

**HEALTH CARE PROVIDERS
FOR THE DEPARTMENT OF NATIONAL DEFENCE, ROYAL CANADIAN MOUNTED
POLICE AND VETERANS AFFAIRS CANADA**

**SOLICITATION NO. W3931-13KM01/D
AMENDMENT 005**

This amendment contains the following sections:

1. Questions and Answers (Set 4)
2. Modifications to Solicitation

Section 1: Questions and Answers (Set 4)

Note: Questions are numerically sequenced upon arrival at PWGSC. A question and its answer will be provided via BuyandSell as the response becomes available. Potential bidders are therefore advised that questions and answers may be issued via BuyandSell out of sequence. The following questions have been received. In accordance with Article 13 under 2003 Standard Instructions - Goods or Services - Competitive Requirements (2016-04-04) which has been incorporated into the RFP in accordance with Article 2.1 of Part 2 of the RFP, the questions and corresponding answers are provided to all potential bidders as set out below:

Q18. Regarding question 15g, we recognize that RCMP adjusted the hours for the price sheet but no clarification was provided as to the minimum experience required of the psychologist. In the job description, 3 levels of psychologists are provided (the difference essentially being 2, 5, and 10 years of experience) yet only "psychologist" is required for each stream. Please clarify which level of psychologist is required for each stream or confirm that only a specific level of psychologist is required throughout? The information is important for pricing purposes as a psychologist with 10 years of experience will command a different pay rate than one with only 2.

A18. The RCMP recognized the error in Appendix 11 to Annex A2 RCMP Qualification and Tasks and has updated the corresponding document to reflect the level of experience required for RCMP Psychologists. A RCMP Psychologist shall possess a minimum of 5 years' experience.

Q19. Background:

As a matter of fairness (especially in the context of median value bid pricing) and in order to safeguard against undue risk of delivery failure in key categories of the resulting contract as a result of unreasonably low and/or reckless pricing, the Crown requires a mechanism by which individual rates can vetted and reviewed.

Normally, an RFP would establish a basis upon which the validity of the rates submitted can be reasonably assured. For example, in IT contracts, bidders would typically be required to meet corporate qualifications (mandatory and rated) that closely align to the RFP requirements as well as submit resumes to demonstrate and establish specific knowledge, skills, access, and project-specific pricing expertise. In the subject RFP, a bidder can be responsive by demonstrating only minimal healthcare experience and expertise across the relevant occupational groups and regions of Canada. For example, no healthcare experience is specified in the mandatory requirements and only 500 of the 1,000 points available from the point-rated requirements speak to healthcare; and of those, only 100 points are required to meet the minimum 600 point-rated experience points required to be responsive. Maximum points can be achieved for RT 1.6 by demonstrating experience in occupational groups such as dietitians, nursing, social work, pharmacy, and hospital

services categories. In other words, maximum points can be achieved for RT 1.6 without demonstrating any experience whatsoever in medicine, dentistry, and mental health, not only essential areas of health for the military (and arguably the most difficult categories to recruit, with the largest costs and variability and the greatest complexity) but categories that represent a majority of the 922,000 hours allocated to the DND requirements in Streams 1-4. Furthermore, maximum points can be obtained for requirement RT 1.7 by demonstrating that a bidder has placed a single person in any HCP occupational group in each of the 11 regions of Canada for an indeterminate period of time (i.e. one shift in the last 5 years). And yet, the RFP seeks rates on multiple categories in every region.

Therefore, without demonstration of specific experience and expertise in each of the relevant occupations and regions of Canada as a basis for ensuring the validity of the rates submitted, we submit the Crown requires another mechanism to ensure individual rates can be substantiated, especially in the context of median value bid pricing where only two reckless and/or ill-informed bids can have the effect of making a third and perhaps only rationally-priced bid (in the context of actually being able to deliver at the submitted rates) non-responsive. This is an especially important consideration when you realize that bidders who expect to attain only minimal healthcare-specific technical points will essentially be required to price many categories unreasonably low in order to be able to win the contract.

