

Center for Mississippi Health Policy

REQUEST FOR PROPOSALS

Economic Analysis of the University of Mississippi Medical Center

Responses Due: May 29, 2006
Contact: **Therese Hanna, Executive Director**
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Introduction

The Center for Mississippi Health Policy is an independent non-profit health policy center. The Center seeks to provide relevant information on health policy issues in Mississippi to policymakers and the general public, communicating research findings that will stimulate dialogue and inform decision-making. In pursuing this mission, the Center may identify gaps in information and periodically contract for research to be conducted to address these information needs.

Purpose of the RFP

The Center for Mississippi Health Policy is providing technical assistance to the Mississippi Legislature in the form of research and analysis needed to inform the Legislature's review of the University of Mississippi Medical Center (UMMC). The Center is seeking proposals under this RFP from qualified researchers to conduct an economic analysis of UMMC to include a study of its economic impact within the State of Mississippi, an estimate of its mission-related costs, an assessment of the impact that uncompensated care has on the academic health center, and a review of the relationship of the medical center to other health care providers in the community.

Background Information

The University of Mississippi Medical Center in Jackson is the health sciences campus of the University of Mississippi. It houses Schools of Medicine, Nursing, Health Related Professions, Dentistry, and Graduate Studies in the Health Sciences; the University Hospitals and Clinics; and the Rowland Medical Library.

The University Hospitals and Clinics comprise the teaching hospitals for all Medical Center education programs and a 722-bed diagnostic and treatment referral center for the entire state. The hospital medical staffs are appointed from the Schools of Medicine and Dentistry. Inpatients total about 27,000 annually, and there are nearly 500,000 outpatient and emergency visits every year. The Medical Center employs 7,500 staff,

including 844 faculty members, and has a current operating budget of \$676 million. Both basic and applied research activities are conducted across campus.

Approximately 19 percent of UMMC's budget is from State funds and 12 percent from federal sources. Patient and student fees and third party reimbursements comprise the remaining 69 percent, with about 42 percent of this category being derived from Medicaid.

On the campus in Jackson, the Medical Center's health system includes the University Hospital, Winfred L. Wisner Hospital for Women & Infants, Blair E. Batson Hospital for Children, the Conerly Hospital for Critical Care, and for faculty practice, the University Medical Pavilion. One mile west of the campus, the Jackson Medical Mall houses the hospital's ambulatory specialty clinics, and the Jackson Heart Study offices. The Medical Center also owns and operates a 25-bed critical access hospital in Lexington, Mississippi, and leases and operates a 60-bed nursing home in Durant, Mississippi.

The University is the only hospital in the state designated as a Level One trauma center. Specialized hospital services include an interventional MRI; the only Level Three neonatal intensive care unit (NICU) in the state; separate medical, surgical, cardiac, neuroscience and pediatric ICUs; a heart station for diagnosis and treatment of heart disease; a heart failure clinic; heart, kidney, cornea, and bone marrow transplant programs; a comprehensive stroke unit; state-of-the-art radiological imaging systems; a sleep disorders laboratory; an in vitro fertilization program; and special pharmaceutical services.

The Sonny V. Montgomery Department of Veterans Affairs Medical Center, adjacent to the campus, is the Medical Center's principal teaching affiliate. Students also gain clinical experience at community hospitals throughout the state.

Fall 2005 student enrollment totaled 2,027. Of that number, 400 are medical students; 119 are dental students; 237 are nursing students; 494 are house staff or fellows; 394 are in health related professions; 327 are in graduate programs; and 61 are in certificate training programs. Mississippi residents comprise 85 percent of the student body, and represent 80 of the state's 82 counties.

The health sciences campus occupies a 168-acre tract of University-owned land in the heart of Jackson. The original eight-story building is now the nucleus of a major academic health sciences complex. Schools of Medicine, Nursing, Dentistry, and Health Related Professions all have their own buildings on campus.

From 1997 to 1999, six new buildings and two parking garages opened as part of a \$211 million campus construction program -- the largest expansion package in the history of higher education in the state at the time. Funding came from self-generated revenue, private donations, and the Mississippi Legislature.

