STATE OF ARIZONA

NOTICE OF REQUEST FOR PROPOSAL

REQUEST FOR PROPOSAL NUMBER ADOC12-00001105

PROPOSAL DUE DATE December 21, 2011 AT 3:00 P.M. M.S.T.

A Pre-Proposal Conference has been scheduled. For details please see page 2, Special Terms and Conditions, Paragraph 1.3.

In accordance with A.R.S. §41-2534, competitive sealed proposals for the materials or services specified will be received by the Department of Corrections, through the electronic procurement system ProcureAZ at https://procure.az.gov/bso/. Proposals received by the correct time and date will be opened on-line.

Late proposals will not be considered.

All proposals must be completed in ink or typewritten. Additional instructions for preparing a proposal are included in this Solicitation.

OFFERORS ARE STRONGLY ENCOURAGED TO CAREFULLY READ THE ENTIRE REQUEST FOR PROPOSAL.

REQUESTING AGENCY:	Arizona Department of Corrections
SERVICE:	Privatization for All Correctional Health Services
LOCATION:	All Institutions
CONTRACT TYPE:	Fixed Price
CONTRACT TERM:	3 Years with option to renew

An Equal Employment Opportunity Agency

Karen D. Ingram
CONTRACTS MANAGER

(602) 542-1172
PHONE

October 21, 2011
DATE

Denel Pickering
DENEL PICKERING CHIEF PROCUREMENT OFFICER

Arizona Department of Corrections

Request for Proposal ADOC12-00001105 – Privatization for All Correctional Health Services

Table of Contents

Offer and Acceptance	1 page
Uniform Instructions to Offerors	6 pages
Uniform Terms and Conditions	9 pages
Special Terms and Conditions	Pages 1-18
Scope of Work	Pages 19-125

2.1: Introduction 19

2.2: Definition of Terms 23

2.3: Contractor/Subcontractor Qualifications 30

2.4: Financial Responsibility 38

2.5: General Provisions 42

2.6: Requirements 44

2.7: Access to Healthcare Services Delivery System 51

2.8: Responsibility for and Coordination of Care 53

2.9: Health Assessments/Intake Process 61

2.10: Medical Services 63

2.11: Dental Services 78

2.12: Pharmacy Services 80

2.13: Mental Health Services 87

2.14: Utilization Management **91**

2.15: AHCCCS Requirements and Claims Processing **94**

2.16: Inmate Grievances/Complaints **97**

2.17: Staffing **97**

2.18: Reporting Requirements **101**

2.19: Contract Monitoring General Requirements **103**

2.20: Contract Performance Quarterly Audits **104**

2.21: Monetary Sanctions **114**

2.22: Information Technology (IT) **115**

Fee Schedule **Pages 124-130**

Attachments **Pages 131-158**

Attachment #1	**Rules for Non-Employees**
Attachment #2	**List and Contact Information for Arizona State Prisons**
Attachment #3	**Small Business Participation Form and Required Reporting**
Exhibit 1	**Health Services Licenses/Approvals Held**
Exhibit 2	**Required Reporting**
Exhibit 3	**ADC Intake Processes & Procedures**
Exhibit 4	**Monetary Sanctions**
Exhibit 5	**Formulary Status of Top Brand Drugs**

OFFER /AND ACCEPTANCE

Arizona Department of Corrections

SOLICITATION NO. ADOC12-00001105

OFFER

Submit this form with an original signature to the Arizona Department of Corrections, 1601 West Jefferson Street, M/C 55302, Phoenix, AZ 85007-3002.

The Undersigned hereby Offers and agrees to furnish the material, service or construction in compliance with all terms, conditions, specifications and amendments in the Solicitation.

In accordance with A.R.S §35-391 and A.R.S §35-393, the offeror hereby certifies that the offeror does not have scrutinized business in Sudan and Iran.

Arizona Transaction (Sales) Privilege

Tax License No.: _____

Federal Employer Identification

No.: _____

_____
Company Name

_____
Address

_____
City State Zip

For clarification of this Offer, contact:

Name: _____

Phone: _____

Fax: _____

_____
Signature of Person Authorized To Sign Offer

_____
Printed Name

_____
Title

OFFER ACCEPTANCE AND CONTRACT AWARD

(For State of Arizona use only)

The offer is hereby accepted as described in the Notice of Award. The Contractor is now bound to perform base upon the solicitation and the Contractor's offer as accepted by the State.

Privatization Of All Correctional Health Services

This contract shall henceforth be referred to as Contract No. ADOC12-00001105. The Contractor is hereby cautioned not to commence any billable work or provide any material, service or construction under this contract until Contractor receives an executive purchase order or contract release document.

State of Arizona, Department of Corrections

Awarded this _____ day of _____ 2012

_____
Denel Pickering, Chief Procurement Officer

UNIFORM INSTRUCTIONS TO OFFERORS

A. Definition of Terms. As used in these Instructions, the terms listed below are defined as follows:

1. "*Attachment*" means any item the Solicitation requires an Offeror to submit as part of the Offer.

2. "*Contract*" means the combination of the Solicitation, including the Uniform and Special Instructions to Offerors, the Uniform and Special Terms and Conditions, and the Specifications and Statement or Scope of Work; the Offer and any Best and Final Offers; and any Solicitation Amendments or Contract Amendments.

3. "*Contract Amendment*" means a written document signed by the Procurement Officer that is issued for the purpose of making changes in the Contract.

4. "Contractor" means any person who has a Contract with the State.

5. "*Days*" means calendar days unless otherwise specified.

6. "*Exhibit*" means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation.

7. "*Offer*" means bid, proposal or quotation.

8. "*Offeror*" means a vendor who responds to a Solicitation.

9. "Procurement *Officer*" means the person, or his or her designee, duly authorized by the State to enter into and administer Contracts and make written determinations with respect to the Contract.

10. "*Solicitation*" means an Invitation for Bids ("IFB"), a Request for Proposals ("RFP"), or a Request for Quotations ("RFQ").

11. "Solicitation *Amendment*" means a written document that is signed by the Procurement Officer and issued for the purpose of making changes to the Solicitation.

12. "Subcontract" means any Contract, express or implied, between the Contractor and another party or between a subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any material or any service required for the performance of the Contract.

13. "*State*" means the State of Arizona and Department or Agency of the State that executes the Contract.

B. Inquiries

1. Duty to Examine. It is the responsibility of each Offeror to examine the entire Solicitation, seek clarification in writing (inquiries), and examine its Offer for accuracy before submitting the Offer. Lack of care in preparing an Offer shall not be grounds for modifying or withdrawing the Offer after the Offer due date and time, nor shall it give rise to any Contract claim.

2. Solicitation Contact Person. Any inquiry related to a Solicitation, including any requests for or inquiries regarding standards referenced in the Solicitation shall be directed solely to the Solicitation contact person. The Offeror shall not contact or direct inquiries

concerning this Solicitation to any other State employee unless the Solicitation specifically identifies a person other than the Solicitation contact person as a contact.

3. Submission of Inquiries. The Procurement Officer or the person identified in the Solicitation as the contact for inquiries except at the Pre-Offer Conference, require that an inquiry be submitted in writing. Any inquiry related to a Solicitation shall refer to the appropriate Solicitation number, page and paragraph. Do not place the Solicitation number on the outside of the envelope containing that inquiry, since it may then be identified as an Offer and not be opened until after the Offer due date and time. The State shall consider the relevancy of the inquiry but is not required to respond in writing.

4. Timeliness. Any inquiry or exception to the solicitation shall be submitted as soon as possible and should be submitted at least seven days before the Offer due date and time for review and determination by the State. Failure to do so may result in the inquiry not being considered for a Solicitation Amendment.

5. No Right to Rely on Verbal Responses. An offeror shall not rely on verbal responses to inquiries. A verbal reply to an inquiry does not constitute a modification of the solicitation.

6. Solicitation Amendments. The Solicitation shall only be modified by a Solicitation Amendment.

7. Pre-Offer Conference. If a pre-Offer conference has been scheduled under this Solicitation, the date, time and location shall appear on the Solicitation cover sheet or elsewhere in the Solicitation. Offerors should raise any questions about the Solicitation or the procurement at that time. An Offeror may not rely on any verbal responses to questions at the conference. Material issues raised at the conference that result in changes to the Solicitation shall be answered solely through a written Solicitation Amendment.

8. Persons With Disabilities. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the Solicitation contact person. Requests shall be made as early as possible to allow time to arrange the accommodation.

C. Offer Preparation

1. Forms: No Facsimile, Telegraphic or Electronic Mail Offers. An Offer shall be submitted either on the forms provided in this Solicitation or their substantial equivalent. Any substitute document for the forms provided in this Solicitation must be legible and contain the same information requested on the forms, unless the solicitation indicates otherwise. A facsimile, telegraphic, mailgram or electronic mail Offer shall be rejected if submitted in response to requests for proposals or invitations for bids.

2. Typed or Ink; Corrections. The Offer shall be typed or in ink. Erasures, interlineations or other modifications in the Offer shall be initialed in ink by the person signing the Offer. Modifications shall not be permitted after Offers have been opened except as otherwise provided under applicable law.

3. Evidence of Intent to be Bound. The Offer and Acceptance form within the Solicitation shall be submitted with the Offer and shall include a signature (or acknowledgement for electronic submissions, when authorized) by a person authorized to sign the Offer. The signature shall signify the Offeror's intent to be bound by the Offer and the terms of the Solicitation and that the information provided is true, accurate and complete. Failure to submit verifiable evidence of an intent to be bound, such as an original signature, shall result in rejection of the Offer.

4. Exceptions to Terms and Conditions. All exceptions included with the Offer shall be submitted in a clearly identified separate section of the Offer in which the Offeror clearly identifies the specific paragraphs of the Solicitation where the exceptions occur. Any exceptions not included in such a section shall be without force and effect in any resulting Contract unless such exception is specifically accepted by the Procurement Officer in a written statement. The Offeror's preprinted or standard terms will not be considered by the State as a part of any resulting Contract.

   4.1. Invitation for Bids. An Offer that takes exception to a material requirement of any part of the Solicitation, including terms and conditions, shall be rejected.

   4.2. Request for Proposals. All exceptions that are contained in the Offer may negatively affect the State's proposal evaluation based on the evaluation criteria stated in the Solicitation or result in rejection of the Offer. An offer that takes exception to any material requirement of the solicitation may be rejected.

5. Subcontracts. Offeror shall clearly list any proposed subcontractors and the subcontractor's proposed responsibilities in the Offer.

6. Cost of Offer Preparation. The State will not reimburse any Offeror the cost of responding to a Solicitation.

7. Solicitation Amendments. Each Solicitation Amendment shall be signed with an original signature by the person signing the Offer, and shall be submitted no later than the Offer due date and time. Failure to return a signed (or acknowledgement for electronic submission, when authorized) copy of a Solicitation Amendment may result in rejection of the Offer.

8. Federal Excise Tax. The State of Arizona is exempt from certain Federal Excise Tax on manufactured goods. Exemption Certificates will be provided by the State.

9. Provision of Tax Identification Numbers. Offerors are required to provide their Arizona Transaction Privilege Tax Number and/or Federal Tax Identification number in the space provided on the Offer and Acceptance Form.

   9.1 Employee Identification. Offeror agrees to provide an employee identification number or social security number to the Department for the purposes of reporting to appropriate taxing authorities, monies paid by the Department under this contract. If the federal identifier of the offeror is a social security number, this number is being requested solely for tax reporting purposes and will be shared only with appropriate state and federal officials. This submission is mandatory under 26 U.S.C. § 6041A.

10. Identification of Taxes in Offer. The State of Arizona is subject to all applicable state and local transaction privilege taxes. All applicable taxes shall be identified as a separate item offered in the solicitation. When applicable, the tax rate and amount shall be identified on the price sheet. At all times, payment of taxes and the determination of applicable taxes are the sole responsibility of the contractor.

11. Disclosure. If the firm, business or person submitting this Offer has been debarred, suspended or otherwise lawfully precluded from participating in any public procurement activity, including being disapproved as a subcontractor with any Federal, state or local government, or if any such preclusion from participation from any public procurement activity is currently pending, the Offeror shall fully explain the circumstances relating to the preclusion or proposed preclusion in the Offer. The Offeror shall include a letter with its Offer setting forth the name and address of the governmental unit, the effective date of this suspension or debarment, the duration of the suspension or debarment, and the

relevant circumstances relating to the suspension or debarment. If suspension or debarment is currently pending, a detailed description of all relevant circumstances including the details enumerated above shall be provided.

12. Solicitation Order of Precedence. In the event of a conflict in the provisions of this Solicitation, the following shall prevail in the order set forth below:

    12.1 Special Terms and Conditions;

    12.2 Uniform Terms and Conditions;

    12.3 Statement or Scope of Work;

    12.4 Specifications;

    12.5 Attachments;

    12.6 Exhibits;

    12.7 Special Instructions to Offerors;

    12.8 Uniform Instructions to Offerors; and

    12.9 Other documents referenced or included in the Solicitation.

13. Delivery. Unless stated otherwise in the Solicitation, all prices shall be F.O.B. Destination and shall include all freight, delivery and unloading at the destination(s).

14. Federal Immigration and Nationality Act. By signing of the Offer, the Offeror warrants that both it and all proposed subcontractors are in compliance with federal immigration laws and regulations (FINA) relating to the immigration status of their employees. The State may, at its sole discretion require evidence of compliance during the evaluation process. Should the State request evidence of compliance, the Offeror shall have 5 days from receipt of the request to supply adequate information. Failure to comply with this instruction or failure to supply requested information within the timeframe specified shall result in the offer not being considered for contract award.

15. Offshore Performance of Work Prohibited
    Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and involve access to secure or sensitive data or personal client data shall be performed within the defined territories of the United States. Unless specifically stated otherwise in the specifications, this paragraph does not apply to indirect or 'overhead' services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers. Offerors shall declare all anticipated offshore services in the proposal.

D. Submission of Offer

1. Sealed Envelope or Package. Each Offer shall be submitted to the submittal location identified in this Solicitation. Offers should be submitted in a sealed envelope or container. The envelope or container should be clearly identified with name of the Offeror and Solicitation number. The State may open envelopes or containers to identify contents if the envelope or container is not clearly identified.

2. ProcureAZ Offer Submission, Due Date and Time. Offerors responding to a solicitation in ProcureAZ must submit their offers electronically through ProcureAZ. Offers shall be received before the due date and time stated in the solicitation. Offers submitted outside of ProcureAZ or those that are received after the due date and time shall be rejected.

3. Offer Amendment or Withdrawal. An Offer may not be amended or withdrawn after the Offer due date and time except as otherwise provided under applicable law.

4. Public Record. All Offers submitted and opened are public records and must be retained by the State. Offers shall be open to public inspection after Contract award, except for such Offers deemed to be confidential by the State. If an Offeror believes that information in its Offer should remain confidential, it shall indicate as confidential the specific information and submit a statement with its Offer detailing the reasons that the information should not be disclosed. Such reasons shall include the specific harm or prejudice which may arise. The State shall determine whether the identified information is confidential pursuant to the Arizona Procurement Code.

5. Non-collusion, Employment, and Services. By signing the Offer and Acceptance Form or other official contract form, the Offeror certifies that:

   5.1. The Offeror did not engage in collusion or other anti-competitive practices in connection with the preparation or submission of its Offer; and

   5.2. The Offeror does not discriminate against any employee or applicant for employment or person to whom it provides services because of race, color, religion, sex, national origin, or disability, and that it complies with an applicable Federal, state and local laws and executive orders regarding employment.

E. Evaluation

1. Unit Price Prevails. In the case of discrepancy between the unit price or rate and the extension o that unit price or rate, the unit price or rate shall govern.

2. Taxes. If the products and/or services specified require transaction privilege or use taxes, they shall be described and itemized separately on the offer. Arizona transaction privilege and use taxes shall not be considered for evaluation.

3. Prompt Payment Discount. Prompt payment discounts of thirty (30) days or more set forth in an Offer shall be deducted from the offer for the purpose of evaluating that price.

4. Late Offers. An Offer submitted after the exact Offer due date and time shall be rejected.

5. Disqualifications. An Offeror (including each of its principals) who is currently debarred, suspended or otherwise lawfully prohibited from any public procurement activity shall have its offer rejected.

6. Offer Acceptance Period. An Offeror submitting an Offer under this Solicitation shall hold its Offer open for the number of days from the Offer due date that is stated in the Solicitation. If the Solicitation does not specifically state a number of days for Offer acceptance, the number of days shall be one hundred twenty (120). If a Best and Final Offer is requested pursuant to a Request for proposals, an Offeror shall hold its Offer open for one hundred twenty (120) days from the Best and Final Offer due date.

7. Waiver and Rejection Rights. Notwithstanding any other provision of the Solicitation, the State reserves the right to:

   7.1 Waive any minor informality;

7.2. Reject any and all Offers or portions thereof; or

7.3 Cancel the Solicitation.

F. Award

1. Number of Types of Awards. The State reserves the right to make multiple awards or to award a Contract by individual line items or alternatives, by group of line items or alternatives, or to make an aggregate award, or regional awards, whichever is most advantageous to the State. If the Procurement Officer determines that an aggregate award to one Offeror is not in the State's best interest, "all or none" Offers shall be rejected.

2. Contract Inception. An Offer does not constitute a Contract nor does it confer any rights on the Offeror to the award of a Contract. A Contract is not created until the Offer is accepted in writing by the Procurement Officer's signature on the offer and Acceptance Form. A notice of award or of the intent to award shall not constitute acceptance of the offer.

3. Effective Date. The effective date of this Contract shall be the date that the Procurement Officer signs the Offer and Acceptance form or other official contract form, unless another date is specifically stated in the Contract.

G. Protests

A protest shall comply with and be resolved according to Arizona Revised Statutes Title 41, Chapter 23, Article 9 and rules adopted thereunder. Protests shall be in writing and be filed with both the Procurement Officer of the purchasing agency and with the State Procurement Administrator. A protest of a Solicitation shall be received by the Procurement Officer before the Offer due date. A protest of a proposed award or of an award shall be filed within ten (10) days after the protester knows or should have known the basis of the protest. A protest shall include:

1. The name, address and telephone number of the protester;

2. The signature of the protester or its representative;

3. Identification of the purchasing agency and the Solicitation or Contract number;

4. A detailed statement of the legal and factual grounds of the protest including copies of relevant documents; and

5. The form of relief requested.

H. Comments Welcome

The State Procurement Office periodically reviews the Uniform Instructions to Offerors and welcomes any comments you may have. Please submit your comments to: State Procurement Administrator, State Procurement Office, 100 North 15th Avenue, Suite 201, Phoenix, Arizona, 85007.

UNIFORM TERMS AND CONDITIONS
Version 8

1. Definition of Terms

As used in this Solicitation and any resulting Contract, the terms listed below are defined as follows:

1.1. *"Attachment"* means any item the Solicitation requires the Offeror to submit as part of the Offer.

1.2. *"Contract"* means the combination of the Solicitation, including the Uniform and Special Instructions to Offerors, the Uniform and Special Terms and Conditions, and the Specifications and Statement or Scope of Work; the Offer and any Best and Final Offers; and any Solicitation Amendments or Contract Amendments.

1.3. *"Contract Amendment"* means a written document signed by the Procurement Officer that is issued for the purpose of making changes in the Contract.

1.4. *"Contractor"* means any person who has a Contract with the State.

1.5. *"Days"* means calendar days unless otherwise specified.

1.6. *"Exhibit"* means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation.

1.7. *"Gratuity"* means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.

1.8. *"Materials"* means all property, including equipment, supplies, printing, insurance and leases of property but does not include land, a permanent interest in land or real property or leasing space.

1.9. *"Procurement Officer"* means the person, or his or her designee, duly authorized by the State to enter into and administer Contracts and make written determinations with respect to the Contract.

1.10. *"Services"* means the furnishing of labor, time or effort by a contractor or subcontractor which does not involve the delivery of a specific end product other than required reports and performance, but does not include employment agreements or collective bargaining agreements.

1.11. *"Subcontract"* means any Contract, express or implied, between the Contractor and another party or between a subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any material or any service required for the performance of the Contract.

1.12. *"State"* means the State of Arizona and Department or Agency of the State that executes the Contract.

1.13. *"State Fiscal Year"* means the period beginning with July 1 and ending June 30.

2. Contract Interpretation

2.1. Arizona Law. The Arizona law applies to this Contract including, where applicable, the Uniform Commercial Code as adopted by the State of Arizona and the Arizona Procurement Code, Arizona Revised Statutes (A.R.S.) Title 41, Chapter 23, and its implementing rules, Arizona Administrative Code (A.A.C.) Title 2, Chapter 7.

2.2. Implied Contract Terms. Each provision of law and any terms required by law to be in this Contract are a part of this Contract as if fully stated in it.

2.3. Contract Order of Precedence. In the event of a conflict in the provisions of the Contract, as accepted by the State and as they may be amended, the following shall prevail in the order set forth below:

2.3.1. Special Terms and Conditions;

2.3.2. Uniform Terms and Conditions;

2.3.3. Statement or Scope of Work;

2.3.4. Specifications;

2.3.5. Attachments;

2.3.6. Exhibits;

2.3.7. Documents referenced or included in the Solicitation.

2.4. Relationship of Parties. The Contractor under this Contract is an independent Contractor. Neither party to this Contract shall be deemed to be the employee or agent of the other party to the Contract.

2.5. Severability. The provisions of this Contract are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Contract.

2.6. No Parole Evidence. This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.

2.7. No Waiver. Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

3. Contract Administration and Operation

3.1. Records. Under A.R.S. § 35-214 and § 35-215, the Contractor shall retain and shall contractually require each subcontractor to retain all data and other "records" relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, the Contractor shall produce a legible copy of any or all such records.

3.2. Non-Discrimination. The Contractor shall comply with State Executive Order No. 2009-09 and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act.

3.3. Audit. Pursuant to ARS § 35-214, at any time during the term of this Contract and five (5) years thereafter, the Contractor's or any subcontractor's books and records shall be subject to audit by the State and, where applicable, the Federal Government, to the extent that the books and records relate to the performance of the Contract or Subcontract.

3.4. Facilities Inspection and Materials Testing. The Contractor agrees to permit access to its facilities, subcontractor facilities and the Contractor's processes or services, at reasonable times for inspection of the facilities or materials covered under this Contract.

The State shall also have the right to test, at its own cost, the materials to be supplied under this Contract. Neither inspection of the Contractor's facilities nor materials testing shall constitute final acceptance of the materials or services. If the State determines non-compliance of the materials, the Contractor shall be responsible for the payment of all costs incurred by the State for testing and inspection.

3.5. Notices. Notices to the Contractor required by this Contract shall be made by the State to the person indicated on the Offer and Acceptance form submitted by the Contractor unless otherwise stated in the Contract. Notices to the State required by the Contract shall be made by the Contractor to the Solicitation Contact Person indicated on the Solicitation cover sheet, unless otherwise stated in the Contract. An authorized Procurement Officer and an authorized Contractor representative may change their respective person to whom notice shall be given by written notice to the other and an amendment to the Contract shall not be necessary.

3.6. Advertising, Publishing and Promotion of Contract. The Contractor shall not use, advertise or promote information for commercial benefit concerning this Contract without the prior written approval of the Procurement Officer.

3.7. Property of the State. Any materials, including reports, computer programs and other deliverables, created under this Contract are the sole property of the State. The Contractor is not entitled to a patent or copyright on those materials and may not transfer the patent or copyright to anyone else. The Contractor shall not use or release these materials without the prior written consent of the State.

3.8. Ownership of Intellectual Property. Any and all intellectual property, including but not limited to copyright, invention, trademark, trade name, service mark, and/or trade secrets created or conceived pursuant to or as a result of this contract and any related subcontract ("Intellectual Property"), shall be work made for hire and the State shall be considered the creator of such Intellectual Property. The agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract shall own (for and on behalf of the State) the entire right, title and interest to the Intellectual Property throughout the world. Contractor shall notify the State, within thirty (30) days, of the creation of any Intellectual Property by it or its subcontractor(s). Contractor, on behalf of itself and any subcontractor(s), agrees to execute any and all document(s) necessary to assure ownership of the Intellectual Property vests in the State and shall take no affirmative actions that might have the effect of vesting all or part of the Intellectual Property in any entity other than the State. The Intellectual Property shall not be disclosed by contractor or its subcontractor(s) to any entity not the State without the express written authorization of the agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract.

3.9. Federal Immigration and Nationality Act. The contractor shall comply with all federal, state and local immigration laws and regulations relating to the immigration status of their employees during the term of the contract. Further, the contractor shall flow down this requirement to all subcontractors utilized during the term of the contract. The State shall retain the right to perform random audits of contractor and subcontractor records or to inspect papers of any employee thereof to ensure compliance. Should the State determine that the contractor and/or any subcontractors be found noncompliant, the State may pursue all remedies allowed by law, including, but not limited to; suspension of work, termination of the contract for default and suspension and/or debarment of the contractor.

3.10 E-Verify Requirements. In accordance with A.R.S. § 41-4401, Contractor warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23-214, Subsection A.

3.11 Scrutinized Businesses. In accordance with A.R.S. § 35-391 and A.R.S. § 35-393, Contractor certifies that the Contractor does not have scrutinized business operations in Sudan or Iran.

3.12 Offshore Performance of Work Prohibited.
Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and involve access to secure or sensitive data or personal client data shall be performed within the defined territories of the United States. Unless specifically stated otherwise in the specifications, this paragraph does not apply to indirect or 'overhead' services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers.

4. Costs and Payments

4.1. Payments. Payments shall comply with the requirements of A.R.S. Titles 35 and 41, Net 30 days. Upon receipt and acceptance of goods or services, the Contractor shall submit a complete and accurate invoice for payment from the State within thirty (30) days.

4.2. Delivery. Unless stated otherwise in the Contract, all prices shall be F.O.B. Destination and shall include all freight delivery and unloading at the destination.

4.3. Applicable Taxes.

4.3.1. Payment of Taxes. The Contractor shall be responsible for paying all applicable taxes.

4.3.2. State and Local Transaction Privilege Taxes. The State of Arizona is subject to all applicable state and local transaction privilege taxes. Transaction privilege taxes apply to the sale and are the responsibility of the seller to remit. Failure to collect such taxes from the buyer does not relieve the seller from its obligation to remit taxes.

4.3.3. Tax Indemnification. Contractor and all subcontractors shall pay all Federal, state and local taxes applicable to its operation and any persons employed by the Contractor. Contractor shall, and require all subcontractors to hold the State harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under Federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.

4.3.4. IRS W9 Form. In order to receive payment the Contractor shall have a current I.R.S. W9 Form on file with the State of Arizona, unless not required by law.

4.4. Availability of Funds for the Next State fiscal year. Funds may not presently be available for performance under this Contract beyond the current state fiscal year. No legal liability on the part of the State for any payment may arise under this Contract beyond the current state fiscal year until funds are made available for performance of this Contract.

4.5. Availability of Funds for the current State fiscal year. Should the State Legislature enter back into session and reduce the appropriations or for any reason and these goods or services are not funded, the State may take any of the following actions:

4.5.1. Accept a decrease in price offered by the contractor;

4.5.2. Cancel the Contract; or

4.5.3. Cancel the contract and re-solicit the requirements.

5. Contract Changes

5.1. Amendments. This Contract is issued under the authority of the Procurement Officer who signed this Contract. The Contract may be modified only through a Contract Amendment

within the scope of the Contract. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by the procurement officer in writing or made unilaterally by the Contractor are violations of the Contract and of applicable law. Such changes, including unauthorized written Contract Amendments shall be void and without effect, and the Contractor shall not be entitled to any claim under this Contract based on those changes.

5.2. Subcontracts. The Contractor shall not enter into any Subcontract under this Contract for the performance of this contract without the advance written approval of the Procurement Officer. The Contractor shall clearly list any proposed subcontractors and the subcontractor's proposed responsibilities. The Subcontract shall incorporate by reference the terms and conditions of this Contract.

5.3. Assignment and Delegation. The Contractor shall not assign any right nor delegate any duty under this Contract without the prior written approval of the Procurement Officer. The State shall not unreasonably withhold approval.

6. **Risk and Liability**

6.1. Risk of Loss: The Contractor shall bear all loss of conforming material covered under this Contract until received by authorized personnel at the location designated in the purchase order or Contract. Mere receipt does not constitute final acceptance. The risk of loss for nonconforming materials shall remain with the Contractor regardless of receipt.

6.2. Indemnification

6.2.1. Contractor/Vendor Indemnification (Not Public Agency) The parties to this contract agree that the State of Arizona, its departments, agencies, boards and commissions shall be indemnified and held harmless by the contractor for the vicarious liability of the State as a result of entering into this contract. However, the parties further agree that the State of Arizona, its departments, agencies, boards and commissions shall be responsible for its own negligence. Each party to this contract is responsible for its own negligence.

6.2.2. Public Agency Language Only Each party (as 'indemnitor') agrees to indemnify, defend, and hold harmless the other party (as 'indemnitee') from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as 'claims') arising out of bodily injury of any person (including death) or property damage but only to the extent that such claims which result in vicarious/derivative liability to the indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the indemnitor, its officers, officials, agents, employees, or volunteers."

6.3. Indemnification - Patent and Copyright. The Contractor shall indemnify and hold harmless the State against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of Contract performance or use by the State of materials furnished or work performed under this Contract. The State shall reasonably notify the Contractor of any claim for which it may be liable under this paragraph. If the contractor is insured pursuant to A.R.S. § 41-621 and § 35-154, this section shall not apply.

6.4. Force Majeure.

6.4.1 Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term *"force majeure"* means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing,

force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injunctions-intervention-acts; or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.

6.4.2. Force Majeure shall not include the following occurrences:

6.4.2.1. Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market;

6.4.2.2. Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with this force majeure term and condition; or

6.4.2.3. Inability of either the Contractor or any subcontractor to acquire or maintain any required insurance, bonds, licenses or permits.

6.4.3. If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than the following working day, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by Contract Amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.

6.4.4. Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure.

6.5. Third Party Antitrust Violations. The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.

7. Warranties

7.1. Liens. The Contractor warrants that the materials supplied under this Contract are free of liens and shall remain free of liens.

7.2. Quality. Unless otherwise modified elsewhere in these terms and conditions, the Contractor warrants that, for one year after acceptance by the State of the materials, they shall be:

7.2.1. Of a quality to pass without objection in the trade under the Contract description;

7.2.2. Fit for the intended purposes for which the materials are used;

7.2.3. Within the variations permitted by the Contract and are of even kind, quantity, and quality within each unit and among all units;

7.2.4. Adequately contained, packaged and marked as the Contract may require; and

7.2.5. Conform to the written promises or affirmations of fact made by the Contractor.

7.3. Fitness. The Contractor warrants that any material supplied to the State shall fully conform to all requirements of the Contract and all representations of the Contractor, and shall be fit for all purposes and uses required by the Contract.

7.4. Inspection/Testing. The warranties set forth in subparagraphs 7.1 through 7.3 of this paragraph are not affected by inspection or testing of or payment for the materials by the State.

7.5. Compliance With Applicable Laws. The materials and services supplied under this Contract shall comply with all applicable Federal, state and local laws, and the Contractor shall maintain all applicable license and permit requirements.

7.6. Survival of Rights and Obligations after Contract Expiration or Termination.

7.6.1. Contractor's Representations and Warranties. All representations and warranties made by the Contractor under this Contract shall survive the expiration or termination hereof. In addition, the parties hereto acknowledge that pursuant to A.R.S. § 12-510, except as provided in A.R.S. § 12-529, the State is not subject to or barred by any limitations of actions prescribed in A.R.S., Title 12, Chapter 5.

