

# REQUEST FOR PROPOSALS

## Independent Auditor

### COUNTY MEDICAL SERVICES PROGRAM GOVERNING BOARD

#### I. GENERAL INTRODUCTION

The County Medical Services Program (CMSP) Governing Board seeks to acquire the services of an independent certified public accounting firm to perform an audit of the CMSP Governing Board for Fiscal Year (FY) 2020-2021. The CMSP Governing Board invites proposals from interested firms with experience in auditing government, non-profit and healthcare organizations.

Bidders must follow exactly, and be responsive to, ALL requirements of this RFP. It is the bidder's responsibility to provide all specified materials in the required form and format. Responses that are not in the required form and format will not be considered. Copies of this RFP can be obtained from the Governing Board website at <https://www.cmspcounties.org/news/>.

#### II. BACKGROUND

The County Medical Services Program (CMSP) was established in January 1983, when California law transferred responsibility for providing health care services to indigent adults from the State of California to California counties. This law recognized that many smaller, rural counties were not in the position to assume this new responsibility. As a result, the law also provided counties with a population of 300,000 or fewer with the option of contracting back with the California Department of Health Services (DHS) to provide health care services to indigent adults.

In April 1995, California law was amended to establish the County Medical Services Program Governing Board (Governing Board). The Governing Board, composed of ten county officials and one ex-officio representative of the Secretary of the California Health and Human Services Agency, is authorized to set overall program and fiscal policy for CMSP. Thirty-five counties throughout California participate in CMSP: Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, El Dorado, Glenn, Humboldt, Imperial, Inyo, Kings, Lake, Lassen, Madera, Marin, Mariposa, Mendocino, Modoc, Mono, Napa, Nevada, Plumas, San Benito, Shasta, Sierra, Siskiyou, Solano, Sonoma, Sutter, Tehama, Trinity, Tuolumne, Yolo and Yuba.

CMSP is funded by public funds through State Program Realignment revenue received by the Governing Board and county general purpose revenue provided in the form of

County Participation Fees. CMSP members are medically indigent adults, ages 21 through 64, who meet all of CMSP’s eligibility criteria and are not otherwise eligible for Medi-Cal or Covered California. Enrollment in CMSP is handled by county welfare departments located in the 35 participating counties. All CMSP members must be residents of a CMSP county and their incomes must be less than or equal to 300% of the Federal Poverty Level (based on net nonexempt income). For more information about CMSP, please visit [www.cmspcounties.org](http://www.cmspcounties.org).

Beginning in 2019, the Governing Board launched the Path to Health Pilot Project to test the effectiveness of providing primary and preventive services to low-income, undocumented county residents that are not otherwise eligible for CMSP and are eligible for and enrolled in emergency medical services under the Medi-Cal program. Path to Health serves undocumented adults ages 26 and older that are enrolled in an emergency services only Medi-Cal program aid code and reside in one of the 35 CMSP counties. Currently, 20 Community Health Center organizations with over ninety clinic sites provide Path to Health services in 20 CMSP counties. For more information about Path to Health, please visit [www.mypathtohealth.org](http://www.mypathtohealth.org) and [www.caminoalasalud.org](http://www.caminoalasalud.org).

The Governing Board’s new Connect to Care Program provides primary and preventive services to documented and undocumented county residents, ages 21-64, with incomes between 138% and 300% FPL. This new program will be available in all 35 CMSP Counties. The goal for the program is the same as for Path to Health – to promote timely delivery of necessary primary and preventive medical services to the target population in order to improve health outcomes for the population and reduce the incidence of emergency services utilization and inpatient hospitalization by the population. The Connect to Care program launched in December 2020. Member enrollment in Connect to Care will occur through contracted Community Health Centers, including Federally Qualified Health Centers, Rural Health Clinics, and Tribal Health Program, where many program enrollees will also obtain covered primary care services.

