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AGENDA COVER MEMO

AGENDA DATE: September 1, 2004

TO: Board of County Commissioners

DEPARTMENT: Health & Human Services

PRESENTED BY: Rob Rockstroh

AGENDA TITLE: ORDER / IN THE MATTER OF AWARDING A CONTRACT IN THE AMOUNT OF \$225,000 FOR ALCOHOL AND DRUG ADDICTION TREATMENT TO OFFENDERS (DEPARTMENT OF HEALTH & HUMAN SERVICES).

I. MOTION

ORDER / In the Matter of Awarding a Contract to Emergence Addiction and Behavioral Therapies in the Amount of \$225,000 for Alcohol and Drug Addiction Treatment to Offenders (Department Of Health & Human Services).

II. ISSUE OR PROBLEM

On June 25, 2004 a Request for Proposals (RFP) was released by the Department of Health and Human Services seeking respondents interested in providing outpatient chemical addiction treatment services for adult offenders. The evaluation committee's recommendation for award through this process was Emergence Addiction and Behavioral Therapies. The contract with Emergence to support these services is beyond the delegated authority of the county administrator to award and sign. In addition, the evaluation committee's recommendation is now being appealed.

Under LM 21.107(9), anyone responding to an RFP who is not recommended for award by the evaluation committee may appeal the recommendation to the Board or County Administrator, depending on which has authority to award the contract. The appeal must be made in writing, be received prior to contract award, clearly state the grounds for appeal and indicate the conditions(s) that resulted in the proposal not being recommended for award.

Grounds for appeal are:

1. Different criteria were used to evaluate different proposals.
2. The evaluation committee unfairly applied the evaluation criteria to a proposal.
3. A member or members of the evaluation committee had a relationship with a proposer that represented a conflict of interest.

4. The criteria used to evaluate the proposals did not pertain to the services or products requested.
5. A member or members of the evaluation committee demonstrated bias toward a proposal or proposer.

PAR has submitted their appeal within the deadline listed in the RFP. They are appealing on the grounds that a member or members of the evaluation committee demonstrated bias toward a proposal or proposer.

As indicated in Lane Manual 21.107(9)(c), Health and Human Services staff has prepared a written analysis of the appeal and made a recommendation to the Board as to the appropriate action to be taken. Health and Human Services' analysis of the appeal and recommendation are contained in this agenda memo.

Lane Manual 21.107(9) also describes the procedure to be used in hearing the appeal. Lane Manual 21.107(9)(g) states that the procedure set forth in the Lane Manual is directory and not mandatory and that failure to follow or complete the action in the manner described does not invalidate the decision. The procedure set forth in the Lane Manual is as follows:

- The department which issued the RFP (Health & Human Services) shall present the issues orally or in writing at a public meeting.
- The appellant (Prevention & Recovery Northwest) shall then have 10 minutes to specifically address the appeal criteria, and the evaluation committee's recommendation and
- the recommended proposer(s) (Emergence Addiction & Behavioral Therapies) shall have a total of 10 minutes to respond...
- the Board ...shall consider the evaluation committee's recommendation and the allegations of the appeal before rendering a final decision.
- (The Board)... shall state the conclusions reached and reasons either in writing or on the record in a public meeting. Any decision to overturn the recommendation shall be based on a finding that one of the criteria of LM 21.107(9)(d)... occurred to the substantial prejudice of the appellant."

Therefore, the board shall hear and render a final decision on the appeal as set forth below.

III. DISCUSSION

A. Background / Analysis

In the spring of 2004, the Public Safety Coordinating Council designated a portion of Community Corrections Act funding, \$225,0000, be used for outpatient treatment for offenders under the supervision of Lane County Parole & Probation.

A request for proposals was released by Lane County Health & Human Services to provide an evidence-based treatment program for a 10-month period beginning September 1, 2004 through June 30, 2005. The RFP stated that the award of services may be renewed for two additional 12-month fiscal years if funding was received from the state to support the services.

