifications? Is the organization clear in its implementation plan for the service?
 - 4.5.3. Financial Aspects: Are there realistic cost estimates and cost breakdowns? Is the rate structure appropriate to the service? Are the implementation costs reasonable?
- 4.6. Receipt of Proposals

As proposals to an RFP come in the Mid-South office, they will not be opened. A date of receipt will be stamped on the outside envelope. The proposals will be routed to the Director or other assigned staff who will keep them in a secured file. On the final “due date”, the review team will review submitted proposals and verify attachments that have been included in each proposal.
- 4.7. Review Process

The Mid-South staff will review proposals submitted. Any proposals to provide substance use disorder services will be reviewed utilizing the criteria as defined in the RFP. The review process shall occur as follows:

 - 4.7.1. The number of Mid-South staff answering questions regarding the RFP will be limited to the Executive Director or his/her designee. This will assist in providing consistency when answering questions. Requests for information will be responded to in writing to all prospective respondents.
 - 4.7.2. All members of the review team shall be asked to sign a document indicating that they will keep the information confidential and that they do not have any conflict of interest.
 - 4.7.3. A standard review tool addressing eligibility criteria will be used for each submitted proposal and to serve as documentation. (Refer to Standard Review Tool, Form A103.)

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Upon initial review of materials Mid-South staff will decide if the facility qualifies for a facility inspection. For some services, reference checks may be made.

- 4.7.4. The Director or designee will conduct the facility inspection.
- 4.7.5. The recommendations of the review team will be presented to the Program Development Committee (PDC). PDC recommendation(s) will be forwarded to the Finance/Executive Committee for financial review. Recommendation(s) will be forwarded to the full Board for action.
- 4.7.6. Providers will be notified of recommendations and Committee actions.
- 4.8. Notification of Award Decisions
 - 4.8.1. Mid-South will promptly notify respondent organizations of any Board decision.
 - 4.8.2. Respondents selected will be mailed a contract for services. Respondents who do not qualify and are denied a contract will be mailed notice of the recommendation of denial.
 - 4.8.3. Mid-South's Board will be informed of respondent denials that are administrative decisions based on the respondent's failure to meet the review criteria.
 - 4.8.4. If an issue becomes evident during the review process that prompts the review team to delay processing of the proposal, the Director or other assigned staff will immediately notify all respondents in writing.
- 4.9. Procedure for Documentation of Procurement Process

Mid-South staff will maintain the following information for each provider:

 - 4.9.1. The original request to receive RFPs and any correspondence regarding the proposal with additional information sent as attachments to the RFP.
 - 4.9.2. Proposals submitted in response to an RFP (if applicable).
 - 4.9.3. The review team's consensus score sheet for each RFP submitted.
 - 4.9.4. The narrative documenting the numbers on the score sheet for each RFP.
 - 4.9.5. Communication to the organization on the recommendation.
 - 4.9.6. Communication to the Board regarding the submitted proposals.
 - 4.9.7. In a separate file the following information will be maintained:
 - 4.9.7.1. Letters from Mid-South to providers identifying the RFP process.
 - 4.9.7.2. The issued RFP.
 - 4.9.7.3. All issued questions and answer documents.
 - 4.9.7.4. Minutes from any bidders' conferences and materials distributed.
 - 4.9.7.5. Communications to and from Mid-South on the procurement process.

5. WAIVER TO COMPETITIVE PROCUREMENT PROCESS

- 5.1. When the service is available from only a single source the competitive procurement process may be waived by the Executive Director.
- 5.2. When there is a public urgency or emergency, and the urgency for obtaining the service does not permit a delay the competitive procurement process may be waived by the Executive Director.
- 5.3. After the solicitation of a number of providers of a service and/or support and the competition is determined to be inadequate, the competitive procurement process may be waived by the Executive Director.

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- 5.4. When the services involved are professional services of limited quantity or duration the competitive procurement process may be waived by the Executive Director.
- 5.5. When the services involved are unique (e.g. financial intermediaries for recipients using vouchers or personal service budgets) and/or the selection of the service provider has been delegated to the individual under a self-determination program, the competitive procurement process may be waived by the Executive Director.

6. PROHIBITION

Any selected provider of a service shall not have been previously sanctioned by the Medicaid or Medicare program(s) resulting in a prohibition of their participation.

References:

OMB Circular A-102 and A-110
24 CFR, Part 84
Form A103 Standard Review Tool