

RFQVA AMENDMENT	DEPARTMENT OF ECONOMIC SECURITY
RFQVA No: DDD 704011	Agency: Division of Developmental Disabilities
Amendment No: 4	Address: 1789 W. Jefferson, Site Code 791A Phoenix, Arizona 85005
Page 1 of 16	Phone: (602) 542-6874

A signed copy of the signature page (page 3) of this amendment must be included in the hard copy of the Application, or, if a Qualified Vendor Agreement has been awarded, the Qualified Vendor must return a signed copy of this amendment to:

Contract Management Section
Business Operations – Site Code 791A
Division of Developmental Disabilities
Arizona Department of Economic Security
P.O. Box 6123
Phoenix, Arizona 85005

The RFQVA is amended as follows:

Section 3 – INSTRUCTIONS TO APPLICANTS, page 3-5, Section 3.6, Protests, is amended to conform with amendments to Arizona Administrative Code (A.A.C.) R6-6-2115

Section 6 – DES/DDD STANDARD TERMS AND CONDITIONS:

Page 6-16 (a), Section 6.6.2, Updating Information in Qualified Vendor Application and Directory System, subsection 6.6.2.3, is amended to conform with amendments to A.A.C. R6-6-2105

Page 6-28, Section 6.11, Agreement Claims, is amended to reference A.A.C. R6-6-2116

Section 7 – SERVICE SPECIFICATIONS:

Page 7-26 and page 7-26(a), Day Treatment and Training, Adult, Unit of Service, item 1, is amended to:

Clarify the term “billable hour”

Delete the sentence beginning “Total hours for consumers or direct service staff shall not include . . .”

Direct Qualified Vendors to bill per client hour as opposed to 15-minute increments

Page 7-26 (a), Day Treatment and Training, Adult, Unit of Service, item 2, is amended to add “Absences do not constitute a billable unit except as provided in item 3 below. An absence factor was built into the model rates.”

Page 7-26 (a), Day Treatment and Training, Adult, Unit of Service, is amended to add new item 3, which allows Qualified Vendors that do not provide transportation to include up to an hour a day when the consumer arrives late or leaves early as a billable hour

Page 7-27, Day Treatment and Training, Adult, Recordkeeping and Reporting Requirements, item 3, is amended to require Qualified Vendors to keep consumers' schedules and to delete the 3rd sentence which begins "Total time shall not include. . . ."

Page 7-27, Day Treatment and Training, Adult, Recordkeeping and Reporting Requirements, item 4, is amended to delete the 3rd sentence which begins "Total time shall not include. . . ."

Page 7-31 (a), Day Treatment and Training, Child (After-School), Unit of Service, item 1, is amended to delete the sentence beginning "Total hours for consumers or direct service staff shall not include" and to direct Qualified Vendors to bill per client hour as opposed to 15-minute increments

Page 7-32, Day Treatment and Training, Child (After-School), Recordkeeping and Reporting Requirements, item 3, is amended to delete the 3rd sentence which begins "Total time shall not include. . . ."

Page 7-32, Day Treatment and Training, Child (After-School), Recordkeeping and Reporting Requirements, item 4, is amended to delete the 3rd sentence which begins "Total time shall not include. . . ."

Page 7-36 (a), Day Treatment and Training, Child (Summer), Unit of Service, item 1, is amended to delete the sentence beginning "Total hours for consumers or direct service staff shall not include" and to direct Qualified Vendors to bill per client hour as opposed to 15-minute increments

Page 7-37, Day Treatment and Training, Child (Summer), Recordkeeping and Reporting Requirements, item 3, is amended to delete the 3rd sentence which begins "Total time shall not include. . . ."

Page 7-37, Day Treatment and Training, Child (Summer), Recordkeeping and Reporting Requirements, item 4, is amended to delete the 3rd sentence which begins "Total time shall not include. . . ."

Page 7-82, Nursing, Unit of Service, item 2, is amended to clarify when to bill for Nursing, Continuous and when to bill for Nursing, Short Term

Page 7-82, Nursing, Unit of Service, item 3, is amended to delete the last sentence, which begins "In no event. . . ."

The following pages are attached:

Revised SECTION 3 – INSTRUCTIONS TO APPLICANTS, pages 3-5 and 3-5 (a)

Revised SECTION 6 – DES/DDD STANDARD TERMS AND CONDITIONS, pages 6-16 (a) and 6-28

Revised SECTION 7 – SERVICE SPECIFICATIONS, pages 7-26, 7-26 (a), 7-27, 7-31 (a), 7-32, 7-36 (a), 7-37, 7-82, and 7-82 (a)

EXCEPT AS PREVIOUSLY AMENDED, ALL OTHER PROVISIONS OF THE RFQVA SHALL REMAIN IN THEIR ENTIRETY.