Three responses were received. All three responses contained the essential elements required in the RFP: a notarized Letter of Assurances; a passing *Management Qualification Packet*; a *Program Qualifications Section* including, Part One – Overall Agency Qualifications and Part Two – Specific Service Qualifications; and, a *Budget of (the) Proposed Project*. The three responses came from Emergence Addiction and Behavioral Therapies (formerly ACES), Prevention and Recovery Northwest and, White Bird.

Copies of all the packets were sent to the evaluation committee along with the published scoring sheet, a copy of the RFP, a copy of the notes from the RFP Bidder's Conference and a copy of the Correctional Program Assessment Inventory from the National Institute of Corrections.

The committee was composed of three members; Gretchen Pierce, chair of the Public Safety Coordinating Council; Lieutenant Toni Marsden, manager of the Alternative Programs at the Lane County Jail; and, Dianne Watson, subcontracted clinical supervisor at the Lane County Alcohol, Drug, Offender Program. Gretchen was chosen for the committee because of her knowledge of the public safety system in Lane County. Lieutenant Marsden was chosen because of her expertise in regard to offenders and corrections interventions. Dianne was chosen because of her expertise in regard to addiction treatment and her experience in providing clinical supervision for counselors who treat offenders with an addiction disorder.

The committee members independently scored the packets and met on August 5, 2004 for interviews with the three respondents and to make a decision for recommendation of award of the services after finalizing their scoring. The scores on the required RFP sections reviewed by the committee members is shown below:

Proposal Element	Emergence	Prevention & Recovery
Overall Agency Qualifications	585	552
Specific Service Qualifications	649	603
Budget	260	265
Total	1494	1420
Average	498	473

Emergence Addiction and Behavioral Therapies (formerly ACES) was the respondent selected by the committee to receive the award recommendation. The Emergence averaged score (total of all three evaluators scores divided by three) is 25 points higher than the closest competitor, Prevention & Recovery Northwest.

On August 6, 2004 notification of the committee's recommendation was emailed to the proposers and a copy of the email memo was also sent to them via the U.S. Postal Service. On August 12, 2004 the Department of Health & Human Services received a letter of appeal from Prevention and Recovery Northwest (PAR). A copy of the letter of appeal is included as Attachment B.

PAR has chosen to mount their appeal under Lane Manual 21.107(9)(d)(v) that states, "A member or members of the evaluation committee demonstrated bias toward a proposal or a proposer." In the letter from PAR, they state, "We do not contend there is evidence of bias at the level of evaluation; however, we do believe there is evidence of bias at the level of funding distribution."

This appeal submitted by PAR includes references to an earlier RFP process for award of outpatient treatment services funded by an intergovernmental agreement with the Department of Human Services in which the agency was not recommended for funding. The agency had appealed the earlier recommendation on other grounds and the board did not support the appeal. Award of those services was made by the board on June 16, 2004 and contracts for the services have been let.

PAR asserts the following claims in the current RFP. The statements bolded below are taken from the appeal letter submitted by PAR.

1. **Despite receiving passing scores on the last two proposals submitted to Lane County Department of Health and Human Services (H&HS), funding was cut off immediately above our score on both occasions.**

This is a true statement. In both cases, the evaluation committees recommended award of services based upon the ranking of the proposals submitted, the amount of funding available and the distribution of services needed to support the client population.

2. **It is our belief that H&HS is biased in favor of emergence (formerly ACES), and is motivated to restore lost funding to that agency...**

This belief is irrelevant to the award of the services and funding. Scoring of proposals was done by the evaluation committee. The staff of H&HS did not read nor score the proposals. Two entirely separate committees were used in the review and recommendation of award processes of these two separate

RFPs. No members of the first evaluation committee were used in the second evaluation committee.

To our knowledge, no members of the second evaluation committee had knowledge of the funding reductions received by Emergence or PAR from the previous RFP. Prior to the proposal scoring and award recommendation, no staff of H&HS made any reference to any of the committee members about the funding received by Emergence or PAR from any previous period. No members of the evaluation committee of the second RFP were present at the Mental Health Advisory Committee meeting on May 27, 2004 nor were they mailed minutes of that meeting.