### **III. TIMELINE**

The following tentative timeline shall guide the CMSP Independent Auditor RFP:

December 18, 2020:	Independent Auditor RFP Released
January 15, 2021:	Deadline to Submit Questions
January 29, 2021:	Written Responses to All Questions Posted
February 16, 2021:	Proposals Due
March 25, 2021:	Proposals Reviewed and Contractor Selected
March 26, 2021:	Independent Auditor Announced Via Letter
April 30, 2021:	Independent Auditor Contract Executed

#### **IV. SCOPE OF WORK AND DELIVERABLES**

The scope of work will include the following:

1. An Independent Audit shall be performed and reviewed for accuracy and compliance in accordance with auditing standards generally accepted by the United States of America (GAAS). The Independent Auditor Report should include a management letter, if appropriate, which includes recommendations affecting the financial statements.
2. The Auditor shall review fiscal policies and internal controls and make recommendations that inform CMSP staff in a timely manner of any irregularities or regulatory changes that may affect CMSP. The Auditor shall review management requests on other fiscal matters, as necessary.
3. All the Auditor's working papers and reports shall be retained, at the auditor's expense, for a minimum of three (3) years. The auditor shall be required to make the working papers available upon written request from the Governing Board's Administrative Officer, Accounting Manager, or designee.
4. Audit firm representatives shall meet (either in person or by conference call) with Governing Board staff for an audit pre-planning meeting to review the timeline of field work, the report, and all work papers and schedules to be prepared by Governing Board staff.
5. Bound copies of the audit report, including the management letter, shall be provided by the auditor in a quantity sufficient to meet the needs of the CMSP Governing Board. In addition, the Auditor shall provide an accessible Adobe Acrobat PDF version.
6. The Auditor shall conduct an exit conference with the Governing Board's Administrative Officer and Accounting Manager at the conclusion of the fieldwork. The Auditor's observations and recommendations shall be summarized in writing and discussed with these Governing Board staff. The exit conference shall include internal control and program compliance, observations, and recommendations.
7. The Independent Auditor Report shall be presented by the firm at the March 2022 CMSP Governing Board Meeting.

#### **V. PROPOSAL REQUIREMENTS**

For ease and efficiency of review, the Governing Board has specified the numbering protocol below for bidders. Please follow this numbering protocol exactly, and do not re-

number, insert numbers, or otherwise modify the sequence. Responses that do not follow this numbering order will not be considered.

## 1. Profile of Firm Proposing

- A. Name of the business, contact person, and contact information: Provide address, telephone, mobile telephone number, fax number, e-mail address, and web address, as applicable.
- B. Statement of ownership: Describe the type of business entity (sole proprietorship, corporation, LLC, or other), and list the majority and minority owners.
- C. State whether the firm is a local, national, or international firm and include a brief description of the size of the firm.
- D. State whether the firm is in compliance with the registration and licensing requirements to engage in the practice of public accounting in California.
- E. Describe the local office and any other information required to describe that office that will be performing the work, such as the size of professional staff by level, such as partner, manager and supervisor, senior and other professional staff and the number of CPA's in the office.
- F. Describe the commitments you will make to staff continuity, including your staff turnover experience in the last three years.
- G. Describe your firm's use of technology, your audit portal, and your security protocols to ensure safety of client data.
- H. Describe your firm's policies regarding PHI (Personal Health Information).
- I. Discuss the firm's independence in respect to CMSP.
- J. Submit information on the firm's liability insurance coverage.

## 2. Experience and Qualifications

- A. Detail your firm's experience in providing auditing services to similar sized organizations in the healthcare, non-profit and government sectors.
- B. Provide information on whether your firm provides services to any related industry associations or groups.
- C. Describe how your firm will approach the audit of CMSP and timeline including pre-planning, field work, report preparation and exit conference.
- D. Identify the partner, manager, and in-charge auditor who will be assigned to the engagement. Include the following:
  - a. The amount of experience the individual has in the auditing profession; and,
  - b. A summary of similar audits the individual has worked on.
- E. Describe what differentiates your firm from other firms.
- F. Briefly describe the firm's system of quality control to ensure the audit is adequately performed.
- G. Describe how your firm will keep the CMSP Governing Board abreast of regulatory changes.
- H. Include a copy of your firm's most recent peer review report, the related letter of comments, and the firm's response to the letter of comments.

- I. For reference purposes, provide the names and contact information for at least three (3) other clients of a similar size in the same sector of the partner and manager that will be assigned to the audit.

### 3. Cost Proposal

- A. Provide the firm's fee proposal for the FY 2020-2021 audit, along with any guarantees that are offered regarding increases in future years, should the engagement provide for future year audits.
- B. Describe how your firm will bill for questions on technical matters that may arise throughout the year.
- C. Furnish your firm's current standard billing and discounted billing rates for classes of professional personnel.