NOTE: CONCURRENT WITH THE RELEASE OF THIS AMENDMENT THE DIVISION OF DEVELOPMENTAL DISABILITIES IS PUBLISHING REVISED RATE SCHEDULES THAT INCLUDE NEW RATES FOR DAY TREATMENT AND TRAINING, ADULT AND FOR NURSING.

THE EXPLANATIONS CONTAINED IN THE SCHEDULES HAVE BEEN AMENDED TO CONFORM WITH THE AMENDMENTS TO THE RFQVA.

Applicant hereby acknowledges receipt and understanding of the above RFQVA amendment.

Signature Date

Typed Name and Title

Name of Company

The above referenced RFQVA Amendment is hereby executed this 25th day of August, 2003, at Phoenix, Arizona.

Antonia Valladares
DDD Procurement Specialist

3.4 Independent Providers

The Division is not accepting applications from independent providers (as defined in Section 6) at this time. The Division will continue contracting with independent providers using Individual Service Agreements (ISAs) for Attendant Care; Habilitation, Support; Housekeeping; Respite; Day Treatment and Training, Adult; Day Treatment and Training, Children (After-School); Day Treatment and Training, Children (Summer); Habilitation, Individually Designed Living Arrangement; and Transportation (Family and Friend). It is planned that independent providers, at their option, will be included in the Directory System when that component of the system is available. When the published independent provider rates (non-agency rates) are finalized, the Division will accept Applications from independent providers to become Qualified Vendors. However, in order to receive a Qualified Vendor Agreement, the Applicant will be required to meet all requirements of the RFQVA, including those relating to insurance. Independent providers that become Qualified Vendors shall be paid using the same methodology as independent providers that have ISAs. They will not receive the “agency” rate.

3.5 Verification

DDD may contact any source available to verify the information submitted in the Application and may use this information and any additional information obtained from the source(s) in evaluating the Application.

3.6 Protests

A protest shall comply with and be resolved according to A.C.C. R6-6-2115. An applicant or Qualified Vendor may protest the posting of a RFQVA, denial of a Qualified Vendor Application in its entirety, or denial of one or more services included in the Application by filing a written Request for Problem Solving with the Division Assistant Director or a Notice of Protest with the Department procurement officer. The Qualified Vendor or Qualified Vendor Application shall include the following information in the Request for Problem Solving or in the Notice of Protest:

1. Name, address and telephone number of the protester;
2. The signature of the protester or its representative;
3. Identification of the adverse action by the Division that is in dispute;
4. A statement of the legal and factual grounds of the intended protest including copies of relevant documents; and
5. The form of relief requested.

The Qualified Vendor or Qualified Vendor Applicant shall file the Request for Problem Solving with the Division within 21 days of the date the Qualified Vendor or applicant receives notice of the action.

The protestor shall file the Notice of Protest with the Department procurement officer within 21 days of the date the protestor receives notice of the action or within 14 days of issuance of the verification of non-resolution through the Problem Solving process from the Assistant Director.

- 6.6.2 Updating Information in Qualified Vendor Application and Directory System.
- 6.6.2.1 The Qualified Vendor shall update in the Qualified Vendor Application and Directory System the general information section of the vendor contract information component, the assurances and submittal form and associated submittals, and the program description section of the detail information component as necessary to ensure that the information is current and accurate. Any change to these items in the Qualified Vendor Application and Directory System must be approved by the Division and shall require an agreement amendment or other agreement action.
- 6.6.2.2 The Qualified Vendor shall update all other information in the Qualified Vendor Application and Directory System as necessary to ensure that the information is current and accurate.
- 6.6.2.3 If the Division finds that the information provided in the original application or as an update to the application is materially inaccurate, and the Qualified Vendor fails to correct such information within the time specified in a notice from the Division, such failure may be cause for termination of the agreement in whole or in part. The Division may remove the information from the directory until a correction is provided or the agreement is terminated.
- 6.6.2.4 The addition of a service to a Qualified Vendor Agreement shall require an agreement amendment.
- 6.6.3 Subcontracts.
- The Qualified Vendor shall not enter into any subcontract for direct services under this agreement without advance notice to the Division. The subcontract shall incorporate by reference this agreement. The Qualified Vendor shall provide copies of subcontracts relating to the provision of agreement services to the Division upon request. The Qualified Vendor shall be legally responsible for agreement performance whether or not subcontractors are used. No subcontract shall operate to terminate or limit the legal responsibility of the Qualified Vendor to assure that all activities carried out by any subcontractor conform to the provisions of this agreement.
- 6.6.4 Assignment and Delegation.
- The Qualified Vendor shall not assign any right nor delegate any duty under this agreement without advance notice to the Division.