3. **The evaluation committee for the Supervised Offenders RFP recommended award of the full \$225,000 available through this selection process to the top scoring bidder – emergence. However, this clearly eliminates *consumer choice*, which is a stated priority of H&HS *whenever possible*. The decision is anticompetitive and denies *consumers a choice among services, locations, and fee scales*.**

This statement is pointing to a clarification made at the Bidder's Conference for this RFP. The question was, "Will funding for services be awarded to more than one provider? Can a proposal be submitted for a portion of the funding only?" The answer was, "Award of services will be made to one or more of the top scoring proposals', page 5, item C (of the RFP). This will be determined based upon a recommendation from the evaluation committee. Lane County seeks to contract for the best possible services and to allow for consumer choice whenever possible. Yes, proposals may be submitted for a portion of the funding available."

The RFP, the response at the Bidder's Conference and, notes from the conference all state that the services will be awarded to one or more of the top scoring proposals based upon a recommendation from the evaluation committee.

The evaluation committee reviewed and scored the proposals based upon the criteria stated in the RFP. The committee scored the Emergence proposal for program services a total of 46 points higher than that section in the PAR proposal. Through their scoring the committee determined that Emergence would provide the best possible services for treatment of the supervised offender population.

Emergence is a large agency with program sites in many different locations and several communities in Lane County and the state. The agency also offers women-specific and minority-specific treatment in addition to treatment targeted for offenders. They have treatment available at various

times. The agency is able to provide consumer choice in regard to location, times and issue-specific treatment. In addition, the proposal submitted by Emergence was designed to operate without client payments for services. This has been a barrier to treatment for many offender clients in the past and the Bidder's Conference notes stated, "We encourage all providers to have a sliding fee scale to expand the capacity for treatment. At the same time we do not want payment for treatment to be a barrier for the offender in regard to engagement and/or completion of treatment. Consumer choice regarding service provider may be an option for an evaluation committee when service quality is not an issue.

The recommendation for award of funding was made by the evaluation committee in accord with the RFP which states;

"Award of services will be made to one or more of the top scoring proposals. In cases where the sum total of slots and funds requested by the selected proposals exceeds the total of funds to be awarded, assignment of funds will be made through a contract negotiation process based upon recommendations from the evaluation committee."

The total funding that can be awarded through this RFP is \$225,000. The amount of funding budgeted in the Emergence proposal is \$225,000. During the process of review, H&HS staff asked the evaluation committee to consider whether the proposal submitted by PAR should receive some of the funding available. The evaluation committee had a discussion that included a concern that PAR clinical staff would be unable to complete training to develop skills needed to provide effective treatment for the offender population. After the discussion, the evaluation committee recommended that all of the funding be awarded to Emergence.

4. The first requisite in the H&HS 2005-07 Guidelines for Allocation of Outpatient funding emphasizes the importance of consumer choice.

The 2005-07 Guidelines for Allocation of Outpatient Funding is a document that was generated to aid the evaluation committee of the previous RFP in their recommendation-for-award process. These guidelines are specific to the funding released in that RFP and are congruent with requirements of the 2005-07 Lane County Mental Health and Addictions Implementation Plan which is required by the funding source, Department of Human Services, Office of Mental Health & Addictions Services. The current RFP has been released to solicit services for supervised offenders, one client group. This funding comes from the Department of Corrections. The 2005-07 Guidelines for Allocation of Outpatient Funding do not apply to this RFP. The only requirement in the plan associated with this funding is that it be

used to support services for criminal offenders. There is no requirement that more than one contract be awarded for services to this client group based on consumer choice or any other reason. In any event, as stated in 3 above, there is consumer choice in selecting Emergence for award of a contract.

5. In the Indigent Clients RFP selection process emergence did not submit a proposal for this population yet was awarded the minority funding.

The request for proposals to provide the services for minority clients (3 slots, \$12,806) received one response from Centro LatinoAmericano. The proposal submitted by Centro did not meet the minimum number of points needed to qualify for award of services. Since no other proposals were received, the selection process was closed. The option at this point was to develop a provider or award the funds to a qualified provider. There are two providers of culturally specific services for Latino clients, many of whom may be monolingual, in Lane County. The two providers are Centro LatinoAmericano and ACES - Juntos Program. The evaluation committee recommended that ACES be recommended for award of the funding. Centro LatinoAmericano did not appeal this award.