A second construction phase includes the Wallace Conerly Hospital for Critical Care, a two-story expansion of the children's hospital, a classroom addition, a new 256-bed adult hospital, and an expansion of the Arthur C. Guyton Research Complex. With the completion of the adult hospital, all of the Medical Center's original hospital beds will have been replaced.

The Medical Center has been involved in research since its inception. Sponsors include federal agencies as well as corporate, private, other governmental and nonprofit sources. In recent years, sponsored research awards have been in excess of \$40 million annually.

Together, federally-funded and industry-sponsored research projects at the Medical Center help provide the expertise and critical mass of faculty, staff, and facilities needed to conduct quality research. The second phase of the Jackson Heart Study, a joint project among the Medical Center, Jackson State University, and Tougaloo College, has been funded with a \$54.3 million, eight-year contract by the National Heart, Lung and Blood Institute. This study will follow about 5,300 African-American Mississippians for decades. In another federally-funded, cooperative project, the Delta Health Initiative, the Medical Center, Delta State University, Mississippi Valley State University, Mississippi State University, and the Delta Council collaborate to provide wellness and prevention programs to youth and to offer screening exams to detect early chronic diseases. The Medical Center has been designated a Center of Excellence in Medical Imaging by the National Aeronautics and Space Administration (NASA). Studies conducted in partnership with NASA include the effects of microgravity on physiologic function and cardiovascular deconditioning. Also, the Medical Center is expected to be an extramural research center for the newly established National Institute of Biomedical Imaging and Bioengineering of the National Institutes of Health (NIH).

During the 2006 legislative session, the House of Representatives established a Select Committee on the University of Mississippi Medical Center. One of the primary issues stimulating debate during the session involved the closure of the burn center at Delta Medical Center in Greenville, which sparked proposed legislation to establish a burn center at the University of Mississippi Medical Center. Deliberation on this proposal generated discussion regarding the need to fund trauma services in the State and the overall impact of uncompensated care on UMMC, resulting in the appointment of the House Select Committee. The Center and UMMC have worked with the chairman of the Select Committee to develop the framework for the study so that the results of this work will meet the information needs of the Committee. The University of Mississippi Medical Center is fully cooperative and supportive of this project and will make staff and information available to facilitate the contractor's work.

Scope of Work

The services of the contractor shall generally consist of, but not be limited to, the following:

- A comprehensive financial and economic analysis addressing current, projected, and potential impact (under different scenarios for changes or growth) of UMMC within the State of Mississippi;
- An analysis of the mission-related costs associated with UMMC's status as an academic institution (i.e. education, research, and standby capacity);
- A qualitative and quantitative analysis of the role and market share of the Medical Center within Mississippi and especially within the Jackson metropolitan area provider community;
- An assessment of the impact that the provision of uncompensated care has on the Medical Center, as well as on the other health care providers in the community. This analysis may include a description of different options that UMMC or the State could adopt for improving the financing and cost-effectiveness of the care now delivered to the uninsured; and
- An assessment of the level and type of research grants at UMMC compared to other academic health centers (particularly NIH grants), the factors that influence the level of research funding at UMMC compared to other academic health centers, and actions that could be taken by UMMC or the State to increase the level and diversity of research funding to UMMC.

Given the broad scope of this project, bidders are asked to outline a budget for each of the five components outlined above. If bids exceed available funds for this project, the scope of work may be reduced accordingly.

For the purposes of this project, "economic impact" encompasses both the direct and indirect business volume generated by the Medical Center, including, but not limited to, spending by UMMC, its employees, students, and customers/patients, as well as the results from the re-spending of money generated directly by the Medical Center, and includes the effects on Mississippi's economy, employment, and revenue.

Work Products

By October 2, 2006, deliver a draft report in both written format, including an executive summary, and PowerPoint presentation format.

During October 2006, conduct a formal presentation to legislative committees (exact date to be determined by the Center in conjunction with legislative committees and in consultation with the contractor).

