

REQUEST FOR PROPOSAL To Provide Anesthesia Services for NORTH COAST SURGERY CENTER

Introduction

North Coast Surgery Center is located at 3903 Waring Road Oceanside, California and is growing with the community and its healthcare needs.

In an effort to achieve certain goals associated with the delivery of anesthesia services North Coast Surgery Center desires to develop an exclusive arrangement with a provider of anesthesia services that will work with the medical staff and management team of the system to ensure that the North Coast Surgery Center's short and long term goals and requirements are met.

In the sections that follow, the goals of North Coast Surgery Center for anesthesia services are articulated and information provided. Utilization and payer mix information will be released with receipt of notice of intent to respond to this RFP and the execution of a confidentiality agreement.

Please note that North Coast Surgery Center requests a preliminary response stating whether you or your organization is able and interested in responding to the Request for Proposal ("RFP"). A formal response is requested by October 29, 2010. The timing of the dates is structured to allow the Board of Managers to meet in person and encourage a dialogue that will enhance the ability to develop a long-term partnership for the delivery of anesthesia services.

North Coast Surgery Center would like to have the anesthesia services relationship operational by January 5, 2011.

North Coast Surgery Center's point of contact for this RFP is Viva Elia. Contact information is viva.elia@scasurgery.com and phone number is 619.871.7418.

I – Goals of North Coast Surgery Center for the delivery of anesthesia services and the long-term relationship with anesthesia provider who will deliver these services

Leadership of North Coast Surgery Center has identified the following goals for anesthesia services and the relationship desired with an exclusive provider of anesthesia services:

An exclusive arrangement with a high quality, customer service oriented anesthesiologist(s) or group of anesthesiology providers who can attract and retain outstanding anesthesiologists. The anesthesiology partnership must ensure:

- **A growth orientation**
- **Qualifications to serve a pediatric patient population**
- **A high level of customer service**
- **A commitment that North Coast Surgery Center’s anesthesia providers will provide high quality anesthesia services**
- **A willingness to maximize the efficiency and effectiveness of North Coast Surgery Center resources**
- **Effective leadership and decision-making.**

North Coast Surgery Center, with its affiliated physicians and partners, is committed to delivering high quality surgical services to ensure a superior patient experience and clinical outcome.

RFP Guidelines

The release of this RFP does not imply any commitment or obligation on the part of North Coast Surgery Center or any of its representatives to accept in whole or in part any response submitted. The anesthesia services provider cannot rely on any commitment made by North Coast Surgery Center to secure the services pursuant to this RFP or the provider’s proposal, in whole or in part, unless the commitment is made in writing and signed by officers of North Coast Surgery Center.

Inclusion of Anesthesia Group’s Response to this RFP in any Forthcoming Contract

All statements made by an anesthesiologist (s) or anesthesia group in its response to this RFP, along with any oral or written representations, correspondence or documents provided by an anesthesiologist (s) or group and relied on by North Coast Surgery Center in evaluating the proposed solution, shall be considered binding as contractual commitments in the event the proposal is selected. The RFP response will be considered binding upon the anesthesiologist (s) or anesthesia group chosen, and will by reference become part of an agreement.

Waiver of Confidentiality

This proposal may require the anesthesia provider (s) or group to provide confidential, proprietary or trade secret information or documents such as methodologies, processes, financial information, etc., to North Coast Surgery Center. If such information is considered confidential, the anesthesiologist (s) or anesthesia group should clearly mark such information as confidential and notify North Coast Surgery Center in writing that proprietary information is included within the response. Should North Coast Surgery Center choose to view such information after such notification is provided, North Coast Surgery Center agrees to not disclose such information unless:

- Such information is generally known;
- Such information becomes generally known in the future through no fault of North Coast Surgery Center or through sources independent to North Coast Surgery Center; or,
- North Coast Surgery Center is compelled through a valid order of a court of competent jurisdiction to disclose such information.

Unless otherwise agreed to in writing by North Coast Surgery Center, the anesthesia provider (s) or group agrees that North Coast Surgery Center is not obligated to keep confidential any information contained in the response to this RFP along with any oral or written representations, correspondence or documents provided by the group to North Coast Surgery Center.

Confidentiality of Information

North Coast Surgery Center will provide total procedures by specialty, total anesthesia type and payor mix once the anesthesia provider (s) or group gives an intent to respond and signs a confidentiality agreement. North Coast Surgery Center reserves the right to pursue any legal remedies available to North Coast Surgery Center for the unauthorized disclosure of confidential North Coast Surgery Center information.

Anesthesia Provider or Anesthesia Group Communication and Contact During RFP and Selection Process

If the anesthesia provider (s) or group has questions regarding the RFP during response development, please submit the questions (s) in writing to Viva Elia; contact information provided on page one of this RFP.

Consequences of Late Response

Any anesthesia provider(s) or group who fails to respond to this RFP by the due date may be disqualified from consideration.

Preparation Costs

Any and all costs incurred by the anesthesia provider (s) or group associated with developing proposals, presentations, demonstrations, or any other activity related to this RFP are their sole responsibility.

Proposal Signature

The response must be signed by a company official who is authorized to bind the anesthesia provider (s) or group. By signing the proposal, the anesthesia provider (s) or group affirms that all representations contained in it are true and complete to the anesthesia provider (s) or group's best knowledge and that North Coast Surgery Center may rely upon such representations.

Selection Timeframe

The following schedule will be used for the selection process. North Coast Surgery Center must maintain an extremely structured timeline in order to meet the organization's objectives. Any anesthesia provider (s) or group that fails to comply with this timeframe may be disqualified from consideration.

