

CHEFA

CONNECTICUT HEALTH AND EDUCATIONAL
FACILITIES AUTHORITY



July 10, 2015

To Whom It May Concern:

In accordance with the requirements of Section 38 of State of Connecticut Public Act 15-146, the Connecticut Health and Educational Facilities Authority (the "Authority") is requesting proposals from qualified firms wishing to provide financial consulting services to the Authority for a report due to the Connecticut State Legislature on January 1, 2016.

The Authority seeks proposals from firms with established expertise in the area of Community Hospital capital needs assessments; as well as capital financing alternatives for non-profit hospitals utilizing state and/or federal resources. The selected firm will collaborate with the Authority's staff in the development and presentation of the report to be presented to the State Legislature. Final editorial decisions related to the report are to remain the purview of the Authority.

Interviews, if necessary, will be held during the week of August 10, 2015. The Authority shall not be liable for any cost incurred in connection with responding to this proposal. Please direct any questions to Michael F. Morris via email at mmorris@chefa.com or call 860-761-8424.

Sincerely,

Jeanette Weldon

Jeanette Weldon
Executive Director

Exhibits Attached

Table of Contents

	Page
Proposal Schedule	1
Background	2
Scope of Services	3
Contractual Relationships with Quasi-State Agencies	4
RFP Format and Submission Requirements	5
The Authority’s Reserved Rights	6
Financial Consultant Questionnaire	Exhibit A
CHEFA Gift Ban Policy	Exhibit B
Consulting Agreement Affidavit	Exhibit C
State of Connecticut Office of State Ethics (“OSE”) Requirements	Exhibit D
State Election Enforcement Commission Campaign Contribution and Solicitation Ban	Exhibit E
An Act Concerning Certain State Contracting Non-Discrimination Requirements	Exhibit F
An Act Concerning Hospitals, Insurers and Health Care Consumers	Exhibit G

Proposal Schedule

- RFP Issued – *July 10, 2015*
- Proposals are due by no later than *July 27, 2015*
- Interviews, if necessary, to be conducted *week of August 10, 2015*
- Selection of Financial Consultant *week of August 24, 2015*

Background

Connecticut Health and Educational Facilities Authority (the “Authority”)

The Authority is a quasi-public authority established in 1965 to assist eligible not-for-profit educational institutions, health care institutions, nursing homes, childcare or child development facilities and other qualified nonprofit organizations. The Authority facilitates the issuance of tax-exempt bonds in the public or private debt markets on behalf of these organizations.

Public Act 15-146

Connecticut’s Public Act 15-146, “An Act Concerning Hospitals, Insurers and Health Care Consumers,” makes various changes to existing statutes governing hospital oversight, and the Certificate of Need process. ***(Act 15-146, in its entirety, has been attached as Exhibit G).***

Section 38 of the law requires that the chairperson of the Authority consider financing options that enable Community Hospitals to acquire needed capital improvements, and to report to the General Assembly the following:

- a capital needs assessment for Community Hospitals (see the definition of “Community Hospital” below);
- recommendations concerning methods to finance necessary improvements, including the use of bond funds, alternative funding methods and the establishment of a program to provide low-interest or no-interest loans to Community Hospitals;
- other state programs that may be utilized to support Community Hospital improvements, and
- legislative or regulatory changes that may be needed to accomplish these goals.

“Community Hospital” as defined in the legislation is

- a hospital that is not a teaching hospital and has twenty-five or fewer full-time equivalent interns or residents for each one hundred inpatient beds;
- a hospital that charges less for health care services than the state median prices for those health care services;
- a nonprofit hospital; and
- a hospital that is not part of a hospital system.

The Authority has currently identified nine hospitals that meet the definition of a Community Hospital.

Scope of Services

The Authority will consider each respondent's ability to provide comprehensive, quality service to the Authority's client institutions, as well as its reputation and fee structure. At a minimum, the services provided to the Authority by the financial consultant will include the following:

1. **Conducting Interviews** – In collaboration with the Authority's staff, the selected firm will attend face-to-face and phone interviews with chief executive officers, chief financial officers and other relevant hospital staff of the nine identified Community Hospitals regarding capital needs and capital plans, as well as the available financial resources currently available to finance the acquisition of identified capital needs.

Interviews will also be conducted with relevant agencies and authorities, including, but not limited to the Office of Health Care Access, and the Department of Economic and Community Development.

2. **Research Alternative Financing Mechanisms** – The selected firm will conduct a national scan of federal and state programs supporting hospital capital development. Programs could include but are not limited to low-interest or no-interest loans, loan guarantees, grants, and/or lease arrangements.
3. **Program Evaluation** – In collaboration with the Authority's staff, the selected firm will evaluate the suitability of programs identified through research to Community Hospitals in the State of Connecticut, considering available financial resources, institutional capacity and necessary legislative/regulatory changes.
4. **Report Development** – In close consultation with the Authority's staff, the selected firm will draft the report defined in Section 38 of Public Act 15-146 for submission to the State Legislature before the statutory deadline of January 1, 2016.
5. **Board Presentation** – the individual(s) from the firm will be expected to present the preliminary findings of the report at the Authority's board meeting on November 19, 2015.
6. **Legislative Presentation** – if invited by the State Legislature to provide testimony, the individual(s) from the firm will be expected to help present the findings of the report to the relevant legislative committees.