Emergence provided a letter of response to the appeal dated August 17, 2004 to the appeal of recommendation from Prevention and Recovery NW, Attachment 3. The letter from Emergence states, "The appeal by P&R is without merit. The process followed by Lane County H&HS, the evaluation committee's scoring and subsequent decision regarding award funding was proper, without bias of any kind, and in the best interests of the County, the local criminal justice system, and drug-involved offenders in need of outpatient chemical dependency treatment and cognitive skills training." The letter states that there is evidence of –

- No bias against PAR in the more recent nor the previous RFP;
- No bias favoring Emergence in the more recent nor the previous RFP;
- Appropriate choices to the offender population in regard to expanded services, location and times available by serving the offenders (when appropriate) in various Emergence agency locations and programs; and
- Cost of treatment removed as a barrier to treatment for those offenders served through this service proposal.

The letter concludes, "For the reasons stated above, P&R's appeal should be denied, and the decisions of the Evaluation Committee upheld."

On August 17, 2004, a letter of response to PAR's appeal was received via email from Lieutenant Marsden on behalf of the evaluation committee, Attachment 4. It states, "The evaluation committee rated each proposal and assigned an overall score for each agency that submitted a response to the RFP. The agency with the highest assigned score was awarded the contract for the amount proposed by the respondent as needed to fulfill the requirements set by the RFP. The respondent with the highest score was emergence and the amount proposed by emergence was the total amount granted by the PSCC. Thus the evaluation committee awarded the full amount to emergence."

To summarize, the overall averaged score for the proposal received from Emergence is 25 points higher than the averaged score for the proposal received from Prevention and Recovery Northwest (PAR) and the budget submitted in the Emergence proposal was for the full amount of funding available, \$225,000. The evaluation committee considered recommending an award of services to PAR and declined to do so. There was no bias influencing the evaluation committee's decision.

In conclusion, H&HS staff seeks approval of the evaluation committee's recommendation that the board award a contract in the amount of \$225,000 to Emergence.

A portion of the funding to support these services has been appropriated. Additional dollars will be appropriated in Supplemental I to support the full expense of the services. The total \$225,000 exceeds the delegated authority of the county administrator per Lane Manual 21.145. Therefore, the Board of County Commissioners must act to award the services and authorize the county administrator to execute the contract.

B. Alternatives / Options

1. To find that there was no bias demonstrated by the Prevention and Recovery NW appeal and award the contract as recommended by the evaluation committee to Emergence Addiction and Behavioral Therapies, Inc.
2. Not to award the contract and request the evaluation committee to revise the award recommendation to provide some of the funding to Prevention and Recovery NW.
3. Not to award the contract and require staff to select a different evaluation committee to re-screen the packets.
4. Not to award the contract and require staff to re-administer the Request for Proposal process with a new evaluation committee.

C. Recommendation

To approve number one above.

D. Timing

The contract is for services to be provided beginning September 1, 2004.

IV. IMPLEMENTATION

Upon action by the Board, the contract will be prepared by the department of Health & Human Services and processed for signature by the county administrator.

V. ATTACHMENTS

Attachment 1 -Board Order

Attachment 2 - Prevention & Recovery Northwest Appeal Letter

Attachment 3 - Emergence Response

Attachment 4 - Evaluation Committee Response

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THE BOARD OF COUNTY COMMISSIONERS, LANE COUNTY, OREGON

RESOLUTION AND ORDER:) IN THE MATTER OF AWARDING A CONTRACT TO
) EMERGENCE ADDICTION AND BEHAVIORAL THERAPIES
) IN THE AMOUNT OF \$225,000 FOR ALCOHOL AND DRUG
) ADDICTION TREATMENT TO OFFENDERS (DEPARTMENT
) OF HEALTH & HUMAN SERVICES).