Anesthesia Services Selection Process	
PHASE	COMPLETED BY
RFP Distribution	October 12
Questions Submitted	October 18
NCSC Response to Questions	October 21
Proposal Submitted	October 29 (3:00pm)
Final selection	November 29

II – Requested Information

A. Addressing the Goals of North Coast Surgery Center

- Please explain how you or your organization envisions working with the medical staff and administrative leadership of North Coast Surgery Center to achieve the goals described above.

B. History and Background.

- If available, please provide you or your organization's mission and/or vision statement.
- Describe when and how you or the organization was formed and by whom.
- Discuss your major achievements or major achievements of the group (growth, clinical recognition, expansion of coverage, customer service, etc.).
- How many anesthesia providers work with you, for you, or the organization – individuals and their aggregate full-time equivalent (“FTE”) count?
- Have you, the providers you work with or the principals of your firm provided management or anesthesia services under a different name in the past 5 years? If so, please list.
- Please provide financial statements for the past three (3) years, annual reports or other similar evidence of financial stability of you or your organization.

C. Current Coverage Arrangements

- Please list your or the group's current anesthesia service arrangements and locations served. Indicate which, if any, of these arrangements are exclusive.
- Indicate if you or your group are subject to any employment agreement. If yes, please provide a copy.
- Please indicate whether you or your group are subject to any non-compete agreement(s). If yes, please provide a copy of the agreement(s).
- For mutual benefit what is your operational model for improving OR efficiency, room turnover, etc.?

D. Governance/Decision Making

- Explain how you, the providers, or the group governs itself (i.e., structures for making decisions).
- Provide the organizational chart with the group's major leadership positions – include a corporate organizational chart if operated through multiple companies or divisions.
- Please provide evidence of current levels of insurance for you or your group.
- Describe the process utilized by you or your group to address concerns with the behavior and practices of individual anesthesia providers.
- Please indicate if you, your group, or any members of your group have ever been excluded or debarred from any federal or state healthcare program; include any pending disciplinary action by any hospital, state agency or licensing board.
- Please indicate if you or your group operate under a Corporate Integrity Agreement.
- Please provide a summary of any litigation filed against you or your group in the past three years that relates to anesthesia services provided – include the nature of the litigation, a brief description of the case, and the outcomes or projected outcome of the case(s).
- How do you, the providers, or the group make operational decisions that effect the daily operation, billing, and contractual relationships with payers, etc.? Who makes these decisions?

E. Compensation Model

- Describe the mechanics of the anesthesia provider compensation model and if applicable for the organization.

F. Provider Recruitment

- Please describe current providers that are licensed to practice in the state of CA.
- Explain how you or the group has approached recruiting new anesthesia providers.
- For the past three (3) years, give statistics on anesthesia provider recruitment:
 - The number of anesthesia providers recruited in each of the past three (3) years;
 - The number of anesthesia providers who have left other than through retirement in each of the past three (3) years.

G. Payor Contracts

- Please list the major payor contracts in which you, the provider (s), or the organization currently participates. Also indicate any major recent changes in payor contracts (significant renegotiations, additions, network status or plan changes, deletions).
- Describe the credentialing process at your organization.

III – Proposed Coverage Model for North Coast Surgery Center

Based upon the current procedural volumes the number of operating rooms staffed currently with potential for growth in the future, (which will be provided once intent for response and confidentiality agreement is executed for North Coast Surgery Center), please describe the organizational and operational model you or your organization would propose for the center. The following items should be addressed:

- Total number FTE anesthesia providers to staff the programs and operating rooms of North Coast Surgery Center
- Indicate how many providers you or your organization could provide by January 5, 2011, and how long it will take you or your organization to recruit and place the full complement of providers required to meet the needs of North Coast Surgery Center
- The management structure that you or the organization will utilize to ensure that staffing and scheduling are addressed and meet the needs of the practitioners and that regular interaction with North Coast Surgery Center leadership occurs.

IV – Quality and Customer Service

- Describe the approach you or the organization will utilize to regularly receive feedback on both the quality and the level of service it is providing to the physicians and patients who require anesthesia services.
- Describe the approach you or the organization utilizes to address areas in which clinical quality and customer service are identified as needing improvement.
- Describe the anesthesia provider's role in the time out process.
- Provide quality metrics including but not limited to complications, on time starts, timely administration of prophylactic antibiotics, anesthesia cancellation rate, wrong site, wrong side, wrong person, falls, and burns.
- Please provide examples of recent quality initiatives and the support you have provided at your current facility or facilities.
- Describe you or your organization's ability to be on site on a regular basis, be physically present for unannounced surveys by state surveyors and accreditation surveyors.

V - Billing and Collections

- Describe your current billing and collections process once the anesthetic is completed.
- Describe the revenue cycle management process including charge transfer methods, coding, billing, collections, and accounts receivable tracking.

VI – Implementation Plan

- Describe how you or your organization would transition into the role of providing anesthesia services to North Coast Surgery Center. Please include a detailed implementation plan that identifies major tasks, timeline, and responsible parties.

VII – References

- Following the submission and review of your organization’s RFP response by North Coast Surgery Center clinical, administrative, and management personnel, North Coast Surgery Center may contact administrative and medical staff leaders of surgery centers, hospitals and health systems where you or your organization have, or currently provides anesthesia services. As such, please provide a list of five (5) facilities to serve as references, including primary contact information (e.g., address and phone number). In addition North Coast Surgery Center may survey their physicians to evaluate their past or current experience or interest in working with you or your group.

IX – Unique Qualifications

- Discuss any other unique qualifications of you or your group that may differentiate your service and performance.