7.6.2. Purchase Orders. The Contractor shall, in accordance with all terms and conditions of the Contract, fully perform and shall be obligated to comply with all purchase orders received by the Contractor prior to the expiration or termination hereof, unless otherwise directed in writing by the Procurement Officer, including, without limitation, all purchase orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract.

8. State's Contractual Remedies

8.1. Right to Assurance. If the State in good faith has reason to believe that the Contractor does not intend to, or is unable to perform or continue performing under this Contract, the Procurement Officer may demand in writing that the Contractor give a written assurance of intent to perform. Failure by the Contractor to provide written assurance within the number of Days specified in the demand may, at the State's option, be the basis for terminating the Contract under the Uniform Terms and Conditions or other rights and remedies available by law or provided by the contract.

8.2. Stop Work Order.

8.2.1. The State may, at any time, by written order to the Contractor, require the Contractor to stop all or any part, of the work called for by this Contract for period(s) of days indicated by the State after the order is delivered to the Contractor. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.

8.2.2. If a stop work order issued under this clause is canceled or the period of the order or any extension expires, the Contractor shall resume work. The Procurement Officer shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the Contract shall be amended in writing accordingly.

8.3. Non-exclusive Remedies. The rights and the remedies of the State under this Contract are not exclusive.

8.4. Nonconforming Tender. Materials or services supplied under this Contract shall fully comply with the Contract. The delivery of materials or services or a portion of the materials or services that do not fully comply constitutes a breach of contract. On delivery of nonconforming materials or services, the State may terminate the Contract for default

under applicable termination clauses in the Contract, exercise any of its rights and remedies under the Uniform Commercial Code, or pursue any other right or remedy available to it.

8.5. Right of Offset. The State shall be entitled to offset against any sums due the Contractor, any expenses or costs incurred by the State, or damages assessed by the State concerning the Contractor's non-conforming performance or failure to perform the Contract, including expenses, costs and damages described in the Uniform Terms and Conditions.

9. Contract Termination

9.1. Cancellation for Conflict of Interest. Pursuant to A.R.S. § 38-511, the State may cancel this Contract within three (3) years after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the State is or becomes at any time while the Contract or an extension of the Contract is in effect an employee of or a consultant to any other party to this Contract with respect to the subject matter of the Contract. The cancellation shall be effective when the Contractor receives written notice of the cancellation unless the notice specifies a later time. If the Contractor is a political subdivision of the State, it may also cancel this Contract as provided in A.R.S. § 38-511.

9.2. Gratuities. The State may, by written notice, terminate this Contract, in whole or in part, if the State determines that employment or a Gratuity was offered or made by the Contractor or a representative of the Contractor to any officer or employee of the State for the purpose of influencing the outcome of the procurement or securing the Contract, an amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about contract performance. The State, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by the Contractor.

9.3. Suspension or Debarment. The State may, by written notice to the Contractor, immediately terminate this Contract if the State determines that the Contractor has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body. Submittal of an offer or execution of a contract shall attest that the contractor is not currently suspended or debarred. If the contractor becomes suspended or debarred, the contractor shall immediately notify the State.

9.4. Termination for Convenience. The State reserves the right to terminate the Contract, in whole or in part at any time when in the best interest of the State, without penalty or recourse. Upon receipt of the written notice, the Contractor shall stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to the State. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State upon demand. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of the termination. The cost principles and procedures provided in A.A.C. R2-7-701 shall apply.

9.5. Termination for Default.

9.5.1. In addition to the rights reserved in the contract, the State may terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The Procurement Officer shall provide written notice of the termination and the reasons for it to the Contractor.

9.5.2. Upon termination under this paragraph, all goods, materials, documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State on demand.

9.5.3. The State may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this Contract. The Contractor shall be liable to the State for any excess costs incurred by the State in procuring materials or services in substitution for those due from the Contractor.

9.6. Continuation of Performance Through Termination. The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

10. **Contract Claims**

All contract claims or controversies under this Contract shall be resolved according to A.R.S. Title 41, Chapter 23, Article 9, and rules adopted thereunder.

11. **Arbitration**

The parties to this Contract agree to resolve all disputes arising out of or relating to this contract through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518, except as may be required by other applicable statutes (Title 41).

12. **Comments Welcome**

The State Procurement Office periodically reviews the Uniform Terms and Conditions and welcomes any comments you may have. Please submit your comments to: State Procurement Administrator, State Procurement Office, 100 North 15th Avenue, Suite 201, Phoenix, Arizona, 85007.

1 SPECIAL TERMS AND CONDITIONS

1.1 Purpose

1.1.1 Pursuant to provisions of the Arizona Procurement Code, A.R.S. §41-2501, et. seq., the State of Arizona, Department of Corrections, hereafter known as the Department intends to establish a Contract for Privatization of all Correctional Health Services, Statewide. Proposals from qualified Offerors will be accepted for the purpose of selecting a Contractor to provide services, Statewide for the Arizona Department of Corrections Prison Institutions as identified herein.

1.2 On-Site Meeting

1.2.1 An on-site inspection will be held at each facility on the date and time designated below. The purpose of this inspection is for the visual evaluation and familiarization with the institutions prior to submitting a proposal. All potential Offerors are encouraged to attend. No further on-site inspections will be held at any other time.

1.2.2 On-Site Inspection attendees must comply with Department Order #503, Employee Grooming Standards (i.e., no blue jeans or blue shirts). A copy of this Department Order is located at http://www.azcorrections.gov/.

1.2.3 Offerors are asked to completely inspect each site prior to submitting a proposal in order to determine all requirements associated with the contract. Failure to do so shall not relieve the successful contractor from the responsibility of performing any services that may be required to carry out the intent of the resulting contract.

1.2.4 Prospective offerors wishing to attend the on-site inspections shall contact **Laurie Berg** at phone number 602-364-2900 and **fax** the following information **no later** than 5:00 p.m. M.S.T., **October 28, 2011** to fax number 602-364-2958 to make arrangements to attend the on-site inspections: Name of person(s) attending, social security number(s) and date(s) of birth. No more than 4 persons from each company shall be allowed to attend the on-site inspections. On-Site attendees failing to obtain security clearance and/or to comply with the non-uniformed personnel grooming and dress standards will not be admitted into the facility.

1.2.5 On-Site Inspections are as follows:

ASPC- Phoenix	**2:00 pm**	**November 3, 2011**
ASPC-Globe	**9:00 am**	**November 4, 2011**
ASPC--Perryville	**9:00 am**	**November 7, 2011**
ASPC - Eyman	**9:00 am**	**November 8, 2011**
ASPC – Florence	**9:00 am**	**November 9, 2011**
ASPC—Florence-Picacho	**2:00 pm**	**November 9, 2011**
ASPC –Lewis	**9:00 am**	**November 10, 2011**

ASPC – Yuma	**9:00 am**	**November 14, 2011**
ASPC –Tucson	**9:00 am**	**November 15, 2011**
ASPC - Tucson/SACRC Unit	**2:00 pm**	**November 15, 2011**
ASPC – Winslow	**9:00 am**	**November 16, 2011**
ASPC - Winslow-Apache	**2:00 pm**	**November 16, 2011**
ASPC – Douglas	**9:00 am**	**November 17, 2011**
ASPC-- Douglas-Papago	**2:00 pm**	**November 17, 2011**
ASPC – Safford	**9:00 am**	**November 18, 2011**
ASPC-- Safford Ft. Grant	**2:00 pm**	**November 18, 2011**

1.3 Pre-Proposal Conference

1.3.1 A Pre-Proposal Conference shall be held on **November 3, 2011** at 10:00 a.m. M.S.T., at the Arizona Department of Corrections, Procurement Services, Fourth Floor, 1645 West Jefferson Street, Phoenix, Arizona 85007. All potential Offerors are encouraged to attend.

1.3.2 Conference attendees must comply with Department Order #503, Employee Grooming Standards (i.e., no blue jeans or blue shirts). A copy of this Department Order is located at http://www.azcorrections.gov/.

1.4 Term of Contract

1.4.1 The term of any resultant Contract shall commence on the date of award and shall continue for a period of three (3) years, unless renewed, terminated or canceled, as otherwise provided herein.

1.5 Contract Extension

1.5.1 By mutual written agreement, any resultant contract may be extended for supplemental periods of two, one year periods following the expiration date of the initial term, up to a maximum of 60 months including the initial term of the contract.

1.6 Authority to Contract

1.6.1 This Contract activity is issued under the authority of the Arizona Department of Corrections, Chief Procurement Officer. No alteration of any portion of the Contract, any items or services awarded, or any other agreement that is based upon this Contract may be made without express written approval of the Department in the form of an official Contract amendment. Any attempt to alter any documents on the part of the ordering agency or any Contractor is a violation of the Contract and the Arizona Procurement Code. Any such action is subject to legal and Contractual remedies available to the State inclusive of, but not limited to, Contract cancellation, suspension and/or debarment of the Contractor.

1.7 Proposal Format

1.7.1 The proposal numbering sequence must be in accordance with the Solicitation document and as fully described in section 2.1.1. All proposals, shall contain all descriptive literature, specifications, samples, etc.

1.7.2 Erasures, interlineations or other modifications in the proposal must be initialed in ink in the original by the authorized person signing the offer. A policy, brochure, or reference to a policy or manual does not constitute an adequate response. The Department will not reimburse the offeror the cost of proposal preparation.

1.7.3 It is the responsibility of the offeror to examine the entire RFP, seek clarification of any requirement that may not be clear, and check all responses for accuracy before submitting its proposal. The proposal becomes a part of the contract; thus, what is stated in the proposal may be evaluated either during the proposal evaluation process. Proposals may not be withdrawn after the published due date and time.

1.7.4 Proposals that are not submitted in conformance with the information described herein will not be considered.

1.7.5 Offeror's inability to meet requirements: If a potential offeror cannot meet the minimum requirements, the performance bond requirements, or the minimum standards described herein, the Department requests that the potential offeror not submit a response to bid.

1.8 Submission of Offer

1.8.1 Electronic Documents. The Solicitation document is provided in an electronic format. Any unidentified alteration or modification to any Solicitation documents, to any attachments, exhibits, forms, charts or illustrations contained herein shall be null and void. In those instances where modifications are identified, the original document published by the State shall take precedence. As provided in the Solicitation Instructions, Offerors are responsible for clearly identifying any and all changes or modifications to any Solicitation documents upon submission to the State.

1.8.2 Acceptable Formats. Offer electronic files shall be submitted in a format acceptable to the State. Acceptable formats include .DOC and .DOCX (Microsoft Word), .XLS and .XLSX (Microsoft Excel), .PPT and .PPTX (Microsoft PowerPoint) and .PDF (Adobe Acrobat). Other file formats may also be acceptable, including .ZIP, .MDB, .MDBX, .MPP, MPPX, .VSD, .JPG, .GIF, and .BMP. Offerors wishing to submit files in these or other formats shall submit an inquiry to the State's Solicitation Contact Person.

1.9 Submission Required in ProcureAZ

1.9.1 Offer shall be submitted in an acceptable format, as described herein, using the State's online eProcurement application ProcureAZ (https://procure.az.gov/bso/). Submission of offers by means other than the ProcureAZ system will not be accepted. Prospective Offerors with questions in this regard shall contact the Procurement Officer prior to the Solicitation's due date and time.

1.9.2 To submit an Offer, Offerors must register in the ProcureAZ system. Offerors requiring assistance in the registration process or in navigating the ProcureAZ system may call the Help Desk at 602-542-7600.

1.10 Submission Required in Hard-Copy

1.10.1 In addition to submitting through the State's online eProcurement application ProcureAZ, offerors are required to submit six (6) hard-copies of the proposal which shall be

submitted on the forms and format as contained in the RFP. Offerors must submit their copies prior to the date and time indicated within the ProcureAZ system. Offerors shall certify within their proposal response that the electronic submittal and hard-copy submittals are identical.

1.10.1.1 When an offeror submits their copies prior to the date and time indicated and changes occur within their proposal, offerors are required to formally withdraw their proposal copies and resubmit prior to the due date and time.

1.10.1.2 Hard-copies are to be submitted to one of the addresses below:

1.10.1.2.1 HAND DELIVERY –OVERNIGHT MAIL
Arizona Department of Corrections
Procurement Services
1645 W. Jefferson Street, 4th Floor, Suite 4401
Phoenix, AZ 85007
OR

1.10.1.2.2 US MAIL
Arizona Department of Corrections
Procurement Services
1601 W. Jefferson, Mail Code 55302
Phoenix, AZ 85007

1.11 Questions, Clarifications or Interpretations

1.11.1 Any doubt as to the requirements of the Request for Proposal or any apparent omissions or discrepancies shall be presented in writing through ProcureAZ. The Department shall determine the appropriate action necessary, if any, and issue a written amendment to the Request for Proposal through ProcureAZ:

1.12 Proposal Opening

1.12.1 Proposals shall be opened online on the date and time, as indicated through ProcureAZ, or as amended by the Department. Following the opening, interested parties may contact the Procurement Officer to request a copy of the proposal tabulation. After Contract award, the proposals and evaluation documents shall be open for public inspection.

1.13 Pricing

1.13.1 The method of compensation governing the Contract shall be fixed price, per inmate, per day.

1.14 Invoicing. The contractor shall utilize the invoice format directed by the Department to submit twice per month Capitation Invoices.

1.14.1 Department forms may be computerized; however, the Contractor shall ensure all required information is provided.

1.14.2 On the first day of operation after the transition period, the Contractor shall invoice the Department for the first 15 days of operation using the applicable inmate Daily Population (as specified by ADC) for the first day of operation.

1.14.3 The Contractor shall invoice the Department twice each month within five (5) workdays after the end of each billing cycle. For the purposes of this Contract, workdays shall be Monday through Friday, 8 a.m. to 5 p.m.

1.14.3.1 The amount of capitation paid per inmate, per day shall be in accordance with the Fee Schedule.

1.14.3.2 The Contractor shall use the Daily Population counts for applicable inmates for the number of days in the cycle. Each daily count sheet is available on the internet: http://www.azcorrections.gov/Minh_count_sheet.asp

1.14.3.3 Invoices shall be legible and in the format directed. Invoices that are illegible shall be returned to the Contractor for clarification. The Department shall not be held to established time-frames for payment as set forth above.

1.14.3.4 The Contractor shall submit original invoices and supporting detail to the Health Services Division, Attention Division Director for verification.

Payment shall be within ten workdays after receipt and approval of the invoice(s).

1.14.3.5 If a discrepancy occurs, ADC shall notify the Contractor of said discrepancy immediately after reviewing the invoices and supporting detail. The Contractor and the Department shall resolve the discrepancy by comparison and reconciliation of records.

1.14.3.5.1 If resolution cannot be achieved the disputed amount shall not be paid until mutual agreement is reached relative to the discrepancy.

1.14.3.6 Time-frames for payment for the disputed amount shall be waived until the dispute is resolved.

1.15 Price Adjustment (12 Months)

1.15.1 The Department may review a fully documented request for a price adjustment only after the Contract has been in effect for twelve (12) months. Adjustments shall be subject to availability of monies appropriated.

1.15.2 If an approved adjustment results in an increase in cost to be paid by the Department of Corrections, said increase shall not exceed the percent of change in the average medical Consumer Price Index (CPI) – Metropolitan Phoenix, established for the most recent calendar year, as published semi-annually by the United States Department of Labor, Bureau of Labor Statistics.

1.15.3 Annual requests for cost adjustments shall be submitted to the Department of Corrections at least 365 days prior to year the change takes effect. The start of services anniversary date shall be the effective date. Requests shall identify the increase/decrease in the contract pricing and be documented on a revised Fee Schedule and supporting Budget Narrative forms.

1.15.4 The Fee Schedule and Budget Narrative shall address only those areas of cost impacted by the Contractor's request for adjustment so the Department of Corrections may see the categories of cost affected and read the justification contained in the Budget Narrative, which shall also include calculations comparing previous expenses with current expenses.

1.15.5 The Department of Corrections shall have the right to request and receive additional information, statistics, etc., and to direct the content, form and format of presentation as it deems necessary to validate the Contractor's request for an annual cost adjustment.

1.15.6 Requests for further clarification of annual cost adjustments, pursuant to or in connection with this Contract, unless otherwise noted, shall be delivered in person or sent by United States mail, postage prepaid, return receipt requested to Procurement Services. Failure to respond to the Department of Corrections request within the time frames specified shall nullify the Contractor's request.

1.15.7 The price increase adjustment, if approved, will be effective upon the anniversary of the contract for the next twelve month period contingent upon meeting these requirements herein. The first increase, if approved, would be effective on the second anniversary of start of services. (i.e. the third year of the contract.)

1.15.8 The Department shall determine whether the requested price increase or an alternate option is in the best interest of the State.

1.15.9 Price reductions may be submitted to the Department for consideration at any time during the Contract period. The Department at its own discretion may accept a price reduction. Price reductions will become effective upon acceptance by the Department.

1.15.9.1 If the State of Arizona enacts any decrease to the AHCCCS rates under Title 36, Contractor shall submit a corresponding request for a per capitation decrease.

1.16 Capitation Adjustment

1.16.1 Except for changes made specifically in accordance with this contract, the rates shall not be subject to re-negotiation or modification during the contract period. The Department may, at its option, review the effect of a program change and determine if a capitation adjustment is needed. In these instances the adjustment will be prospective with assumptions discussed with the Contractor prior to modifying capitation rates. The Contractor may request a review of a program change if it believes the program change was not equitable; the Department will not unreasonably withhold such a review.

1.17 Rules and Regulations

1.17.1 Attention of the Offerors is called to the requirements specified in the Attachment #1, Rules for Non-Employees of the Department of Corrections in Arizona State Prison Complexes which shall be adhered to in all respects.

1.17.2 Should the Contractor require signatures of other parties such as subcontractor or persons directly or indirectly employed by the Contractor, it shall be the Contractor's responsibility to obtain such signatures. The signed document must be submitted within ten (10) days of notification of intent to award.

1.18 Award

1.18.1 It is the intention of the Department to award a single Contract for all of the proposed services.

1.19 Department of Corrections Policy and Procedures

1.19.1 The Contractor shall follow all applicable Department of Corrections Orders (DO's), and Director's Instructions (DI's) Department of Corrections Orders and Director's Instructions are available on the following web site http://www.azcorrections.gov/.

1.20 Unlawful Sexual Conduct

1.20.1 A person – who is employed by the State Department of Corrections or the Department of Juvenile Corrections; is employed by a private prison facility or a city or county jail; Contracts to provide services with the State Department of Corrections, the Department of Juvenile Corrections, a private prison facility or a city or county jail; is an official visitor, volunteer or agency representative of the State Department of Corrections, the Department of Juvenile Corrections, a private prison facility or a city or county jail – commits unlawful sexual conduct by intentionally or knowingly engaging in any act of a sexual nature with an offender who is in the custody of the State Department of Corrections, the Department of Juvenile Corrections, a private prison facility or a city or county jail or with an offender who is under the supervision of either Department or a city or county.

1.20.2 This section does not apply to a person who is employed by the State Department of Corrections, a private prison facility or a city or county jail or who Contracts to provide services with the State Department of Corrections, a private prison facility or a city or county jail or an offender who is on release status if the person was lawfully married to the prisoner or offender on release status before the prisoner or offender was sentenced to the State Department of Corrections or was incarcerated in a city or county jail.

1.20.3 Unlawful sexual conduct with an offender who is under fifteen years of age is a class 2 felony. Unlawful sexual conduct with an offender who is between fifteen and seventeen years of age is a class 3 felony. All other unlawful sexual conduct is a class 5 felony.

1.20.4 Unlawful sexual conduct; correctional facilities; classification; Definition A.R.S. §13-1419.

1.21 Federal Prison Rape Elimination Act 2003

1.21.1 The Contractor shall comply with the Federal Prison Rape Elimination Act of 2003.

1.22 Documents for Award

1.22.1 The Department will not sign any agreements or any other documents presented for the services listed herein. The completed Offer and Acceptance form signed by the Chief Procurement Officer and the award notice will be the Contract.

1.23 Investigations

1.23.1 The Department reserves the right to make investigations, as deemed necessary, to determine the ability of the Contractor to perform the specified work. The Contractor shall furnish to the Department all such information and data for this purpose as may be requested. The Department reserves the right to reject any Offer if evidence submitted or investigation fails to satisfy the Department that the Contractor is properly qualified to carry out the obligations of the Solicitation. Conditional Offers shall not be accepted.

1.24 Rejection of Offers

1.24.1 The Department, at its discretion, may reject any and/or all Offers.

1.25 Cancellation

1.25.1 The Department reserves the right to cancel the whole or any part of this Contract due to failure by the Contractor to carry out any obligation, term or condition of this Contract. The Department will issue written notice to the Contractor for acting or failing to act as in any of the following:

1.25.1.1 The Contractor provides services or material that does not meet the specifications of this Contract;

1.25.1.2 The Contractor fails to adequately perform the services set forth in the specifications of this Contract;

1.25.1.3 The Contractor fails to complete the services required or to furnish the materials required within the time stipulated in the Contract;

1.25.1.4 The Contractor fails to progress in the performance of this Contract and/or gives the Department reason to believe that the Contractor will not or cannot perform to the requirements of the Contract.

1.25.2 Upon receipt of the written notice of concern, the Contractor shall have ten (10) days to provide a satisfactory response to the Department. Failure on the part of the Contractor to adequately address all issues of concern may result in the Department resorting to any single or combination of the following remedies:

1.25.2.1 Cancel any Contract;

1.25.2.2 Reserve all rights or claims of damage for breach or any covenants of the Contract;

1.25.2.3 Perform any test or analysis on materials or services for compliance with the specifications of this Contract. If the results of any test or analysis find a material non-compliant with the specifications, the actual expense of testing shall be borne by the Contractor;

1.25.3 In case of default, the Department reserves the right to procure services or to complete the required work in accordance with the Arizona Procurement Code. The Department may recover any actual excess costs from the Contractor or by:

1.25.3.1 Deduction from unpaid balance;

1.25.3.2 Collection against the Offer and/or performance bond, or;

1.25.3.3 Any combination of the above or any other remedies as provided by law.

1.26 Evaluation

1.26.1 In accordance with the Arizona Procurement Code §41-2534, Competitive Sealed Proposals, award shall be made to the responsible Offeror whose proposal is determined in writing to be the most advantageous to the Department based upon the evaluation criteria listed below. The evaluation factors are listed in the relative order of importance.

		Possible Points
1.26.1.1 Criterion 1:	Scope of Work	1480 plus 60 preference points
1.26.1.2 Criterion 2:	Fee Schedule	500
1.26.1.3 Criterion 3:	Special Terms and Conditions	300 plus 10 preference points
1.26.1.4 Criterion 4:	Uniform Instructions to Offerors and Uniform Terms and Conditions	200
		Total Possible Points
		2480 plus 70 preference points

1.27 Discussions

1.27.1 In accordance with A.R.S. § 41-2534, after the initial receipt of proposals, the Department reserves the option to conduct discussions with those Offerors who submit proposals determined by the Department to be reasonably susceptible of being selected for award.

1.28 Confidentiality of Records

1.28.1 The Contractor shall establish and maintain procedures and controls, that are acceptable to the Department for the purpose of assuring that no information contained in its records or obtained from the Department or from others in carrying out its functions under the Contract shall be used or disclosed by it, its agents, officers, or employees, except as required to efficiently perform duties under the Contract. Persons requesting such information should be referred to the Department. Contractor also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of the Contractor as needed for the performance of duties under the Contract, unless otherwise agreed to in writing by the Department.

1.29 Indemnification

1.29.1 Contractor shall indemnify, defend, save and hold harmless the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter

referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the State of Arizona, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the State of Arizona.

1.29.2 This indemnity shall not apply if the contractor or sub-contractor(s) is/are an agency, board, commission or university of the State of Arizona.

1.30 Insurance

1.30.1 The successful contractor will be required to provide the following Certification of Insurance with in five (5) days after receipt of written notice of intent to award this contract. The contractor must furnish the State, certification from insurer(s) for coverage in the minimum amount as stated below. The coverage shall be maintained in full force and effect during the term of this contract and shall not serve to limit any liabilities or any other contractor obligations.

1.30.2 Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract, are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

1.30.3 The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this contract by the Contractor, its agents, representatives, employees or subcontractors, and Contractor is free to purchase additional insurance.

1.30.4 Contractor shall provide coverage with limits of liability not less than those stated below. The required insurance coverage limits stated below shall be provided for each annual policy term.

1.30.4.1 Commercial General Liability – Policy shall include bodily injury, property damage, personal and advertising injury, and broad form contractual liability coverage. Coverage shall include all premises and operations of the Contractor in their performance of the scope of work identified in this Contract.

1.30.4.1.1	General Aggregate	$10,000,000
1.30.4.1.2	Each Occurrence	$10,000,000
1.30.4.1.3	Products - Completed Operations Aggregate	$10,000,000
1.30.4.1.4	Personal and Advertising Injury	$10,000,000

1.30.4.1.5 The policy shall be endorsed to include the following additional insured language: "The State of Arizona, its departments, agencies, boards, commissions, and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor".

1.30.4.1.6 In the event that the commercial general liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive coverage date shall be no later than the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.

1.30.4.1.7 Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

1.30.4.1.8 Any General Liability deductible or retention higher than $50,000 shall require prior approval by the State of Arizona

1.30.4.1.9 Punitive damages, fines, penalties and fees shall not be excluded from coverage. Punitive damages are insurable in the State of Arizona.

1.30.4.1.10 There shall be no exclusion or restriction preventing coverage from applying to injury caused by an act of Discrimination or a violation of Civil Rights, including but not limited to race, religion, sex, national origin as well as allegations for failure to provide adequate treatment.

1.30.4.1.11 Communicable Diseases shall not be excluded from coverage.

1.30.4.1.12 Costs and expenses associated with the Defense of all claims are to be in addition to the required Limits of Liability.

1.30.4.1.13 Coverage for Sexual Molestation and Abuse must not be excluded for the entity. This coverage may be sub-limited to no less than $5,000,000. The limits may be included within the General Liability limit or provided by a separate endorsement with its own limits.

1.30.4.2 Professional Liability (including Managed Care Errors and Omissions Liability)

1.30.4.2.1	Each Medical Incident	$10,000,000

1.30.4.2.2 Annual Aggregate $10,000,000

1.30.4.2.3 In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive coverage date shall be no later than the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed. Contractor shall maintain an extended reporting period for not less than two (2) years after termination of this contract.

1.30.4.2.4 The policy shall cover professional misconduct or lack of ordinary skill for those services defined in the Scope of Work of this contract.

1.30.4.2.5 Any Professional Liability deductible or retention higher than $50,000 shall require prior approval by the State of Arizona.

1.30.4.2.6 Punitive damages, fines, penalties and fees shall not be excluded from coverage. Punitive damages are insurable in the State of Arizona.

1.30.4.2.7 There shall be no exclusion or restriction preventing coverage from applying to injury caused by an act of Discrimination or a violation of Civil Rights

1.30.4.2.8 Communicable Diseases shall not be excluded from coverage

1.30.4.2.9 Costs and expenses associated with the Defense of all claims are to be in addition to the required Limits of Liability

1.30.4.2.10 Coverage for Sexual Molestation and Abuse must not be excluded for the entity. This coverage may be sub-limited to no less than $5,000,000. Limits may be included within the Professional Liability limit or provided by a separate endorsement with its own limits.

1.30.4.2.11 If the professional liability coverage is included on the same policy as the commercial general liability, limits of liability must be provided separately for each coverage, and not be subject to a $10,000,000 policy aggregate.

1.30.4.3 Automobile Liability - Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.

1.30.4.3.1 Combined Single Limit (CSL) $1,000,000

1.30.4.3.2 The policy shall be endorsed to include the following additional insured language: "The State of Arizona, its departments, agencies, boards, commissions, and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising

out of the activities performed by or on behalf of the Contractor, involving automobiles owned, leased, hired or borrowed by the Contractor".

1.30.4.3.3 Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities, and its officer, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

1.30.4.4 Worker's Compensation and Employers' Liability

1.30.4.4.1	Workers' Compensation	Statutory
1.30.4.4.2	Employers' Liability:	
1.30.4.4.2.1	Each Accident	$ 500,000
1.30.4.4.2.2	Disease – Each Employee	$ 500,000
1.30.4.4.2.3	Disease – Policy Limit	$1,000,000

1.30.4.4.3 Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

1.30.4.4.4 This requirement shall not apply to: Separately, each contractor or subcontractor exempt under A.R.S. 23-901, and when such contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

1.30.5 Property Policy: Contractor shall provide evidence of insurance for personal property, furniture, fixtures and all equipment including diagnostic medical equipment, that is owned by the State of Arizona, that is being used, serviced or maintained by the Contractor in the execution of this contract. The amount of insurance must be sufficient to provide replacement cost of the equipment from all damages covered on an "all risk" or "special form" type of property or inland marine policy form. The State of Arizona, Arizona Department of Corrections shall be named as Loss Payee as our interest may appear.

1.30.6 Network Security (Cyber) and Privacy Liability:

Per Occurrence	$5,000,000
Annual Aggregate	$5,000,000

This errors and omissions insurance shall include coverage for third party claims and losses with respect to network risks (such as data breaches, unauthorized access or use, ID theft, theft of data) and invasion of privacy regardless of the type of media involved in the loss of private information (such as computers, paper files and records, or voice recorded tapes). The retroactive coverage date shall be no later than the effective date of this contract. Contractor shall maintain an extended reporting period for not less than two (2) years after termination of this contract.

1.30.7 The Contractor shall establish and outline the insurance requirements for each subcontractor that will perform work under the terms of this contract. Such insurance shall be in forms and limits customary in Arizona for the specific services being provided by each subcontractor. Such insurance shall include the State of Arizona and the Arizona Department of Corrections as an additional insured and waiver of subrogation with respect to commercial general liability and automobile liability. An example of the State's minimum requirements entitled "Professional Service Contracts" is located on the Department's website (refer to Subsection 2.1.14) at http://www.azcorrections.gov/healthservicesrfp.html.

1.30.8 The Contractor shall be responsible for confirming each subcontractor meets the established insurance requirements for the specific work or medical service being provided. Contractor is responsible for furnishing evidence of insurance to the Department for each subcontractor as part of the prior written approval process in Subsection 2.3.11.4.1.2.

1.30.9 ADDITIONAL INSURANCE REQUIREMENTS: All Contractor and Subcontractor policies shall include, or be endorsed to include, the following provisions:

1.30.9.1 The Contractor's insurance coverage shall be primary insurance with respect to all other available sources.

1.30.9.2 Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.

1.30.10 NOTICE OF CANCELLATION: With the exception of (10) day notice of cancellation for non-payment of premium, any changes material to compliance with this contract in the insurance policies above shall require (30) days written notice Such notice shall be sent directly to (State of Arizona Department of Corrections, 1601 West Jefferson Street, M/C 55302, Phoenix, AZ 85007-3002 and shall be sent by certified mail, return receipt requested.

1.30.11 ACCEPTABILITY OF INSURERS: Insurance is to be placed with duly licensed or approved non-admitted insurers in the state of Arizona with an "A.M. Best" rating of not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

1.30.12 VERIFICATION OF COVERAGE: Contractor shall furnish the State of Arizona with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this Contract. Each certificate shall include the additional insured or loss payee endorsement and waiver of subrogation endorsements where required above. All certificates shall include the endorsements required in Subsection 1.30.9.

1.30.13 All certificates and endorsements are to be received and approved by the State of Arizona before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the Contract. Failure to maintain the insurance policies as

required by this Contract, or to provide evidence of renewal, is a material breach of contract.