WHEREAS, Lane Manual Chapter 21 sets forth policy regarding award of contracts for services and signatory authority of the county administrator; and

WHEREAS, a competitive selection process has been completed per Lane Manual 21.107 and 21.108; and

WHEREAS, Emergence Addiction and Behavioral Therapies was the top-scoring respondent to a competitive selection process; and,

WHEREAS, the proposal in the amount of \$225,000 submitted by Emergence Addiction and Behavioral Therapies has been recommended for award of services; and

WHEREAS, a portion of the \$225,000 to support the services has been appropriated through the budget adoption order and the balance needed (\$54,144) will be appropriated in Supplemental I; and

WHEREAS, the awards exceed the signatory authority of the county administrator;

NOW THEREFORE, IT IS HEREBY RESOLVED AND ORDERED, that the Board of County Commissioners award the contract for the period from September 1, 2004 through June 30, 2005 to Emergence Addiction and Behavioral Therapies in the amount of \$225,000 and delegate authority to the county administrator to sign the contract.

DATED this 1st day of September 2004.

Bobby Green Sr., Chair
Lane County Board of Commissioners

APPROVED AS TO FORM

Date 8/25/04 Lane County

J. Laidlaw
OFFICE OF LEGAL COUNSEL



PREVENTION
AND
RECOVERY
NORTHWEST

August 12, 2004

AUG 12 2004

[Handwritten signature] 3:25 p.m.

Lane County Department of Health & Human Services
125 East Eighth Street
Eugene, OR 97401

RE: *Appeal of Alcohol and Drug Addiction Outpatient Treatment Services for Supervised Offenders RFP Award*

After review and discussion of the funding recommendations made by the program evaluation committee for the above-referenced RFP, the management and Board of Directors of Prevention and Recovery Northwest (PARNW) are appealing the award decision.

The Lane Manual states that an appeal may be based upon evidence that "A member or members of the evaluation committee demonstrated bias toward a proposal or responder."

Does "evaluation committee bias" include only the proposal scoring process, or the funding recommendation process as well? We argue that, to achieve fairness in the process, the bias standard for appeal must include the funding decision level as well as the evaluation level. It is within this latter definition that we base our appeal.

We do not contend there is evidence of bias at the level of evaluation; however, we do believe there is evidence of bias at the level of funding distribution. We cite several indications of this bias below.

(1) Suggestion of bias against PARNW

Despite receiving passing scores on the last two proposals submitted to Lane County Department of Health and Human Services (H&HS), funding was cut off immediately above our score on both occasions.

(a) In response to the May 2004 H&HS Outpatient Treatment Services for Alcohol and Drug Addiction RFP (Indigent Clients RFP) for distribution of indigent client funds to support outpatient alcohol and drug treatment, six agencies received passing scores. Among these, PARNW was the only agency receiving a passing score for which no funding was recommended. We were sixth, and funding was cut off after the fifth-ranked agency.

(b) On the July 2004 H&HS Alcohol and Drug Addiction Outpatient Treatment Services for Supervised Offenders RFP (Supervised Offenders RFP) to provide treatment services to Parole and Probation clients, PARNW's score ranked



second and was more than 100 points above the passing threshold. However, this funding has now been recommended for cut-off after the first-ranked agency.

(2) Evidence of bias favoring emergence (previously ACES)

During the June 16, 2004 Board of County Commissioners meeting Rob Rockstroh made a clear statement of the H&HS stance on funding local non-profit agencies:

"We are not paid during our RFP process to fund agencies. We are paid to get services to clients."

In fact, the precise objective of the RFP process is to fund agencies, and Mr. Rockstroh's expressed disregard for agencies is inconsistent with the expressions of concern for emergence by other H&HS personnel. It is our belief that H&HS is biased in favor of emergence, and is motivated to restore lost funding to that agency, suggested by the evidence below.

(a) The Mental Health Advisory Committee minutes of May 27, 2004, item number 5.0 FUNDED ALCOHOL AND DRUG PROGRAMS paragraph 3, provides the following account of a discussion of the Indigent Clients RFP:

"Mr. Abel noted that ACES (emergence) had approximately a 60 percent reduction in funds. Ms. Jennette affirmed that and added that they also had lost Oregon Health Plan (OHP) revenue. Ms. Theines commented that it had been very difficult not to allocate more to them. Ms. Jennette said emergence would have been the top scoring applicant except for a missed question which cost them 20 points. She called it a "heartbreak to both the committee and the agency". (italics ours)

(b) PART IV – GENERAL INSTRUCTIONS FOR SUBMISSION OF PROPOSALS of the Indigent Clients RFP states:

"All proposals must be in the form specified in the RFP and *must respond to all items requested*. Proposals, which are incomplete or fail to include all items, will be rejected." (italics ours)

Based on the missing (omitted) question identified in the minutes of the Mental Health Advisory Committee meeting of May 27, 2004, and in light of the instructions indicated above, we question why emergence's proposal was not rejected.

