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PublicConsultingGroup.com
617 426 2026 tel 617 426 4632 fax



November 1, 2006

Ms. Roberta Wagner
State of West Virginia
Purchasing Division
2019 Washington Street, East
P.O. Box 50130
Charleston, West Virginia 25305-0130

RE: Request for Quotation (RFQ)#BHS70090 "Money Follows the Person"
and Rebalancing Study

Dear Ms. Wagner,

Public Consulting Group, Inc. (PCG) is pleased to submit this proposal in response to the Office of the Ombudsman within the Bureau for Behavioral Health and Health facilities for the completion of a **"Money Follows the Person" and Rebalancing Study**. PCG is acutely aware of the critical issues facing West Virginia as the needs of long-term care clients are rebalanced and the feasibility of implementing a "Money Follows the Person" initiative is weighed. As with our other work in West Virginia, we are committed to ensuring the best results for the State, the behavioral health system and its clients.

PCG provides consulting services to county and state health and human services agencies across the country to develop strategic plans, conduct revenue maximization efforts, assist with policy development, redesign service systems, plan for operations improvement, complete rate setting activities, and aid with financial management. We are a privately-held Massachusetts corporation headquartered in Boston with offices in 19 cities nationwide, including Charleston, West Virginia.

Our familiarity with the West Virginia behavioral health system, understanding of the challenges voiced by its stakeholders, and working knowledge of statewide rebalancing initiatives and the "Money Follows the Person" regulations place PCG as the best qualified firm in the country to carry out this project for the Office of the Ombudsman.

PCG has worked extensively with home and community-based waiver programs throughout the country. We have worked consistently with public mental health, developmental disability, and mental retardation agencies for more than twenty years. PCG's engagements with mental health, developmental disability, and mental retardation agencies across the country have hinged upon our programmatic, financial, and operational expertise. Our qualifications include large-scale system reviews of mental health, mental retardation, developmental disabilities, and long term care systems in multiple states. Through these engagements, PCG has assessed the service delivery capabilities of state to determine the feasibility of transforming the system of care to meet the changing demands of their clients. Many of these engagements have included a review and analysis of states' 1915(b) and 1915(c) waivers to review home and community-based services and supports and their associated funding mechanisms: as a result, we have been able to recommend the development and/or expansion of a variety of community-based services and supports in many states. PCG has widespread, practiced and up-to-date expertise with the features of home and community-based waivers, as demonstrated by our previous engagements across the country.

PCG has a long-standing background of providing consulting in the area of long term care services. We have significant experience in evaluating LTC systems and developing reimbursement methodologies to support them. We have successfully completed research and evaluation efforts for the long term care systems of several large states, including Texas, North Carolina, Alaska and Massachusetts. For each of these projects, we evaluated the targeted populations with disabilities in detail and developed strategic planning measures and implementations for the provision of enhanced long term care services. This work also included analyzing the mix of services available to the target populations and assessing the appropriateness and efficiency of those services. Our extensive knowledge of the key long term care service components, combined with our experience with stakeholders with special needs in these populations will ensure that PCG can compare West Virginia's long-term care delivery system with that of other states. We are also well-equipped to make recommendations to rebalance Alaska's long-term care delivery system and incorporate a "Money Follows the Person" initiative.

Our professionals have subject-matter expertise with respect to rebalancing initiatives and "Money Follows the Person." Many of our most recent engagements across the country have centered on the President's New Freedom Initiative, the Deficit Reduction Act of 2005 (DRA), and the "Money Follows the Person" initiative. We have recently advised the States of Alaska, West Virginia (BHHF—Bureau for Behavioral Health and Health Facilities), New York, and the Commonwealth of Massachusetts on the potential opportunities stemming from

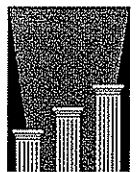


the DRA. We conducted a study on the future financing of waiver services for the State of Washington and consulted on the opportunities under the New Freedom Initiative. "Money Follows the Person" has been part of our work in the States of Georgia and Indiana. Additionally, our subcontractor, Robert Mollica, was part of the research group commissioned by the Centers for Medicare & Medicaid Services (CMS) in 2004 to study in up to eight states the effects of various management techniques and programmatic features that states have put in place to rebalance their Medicaid long-term care (LTC) systems and their investments in long-term support services.

Our team is made up of professionals with relevant experience. The team selected for this engagement in West Virginia meets or surpasses the Vendor Required Experience specified in RFP#BHS70090. Our team includes Cathy Anderson, an Associate Manager at PCG, who has over 20 years of experience in state government. While serving as Chief Deputy Director for the Iowa Department of Health and Human Services, Ms. Anderson worked closely on the development and implementation of home and community-based waivers. She also wrote and oversaw the implementation of multiple waivers while serving as the Director of the Nebraska Developmental Disabilities System. Also on the team is John Shaughnessy, a Manager at PCG, who has extensive experience with cost accounting, budgeting, and developing complex models for evaluating cost effectiveness and projecting future expenditures. Tom Entrikin, a Manager at PCG, has a master's degree from Harvard University's Kennedy School of Government and has spent his professional career providing legal and regulatory assistance on federal and state requirements applicable to health and human services organizations. Mr. Entrikin served for fifteen years as a Senior Manager with the US Health Care Financing Administration's Boston Regional Office. Additionally, two subcontractors will assist this effort in West Virginia. Bob Mollica is a Senior Program Director at the National Academy for State Health Policy and is one of the nation's leading authorities on state long-term care policy. For the past 25 years, his work has focused on long-term care policy and program development. Susan C. Reinhard, RN, PhD, from the Center for State Health Policy at Rutgers University is a noted expert on the Nurse Practice Act and its effect on consumer-directed care.

