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CHAIRMAN, SENATE FINANCE COMMITTEE

W. BRIAN WHITE
CHAIRMAN, HOUSE WAYS AND MEANS COMMITTEE

GRANT GILLESPIE

EXECUTIVE DIRECTOR

#### THE DIVISION OF PROCUREMENT SERVICES

DELBERT H. SINGLETON, JR. DIVISION DIRECTOR (803) 734-8018

MICHAEL B. SPICER

Information Technology Management Officer
(803) 737-0600
FAX: (803) 737-0639

# **Protest Decision**

Matter of: Public Consulting Group, Inc.

**Case No.:** 2018-211

**Posting Date:** April 2, 2018

Contracting Entity: South Carolina Department of Health and Human Services

**Solicitation No.:** 5400013926

**Description:** Multi-Vendor Integrator

### **DIGEST**

Untimely protest is dismissed. Public Consulting Group's (PCG) email and letter of protest are included by reference. [Attachment 1]

#### **AUTHORITY**

The Chief Procurement Officer (CPO) conducted an administrative review pursuant to S.C. Code Ann. §11-35-4210(4). This decision is based on materials in the procurement file and applicable law and precedents.

### **BACKGROUND**

## **Key Events**

Solicitation Issued 08/08/2017

Protest Decision, page 2 Case No. 2018-211 April 2, 2018

Amendment 1 Issued	09/05/2017
Amendment 2 Issued	09/21/2017
Intent to Award Posted	02/23/2018
Protest Received	03/05/2018
	6:56:37 PM

#### **ANALYSIS**

The South Carolina Department of Health and Human Services issued this Request for Proposals on August 8, 2017, for a Multi-Vendor Integrator to provide project management oversight of third party solution providers and integrate their solutions into the Medicaid Enterprise System to ensure certification by the Center for Medicare and Medicaid Services. An Intent to Award was posted to Cognosante Consulting LLC on February 23, 2018.

Section 11-35-4210(1)(b) grants any prospective bidder, offeror, contractor, or subcontractor who is aggrieved in connection with the intended award or award of a contract the right to protest to the appropriate chief procurement officer within ten days of the date award or notification of intent to award is posted. The deadline for submission of a protest of the intended award to Cognosante was the close-of-business on March 5, 2018. The close-of-business for the Information Technology Management Office is 5:00 P.M. PCG's protest was not received by the Chief Procurement Officer until 6:56 P.M. [Attachment 1] In *Protest of Palmetto Unilect, LLC*, Case No. 2004-6, the Procurement Review Panel dismissed an appeal as untimely filed because it was submitted to the CPO after 5:00 p.m. on the date of the appeal deadline. In that case, the appeal was received by the CPO by electronic mail at 5:28 p.m. on the day of the deadline.

#### **DECISION**

The protest of Public Consulting Group, Inc., was untimely filed and is dismissed.

For the Materials Management Office

Michael B. Spicer

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Chief Procurement Officer

## Attachment 1

Kaplowitz , Carrie itmo, protest Subject: SC Bid Protest

Monday, March 05, 2018 6:56:37 PM

jmlage 00 1.png SC Protest Letter.door Attachments:

Hello,

Please find attached PCG's Bid protest response.

Thank you.



Carrie Kaplowitz 617-426-2026 ext. 1120 tel, 617-426-4632 fax 148 State Street Boston, MA 02109 ckaplowitz@pcgus.com

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March 5, 2018

#### SENT VIA E-MAIL (protest-itmo@itmo.sc.gov)

Chief Procurement Officer Information Technology, Management Officer 1201 Main Street Suite 601 Columbia, SC 29201

RE: Solicitation # 54000013926 (Multi-Vendor Integrator)

Protest of Intent to Award

#### Dear Chief Procurement Officer:

Pursuant to South Carolina Code § 11-35-4210, Public Consulting Group, Inc. ("PCG") submits this Protest in response to the Intent to Award the contract under Solicitation No. 5400013926 to Cognosante Consulting LLC ("Cognosante") on the grounds that (a) PCG was prejudiced through an unjustified (and previously unknown) disqualification and (b) it is not in the State's best interest to proceed with the intent to award under these circumstances.

In brief, the State intends to award a \$22.1 million contract to Cognosante notwithstanding that PCG is ready, willing, and able to perform these services for \$16.6 million – *saving the State* \$5.5 million.

PCG was disqualified from the procurement for inadvertently failing to view and respond to the State's November 2017 emailed request for clarification relating to PCG's proposal, in which it asked how PCG would satisfy certain specifications of the RFP. However, PCG was not timely notified about the disqualification and has been unjustifiably prejudiced as a result. Rather, it learned of the disqualification only after the Intent to Award was posted: specifically, the disqualification was contained in documents provided by the State only after PCG submitted a public records request relating to the procurement. Had it received notice of the proposed disqualification, PCG would have explained the circumstances surrounding its delay and would have responded in full to the substantive request.

Critically, in no manner was the PCG proposal defective. And in fact, the RFP specifically states that proposals did not need to respond to each individual specification in the RFP. See RFP Section 4.6.1 ("SCDHHS is not requesting a requirement-by-requirement description of how

every requirement is being met."). Moreover, the State was prohibited from contacting a bidder for clarification unless its offer "obviously conform[ed] in all material aspects to the solicitation." See RFP Section 2.34. Ultimately, disqualification of PCG deprived the State of full and fair competition.