1.30.14 All certificates required by this Contract shall be sent directly to State of Arizona Department of Corrections, 1601 West Jefferson Street, M/C 55302, Phoenix, AZ 85007-3002. The State of Arizona project/contract number and project description shall be noted on the certificate of insurance. The State of Arizona reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time. Do not send certificates of insurance to the state of Arizona's Risk Management section.

1.30.15 APPROVAL: Any modification or variation from the insurance requirements in this Contract shall be made by the Arizona Department of Corrections in consultation with the Arizona Department of Administration, Risk Management Division, whose decision shall be final. Such action will not require a formal Contract amendment, but may be made by administrative action.

1.31 Independent Status of the Contractor

1.31.1 The Contractor is an independent Contractor and will not, under any circumstances, be considered an employee, servant or agent of the Department, nor will the employees, servants or agents of the Contractor be considered employees of the Department.

1.31.2 Personnel actions of employees on the Contractor's payroll shall be the Contractor's responsibility. The Contractor shall comply with all applicable government regulations related to the employment, compensation and payment of personnel.

1.31.3 The Department will not be responsible in any way for the damage or loss caused by fire, theft, accident, or otherwise to the Contractor's stored supplies, materials, equipment, or his employee's personal property stored on Department property.

1.32 Notice Warning

1.32.1 Any person who takes into or out of or attempts to take into or out of a correctional facility or the grounds belonging to or adjacent to a correctional facility, any item not specifically authorized by the correctional facility, shall be prosecuted under the provisions of the Arizona Revised Statutes. All persons, including employees and visitors, entering upon these confines are subject to routine searches of their persons, vehicles, property or packages.

Definition: A.R.S. § 13-2501:
A.R.S. § 13-2505,
ADC Department Order 708

1.33 Contraband

1.33.1 Contraband means any dangerous drug, narcotic drug, intoxicating liquor of any kind, deadly weapon, dangerous instrument, explosive or any other article whose use of or possession would endanger the safety, security or preservation of order in a correctional facility or any person therein. (Any other article includes any substance which could cause abnormal behavior, i.e., marijuana, nonprescription medication, etc.)

Promoting prison contraband A.R.S. § 13-2505:

1.33.1.1 A person, not otherwise authorized by law, commits promoting contraband:

1.33.1.2 By knowingly taking contraband into a correctional facility or the grounds of such a facility; or

1.33.1.3 By knowingly conveying contraband to any persons confined in a correctional facility; or

1.33.1.4 By knowingly making, obtaining, or possessing contraband in a correctional facility.

Promoting Prison Contraband is a Class 5 felony:

Definition: A.R.S. § 13-2501:
A.R.S. § 13-2505,
ADC Department Order 708

1.34 Business Standing A.R.S. § 10-1501

1.34.1 A selected Contractor whose business structure requires that documents be filed regularly with the Arizona Corporation Commission (ACC) must remain in good standing with the ACC during the term of the Contract. An out-of-state firm selected for Contract award must file necessary documents with the ACC as doing business in Arizona prior to execution of the Contract and, throughout the term of the Contract, must remain in good standing with the ACC and the entity where the original documents were filed.

1.35 Performance/Payment Bonds

1.35.1 The Contractor shall obtain and maintain a performance bond from a surety company rated at least A by A.M. Best Company, of a standard commercial scope from a surety company or companies holding a certificate of authority to transact surety business in the State of Arizona, in an amount equal to twenty-five percent (25%) of annual payments under this contracts. This must be in place initially no later than 5 days after award. The Contractor shall not leverage the bond as collateral for debt or create other creditors using the bond as security. The Contractor shall be in material breach of this contract if it fails to maintain or renew the performance bond as required by this contract. The Contractor shall increase the amount of the performance bond in the event the estimated annual amount of payments increases, not later than thirty (30) days after notification the Department of the amount required. The performance bond requirement can not be used to meet the capitalization or equity requirements.

1.35.2 The Contractor agrees that if it is declared to be in default of any material terms of this contract, the Department shall, in addition to any other remedies it may have under this contract, obtain payment under the performance bond for, but not limited to, the following:

1.35.2.1 Making funds available through a proceeding in the appropriate court for payment to subcontracted providers and non-contracted health care providers for

reimbursement due to nonpayment of claims by contractor, in the event of a breach of contractor's obligation under this contract.

1.35.2.2 Reimbursing the Department for any payments made by the Department on behalf of the contractor.

1.35.2.3 Reimbursing the Department for any extraordinary administrative expenses incurred by a breach of contractor's obligations under this contract, including, expenses incurred after termination of this contract by the Department.

1.35.2.4 Making any payments or expenditures deemed necessary to the Department, in its sole discretion, incurred by the Department in the direct operation of the contract pursuant to the terms of this contract and to reimburse the Department for any extraordinary administrative expenses incurred in connection with the direct or indirect operation of the contractor.

1.35.3 The contractor shall reimburse the Department for expenses exceeding the performance bond amount.

1.35.4 The contractor shall maintain the performance bond as long as liabilities associated with this contract are at least $50,000.

1.35.5 Performance Bonds and Payment Bonds shall be in a form acceptable to the State and shall be payable to the Arizona Department of Corrections, an agency of the State of Arizona.

1.36 Inclusive Offerors

1.36.1 Offeror(s) are encouraged to make every effort to utilize subcontractors that are small, business enterprises. This could include subcontractors for percentage of (list name of Service), Offerors who are committing a portion of their work to such subcontractors shall do so by identifying the type of service and work to be performed by providing detail concerning your organization's utilization of small business enterprises. Emphasis should be placed on specific areas that are subcontracted and percentage of contract utilization and how this effort will be administered and managed, including reporting requirements.

1.36.2 Preference will be given to Contractors who utilize small businesses. See Attachment #3.

1.37 Government Procurement; E-Verify Requirement A.R.S. § 41-4401

1.37.1 The Contractor warrants compliance with all Federal Immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23-214, Subsection A. (That subsection reads: "After December 31, 2007, every employer, after hiring an employee, shall verify the employment eligibility of the employee through the E-Verify program.")

1.37.2 A breach of a warranty regarding compliance with immigration laws and regulations shall be deemed a material breach of the contract and the contractor may be subject to penalties up to and including termination of the contract.

1.37.3 Failure to comply with a State audit process to randomly verify the employment records of contractors and subcontractors shall be deemed a material breach of the contract and the contractor may be subject to penalties up to and including termination of the contract.

1.37.4 The State Agency retains the legal right to inspect the papers of any employee who works on the contract to ensure that the contractor or subcontractor is complying with the warranty under paragraph 1.30.1.

1.38 I.R.S. W-9 Form Request for Taxpayer Identification Number and Certification.

1.38.1 In order to receive payment, the Contractor shall have a current I.R.S. W9 Form on file with the State of Arizona, unless not required by law. See Attached form.

1.39 Small Businesses Subcontracting Reporting

1.39.1 Where it is practicable for any portion of the contract to be subcontracted to other suppliers, the Contractor is encouraged to offer such business to small businesses. When such business has been subcontracted to these firms and upon completion of the contract, the Contractor agrees to furnish the Procurement Services the following information: name of firm, phone number, total dollar amount subcontracted and type of product/service provided. See Attachment #3.

1.40 Offshore Performance of Work

1.40.1 Due to security and identity protection concerns, direct services under this contract shall be performed within the borders of the United States. Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and may involve access to secure or sensitive data or personal client data or development or modification of software for the State shall be performed within the borders of the United States. Unless specifically stated otherwise in the specifications, this definition does not apply to indirect or 'overhead' services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers. Offerors shall declare all anticipated offshore services in the proposal.

2. SCOPE OF WORK

2.1 INTRODUCTION

2.1.1 For the purpose of responding to this Request for Proposal, the Offeror shall respond as follows:

2.1.1.1 The font size for all written information provided in or as part of the response to the Request for Proposal shall be 12 point font with borders no less than ½".

2.1.1.2 All pages of the response to the Request for Proposal shall be consecutively numbered.

2.1.1.3 Responses to Sections and Subsections shall be provided in the consecutive order of the Sections and Subsections, beginning with Subsection 2.1.1.

2.1.1.4 All responses to a particular Section or Subsection of this Request for Proposal shall begin with the clear identification of the Section or Subsection for which the response is being provided.

2.1.1.5 All information submitted in response to a particular Section or Subsection of this Request for Proposal shall be provided under the response to that particular Section or Subsection. An Offeror shall not refer to another part of the response. Information or data pertaining to a particular Section or Subsection but included elsewhere shall not be considered part of the response and shall not be considered part of any Contract awarded as a result of this Request for Proposal. The only exceptions to this requirement are full size drawings and specifications required under Subsection 2.6.15.

2.1.1.6 The Offeror shall acknowledge that the Offeror has read, understands, and shall comply with, as applicable, each Section and Subsection of the Request for Proposal, even those Sections and Subsections that are or appear to be informational only. For example, to acknowledge this Subsection, your response shall indicate that you *"have read, understand, and shall comply with Subsection 2.1.1."*

2.1.1.7 For those Sections and Subsections that require the submission of information, the Offeror in addition to making the acknowledgement required in Subsection 2.1.1.6, shall submit the requested information in a format consistent with the request as stated in the Request for Proposal.

2.1.2 The State of Arizona is seeking proposals from qualified providers for the privatization of all correctional health services, including all services listed in Subsection 2.1.3, in all state owned and operated Arizona Department of Corrections facilities. The State of Arizona is looking to the private sector to apply sound, managed care principles to a correctional health services delivery system for all offenders who are committed to the custody of the Arizona Department of Corrections.

2.1.3 An Offeror shall submit a comprehensive proposal for the provision of all five of the following correctional health services:

2.1.3.1 Medical Services as detailed in Section 2.10 and which includes all of the following:

2.1.3.1.1 Medical Providers Care Services
2.1.3.1.2 Nursing Care Services
2.1.3.1.3 Radiology Services
2.1.3.1.4 Laboratory Services
2.1.3.1.5 Biohazard Handling
2.1.3.1.6 Optometry
2.1.3.1.7 Ophthalmology
2.1.3.1.8 Audiology
2.1.3.1.9 Medical Orthotics/Prosthetics
2.1.3.1.10 Inpatient Hospital Care
2.1.3.1.11 Outpatient Medical Specialty Services
2.1.3.1.12 Emergency Medical Services and Transportation
2.1.3.1.13 Inmate Health Education
2.1.3.1.14 Healthcare Records Services
2.1.3.1.15 Restricted Medical Diets
2.1.3.1.16 Medical Linens
2.1.3.1.17 On-Site Dialysis
2.1.3.1.18 Telemedicine

2.1.3.2 Dental Services as detailed in Section 2.11 and which includes all of the following:
2.1.3.2.1 Emergency Dental Care
2.1.3.2.2 Urgent Dental Care
2.1.3.2.3 Ongoing, Routine Dental Care
2.1.3.2.4 Dental Prosthetics
2.1.3.2.5 Dental Outpatient Specialty Services

2.1.3.3 Pharmacy Services as detailed in Section 2.12 and which includes all of the following:
2.1.3.3.1 Stocking and Managing Medications
2.1.3.3.2 Packaging and Dispensing Inmate Medications
2.1.3.3.3 Maintaining Medication Delivery Systems
2.1.3.3.4 Clinical Pharmacy Services

2.1.3.4 Mental Health Services as detailed in Section 2.13 and which includes all of the following:
2.1.3.4.1 Comprehensive Mental Health Services
2.1.3.4.2 Specialized Mental Health Services

2.1.4 Correctional health services shall be made available to inmates according to the program requirements and specifications outlined in this Request for Proposal. Access to and provision of correctional health services shall be in accordance with Section 2.7. Access to Healthcare Services Delivery System.

2.1.5 Correctional health services shall be provided twenty-four (24) hours a day, seven (7) days a week (including holidays) as outlined in a written plan developed by the Contractor and approved by the Department no later than sixty (60) calendar days from the Contract award date.

2.1.6 The Contractor shall provide correctional health services on-site at ten (10) Arizona State Prison Complexes for male and female inmates in four custody levels (minimum, medium, close, and maximum). Specialized support services may be provided through agreements with area providers such as hospitals, clinics, medical specialists, laboratories, and other specific service providers.

2.1.7 The provision of correctional health services shall include coordination of the return of inmates (for health reasons) from those private prisons that house Arizona inmates through Contracts at other locations to Arizona State Prison Complexes.

2.1.8 The provision of correctional health services shall include Interstate Compact inmates per Arizona Revised Statutes Sections 31-471 and 31-491:

2.1.8.1 The Department houses Arizona inmates within prisons in other states and is responsible for payment of any extraordinary health, dental and mental health expenses that occur beyond normal maintenance. The receiving state is responsible for normal inmate maintenance. The Offeror shall provide within their response to this Request for Proposal a mechanism for review and shall be responsible for payment of these services. Inmates may be returned to an Arizona State Prison Complex in accordance with Department Order 1004 Inmate Transfer System.

2.1.8.2 The Department houses other state's inmates within Arizona State Prison Complexes. The Department annually houses between 80 and 100 inmates from other states. The Contractor shall be responsible to provide normal inmate maintenance to include health, dental and mental health services. The Contractor shall contact the sending state for advance authority in writing before incurring any extraordinary health care expense. In an emergent situation, the Contractor may proceed with the necessary treatment without prior authorization, but in every such case the Contractor shall notify the sending state immediately and furnish full information regarding the nature of the illness, the type of treatment to be provided and the estimated cost thereof. The Contractor is responsible for billing and receiving payment from the sending state for extraordinary health services expenses incurred.

2.1.8.3 All inmates confined in an institution per the provisions of the Interstate Compact shall be treated in a reasonable and humane manner and shall be cared for and treated equally with other inmates.

2.1.9 A resultant Contract from this Request for Proposal shall be full risk to the awarded Contractor based on a fixed per day per inmate capitation rate to be invoiced and paid twice a month.

2.1.9.1 An Offeror shall submit as part of the response to this Request for Proposal an all inclusive per day per inmate capitation rate itemized to indicate the primary components of the capitation rate.

2.1.10 A Contractor awarded a Contract from this Request for Proposal shall not reimburse or pay for services at a rate that exceeds the capped fee-for-service schedule that is adopted by the Arizona health care cost containment system (AHCCCS) administration pursuant to Title 36, Chapter 29, Article 1, Arizona Revised Statutes, and that is in effect at the time the services are delivered.

2.1.11 An Offeror may (but is not required to) include as part of their response to the Request for Proposal an option for increasing on-site infirmary beds at the Contractor's cost, subject to Department approval of the plan for and construction of the expansion and subject to review by the Joint Committee on Capital Review and/or the Legislature.

2.1.11.1 If the Offeror is proposing to increase on-site infirmary beds, the plan for the expansion shall be included as part of this Request for Proposal in Subsection 2.6.15.

2.1.11.2 Any and all buildings or improvements resulting from a Contractor increasing infirmary beds shall become the sole property of the Department upon Contract expiration or Contract termination.

2.1.11.3 If the Offeror is proposing to increase on-site infirmary beds, the Offeror shall clearly identify the amount required to fund capital construction in Section 3, Fee Schedule, on line 7.5 AND note any reduction due to savings for having additional on-site facility capacity on line 3.1.1.

2.1.12 Based on the unique operational needs of the correctional system and on available funding, in the Contract resulting from this Request for Proposal, the Department reserves the right to require the Contractor to add or delete an Arizona State Prison Complex in addition to those originally included under this Request for Proposal, and to adjust the number of inmates served at any Contracted site. Therefore, the Offeror is put on notice that the number of inmates covered under this Contract shall increase and decrease over time and shall be prepared in advance to agree to make necessary adjustments required by population changes.

2.1.12.1 As of September 3, 2011, the total number of inmates confined in the ten (10) Arizona State Prison Complexes was 33,586. Monthly Department institutional bed capacity and committed population information may be found at www.azcorrections.gov under Reports & Statistics or directly at www.azcorrections.gov/adc/reports/institution_capacity.aspx . Inmate Daily Count Sheets may be found at www.azcorrections.gov under Reports & Statistics or directly at http://www.azcorrections.gov/Minh_count_sheet.asp.

2.1.13 Start-up and Service Implementation: Offerors must have the capability to implement service delivery as described herein on a date agreed upon between the Contractor and the Department. Offerors shall provide, as part of the response to this Request for Proposal, a start-up and implementation plan, including a schedule with time lines that includes the initial delivery of equipment and supplies, the hiring and training of Contractor staff, and the transition of services. The goal for full service

delivery at each Arizona State Prison Complex shall be no later than ninety (90) calendar days from the Contract award date.

2.1.14 The Department has provided a website that contains critical reference material including, but not limited to, Department policies and other information to assist the Offeror in preparing a through and realistic response to this solicitation. References are made throughout this solicitation to material in the website. Offerors are responsible for reviewing the contents of the information on the website as if they were printed in full herein. All such information is incorporated into the Contract by reference. The information is located on the Department's website at http://www.azcorrections.gov/adc/divisions/adminservices/Request_for_proposal_ADOC1200001105.aspx.

2.2 DEFINITION OF TERMS:

2.2.1 For the purposes of this Solicitation, the following definitions, as well as those definitions provided in Special Terms and Conditions, and Uniform Terms and Conditions that do not conflict shall apply. In the event of conflict, the definition as stated in Special Terms and Conditions and Uniform Terms and Conditions shall apply.

2.2.2 Access. The establishing of a means by which healthcare services are made available to inmates. Access shall be provided on or off-site twenty-four (24) hours a day, seven (7) days a week.

2.2.3 Accreditation. A National Commission on Correctional Health Care (NCCHC) awarded status indicating significant compliance with established standards. Accreditation does not include continuing accreditation upon verification nor probation. Accreditation status is determined under this Contract by the published decision of the accreditation committee minutes/decision of the second meeting following completion of an Arizona State Prison Complex site survey.

2.2.4 Adult Information Management System (AIMS) System. A software database program (mainframe provided by Arizona Department of Administration) that provides information regarding inmates whether active or inactive. The database can be queried to provide information on inmate personal information, Arizona State Prison Complex where inmate is housed, length of sentence, release date, and multiple other items of information pertaining to the inmate's status.

2.2.5 Alhambra Behavioral Health Treatment Facility (ABHTF). An in-patient mental health program located at ASPC-Phoenix, licensed by the Arizona Department of Health Services. The program serves inmate in acute and intermediate settings.

2.2.6 Area Manager. A person designated by the Contractor physically located at an Arizona State Prison Complex and assigned to oversee the day-to-day provision of all correctional health services at that Arizona State Prison Complex in accordance with all Contract requirements.

2.2.7 Arizona Department of Health Services (ADHS). A State agency charged with managing public health issues, regulating, and licensing specific entities operated by the Department. ADHS maintains general oversight of Health Services operations within the Department and licenses the Alhambra Behavioral Health Treatment Facility located at ASPC-Phoenix.

2.2.8 Arizona Board of Medical Examiners. A State agency that licenses, monitors and disciplines physicians and physician assistants.

2.2.9 Arizona Board of Nursing. A State agency that licenses, certifies, monitors and disciplines Certified Nursing Assistants, Licensed Practical Nurses, Registered Nurses and Nurse Practitioners.

2.2.10 Arizona Department of Corrections Objective Classification – Custody and Internal Risk Technical Manual. The current compilation of pertinent policies and procedures used for medical and mental classification of Department inmates.

2.2.11 Arizona State Prison Complex (ASPC). An Arizona prison operated by the Arizona Department of Corrections. An Arizona State Prison Complex includes all satellite prison units assigned to that Arizona State Prison Complex.

2.2.12 Capitation Rate. A fixed rate paid per day per inmate.

2.2.13 Chronic Condition (CC) Disease Management (DM) Program. Programs specifically developed to identify and address the chronic conditions and infectious diseases of inmates through assessment, treatment planning, multidisciplinary care, coaching and education and other mechanisms to improve health outcomes.

2.2.14 Clean Claim: A claim that may be processed without obtaining additional information from the health care provider.

2.2.15 Clinical Practice Guidelines. Systematically developed statements to assist practitioners and patient with decisions about appropriate healthcare for specific clinical circumstances (Institute of Medicine, 1990). Guidelines define the role of specific diagnostics and treatment modalities in the diagnosis and management of patients based on evidence from a rigorous systematic review and synthesis of the published medical literature (National Heart and Lung and Blood Institute, 2011).

2.2.16 Community Provider Healthcare. Healthcare services required under this Request for Proposal that are provided offsite by healthcare providers in the community.

2.2.17 Constitutionally Mandated. Specifically pertaining to the 8th and 14th amendments of the United States Constitution establishing an inmate's right to access health care, the right to care that is ordered and the right to professional medical judgment. Processes established to ensure fulfillment of these rights contribute to the provision of medically necessary care while assuring that inmates are free from application of deliberate indifference. The Department holds the prevailing community standard of care as the essential measure in assuring that Constitutionally Mandated health care is provided to the inmate population. Community Standards: In medical application,

the term Community Standards defines the delivery of health services in the community that represents as a whole, appropriate care and treatment of medical conditions. The methods of community care and treatment are used as indicators to measure the quality and substance of health services provided within the prison environment.

2.2.18 Continuous Quality Improvement (CQI) Program. A structured approach to quality management implemented to improve health care by identifying problems, monitoring, implementing and evaluating corrective action and studying effectiveness of processes and improvement activities. An essential element of quality improvement is the monitoring of high-risk, high-volume or problem-prone aspects of health care.

2.2.19 Correctional Health Services. The provision of all of the following services:

- Medical Services
- Dental Services
- Pharmacy Services
- Mental Health Services
- Administration of Third-Party Services

2.2.20 Correctional Institutional Pharmacy System (CIPS) Pharmacy Software. An interactive database (owned by KALOS) currently used by the Department to manage medications prescribed to inmates.

2.2.21 Dental Services. Services designed to meet the dental health needs of inmates and provided at each Arizona State Prison Complex including emergency dental care; urgent dental care; ongoing, routine dental care; dental prosthetics; and outpatient specialty services.

2.2.22 Dental Services Technical Manual. The current compilation of policies and procedures related to the delivery of dental services to the Department inmate population.

2.2.23 Department. The Arizona Department of Corrections

2.2.24 Department Contract Monitor. Arizona Department of Corrections employee who serves as the liaison between the Department of Corrections and a Facility operator regarding matters that arise as a result of the daily monitoring of the services authorized by this Contract.

2.2.25 Department of Corrections Monitoring Staff. Arizona Department of Corrections staff who report to the Department Contract Monitor and monitor Contract compliance and performance on a daily basis and coordinate all necessary activities relative to the Contractor, the Contractor's Arizona Corporate Staff, the Contractor's Area Manager, and the Arizona Department of Corrections.

2.2.26 Department of Corrections Written Instructions. Regulations and management directives issued by executive staff of the Department of Corrections. These regulations and directives govern the administration and operation of the Department

of Corrections as a whole and the individual institutions consistent with statutes, rules and sound correctional practices. Unless otherwise specified, Department of Corrections Orders, Director's Instructions, or Department Manuals when used herein shall mean all forms of written instructions.

2.2.27 Diet Reference Manual. The current compilation of policies and procedures used in delivery of regular, religious and restricted diets provided to Department inmates.

2.2.28 Director. The Director of the Arizona Department of Corrections, or their designee.

2.2.29 Disease Management. An integrated, systematic healthcare management approach to improve patient outcomes and lower medical costs for inmates living with specific chronic health conditions.

2.2.30 Drug Facts and Comparisons: Publication providing comprehensive and timely drug information on more than 22,000 Rx and 6,000 OTC products. Contains comprehensive monographs detailing actions, indications, administration and dosage, interactions, adverse reactions, warnings and much more. Comprehensive tables compare products of similar formulation, including dose form and strength, distributor name, how supplied, product identification codes and more.

2.2.31 Electronic Health Record (EHR): A comprehensive, all inclusive record to include sections representing documentation opportunities for Medical, Mental Health, Dental and Pharmacy specific information, including templates and forms.

2.2.32 Electronic Medication Administration Record: The electronic component of the EHR used specifically to document the nursing administration of medication orders by the Clinician.

2.2.33 Emergency Services and Care. Medical screening, examination and evaluation by a physician, or, to the extent permitted by applicable laws, by other appropriate personnel who may be under the supervision of a physician, to determine whether an emergency condition exists, and if it does, the care, treatment or procedure which is necessary to relieve or eliminate the emergency medical condition, within the service capability of the Contractor or appropriate emergency healthcare provider.

2.2.34 Event of Default: Events or circumstances relative to the failure of either party hereto to perform a legal or Contractual duty as set forth in the Contract.

2.2.35 Formulary: The Contractor's preferred drug list developed and maintained by the Contractor's P&T Committee

2.2.36 General Population. The population of inmates who are allowed normal movement within an Arizona State Prison Complex.

2.2.37 Health Needs Request (HNR). A paper form that is used by inmates to request health care and is processed to assure timely and appropriate access to health services.

2.2.38 Health Services Technical Manual (HSTM). A policy and procedure manual providing written directives and guidelines for the provision of health care to the inmate population. Included in the HSTM are the Nursing Emergency Response Orders and Nursing Assessment and Treatment Protocols.

2.2.39 Health Services Unit. A physical location within an Arizona State Prison Complex where correctional health is provided.

2.2.40 Inpatient Component (IPC): Provides for transitional level of nursing care of a limited duration and scope for those inmates whose medical care needs are above the level of care available in the individual health unit.

2.2.41 Joint Commission on Accreditation of Health Care Organizations (JCAHO). An accrediting agency charged with certifying participating health care organizations, including hospitals, verifying compliance with quality and performance standards.

2.2.42 Medical Linens. Linens provided to inmates by the Contractor for special needs, including bed sheets, blankets, towels and pillows.

2.2.43 Medically Necessary. The use of any medical treatment, service, equipment, or supply necessary to palliate the effects of a terminal condition, or to prevent, diagnose, correct, cure, alleviate, or preclude deterioration of a condition that threatens life, causes pain or suffering, or results in illness or infirmity and which is:

- Consistent with the symptom, diagnosis, and treatment of the inmate's condition;
- Provided in accordance with generally accepted standards of medical practice;
- Not primarily intended as cosmetic for the convenience of the inmate or the healthcare provider;
- The most clinically necessary level of supply or service necessary for the diagnosis and treatment of the inmate's condition;
- Approved by a medical body or healthcare specialty involved as effective, appropriate, and essential for the care and treatment of the inmate's condition.
- As required by Constitutional mandate (Estelle v. Gamble), state law and all enforceable findings established between the State of Arizona and existing regulatory or statutorily empowered agencies.

2.2.44 Medical Score. A numerical score assigned to each inmate based on medical capacity and function:

- M-1: Maximum sustained physical activity consistent with age: no special requirements
- M-2: Sustained physical capacity consistent with age; stable physical illness or chronic condition; no special requirements
- M-3: Restricted physical capacity; requires special housing or reasonable accommodations.
- M-4: Limited physical capacity and stamina; severe physical illness or chronic condition, requires housing in a corridor institution.
- M-5: Severely limited physical capacity and stamina; requires assistance with Activities of Daily Living (ADLs); requires housing in inpatient component or assisted living area

2.2.45 Medical Services. Services that meet the medical needs of inmates and provided at each Arizona State Prison Complex including provision of the following:

- Medical Providers Care Services
- Nursing Care Services
- Radiology Services
- Laboratory Services
- Biohazard Handling
- Optometry
- Ophthalmology
- Audiology
- Orthotics/Prosthetics
- Inpatient Hospital Care
- Outpatient Medical Specialty Services
- Emergency Medical Services and Transportation
- Inmate Health Education
- Healthcare Records Services
- Restricted Medical Diets
- Medical Linens
- Dialysis
- Telemedicine

2.2.46 Mental Health Score. A numerical score assigned to each inmate based on mental health capacity and function.

- MH-1: No Need – Offender does not require placement in an institution that has regular psychological and psychiatric services on-site
- MH-2: Low Need – Offender does not require placement in an institution that has psychological or psychiatric staffing and services on-site. Offender has a history of mental health issues but does not require current treatment.
- MH-3R: Moderate Need – Offender requires placement in an Arizona State Prison Complex that has regular, full-time psychological and psychiatric staffing and services. Offender has a recognized need for routine mental health services.
- MH-3S: Moderate to High Need – Offender requires placement in an Arizona State Prison Complex that has regular, full-time psychological and psychiatric staffing and services based on special needs.
- MH-4: High Need – Offender requires specialized placement in a mental health program which provides a highly structured setting and/or has intensive psychological and psychiatric services.
- MH-5: Acute Need – Offender requires placement in the Arizona State Hospital or a licensed behavioral health or mental health inpatient treatment facility to receive intensive psychological and psychiatric services as required by Arizona Revised Statute Section 31-226.

2.2.47 Mental Health Services. Services designed to meet the mental health needs of inmates and provided at each Arizona State Prison Complex including assessment, crisis intervention, individual and group counseling and treatment, education, psycho-pharmacological treatment, specialized treatment programs for seriously mentally ill inmates and inmates who require a more structured environment and greater mental health intervention, and release, discharge, re-entry, and transitional planning.

2.2.48 Mental Health Services Technical Manual. The current compilation of policy and procedures used in the delivery of mental health services to the Department's inmate population.

2.2.49 National Commission on Correctional Health Care (NCCHC). An agency that provides certification of health care offered in jails, prisons and juvenile confinement facilities. The application of NCCHC Standards for Health Services in Prisons and NCCHC Standards for Mental Health Services in Correctional Facilities, which address general areas of care and treatment, health records, administration, personnel and medical-legal issues, is required in all Arizona State Prison Complexes. A deficiency exists when the Contractor fails to perform as required by NCCHC Standards and is cited and held accountable for developing and implementing a plan of correction.

2.2.50 Pharmacy Services. Pharmaceutical services provided to each Arizona State Prison Complex including the purchasing, stocking, packaging, delivery, dispensing, and monitoring of prescribed medications, including over the counter medications. For purposes of this Request for Proposal, pharmacy services shall also include clinical management and oversight of all facets of pharmacy operations and systems and processes to address routine, urgent and emergency delivery of medications.

2.2.51 Primary Care. Comprehensive, coordinated and readily-accessible healthcare, including health promotion and maintenance, treatment of illness and injury, early detection of disease and referral to specialists as appropriate. This includes sick call and response to after-hours emergencies that may either be handled at the Arizona State Prison Complex or referred to a community healthcare provider as determined by the on-scene healthcare professional.

2.2.52 Seriously Mentally Ill (SMI). As defined in Arizona Revised Statute Section 36-550, persons, who as a result of a mental disorder as defined in Arizona Revised Statute Section 36-501 exhibit emotional or behavioral functioning which is so impaired as to interfere substantially with their capacity to remain in the community without supportive treatment or services of a long-term or indefinite duration. In these persons mental disability is severe and persistent, resulting in a long-term limitation of their functional capacities for primary activities of daily living such as interpersonal relationships, homemaking, self-care, employment and recreation.

2.2.53 Sick Call. A correctional health services delivery system by which each inmate requests legitimate and appropriate health care services of a non-emergency nature using a Health Needs Request Form. Also referred to in Department policy as a health services appointment.

2.2.54 Super Users: Contractor Staff with an enhanced level of training and skills in the application of the EHR who act as problem-solvers for system inquiries at the facility level.

2.2.55 Telemedicine. The delivery and provision of health care and consultative services to individual patients and the transmission of information related to care, over distance, using telecommunications technologies, and incorporating the following activities:

- Direct clinical, preventive, diagnostic, and therapeutic services and treatment, including procedures where a provider may be present with the patient, and clinical training and consultative clinical Grand Rounds, if used for decision making regarding the clinical care of a specific patient
- Consultative and follow-up services
- Remote monitoring, including the remote reading and interpretation of results of patient's procedures
- Rehabilitative services
- Patient education provided in context of delivering health care to individuals

2.2.56 Utilization Management. The evaluation of the medical necessity, appropriateness, and efficiency of the use of health care services, procedures, and facilities under the provisions of the applicable health benefits plan; sometimes called "utilization review."