(c) There is further evidence of bias in the award of minority funding in response to this same RFP. In the Indigent Clients RFP selection process emergence did not submit a proposal for this population yet was awarded the minority funding. This was in clear violation of the specifications listed on page nine in the RFP:

"Separate proposals must be submitted for each client group."

(3) Effects of bias on consumer choice

The evaluation committee for the Supervised Offenders RFP recommended award of the full \$225,000 available through this selection process to the top scoring bidder – emergence. However, this clearly eliminates *consumer choice*, which is a stated priority of H&HS *whenever possible*. The decision is anticompetitive and denies *consumers a choice* among services, locations, and fee scales.

(a) The first requisite in the H&HS 2005-07 Guidelines for Allocation of Outpatient funding emphasizes the importance of *consumer choice*:

“Award of services will be made to one or more of the top scoring proposals for each client group...This will *provide consumer choice*.”
(italics ours)

(b) The following question (Q11) and answer (A11) are taken directly from the notes of the July 7, 2004 bidders conference for the Supervised Offenders RFP.

“Q11. Will funding for services be awarded to more than one provider? Can a proposal be submitted for a portion of the funding only?”

“A11. “Award of services will be made to one or more of the top scoring proposals”, page 5, item C. This will be determined based upon a recommendation from the evaluation committee. Lane County seeks to contract for the best possible services and *to allow for consumer choice whenever possible*. Yes, proposals may be submitted for a portion of the funding available.” (italics ours)

(c) Evidence of the priority given this guideline can be seen in the results of the distribution of funds awarded to serve Urban Youth in the Indigent Clients RFP. The proposal submitted by Center for Family Development in response to that RFP received the top score, and requested all the funding. However, the evaluation committee made the recommendation to award funding to three providers, not just the top scoring proposer. In personal communication with the PARNW Executive Director, a member of the evaluation committee confirmed that funds were distributed more widely in order to *provide consumer choice*.

This would indicate that the *Offenders Population* for whom a provider has been selected from the Supervised Offenders RFP are *not deserving of consumer choice*.

(d) We contend that H&HS is ignoring its “whenever possible” standard in *providing consumer choice*. Since all of the proposals submitted for the Supervised Offenders RFP were described as “impressive” we would like clarification of the decision to award all the funding to one provider. The evaluation committee gave the top bidder emergence a score of 498, 93% of the maximum possible. PARNW, the second highest bidder, received a score of 473, 88% of the maximum possible. With a score 102 above the passing threshold and a difference of 5% there is no significant statistical difference. PARNW is



clearly well qualified to provide the proposed services. We wish to make it clear that we do not discredit the quality of programs provided by emergence. However, we believe in the interest of *consumer choice*, that another provider (PARNW) be funded to serve the offender population.

We believe there is evidence of bias against PARNW, and bias favoring emergence, resulting in violation of H&HS own guidelines for *providing consumer choice*. We therefore request that the award decision for the Supervised Offenders RFP be reviewed and revised and that some fair portion be awarded PARNW.

Thank you for considering our appeal.



Anni-Marie Bifderback
Executive Director



AUG 17 2004

3:45 p.m. JS

August 17, 2004

Lane Board of County Commissioners
125 East 8th Ave.
Eugene, Oregon 97401

Dear Commissioners:

In accordance with Lane Manual 21.107(9)(b), Emergence (formerly known as ACES Counseling Center) responds to the appeal filed by Prevention and Recovery Northwest ("P&R"). P&R has appealed the award to Emergence of Alcohol and Drug Addiction Outpatient Treatment Services for Supervised Offenders ("Treatment for Supervised Offenders").