Federal government RFPs have previously required substantiation of quoted rates by requesting price support from otherwise responsive bidders who have proposed rates that are at least 20% lower than the median rate supplied by other responsive bidders for the same category. If Canada requested rate support, a bidder would need to provide support for the rate(s) in question via current and reliable references, such as industry websites, union agreements, recent invoices for similar services to other customers, etc. This would allow Canada to determine whether it can rely, with confidence, on the bidder's ability to provide the required services at the submitted rate(s). If Canada determines that the information provided by the bidder does not adequately substantiate the abnormally low rate(s), the bid would not be declared non-responsive but rather would be evaluated at the equivalent median rate for such category for purposes of the financial evaluation (but maintained at the submitted rate for purposes of any resulting contract). Similarly, the unsubstantiated rates would be evaluated at the median rate for such category for purposes of calculating the median value of all responsive bids.

Question:

Given the number of occupational groups and regions of Canada encompassed by the RFP, with delivery success in all such categories assumed to be of equal importance to the Crown, how does the Crown plan to substantiate individual rates submitted by an otherwise responsive bidder that are significantly below the median rates of other bidders for such categories (and, as a result, represent a significant risk of delivery failure for those particular categories given the majority of healthcare professionals represented in the RFP are essentially fully-employed across Canada and thus highly sensitive to rate changes)?

- A19. Canada's goal through this competitive solicitation is to ensure the successful delivery of high-level health care services. To this effect, the following measures have incorporated into the solicitation.
- Technical criteria and an evaluation methodology that is reflective of the requirement;
 - Article 4.6 Basis of Selection sub-article 4.6.5.1 (c), please see revised document attached;
 - Sub-article 7.2.4.1 – a provision relating to the minimum level of performance; and,

- Annex F Performance Measurement Framework – provision of a Performance Incentive Fee (PIF).

Q20. Given the importance of the 'time to fill' metrics in the resulting contract, in particular the position fill performance scores underlying the KPIs of the Performance Incentive Fee (PIF) calculations, what are the Crown's expectations with respect to the volume of task authorizations for each of the: (i) recurring (30 days to fill) positions, and (ii) new (60 days to fill) positions?

A20. The Annual HCP Requirement Plan is the HCP Requirements that are required for the following Fiscal Year (FY), which starts on 1 April of every year. The DND compiles the Annual HCP Requirements in the third quarter (September to November) of each FY for organizational planning and budget purposes. In the Annual Requirement Plan, a Recurring HCP Request is also defined as HCP requirements that were under Task Authorization in the current FY that continue to be required in the upcoming FY. The Annual HCP Requirement Plan will consist of Work Stream Tables that separately identify the Recurring HCP Requirements (i.e. the HCPs that are required to provide the services in the upcoming FY). Refer to Appendix 14, Deliverable 34. The 30 calendar days apply from when the Annual HCP Requirements Plan is sent to the Contractor starting on the second year of the contract and the outyears.

For planning/bidding purposes the bidder can use App 13 as the starting point.

New positions are on an as required basis and therefore not forecastable. The Crown is not in a position to determine a level of expectations.

Q21. The RFP calls for just over 1 million hours of annual health services in every province of Canada, which is significantly higher than the level of effort on the current contract. The current contract has over 500 filled positions annually (new and recurring). Is that number expected to remain relatively consistent (adjusted proportionally for the increased LOE on the new contract)? Please provide guidance on the expected LOE so that an economic analysis can be conducted with respect to the impact of the proposed PIF.

A21. The current HSSC contract is with DND only. The HCPR involves DND, RCMP and VAC and covers DND clinical administrative positions (Stream 4) and DND Cadet Camps positions (Stream 5); this is why the level of effort is higher than on the current contract. DND's App 13 identifies a requirement for 682 positions (full time and part time), RCMP's App 13 identifies 60 positions (full time and part time), VAC's App 13 identifies 30 (full time and part time). The combination of all three departments App 13 should assist the bidders with identifying an expected LOE.

Section 2: Modifications to Solicitation:

1. DELETE: Request For Proposal - Part 1 to Part 7

INSERT: Request For Proposal – Part 1 to Pat 7 Rev 001, changes to the Request For Proposal are highlighted in yellow.
2. DELETE: Appendix 11 to Annex A2 RCMP HCP Qualifications and Tasks.

INSERT: Appendix 11 to Annex A2 RCMP HCP Qualifications and Tasks Rev 001.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED