



**CENTRAL CONTRACTS AND LEGAL SERVICES**

		<b>TO:</b> Choose or Type a Name.
		<b>CONTRACT # 2432-54160</b>
		<b>TODAY'S DATE: 2/9/2024</b>
		<b>SELECT CONTRACT SERVICE DESCRIPTION/SUB-OBJECT CODE:</b> CZ - Other Pro Serv
<b>CONTRACTOR'S LEGAL NAME:</b>		<b>TAX IDENTIFICATION (TIN) OR UNIFORM BUSINESS IDENTIFICATION (UBI) NUMBER:</b>
Clinical Services Management, P.C.		
<b>ADDRESS:</b>	6 Prospect Street, Suite 3B; Midland Park, NJ 07432	
<b>CONTRACT PURPOSE:</b>		
<p>DSHS/BHA needs to immediately add the newly established BHA Facility, Olympic Heritage Behavioral Health (OHBH), to the current contract with Clinical Services Management (CSM) for the provision of external independent Consulting Services in order to assist OHBH in obtaining The Joint Commission (TCJ) accreditation, a precursor to the Centers for Medicaid and Medicare Services (CMS) Certification. As per DES guidelines and Sole Source requirements, the current contract (#2232-41508) with CSM cannot be amended, and a new Sole Source filing is required. Therefore, we are requesting a new Sole Source contract for BHA.</p> <p>The DSHS Secretary and the Legislature require assurance that continuous independent monitoring remains in place without interruption to ensure proper oversight of the BHA Facilities, which is accomplished through this contract.</p> <p>If the new Sole Source contract is approved, the current contract (#2232-41508) will be terminated for convenience and superseded by the proposed new contract (#2432-54160) in order for CSM to continue providing external independent Consulting Services that encompass Leadership consultations with BHA, the monitoring and oversight of the quality and safety of patient care at WSH, and implement independent oversight and monitoring at OHBH.</p> <p>DSHS has reserved the right to amend this new contract to extend the contract term or to increase the total consideration, or both, for an additional one-year period or to amend this contract during its term to increase the total consideration if the Work Plan is modified in a manner that increases the total maximum consideration payable under this contract for additional in-scope items, at the sole discretion of DSHS and rates consistent with those set forth in the proposed new contract, subject to the availability of funding.</p>		
<b>CONTRACT FUNDING:</b>		
FEDERAL FUNDING \$0	STATE FUNDING \$1,635,885.00	
<b>CONTRACT TOTAL \$1,635,885.00</b>		
<b>CONTRACT DATES – *START DATE MUST BE MORE THAN 10 BUSINESS DAYS FROM DATE OF REQUEST TO CCLS</b>		
*START DATE: 2/21/2024	END DATE: 2/20/2025	

**SOLE SOURCE CONTRACT DEFINITION AND CRITERIA**

*What is a sole source contract?*

*“Sole source” means a contractor providing goods or services of such a unique nature or sole availability at the location required that the contractor is clearly and justifiably the only practicable source to provide the goods or services, as per RCW 39.26.010.*

*Unique qualifications or services are those which are highly specialized or one-of-a-kind. Other factors which may be considered include past performance, cost-effectiveness (learning curve), and/or follow-up nature of the required goods and/or services. Past performance alone does not provide adequate justification however will not be on its own a sufficient justification.*

*Why is a sole source justification required?*

*The State of Washington, by law and policy, believes competition is the best strategy to obtain the best value for the goods and services it purchases, and to ensure that all interested vendors have a fair and transparent opportunity to sell goods and services to the state.*

*A sole source contract does not benefit from competition. Thus the state, through RCW 39.26.010, has determined it is important to evaluate whether the conditions, costs and risks related to the proposal of a sole source contract truly outweigh the benefits of a competitive contract.*

**SOLE SOURCE CONTRACT  
JUSTIFICATIONS**

**TO EXPEDITE CCLS' AND DES' REVIEW AND APPROVAL OF THIS SOLE SOURCE CONTRACT, PLEASE PROVIDE CLEAR AND COMPELLING ANSWERS TO THE FOLLOWING JUSTIFICATION QUESTIONS:**

**1. What is the business need or problem that requires this contract?**

CMS is a nationally known industry leader in regulatory compliance oversight and monitoring of psychiatric facilities. CSM has extensive knowledge of BHA Facility operations and the technical expertise required to provide continued oversight and guidance with regard to performance improvement. CSM is currently providing WSH with professional consulting services that involve independent monitoring and oversight of WSH performance improvement efforts concerning patient care. The current contract is expiring on March 31, 2024. DSHS intends to enter into a new sole source contract with Clinical Services Management on February 21, 2024, for the provision of continued oversight and compliance monitoring at Western State Hospital (WSH) and to add oversight and monitoring activities at Olympic Heritage Behavior Health (OHBH) to facilitate efforts in the facility reaching Joint Commission survey readiness, a precursor to gaining CMS Certification.

External independent oversight and evaluation of patient care at WSH must remain in place so that continuous monitoring and evaluation of critical performance improvement efforts continue uninterrupted. Additionally, external independent oversight and evaluation activities must be implemented at OHBH to assist OHBH in obtaining accreditation by The Joint Commission.

The services CSM will continue providing under the new contract are critical in assisting WSH ensure quality of patient care and in reaching compliance with The Joint Commission (TJC) Standards and CMS Conditions of Participation (CoP) at WSH and OHBH. The proposed new contract with CSM includes the following work efforts to meet BHA Quality Improvement objectives and monitoring oversight requirements:

**a. Compliance Monitoring**

- CSM will continue to conduct external independent oversight and compliance monitoring to assess and assist in Facility compliance with applicable TJC Standards, CMS Standards/CoP, and Facility policies.
- Support and facilitate work efforts for compliance related Performance Improvement and Standardization of Care Projects assisting measuring the level of accuracy and consistency in adhering to compliance of process changes and data collection pertaining to outcomes.
- Conduct Mock Surveys at Facility(s) to evaluate compliance with all relevant CMS Conditions of Participation.
- Provide Leadership with recommendations, necessary next steps and how operationalize recommendations to support Quality Department efforts related to Performance Improvement and Standardization of Care and delivery of clinical processes.
- Provide Leadership with consultative feedback throughout the planning and implementation phases of Electronic Health Records System (EHR)
- Provide training and education as requested or recommended.

**b. DOH Citations Monitoring.**

- CSM will continue to conduct external, independent oversight of all Facility efforts directed toward formal citations regarding patient abuse/neglect issues
- CSM will review pending and approved corrective action plans developed and/or implemented by the Facility(s) in response to any DOH findings.
- Ensure that corrective action plans are appropriately incorporated into the Facility(s) QAPI Activities.
- Provide training and education as requested or recommended

**2. Describe the unique features, qualifications, abilities, or expertise of the contractor proposed for this sole source contract.**

CSM is uniquely qualified to provide these services to BHA, having provided oversight and consulting services to WSH for the past eight years. CSM's extensive experience with WSH will enable its personnel to "hit the ground running" at the new OHBH facility, without the need to educate a new contractor as to the compliance criteria and DSHS/WSH policies, get approvals for its processes, and see the new facility through The Joint Commission accreditation process. The estimate of the payments to a new vendor while bringing that vendor up to speed would be \$490,758 to \$981,531, based on reasonable estimates of current contract prices and an onboarding period of three to six months. This does not include the costs of Olympic Heritage, Western State Hospital, and DSHS staff time, the delay in TJC certification (leading to a delay in CMS certification), or the cost of diverting medical staff attention from patient care and current improvement efforts, which cannot be estimated, but are believed to be significant.

Through its previous engagements with WSH, CSM has gained extensive familiarity with and knowledge of WSH policies, procedures, and operations, developed customized tools to support its monitoring and consultative services, and developed positive working relationships with staff, both in leadership and at the direct care delivery level. CSM works closely with Leadership and Facility staff. As the internal drivers of Facility compliance and performance improvement, it is critical that CSM continue providing sustainability and validation audits to augment and reinforce Continuous Quality Improvement efforts around compliance related Performance Improvement projects.

The Washington Department of Health (DOH) serves as an additional external oversight agency for WSH and BHA has committed that an independent external entity such as CSM provide continuous compliance monitoring at WSH with regard to correction of any deficiencies identified by DOH. CSM knows the key issues to focus on and is familiar with the external regulatory and oversight of agencies.

Through roles previously served by CSM team members in various facilities nationwide, CSM has developed in-depth expertise on CMS standards and third-party accreditation such as TJC. CSM team members include but are not limited to former CMS/Joint Commission surveyors, prominent psychiatric hospital leaders, and program development and management experts. Through their combined expertise, CMS will continue addressing the Performance Improvement (PI) and standardization of care needs of WSH through the implementation of comprehensive and focused

oversight and compliance monitoring activities, and will also facilitate OHBH efforts to reach Joint Commission survey readiness, a precursor to OHBH gaining CMS Certification.

**3. What kind of market research did the agency conduct to conclude that alternative sources were inappropriate or unavailable?**

The vendor time and cost savings estimates are based on the cost of previous contracts with this vendor and DSHS program staffs' best estimates on time lost for a new vendor to come on board. DSHS has committed to the State Legislature, family members, patients, and the general community that an external independent entity will monitor WSH for with regard to correction of deficiencies identified by DOH and compliance with Standards. It is critical that external oversight and monitoring continue without interruption to improve the quality and patient safety of patient care. CSM is intimately familiar with WSH policies, procedures, operations, and staff and is uniquely qualified to meet BHA objectives for WSH. In addition, OHBH policies and procedures mirror those of WSH, allowing CSM to seamlessly implement services at OHBH and leverage their knowledge and familiarity with WSH policies, procedures, operations, and staff.

**4. Provide a detailed and compelling description of the costs and risks mitigated by contracting with this contractor (i.e. learning curve, follow-up nature).**

We estimate the time to bring another contractor up-to-speed could cost an additional \$490,758 to \$981,531 at a minimum.

Continued use of CSM will result in substantial cost savings by avoiding the significant learning curve a new contractor would experience and offers assurance that services at WSH will continue without interruption. Additionally, OHBH policies mirror WSH policies; therefore, CSM has inherent knowledge of OHBH's policies, procedures, and operations, allowing CSM to begin oversight at OHBH immediately, saving time and state resources.

Engaging a new contractor at this time would interrupt the progress of CSM's ongoing monitoring, oversight and support of performance improvement activities that are in progress and would result in a gap in services. A break or lapse in continuous service will result in WSH being out of DOH compliance with continuous independent oversight, jeopardize the quality and safety of patient care, and halt WSH's efforts to reach CMS Conditions of Participation. In addition, if this sole source was not approved it would halt OHBH's efforts to reach TJC readiness.

Retaining a new contractor would shift WSH's focus from continuous monitoring and oversight to educating a new contractor on DSHS, BHA, WSH, and OH policies, procedures, medical staff bylaws, medical staff rules and regulations, operations, priorities, and performance improvement activities that are in progress or have been completed to date and interrupt quality improvement efforts, resulting in significant delays, increased costs and require substantial staff time that is better spent in continuing the work that has been occurring for several years.

CSM has developed specific tools to conduct its monitoring and oversight activities, encompassing clinical care, documentation, the physical environment, and the treatment milieu. In addition, CSM personnel are trained in the use and interpretation of these tools. A new contractor would need to develop its own set of tools and then vet the process, which would be a duplicative effort and would result in additional time delays.

The DSHS Secretary relies on input from CSM to monitor the Hospital's progress and to assure the state Legislature that seamless oversight of the Hospital continues in effect. The DSHS Secretary would need to spend significant time validating another contractor's approach to oversight. A new contractor would distract from WSH's primary objective of improving patient safety and quality of patient care, and OHBH would experience significant delays in reaching TJC survey readiness; therefore, DSHS has concluded that retaining a new contractor is not an efficient use of state resources, as it would result in substantial time delays and increased costs.

5. **Is the agency proposing this sole source contract because of special circumstances such as confidential investigations, copyright restrictions, etc.? If so, please describe.**

NOT APPLICABLE

6. **Is the agency proposing this sole source contract because of unavoidable, critical time delays or issues that prevented the agency from completing this acquisition using a competitive process? If so, please describe. For example, if time constraints are applicable, identify when the agency was on notice of the need for the goods and/or service, the entity that imposed the constraints, explain the authority of that entity to impose them, and provide the timelines which work must be accomplished.**

NOT APPLICABLE

BHA intends to retain the current contractor, CSM, for reasons of continuity, consistency, value of their performance to date. It is essential that the engagement continue without interruption in order to meet the DSHS's commitment for ongoing oversight and monitoring of WSH and to prepare OHBH for Joint Commission survey, a precursor to CMS Certification. Any gap or delay in services would increase risk to patients with respect to quality and safety of patient care delivery.

7. **Is the agency proposing this sole source contract because of a geographic limitation? If the proposed contractor is the only source available in the geographical area, state the basis for this conclusion and the rationale for limiting the size of the geographical area selected.**

NOT APPLICABLE

8. **What are the consequences of not having this sole source filing approved? Describe in detail the impact to the agency and to services it provides if this sole source filing is *not* approved.**

WSH would experience a significant interruption in critical monitoring of the quality of patient care and potential delays associated with the engagement and education of a new contractor. WSH would lose the expertise and institutional knowledge CSM has gained while serving in an oversight and consulting role for the past eight years.

The current contract (#2232-41508) with CSM has enabled WSH to develop a more robust and focused Quality Assurance/Performance Improvement effort, targeting critical issues in a measured and accountable fashion. Through the development of the specialized tools CSM utilizes in its monitoring effort, there have been notable improvements in clinical care and documentation. Treatment planning and provision of care documentation show demonstrable improvements, as are other performance areas. Improved measurement and monitoring have led to numerous modifications in processes and policies to enhance patient care quality and safety. DSHS would be highly concerned should any gaps or diminution in monitoring occur since independent monitoring leads to a more objective analysis of operational performance.

The state Legislature wants assurance that seamless oversight of the WSH will continue. DSHS Secretary relies on input from CSM to monitor the Hospital's progress and to assure the state Legislature that seamless oversight of the Hospital continues in effect. The DSHS Secretary would need to spend significant time validating another contractor's approach to oversight.

Finally, delay in TJC survey readiness for the newly established OHBH may impact the overall quality and safety of patient care and further delay efforts in OHBH obtaining TJC accreditation, a precursor to CMS Certification and efforts made by the State toward all State operated behavioral health facilities gaining CMS Certification.

**9. What considerations were given to providing opportunities in this contract for small business, including but not limited to unbundling the goods and/or services acquired.**

CSM is a certified small business in the state of New Jersey. The scale and scope of the work do not lend itself to unbundling as the monitoring and oversight operations are undertaken using an integrated approach developed jointly by DSHS and the contractor.

**10. Since competition was not used as the means for procurement, how did the agency conclude that the costs, fees, or rates negotiated are fair and reasonable. Please make comparison with comparable contracts, use the results of a market survey, or employ other appropriate means calculated to make such a determination.**

WSH has a solid understanding of the costs associated with this specialized service and has determined that the costs are fair and reasonable. Oversight monitoring and consulting in psychiatric hospitals and behavioral health facilities is a highly specialized field. The contractor's costs are in line with industry standards. CSM's fees fall within a range of other contracts for specialized services.

The professional fees and expenses have not increased since 2019, resulting in continued significant cost savings of approximately \$330,000 for the state. CMS has also built into the Work Plan scheduled consecutive on-site visits at WSH/OHBH, resulting in additional cost savings for the state.

Confirm Program and Contractor agree that the drafted Contract document is in final form.

Drafted Sole Source Notice is attached separately to this request (in Word Format - for posting to vendors in WEBS, and for public inspection on DSHS' website).

If filing is considered late, obtain your Division Director and Fiscal Approvals.

***If the Contract filing is "late" (where the Contract start date is less than 10 business days from date sent to CCLS for approval, posting and submission to DES), you must also complete and attach the Late Filing Justification Form with this request.***