2.3 CONTRACTOR/SUBCONTRACTOR QUALIFICATIONS

2.3.1. Multi-party agreement or partnership for the purposes of operating under a Contract awarded as a result of this Request for Proposal:

2.3.1.1. An Offeror if entering into a multi-party agreement or partnership for the purposes of operating under a Contract awarded as a result of this Request for Proposal, shall have one entity/party that is legally and financially responsible for compliance with all Contract requirements contained in this Request for Proposal.

2.3.1.2. An Offeror entering into a multi-party agreement or partnership for the purposes of operating under a Contract awarded as a result of this Request for Proposal, shall in their response(s) to the Request for Proposal fully disclose information as it pertains to all parties.

2.3.1.3. For an Offeror entering into a multi-party agreement or partnership for the purposes of operating under a Contract awarded as a result of this Request for Proposal, the qualifications, corporate/business structure, financial history, and past performance of all parties shall count toward meeting the requirements of the Request for Proposal and in evaluating the proposal submitted in response to this Request for Proposal.

2.3.2. Experience: An Offeror shall demonstrate in the response to this Request for Proposal that the Offeror (including all parties if a multi-party agreement or partnership) is a qualified healthcare provider with sustained experience in providing direct health services in correctional or custodial settings to large populations with diverse and significant health care needs.

2.3.2.1. Offerors shall have at least five (5) years of business/corporate experience within the last ten (10) years providing at least one of the following:

2.3.2.1.1. Medical services as defined in this Request for Proposal to a total daily population of at least 10,000 clients in a correctional or custodial setting.

2.3.2.1.2. Mental health services as defined in this Request for Proposal to a total daily population of at least 10,000 clients in a correctional or custodial setting.

2.3.2.2. Preference shall be given to Offerors with at least five (5) years of business/corporate experience within the last ten (10) years providing medical services or mental health services as defined in this Request for Proposal to a total daily population of at least 20,000 clients in a correctional or custodial setting.

2.3.2.3. Preference shall be given to Offerors with at least five (5) years of business/corporate experience within the last ten (10) years providing comprehensive health services, including medical services, dental services, pharmacy services, and mental health services as defined in this Request for Proposal to a total daily population of at least 10,000 clients in a correctional or custodial setting.

2.3.3. The Contractor shall obtain and maintain any and all licenses and/or certifications necessary to do business in Arizona.

2.3.4. The Contractor shall have in place the organizational, managerial and administrative systems capable of fulfilling all Contract requirements. For the purpose of this Contract, the Contractor shall not employ or contract with any individual who has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement.

2.3.5. An Offeror shall provide, with this response, a complete description of ownership, age, and scope of the Offeror's company, and provide a detailed organizational chart identifying the organizational structure. If a multi-party agreement or partnership, provide information on each party as well as information on the company formed through the agreement or partnership.

2.3.5.1. List any operations, specifically related to fulfilling the Contractor's obligations to the Department under the terms of this Contract that shall be performed by its corporate owner or any of its Divisions or Subsidiaries.

2.3.5.2. The Department may conduct an operational and/or financial review in the event the Contractor undergoes a merger, reorganization, has a change in ownership, or makes changes in three or more key staff positions within a 12 month period.

2.3.6. An Offeror shall provide, with this response, an organizational chart describing the intended organizational structure of the Contracted operation, to include relationships to corporate offices. Organizational chart shall be consistent with the information provided per Subsections 2.3.8 and 2.3.9.

2.3.7. A proposed merger, reorganization or change in ownership of the Contractor's company or any member of a multi-party agreement or partnership formed for the purposes of operating under the Contract awarded as a result of the Request for Proposal shall be reported the Department and may require a contract amendment. The Contractor shall submit a detailed merger, reorganization and/or transition plan to the Department for review at least sixty (60) calendar days prior to the effective date of the proposed change. The purpose of the plan review is to

ensure uninterrupted services to members, evaluate the new entity's ability to perform the contract requirements, ensure that services to inmates are not diminished and that major components of the organization and Department programs are not adversely affected by such merger, reorganization or change in ownership.

2.3.8. Arizona Corporate Presence: The Contractor shall for the full term of this Contract maintain a significant local (within the State of Arizona) physical presence:

2.3.8.1. The Offeror shall submit with their response to this Request for Proposal all addresses, telephone numbers, and e-mail addresses associated with the Arizona presence.

2.3.8.2. If an Arizona presence has not yet been established, the Offeror shall describe the planned Arizona presence.

2.3.9. Arizona Corporate Staffing Requirements: The Contractor shall maintain within Arizona the following positions:

2.3.9.1. Arizona Chief Executive Officer (CEO) who shall have ultimate responsibility for the management of the Contractor's Arizona operations and compliance with Federal and State laws and the requirements in this Contract. This position shall have decision making authority to ensure appropriate and timely medical care is given to inmates covered under this Contract and ensure timely compliance with all Contract provisions. The individual employed for this position shall have at least five years experience with management of correctional health care organizations. This shall be a full-time position and the position, or a designee with full independent decision making authority on behalf of the Contractor, shall be available to the Department twenty-four (24) hours a day seven (7) days a week (24/7).

2.3.9.2. Chief Medical Officer (CMO) who shall have an Arizona license as a physician and have responsibility for the effective implementation of all clinical-medical programs, the QM and UM program in compliance with Federal and State laws and the requirements set forth in this Contract. This shall be a full-time position. The positions shall have the responsibility for effective implementation of the QM program and the UM of services. Additionally, the CMO shall be involved in the following but not limited to:

- Development, implementation, and interpretation of clinical-medical policies and procedures.
- Physician recruitment and supervision.
- Decision making process for approval and denial of provider credentialing.
- Administration of all utilization management and quality management activities.
- Continuous assessment and improvement of the quality of care provided to inmates.
- Development and implementation of the QM and UM plan and serve as the chairperson of the QM, UM, and Peer Review Committees with oversight of other medical/clinical committees.
- Provider education, in-service training and orientation.
- Attendance at regular Department and Contractor meetings when requested by the Department.

2.3.9.3. Pharmacy Director/Coordinator who is an Arizona licensed pharmacist or physician who oversees and administers the prescription drug and pharmacy benefits and manages all requirements in compliance with Federal and State laws and the requirements in this Contract. The Pharmacy Coordinator/Director shall devote sufficient time to ensure an effective program to meet the needs of the inmate population. The Pharmacy Coordinator/Director may be an employee or contractor of the plan.

2.3.9.4. Mental Health Director/Behavioral Health Administrator who is a behavioral health professional as described in the Arizona Department of Health Services Rule, 9 A.A.C. 20 and manages all requirements in compliance with Federal and State laws and the requirements in this Contract. The Behavioral Health Coordinator / Behavioral Health Medical Director shall devote sufficient time to ensure an effective program to meet the behavioral health needs of the inmate population. The Behavioral Health Administrator / Behavioral Health Medical Director shall have significant experience and expertise in the management and oversight of effective public sector programs and behavioral health care delivery systems.

2.3.9.5. Dental Director/Coordinator who is an Arizona licensed Dentist that is responsible for coordinating dental activities and manages all requirements in compliance with Federal and State laws and the requirements in this Contract. The Dental Director/ Coordinator shall devote sufficient time to ensure an effective program to meet the needs of the inmate population. The Dental Director/Coordinator may be an employee or contractor of the plan.

2.3.9.6. Provider Services and Claims Representative who is responsible to coordinate provider and claims related communications between the Contractor and its subcontractors. The Provider Services / Claims Representative shall devote sufficient time to enable providers to receive prompt resolution to their problems.

2.3.9.7. Inmate Grievance Representative who will manage and adjudicate member grievances arising under the Grievance System including those which rise to the level of an administrative hearing or a judicial proceeding. The Inmate Grievance Representative shall devote sufficient time to enable inmates to receive prompt resolution to their grievance.

2.3.9.8. Area Managers, as required in Subsection 2.6.2, at each Arizona State Prison Complex. An Offeror shall identify as part of the response to this Request for Proposal each Area Manager. An individual selected as an Area Manager shall remain in that position at the Arizona State Prison Complex for a minimum period of one year, or as long as their performance is acceptable to the Department.

2.3.9.9. If any of the positions identified in Subsection 2.3.9 are presently employed by the Offeror, supply the Department a detailed resume, references and background of qualifications. If the Offeror does not presently employ someone for one or more of these positions, the Offeror should submit a detailed job description, including qualifications, for the position. The resume, references and background of qualifications of an individual assuming one of these specific positions shall then be submitted to the Department for approval prior to hiring or execution of an employment contract. The Department reserves the right of approval for these positions.

2.3.9.10. The Contractor shall notify the Department, in writing within seven days, upon the termination or separation of any of the individuals holding positions identified in Subsection 2.3.9. The Contractor shall identify the reason for the termination or separation and the name of the interim contact person shall be included with the notification. The name, resume, references and background of qualifications of the individual assuming the position shall then be submitted to the Department for approval prior to hiring or execution of an employment contract. The Department reserves the right of approval for the position.

2.3.9.11. In addition to the positions required to be located in Arizona, the Department shall give preference to Offerors who commit to locating additional senior positions associated with this Contract within Arizona. These include but are not limited to:

- Medical/Utilization Management Administrator
- Quality Management Administrator
- Financial Operations Manager
- IT Software and Network Administrator.

2.3.9.11.1. Describe each additional senior position the Offeror shall be locating in Arizona:

2.3.9.11.1.1. For each position include the position name, short position description and approximate value of salary and employee related benefits for benefits.

2.3.9.11.1.2. The Department reserves the right of approval for these positions.

2.3.10. Arizona Corporate Presence/Service Provision: The Department encourages the Contractor to develop its corporate, operational and staffing presence in Arizona beyond the minimum Contract requirements. Corporate presence may include the corporate owner, corporate headquarters or any of its divisions or subsidiaries providing administrative support to the Contractor's Arizona operations. Examples of operational functions that may be provided through a direct presence in Arizona include but are not limited to the following: claims processing and payment system or other related administrative functions; prior authorization of health care treatment; network development and contracting; pharmaceutical management; dental management; and mental health management.

2.3.10.1. To the extent an operational function is conducted outside the State of Arizona, the Contractor shall maintain minimum business hours between the hours of 8:00 a.m. to 5:00 p.m. Arizona standard time, Monday through Friday. This requirement does not replace any other hourly requirement within this Request for Proposal.

2.3.10.2. For those functions that the Contractor establishes within Arizona during the term of this Contract and that are not contractually required to be performed within Arizona, the Contractor shall obtain approval from the Department prior to moving these functions outside the State of Arizona. Such a request for approval shall be submitted to the Department at least sixty (60) calendar days prior to the proposed changes in operations and shall include a description of the processes in place that assure rapid responsiveness to effect changes for Contract compliance.

2.3.10.3. The Contractor shall be responsible for any additional costs incurred by the Department that are associated with out-of–Arizona on-site audits and related audit activities that result when operational functions or subcontracted functions are located outside of the State of Arizona.

2.3.10.4. Preference shall be given to an Offeror who has located or commits to locating operational functions associated with this Contract within Arizona.

2.3.10.4.1. An Offeror shall provide, with their response to this Request for Proposal, a description of the functions associated with this Contract, which are not contractually required to be performed within Arizona, that the Contractor has or shall establish in Arizona.

2.3.10.4.2. An Offeror shall describe how these functions shall be associated and/or integrated with the required Arizona based operations and staffing.

2.3.11. Subcontractor Requirements: Describe in detail any and all required tasks or operations specifically related to fulfilling the Contractor's obligations to the Department under the terms of this Contract, that shall be performed by subcontractors other than those that are established with its corporate owner or any of its Divisions or Subsidiaries. (i.e., not performed directly by the Offeror). See Subsections 2.8.3 through 2.8.8 for additional requirements related to subcontracted health care providers.

2.3.11.1. For non-health care providers, identify the entity the Offeror proposes to use for each subcontracted task.

2.3.11.1.1. For each such entity, describe the Offeror's experience contracting with the proposed subcontracted entity, including years of such experience, location of such experience, and the specific scope of work provided in that experience.

2.3.11.1.2. For each such entity, identify if the Offeror's organization or any member of a multi-party agreement or partnership formed for the purposes of operating under the Contract awarded as a result of the Request for Proposal, has a financial or affiliated interest of any kind in the entity.

2.3.11.1.3. For each such entity, provide a signed letter of intent from the proposed subcontractor that includes their confirmation that they have read, understand, and agree to abide by all applicable requirements and provisions that shall be a part of this Contract.

2.3.11.2. Describe the Offeror's plan to monitor all subcontractors, including health care providers, to ensure that subcontractors are performing appropriately and are financially stable.

2.3.11.3. Submit a plan or narrative confirming understanding of the following requirements for all subcontractors, including health care providers, and identifying compliance:

2.3.11.3.1. The Contractor shall ensure that all subcontractor agreements receive prior written approval by the Department Contract Monitor and contain provisions requiring the subcontractor to comply with all applicable terms and conditions of the Contract resulting from this Request for Proposal. The Contractor shall not substitute any subcontract without the prior written approval of the Department.

2.3.11.3.2. The Contractor shall submit a written request for approval to the Department Contract Monitor at least seven (7) calendar days before the provider is to be utilized.

2.3.11.3.3. The Contractor shall oversee and hold subcontractors accountable for any functions and responsibilities that it delegates. The Contractor shall evaluate the prospective subcontractor's ability to perform the activities to be delegated.

2.3.11.3.4. The Contractor is not obligated to contract with any provider unable to meet the contractual standards of this Request for Proposal. In addition, the Contractor is not obligated to continue to contract with a provider who does not provide high quality services or who demonstrates utilization of services that are an outlier compared to peer providers with similarly acute populations and/or compared to the expectations of the Contractor and State. The Contractor's provider selection policies and procedures cannot discriminate against particular providers that specialize in conditions that require costly treatment.

2.3.11.3.5. The Contractor shall ensure that all payments to and claims from subcontractors, including hospitals, clinics and other related health service providers, are paid in a timely manner. The Contractor shall develop efficient claim submission and reimbursement procedures, including dispute resolution.

2.3.11.3.6. The Contractor shall have a written contract that specifies the activities and report responsibilities delegated to the subcontractor; and provides for revoking delegation, terminating contracts, or imposing other sanctions if the subcontractor's performance is inadequate. The Contractor shall monitor all subcontractors' performance on an ongoing basis and subject it to formal review according to a periodic schedule established by the Department, consistent with industry standards or State laws and regulations. The Contractor shall identify deficiencies or areas for improvement, and the subcontractor shall take corrective action.

2.3.11.4. For all subcontracts, including health care providers, before commencing work:

2.3.11.4.1.1. The Contractor shall provide to the Department letters of agreement, contracts or other forms of commitment which demonstrates that all requirements pertaining to the Contractor shall be satisfied by all subcontractors through the following:

2.3.11.4.1.1.1. Each subcontractor shall provide a written commitment to accept all contract provisions.

2.3.11.4.1.1.2. Each subcontractor shall provide a written commitment to adhere to an established system of accounting and financial controls adequate to permit the effective administration of the contract.

2.3.11.4.1.2. The Contractor shall provide proof of insurance as required in the Special Terms and Conditions, Section 1.30.

2.3.11.4.1.3. For each subcontractor, the Contractor shall identify if the Contractor's organization or any member of a multi-party agreement or partnership formed for the purposes of operating under the Contract awarded as a result of the Request for Proposal, has a financial or affiliated interest of any kind in the subcontractor.

2.3.11.4.1.3.1. The Contractor shall notify the Department within seven (7) calendar days of any change of financial or affiliated interest in a subcontractor. The Department reserves the right of approval for the change.

2.3.12. Performance: An Offeror (including all parties if a multi-party agreement or partnership) shall demonstrate in the proposals a history of safely providing/directing health care services in correctional or custodial settings consistent with requirements of this Request for Proposal.

2.3.12.1. Provide a list of all customers in the United States in the past ten years to include any contract which is no longer active and including operation under prior ownership or management. All requested information shall be provided. Failure to provide the required information shall result in a loss of points for Section 2.3. The Department the right to contact all current and past customers. For each customer provide:

2.3.12.1.1. Full Contract/Customer Organization Name.
2.3.12.1.2. Complete Contract/Customer Address, City, State, Zip Code, telephone Number, e-mail address.
2.3.12.1.3. Contract/Customer Contact name for verification. Each identified contact person shall have first hand knowledge regarding the specific work of the Offeror.
2.3.12.1.4. Identification if the Contract is active or inactive.
2.3.12.1.5. Complete Contract Dates.
2.3.12.1.6. Number of individuals served under the Contract
2.3.12.1.7. Payment type (e.g. administrative services only fee, full capitation, etc.).
2.3.12.1.8. Approximate revenue in the most recent year of the contract.
2.3.12.1.9. If the Contract is inactive, full and complete disclosure of the reason(s) the Contract ended, i.e., was cancelled, was terminated, was not renewed, was not awarded during a rebidding process, etc.
2.3.12.1.10. In the framework of the last 10 years, provide the following for the most recent five years of each active Contract and the most recent three years of each inactive Contract:

2.3.12.1.10.1. Detailed identification of and information pertaining to any and all deficiencies, letters/notifications/written communications of concern, corrective action/cure notices, instances of contractual non-compliance, quality of care issues or concerns, and financial or administrative concerns or failures related to the provision of service covered by the Contract and identified during the term of the Contract, including the resolution or final disposition regarding the deficiency, concern, failure or area of non-compliance.

2.3.12.1.10.2. Detailed identification of and information pertaining to any and all monetary sanctions or monetary off-sets related to the provision of service covered by the Contract and applied during the term of the Contract, and the resolution or final disposition regarding the monetary sanctions or monetary off-set.

2.3.12.1.11. A list of all closed or pending legal judgments, claims, or lawsuits, including the complaint, the answer, and the final disposition, if closed.

2.3.12.1.12. Identification if any closed or pending legal judgments, claims, or lawsuits:

2.3.12.1.12.1. Contributed to any contracts ending.

2.3.12.1.12.2. Contributed to or were related to any deficiencies identified, concerns identified, failures identified, areas of non-compliance identified, monetary sanctions applied, or monetary off-sets applied during the term of the Contract.

2.3.12.2. The Department shall consider an Offeror's performance history based upon current and prior performance and information obtained from the Offeror, from the Contract/Customer Organizations, and from public records.

2.3.12.3. Contract performance shall show that the Offeror:

2.3.12.3.1. Has met the requirements of the Contract.

2.3.12.3.2. Has maintained adequate staff levels to meet the requirements of the Contract.

2.3.12.3.3. Has a track record of being accountable to performance requirements within the Contract.

2.3.12.3.4. Is a qualified healthcare provider capable of providing health services in correctional or custodial settings to populations with diverse and significant health care needs.

2.3.12.3.5. Did not have deficiencies or areas of non-compliance identified during the term of the Contract, that were not resolved to the full satisfaction of the Contract holder.

2.3.12.3.6. Did not have monetary sanctions or monetary off-sets applied during the term of the Contract, that were not resolved to the full satisfaction of the Contract holder.

2.3.12.4. Should information provided by the Offeror or obtained by the Department, per this Request for Proposal, reveal that a Contract ceased due to a contract being ended, not awarded, or not renewed because of negligent or wrongful acts committed by the Offeror or for cause, the Offeror may be deemed non-responsive.

2.4. FINANCIAL RESPONSIBILITY

2.4.1. The Offeror shall submit Audited Financial Statements for the last five (5) years. Financial Statements shall be prepared and audited by an independent, licensed CPA according to generally accepted accounting principles (GAAP) and shall include a balance sheet, income statement, cash flow statement, and accompanying accountant's notes.

2.4.1.1. If the Offeror is a newly formed entity and is relying on another organization to meet capitalization requirements, submit the most recent five (5) years of audited, and the most recent quarterly unaudited financial statements of the organization(s) that intends to provide funding or support to the newly-formed entity. Disclose in detail the relationships of any such organization(s) providing funding to the Offeror.

2.4.2. The Offeror shall submit a five-year Pro Forma Financial Statement, including a balance sheet, income statement, and cash flow statement. Submit financial viability calculations for the five year financial projections.

2.4.3. The Department shall have the right to request additional financial data in order to obtain information deemed necessary.

2.4.4. Financial Management: The Contractor shall have a sufficient number of qualified staff and accounting personnel to develop and maintain an internal controls system that adequately safeguards resources, promotes the effectiveness and efficiency of operations, and assures the reliability of financial reporting and compliance with applicable laws and regulations to account for all revenue and expenses associated with this Contract.

2.4.4.1. The Contractor shall develop and maintain internal controls to prevent and detect fraud, waste and abuse.

2.4.4.2. The Contractor shall maintain a self-balancing set of records in accordance with Generally Accepted Accounting Principles. The Contractor agrees to maintain supporting financial information and documents that are adequate to ensure that payment is made in accordance with applicable federal and state requirements, and are sufficient to ensure the accuracy and validity of Contractor invoices. Such documents, including all original claim forms, shall be maintained and retained by the Contractor for a period of five (5) years after the Contract expiration date or until the resolution of all litigation, claim, financial management review or audit pertaining to the Contract, whichever is longer. The Contractor shall not have restrictions on the right of the state and federal government to conduct inspections and audits as deemed necessary to assure quality, accuracy, appropriateness or timeliness of services and the reasonableness of their costs. The Department or its designee may inspect and audit any financial records of the Contractor or its subcontractors.

2.4.4.3. Upon reasonable notice, the Contractor shall provide prompt, reasonable, and adequate access to any records, books, documents, and papers that are related to the performance of the Contract.

2.4.4.4. The Contractor agrees to provide the access described within the State of Arizona, regardless of where the Contractor maintains such books, records, and supporting documentation. The Contractor further agrees to provide such access in reasonable comfort and to provide any furnishings, equipment, and other conveniences deemed reasonably necessary to fulfill the purposes described in this Section. The Contractor shall require its subcontractors to provide comparable access and accommodations.

2.4.4.5. The Contractor shall provide the Department and its designees, which may include auditors and inspectors, with access to Contractor service locations, facilities, or installations; and software including any and all files produced by this software and equipment. Access described in this Subsection shall be for the purpose of examining, auditing, or investigating:

2.4.4.5.1. Capacity to bear the risk of potential financial losses.
2.4.4.5.2. Services and deliverables provided.
2.4.4.5.3. Determination of the amounts payable under the Contract.

2.4.4.6. The Offeror shall describe their general ledger and accounting system and how the system tracks and records revenue and expenses, including location of system and records. Specifically address how the Contractor's accounting system shall be able to accurately and separately account for all revenues and expenses related to any resulting Department Contract.

2.4.4.7. The Offeror shall describe their experience in working with governmental agencies in developing and submitting financial and utilization data to assist in the monitoring of contractual performance and operations. Include two examples of actual reports submitted to governmental agencies. Identify customer(s) who can verify the experience.

2.4.4.8. The Offeror shall describe their experience in working with governmental agencies in developing and submitting budget tracking data to track expenditures, utilization, cost per service, etc. Include one example of actual reports submitted to governmental agencies. Identify customer(s) who can verify the experience.

2.4.4.9. The Contractor shall provide annually and/or quarterly during the term of the Contract the following Financial Statements:

2.4.4.9.1. Two copies of audited corporation Financial Statements prepared and audited by an independent, licensed CPA according to generally accepted accounting principles (GAAP) and including a balance sheet, income statement, cash flow statement, and accompanying accountant's notes. These audited financial statements are due to the Department no later than one hundred and twenty (120) calendar days after the Contractor's fiscal year end.

2.4.4.9.2. Two copies of quarterly and annual Financial Statements specific to the revenue and expenses of this Contract (in a format to be determined by the Department), including but not limited to an income statement. Contract-specific report formats and due dates will be determined by the Department prior to Contract start date and may be revised and/or amended by the Department as needed. These financial statements are subject to audit and/or review by the Department or its designee.

2.4.4.10. The Contractor shall have a system to track revenue, expenditures, utilization, cost per service, etc. The system shall be capable of producing monthly and annual reports to track actual to budget expenditures and assist in the budget process and identify potential budget surpluses or overages. The system and the reports the system produces shall be approved by the Department. The Contractor shall make reports available to the Department as requested by and on dates specified by the Department.

2.4.5. Financial Solvency: The Contractor shall, at all times, maintain capitalization and surplus requirements as set forth in this Request for Proposal.

2.4.5.1. The initial capitalization requirement shall be $15,000,000 and then no less than $10,000,000 at the time of the Contract start date. The initial capitalization requirement of $15,000,000, which must be met with no encumbrances, such as loans subject to repayment, must be met within thirty (30) calendar days of the Contract award date. The difference between the initial capitalization amount and Contract start date amount will allow for the Contractor to incur expenses prior to contract start date and still meet the capitalization requirement. This requirement is in addition to the Performance Bond requirements defined in the Special Terms and Conditions (Section 1.35) and must be met with cash with no encumbrances, such as a loan subject to repayment. The capitalization requirements may be applied toward meeting the financial standards' equity requirement (see Subsection 2.4.5.4) and is intended for use in operations of the Contractor.

2.4.5.2. The Department shall review the Contractor's solvency and financial condition within thirty (30) calendar days of Contract award date, and then quarterly and annually on an on-going basis, and upon any suspicion or findings of possible financial inadequacy for performance of the Contract. The Contractor's ability to demonstrate adequate financial resources for performance of the Contract or the ability to obtain such resources as required during performance under the Contract shall be given special emphasis.

2.4.5.3. The Offeror shall agree that after the Contract is awarded the Contractor and its owners (if applicable) shall:

2.4.5.3.1. Review for accumulated fund deficits and compliance with the financial standards' capitalization requirement on a quarterly and annual basis.

2.4.5.3.2. In the event the Contractor has a fund deficit or is not in compliance with the financial standards' capitalization requirement, the Contractor and its owners shall fund the deficit sufficiently to meet all financial standards/requirements through capital contributions in a form acceptable to the Department. The capital contributions shall be for the period in which the deficit is reported and shall occur within thirty (30) calendar days of the financial statement due date.

2.4.5.3.3. In the event the Contractor is not able to fund the deficit sufficiently within thirty (30) calendar days, the Contractor and its owners shall purchase an additional Performance Bond in the amount that is equal to or greater than the difference between the Contractor's current equity and the $10,000,000 minimum requirement.

2.4.5.3.4. If after ninety (90) calendar days the Contractor continues to have a fund deficit or is not in compliance with the financial standards' capitalization requirement (not inclusive of the additional Performance Bond requirement per Subsection 2.4.5.3.3), the Department reserves

the right to impose monetary sanctions as per Section 2.21 (Monetary Sanctions) or cancel the Contract as per Section 1.25 (Cancellation)

2.4.5.4. The Offeror shall agree that after the Contract is awarded the Contractor shall maintain the following financial standards at all times during the terms of the Contract and prior to Contract start:

~~2.4.5.4.1. A current ratio greater than 1.0 (as defined by current assets divided by current liabilities)~~

2.4.5.4.2. Net positive income from operations or losses funded by Contractor's owner organization(s)

2.4.5.4.3. Equity equal to or greater than the $15,000,000 and $10,000,000 requirements as per Subsection 2.4.5.1.

2.4.5.5. The Offeror shall agree that after the Contract is awarded the Contractor shall have in place within thirty (30) calendar days of the Contract award date, the capitalization requirement, which is met with no encumbrances, such as loans subject to repayment.

2.4.5.5.1. The Offeror shall describe in detail how this requirement shall be met. In addition, if applicable, submit a written certification, signed and dated by the president/chief executive officer of the parent organization(s), indicating the parent organization's plan to provide the initial minimum capitalization to the Contractor, without restrictions, within the timeframe contained in the Contract.

2.4.5.6. The Offeror shall describe how they shall ensure compliance with financial standards and mitigate potential losses due to high-cost cases or potential underbidding. Examples of appropriate discussion points include, but are not limited to, excess equity, outside reinsurance, parental guarantees, and lines of credit.

2.5 GENERAL PROVISIONS

2.5.1 The Contractor shall provide correctional health services on a fixed per day per inmate capitation rate that meets or exceeds the minimum requirements outlined in this Request for Proposal. This includes all treatment and related program support services. No deviations from the minimum service requirements shall be permitted without the prior written approval of the Department. The Contractor shall act in good faith in the performance of all Contract provisions.

2.5.2 The Contractor shall be responsible to provide the necessary professional, paraprofessional and clerical services for the representation of the Contractor in all issues relating to the grievance system and any other matters arising under this Contract which rise to the level of an administrative hearing or a judicial proceeding. Unless there is an agreement with the State in advance, the Contractor shall be responsible for all attorney fees and costs to the claimant in a judicial proceeding.

2.5.3 Requests for information: The Department at any time during the term of a Contract resulting from this Request for Proposal, may request financial or other information from the Contractor. Responses shall fully disclose all financial or other information requested. Information may be designated as confidential but may not be withheld from the Department as proprietary. Information designated as confidential may not be disclosed by the Department without the prior written consent of the Contractor except as required by law. Upon receipt of such written requests for information, the Contractor shall provide complete information as requested no later than thirty (30) calendar days after the receipt of the request unless otherwise specified in the request itself.

2.5.4 In the event that the Contract is terminated for any reason, or expires, the Contractor shall assist the Department in the transition to a new Contractor. In addition the Department reserves the right to extend the term of the Contract on a month to month basis to assist in transition of services to a new Contractor. The Contractor shall make provision for continuing all management and administrative services until the transition of services is complete and all other requirements of the Contract are satisfied. The Contractor shall be responsible for the following:

2.5.4.1 Notification of Subcontractors.

2.5.4.2 To ensure continuity of care for identified inmates and as agreed upon between the Department and the Contractor, the Contractor may be responsible for continuation of services being provided to an individual inmate for up to ninety (90) calendar days after the expiration or termination of the Contract under a month to month extension of the term of the Contract.

2.5.4.3 Payment of all outstanding obligations for medical care rendered to inmates. Until the Department is satisfied that the Contractor has paid all such obligations, the Contractor shall provide the following reports to the Department on a monthly basis (due the 15th day of the month, for the preceding month):

2.5.4.3.1 A monthly claims aging report by provider.

2.5.4.3.2 A monthly accounting of Inmate grievances and provider claim disputes and their disposition.

2.5.4.3.3 Additional reporting as requested in the termination letter issued by the Department.

2.5.4.3.4 Quarterly audited Financial Statements up to the date of Contract termination. The financial statement requirement shall not be absolved without an official release from the Department.

2.5.4.3.5 Encounter reporting until all services rendered prior to Contract termination have reached adjudicated status and data validation

of the information has been completed, as communicated by a letter of release from the Department.

2.5.4.4 Cooperation with reinsurance audit activities on prior Contract years until release has been granted by the Department.

2.5.4.5 Maintenance of a Performance Bond until remaining Department liabilities are less than $50,000.

2.5.4.6 Provision of reports set forth in this Request for Proposal and necessary for the transition process.

2.5.4.7 Compliance with record retention requirements, as identified in this Request for Proposal.

2.5.4.8 Complying with data transfer requirements in Section 2.22.

2.5.5 In the event of termination or suspension of the Contract by the Department, such termination or suspension shall not affect the obligation of the Contractor to indemnify the Department for any claim by any third party against the State or the Department arising from the Contractor's performance of this Contract and for which the Contractor would otherwise be liable under this Contract.

2.5.6 Any dispute by the Contractor, with respect to termination or suspension of this Contract by the Department, shall be exclusively governed by the provisions identified within the Contract.