- 6.10.8.2 In the event of early termination, any funds advanced to the Qualified Vendor shall be returned to the Division within ten days after the date of termination or upon receipt of notice of termination of the agreement, whichever is earlier.
- 6.10.8.3 In the event the agreement is terminated, in whole or in part, with or without cause, or expires, the Qualified Vendor shall assist the Division in the transition of members to other Qualified Vendors in accordance with applicable rules and policies. Such assistance shall include but shall not be limited to:
 - 6.10.8.3.1 Forwarding program and other records as may be necessary to assure the smoothest possible transition and continuity of services. The cost of reproducing and forwarding such records shall be borne by the Qualified Vendors.
 - 6.10.8.3.2 Notifying of subcontractors and members.
 - 6.10.8.3.3 Facilitating and scheduling medically necessary appointments for care and services.
 - 6.10.8.3.4 Providing all reports set forth in this agreement.
 - 6.10.8.3.5 Making provisions for continuing all management/administrative services until the transition of members is completed and all other requirements of this agreement are satisfied.
 - 6.10.8.3.6 If required by the Division, extending performance until suitable arrangements have been made by the Division for a replacement Qualified Vendor.
 - 6.10.8.3.7 If required by the Division, at the Qualified Vendor's own expense, assisting in the training of personnel.
 - 6.10.8.3.8 Paying all outstanding obligations for care rendered to members.
 - 6.10.8.3.9 Providing the following financial reports to the Division until the Division is satisfied that the Qualified Vendor has paid all such obligations: (a) a monthly claims aging report by provider/creditor including Incurred But Not Reported (IBNR) amounts; (b) a monthly summary of cash disbursements; and (c) copies of all bank statements received by the Qualified Vendor in the preceding month for Qualified Vendor's bank accounts. All reports in this section shall be due on the fifth day of each succeeding month for the prior month.
- 6.10.9 In the event the agreement is terminated in part, the Qualified Vendor shall continue the performance of the agreement to the extent not terminated.

6.11 Agreement Claims

All agreement claims or controversies under this agreement shall be resolved according to A.A.C. R6-6-2116.

Rate

1. Published.
2. The daily ratio rate for this service is established through the ratio of total direct service staff hours with consumers present at the program to total consumer hours.
3. The Division established a separate rate for this service in the rural areas of the state. This modified rate has a premium over the standard rate for this service. The Qualified Vendor shall bill the Division this modified rate only after it receives authorization from the DDD Program Administrator/Manager or designee. The general guideline for authorizing the modified rate for rural areas is that the potential client base of the program size has fewer than 20 consumers in a 40 mile radius.
4. The Division established a separate rate for this service to behaviorally or medically intense consumers. Special authorization for these consumers is required by the DDD Program Administrator/Manager or designee. The rate is equal to the adopted Habilitation, Support rate in the published rate schedule. The hours for these consumers and the direct service staff hours related to the behaviorally or medically intense consumers shall not be considered in determining the overall program staffing ratio for the remaining consumers.

Unit of Service

1. The basis of payment for this service is the daily ratio rate. To determine the appropriate billing rate for each day this service is provided, the Qualified Vendor shall:
 - a. Divide (the total billable hours consumers attended the program in a day including hours allowed pursuant to item 3 below, excluding hours for behaviorally or medically intense consumers with a specially authorized rate) by (the total direct service staff hours with consumers present at the program in a day, excluding hours related to behaviorally or medically intense consumers with a specially authorized rate); and
 - b. Use the resulting quotient, which is the number of consumer billable hours per direct service staff hours and can be stated as “1: (result from step a.)” staff to consumer ratio, to find the appropriate staff to consumer ratio rate on the rate schedule.