The appeal by P&R is without merit. The process followed by Lane County H&HS, the evaluation committee's scoring and subsequent decision regarding award funding was proper, without bias of any kind, and in the best interests of the County, the local criminal justice system, and drug-involved offenders in need of outpatient chemical dependency treatment and cognitive skills training.

No Bias

P&R's assertion of bias on the part of Lane County Health and Human Services in choosing to fully fund the proposal put forward by Emergence is untrue and unsupported by the facts and circumstances regarding the evaluation committee's decision. The information presented in the appeal as "evidence" of bias against P&R is deceptive in its presentation and ignores the following relevant history and circumstances:

1. No Bias Against P&R

In both the Outpatient Treatment Services for Alcohol and Drug RFP and the Alcohol and Drug Addiction Outpatient Treatment Services for Supervised Offenders RFP, funding was awarded first to the top-scoring proposal in the full amount requested in that proposal. If funds remained, they were awarded to the next highest-scoring proposal up to its requested level, and so on until all available funds were awarded. In our experience, this is consistent with past practice in allocating funds among multiple proposals receiving a passing score by the committee. P&R fails to mention in its appeal that both of these Requests for Proposal were awarded in this manner.

In the case of Outpatient Treatment Services for Alcohol and Drug Addiction, the P&R proposal for treating adult urban residents was scored 5th of 5 submissions by the evaluation committee. The proposal scoring 4th—submitted by Emergence—requested funding in an amount exceeding what remained after the top 3 scorers were fully funded, so our allocation was limited to an amount substantially less than what was requested. As the funding was then exhausted, consistent with past practices, P&R's next-highest submission did not receive any funding.

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In this case, Emergence submitted a proposal that was awarded the highest score by the evaluation committee, and our proposal requested the full amount of funding available (\$225,000). The funding level awarded by the executive committee was again consistent with past practice.

These decisions in no way demonstrate bias against Prevention and Recovery Northwest.

2. No Bias Favoring Emergence

In preparing a proposal for Outpatient Treatment Services for Alcohol and Drug Addiction (also referred to in the appeal as "Indigent Clients RFP"), our staff misunderstood instructions given at the bidders' conference, and we failed to answer a request in the RFP regarding a plan of correction required if the State of Oregon showed our reporting error rate to be greater than 10%. As our error rate was well under 10%, we were not required to detail a plan of correction; but we were expected to explicitly state this in a particular section of our proposal, and we did not. We did, however, address it in another section of our submission. The requested information was misplaced, but not missing; to reject the proposal would have been improper and unwarranted.

This error did lead to a loss of 20 points in the scoring of our proposal, a drop in ranking among all submissions from 1st to 4th and, based on the allocation formula used, a loss of approximately \$145,000 in funding. This scenario does not demonstrate bias favoring Emergence on the part of H&HS or the evaluation committee.

One of the service elements solicited in this same RFP was for treatment services to minority individuals. There was one respondent (not P&R) for this element, and their proposal was not given a passing score. Because Emergence has an established program (Juntos) serving minority clients, we were asked by H&HS to consider accepting funding for 3 treatment slots (\$12,806) benefiting this population. As we had minority clients in need of treatment who had no resources to pay for treatment, we agreed to this request. It is our belief that we were asked to provide these services because the only other respondent with a proven track record of services to Lane County's minority population was precluded from the award strictly because of the scoring of their proposal; Emergence was not competing for these slots and only responded to a specific request from Lane County.

Consumer Choice and Best Possible Treatment

The proposal submitted to the evaluation committee by Emergence features a program design that utilizes best (and evidence-based) practices to address substance abuse and addiction as well as criminal thinking errors prevalent in the offender population. A strong case management component affords the ability to get offenders ancillary community services and provide follow up to ensure clients engage in and get the full benefit of these services. This includes a strong family program that includes all clients and their families. Staffing, compensation levels and non-personal service costs were scrutinized to afford a program that will provide successful outcomes in a cost-effective manner. Given careful budgeting, economies of scale and an existing infrastructure to support these services, the funding level of \$225,000 available for this program was necessary and sufficient to offer 64 ongoing treatment slots

without requiring client participation in the cost of treatment. In a 12-month period, the program will serve 355 uninsured individuals.