2.5.7 Medical health records, data, information and reports collected or prepared by the Contractor in the course of performing its duties and obligations under this Contract shall be deemed to be owned by the Department. The ownership provision is in consideration of the Contractor's use of public funds in collecting or preparing such medical records, data, information and reports. These items shall not be used by the Contractor for any independent project of the Contractor or publicized by the Contractor without the prior written permission of the Department. Subject to applicable state and Federal laws and regulations, the Department shall have full and complete rights to reproduce, duplicate, disclose and otherwise use all such information. Prior to or at the termination of the contract, the Contractor shall make available all such information as requested by the Department, including in a readable electronic format specified by the Department.

2.6 REQUIREMENTS

2.6.1 The successful Offeror shall be responsible for all costs associated with the provision of correctional healthcare services. The Contractor shall be required to provide comprehensive healthcare services coverage twenty four (24) hours a day seven (7) days a week at each Arizona State Prison Complex.

2.6.2 The Contractor shall designate an Area Manager assigned to and physically located at each Arizona State Prison Complex who shall be responsible for overseeing

the day to day provision of all correctional health services at that Arizona State Prison Complex in accordance with all Contract requirements.

2.6.3 The Contractor shall work with the Department Contract Monitor to establish a schedule of regular meetings between Area Managers, the Contractor's Arizona CEO or other Arizona Corporate Staff, and the Department Contract Monitor and/or the Arizona State Prison Complex Warden.

2.6.3.1 Meetings between an Area Manager and the Arizona State Prison Complex Warden shall be scheduled weekly.

2.6.3.2 In addition, the Contractor shall provide the appropriate staff representation for attendance and participation in meeting and/or events scheduled by the Department. All meetings shall be considered mandatory unless otherwise indicated.

2.6.4 The Contractor shall utilize Department Correctional Officers for the performance of all security services, including security in hospitals where in-patient services are provided in a non-secure wing or unit. The Contractor shall be responsible for coordinating security coverage with the Department as established by Department Order 1101 Inmate Access to Health Care, Department Order 705 Inmate Transportation, and the Health Services Technical Manual. The Contractor shall work with the Department Contract Monitor to establish protocols to ensure proper coordination and communication regarding security services.

2.6.5 In the event of an inmate death, the Contractor shall be responsible for acting in accordance with HSTM Chapter 7, Section 7.7.2, Department Order 1105 Inmate Mortality/Morbidity Review, and Department Order 608 Criminal Investigations, Section 608.08 Inmate Death Investigation Reviews. The Contractor shall also be responsible for completing a Mortality Review as required in Subsection 2.8.13.

2.6.6 Rules, Regulations, and Governance: The Contractor shall provide correctional health care treatment and services in accordance with all applicable federal and state laws, rules and regulations, Department Orders, Instructions, procedures, and Department Technical Manuals applicable to the delivery of correctional health services. In addition, the Contractor shall meet all state and federal constitutional requirements, court orders, and maintain full compliance with applicable NCCHC Standards for Health Services in Prisons and NCCHC Standards for Mental Health Services in Correctional Facilities (whether essential or non-essential). All such laws, rules and regulations, current and/or as revised, are incorporated herein by reference and made a part of this Request for Proposal and any resulting Contract. The Contractor and the Department shall work cooperatively to ensure service delivery in complete compliance with all such requirements.

2.6.6.1 It shall be the responsibility of the Contractor to see that all employees hired to work in the Health Services Units are informed of all pertaining laws, policies and procedures for both the Department and the Contractor, relative to their job.

2.6.6.2 The Contractor shall ensure that all Contractor staff providing services under a resultant Contract based on this Request for Proposal comply with prevailing ethical and professional standards, and the rules, procedures and regulations mentioned above.

2.6.6.3 Should any of the above laws, standards, rules or regulations, Department procedures, HSTM protocols or directives change during the course of this procurement or resultant Contract term, the updated version shall take precedence.

2.6.6.4 NCCHC Compliance: The Contractor shall be responsible for instituting operational application of all NCCHC standards as they pertain to services provided under a Contract. Application of NCCHC standards shall ensure that correctional health services delivered to inmates meets all requirements established in the NCCHC Standards for Health Services in Prisons and NCCHC Standards for Mental Health Services in Correctional Facilities in current publication and subsequent updates during the term of the Contract. In fully meeting the referenced Standards, the Contractor shall comply with all aspects of NCCHC requirements at all times. Compliance shall be measured on a regular and ongoing basis using multiple criteria, including but not limited to inmate grievances, analysis of verbal and written reports, visual observation of health care delivery, and informal and formal regulatory and certification audits.

2.6.6.4.1 The Contractor shall cooperate with NCCHC and the Department in all matters pertaining to NCCHC accreditation.

2.6.6.4.2 Failure to maintain compliance with NCCHC Standards shall result in the assessment of monetary sanctions as set forth in Section 2.21.

2.6.6.5 The Contractor shall comply with the Prison Rape Elimination Act of 2003 (PREA).

2.6.6.6 The Contractor shall comply with the Health Insurance Portability and Accountability Act of 1996 (42 U. S. C. §1320d-8), and all applicable regulations promulgated there under.

2.6.6.7 The Contractor agrees to modify its service delivery, including addition or expansion of correctional health services in order to meet or comply with changes required by Arizona State Prison Complex operations, security operations, or law; changes in practice standards or regulations; changes resulting from a legal settlement agreement or consent order; or a change in the Department's mission.

2.6.6.8 Any changes in the scope of work required to ensure continued compliance with State or Federal laws, statutes or regulations, legal settlement agreement or consent order, or Department policy, regulations or technical

instructions shall be made in accordance with requirements elsewhere in this document.

2.6.7 Licensure Requirements: The Contractor is responsible for gaining and maintaining all licenses and approvals (registration, certifications, etc.) required to provide correctional health services per this Request for Proposal. Current licenses and approvals held by the Department related to correctional health services are listed in Exhibit 1, Health Services Licenses/Approvals.

2.6.7.1 The Offeror shall submit evidence of their ability to gain all licenses required.

2.6.8 Administrative Requirements, Space, and Equipment & Commodities: The Department shall not provide any administrative functions or office support for the Contractor (e.g., clerical assistance, office supplies, copiers, fax machines, and preparation of documents), except as indicated in this Request for Proposal.

2.6.9 The Department shall establish reasonable regulations for adequate ingress and egress for the employees of the Contractor and its supplies and shall permit such employees reasonable use of existing corridors, passageways, driveways, rest rooms, locker rooms, and loading platforms. The Department shall provide necessary identification cards to the Contractor's staff.

2.6.10 Health Services Units and Fixtures: The Department shall provide office space within the Health Services Unit. The Department shall provide, heat, lighting, ventilation and the necessary utilities for the operation of the health service units. The Arizona State Prison Complex shall provide and maintain presently available and utilized health space, fixtures, and other items for a Contractor's use to ensure the efficient operation of a Contract resulting from this Request for Proposal. The Department shall maintain and repair the office space assigned to a Contractor, if considered necessary by the Department. The Department shall send its representatives into areas assigned to a Contractor at any time for inspections, repairs, tours or other purposes deemed appropriate by the Department.

2.6.10.1 The Contractor shall maintain the premises and facilities throughout the life of the Contract in a condition satisfactory to the Department.

2.6.10.2 The Contractor shall operate the space provided in an energy efficient manner.

2.6.10.3 The Contractor shall be responsible for locking all doors and rooms assigned to the Contractor.

2.6.10.4 The Contractor shall have managerial or supervisory staff open, close and check the Health Services Unit service areas as required by the Department.

2.6.10.5 The Contractor shall be responsible for immediately reporting losses incurred as a result of break-ins to areas assigned to the Contractor or the Department.

2.6.10.6 The Contractor's staff shall report fires and hazardous conditions according to the Department's policies. The Contractor's Area Manager shall notify the Department immediately of any fire extinguisher use.

2.6.11 The Contractor shall follow all Department policies regarding keys and control of keys. The Contractor and an Arizona State Prison Complex shall be responsible for control of all keys obtained from the Arizona State Prison Complex and the security of those areas accessed by these keys. The Contractor shall be responsible for replacement of lost keys and the cost of re-keying and replacement of lock cylinders. The keys issued to the Contractor may not be duplicated at any time by the Contractor. Before the Contract implementation date, the Contractor shall develop a key control program which shall be reviewed and approved by the Arizona State Prison Complex. The loss of any keys is to be reported immediately to the Arizona State Prison Complex shift commander and followed by a written report. [

2.6.12 Furniture and Equipment: The Department shall allow the Contractor to utilize the Department's furniture, non-healthcare equipment, and healthcare equipment currently in place in each Arizona State Prison Complex Health Services Unit, including all Specialty Units:

2.6.12.1 Physical inventory lists of all furniture, non-healthcare equipment (including all telephone equipment, telephone lines and service, long distance service and dedicated lines for EKG's or lab reports, copy machines, and facsimile equipment), and healthcare equipment owned by the Department and currently existing at each Arizona State Prison Complex shall be taken by the Department and the Contractor on or before the Contract implementation date. All non-leased/non-contracted items identified on the inventory shall remain and be available for use by the Contractor.

2.6.12.2 The Contractor shall be responsible for obtaining/replacing any services or items used or operated by the Department under lease agreement or contract, which the Contractor requires to ensure the efficient operation of a Contract resulting from this Request for Proposal. The Contractor shall be responsible for all costs associated with leased/contracted services or items. This includes communications and information technologies for the delivery of clinical care (telemedicine) and e-health and telehealth services.

2.6.12.3 The Contractor shall be responsible for properly maintaining all inventoried furniture, non-healthcare equipment, and healthcare equipment including repair and replacement (including installation) of Department-owned equipment. Any furniture or equipment damaged or otherwise found to be beyond economical repair after a Contract start date shall be repaired or replaced by the Contractor at the expense of the

Contractor. Furniture and equipment replaced by the Contractor shall be placed on the inventory. To ensure compliance with all Security requirements, the Contractor shall obtain written authorization from the Department Contract Monitor prior to repairing or replacing any inventoried furniture or equipment. All inventoried furniture and equipment, including repaired or replaced items, shall remain the property of the Department upon expiration or termination of the Contract.

2.6.12.4 The Contractor shall be responsible for all costs, including installation, associated with any new or additional furniture, non-healthcare equipment (including telephone equipment, telephone lines and service, copy machines, and facsimile equipment), and healthcare equipment requested by and utilized by the Contractor, on or after the effective date of a Contract. Any additional furniture or equipment added by the Contractor shall be owned and maintained by the Contractor and shall be retained by the Contractor upon expiration or termination of the Contract. Any new or additional furniture or equipment purchased, replaced or modified by the Contractor shall meet or exceed the Department's standards for functionality, sanitation and security as determined by the Department. To ensure compliance with all Security requirements, the Contractor shall obtain written authorization from the Department Contract Monitor before repairing, or replacing any non-Department owned healthcare equipment.

2.6.12.5 Furniture and equipment needing repair shall be processed for repair using the Arizona State Prison Complex work order system. The Contractor shall be responsible for timely submission of work orders, and shall be responsible for maintaining a routine preventive maintenance schedule for all equipment owned by the Department. Preventative maintenance shall be described as a manufacturer's procedure for maintaining equipment to run efficiently and maintain the life of the equipment.

2.6.13 Healthcare and Pharmaceutical Supplies: All healthcare and pharmaceutical supplies required to provide correctional health services shall be provided by the Contractor. The Contractor shall use the Department's current inventory of healthcare and pharmaceutical supplies prior to ordering and inventorying new healthcare or pharmaceutical supplies. A physical inventory of all healthcare and pharmaceutical supplies, including the original Department cost, currently existing at each Arizona State Prison Complex shall be taken by the Department and the Contractor on or before the Contract implementation date. The Contractor shall show the cost of supplies as a credit against charges owed by the Department to the Contractor on the first invoice. The Contractor shall be required to show the credit on all invoices until it reaches a zero balance.

2.6.13.1 The Contractor shall have at least a thirty (30) day inventory of healthcare and pharmaceutical supplies when the Contractor assumes responsibility.

2.6.13.2 A physical inventory of all healthcare and pharmaceutical supplies shall also be conducted upon the expiration or termination of a Contract entered into as a result of this Request for Proposal. The Department may purchase healthcare and pharmaceutical supplies from the Contractor, with an appropriate credit payable to the Contractor. The Contractor shall inventory, package and remove all pharmaceutical supplies not purchased by the Department.

2.6.14 Equipment or Supplies Damaged by the Contractor: The Contractor shall be required to reimburse the Department for repairs or replacement of equipment or supplies which are damaged or destroyed by the Contractor's employees as a result of a negligent act or failure to act, or "improper inadequate supervision and/or training". The Contractor shall not be required to replace or pay for the repair of equipment or supplies damaged or destroyed by an act of God or during a disturbance unless the cause of the disturbance is determined to be the fault of the Contractor.

2.6.15 An Offeror may include as part of their response to the Request for Proposal an option for increasing on-site infirmary beds at the Contractor's cost, subject to Department approval of the plan and construction of the expansion and subject to review by the Joint Committee on Capital Review and/or the Legislature.

2.6.15.1 Should an Offeror decide to provide an option for expansion to reduce the cost of the inmate per day rate, the cost for capital construction and any associated reduction in cost of services shall be clearly noted on the fee schedule. The Department reserves the right to obtain any necessary approvals during the process of proposal evaluation and prior to Contract award.

2.6.15.2 An Offeror proposing to increase onsite infirmary beds shall submit a detailed plan, including:

2.6.15.2.1 Site identification.

2.6.15.2.2 Full size drawings and specifications, demonstrating compliance with Department Physical Plant Standards. Offerors can access the Physical Plant Standards at http://www.azcorrections.gov/adc/divisions/adminservices/Zoya_facilities.aspx. Click on *Physical Plant Standards Manual.*

2.6.15.2.3 List of equipment, furniture and supplies required.

2.6.15.2.4 Explanation of any reliance on existing Department infrastructure or expansion of infrastructure (IT, Electric, Gas, Water).

2.6.15.3 Any and all buildings or improvements resulting from a Contractor increasing infirmary beds shall become the sole property of the Department upon Contract expiration or Contract termination.

2.6.16 Forms: The Contractor shall utilize Department forms as specified on the ACI Forms and Pricing List to carry out the provisions of the Contract. The Contractor shall purchase forms in adequate quantities from Arizona Correctional Industries, the Department's approved printer. The Contractor shall request prior approval from the

Department should the Contractor wish to modify format or develop additional forms. The ACI Forms and Pricing List can be found on the Department's website at http://www.azcorrections.gov/healthservicesrfp.html.

2.6.17 Continuity of Operations in Case of Disaster: Within (30) calendar days from the Contract award date and subject to the Arizona State Complex Warden's approval, the Contractor's Area Manager shall develop and maintain for Department review, an Emergency Response Plan as required by NCCHC Standard P-A-07 Emergency Response Plan and Subsection 2.6.17. The plan shall be fully compliant with all aspects of the NCCHC Standard and assure that each Arizona State Prison Complex is prepared and capable of dealing with emergencies that arise.

2.6.18 Deliverables: The following services or service tasks are identified as deliverables for the purposes of this Request for Proposal:

2.6.18.1 Reports as required in Exhibit 2, Required Reporting.

2.6.18.2 Compliance with Contract terms and conditions.

2.7 ACCESS TO HEALTHCARE SERVICES DELIVERY SYSTEM

2.7.1 All Department inmates, regardless of status, shall have unimpeded access to correctional health services. Contractor's healthcare staff shall ensure that inmates have access to a level of care commensurate with the severity of the presenting symptomatology. If the needed level of care is not available at the Arizona State Prison Complex of residence, timely referral shall be made to another Arizona State Prison Complex or subcontracted external provider in which the necessary care is available.

2.7.2 Access to healthcare services shall be provided in the following manner:

2.7.2.1 A standardized program of routine, urgent and emergency healthcare is to be available to all inmates. Emphasis shall be placed on preventative healthcare practices. Correctional health services shall be provided, at a level equivalent or surpassing the community standard of care. This means all necessary correctional healthcare shall be provided either routinely, urgently, or emergently as dictated by the patient's need to resolve the healthcare issue presenting itself.

2.7.2.2 Inmates experiencing health care emergencies may request and shall receive emergency care by an onsite qualified nurse, medical provider or mental

health professional, at any time, if indicated, twenty-four (24) hours a day seven (7) days a week.

2.7.2.2.1 Nursing staff shall be available on-site twenty-four (24) hours per day, seven (7) days per week and after-hours and on weekends and holidays and may contact medical, dental, and mental health practitioners by telephone for consultation and direction.

2.7.2.2.2 The Contractor shall develop plans to meet inmate needs during incidents and emergencies in accordance with Department policies and practices related to incident management.

2.7.2.3 Each inmate shall receive a correctional health services transfer screening on departure from and on arrival to an Arizona State Prison Complex as well as orientation to healthcare services at the newly assigned Arizona State Prison Complex. The inmate's healthcare records shall be reviewed on arrival for medication, emergency or urgent medical needs or any specialty follow up scheduled. This would include placement in a chronic illness clinic status if required for preventative care.

2.7.2.4 Each inmate shall receive a correctional health services assessment prior to being placed in segregated housing.

2.7.2.5 In managing medical, dental and mental health services, the Contractor shall comply fully with NCCHC Standard P-E-09 Segregated Inmates, Department Order 1101 Inmate Access to Health Care, Section 1101.04 Detention and HSTM Chapter 7, Section 7.6.0 as they apply to inmates being placed in segregation. For inmates continued in segregation. The Contractor shall ensure the following:

2.7.2.5.1 Extreme Isolation Inmates, with little or no contact with other individuals are monitored daily by medical staff and at least once a week by qualified mental health professionals.

2.7.2.5.2 Limited Contact Inmates who due to segregation have limited contact with staff or other inmates are monitored three (3) days a week by medical or qualified mental health professionals.

2.7.2.5.3 Inmates who are allowed periods of recreation or other routine social contact among themselves while being segregated from the general population shall be checked weekly by medical or a qualified mental health professional. Segregation rounds shall be performed by qualified health care professionals and documented in the segregation log.

2.7.2.6 Sick call shall be performed daily Monday through Friday and for emergencies on Saturdays, Sundays, and Holidays. Inmates must be able to sign-up for sick call seven (7) days a week and the sick call sign-up form

shall be triaged at least once daily by healthcare staff. Refer to Department Order 1101 Inmate Access to Health Care, Section 1101.03 Appointments and HSTM Chapter 5, Section 5.3.0 and Chapter 7, Section 7.6.0.

2.7.2.7 As required by Arizona Revised Statutes Section 31-201.01, inmates shall be charged a co-pay for any inmate-initiated visit to a health care provider, other than for emergency visits that require treatment. The current rate is $4.00. The Department shall collect inmate co-payments based on appointment encounter entries submitted to Inmate Banking by the Contractor on a daily basis, using logs or computerized systems in accordance with Department Order 1101 Inmate Access to Health Care, Section 1101.02 Charging. All co-payment fees are required by law to be deposited by the Department in the State General Fund.

2.8 RESPONSIBILITY FOR AND COORDINATION OF CARE

2.8.1 The Contractor shall be responsible for providing correctional heath services to all inmates. The Contractor's Arizona CEO and Area Managers shall be responsible to the Arizona State Prison Complex Wardens for coordinating and ensuring the provision of services. Questions or issues arising during the course of daily activities that can not be resolved at the Arizona State Prison Complex shall be referred by the Contractor's Arizona CEO to the Department Contract Monitor.

2.8.2 The Offeror as part of their response to this Request for Proposal shall identify in detail the following:

2.8.2.1 The health care services that shall be provided directly by Contractor employees on-site at each Arizona State Prison Complex.

2.8.2.2 The health care services that shall be provided directly by subcontractors or subcontracted individuals on-site at each Arizona State Prison Complex.

2.8.2.3 The health care services that shall be provided by subcontractors off-site for each Arizona State Prison Complex.

2.8.3 The Contractor shall establish and maintain network provider contract agreements to ensure reasonable access to medical, mental health and dental services for all Department inmates. The Contractor's network must provide an adequate provider network so as to prevent unreasonable barriers to access, and promote continuity of care. The Contractor shall respond to any inquiries raised by the Department concerning any aspect of network inadequacies within five (5) business days of receipt.

2.8.3.1 The Contractor shall adjust the provider network and services as necessary to compensate for changes made by the Department due to facility capacities, acuity levels, and custody levels.

2.8.3.2 The Contractor shall submit a provider network plan to the Department Contract Monitor within twenty-one (21) calendar days of Contract award

date detailing hospitals, clinical and other health providers to be utilized to provide access to health services for Department Inmates. The plan must identify at a minimum the contract and credentialing status of each facility and provider to be utilized for subcontract medical services; evidence of coverage for inpatient, specialty medical, emergency department, medical emergency transportation services and other necessary services; provider training plan; and detail implementation timeline for ensuring operational network access and function by operational start date of the Contract. The Department Contract Monitor must approve the network and credentials (licensure and/or accreditation) for providers prior to Contractor operational start date.

2.8.3.2.1 All hospitals utilized by the Contractor for the care of inmates shall be fully licensed.

2.8.4 In order to ensure public safety and reduce Department cost associated with inmate transport and supervision, the Contractor shall:

2.8.4.1 Develop provider networks located as close to the Department prisons as possible, in order to expedite the health care provided, limit the amount of time the inmate is off-site, and reduce security staff costs associated with transporting and supervising inmates.

2.8.4.2 Contract with a sufficient numbers of facilities with secure units to support the Department's efforts to ensure public security and a safe environment for provision of covered services.

2.8.4.3 Place inmates in secure units whenever practical or possible, as directed by the Department.

2.8.4.4 Ensure non-emergency hospital services and/or specialty medical care is available at the closest, appropriate location to the correctional facility and whenever possible within 30 minutes or 30 miles travel. In most cases secure units would be considered the most appropriate for provision of care, regardless of distance from a prison.

2.8.5 The Contractor's provider agreements with network providers, i.e. hospitals, clinics, and other related health service providers shall enforce requirements for providers related to:

2.8.5.1 Reporting.
2.8.5.2 Utilization review.
2.8.5.3 Training requirements.
2.8.5.4 Ensuring that the inmate bears no individual liability for payment of healthcare services provided during incarceration.
2.8.5.5 Licensure and accreditation requirements and renewal processes.
2.8.5.6 Medical record documentation.
2.8.5.7 Confidentiality.
2.8.5.8 Safety and risk management.

2.8.5.9 Claims submission and payment.
2.8.5.10 Transition of care upon Contractor termination.

2.8.6 The Contractor's shall, regarding network providers, i.e. hospitals, clinics, and other related health service providers:

2.8.6.1 Establish and maintain an accurate, up-to-date, online, regional list of network providers including their specialty, sub-specialty, work address, work fax number, work telephone number, email address and proximity to the requesting location.

2.8.6.2 Make their best efforts to ensure that the following minimum standards are met:
2.8.6.2.1 Routine appointments for specialty care shall not exceed sixty (60) calendar days.
2.8.6.2.2 Urgent appointments shall not exceed thirty (30) calendar days.
2.8.6.2.3 Emergent Care immediate (onsite response with medically appropriate disposition)

2.8.6.3 Have an active provider education program for all providers in the network. This program shall be designed to enhance the providers' awareness of Department Health Services policies and procedures and best practices regarding inmate healthcare.

2.8.7 The Offeror shall as part of their response to this Request for Proposal provide the following regarding provider networks, i.e. hospitals, clinics and other related health service providers to be utilized by the Contractor:

2.8.7.1 Describe your organization's plan and capabilities to meet the requirements for providing reasonable access to medical, mental health and dental services and promote continuity of care for all Department inmates as required in this Request for Proposal.

2.8.7.2 Describe the structure of the provider network you have in place and plan to implement specific to inpatient and outpatient hospital facilities denoting any specialty care centers at the hospital and secure unit locations.

2.8.7.3 Provide a document detailing your Arizona inpatient facility network, including for each facility:
2.8.7.3.1 Provider name.
2.8.7.3.2 Type of services provided.
2.8.7.3.3 Number of beds available by service.
2.8.7.3.4 Availability of secure unit.
2.8.7.3.5 Evidence of contracting status (signed letter of intent, executed contract, etc) from each proposed subcontractor that includes their confirmation that they have read, understand, and agree to abide by all applicable requirements and provisions that shall be a part of this Contract.

2.8.7.3.6 Disclosure if the Offeror's organization or any member of a multi-party agreement or partnership formed for the purposes of operating under the Contract awarded as a result of the Request for Proposal, has a financial or affiliated interest of any kind in the provider.

2.8.7.3.7 Proximity to Department facilities the inpatient facility shall serve.

2.8.7.4 Provide a document detailing your Arizona emergency facility and transportation network, including:

2.8.7.4.1 Provider name.

2.8.7.4.2 Evidence of contracting status (signed letter of intent, executed contract, etc) from each proposed subcontractor that includes their confirmation that they have read, understand, and agree to abide by all applicable requirements and provisions that shall be a part of this Contract.

2.8.7.4.3 Disclosure if the Offeror's organization or any member of a multi-party agreement or partnership formed for the purposes of operating under the Contract awarded as a result of the Request for Proposal, has a financial or affiliated interest of any kind in the provider.

2.8.7.4.4 Proximity to Department facilities the emergency providers shall serve.

2.8.7.5 Provide a document detailing your Arizona outpatient and clinic services network, including for each provider:

2.8.7.5.1 Provider name.

2.8.7.5.2 Type of services provided.

2.8.7.5.3 Evidence of contracting status (signed letter of intent, executed contract, etc) from each proposed subcontractor that includes their confirmation that they have read, understand, and agree to abide by all applicable requirements and provisions that shall be a part of this Contract.

2.8.7.5.4 Disclosure if the Offeror's organization or any member of a multi-party agreement or partnership formed for the purposes of operating under the Contract awarded as a result of the Request for Proposal, has a financial or affiliated interest of any kind in the provider.

2.8.7.5.5 Times and days of week services are offered.

2.8.7.5.6 Proximity to Department facilities the outpatient/clinic providers shall serve.

2.8.7.6 Describe your organization's methodology to identify, monitor, report, and correct instances of provider network inadequacy.

2.8.8 The Offeror shall acknowledge that for all network providers, i.e. hospitals, clinics and other related health service providers to be utilized by the Contractor, the Contractor shall submit a written request, including identification of all applicable licenses and accreditations, to the Department Contract Monitor for approval at least

seven (7) calendar days before the provider is to be utilized. The Department Contract Monitor shall have seven (7) calendar days to make a final determination regarding the request. Proof of licensure and accreditation for all providers being considered for approval by the Department Contract Monitor or being utilized by the Contractor shall be made available by the Contractor to the Department Contract Monitor upon request.

2.8.9 Telemedicine: The benefits of implementing a telemedicine program within a correctional setting have been well documented. Those benefits range from decreasing transportation costs and increasing transportation staff and community safety to improving the quality, coordination and efficiency of health care service delivery through improved access and availability of specialty services such as psychiatry, dermatology, infectious disease, orthopedics, trauma and even dental care. The Department has a long history of utilizing telemedicine services and has made significant investments in an infrastructure to support such services in each ASPC location.

2.8.9.1 The Department requires that the Contractor shall develop a telemedicine program that comports with the NCCHC position statement on the use of telemedicine. The Contactor may elect to use the Department's existing telemedicine equipment and pursue a contract with the Arizona Telemedicine Project (ATP) and/or provide their own equipment and telemedicine network. Additional information regarding the ATP can be found at: http://www.telemedicine.arizona.edu/ .

2.8.9.2 Within thirty (30) calendar days of the Contract award date, the Contractor shall submit to the Department a telemedicine plan designed to expand telemedicine services over the term of this Contract, as appropriate, in an effort to improve the efficiency and effectiveness of health care service delivery to the inmate population in all APC locations. This plan is subject to approval by the Department. The Contractor shall review the plan semi-annually and revise the plan as needed based on analysis of utilization trends and the telemedicine program's goals. A report of the analysis and plan revisions shall be submitted to the Department as requested. Any revision to the Contractor's plan is subject to Department approval.

2.8.9.3 An annual report on the effectiveness of the telemedicine program goals should be submitted to the Department annually and shall include an assessment of the program's efficiency, quality and inmate satisfaction.

2.8.9.4 The Contractor is required to maintain an electronic log, which shall be made available to the Department upon request, documenting the use of telemedicine equipment to include, but not be limited to, the following:

2.8.9.4.1 Physical location of the health care provider providing the telemedicine service
2.8.9.4.2 Arizona State Prison Complex site
2.8.9.4.3 Date and time of service

2.8.9.4.4 Reason for equipment's use, including the specific medical service (e.g., cardiologist consult, in-service)
2.8.9.4.5 Inmate name and number
2.8.9.4.6 Contractor's medical staff participants

2.8.9.5 The Offeror shall describe your organization's current experience with the use of telemedicine in the correctional setting.

2.8.9.6 The Offeror shall describe in detail their organization's policies related to:

2.8.9.6.1 The episodes of care that would qualify for a confined individual to be treated by telemedicine technology.
2.8.9.6.2 Patient consent to telemedicine services including the use of data images in consultation and storage.
2.8.9.6.3 Licensing of remote staff, especially if such staff providing consultative services is across state lines.
2.8.9.6.4 Training and education of professional staff at each APC on the use of telemedicine technology.

2.8.9.7 The Offeror shall describe how your organization plans to use and expand telemedicine services over the term of this Contract.

2.8.9.8 The Offeror shall address if you organization plans to utilize the existing Department telemedicine infrastructure or provide their own equipment. Additionally, comment on intent to provide your own telemedicine network or contract with the ATP for the provision of a telemedicine network.

2.8.9.8.1 Should your organization propose to supply your own equipment provide a detailed description of the equipment including the age, transmission speed, resolution, audio quality, data security and storage capacity.
2.8.9.8.2 List barriers to implementing and expanding telemedicine services within any of the Arizona State Prison Complexes.

2.8.9.9 The Offeror shall provide a detailed description of your organization's quality management monitoring and evaluation process that addresses, at a minimum:

2.8.9.9.1 Semi-annual evaluation of the telemedicine program goals
2.8.9.9.2 Efficiency and effectiveness of the program
2.8.9.9.3 Inmate satisfaction with the program

2.8.10 The Contractor shall provide sufficient controls over both subcontracted and employed prescribing clinicians to ensure strict adherence to their drug formulary. Additionally, all medications shall be prescribed appropriately as indicated in the most current edition of Drug Facts and Comparisons.

2.8.11 The Contractor shall establish a Pharmacy and Therapeutics Committee consisting of medical practitioners, including medical providers, nurses and pharmacists that shall

meet quarterly to review medication usage and make written recommendations to the Department regarding additions, deletions or modifications of the existing drug formulary. Detailed quarterly meeting minutes shall be maintained by the Contractor.

2.8.12 Continuous Quality Improvement (CQI): Under the Quality Management (QM) program, the Contractor shall immediately establish, implement, and maintain a program in accordance with HSTM Chapter 1, Section 1.5.0 and NCCHC Standard P-A-06 Continuous Quality Improvement Program for all Arizona State Prison Complexes to identify clinical, service delivery and process deficiencies that adversely impact the provision of appropriate timely and medically necessary health care to the inmate population. The program shall define all meetings, participants, data collection methods, analytical procedures and actions taken resulting in measurable improvements in health care delivery. The Contractor must establish a QM/Continuous Quality Improvement (CQI) Committee, which meets on a monthly basis. This committee will have representation from all disciplines practicing on the complex. The Contractor will ensure the committee conducts at least two (2) process quality improvement studies and two (2) outcome quality studies per year. All activities shall be documented and maintained on a current and ongoing basis. Records shall be made available to the Department Contract Monitor for Department review upon request. An Offeror responding to this request for proposal acknowledges and accepts that in the future, the Department may modify Department policies to maintain standards of care or meet regulatory requirements and further agrees to abide by such modifications.