PCG has reviewed the RFP and has been careful to follow the requirements and formats specified. The signer agrees to the work requirements and other terms and conditions set forth in the RFP document. Our proposal shall remain valid for a minimum of one hundred eighty (180) days from the date of the RFP closing and includes the following material and attachments.

PCG has never been convicted of any criminal charges or actions involving moral turpitude, nor have any of our employees, agents, or subcontractors.



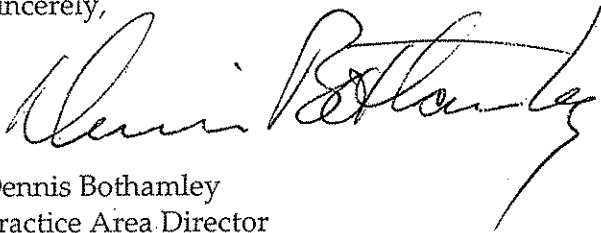
Ms. Roberta Wagner
State of West Virginia
BHHF-Office of the Ombudsman
November 1, 2006

Cathy Anderson, Associate Manager, will serve as the Project Manager for this engagement and is the contact person with the authority to address questions and PCG contractual issues, including the authority to execute on behalf of PCG. The following is Ms. Anderson's contact information:

148 State Street, 10th Floor
Boston, MA 02109
Phone: (617) 426-2026, Fax: (617) 426-4632
Email: canderson@pcgus.com

We are excited about the opportunity to assist the State of West Virginia and the Bureau for Behavioral Health and Health Facilities, Office of the Ombudsman. We believe that the state will not find a contractor with the experience, commitment, and resources of PCG to carry out this important engagement. We would be pleased to provide you with additional information or present you our qualifications in person, should you determine that to be of interest to you. If you have any questions, please do not hesitate to contact me at 617-426-2026.

Sincerely,



Dennis Bothamley
Practice Area Director





**PUBLIC
CONSULTING
GROUP**

State of West Virginia
Bureau for Behavioral Health and Health Facilities
Office of the Ombudsman
Request for Quotation (RFQ) BHS70090
"Money Follows the Person" and Rebalancing Study

Rebalancing Objectives of the Study

\$ 68,800.00

Team Member	Hourly Rate	Total Hours (Rebalancing)	Total Cost
Cathy Anderson	\$230	30	\$6,900
John Shaughnessy	\$240	60	\$14,400
Tom Entrikin	\$240	20	\$4,800
Sean Huse	\$215	80	\$17,200
Katie Hayman	\$175	30	\$5,250
Sean Dunbar	\$175	20	\$3,500
Les Hendrickson	\$165	60	\$9,900
Robert Mollica	\$125	24	\$3,000
Susan Reinhard	\$175	6	\$1,050
Expenses (On-site visits, conference calls)			\$3,000

Deliverables:

- Work Plan detailing tentative timelines for beginning and completing all mandatory services for the project; rebalancing objectives to be completed within twelve (12) months of contact award.
- Draft Written Report
- Final Written Report
- Fiscal Projections (summary tables)
- On-site Interviews, Meetings, and Reviews
- On-site Individual or Small Group Interviews
- Statewide Public Forums
- On-site Presentation to the Olmstead Advisory Council summarizing project
- Analysis of West Virginia's long-term care system to provide specific recommendations for implementing rebalancing initiatives

Total Cost for the "Money Follows the Person and Rebalancing Study: \$ 156,550



JOE MANCHIN III
GOVERNOR

STATE OF WEST VIRGINIA
DEPARTMENT OF ADMINISTRATION
PURCHASING DIVISION
2019 WASHINGTON STREET, EAST
P.O. BOX 50130
CHARLESTON, WEST VIRGINIA 25305-0130

ROBERT W. FERGUSON, JR.
CABINET SECRETARY

DAVID TINCHER
DIRECTOR

MEMORANDUM

TO: Vendors

FROM: Roberta Wagner, Senior Buyer *rw/sm*
Purchasing Division

RE: BHS70090

DATE: November 1, 2006

The Request for Quotation will not be scanned on the Internet due to the volume. Vendors may view the Proposals at the office of the WV State Purchasing Division, 2019 Washington Street, East Charleston, WV 25305. You may call me for an appointment at the (304) 558-0067 fax: (304)558-4115 or e-mail rwagner@wvadmin.gov.

RFQ's received from the following:

EP&P Consulting, Inc.
Halleland Health Consulting
Navigant Consulting
Public Consulting Group

RW/wf

cc: File