Consumer choice has never meant a glut of under funded treatment programs. With the award to Emergence, the offender population is able to access an array of different Emergence programs and services in many different communities in addition to the Endeavor Program designed for Parole & Probation. Consumer choice is expanded with a fully funded program that can access other programs.

It is our position that the benefits of our proposal maximize the impact of public dollars. When serving an offender population which at times seeks to manipulate the referral system to avoid abstinence and substantive engagement in treatment, client choices need to be relevant to the offender population.

Our proposal requested the full amount of funding available for this initiative because these key program features did not scale to lower funding levels – building costs, support staffing and other fixed costs become a larger portion of the program budget that precludes adequate services and positive outcomes without increasing treatment barriers via client fees or negatively impacting the quantity of slots offered and the ability to meet community needs. We were fully cognizant that requesting this level of support increased the risk of a partial award or none at all. Given the economies of scale outlined above, anything less than a winning score could have easily precluded our ability to offer the program we propose on any scale. On several occasions during the past year, our agency has been asked to accept reduced funding or split contract awards to meet budgetary constraints and has elected *not* to do so. Services for this population cannot possibly reach any viable outcome if the program is fiscally gutted or clinically diluted. Emergence will not attempt a program that when underfunded, will produce negative outcomes.

Barriers To Treatment

At the July 7, 2004 bidders' conference, it was clearly noted that the County did not want payment for treatment to be a barrier for the offender in regard to engagement and/or completion of treatment. Sensitive to the needs of our criminal justice system, Emergence designed this program to operate without client payments for treatment.

We view this as a critical benefit to Lane County, as most of the existing treatment slots available, cost offenders \$100 or more per month and a very significant number of offenders do not successfully engage in or complete treatment because of their inability to pay these fees. Clients able to afford part of the cost of treatment should be required to do so, and existing programs do just that. But we submit that offering referring authorities a treatment alternative that allows those offenders most in need and least able to afford treatment resources to engage in a program offering a more holistic approach to making significant life changes will have a significant impact on offender recidivism over and above the simple addition of treatment slots. (The appellant proposes that 35% of 84 participants to be served be assessed treatment fees that average \$148 per month. The Emergence proposal serves 355 participants at no cost to them.)

With more than 10 years of experience providing outpatient alcohol and other drug treatment and cognitive skills training to offender populations for Lane County, Benton County and the Federal Department of Parole and Probation as well as US Pre-Trial Services and the US Bureau of Prisons, Emergence is well acquainted with the needs of the population in question as well as the serious need for treatment slots in Lane County to serve addicted offenders in the community and reduce recidivism and its associated costs. We look forward to working in partnership with Lane County's criminal justice system and providing a program that helps offenders make significant and positive life changes that benefit all of us.

Conclusion

For the reasons stated above, P&R's appeal should be denied, and the decisions of the Evaluation Committee upheld.

Thank you for your careful consideration of this matter.

Sincerely,



Michael Bean
Executive Director



Philip Barnhart, President
emergence Board of Directors



August 17, 2004

Peg Jennette
Program Services Coordinator
Health & Human Services
125 East 8th Avenue
Eugene, OR 97405
541-682-3777

RE: RFP Appeal - ParNW

Dear Ms. Jennette:

After consultation with Gretchen Pierce, the other available member of the evaluation committee, we are submitting our response to ParNW's appeal. We are addressing only the appeal to awarding more than one agency monies for delivery of services.

The evaluation committee rated each proposal and assigned an overall score for each agency that submitted a response to the RFP. The agency with the highest assigned score was awarded the contract for the amount proposed by the respondent as needed to fulfill the requirements set by the RFP. The respondent with the highest score was emergence and the amount proposed by emergence was the total amount granted by the PSCC. Thus the evaluation committee awarded the full amount to emergence.

Sincerely,

A handwritten signature in cursive script that reads "Toni Marsden, Lt".

Toni Marsden, Lt.

LANE COUNTY SHERIFF'S OFFICE

Adult Corrections Division

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Eugene, Oregon 97401

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