2.8.12.1 Within sixty (60) days of Contract award and annually thereafter, the Contractor must submit a Quality Management Program Description encompassing the Continuous Quality Improvement Program structure. The QM/CQI Program description shall at a minimum include:

2.8.12.1.1 CQI Quality Management Structure, Committees, Roles and Responsibilities.
2.8.12.1.2 Quality and appropriateness of care addressing access, quality, safety, language and identification of special needs of the population.
2.8.12.1.3 Clinical Practice Guidelines.
2.8.12.1.4 Quality and Performance Goals.
2.8.12.1.5 Monitoring Mechanisms:
2.8.12.1.5.1 Monitoring Processes
2.8.12.1.5.2 Credentialing Plan (Employees, Subcontractors and Network)
2.8.12.1.5.3 Audit Plan
2.8.12.1.5.4 Reporting Plan
2.8.12.1.6 Improvement Strategies:
2.8.12.1.6.1 Quality Improvement (QI) Projects
2.8.12.1.6.2 Corrective Action Plans
2.8.12.1.7 CQI Program Evaluation:
2.8.12.1.7.1 Progress with Achievement of Goals and Analysis of QI Projects
2.8.12.1.7.2 Program Effectiveness

2.8.12.1.7.3 Recommendations

2.8.12.2 The Contractor shall produce reports on a monthly, quarterly, and annual basis detailing QM/CQI monitoring results, improvement activities, assessment of findings and action plans to correct or improve performance. Such reports will be made available to the Department upon request or on a schedule as mutually determined by the Contractor and the Department.

2.8.12.3 The Offeror shall describe their plan and capabilities to meet the requirements for implementing a QM/CQI Program as specified in this Section of this RFP.

2.8.12.4 The Offeror shall provide an example of a QM/CQI Program Description you have developed and implemented where you are or were the contracted Correctional Health Services Vendor.

2.8.12.5 The Offeror shall provide an example of the Quality Performance Measures the Offeror has utilized for monitoring medical, dental and mental health services where you are or were the contracted Correctional Health Services Provider.

2.8.12.6 The Offeror shall provide an example of a QI Project you have implemented that resulted in a significant improvement in a clinical outcome.

2.8.13 Mortality Review: Upon the death of an inmate, the Contractor shall complete an administrative review, clinical mortality review, and if death was by suicide a psychological autopsy. The Contractor shall comply with all parts of Department Order 1105 Inmate Mortality/Morbidity Review, Section 1105.03 Mortality Review/Inmate Death; HSTM Chapter 7, Section 7.7.2.; and NCCHC Standard P-A-10 Procedure in the Event of an Inmate Death.

2.8.14 As required by NCCHC Standard P-C-02 Clinical Performance Enhancement, primary care clinicians shall be subjected to a peer review process at least annually. For purposes of this Request for Proposal, primary clinicians are defined as all Contractor medical physicians, psychiatrists, dentists, mid-level practitioners (nurse practitioners, physician assistants) and PhD. level psychologists.

2.8.15 As required by NCCHC Standards P-B-01 Infection Control Program, the Contractor must implement an Infection Control program that includes surveillance, preventive techniques, and treatment and reporting of infections in accordance with local and State laws.

2.8.15.1 The Program shall also be in compliance with Department healthcare policy and procedures, CDC guidelines and OSHA regulations.

2.8.15.1.1 The Contractor's Infection Control program will be under the direction the Contractor's Medical Director and a designated Infection Control Nurse for each Department Facility,

responsible for the overall management of the Infection Control Program within each Facility.

2.8.15.1.2 The Infection Control Program must address all health services including medical, dental, mental health and transportation services.

2.8.15.1.3 The Contractor shall ensure that all Staff are specifically oriented and trained to comprehensively support the Department's Infection Control Program.

2.8.15.2 The Offeror shall provide an example of an Infection Control Program Description you have developed and implemented where you are the contracted Correctional Health Services Vendor.

2.9 HEALTH ASSESSMENTS/INTAKE PROCESS

2.9.1 The Contractor shall provide each inmate a medical, dental and mental health assessment upon incarceration. The results shall be recorded in the inmate's healthcare record maintained by the medical Contractor. Upon arrival at the reception center, every inmate shall receive a healthcare assessment in accordance with HSTM Chapter 5, Sections 5.1.2.0, 5.2.0, 5.2.1, and 5.6.2 and an immediate healthcare screening by qualified healthcare staff. All inmates shall receive a subsequent intake medical examination at the reception center by a medical provider (physician, mid-level provider). The intake medical examination shall take place no later than three (3) calendar days after the inmate is received at the reception center. Each intake examination shall include, at a minimum, the following: a complete history, physical exam, designated lab work, and any specialty follow up exams deemed appropriate. The Contractor shall be responsible to ensure that inmates are provided immediate access to pharmaceuticals not maintained onsite. The examining provider shall also prescribe any needed or appropriate medications or special needs orders at this time.

2.9.2 For inmates received for initial intake processing, the Contractor shall complete all screening services and activities as required in this Section in no more than 72 hour from the point of inmate arrival so that the inmate is fully prepared to be moved to a receiving Arizona State Prison Complex. The Contractor shall complete the following required screening services within 72 hours of intake and in accordance with Exhibit 3, Intake Process/Labs:

2.9.2.1 Complete Blood Count (CBC)
2.9.2.2 Syphilis Test (RPR)
2.9.2.3 Tuberculosis Test (PPD)
2.9.2.4 Chest X-Ray (if PPD is positive)
2.9.2.5 Urinalysis
2.9.2.6 Panorex or full-mouth X-Rays services and necessary bite wings on perapical radiographs.
2.9.2.7 14-Day Mental Health Assessment

2.9.2.8 Nursing History
2.9.2.9 Physical Examination (completed by Medical Provider)
2.9.2.10 Review and issuing of all transfer or necessary medications

2.9.3 In addition to the required screening services identified in Subsection 2.9.2, female inmates accepted during the intake process shall be tested within 72 hours of intake for:

2.9.3.1 Gonorrhea
2.9.3.2 Chlamydia
2.9.3.3 Cervical Cancer (Pap Smear)
2.9.3.4 Pregnancy Testing

2.9.4 As a result of the assessments, treatment plans as defined in HSTM Chapter 5, Section 5.1.4 and encompassing medical, dental and mental health shall be developed as necessary for each inmate. Contractors shall provide, or cause to be provided, all healthcare services according to specified healthcare standards set forth in the HSTM Chapter 1, Section 1.2.0 and consistent with maintaining a level of care aligned with community medical standards.

2.9.5 The Contractor shall assign a medical score as determined by Medical Services and a mental health score as determined by Mental Health services to inmates in accordance with the Arizona Department of Corrections Objective Classification: Custody and Internal Risk Technical Manual (pages 34-36). The medical or mental health score may be changed in accordance with the Arizona Department of Corrections Objective Classification: Custody and Internal Risk Technical Manual.

2.9.6 Return to custody and intrasystem transfer of inmates shall occur in accordance with NCCHC Standards P-E-02 Receiving Screening, P-E-03 Transfer Screening, P-E-04 Initial Health Assessment, and P-E-05 Mental Health Screening and Evaluation:

2.9.6.1 All inmates shall have their needs communicated from the sending facility to the receiving facility by a Continuity of Care Form and verbally at the time of transfer.

2.9.6.2 Medication for an Inmate being transferred to another institution shall be transferred with the Inmate in coordination with Custody. The Contractor's sending and receiving facility staff must document that medication(s) was sent and/or received with the Inmate during a transfer.

2.9.6.3 All inmate transfers shall be screened, evaluated, and documented as directed to ensure continuity of care is maintained and that the inmate is not harmed through missed appointments, missed medications, or interruption of treatment plan elements. At a minimum a Registered Nurse receiving the Inmate shall review the transfer form at the inmate's assessment at his or her new location and complete a face-to-face visit with the inmate to assure there have been no changes and/or that the assessment is complete and accurate. If there are no changes since the time of the transfer, the Clinician may make documentation in the inmate's health record to that effect. If

health changes are seen that differ from the sending facility's assessment, the Clinician shall document those changes in the inmate health record.

2.9.6.4 The Contractor shall be responsible for health screening of all return to custody inmates at the Department's reception centers as well as all other Arizona State Prison Complexes. The screening shall fully comply with Department Order 1101 Inmate Access to Health Care and HSTM Chapter 5, Sections 5.2.0, 5.2.1, 5.5.0 and 5.6.1. The Contractor shall establish a system of documentation through the electronic medical record (or Department approved documentation record until electronic medical record system is functional) and request existing medical records from the Department's health records repository.

2.10 MEDICAL SERVICES

2.10.1 General Overview: The Contractor shall provide medically necessary medical services and shall be responsible for all inmate medical costs for medical care provided based on Contractor specialty, including, but not limited to, inpatient and outpatient care, emergency services, initial screening for pre-existing conditions, provision of orthotic and prosthetic appliances, supplies and provision of eyeglasses and hearing aids. The Contractor shall, in coordination and cooperation with the Arizona State Prison Complex Warden, administer as much healthcare as is practical to inmates housed in segregated housing or close management units, at those locations, including Sick Call. The Arizona State Prison Complex Warden shall provide appropriate facilities at the respective housing unit. [

2.10.2 The Contractor shall provide and be financially responsible for all medical services as specified in this Request for Proposal in accordance with Subsection 2.6.6 and in compliance with Department requirements, including:

2.10.2.1 Department Order 711 Notice of Inmate Hospitalization or Death
2.10.2.2 Department Order 801 Inmate Classification (Classification Manual)
2.10.2.3 Department Order 804 Inmate Behavior Control
2.10.2.4 Department Order 807 Inmate Suicide Prevention, Precautionary Watches and Maximum Behavioral Control Restraints
2.10.2.5 Department Order 1001 Inmate Release System
2.10.2.6 Department Order 1101 Inmate Access to Health Care
2.10.2.7 Department Order 1102, Communicable Disease and Infection Control
2.10.2.8 Department Order 1103, Inmate Mental Health Care, Treatment and Programs
2.10.2.9 Department Order 1104 Inmate Health Records
2.10.2.10 Department Order 1105 Inmate Mortality/Morbidity Review
2.10.2.11 HSTM
2.10.2.12 NCCHC Standards for Health Services in Prisons, Sections A through I.

2.10.3 Information on Health Services: The Contractor shall implement a plan to provide written, oral and electronic media information to all inmates regarding the availability

of health care services and information on how to access such services. The Contractor shall fully comply with all requirements established in NCCHC Standard P-E-01 Information on Health Services:

2.10.3.1 The Offeror shall describe their plan and capabilities to meet this requirement.

2.10.4 Sick call shall be provided in compliance with Department Order 1101 Inmate Access to Health Care, Section 1101.03, Appointments; HSTM Chapter 5, Sections 5.3.0. 5.3.1, 5.3.2, 5.4.0, 5.7.1, and 5.7.2; and as referenced in Subsection 2.7.2.6.:

2.10.4.1 The Offeror shall describe their plan and capabilities to meet this requirement.

2.10.5 Access to specialty care shall be provided through regularly scheduled chronic illness clinics and other specialty clinics as necessary, as required by Department Order 1101 Inmate Access to Health Care, Section 1101.06 Chronic Illnesses and HSTM Chapter 5, Section 5.5.1 and Chapter 7, Section 7.2.0. Development of programs that incorporate best practices, prevention strategies, clinical-practice improvement, clinical interventions and protocols, outcomes research, information technology, and other tools is required.

2.10.5.1 The Contractor shall operate on-site specialty clinics at Department Prison Sites where these services are currently provided. The Contractor shall identify in their staffing plan specialty clinics to be conducted on-site as justified by the clinical workload and availability of specialists. The Contractor shall be responsible for all supplies used or ordered by the specialist.

2.10.5.2 The Contractor shall make referral arrangements with specialists for the treatment of those inmates with healthcare problems, which may extend beyond the primary care services, on-site specialty clinics or infirmary services provided on-site. All outside referrals shall be coordinated with the Department correctional officers in arranging transportation and correctional officer coverage. The Contractor shall be responsible for all costs of such care by specialists and other service providers.

2.10.5.3 Prior authorization requests requirements for referral to outside consultations, appointments, or inpatient care shall be in compliance with Department policies and Contractor's approved utilization review processes.

2.10.5.3.1 The Department reserves the right to intervene in the medical delivery and authorization at any time to address situations impacted by inmate safety and security-related factors or other factors of imminent importance.

2.10.5.4 Contractor staff shall conduct meetings with representatives from the designated hospital(s) and other providers to coordinate the referral of inmate for services. Policies and procedures shall be established regarding

the referral methods, scheduling, and transportation, reporting of test results, health records, discharge summaries and patient follow-up.

2.10.5.5 On-site Specialty Care Services shall include:

2.10.5.5.1 Vision: Inmate shall be afforded the opportunity to receive vision services at intervals of no greater frequency than 24 months in accordance with guidelines of the American Optometric Association. Inmate 50 years of age or older, or persons with a confirmed diagnosis of diabetes must be examined by the Optometrist on an annual basis. Eyeglasses shall be provided as prescribed as a part of the vision testing at a frequency of no greater than every other year. For situations when an Inmate's lens prescription has changed significantly or other medical necessity arises in less than a two year period, the Contractor shall provide new prescription lens and frames.

2.10.5.5.2 Audiology: The Contractor shall make audiology services available to all inmates including but not limited to, testing and appliances as needed and/or prescribed by Department policy and procedure.

2.10.5.5.3 Physical Therapy: The Contractor shall provide physical therapy services to all inmates requiring such services by Physician order. The Contractor shall arrange physical therapy services onsite within the Department correctional facility to the extent possible within given space availability. The Contractor shall purchase and maintain basic equipment necessary for physical therapy onsite within Department correctional facilities, if not already available at a facility.

2.10.5.5.4 Dialysis: Contractor shall arrange for and oversee the maintenance of the full service dialysis unit currently in operation. The dialysis unit shall be fully staffed as needed to accommodate the patients needing services. In the event of unavailability of dialysis machinery due to electrical outages or other circumstances, the Contractor shall have a written plan of action to meet the dialysis needs of these inmates without interruption of service. The plan shall utilize outside non-Department facilities only after all other avenues have been exhausted and only upon the approval of the Department Medical Director or in his/her designee.

2.10.5.5.5 Obstetrics and Gynecology: The Contractor shall ensure that onsite obstetrics and gynecological services are available to the female inmate population. When pregnancy complications are identified including methadone maintenance for addictive pregnant females, the inmate shall be referred to the appropriate obstetrics specialist per policy and procedure. The Contractor

shall provide women's health education programs and preventative health care services including: Cervical Cytology; Mammography; Screening PAP; and Health Education.

2.10.5.5.6 Terminally Ill: The Contractor shall provide that a clinician evaluate the status of any terminally ill inmate upon learning of their need, and develop of a multidisciplinary plan of care and support services. The plan of care and support should address: pain management program; mental status; DNR (Do Not Resuscitate) process through a Palliative Care/Hospice program, which shall be explained to the Inmate and permission sought to assist him or her in the development of a written declaration of same; durable medical equipment; and plan to execute and communicate inmate living will and identification of next of kin or guardian to act on their behalf, if necessary. The Contractor shall assist in accumulating information in conjunction with Medical Parole and make available to the Parole Commission, either directly or indirectly, any information relevant to an inmate's direct or indirect request for medical parole. When appropriate under Department guidelines, the Contractor may recommend through the Department a request to the Board of Executive Clemency for Medical Parole for a terminally ill or otherwise medically infirmed inmate who does not represent a threat to public safety as a result of his or her medical condition.

2.10.5.5.7 Infectious Diseases: Inmates requesting diagnostic laboratory testing to determine if they are infected with HIV, AIDS or Hepatitis shall be immediately tested. Upon receipt of test results, the responsible medical provider shall schedule an appointment and meet with the requesting inmate in a face to face encounter to discuss test results, provide education on managing the presence of identified infection(s) and establish a treatment plan consistent with community and Department standards. The encounter and treatment plan shall be thoroughly documented in the inmate medical record. The Contractor shall maintain documentation of testing and results with monthly reporting summarizing the statistical data. The Contractor shall report all confirmed TB/HIV/STD positive test results to State health authorities as required by State law. The Contractor shall make available clinical staff knowledgeable in specific infectious diseases to develop and implement education programs designed to inform and prevent spread of infectious diseases.

2.10.5.6 The Offeror shall describe their plan and capabilities to meet the requirements for the specialty care and clinics as specified in Subsection 2.10.5 of this Request for Proposal.

2.10.5.7 The Offeror shall describe their plan for implementation of specialty clinics in addition to those listed in the requirements to address inmate medical needs.

2.10.5.8 The Offeror shall provide an example of a flow chart demonstrating your organization's process for identification and management of an inmate with a physical disability.

~~2.10.5.9 The Offeror shall provide an example of a flow chart demonstrating your~~ organization's process for identification and management of an inmate with an infectious disease.

2.10.6 The Contractor shall develop and implement Chronic Condition (CC) Disease Management programs as set forth in Department Order 1101 Inmate Access to Health Care, Section 1101.06 Chronic Illnesses and HSTM, Chapter 5, Section 5.5.1. CC Disease Management programs shall be developed and implemented by the end of the sixth (6th) month of service delivery under the Contract, as follows:

2.10.6.1 The Contractor shall develop and implement a program for the care of inmates with chronic conditions or diseases that ensures that conditions requiring chronic care are appropriately diagnosed, treated, and controlled to prevent complications of diseases/conditions and assist in the development of self-care practices to better manage and improve the health of inmates.

2.10.6.2 The Contractor must develop clinical care guidelines that are approved by the Department and that shall guide the CC DM Programs. These guidelines must adhere to NCCHC Guidelines for management of diseases. The Contractor shall update clinical care guidelines annually and submit to the Department for approval. Updates to the clinical care guidelines must reflect new treatment or diagnostics for chronic conditions as recommended by NCCHC, the Centers for Disease Control and Prevention, National Committee for Quality Assurance (NCQA) or other nationally recognized authorities establishing treatment or testing services for chronic conditions and infectious diseases.

2.10.6.3 Chronic care conditions are identified in Department Order 1101 Inmate Access to Health Care as:

- ADA Qualified Inmates Requiring Regular Examinations and/or Treatment
- Allergies
- Cancer
- Developmentally Disabled
- Diabetes
- Heart Disease
- Hepatitis C
- Hypertension
- Mental Illness.
- Mentally Impaired

- Latent Tuberculosis Infection (LTBI) (identified by a positive purified Protein Derivative Test-PPD)
- Respiratory Disease Seizure Disorder
- Seriously Mentally Ill (SMI)
- Tuberculosis
- HIV
- Contractor must also provide chronic care management for terminally Ill and frail elderly and high risk pregnancy.

2.10.6.4. The Contractor shall establish a process to identify chronically ill and infectious inmates at intake through review of health history and examination and determine the severity of the condition based on specific indicators of level of control.

2.10.6.4.1. The Contractor must provide a mechanism to identify inmates with chronic conditions, diseases and co-morbid complexities through review of data with associated referral and outreach processes to engage the identified inmate in chronic care management

2.10.6.4.2. The Contractor must also establish processes that provide ongoing screening for identification of inmates with chronic conditions and diseases through regularly scheduled physical examination or upon presentation for acute or episodic care.

2.10.6.5. The Contractor shall maintain a registry for tracking inmates with chronic conditions/diseases and capability of identifying gaps in care for each inmate and trends for the population of identified inmates with chronic conditions/diseases.

2.10.6.6. All chronic condition/disease management patients shall be provided a review by a nurse and physician. Routine visits shall be conducted by a medical provider at least twice annually or more often as clinically indicated. Between routine medical provider visits, nursing visits with a registered nurse (RN) must be scheduled as clinically indicated for education, monitoring, review of testing, and other nursing interventions as part of a collaborative multidisciplinary approach.

2.10.6.7. Based on an assessment completed for each identified inmate, a treatment plan must be developed that includes: a problem list; self-care goals; the frequency of visits to medically manage the illness; monitoring plan including type and frequency of diagnostic testing; education and counseling; special instructions (e.g. diet, exercise, etc); adaptation to the correctional environment; medication(s); special therapies; activity restrictions; multidisciplinary coordination of care; and further assessment to track improvement from baseline.

2.10.6.8. The Contractor's Chronic Condition/Disease Management program should include clinical staffing conferences to coordinate medical, nursing, social, mental health care, dietary and other relevant correctional staff required to ensure timely and appropriate care for inmates in the chronic care/disease

management program. Requirements and plans for these care conferences and coordination activities shall be identified in the inmate's treatment plan.

2.10.6.9. The Offeror shall describe their plan and capabilities to meet the requirements for the Chronic Condition/Disease Management as specified in this Section.

~~2.10.6.10. The Offeror shall provide a description and example of a system for~~ categorizing the inmates identified with chronic conditions/diseases into stratified risk categories that your organization has used when implementing a chronic care program.

2.10.6.11. The Offeror shall describe staffing for the chronic condition/disease management program and how your organization shall assign a case manager (RN, behavioral health or other type of clinical staff) to work specifically with assigned inmates with very complex, high cost conditions as a case manager.

2.10.6.12. The Offeror shall provide an example of the database that you propose to serve as a registry and system to track care, gaps in care and outcomes for inmates identified with chronic conditions.

2.10.6.13. The Offeror shall provide a case example where their chronic care management systems have resulted in improved health outcomes and aversion of outside service emergency room and inpatient utilization.

2.10.7. The Contractor shall collect inmate blood or bodily fluid samples necessary for laboratory testing as required by court order. Such samples shall be obtained on a timely basis in accordance with all directives and submitted to the court or designated agency within time frames set by the court order:

2.10.7.4. The Offeror shall describe their plan and capabilities to meet this requirement.

2.10.8. The Contractor shall conduct inmate medical assessments as needed to determine education and special education eligibility as required in Department Order 910 Inmate Education, Section 910.04 Exemptions from Participation in Educational Programs and in Department Order 920 Inmate Special Education Services, Section 920.03 Evaluation and Eligibility Determination:

2.10.8.4. The Offeror shall describe their plan and capabilities to meet this requirement.

2.10.9. Nursing: The Contractor shall provide medically necessary and appropriate nursing services.

2.10.9.1 Nursing services shall be provided in accordance with the Arizona Nurse Practice Act.

2.10.9.2 The Contractor shall develop safe staffing patterns, in accordance with the "American Nurses Association Principles on Safe Staffing", based on the

specific needs of each unit, including patient acuity, the experience level of nurses, levels of care mix, and the availability of resources, such as technology and training for the nursing staff.

2.10.9.3The Offeror shall describe their plan and capabilities to meet this requirement.

2.10.10. Radiology Services (for all disciplines): The Contractor shall provide for medically necessary and appropriate diagnostic X-ray procedures.

2.10.6.4 The Offeror shall describe their plan and capabilities to meet this requirement.

2.10.11. Laboratory Services: The Contractor shall provide for medically necessary and appropriate diagnostic laboratory procedures, including phlebotomy and testing:

2.10.11.4. The Offeror shall describe their plan and capabilities to meet this requirement.

2.10.12. Biohazardous Waste Disposal: The Contractor shall provide for and be financially responsible for meeting all bio-hazardous waste disposal requirements at each Arizona State Prison Complex including implementation of appropriate storage procedures, transport of waste to appropriate pick-up point, and transport away from each Arizona State Prison Complex, in compliance with Department Order 116 Employee Communicable Disease Exposure Control Plan; HSTM Chapter 6, Section 6.4.0 and Chapter 2, Section 2.5.0.; NCCHC Standards P-B-01 Infection Control Program, P-C-06 Inmate Workers, and P-D-03 Clinic Space, Equipment, and Supplies; and all other State or Federal regulations:

2.10.12.4. The Offeror shall describe their plan and capabilities to meet this requirement.

2.10.13. The Contractor shall perform eye and audiological examinations and be responsible for all Optometry, Ophthalmology, and Audiology services in accordance with Department Order 1101 Inmate Access to Health Care, Section 1101.06 Chronic Illness, HSTM Chapter 7, Section 7.1.7 and NCCHC Standard P-A-01 Access to Care and P-G-02 Patients with Special Health Needs:

2.10.13.4. The Offeror shall describe their plan and capabilities to meet this requirement.

2.10.14. Medical orthoses, prostheses, and other aids to alleviate impairment shall be based on the specific needs of the inmate and as defined in HSTM Chapter 7, Section 7.11.0 and as also found in NCCHC Standard P-G-10 Aids to Impairment:

2.10.14.4. The Offeror shall describe their plan and capabilities to meet this requirement.

2.10.15. The Contractor shall ensure the hospitalization of inmates requiring care beyond the capability of the Arizona State Prison Complex at health care institutions licensed to

provide inpatient hospital services and approved by the Department Contract Monitor as noted in Section 2.8. All inpatient hospital admissions shall be subject to utilization review in compliance with Contractor's approved utilization review procedures and processes. Routine admission from the Arizona State Prison Complex shall be reported telephonically or electronically to the Department Contract Monitor and the Arizona State Prison Complex Warden prior to the occurrence. If an emergency admission, the notification must be completed telephonically or electronically within eight (8) hours of occurrence. The Contractor shall be financially responsible for all costs associated with the care of an inmate treated by any licensed health care facility.

2.10.15.1 Confidentiality/Exchange of Information: The Contractor shall ensure that inmate health information is handled in accordance with any applicable procedures established by Federal and State confidentiality of health information laws and regulations.

2.10.16. Inpatient Infirmary care shall be available for those inmates requiring skilled nursing care, chronic illness care, convalescent care and for all inmates with acute and chronic conditions. If provided on-site, the Contractor shall comply with requirements established in HSTM Chapter 7, Section 7.4.0; NCCHC Standards P-G-03 Infirmary Care and P-C-07 Staffing; and the Arizona Nurse Practice Act. The Contractor shall utilize infirmary units to the fullest extent possible. Utilization of Infirmary Services shall be subject to utilization management pre-certification and authorization requirements.

2.10.16.1 Each functioning infirmary shall adhere to these minimum standards.

2.10.16.1.1 Admission to and discharge from the infirmary shall require the order of a physician.

2.10.16.1.2 Upon arrival in the infirmary area, during normal duty hours, all inmates, medical and mental health, shall have a documented physical (including mental status examination) examination shall be conducted resulting in admission orders. After hours or on weekends, all inmates shall have a documented nursing assessment completed. The on-duty RN shall contact the on-call provider for treatment and admission orders.

2.10.16.1.3 A physician shall be on-call 24 hours a day, seven (7) days a week and must come on-site as needed to make assessments, write orders, or provide care.

2.10.16.1.4 Supervision of the infirmary shall be by an on-site RN, 24 hours per day seven (7) days a week.

2.10.16.1.5 A sufficient number of appropriate health care personnel shall be on duty, as required, based on a nursing acuity staffing system.

2.10.16.1.6 Inmates admitted to the Infirmary must have a nursing care plan developed within 24 hours of admission.

2.10.17 The Contractor shall be responsible for arranging medically necessary services not available within the Arizona State Prison Complex services at on-site and off-site community provider facilities and specialty clinics approved by the Department

Contract Monitor as noted in Section 2.8. The Contractor shall be responsible for any all costs related to providing such services.

2.10.18 The Contractor shall be responsible for coordinating security and transportation requirements with the Arizona State Prison Complex for inmates requiring hospitalization, routine or pre-scheduled care at health care institutions, off-site community provider facilities, and specialty clinics. This includes security in hospitals where in-patient services are provided in a non-secure wing or unit. The Contractor shall comply with Department requirements as established by Department Order 1101 Inmate Access to Health Care, Department Order 705 Inmate Transportation, and the Health Services Technical Manual.

2.10.19 Off-Site Emergency Services: The Contractor shall ensure the availability of off-site emergency treatment. Transfer to the offsite facility shall occur by the most appropriate means considering the medical needs of the inmate. The Contractor shall be responsible for the costs of all emergency air ambulance or land ambulance transportation. The Contractor is encouraged to Contract with emergency service facilities for the provision of emergency services.

2.10.19.1 Prior to transport, the Contractor's staff shall contact the local emergency room to advise staff of the patient's imminent transfer and provide health status information for initial assessment. The Contractor's staff must also coordinate all emergency transfers with Prison Transport staff.

2.10.20 Non-routine (emergency or urgent) or Emergency Medical Services (EMS) transportation of inmates is the responsibility of the Contractor. The Contractor shall develop a plan that coordinates medical care with security operations to guarantee continuity of care.

2.10.21 On-site Emergency Services: On-site Emergency Services: The Contractor shall provide on-site emergency care provided by qualified medical professionals on a twenty-four (24) hour-a-day, seven (7) day-a-week basis, for the sudden onset of a medically emergent condition. Nursing staff shall be available twenty-four (24) hours per day, seven (7) days per week and after-hours and on weekends and holidays may contact medical, dental, pharmaceutical and mental health practitioners by telephone for consultation and direction. All events involving physical injury shall be referred to a RN for assessment. The RN shall consult with the physician on call regarding treatment and clinical indication for transport to a local hospital emergency department. In addition, the RN must inform the Utilization Review staff immediately of the emergency event and medical disposition.

2.10.22 Regarding Subsections 2.10.15 through 2.10.21, the Offeror shall:

2.10.22.1 Describe your organization's plan and capabilities to meet the requirements for offsite, infirmary and transportation services for all Department inmates as specified in this Request for Proposal.

2.10.22.2Provide sample data for number of off site transports per 1000 inmates that you have experienced as a provider of correctional health services in other states specifically for:

2.10.22.2.1Inpatient admissions
2.10.22.2.2Provider and clinic off-site visits
2.10.22.2.3Emergency transfers
2.10.22.2.4Other (please specify)

2.10.22.3Provide an example of how your organization's processes have resulted in reducing off-site services for health care services in other states where you provide correctional health care services.

2.10.23 Emergency Aid for Department Employees, Visitors, and Contractors: Emergency aid for Department employees, visitors, and Contractors injured while on the grounds of an Arizona State Prison Complex shall be provided as appropriate in accordance with professional ethics and practice standards and as allowed pursuant to Arizona Revised Statute Section 32-1471. The 9-1-1 emergency telephone calling system shall be used as necessary.

2.10.16.4. The Offeror shall describe their plan and capabilities to meet this requirement.

2.10.24 Inmate Health Education:

2.10.24.1The Contractor shall implement within ninety (90) calendar days of Contract execution, subject to Department approval, an inmate health education program. To promote the health education process, informational programs shall be made available based on the requirements established in HSTM Chapter 6, Section 6.1.0 and NCCHC Standards P-F-01 Healthy Lifestyle Promotion and P-G-09 Pregnancy Counseling. Printed information shall be made available in areas easily accessed by inmates. Selected topics for these programs shall include but are not limited to:

2.10.24.1.1 Personal hygiene
2.10.24.1.2 Nutrition
2.10.24.1.3 Physical fitness
2.10.24.1.4 Stress management
2.10.24.1.5 Sexually transmitted diseases
2.10.24.1.6 Chemical dependency
2.10.24.1.7 Tuberculosis and other communicable diseases
2.10.24.1.8 Effects of smoking
2.10.24.1.9 HIV/AIDS
2.10.24.1.10 Hypertension/Cardiac
2.10.24.1.11 Epilepsy
2.10.24.1.12 Diabetes
2.10.24.1.13 Dermatology
2.10.24.1.14 Rehabilitation

2.10.24.1.15 Prison Rape Elimination Act of 2003 (PREA)
2.10.24.1.16 Health Fairs
2.10.24.1.17 Oral Hygiene
2.10.24.1.18 Hepatitis

2.10.24.2 The Contractor shall provide a communicable disease education program for inmates consistent with, the Department's existing health education program for HIV and Serial Hepatitis.