For example, if the number of hours attended by all consumers in a program plus the hours allowed pursuant to item 3 below (excluding behaviorally or medically intense consumers with a specially authorized rate) in a program totaled 109.75 hours for a day, and the number of hours worked by direct service staff when consumers were present at the program (excluding hours related to behaviorally or medically intense consumers with a specially authorized rate) totaled 28.25 for that day, then the calculation would be:

- Total billable consumer hours divided by total direct service staff hours = $109.75 / 28.25 = 3.885$
- This program's ratio for this day is 1:3.885

For both consumers and direct service staff, units shall be recorded on the *per consumer* and *per direct service staff* basis, shall be expressed in terms of hours and shall be rounded to the nearest hour, as illustrated in examples below:

- If total hours for a consumer or direct service staff were equal to 3 hours and 5 minutes, round the total to 3 hours
- If total hours for a consumer or direct service staff were equal to 5 hours and 24 minutes, round the total to 5 hours
- If total hours for a consumer or direct service staff were equal to 5 hours and 30 minutes, round the total to 6 hours
- If total hours for a consumer or direct service staff were equal to 6 hours and 48 minutes, round the total to 7 hours

2. Absences do not constitute a billable unit except as provided in item 3 below. An absence factor was built into the model rates. The Division will not compensate Qualified Vendors for any absences. For example, if a consumer stays in the day program for two hours in the morning, then leaves for two hours, and then returns for three hours, and all activity takes place within the same program day, total hours for this consumer shall be equal to five.

If the consumer permanently stops attending the Qualified Vendor's facility, then the Qualified Vendor shall notify the DDD Program Administrator/Manager or designee. The Qualified Vendor shall not bill the Division for vacancies.

3. Qualified Vendors that do not provide transportation for a particular consumer may include up to one hour per day if that consumer arrives after his/her scheduled arrival time on that day or if that consumer leaves before his/her scheduled departure time on that day. The calculation of the daily ratio will use the billable hours. However, if the client is absent for the entire day, the Qualified Vendor may not bill for that client. In no event shall the Qualified Vendor submit a claim for more than the number of hours authorized for that consumer.

Direct Service Staff Qualifications

The direct service staff shall have at least three months experience in conducting group or individual activities related to specific developmental, habilitative, or recreational programs, or be supervised by an individual with such experience.

Recordkeeping and Reporting Requirements

1. The Qualified Vendor shall maintain a copy of the support plan on file and make it available to the consumer/family/consumer's representative and/or Division upon request.
2. The Qualified Vendor shall submit monthly progress reports, including a written summary describing the specific service activities and the performance data that identifies the consumer's progress toward achievement of the established objectives, within ten business days of the close of the month to the consumer's support coordinator and the consumer/family/consumer's representative.
3. For consumers, the Qualified Vendor must keep copies of each consumer's schedule, including any changes, as well as daily records of the number of hours each consumer spends in the Qualified Vendor's program, including when the consumer arrived and left. The time begins when the Qualified Vendor assumes responsibility for the consumer and ends when the Qualified Vendor ends this responsibility. Time for behaviorally or medically intense consumers with a specially authorized rate shall be recorded separately.
4. For direct service staff, the Qualified Vendor must keep daily records of the number of hours each direct service staff spends providing direct services to consumers in the program. Only the time when consumers are present at the program shall be counted as direct service. Staff time related to behaviorally or medically intense consumers who have a specially authorized rate shall be recorded separately.

For both consumers and direct service staff, units shall be recorded on the *per consumer* and *per direct service staff* basis, shall be expressed in terms of hours and shall be rounded to the nearest hour, as illustrated in examples below:

- ❑ If total hours for a consumer or direct service staff were equal to 3 hours and 5 minutes, round the total to 3 hours
- ❑ If total hours for a consumer or direct service staff were equal to 5 hours and 24 minutes, round the total to 5 hours
- ❑ If total hours for a consumer or direct service staff were equal to 5 hours and 30 minutes, round the total to 6 hours
- ❑ If total hours for a consumer or direct service staff were equal to 6 hours and 48 minutes, round the total to 7 hours

2. The Division will not compensate Qualified Vendors for any absences. For example, if a consumer stays in the day program for two hours in the morning, then leaves for two hours, and then returns for three hours, and all activity takes place within the same program day, total hours for this consumer shall be equal to five.

If the consumer permanently stops attending the Qualified Vendor's facility, then the Qualified Vendor shall notify the DDD Program Administrator/Manager or designee. The Qualified Vendor shall not bill the Division for vacancies.

Direct Service Staff Qualifications

The direct services staff shall:

1. Have at least three months experience in conducting group or individual activities related to specific developmental, habilitative, or recreational programs, or be supervised by an individual with such experience; and
2. Have completed training, approved by the Division, in early childhood development when working with children who are under age six.