PCG does acknowledge that it failed to see and open the November 2017 emailed request for clarification. However, to address that oversight by disqualifying PCG violates the norms of fundamental fairness that underlie the procurement process — and could cost the State millions of dollars. Ultimately, the State could have exercised other means to ensure PCG responded to its communication. For example, the award notification was sent on February 23, 2017, to Info@pcgus.com, an alternative e-mail address that the State could have availed themselves. The State could have also called either of two telephone numbers listed in the proposal documents. Any of these actions would have addressed the oversight and maintained the fairness and competitiveness of the procurement.

PCG respectfully requests that the Intent to Award be cancelled and that PCG's proposal be evaluated. Alternatively, PCG requests that the procurement be reopened and new bids be solicited.

Sincerely,

John Shaughnessy Practice Area Director

#### STATEMENT OF RIGHT TO FURTHER ADMINISTRATIVE REVIEW

Protest Appeal Notice (Revised July 2017)

The South Carolina Procurement Code, in Section 11-35-4210, subsection 6, states:

(6) Finality of Decision. A decision pursuant to subsection (4) is final and conclusive, unless fraudulent or unless a person adversely affected by the decision requests a further administrative review by the Procurement Review Panel pursuant to Section 11-35-4410(1) within ten days of posting of the decision in accordance with subsection (5). The request for review must be directed to the appropriate chief procurement officer, who shall forward the request to the panel or to the Procurement Review Panel, and must be in writing, setting forth the reasons for disagreement with the decision of the appropriate chief procurement officer. The person also may request a hearing before the Procurement Review Panel. The appropriate chief procurement officer and an affected governmental body shall have the opportunity to participate fully in a later review or appeal, administrative or judicial.

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Copies of the Panel's decisions and other additional information regarding the protest process is available on the internet at the following web site: http://procurement.sc.gov

FILE BY CLOSE OF BUSINESS: Appeals must be filed by 5:00 PM, the close of business. *Protest of Palmetto Unilect, LLC*, Case No. 2004-6 (dismissing as untimely an appeal emailed prior to 5:00 PM but not received until after 5:00 PM); *Appeal of Pee Dee Regional Transportation Services, et al.*, Case No. 2007-1 (dismissing as untimely an appeal faxed to the CPO at 6:59 PM).

FILING FEE: Pursuant to Proviso 111.1 of the 2016 General Appropriations Act, "[r]equests for administrative review before the South Carolina Procurement Review Panel shall be accompanied by a filing fee of two hundred and fifty dollars (\$250.00), payable to the SC Procurement Review Panel. The panel is authorized to charge the party requesting an administrative review under the South 11-35-4210(6), 11-35-4220(5), Carolina Code 11-35-4230(6) 4410...Withdrawal of an appeal will result in the filing fee being forfeited to the panel. If a party desiring to file an appeal is unable to pay the filing fee because of financial hardship, the party shall submit a completed Request for Filing Fee Waiver form at the same time the request for review is filed. The Request for Filing Fee Waiver form is attached to this Decision. If the filing fee is not waived, the party must pay the filing fee within fifteen days of the date of receipt of the order denying waiver of the filing fee. Requests for administrative review will not be accepted unless accompanied by the filing fee or a completed Request for Filing Fee Waiver form at the time of filing." PLEASE MAKE YOUR CHECK PAYABLE TO THE "SC PROCUREMENT REVIEW PANEL."

LEGAL REPRESENTATION: In order to prosecute an appeal before the Panel, business entities organized and registered as corporations, limited liability companies, and limited partnerships must be represented by a lawyer. Failure to obtain counsel will result in dismissal of your appeal. *Protest of Lighting Services*, Case No. 2002-10 (Proc. Rev. Panel Nov. 6, 2002) and *Protest of The Kardon Corporation*, Case No. 2002-13 (Proc. Rev. Panel Jan. 31, 2003); and *Protest of PC&C Enterprises*, *LLC*, Case No. 2012-1 (Proc. Rev. Panel April 2, 2012). However, individuals and those operating as an individual doing business under a trade name may proceed without counsel, if desired.

# South Carolina Procurement Review Panel Request for Filing Fee Waiver 1205 Pendleton Street, Suite 367, Columbia, SC 29201

Name of Requestor			Address	
City	State	Zip	Business Phone	
1. What is	your/your comp	any's monthly incom	e?	
2. What ar	e your/your com	pany's monthly expe	nses?	
3. List any	other circumsta	nces which you think	affect your/your company's ability to pa	ay the filing fee:
misreprese administra Sworn to b	ent my/my comp tive review be we before me this	oany's financial cond	a above is true and accurate. I have made accurate accurat	
Notary Pu	blic of South Car	rolina	Requestor/Appellant	<u></u>
My Comm	nission expires: _			
For officia	ıl use only:	Fee Waived	Waiver Denied	
Chairman	or Vice Chairma	n, SC Procurement R	Review Panel	
	_ day of South Carolina	, 20		

NOTE: If your filing fee request is denied, you will be expected to pay the filing fee within fifteen (15) days of the date of receipt of the order denying the waiver.