2.10.24.3 The Offeror shall describe their plan and capabilities to meet the requirements in this Subsection.

2.10.25 Health care records:

2.10.25.1 The Department currently uses a paper system for documenting and filing inmate medical records. The Contractor is responsible for the implementation of a clinically comprehensive and interoperable Electronic Health Records (EHR) system through which the Contractor shall create and maintain a Health Insurance Portability and Accountability Act-compliant, confidential, secure medical record for each inmate.

2.10.25.2 The Offeror shall develop and submit a high-level EHR implementation plan, as part of this proposal, outlining key milestones and deliverables.

2.10.25.2.1 A final detailed EHR implementation plan shall be submitted to the Department within thirty (30) calendar days of the Contract award date for Department review and approval.

2.10.25.3 The Contractor shall be responsible for all costs of implementation, including hardware, software, peripherals and network connectivity. The Department shall become sole owner of all data contained within the EHR in the event the Contract is terminated.

2.10.25.4 The Contractor shall ensure that all Health Services Unit staff document each health care encounter in the appropriate section of the EHR. This is applicable to all mental health, dental, nursing, pharmacy and medical staff, including any subcontractors as appropriate.

2.10.25.5 The Contractor shall use an approved Department form (see ACI Forms Pricing List), for all departmental business. Where appropriate, utilize an Automatic Form Input System to automate form utilization within the EHR system, thereby decreasing the need for paper-based forms and processes. Should the Contractor require a form that does not currently exist for a particular purpose, the Contractor shall work with the Department Contract Manager to develop a State-approved form for that purpose. New forms may not be used until they have been submitted to and approved by the Department Contract Manager. The ACI Forms and Pricing List can be found on the Department's website at http://www.azcorrections.gov/healthservicesrfp.html.

2.10.25.6 The Contractor shall ensure specific compliance regarding confidentiality and medical-legal access/disclosure of personal health information and shall be responsible for developing and implementing an ongoing compliance program to ensure all health services staff, physicians and subcontractors comply with these requirements.

2.10.25.7 The Contractor shall ensure that each medical record meets the requirements of Arizona Revised Statutes, Title 12, Chapter 13, Article 7.1; Arizona Revised Statute Section 36-3702; Department Order 1104 Inmate Health Records; HSTM Chapter 1, Section 1.7.0; HSTM Chapter 5, Sections 5.1.2.2, 5.5.2, and 5.5.3; HSTM Chapter 7, Section 7.8.0; HSTM Chapter 8, Sections 8.2.1, 8.2.2, 8.2.3, 8.4.0, and 8.4.1; and NCCHC Standards P-D-03 Clinic Space, Equipment, and Supplies and Section H-Health Records.

2.10.25.8 The Contractor shall ensure that all logs required in medical areas are maintained in a complete, current and accurate condition. Whenever possible, logs should be maintained within the EHR or through another electronic means such as Microsoft Excel or through scanning to a PDF or other similar format for electronic storage.

2.10.25.9 The Contractor shall be responsible for all costs related to storage of medical records, including those currently residing in a hard-copy format and those that shall eventually reside in the EHR. The Contractor shall work with the Department Contract Monitor in establishing procedures to ensure that the Department can retrieve and store medical records in compliance with existing Arizona State Public Records laws and rules. As part of the response to this Request for Proposal, the Contractor shall submit a written plan for medical record conversion from the current hard-copy format into the Contractor's EHR solution. At a minimum this plan should contain the timeframes, milestones and staffing necessary to complete the medical record conversion process.

2.10.25.10 The Contractor shall not affix the name of the Contractor to any aspects of the inmate medical record since these records are the property of the State.

2.10.25.11 The Contractor shall submit to the Department, within thirty (30) calendar days of the Contract award date, a medical management reporting package template for review and approval. The contents of the reporting package shall include, at a minimum, basic reports to meet National Commission on Correctional Health Care requirements as well as general operational reporting statistics such as:

- 2.10.25.11.1 The number of inmates receiving health services by category or care.
- 2.10.25.11.2 Referrals to specialists.
- 2.10.25.11.3 Deaths.

2.10.25.11.4 Infectious disease monitoring (e.g., hepatitis, human immunodeficiency virus, sexually transmitted diseases and tuberculosis).

2.10.25.11.5 Emergency services provided to patients.

2.10.25.11.6 Dental procedures performed.

2.10.25.11.7 Telemedicine visits broken down by specialty.

2.10.25.12 The Offeror shall acknowledge that they have read and shall comply with any and all related information technology requirements related to an EHR system as specified in Section 2.22 of this Request for Proposal.

2.10.25.13 The Offeror shall describe their experience in utilizing an EHR to produce reports for monitoring and oversight of quality and medical management.

2.10.25.14 The Offeror shall provide a detailed explanation regarding their choice in the selection of their EHR solution.

2.10.25.15 The Offeror shall describe the data extraction capabilities of their proposed EHR solution including supported file formats (i.e., Excel, Access, Delimited Text, etc.) and record layouts for information available for extraction; outline how Department staff may access this data and how the system supports reporting capabilities.

2.10.26 Restricted Medical Diets: The Contractor shall be responsible for prescribing restricted medical diets and for coordinating ordering and delivery of the restricted medical diets with the Arizona State Prison Complex food service provider. The Contractor shall comply with the standards found in the Arizona Department of Corrections Diet Reference Manual including but not limited to sections entitled Index of Restricted Diets, Outline of Restricted Diets, All Regular and Restricted Diets, and Ordering and Canceling Restricted Diets as well as all health condition protocols listed in the Manual.

2.10.26.1 The Offeror shall describe their plan and capabilities to meet this requirement.

2.10.27 Medical Linen: The Contractor shall provide linens as required in special medical units, which may include, examination areas, infirmary or special care units, or to inmates with medical needs requiring linens.

2.10.27.1 The Offeror shall describe their plan and capabilities to meet this requirement.

2.10.28 Discharge Planning: The Contractor shall contact, coordinate and collaborate with community agencies as clinically indicated to develop a comprehensive discharge plan to assist in the inmate's successful release. The Contractor shall initiate discharge planning for inmates with severe or special medical, dental and mental health needs one-hundred and fifty (150) calendar days in advance of scheduled release date, and as required by Department Order 1001. Inmate Release System. The Contractor shall initiate discharge planning for all other inmates with identified medical, dental and mental health needs ninety (90) calendar days in advance of scheduled release date. The Contractor shall initiate, create and establish discharge

planning in compliance with NCCHC Standards P-E-12 Continuity of Care During Incarceration and P-E13 Discharge Planning.

2.10.28.1 The Contractor shall designate staff with discharge planning or case management experience (mental health release and medical release planners) to assure adherence to Department policy (DO 1001) regarding release requirements. Responsibilities of the release planning staff should include, but not be limited to:

2.10.28.1.1 Open and continuous communication with Community Corrections Staff

2.10.28.1.2 Familiarity with local community facilities that can be used for health related referral in the geographic area where the Inmate will be living upon release;

2.10.28.1.3 Collaboration with medical, dental and/or mental health specialists to ensure that any special instructions or follow up requirements are conveyed to the Inmate; Specifically Mental Health Release Planners shall plan for all inmates with a mental health score of 3 or greater or for any inmate designated as Seriously Mentally Ill. Activities shall involve contact with the appropriate Regional Behavioral Health Authority (RBHA) and Tribal RBHAs to ensure inmates are fully assessed by the RBHA and resources addressing all facets of mental heath needs are arranged prior to the inmate's release.

2.10.28.1.4 Medical and Mental Health Release Planners shall plan for all inmates with chronic and significant medical, dental and mental health conditions requiring structured and immediate services upon release.

2.10.28.1.5 Completion of an approved Continuity of Care form for the patient to take to his/her community health services provider.

2.10.28.1.6 Documentation per policy.

2.10.28.2 At the time the inmate is released from incarceration, the Contractor shall provide a sufficient supply of medications to complete a prescription and/or thirty-day supply of all current prescribed medications including diabetic release kits and durable medical equipment and supplies in order to facilitate continuity of care during the transition to community-based treatment.

2.10.28.3 The Contractor shall implement procedures to coordinate medication and treatment for HIV+ inmates upon release and eligibility for enrollment in the AIDS Drug Assistance Program.

2.10.28.4 The Contractor shall provide copies of the medical record for all inmates with identified medical needs who are released to community service providers.

2.10.28.5 The Contractor shall arrange for necessary follow-up health services before the inmate's release to the community to ensure continuity of care/services is maintained, including:

2.10.28.5.1 Ensuring the completion and processing of required eligibility applications, determinations and other required evaluations including but not limited to completion of required health examinations, and forms in application for Social Security income benefits, Medicaid/Medicare, PAC or any other entitlement program for which the Inmate might be eligible upon release.

2.10.28.5.2 Arranging post-release appointments or health placements.

2.10.28.6 The Offeror shall describe their plan and capabilities to meet the requirements for the inmate release and discharge planning as specified in Subsection 2.10.28 of this Request for Proposal.

2.10.28.7 The Offeror shall describe the training and skills of the discharge staff (mental health release and medical release staff).

2.10.28.8 The Offeror shall describe efforts to coordinate with re-entry initiatives in other prison systems with examples of how release processes have contributed to improvements with re-entry.

2.10.28.9 The Offeror shall describe efforts to plan and implement upcoming provisions contained in the Healthcare Reform Act in regard to eligibility for federal assistance.

2.11 DENTAL SERVICES

2.11.1 The Contractor shall provide and be financially responsible for all dental services as specified in this Request for Proposal in accordance with Subsection 2.6.6 and in compliance with Department requirements, including:

2.11.1 Department Order 1101 Inmate Access to Health Care, Section 1101.09 Dental Services
2.11.2 HSTM Chapter 1, Section 1.6.1; Chapter 5, Section 5.9.0
2.11.3 Dental Services Technical Manual
2.11.4 NCCHC Standards P-E-06, P-E-08, P-D-03, P-E-02, P-E-03, P-E-04.

2.11.2 Sick call shall be provided in compliance with Department Order 1101 Inmate Access to Health Care, Section 1101.03, Appointments, Subsections 1.1 through 1.10); HSTM Chapter 5, Sections 5.3.0. 5.3.1, 5.3.2, 5.4.0, 5.7.1, and 5.7.2; and as referenced in Subsection 2.7.2.6.

2.11.3 Dental practitioners shall be available twenty-four (24) hours per day, seven (7) days per week and after-hours and on weekends and holidays by telephone for emergency consultation and direction.

2.11.4 The Contractor shall provide dental emergency care consisting of immediate assessment and/or treatment of conditions including but not limited to, postoperative uncontrolled bleeding; facial swelling that is of a life threatening nature or is causing facial

deformity; fracture of the mandible, maxilla, or zygomatic arch; avulsed dentition; an extremely painful condition that is non-responsive to the implementation of dental treatment guidelines; intraoral lacerations that require suturing to include the vermilion border of the lips. At minimum, the Contractor shall ensure that an inmate with an emergency dental need is seen within 24 hours. See Dental Services Technical Manual, Chapter 3, Introduction.

2.11.5 The Contractor shall provide dental urgent care consisting of treatment that is necessary subsequent to the implementation of dental treatment guidelines such as: fractured dentition with pulp exposure; acute dental abscess; oral pathological condition that may severely compromise the general health of the inmate. At minimum, the Contractor shall ensure that an inmate with urgent dental needs is seen within 72 hours. See Dental Services Technical Manual, Chapter 3, Introduction.

2.11.6 The Contractor shall provide ongoing, routine care defined as conditions that require treatment to restore the form and function of an inmate's oral tissues and are not solely elective or cosmetic in nature such as: caries; chronic periodontal conditions; non-restorable teeth; edentulous and partially edentulous patients requiring replacement; presence of temporary, sedative, or intermediate restorations; broken or non functional prosthetic appliance, if patient qualifies; TMJ disorders; periodic examination; gingival recession or root sensitivity; and routine dental prophylaxis. At minimum, the Contractor shall ensure that an inmate with routine dental needs is seen within ninety (90) calendar days of receipt of a Health Needs Request (HNR) for treatment. See Dental Services Technical Manual, Chapter 3, Introduction and Chapter 7, Dental Procedures.

2.11.7 Dental prostheses shall be based on the specific needs of the inmate and as defined in the Dental Services Technical Manual, Chapter 7, Dental Procedures, 771.5, Dental Prostheses.

2.11.8 The Contractor shall ensure compliance with Department dental exempt conditions, which are the following conditions that do not fall in the above categories and are not provided by the Department: fixed prosthodontics (crown and bridge); orthodontics; removal of asymptomatic third molars or impactions without pathology; treatment of discolorations, stains, cosmetic defects; ridge augmentations, vestibular extensions/implants.

2.11.9 The Contractor shall be responsible for arranging necessary dental services not available within the Arizona State Prison Complex services at on-site and off-site community provider facilities and specialty clinics approved by the Department Contract Monitor as noted in Section 2.8. The Contractor shall be responsible for any and all costs related to providing such services.

2.11.9.1 The Contractor shall be responsible for coordinating security and transportation requirements with the Arizona State Prison Complex for inmates requiring off-site dental care. The Contractor shall comply with Department requirements as established by Department Order 1101 Inmate Access to Health Care and Department Order 705 Inmate Transportation.

2.11.10 The Offeror shall describe their organization's plan and capabilities to meet the requirements for providing Utilization Management as specified in Section 2.14 of this Request for Proposal.

2.11.11 Using the Offeror's experience providing dental services to other populations, the Offeror shall provide metrics that illustrate the adequacy of your dental network and your success serving populations of this type. For example, provide statistics for average wait time for emergency, urgent and routine care; as well as the percentage of your members who receive routine care on a regular basis.

2.11.12 The Offeror shall describe how they shall provide services at off-site community provider facilities and list the available facilities.

2.11.13 The Offeror shall describe the dental metrics tracked.

2.12 PHARMACY SERVICES

2.12.1 The Contractor shall provide and be financially responsible for all pharmacy services, including the provision of pharmaceuticals, as specified in this Request for Proposal in accordance with Subsection 2.6.6 and in compliance with Department requirements, including:

2.12.1.1 Department Order 1101 Inmate Access to Health Care, Section 1101.14 Prescriptions

2.12.1.2 HSTM Chapter 1, Section 1.6.1; Chapter 4, Sections 4.1.0 through 4.1.12; Chapter 5, Sections 5.6.0, 5.6.1 and 5.6.4

2.12.1.3 NCCHC Standards P-D-01, P-D-02, P-D-03, P-I-02.

2.12.2 The Contractor shall provide a comprehensive Electronic Health Record System inclusive of an electronic Pharmacy system that allows for ePrescribing and eMAR capabilities appropriate for use in a correctional healthcare setting. The system shall provide the prescribers the capability to electronically transmit prescription orders to the pharmacy for dispensing. The Contractor shall provide, install and maintain necessary equipment, training and support services. Refer to Subsection 2.10.25 and Section 2.22 for more information.

2.12.2.1 The Offeror shall provide as part of the response to this Request for Proposal a detailed description of their proposed electronic Pharmacy system that allows for ePrescribing and eMAR capabilities appropriate for use in a correctional healthcare setting.

2.12.3 Contractor shall have flexibility to implement and utilize their drug formulary and is not required to adopt the Department's current formulary. Contractor must adhere to all requirements outlined in this Request for Proposal regarding the development and administration of a clinically sound formulary program, including ongoing Pharmacy and Therapeutics (P&T) Committee review and maintenance.

2.12.4 The Offeror shall have the flexibility to provide pharmacy operations off-site or to retain existing physical space for the pharmacy and similar operations.

2.12.4.1 The Offeror shall provide in their response to this Request for Proposal a detailed explanation of those services that shall be provided off-site and those services that shall be provided on-site.

2.12.4.2 The Offeror shall provide detailed information regarding the proposed transition plan to ensure continuity of services after Contract award.

2.12.5 The Contractor shall provide a registered pharmacist to conduct on a regular basis, not less than quarterly, an on-site audit of each Facility Health Unit and quality improvement review. The audit document(s) used by the Contractor shall be made available to the Department upon requests and shall be consistent with the accreditation requirements established by the National Commission on Correctional Health Care (NCCHC).

2.12.6 The Contractor's consultant pharmacist shall schedule site visits of any location where medication is stored prior to each P&T Committee meeting to ensure that inspection reports can be shared at the meeting, issues discussed and all NCCHC standards are complete and available for review.

2.12.7 The Contractor shall provide the prescribers the capability to electronically transmit prescription orders to the pharmacy for dispensing. The Contractor shall provide, install and maintain necessary equipment, training and support services.

2.12.8 Pharmacy staff shall be available twenty-four (24) hours per day, seven (7) days per week and after-hours and on weekends and holidays by telephone for emergency consultation and direction. In addition, the Contractor shall have a clinical pharmacist available to all Arizona State Prison Complexes for consultation by telephone regarding non-formulary requests and advice on medication choices, medication interactions and new medication protocols, Monday through Friday, between 7:00 AM and 5:00 PM (Arizona time).

2.12.9 Permits, Licenses, and Insurance Documentation: The Contractor shall maintain, at each Arizona State Prison Complex, current copies of all required pharmacy-related state and federal licenses, permits, and registrations. Copies of the required pharmacy licensure documentation shall be provided to the Department Contract Monitor prior to the initiation of the services.

2.12.10 The Contractor shall be responsible for purchasing, stocking, and managing medications, including prescription medications, injectables, compound intravenous solutions, and over the counter medications, both formulary and non-formulary.

2.12.11 The Contractor shall provide a system for ordering, monitoring on-site receipt and maintaining an inventory of pharmaceuticals in a safe, secure and organized fashion, and in accordance with the NCCHC standard at each Arizona State Prison Complex.

2.12.11.1 The complete audit trail for all medications issued by the pharmacy and returned to the pharmacy must be maintained.

2.12.11.2 Preference shall be given to Offerors who will be using bar coded systems.

2.12.12 The Contractor shall provide an electronic (web-based) prescription inquiry system that shall provide order, usage and ad hoc reporting functions for all Arizona State Prison Complexes. This shall be available to the Contract Monitor 24 hours per day, 7days per week.

2.12.12.1 The Offeror shall submit information on the ad hoc reporting capabilities and include screen shots of standard reports that shall be available to the Contract Monitor.

2.12.13 The Contractor shall provide pharmaceuticals and medications to the Arizona State Prison Complexes utilizing a "unit dose" and a "Keep on Person" method of packaging.

2.12.14 The Contractor shall provide a consistent and uniform procedure for dispensing Keep On Person (KOP) prescription medication to the inmate population.

2.12.14.1 The Offeror shall submit the proposed KOP policy and procedure as part of their response to this Request for Proposal.

2.12.15 All packaging and storage of pharmaceuticals and medications under the direct control of the Contractor shall meet all labeling requirements and all other requirements established by the manufacturer.

2.12.16 The Contractor shall ensure that all pharmaceuticals and pharmacy inventory is accounted for and actively managed at each Facility Health Unit, Remote Health Care Site and pharmacy at all times. The Contractor shall monitor on a quarterly basis all drugs for outdates, appropriate dating and labeling, multi-dose vials, disposal of expired or partially used drugs and items obtained from the pharmacy found in an inmate's possession. The Contractor shall ensure documentation and tracking of all medication-related errors due to nursing delivery/administration or pharmacy dispensing errors.

2.12.17 The Offeror shall submit as part of the response to this Request for Proposal a written description of packaging options, including:

2.12.17.1 How packaging shall be designed to fit the physical space allocated in each Arizona State Prison Complex Health Services Unit for dispensing of unit dose medications.

2.12.17.2 Keep on Person medications packaging options, with a focus on limited inmate storage space and portability as well as inmate management of self-medications.

2.12.18 The Contractor shall be responsible for and shall ensure that medications are properly dispensed, including:

2.12.18.1 Medications shall be supplied in thirty (30) day quantities.

2.12.18.2 Over-the-counter medications that are written as prescriptions by the providers shall be fully integrated into pharmacy services.

2.12.18.1 The Department has contracted with its inmate store vendor to stock the following non-prescription "Over the Counter" (OTC) medications in every Department health unit for purchase by inmates based on nursing assessment protocols, Appendix E, Health Services Technical Manual, and physician recommendation during routine and emergency visits.

- Aspirin 325mg 24 count
- Ibuprofen 200mg 24 count
- Acetaminophen 325mg 24 count
- Chlorpheniramine 4mg tablet
- Liquid Antacid 12oz
- Magnesium Hydroxide (12oz)
- Psyllium Fiber Laxative 12oz
- Hydrocortisone Cream 1%
- Athlete Foot Cream 1% 15gm
- Triple Antibiotic Ointment 30gm
- Hydrocerin Cream 4oz.
- Lubricating Skin Lotion
- Carmex Lip Balm .35oz.
- Hemorrhoidal Ointment 2oz
- Heritage Anti-fungal Powder 3oz.
- Analgesic Greaseless Balm 3oz.
- Sun Block SPF 30 4oz.

2.12.18.2 Inmates electing to purchase the non-prescription OTC medications from the inmate store stock, maintained in the health unit, during their routine or emergency visit at the health unit will complete form 905-1, Inmate Request for Withdraw, dated 3-3-11. The form will be picked up by the inmate store vendor for submission to Department inmate banking on a routine basis.

2.12.18.3 The following inmates shall be prescribed, as medically indicated, and provided, at no charge to the inmate, the OTCs identified to be stocked at the health units by the inmate store vendor:

2.12.18.3.1 Juvenile Inmates
2.12.18.3.2 Inmates in ADC In-Patient Infirmaries (IPC)
2.12.18.3.3 Inmates in ASPC-Florence Housing Unit 8
2.12.18.3.4 Inmates in ASPC-Lewis Assisted Living Area (L11)
2.12.18.3.5 Inmates in the Alhambra Licensed Behavioral Health Treatment Center (ABHTC)

2.12.18.4 Inmates may also purchase the non-prescription OTC medications, stocked in the health units, from the inmate store as part of their routine store

purchases.

2.12.18.5 The inmate store vendor will be responsible for weekly restocking at all health units, checking for outdates and providing documentation for inventory and outdate reviews.

2.12.18.6 Advanced planning for HIV/AIDS positive inmates shall be required utilizing the Aids Drug Assistance Program (ADAP) for transitioning inmates back into the community.

2.12.18.7 At the time the inmate is released from incarceration, the Contractor shall provide a thirty-day supply of medication for inmates prescribed medications in order to facilitate continuity of care during the transition to community-based treatment.

2.12.18.8 Infectious Disease Control medications will meet CDC guidelines for Standards of Care including HIV, Hepatitis B and C.

2.12.19 Upon request of the Department, the Contractor shall provide liquid psychotropic medications in unit doses, individually labeled, with manufacturer, lot number, expiration date and date packaged listed.

2.12.20 The Contractor shall ensure that current stock medications and levels at all Remote Drug Storage Areas (RDSA) shall be maintained at current levels for at least the first ninety (90) calendar days after the Contract award date and managed in a safe and secure environment and in accordance with NCCHC standard. Following the ninety (90) day transition, Contractor shall submit a transition plan and any proposed changes to these supply levels to the Contract Monitor for review and for approval by the P&T Committee.

2.12.21 The Contractor shall conduct a quarterly P&T Committee meeting to include review of the formulary and non-formulary usage, provider prescribing practices, drug utilization review, educational information, drug costs and other relevant topics to pharmacy operations. The composition of the P&T Committee shall be multidisciplinary and meet industry standards regarding clinical composition of the membership and composition of voting members. The Contract Monitor shall be afforded the opportunity to join all scheduled P&T Committee meetings.

2.12.21.1 The Contractor shall provide with their Response to this Request for Proposal a brief discussion of the role and level of involvement in the P&T Committee activities afforded to the Contract Monitor.

2.12.22 The Contractor shall ensure that inmates entering the facility, or transferring between Department Facilities and complexes, continue to receive their prescription medications in a timely fashion as prescribed, or receive clinically acceptable alternative medications as clinically indicated per NCCHC standard. Contractor shall ensure protocols are in place so that the drugs are administered in a timely fashion, as dictated by clinical need. Contractor shall ensure that

medications are prescribed only when clinically indicated.

2.12.23 The Contractor shall ensure a system to provide urgent, necessary medications ordered by physicians after hours (in carrying out their after hours duties), and ensure continuation of chronic medications, if delaying until normal refill time would adversely compromise the inmate's health, and, ensure distribution of medications in compliance with provider orders or approved nursing protocols.

2.12.23.1 The Contractor shall provide on-site stat dose capability at each Arizona State Prison Complex for emergency stock of medications in unit dose packages to be used in emergency situations or until regular delivery of medications.

2.12.23.2 The specific medications shall be determined by the Pharmacy and Therapeutics Committee and the quantities shall be determined by the Contractor's Arizona CEO and the Area Manager.

2.12.23.3 The Contractor shall be responsible to ensure that inmates are provided access to immediate pharmaceutical needs that are not available on site.

2.12.23.4 The Contractor shall provide a system that, at minimum, meets the following:

2.12.23.4.1 New prescriptions ordered by 3:00 PM (Arizona time) shall be available by the next day at 2:00 PM (Arizona time).

2.12.23.4.2 Refills shall be available 3 – 5 calendar days prior to their due date

2.12.23.4.3 STAT medications and pharmaceutical supplies shall be available within six (6) hours of placing the order

2.12.23.4.4 Emergency delivery of life sustaining formulary and/or non-formulary STAT medications within one (1) hour of placing the order.

2.12.23.4.5 Non-formulary medication for an approved non-formulary request placed by 3:00 PM (Arizona time) by the next day2:00 PM (Arizona time).

2.12.24 The Contractor shall package non-controlled Keep on Person (KOP) medications in not more than a 30 day supply or up to a 120 pill packaging.

2.12.25 The Contractor shall document and maintain a Medication Administration Record (MAR) to include all information contained on the prescription label, the name of the practitioner who prescribed the medication, any patient allergies, and the identity of the staff member delivering the medication.

2.12.26 The Contractor shall provide a signature log for each Keep-On-Person (KOP) prescription an inmate receives. This log is to record the date of the inmate's receipt of the medication, the prescription number, and the initials or

signature of the inmate. These signature logs must be kept for two (2) years.

2.12.27 The Contractor shall have a formulary that shall foster safe, appropriate and effective drug therapy, and that is current with the community standards of practice. The Contractor shall ensure prescriptions are consistent with the available formulary or that requests for non-formulary medications are properly reviewed and authorized.

2.12.27.1 The Offeror shall submit a listing of their medication formulary and shall complete Exhibit 5, Top Brand Drugs by indicating if each medication listed in the Exhibit is currently on the Contractor's formulary list.

2.12.28 The Contractor shall provide notifications of contraindications, such as drug interactions, drug allergy, or incorrect dose to the prescriber prior to dispensing the medication.

2.12.29 The Contractor shall have a non-formulary request process. The Offeror shall submit information on the non-formulary tools, including electronic technology tools, which are available – including but not limited to policies and procedures, examples of physician request forms, documentation and tracking logs.

2.12.30 The Contractor shall have a medication grandfathering policy for inmates already receiving medications that will become non-formulary. This policy shall ensure that clinically appropriate transition policies exist in order to retain delivery of the highest quality medical care.

2.12.30.1 The Offeror shall submit their proposed grandfathering, or transition, policy as part of their response to this Request for Proposal.

2.12.31 The Contractor shall compile, track and report on the non-formulary requests and make this information available for review by the Department upon request.

2.12.32 Clinical Pharmacy Services:

2.12.32.1 The Contractor shall provide the following essential clinical pharmacy services, which shall include:

2.12.32.1.1 Providing guidance that optimizes the use of medication and promotes health, wellness and disease prevention, including providing medication information sheets to the inmates.

2.12.32.1.2 Providing medication therapy evaluations and recommendations to health care professionals.

2.12.32.1.3 Acting as a primary source of scientifically valid information and advice regarding the safe and appropriate use of medications.

2.12.32.1.4 Routinely reviewing medication therapy, to prevent potential drug interactions and reduce medication errors, in an effort to ensure

ongoing safe and effective care.

2.12.32.1.5 Ensuring medications are safe, still potent, stored properly, and secured.

2.12.32.2 Specific functions included in these essential clinical pharmacy services may include:

2.12.32.2.1 Providing drug information, including drug selection, dosing and therapeutic substitution.

2.12.32.2.2 Reviewing medication usage and monitoring trends including dosing, co-administration, disease state treatment and prescriber-specific medication trends.

2.12.32.2.3 Providing support and guidance to the P&T Committee regarding all aspects of drug treatment, prescribing, storage and usage.

2.12.32.2.4 Contributing to the creation of disease management guidelines.

2.12.32.2.5 Providing input and support for continuous quality improvement initiatives.

2.12.32.2.6 Completing and reviewing quarterly medication audits as part of the quality assurance program.

2.12.32.2.7 Reviewing and trending non-formulary medication requests and usage.

2.12.32.3 The Offeror shall describe their plan and capabilities to meet the requirements for Clinical Pharmacy Services as specified in this Section of this Request for Proposal.

2.13 MENTAL HEALTH SERVICES

2.13.1 The Contractor shall provide and be financially responsible for all mental health services as specified in this request for proposal in accordance with Subsection 2.6.6, and in compliance with Department requirements, including:

2.13.1.1 Department Order 711 Notice of Inmate Hospitalization or Death
2.13.1.2 Department Order 801 Inmate Classification (Classification Manual)
2.13.1.3 Department Order 804 Inmate Behavior Control
2.13.1.4 Department Order 807 Inmate Suicide Prevention, Precautionary Watches and Maximum Behavioral Control Restraints
2.13.1.5 Department Order 1101 Inmate Access to Health Care
2.13.1.6 Department Order 1103 Inmate Mental Health Care, Treatment and Programs
2.13.1.7 Department Order 1104 Inmate Health Records
2.13.1.8 Department Order 1105 Inmate Mortality/Morbidity Review
2.13.1.9 HSTM Chapter 1, Section 1.6.1

2.13.1.10 Mental Health Services Technical Manual

2.13.1.11 NCCHC Standards for Mental Health Services in Correctional Facilities, Sections A through I

2.13.1.12 Department of Health, Division of Licensing Services licensing requirements for behavioral health agencies, in reference to the Alhambra Behavioral Health Treatment Facility

2.13.2 Sick call shall be provided in compliance with Department Order 1101 Inmate Access to Health Care, Section 1101.03, Appointments; HSTM Chapter 5, Sections 5.3.0. 5.3.1, 5.3.2, 5.4.0, 5.7.1, and 5.7.2; and as referenced in Subsection 2.7.2.6.

2.13.3 Mental Health practitioners shall be available at all Department institutions twenty-four (24) hours per day, seven (7) days per week and after-hours and on weekends and holidays by telephone for emergency consultation and direction.

2.13.4 The Contractor shall provide psychology services, psychiatry services, and psychiatric nursing services utilizing licensed and qualified mental health staff.

2.13.5 Mental health practitioners shall practice within their scope of training, and licensure or certification as required by the State of Arizona.

2.13.6 The Contractor shall implement a care management/ utilization management program to manage mental health services. Care Management is the overall system of medical management encompassing utilization management, referral, case management, care coordination, continuity of care and transition care, chronic care management, quality care management, and independent review.

2.13.7 The utilization management program shall provide a process for evaluation of medical necessity, appropriateness, and efficiency of mental health services, procedures, and facilities. Utilization management shall include utilization review and service authorization. The purpose of the utilization management program shall be to provide the right mental health services in the necessary amount to inmates at the right time.