Recordkeeping and Reporting Requirements

1. The Qualified Vendor shall maintain a copy of the support plan on file and make it available to the consumer/family/consumer's representative and/or Division upon request.
2. The Qualified Vendor shall submit monthly progress reports, including a written summary describing the specific service activities and the performance data that identifies the consumer's progress toward achievement of the established objectives, within ten business days of the close of the month to the consumer's support coordinator and the consumer/family/consumer's representative.
3. For consumers, the Qualified Vendor must keep daily records of the number of hours each consumer spends in the Qualified Vendor's program. The time begins when the Qualified Vendor assumes responsibility for the consumer and ends when the Qualified Vendor ends this responsibility. Time for behaviorally or medically intense consumers with a specially authorized rate shall be recorded separately.
4. For direct service staff, the Qualified Vendor must keep daily records of the number of hours each direct service staff spends providing direct services to consumers in the program. Only the time when consumers are present at the program shall be counted as direct service. Staff time related to behaviorally or medically intense consumers who have a specially authorized rate shall be recorded separately.

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- ❑ If total hours for a consumer or direct service staff were equal to 3 hours and 5 minutes, round the total to 3 hours
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- ❑ If total hours for a consumer or direct service staff were equal to 5 hours and 30 minutes, round the total to 6 hours
- ❑ If total hours for a consumer or direct service staff were equal to 6 hours and 48 minutes, round the total to 7 hours

2. The Division will not compensate Qualified Vendors for any absences. For example, if a consumer stays in the day program for two hours in the morning, then leaves for two hours, and then returns for three hours, and all activity takes place within the same program day, total hours for this consumer shall be equal to five.

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2. Have completed training, approved by the Division, in early childhood development when working with children who are under age six.

Recordkeeping and Reporting Requirements

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2. The Qualified Vendor shall submit monthly progress reports, including a written summary describing the specific service activities and the performance data that identifies the consumer's progress toward achievement of the established objectives, within ten business days of the close of the month to the consumer's support coordinator and the consumer/family/consumer's representative.
3. For consumers, the Qualified Vendor must keep daily records of the number of hours each consumer spends in the Qualified Vendor's program. The time begins when the Qualified Vendor assumes responsibility for the consumer and ends when the Qualified Vendor ends this responsibility. Time for behaviorally or medically intense consumers with a specially authorized rate shall be recorded separately.
4. For direct service staff, the Qualified Vendor must keep daily records of the number of hours each direct service staff spends providing direct services to consumers in the program. Only the time when consumers are present at the program shall be counted as direct service. Staff time related to behaviorally or medically intense consumers who have a specially authorized rate shall be recorded separately.

Service Utilization Guidelines

1. Nursing will be authorized based on the nursing needs assessment conducted by the Division's managed care unit.
2. This service is provided on an intermittent (short-term) or continuous basis. The allocation of nursing service hours is authorized by the managed care nurse, based on the nursing assessment, which will be included in the consumer's ISP.
3. The Division's managed care unit will conduct nursing assessments at least annually, or more frequently if required by the Division, to reassess need for this service.
4. Prior to initiating the service, the Qualified Vendor shall obtain written orders from the consumer's primary care physician (PCP) or physician of record. The written physician orders will be renewed every 62 days (bimonthly).

Rate

Published.

Unit of Service

1. The basis of payment for Nursing, Short Term is an hourly unit of direct service time. Direct service time is the period of time spent with or on behalf of the consumer and verified by the consumer. When billing, the Qualified Vendor should round its direct service time to the nearest 15-minute increment, as illustrated in the examples below:
 - If services were provided for 65 minutes, bill for 1 hour.
 - If services were provided for 68 minutes, bill for 1.25 hour.
 - If services were provided for 50 minutes, bill for 0.75 hour.
2. If the Qualified Vendor provides nursing for 16 or more hours in one day, this is considered to be Nursing, Continuous. One unit of service for Nursing, Continuous equals one day (16 or more hours in a 24-hour period) of direct service. A Qualified Vendor billing for Nursing, Continuous shall bill for the appropriate number of days of service and include the actual cumulative hours of service provided on the billing document as required by the Division.

If the Qualified Vendor provides nursing for 24 hours and the same nurse provides the service and is able to sleep eight hours, this is billed as Nursing, Continuous. However, if the needs of the consumer require 24 hours of awake skilled care, then this is billed as Nursing, Short Term.

Skilled hourly nursing and nursing respite may be combined. However, if the primary caregivers are out of the home for 24 hours or more, the skilled hourly nursing becomes respite and is billed as Nursing, Continuous.

3. If the Qualified Vendor provides this service with a single direct service staff person to multiple consumers at the same time, the basis of payment for each consumer will be the total direct service time multiplied by the appropriate multiple client rate for the same unit of service.