Selection Process

The Consultant Committee will conduct the selection of the financial consultants, with a recommendation for approval to the Board of Directors of the Authority. Evaluation of firms will include, but will not be limited to: the reputation of the firm; the reputation and experience of the firm in the areas of capital needs assessments, particularly for 501(c)(3) hospitals; the firm's understanding of federal and state financing alternatives to meet the needs of Community Hospitals; experience developing reports and/or presentations for state legislatures; and, the cost of services provided.

Contractual Relationships with Quasi-State Agencies**1. Public Act No. 01-184****AN ACT CONCERNING THE PENALTY FOR FALSE STATEMENTS ON APPLICATIONS FOR FINANCIAL ASSISTANCE FROM QUASI-PUBLIC AGENCIES.**

Any quasi-public agency, as defined in Section 1-120 of the General Statutes, shall require any application, agreement, financial statement, certificate or other writing submitted to such quasi-public agency with respect to any loan, mortgage, guarantee, investment, grant, lease, tax relief, bond financing or other extension of credit or financial assistance made or provided by such quasi-public agency and that provides information on which the decision of such quasi-public agency was based, to be signed under penalty of false statement as provided in Section 53a-157b of the General Statutes. The Authority requires that proposals in response hereto be provided on the same basis.

2. CHEFA Gift Ban Policy (C.G.S. §§4-250 to 4-252)

The Authority has adopted a gift ban policy which, with very limited exceptions, prohibits the acceptance by Authority employees of anything of value, from parties doing business or seeking to do business with the Authority. In addition, pursuant to the State Code of Ethics, Members of the Board of Directors, as well as employees of the Authority, are subject to strict restrictions on the acceptance of gifts from parties doing business, or seeking to do business, with the Authority. ***Please complete and sign the Gift and Campaign Certification attached as Exhibit B.***

3. Consulting Agreement Affidavit (C.G.S. §4a-81)

Please complete and sign the Consulting Agreement Affidavit attached as Exhibit C. Please note that the affidavit must be updated under certain circumstances.

4. State of Connecticut Office of State Ethics (“OSE”) Requirements

Attached is the OSE “Guide to the Code of Ethics for Current or Potential State Contractors” (**Exhibit D**). This document and the revised statutes effective January 1, 2015 (available on the OSE website) provide your company with a guide to your financial relationship and statutory requirements for conducting business with a quasi-state agency. ***By submitting a response to this request for proposal, your firm acknowledges receipt of this information and acceptance of the provisions applicable to organizations doing business with the Authority.***

5. **State Election Enforcement Commission Campaign Contribution and Solicitation Ban**

Section 9-612(g)(1) of the Connecticut General Statutes prohibits “principals” (AND CERTAIN FAMILY MEMBERS) of State contractors and prospective State contractors from donating and soliciting certain campaign contributions. ***The Authority is required to provide all prospective State contractors with a copy of the Notice to Executive Branch state Contractors and Prospective State Contractors of Campaign Contribution and Solicitation Limitations which has been included as Exhibit E.***

6. **C.G.S. Sections 4a-60 and 4a-60a**

AN ACT CONCERNING CERTAIN STATE CONTRACTING NONDISCRIMINATION REQUIREMENTS

Connecticut General Statutes Sections 4a-60 and 4a-60a, as amended, require an entity or individual entering into a contract with the State or certain of its political subdivisions, including quasi-public agencies, to provide the contracting agency with a written affidavit, representation or other acceptable documentation that certifies the contractor’s compliance with the State’s nondiscrimination agreements and warranties to periodically update such documentation, and to include certain mandated language in any agreement with the Authority. ***(Please refer to the form of the required certification attached as Exhibit F.)***

RFP Format and Submission Requirements

All submissions must include one original set of documents and two copies. **Please be sure to include the Required Undertakings noted in Exhibit A in your response.**

1. Financial Consultant Questionnaire (see Exhibit A) – Please note that the total length of the response is limited to 15 pages.
2. State Statutory and Regulatory Requirements
 - CHEFA Gift Ban Policy (Exhibit B) - Signed
 - Consulting Agreement Affidavit (Exhibit C) - Signed
 - State of Connecticut Office of State Ethics Requirements (Exhibit D) - Signed
 - State Contracting Non-Discrimination Requirements (Exhibit F) - Signed
3. Please submit a copy of your firm’s response to this RFP via email by no later than **July 27, 2015 at 5:00 p.m.** in PDF format to the following individuals:

Debra Pinney	dpinney@chefa.com
Michael F. Morris	mmorris@chefa.com
Jeanette W. Weldon	jweldon@chefa.com
David Wasch	dwasch@chefa.com

The Authority reserves the following rights (without limitation or waiver):

1. To reject any or all proposals.
2. To conduct investigations or request further information relating to the qualifications of any or all respondents.
3. To supplement, modify or cancel this request for proposals without notice or substitution of another such request.
4. To reevaluate a proposal or selection if there are any changes in the substance of the proposal.