



DEPARTMENT OF GENERAL SERVICES
OFFICE OF STATE PROCUREMENT
ACTION AGENDA
May 15, 2024



SUPPLEMENTAL

*Contact: Joh Sedtal 443-469-5864
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45-S. SERVICES CONTRACT
Department of Public Safety and Correctional Services

Contract ID: Medical and Mental Health Care and Utilization Services; *BPM040831*
 ADPICS No.: Q00B4600122

Contract Description: Medical and mental health care and utilization services for the Division of Corrections (DOC) facilities.

Award: Centurion of Maryland, LLC; Lutherville-Timonium, MD

Contract Term: 06/06/2024 - 06/05/2029 (w/one 2-year renewal option)

Amount: \$1,161,736,382 (Base Term)
 \$ 551,795,528 (Renewal Option #1)
 \$1,713,531,910 Total

Procurement Method: Competitive Sealed Proposals

Proposals:

| <i>Offerors</i> | <i>Technical Rankings</i> | <i>Financial Offer Rankings</i> | <i>Overall Rankings</i> |
|--|---------------------------|---------------------------------|-------------------------|
| Centurion of Maryland, LLC; Lutherville-Timonium, MD | 1 | \$1,713,531,910.00 (1) | 1 |
| Wexford Health Sources, Inc.; Pittsburgh, PA | 2 | \$2,051,265,246.58 (2) | 2 |

**Technical and financial proposals were weighted equally.*

Living Wage Eligible: Yes

MBE/VSBE Participation: 31% / 2.193%

Performance Security: Yes

Hiring Agreement Eligible: Yes

Incumbents: CHS TX, Inc. dba YesCare; Brentwood, TN; and
 MHM Services, Inc. dba Centurion Group, Inc.; Vienna, VA



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45-S. SERVICES CONTRACT (cont'd)

Requesting Agency Remarks: A notice of the availability of the Request for Proposals (RFP) was advertised on eMaryland Marketplace Advantage (eMMA) on November 14, 2023 notifying 1,212 vendors of the solicitation. The solicitation was also sent directly to 11 prospective vendors. Three proposals were received on January 19, 2024 and two were determined to be reasonably susceptible of being selected for award. Centurion of Maryland, LLC was determined to be most advantageous to the State as its proposal was both ranked highest technically and was lowest in price.

A protest was filed on April 23, 2024 alleging that the Department improperly determined the offeror to be not responsibly susceptible of being selected for award and should not have disqualified them from further evaluation. The protest was denied on May 3, 2024, based on the Procurement Officer properly determining they were not a responsible Offeror in accordance with COMAR 21.06.01.01.B.(2)(a). The vendor's financials indicate a company in distress and the Department is not confident they are capable of performing adequately on a contract of this scope and magnitude. The Department anticipates that this protest decision will be appealed to the Maryland State Board of Contract Appeals (MSBCA). In spite of this, the Department wishes to award this contract to Centurion of Maryland, LLC in the face of protest.

The recommended awardee, Centurion of Maryland, LLC (Centurion), provided the proposal with the superior technical ranking and best financial value to the State. With Centurion's corporate headquarters located in Northern Virginia, local office located in Lutherville and approximately 22% of its corporate staff residing in Maryland, the proposal forecasts that \$1,490,772,762 of the contract's value will be reinvested back into the Maryland economy. Additionally, Centurion's proposal indicates efforts to form recruitment partnerships within Maryland focusing on relationships with local universities to draw new talent into correctional healthcare.

The Department is requesting that the BPW approve the contract award notwithstanding the protest in order to protect substantial State interests. The substantial state interests include:

- The Department currently provides medical and mental health services through separate contracts, but there have been challenges with coordinating continuity of care for incarcerated individuals between two separate vendors. The Department intends to award new contracts based on the population served, pre-trial and sentenced, rather than the type of medical care provided, medical and mental health, for the entire population. This will allow for a cohesive system that ensures that the quality of care remains consistent and uninterrupted for the Incarcerated Individuals across all of the Department's facilities.
- A timely and orderly transition to the new contractor is essential to meet the contract start date and ensure uninterrupted mental and medical healthcare services for incarcerated individuals and the Maryland communities.



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45-S. SERVICES CONTRACT (cont'd)

Agency Remarks (cont'd):

- The Department has already modified the existing medical healthcare contract to extend its term, which has increased the monthly costs without improving the quality of service. Under the proposed new contract, the Department anticipates an increased level of performance and quality of service to the State. The Department cannot afford to delay the implementation of a medical and mental health care contract that will so significantly improve the lives of the incarcerated individuals under its charge.
- Several key economic benefits in the new contract include:
 - The MBE goal (31%) is 181.82% higher than the established contract goal on the current medical healthcare contract (11%) and 121.43% higher than the established contract goal on the current mental healthcare contract (14%). This equates to approximately \$531,194,892.10 that will go to certified MBE vendors.
 - The VSBE goal (2.193%) is 100% higher than both currently established medical healthcare and mental healthcare contract goals (1% on both contracts). This equates to approximately \$34,270,638.20 that will go to certified VSBE vendors.
- Centurion will make substantial enhancements to the Department's current healthcare infrastructure that will improve the Department's quality of care, service range and efficiency for our Incarcerated Individuals.
- Providing staffing with higher hourly rates will attract more qualified professionals, solve ongoing vacancies issues, and provide a better quality of care to Incarcerated Individuals. While also ensuring that the Department is able to hold the vendor accountable for its performance of the contract.

The Department is seeking approval of this contract award, notwithstanding the protest, based on the substantial State interests to obtain a more comprehensive and robust contract in order to provide the incarcerated individuals under the Department's care with better overall medical and mental healthcare services. The Department is confident that the protest will not be successful and will only result in the unnecessary delay of the much needed contract for medical and mental health care and utilization services.

Per COMAR 21.10.02.11.A(1), the BPW should find that execution of the contract without delay is necessary to protect substantial State interests, and authorize the recommended contract notwithstanding the protest.

Fund Source: 100% General Funds



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Approp. Code:

| | | |
|---------------|------|---------|
| \$ 73,227,561 | FY25 | Q000101 |
| \$147,919,674 | FY26 | Q000101 |
| \$150,878,069 | FY27 | Q000101 |
| \$153,895,630 | FY28 | Q000101 |
| \$160,113,014 | FY29 | Q000101 |
| \$ 80,849,146 | FY30 | Q000101 |

Resident Business: Yes

MD Tax Clearance: 24-0325-0000

BOARD OF PUBLIC WORKS

THIS ITEM WAS:

APPROVED

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

WITHOUT DISCUSSION