## **VI. PROPOSAL FORMAT INSTRUCTIONS**

1. All proposals must be complete at the time of submission and must follow the required format and use the required Proposed Hours & Proposed Budget Summary form and examples provided:
  - A. Text must appear on a single side of the page only.
  - B. Assemble the proposal in the order listed with the Proposal Requirements section.
  - C. Clearly paginate each page.
2. Proposals transmitted by facsimile (fax) or e-mail will not be accepted.
3. Provide one original hard-copy Independent Auditor Proposal clearly marked original, and six (6) hard copies.
4. Provide an electronic copy (CD or flash drive) of the proposal.
5. Do not provide any materials that are not requested, as reviewers will not consider the materials.
6. Proposals must be received in the office no later than 3:00 p.m. PST on February 16, 2021.

CMSP Governing Board  
ATTN: Meegan Forrest  
1545 River Park Drive, Suite 435  
Sacramento, CA 95815

## **VII. METHODOLOGY FOR REVIEW AND SCORING**

The Governing Board reserves the right to alter the timing of the start of any work described above and not to award a contract for this RFP and will not reimburse the cost incurred by bidders who respond to this RFP.

Proposals will be evaluated based on the requirements set forth in the RFP. Selection of the firm will be at the discretion of the Governing Board and will be based on the proposal that the Governing Board deems to be the most responsive and effective and best serves the interests of the program. Following the review of all proposals, selected firms may be invited to participate in a virtual interview hosted by the Governing Board. Any additional costs and equipment for such presentations are the responsibility of the proposing firm. Best and Final offers may be solicited from the pool of finalists prior to selection of the successful firm.

Proposals will be reviewed by a selection committee and will be evaluated based on the following criteria:

- Firm Experience and Qualifications
- Staff Expertise
- Demonstrated Ability
- Cost Proposal
- References

The foregoing criteria are for general guidance only. If the proposals are scored, the scoring will be for guidance and informational purposes only. The Governing Board will award a contract based on the proposal the Governing Board determines, in its sole discretion, is in the best interest of CMSP and the Governing Board.

Proposals which, in the Governing Board's sole and absolute discretion, are deficient, are not competitive, are non-responsive, do not meet minimum standards or are otherwise lacking in one or more categories may be rejected without further consideration.

## **VIII. QUESTIONS**

### **1. Frequently Asked Questions (FAQ)**

If you have questions regarding the RFP, please submit the questions in writing to Meegan Forrest, Accounting Manager. Questions can be emailed to Ms. Forrest at

mforrest@cmspcounties.org. Include your name, the name of your firm, and your mailing address, email address, and telephone number.

Questions can be submitted at any time up to midnight on January 15, 2021. The Governing Board will post written responses to all questions received by the Governing Board within the time period indicated on its website as soon as possible after questions are received, and no later than January 29, 2021. For clarity, please cite the page and section to which your questions pertain, and if appropriate, the information you are seeking.

## 2. RFP Contact Information

Please direct any questions regarding the RFP via email to:

Meegan Forrest, Accounting Manager  
CMSP Audit Vendor RFP  
mforrest@cmspcounties.org

Telephone calls, faxes and/or requests for a solicitation will not be accepted or acknowledged.

## **IX. GENERAL INFORMATION**

1. All submitted proposals become the property of the Governing Board and will not be returned to the bidder unless otherwise determined by the Governing Board in its sole discretion.
2. Any costs incurred by the bidder for developing a proposal are the sole responsibility of the bidder and the Governing Board shall have no obligation to compensate any bidder for any costs incurred in responding to this RFP.
3. Proposals may remain confidential during this process only until such time as determined by the Governing Board in its sole discretion. Thereafter, all information submitted by a party may be treated as a public record by the Governing Board. The Governing Board makes no guarantee that any or all of a proposal will be kept confidential, even if the proposal is marked "confidential," "proprietary," etc.
4. The Governing Board reserves the right to do the following at any time, at the Governing Board's sole discretion:
  - A. Reject any and all proposals or cancel this RFP.
  - B. Waive or correct any minor or inadvertent defect, irregularity or technical error in any proposal.
  - C. Request that certain or all bidders supplement or modify all or certain aspects of their respective proposals or other materials submitted.

- D. Modify the specifications or requirements in this RFP, or the required contents or format of the proposals prior to the due date.
- E. Extend the deadlines specified in this RFP, including the deadline for accepting proposals.
- F. Award, or not award, any contract for the market vendor services described in the RFP.