



Department of Health and Social Services  
Finance and Management Services  
Grants and Contracts Support Team  
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**RFP 20000024**  
**Amendment 1**  
**Feasibility Study – API Privatization**

**Amendment Issue Date: 10/11/2019**

This amendment provides State of Alaska response to questions received.  
Unless identified below, all other terms & conditions of the RFP remain the same.

A copy of this amendment is available on the State’s Vendor Self Service website.

**Question 1:**

In order to successfully complete the scope of work requested in the RFP, a comprehensive analysis must be performed, including site visits. There are 2 holidays within the proposed contract term. Would DHSS consider extending the contract term?

**DHSS Response:**

The State would like to receive a completed study as soon as possible, but no later than 1/31/20.

The contract term identified in Section 2.02 of the RFP is hereby revised to:

*The term of this contract will be from the date of execution through January 31, 2020.*

**Question 2:**

Page 13, #3 (Section 2.03) Legal Analysis

Please provide additional information about the requirement to “...comply with current legal obligations.” There are several categories of legal requirements associated with the operation of a psychiatric hospital, including contract law, malpractice/liability law, employment law, and real estate law.

Is the Department requesting that the contractor provide a legal analysis that examines the potential legal issues for each of these legal categories for each of the operational scenarios presented to the Department, and that the contractor indicate what legal or statutory changes would be required, if any, to successfully implement the scenario? If so, these tasks might be more appropriately, and more efficiently, completed by

the Alaska Office of the Attorney General so the contractor does not have to expend a disproportionate amount of the budget on legal analysis of various privatization scenarios.

As a point of reference, we have reviewed the legal analysis included in the January 2017 API privatization study final report completed by PCG Health. Please indicate if the approach and breadth and depth of the legal analysis included in the PCG report is generally sufficient to meet the current scope of work requirement.

**DHSS Response:**

An example of the legal analysis required would be:

In the continued state-only-operation model, the analysis has to be compliant with legal obligations such as our union contracts (and the employment structure associated with them), as well as law/regulations required for operation of a psychiatric hospital (such as state licensure, CMS requirements, and accreditation requirements).

Any of the legal categories mentioned in the question only need to be analyzed and incorporated where relevant - for instance, contract issues if identified for private management operation.

The required research of other state's privatization models should provide guidance on what legal issues should be analyzed to ensure our state would be compliant with legal obligations.