



## Montana Legislative Branch

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April 23, 2012

Russ Hill, Administrator  
Health Care and Benefits Division  
Montana Department of Administration  
100 N. Park, Suite 320  
Helena, MT 59601

**RE: State of Montana Employee Health Care Clinic**

Dear Mr. Hill:

Over the past several weeks, we have spent considerable time and energy reviewing information associated with the proposed state employee health clinic (Employee Clinic) and discussing this proposal with legislative staff.

We have significant concerns, which are set forth in the below questions. From our perspective, something of this magnitude should be done cautiously, methodically, and with transparency. It should go through the legislative process with a proper review, a thorough evaluation, and hearings. This plan requires buy-in from all stakeholders involved-from the state employees who are supposed to benefit from this proposal and whose healthcare reserves you are committing, to the Montana taxpayers.

Generally speaking, our concerns fall into three primary categories: (1) lack of transparency; (2) poorly defined scope of services; and (3) financial commitments that will accompany the Employee Clinic.

**Lack of Transparency:**

We are unaware of any meaningful opportunity for state employees, the public, and legislators to provide feedback on whether the Clinic is a good idea. Accordingly, please respond and provide the following.

1. Please describe the process, including supporting documentation, that the Department of Administration set up to ensure there was transparency and an opportunity for input prior to the issuance of the RFP.
2. Please state the number of public meetings (and dates, time, location) that were held where state employees and other interested parties were invited to attend and had an explicit opportunity (advance notice, documentation, etc.) to understand and comment on the Department's proposed plan.
3. Please describe any listening sessions conducted by the Department with the general public to gather feedback about the State providing state employees with an exclusive clinic/facility.
4. Please describe documentation and other presentations that were made to the legislative interim committees which have a stake in this issue, including but not limited to, the Legislative Finance Committee, the State Administration and Veterans' Affairs Interim Committee, and the Children, Families, Health and Human Services Interim Committee. What efforts were made by the Department to solicit legislative feedback prior to issuance of the RFP?

5. Please describe the business case/needs assessment and related planning activities that occurred prior to issuance of the RFP, including supporting documentation. What assumptions were used and were those assumptions peer reviewed for accuracy?

6. From reviewing the State Employee Group Benefits Advisory Council information on your website, it would appear that this Council had no involvement in the decision making process prior to the issuance of the RFP. Why not? If we are mistaken, please provide the evidence that the Department presented to the Advisory Council showing the Department concluded (and the Advisory Council ratified) that the Employee Clinic will be more efficient, less costly, or otherwise superior to other service delivery options.

7. Please describe and provide copies of any actual surveys of state employees (including results) undertaken by the Department in advance of the RFP issuance as to their opinions regarding the Employee Clinic.

8. Please describe the process for how a current state employee would use the Employee Clinic - will the employee be forced to change their primary care provider or face some type of penalty if they use a non-Clinic provider?

9. Please describe the analysis, including supporting documentation that clearly and succinctly demonstrates that the Employee Clinic will improve access and quality of care at a reduced cost.

**Scope of Services:**

It would appear that the services to be offered by the Employee Clinic are vast. Accordingly, please provide the following:

1. Please describe (including supporting documentation) the "Request for Information" or "Request for Qualifications" process the Department undertook to help identify potential vendor candidates and define the scope of services and other requirements which were ultimately included in the RFP. Such efforts are typical of other significant procurements under the Schweitzer Administration, so we want to understand what efforts were made in the Employee Clinic RFP.

2. Please describe the assessment (including supporting documentation) that was conducted/completed, whereby the Department catalogued existing health care facility assets in the Helena area presently owned by the state and federal governments, or assets already owned by community via 501(c)(3) health care facilities and/or organizations.

3. Why didn't the Department approach the Lewis & Clark County Cooperative Health Center and try to put together a coalition to provide certain services, to the extent a justifiable business case existed for providing those service lines?

4. What is the business case for the State owning and operating expensive radiology equipment? Please provide a copy of the impact analysis conducted on other government and/or community owned radiology services/equipment.

5. What is the business case for the State owning and operating expensive lab services? Please provide a copy of the impact analysis conducted on other government and/or community owned lab testing services/equipment.

6. What is the business case for the State owning and operating all other service lines in the RFP? Please provide a copy of the impact analysis conducted on other government and/or