By November 30, 2006, deliver a complete final report, including an executive summary that can stand alone as a separate document, and a PowerPoint presentation.

By December 15, 2006, deliver seventy-five (75) bound copies of the final report and executive summary, as well as both documents in electronic format (MS Word).

During the 2007 Legislative Session (January – March), conduct a formal presentation to legislative committees (exact date to be determined by the Center in conjunction with legislative committees and in consultation with the contractor).

The contractor is expected to provide periodic progress reports to the Center, outlining progress to date on the project prior to the delivery of work products.

Timetable

Issue RFP: May 2, 2006

Proposals Due: May 29, 2006, by 5:00 p.m. CDT

Contract Awarded: June 9, 2006

Work Products Due: October – December 2006 (see details above)

Bidder Qualifications

The successful bidder must possess the following:

- Demonstrated experience in and knowledge of economic analysis in healthcare;
- Demonstrated knowledge of academic health centers and experience in conducting similar research;
- Demonstrated successful experience in synthesizing and presenting complex information in well-organized, accurate, and understandable presentations and reports for policy audiences.

Proposal Submission Requirements

Proposals responding to this request must be limited to 15, single-spaced pages (excluding letter, résumés, and attachments). They must address the following in the order specified:

- 1) A cover letter signed by a duly authorized officer committing the organization to enter into a contract to provide the services requested for the proposed budget. This letter must include the name of the primary contact person for the proposal, along with the contact person's full address, telephone number(s), fax number, and e-mail address.
- 2) A description of the key individual(s) who will undertake the work and the employer organization for each, if any. The qualifications and role(s) of each individual should be described briefly with résumés attached in an appendix. If subcontractors or collaborators will be engaged for specific segments of this project, they should be identified, noting their qualifications and expertise, as well as their proposed role in the project.
- 3) A description of your specific capacity to undertake this assignment.
- 4) A brief narrative outlining your understanding of the work to be performed, including a description of the methodological approaches you plan to take on this project (e.g. sources of data and information, economic models to be used).
- 5) A work plan detailing the tasks necessary for completing this assignment, including time lines. This section should relate directly to the Scope of Work described in this RFP.
- 6) A detailed description of the information to be included in the final report.
- 7) A list of three (3) references consisting of client organizations for whom you have performed similar or related services during the past three to five years. The list should include a contact person, address, telephone number, email address, a description of the work performed, the time frame in which the work was completed, and total project cost.
- 8) A proposed detailed budget for the project.
 - a) The budget should indicate the amount needed for each of the five components listed in the Scope of Work.
 - b) The budget should include all staff and related expenses, travel, and overhead. The Center anticipates project budgets will reflect the uncertainties of the proposed work yet include "not to exceed" maximums.
 - c) Include a budget justification detailing the normal hourly rate of each principal and staff member whose résumé is provided or whose job category may be required and other budget assumptions.
- 9) If available, attach copies of no more than two reports reflecting work similar in nature to what is being requested in this solicitation.

Submission Deadline

Bidders must submit **one original** and **three copies** of their proposal to:

Therese Hanna
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Suite 430
Jackson, MS 39201
thanna@mshealthpolicy.com

Proposals must be received before 5:00 p.m. Central Time on May 29, 2006.

Selection

The selection of the successful bidder will be made by Center staff. Finalist organizations may be asked to present their competitive proposal to Center staff and/or Board members as part of the final selection process.

The Center reserves the right to reject any and all proposals. The decision of the Center is final and not subject to appeal.

General Terms and Conditions

- All reports, draft and final, become the property of the Center for Mississippi Health Policy.
- All data obtained from a third party used for this study becomes the property of the Center and will be delivered to the Center at or before the conclusion of the project. Contractors are responsible for including data purchase costs in their fees and cannot bill separately for these costs.
- Proposals become the confidential property of the Center once received.
- Final payment will be made only upon the delivery of all required work products. Up to half of the payment may be made prior to project completion.

Questions/Further Information

Questions regarding this solicitation should be directed in writing to Therese Hanna at thanna@mshealthpolicy.com.