2.13.7.1 The Department reserves the right to intervene in the mental health delivery and authorization at any time to address situations impacted by inmate safety and security-related factors or other factors of imminent importance.

2.13.8 The Contractor shall implement practice guidelines based on nationally accepted standards, as approved by the Department. Practice guidelines shall be updated at least annually. All mental health staff shall be trained on the practice guidelines within 30 days of adoption, upon hire or during initial orientation, and at least semi-annually thereafter.

2.13.9 The Contractor shall implement protocols for collaboration with Department staff providing alcohol and other drug services for the purposes of coordinating integrated treatment for inmates with co-occurring mental health and drug and alcohol conditions. Integrated treatment approaches are superior in outcomes to sequential treatment of co-occurring conditions.

2.13.10 The Contractor shall provide comprehensive mental health services, that are evidence-based and/or best practices, including:

2.13.10.1 Crisis and suicide intervention services, including suicide watches and mental health watches.
2.13.10.2 Mental health evaluations and assessments, including initial assessments upon intake/reception and classification, and ongoing assessments as needed by inmates.
2.13.10.3 Individual treatment plan development and periodic review.
2.13.10.4 Psychiatric provider services and psychotropic medications.
2.13.10.5 Individual and group psychotherapy.
2.13.10.6 Specialized psycho-educational groups.
2.13.10.7 Medication evaluation, administration and follow-up.
2.13.10.8 Psychological autopsies designed to investigate an inmate's death by reconstructing what the person thought, felt, and did preceding the inmate's death.
2.13.10.9 Release, discharge, re-entry, and transitional planning.
2.13.10.10 Maintenance of legible documentation for services rendered in accordance with Department requirements.
2.13.10.11 Consultation with medical, support, and custodial staff on treatment and programming concerns.
2.13.10.12 Special program planning, directing and coordination.
2.13.10.13 Screening, orientation and record reviews.
2.13.10.14 Professional development participation and activities.
2.13.10.15 Staff training.

2.13.11 The Contractor shall provide evidence-based and best practice specialized mental health services, including:

2.13.11.1 Treatment for significantly and seriously mentally ill inmates in the Arizona State Hospital or a licensed behavioral health or mental health inpatient treatment facility as required by Arizona Revised Statute Section 31-226. (Alhambra Behavioral Health Treatment Facility)

2.13.11.2 Residential treatment and mental health programming to treat male offenders that previously received inpatient/intensive mental health interventions. Continuity of care from prior treatment setting, symptom management and relapse prevention are emphasized with a long term goal of reintegration into the general population. Treatment services shall include individual and group treatment, psychopharmacological treatment, recreational and occupational therapy, and an academic support program. (Alhambra Behavioral Health Treatment Facility)

2.13.11.3 Day treatment as an adjunct to housing in general population and mental health programming to treat male and female offenders. Treatment services shall include individual and group treatment, life skills development, recreational therapy, and work and work based education support services.

2.13.11.4 Residential behavioral health programming for male offenders whose enduring personality and behavior problems result in continuous conflict with authority and ability to adjust to the correctional setting. Cognitive-behavioral therapy or other evidence-based practices with demonstrated effectiveness in correctional settings must be utilized as the principal treatment strategy. Behavior modification (with a reward system) may also be utilized. (Alhambra Behavioral Health Treatment Facility)

2.13.11.5 The Contractor shall be responsible for operating, staffing and maintaining all specialized treatment programs. The Contractor shall ensure sufficient staffing for each program to meet and address the needs of inmates identified for placement in these respective programs.

2.13.12 The Contractor shall be responsible for arranging necessary mental health services not available within the Arizona State Prison Complex services at on-site and off-site community provider facilities and specialty clinics approved by the Department Contract Monitor as noted in Section 2.8. The Contractor shall be responsible for any all costs related to providing such services. Every effort shall be made to provide services on-site or through telemedicine when appropriate to meet the inmates' needs except for re-entry related services.

2.13.12.1 The Contractor shall be responsible for coordinating security and transportation requirements with the Arizona State Prison Complex for inmates requiring off-site mental health care. The Contractor shall comply with Department requirements as established by Department Order 1101 Inmate Access to Health Care and Department Order 705 Inmate Transportation.

2.13.13 The Contractor shall conduct inmate mental health assessments as needed to determine education and special education eligibility as required in Department Order 910 Inmate Education, Section 910.04 Exemptions from Participation in Educational Programs, and in Department Order 920 Inmate Special Education Services, Section 920.03 Evaluation and Eligibility Determination.

2.13.14 The Offeror shall describe their organization's plan and capabilities to meet the requirements for providing mental health for all ADC inmates as specified in this Section of the Request for Proposal.

2.13.15 The Offeror shall provide an organization chart of the proposed mental health services staffing by facility. Include a description of required credentials and qualifications.

2.13.16 The Offeror shall discuss their approach to assuring continuity of mental health services and care for inmates during the implementation of the contract. Describe specific strategies the Offeror will undertake.

2.13.17 Describe the Offeror's experience and proposed approach:

2.13.17.1 For conducting initial and ongoing assessments of inmates. Specifically, address the process for identifying inmates with mental health

needs post intake/reception and classification. Describe the strategies utilized and proposed to collaborate with security personnel to identify individuals who may require psychopharmacological treatment post initial intake/classification. Discuss one successful strategy and one strategy that did not result in the desired outcomes and the lessons learned from these strategies. Identify a client reference that can verify the result.

2.13.17.2 To operating inpatient, day treatment and residential services for inmates within a correctional setting. Specifically address use of evidence-based practices or best practice services utilized and provide two examples of the outcomes achieved in the operations of inpatient, day treatment and/or residential services. Also, provide an example of a barrier the Offeror has encountered in the management of inpatient or residential services and how the barrier was addressed.

2.13.17.3 To suicide prevention and strategies for collaborating with security personnel. Describe a strategy that was successful in another client correctional setting.

2.13.18 Describe a quality initiative in a correctional setting that the Offeror implemented and describe the results. Identify a client reference that can verify the information provided.

2.13.19 Describe a strategy implemented to manage utilization of mental health services in a correctional facility and the results of the strategy; for example, how the strategy impacted resource availability. Identify a client reference that can verify the results.

2.13.20 Describe the Offeror's approach to establishing linkages with community services, including the types of services and linkages necessary to support the successful community reentry of offenders with serious mental illness. Discuss specific strategies the Offeror will undertake.

2.14. UTILIZATION MANAGEMENT

2.14.1 The Contractor shall implement a system of utilization management and utilization review services consistent with the Department HSTM Department Orders that includes the availability of a qualified Clinician on a twenty-four (24) hour, seven day per week basis, by toll-free telephone number, to provide pre-authorization and pre-admission approvals for services that cannot be managed within normal business hours.

2.14.2 The Contractor shall be responsible for the utilization review and management of all care (medical, dental and mental health) rendered on and offsite.

2.14.2.1 The Contractor shall designate nurses with experience in utilization management to support the utilization management program. In addition, the Contractor must provide Arizona licensed physicians to perform utilization review with one designated Medical Director, with appropriate credentials in family practice, general internal medicine or emergency medical services with 3

to 5 years of correctional services experience.

2.14.2.1.1 Preference will be given for previous training in utilization management decision making for a statewide system.

2.14.2.2 Utilization Management (UM) nurses must be available for both pre-admission review and to meet the demands of a concurrent utilization review and retrospective review program. UM staff shall be separate from Contractor staff delivering services to inmates and shall be accounted for separately in order to assure neutrality and fairness in utilization decisions.

2.14.2.3 The Contractor shall provide Utilization Review staff to review all Inmates for possible eligibility for Medical (Medicaid) Assistance Reimbursement eligibility. This includes completing required applications and referral processes.

2.14.2.4 Within sixty (60) calendar days of the Contract award date, the Contractor shall develop and present to the Department a copy of its Utilization Management (UM) Program Description, with chapters that shall include, but not be limited to:

2.14.2.4.1 Medical necessity criteria for the following levels of care (including criteria, i.e. InterQual or Milliman, to be used during concurrent review):

2.14.2.4.1.1 Inpatient Hospital Services
2.14.2.4.1.2 Surgery
2.14.2.4.1.3 Off-site Specialty Services
2.14.2.4.1.4 Off-site Specialty Diagnostic and Imaging Services
2.14.2.4.1.5 Infirmary Admissions

2.14.2.4.2 Description of UM processes
2.14.2.4.3 Requirements for facility on-site concurrent review
2.14.2.4.4 Emergency Room admissions and retrospective review
2.14.2.4.5 Post-stabilization and transfer from inpatient to infirmary services
2.14.2.4.6 Discharge planning and coordination to include weekend discharges to be coordinated on Fridays with follow up discussion on Mondays
2.14.2.4.7 Management and review of emergency room care
2.14.2.4.8 Referrals to out-of network (non-contracted facilities or providers)
2.14.2.4.9 Process for denials and appeals
2.14.2.4.10 Timeliness standards
2.14.2.4.11 UM staffing Plan
2.14.2.4.12 Identification and review of over and under utilization
2.14.2.4.13 UM reporting
2.14.2.4.14 Denial and appeals reporting

2.14.2.5 The Contractor shall collect data and submit reports to the Department as specified per the schedule identified in Exhibit 2, Required Reporting of this Request for Proposal.

2.14.2.6 For Inmates admitted to inpatient services, the Contractor shall develop and maintain a system for discharge planning. The Contractor's Utilization Management staff shall work with inpatient hospital discharge planners and in

collaboration with the Contractor's Facility medical staff, shall determine when the individual is ready for transfer back to the facility and/or admission to a Department infirmary and make all arrangements for transportation with Department staff.

2.14.3 The Contractor's Utilization Management processes must provide that a physician reviews requests for service if the UM nurse identifies that the request may over or under utilize services; the request for services does not meet established medical necessity criteria; or service/treatment involves a quality of care concern. This review must include a direct physician-to-physician discussion on any care where the direct care provider requests services and the Contractor's UM physician needs more information to fully understand the clinical nature of the case in order to make a medical necessity determination. For inpatient services, the authorization decisions must be rendered within seventy-two hours after the receipt for the request for service. For standard outpatient services, the authorization decisions must be rendered within fourteen (14) calendar days following receipt of the request for service. If the direct care provider does not agree with the Contractor UM physician, the provider may file an appeal with the Contractor.

2.14.3.1 The Department reserves the right to intervene in the health care delivery and authorization at any time to address situations impacted by inmate safety and security-related factors or other factors of imminent importance.

2.14.3.2 The Contractor's UM system must provide an appeals system that is easily accessible and that allows the direct care clinician to appeal a case to a UM physician reviewer who must be a different UM physician than the UM physician reviewing the case when issuing the initial denial decision. The UM physician shall conduct the appeal by reviewing the case record and/or discussion with the direct care clinician and render a decision based on the clinical information provided within seventy two hours for inpatient service requests and fourteen calendar days for standard outpatient service requests.

2.14.3.3 Should the direct care provider disagree with the Contractor's UM appeal decision, the Contractor's processes shall inform the direct care provider of the appeal process to the Department Medical Director and provide documentation of the case along with denial and appeal review records to the Department. The Department Medical Director or his designee shall be the final arbiter in all cases.

2.14.3.4 The Contractor shall assume financial responsibility for all services appealed to the Department Medical Director and overturned on appeal in addition to administrative costs of the appeal.

2.14.4 The Offeror shall describe their plan and capabilities to meet the requirements for Utilization Management as specified in this Section of this Request for Proposal.

2.14.5 The Offeror shall provide an example of how your organization has minimized use of off-site services in other prison systems through use of utilization management processes.

2.14.6 The Offeror shall provide the following data for state prison systems where you currently have contracts:

2.14.6.1 Number of ER visits/1000 inmates/year
2.14.6.2 Number of ambulance trips/1000 inmates/year
2.14.6.3 Number of outpatient surgeries/1000 inmates/year
2.14.6.4 Number of hospital admissions/1000 inmates/year
2.14.6.5 Number of hospital days/1000 inmates/year
2.14.6.6 Average length of stay for inpatient admissions
2.14.6.7 Readmissions within 15 days
2.14.6.8 Readmissions within 30 days

2.15 AHCCCS REQUIREMENTS AND CLAIMS PROCESSING

2.15.1 Pursuant to State of Arizona, Laws 2011, First Regular Session, Chapter 278, HB 2154, the Contractor awarded a Contract from this Request for Proposal shall not reimburse or pay for services at a rate that exceeds the capped fee-for-service schedule that is adopted by the AHCCCS administration pursuant to title 36, chapter 29, article 1, Arizona Revised Statutes, and that is in effect at the time the services are delivered.

2.15.2 The Contractor awarded a Contract from this Request for Proposal shall establish subcontracts for health care services that are not directly provided by the Contractor.

2.15.3 The Offeror shall provide a detailed flowchart and narrative description of the Offeror's claims submission and adjudication processes, addressing both paper and electronic claims submissions. Include in the description the following: claims submissions; monitoring process for accurate and timely claim adjudication; how deficiencies are identified and resolved; timeliness standards; and how claim inquiries are handled. Include an actual sample of the provider remittance advice (front and back) or a written narrative of the provider remittance advice.

2.15.4 The Offeror shall acknowledge and agree that after the Contract is awarded:

2.15.4.1 The Contractor shall implement an accurate and timely claim submission and reimbursement system and procedures, including a claim dispute resolution process.

2.15.4.2 The Contractor shall not pay a claim initially submitted more than 6 months after the date of service or pay a clean claim submitted more than 12 months after the date of service except as directed by the Department. Claim payment requirements pertain to both contracted and non-contracted providers. The receipt date of the claim is the date stamp on the claim or the date electronically received. The receipt date is the day the claim is received at the Contractor's specified claims mailing address or the date it is electronically submitted. The paid date of the claim is the date on the check or other form of payment. Claims submission deadlines shall be calculated from the claim end date.

2.15.4.3 The Contractor shall pay, in a manner that is timely, clean claims submitted by a health care services provider. The Contractor shall ensure that 90% of all clean claims are paid

within thirty (30) calendar days of receipt of the clean claim and 99% are adjudicated within sixty (60) calendar days of receipt of the clean claim. The Contractor must track the timely and untimely payment of claims. The Contractor must make this information available to the Department upon request.

2.15.4.4 The Contractor shall have a process to track the timely and accurate payments of claims and a process to respond to and track provider claim disputes. The Contractor shall provide evidence of these monitoring and corrective actions when individual and systemic provider claim disputes issues are identified.

2.15.4.5 The Contractor's claims payment system, as well as its prior authorization and concurrent review process, shall minimize the likelihood of having to recoup already-paid claims. The Contractor shall not recoup monies from a provider later than 12 months after the date of original payment on a clean claim without prior approval of the Department.

2.15.4.6 At least monthly the Contractor shall review the AHCCCS website for changes to the AHCCCS FFS rate. The Contractor shall maintain a log of their review and make the information available to the Department upon request. Hospital specific rates are not available on the AHCCCS website. The Contractor in collaboration with the Department and AHCCCS shall establish a process to obtain the Hospital FFS rates at anytime they are changed.
http://www.azahcccs.gov/commercial/ProviderBilling/rates/rates.aspx

2.15.4.7 The health care provider shall submit claims in accordance and as applicable per the AHCCCS FFS Claims manual. The Contractor shall pay health care claims per the AHCCCS FFS Claims manual.
http://www.azahcccs.gov/commercial/ProviderBilling/manuals/FFSProviderManual.aspx

2.15.4.8 The Contractor shall have procedures for pre-payment and post payment claims review that includes review of supporting documentation such as medical records, home health visit notes, in addition to authorizations. The Contract shall provide evidence of these monitoring and corrective actions when individual and systemic claims issues are identified.

2.15.4.9 The Contractor shall have available and in place a written claims dispute policy for providers. The claims dispute policy shall include the following provisions:

2.15.4.9.1 The Provider Claim Dispute Policy must specify that all claim disputes challenging claim payments, denials or recoupments must be filed in writing with the Contractor no later than 12 months from the date of service or within sixty (60) calendar days after the payment, denial or recoupment of a timely claim submission, whichever is later.

2.15.4.9.2 A log is maintained for all claims disputes containing sufficient information to identify the Complainant, date of receipt, nature of the claims dispute and the date the claims dispute is resolved. The logs must be made available to the department upon request.

2.15.4.9.3 Within five (5) business days of receipt, the Complainant is informed by letter that the claims dispute has been received.

2.15.4.9.4 Each claims dispute is thoroughly investigated using the applicable contractual and policy provisions, ensuring that facts are obtained from all parties.

2.15.4.9.5 All documentation received by the Contractor during the claims dispute process is dated upon receipt.

2.15.4.9.6 A copy of the Contractor's Notice of Decision shall be mailed to all parties no later than thirty (30) calendar days after the provider files a claim dispute with the Contractor, unless the provider and Contractor agree to a longer period. The Decision must include the following:

- The nature of the claims dispute.
- The issues involved.
- The reasons supporting the Contractor's Decision, including references to applicable contractual provisions and policies.
- The provider's right to request a second review to the Contractor no later than thirty (30) calendar days after the date the Provider receives the Contractor's decision.
- If the claim dispute is overturned, the requirement that the Contractor shall reprocess and pay the claim(s) in a manner consistent with the Decision within thirty (30) business days of the date of the decision.

2.15.5 The Offeror shall acknowledge that they have read and understand the AHCCCS FFS payment requirements and methodologies so that as a Contractor they shall make payments for subcontracted health care services provided, which shall not exceed the fee-for-service rates that are set by AHCCCS, as required Pursuant to State of Arizona, Laws 2011, First Regular Session, Chapter 278, HB 2154.

2.15.5.1 Describe specifically how the Offeror shall integrate the AHCCCS FFS payment requirements in its claims processing and adjudication so that it shall be in compliance with the requirements of this Contract.

2.15.6 The Offeror shall acknowledge that if awarded the Contract they shall work with the AHCCCS Administration staff within sixty (60) calendar days of the Contract award date to demonstrate that their proposed claims processing system is compatible with and meets requirements related to all AHCCCS rules, methodologies, and procedures regarding claims submission, claims processing, and claims management. The Offeror shall acknowledge that they shall have AHCCCS perform a readiness review. Failure of the Offeror to meet the requirements of the AHCCCS review may result in Contract termination. The readiness review should include, but is not limited to, the following:

2.15.6.1 Evidence that all payment policies are developed and in compliance with AHCCCS payment methodologies.

2.15.6.2 Successful processing of AHCCCS test claims.

2.15.6.3 Successful execution of situational test scenarios.

2.15.6.4 System capability to accept and load AHCCCS rate schedules, provider files and reference data etc.

2.15.6.5 Evidence of the ability to adequately monitor and report.

2.15.6.6 Adequacy of staffing.

2.15.6.7 Evidence of system change controls.

2.15.7 The Offeror shall describe their experience with paying health care claims from subcontracted health care providers. Indicate the number of claims, as well as the dollar value of those claims, processed annually by the Offeror and the average time to adjudicate a claim. Explain how the claims submission and payment system is or is not aligned with the Offeror's health information system, including the system for prior authorizations.

2.15.8 The Offeror shall identify if their claims submission and payment system has had a major upgrade or been replaced within the past four years. If it has, the Offeror shall describe when these changes were made, the reason for the upgrade and/or replacement and the extent of the upgrade if the system was not replaced.

2.16 INMATE GRIEVANCES/COMPLAINTS

2.16.1 Inmates have the opportunity to file grievances regarding medical services, dental services, mental health services, and pharmaceutical services. Any grievances filed by inmates regarding correctional health services shall adhere to the Department Order 802 Inmate Grievance Procedure. The Contractor shall be responsible for reviewing the claim and gathering information concerning the complaint, and take appropriate action consistent with Arizona State Prison Complex grievance procedures. A copy of all formal grievances, with response and background material, shall be forwarded to the Department Contract Monitor. Those grievances not satisfied at the Arizona State Prison Complex level can be appealed by the inmate to the Department designee for resolution. The Contractor shall furnish all information provided in response to the original formal and informal grievances. Responses to requests for information are to be complete and accurate addressing all aspects of the complaint. Information shall be provided in a timely manner. A high number of appeals upheld at this level would indicate a problem/breakdown with the grievance process at the Arizona State Prison Complex level and a possible weakness in the delivery of appropriate and medically necessary correctional health services by the Contractor.

2.17 STAFFING

2.17.1 The Contractor must employ sufficient staffing and utilize appropriate resources to achieve contractual compliance. The Contractor's resources must be adequate to achieve outcomes in all functional areas within the organization. Adequacy shall be evaluated based on outcomes and compliance with contractual and Department policy requirements. If the Contractor does not achieve the desired outcomes or maintain compliance with contractual obligations, additional monitoring and regulatory action may be employed by the Department, up to and including action specified in Section 2.21 Monetary Sanctions, of this Request for Proposal.

2.17.2 The Contractor shall employ on site only those persons who have appropriate full and unrestricted Arizona licensure or certification in good standing and who have provided documentation of past healthcare experience. Individuals in positions that require credentials (physicians, registered nurse practitioners (NPs) psychologists, psychological specialists, registered nurses, licensed practical nurses, dentists, and any other position that requires credentials), shall be subject to a credentials review by the Department to ensure that the individual has the requisite training, experience and licensure or certification necessary to

perform the duties assigned. It is the Contractor's responsibility to ascertain and comply with all state licensing and credentialing requirements.

2.17.2.1 Prior to duty assignment, the Contractor shall provide a certification statement on each individual to the Department Contract Monitor certifying that the credentials of each individual have been reviewed and that he/she is certified as fully qualified to perform the duties assigned. All credentials must meet or exceed the requirements of Arizona Law.

2.17.3 General Administrative Requirements: The Contractor shall have direct oversight, be responsible for and monitor the performance of all correctional health services staff whether providing direct healthcare or performing other duties in support of the Contract.

2.17.3.1 The Department shall provide security for the Contractor's employees and agents consistent with the security provided at other Arizona State Prison Complexes.

2.17.3.2 The Contractor's staff shall provide on-site correctional health services coverage twenty-four (24) hours a day, seven (7) days a week for each Arizona State Prison Complex. Additionally, the staff shall liaise with and maintain a good working relationship with Department staff.

2.17.3.3 The Contractor shall maintain personnel files on all Contractor employees. The records shall be made available to the Department Contract Monitor upon request. These files shall include, but not be limited to, copies of current Arizona licenses or proof of professional certification, evaluation records, and position responsibilities.

2.17.3.4 The Contractor shall ensure that all staff performing services under this Contract or regularly accessing the Department's Arizona State Prison Complexes are TB screened and/or tested as required by Department Order 116 Employee Communicable Disease Exposure Control Plan, Section 116.05 Tuberculosis Prevention and Exposure Control.

2.17.3.5 The Contractor's employees shall be groomed in accordance with Department grooming policies identified in Department Order 503 Employee Grooming and Dress.

2.17.3.6 The Contractor's employees shall adhere to Department Order 501 Employee Professionalism, Ethics and Conduct, Section 501.02 Staff Relationships with Inmates, Offenders, Former Inmates/Offenders and Arizona Revised Statute 13-1419, Unlawful Sexual Conduct.

2.17.4 The Contractor shall maintain an adequate level of staffing for provision of the services outlined herein.

2.17.4.1 The Contractor shall give Department employees displaced by this Contract first consideration for employment in comparable positions to those they currently hold.

2.17.4.2 The Contractor shall ensure that staff providing services is appropriately trained and qualified and licensed, as appropriate.

2.17.5 The Contractor and the Contractor's staff are subject to Department Order 205 Contractor Security, which establishes a system to screen Contractors and their employees prior to permitting them access to an institution, and specifies security-related criteria for denying a person access. Contractors and their employees may be denied access to an institution if they are ex-offenders or if they have been arrested, indicted for, or convicted of, a felony crime; violate the Department's written instructions; or otherwise represent a threat to the safe, secure and orderly operation of the institution

2.17.5.1 The final selection of all staff assigned to provide services under a Contract resulting from this Request for Proposal shall be subject to approval by the Department Contract Monitor.

2.17.5.2 Contractor staff, with the exception of current Department employees or former Department employees separated in good standing from the Department for less than sixty (60) calendar days, shall be subject to pre-employment background checks. The Contractor shall supply required information on each employee to the Department prior to assigning them to Arizona State Prison Complexes so that mandatory background investigations can be completed. Submittal of such information shall be provided to Department investigators two weeks prior to planned assignment to allow sufficient time to complete the investigation. Each employee applicant shall complete a Background Questionnaire and finger-print card, which shall require them to travel to identified Arizona State Prison Complexes to complete the process. The Contractor shall be responsible for all costs incurred for fingerprinting of Contract staff. No employee or employee applicant shall be allowed within the secure perimeter of any Arizona State Prison Complex without proper background clearance being obtained.

2.17.5.3 The Contractor's staff shall be subject to post-employment administrative and criminal investigation by Department staff as specified in Department Order 205 Contractor Security, Section 205.04 Allegations of Misconduct and Criminal Activity.

2.17.5.4 The Contractor and the Contractor's staff shall be subject to employee conduct requirements as specified in Department Order 501 Employee Professionalism, Ethics and Conduct and shall self report arrests or convictions as required by Department Order 501 Professionalism, Ethics and Conduct, Section 501.03 Staff Arrests/Negative Law Enforcement Contact.

2.17.6 Staffing Plan and Levels:

2.17.6.1 The Offeror shall submit as part of the response to this Request for Proposal a written proposed staffing pattern demonstrating how they

shall adhere to or exceed all applicable standards of care at all Arizona State Prison Complexes and all Health Services Units.

2.17.6.2 Forty-five (45) calendar days prior to the scheduled implementation date for service initiation at each Arizona State Prison Complex, the Contractor shall provide a staffing roster to the Department Contract Monitor. The roster shall include the name and position, title and licensure status for each Contractor's staff member. When applicable, a copy of the corresponding executed supervision agreement required by applicable Arizona laws shall be attached.

2.17.6.3 The Offeror shall submit as part of the response to this Request for Proposal an organizational chart reflecting the structure of the health care services system.

2.17.6.4 Healthcare Staff Positions' Job Functions: To ensure the provision of correctional health services as specified in this Request for Proposal, the Contractor shall be responsible for utilizing qualified, licensed "in good standing" (where appropriate), and supervised staff, including any necessary specialized support staff, as determined by the Contractor, Staff experience, qualifications and job functions should be as specified within this Request for Proposal and, in addition, shall be consistent with health industry standards.

2.17.6.5 The final selection of all Contractor staff assigned to provide services under a Contract resulting from this Request for Proposal shall be subject to approval by the Department. Employees who would not be eligible for hire by the Department may not be employed or provide services under the Contract.

2.17.6.6 The Contractor's Arizona CEO and Area Manager shall notify in writing and consult with an Arizona State Prison Complex Warden and the Department Contract Monitor prior to discharging, removing or failing to renew the Contracts of professional staff.

2.17.7 Contractor Staff Training and Education: The Contractor shall ensure that all Contractor staff is provided the following training:

2.17.7.1 Orientation and appropriate training regarding on-site security and medical practices at each Arizona State Prison Complex.

2.17.7.2 One-time mandatory training (as prescribed for all Department employees), including Orientation Training as required in Department Order 509 Employee Training and Education, 509.05 Special Training. The provision of this training shall be the responsibility of the applicable Arizona State Prison Complex. The Contractor shall ensure all healthcare employees receive this training.

2.17.7.3 Annual in-service training (as prescribed for all Department employees). All full-time health staff shall receive in-service training annually required by the Department as defined in the most current Department Staff Development Training Schedule. The 2012 schedule can be found on the Department's website at http://www.azcorrections.gov/healthservicesrfp.html.

2.17.7.4 Additionally, the Contractor shall ensure that all staff performing services under the Contract at Arizona State Prison Complexes is trained in the following areas:

2.17.7.4.1 Basic Life Support (BLS);
2.17.7.4.2 First aid and emergency procedures.
2.17.7.4.3 Response to medical emergency or disaster
2.17.7.4.4 Process to contact emergency 24 hour on-call physician coverage
2.17.7.4.5 Processes regarding emergency transfer and transportation of inmates
2.17.7.4.6 Recognizing signs and symptoms of mental disorders or chemical dependency;
2.17.7.4.7 Suicide prevention;
2.17.7.4.8 HIV/AIDS;
2.17.7.4.9 Additional topics as required and approved by the Department; and
2.17.7.4.10 Prison Rape Elimination Act of 2003 (PREA)

2.17.7.5 The Contractor is not required to duplicate training for employees who have completed Department training within the last training year as defined by the Department.

2.18 REPORTING REQUIREMENTS

2.18.1 The Contractor shall comply with all statistical, financial, and informational reporting requirements contained in this Request for Proposal. In addition to reports and reporting requirements identified elsewhere in this Request for Proposal, the Department has provided a list of required reports, including content and submission requirements, in Exhibit 2, Required Reporting. The Department reserves the right to change the reports, report content, or frequency of reports at any time during the term of a Contract awarded as a result of this Request for Proposal.

2.18.2 The Department and the Department Monitoring Staff shall have free access to all statistical, financial, and informational reports required in this Request for Proposal during the term of the Contract.

2.18.3 Reports shall be exportable to formats that facilitate searchable databases required for identification of inmate specific cases populating statistics in reports, including but not limited to MS Excel, Word, Access, and print output files. Contractor shall also provide

online access for Department users (based on role-based security) to reports, enabling downloads for export/import into multiple software formats.

2.18.4 All statistical, financial, and informational data maintained and/or produced as part of reporting requirements contained in this Request for Proposal, shall be deemed to be owned by the Department. The ownership provision is in consideration of the Contractor's use of public funds in collecting or preparing such medical records, data, information and reports. These items shall not be used by the Contractor for any independent project of the Contractor or publicized by the Contractor without the prior written permission of the Department. Subject to applicable state and Federal laws and regulations, the Department shall have full and complete rights to reproduce, duplicate, disclose and otherwise use all such information. Prior to or at the termination of the contract, the Contractor shall make available all such information as requested by the Department, including in a readable electronic format specified by the Department.

2.18.5 Reports identified in Exhibit 2, Required Reporting, shall be sent to the Department Contract Monitor on or before the required due date.

2.18.6 Additional/AdHoc Reporting Requirements: The Department reserves the right to require additional reports, AdHoc reports, information pertaining to Contract compliance or other reports or information that may be required to respond to grievances, inquiries, complaints and other questions raised by inmates or other parties.

2.18.6.1 The Department shall make the request for the report in writing to the Contractor. The request shall specify the information required and the date the report is due.

2.18.6.2 The Contractor shall submit the report or information requested on or before the required due date.

2.18.7 The submission of late, inaccurate, or otherwise incomplete reports shall constitute failure to report subject to the monetary sanctions described in Section 2.21. Standards applied for determining failure to report are as follows:

2.18.7.1 A report shall be deemed timely and not late if received on or before on or before required due dates.

2.18.7.2 A report shall be deemed accurate if it is prepared in conformity with Department requirements.

2.18.7.3 A report shall be deemed complete if all required information is fully disclosed in a manner that is both responsive and pertinent to report intent with no material omissions.

2.18.8 If a failure to report is identified, the Department Contract Monitor shall notify the Contractor's Arizona CEO and the Area Manager in writing that the matter shall be referred to the Chief Procurement Officer to take action against the Contractor, including but not limited to monetary sanctions, suspension, refusal to renew, or termination of the Contract.

2.18.9 The Contractor shall have ten (10) calendar days to appeal in writing disputing a decision to refer the matter to the Chief Procurement Officer for action.

2.18.10 The Department Contract Monitor shall have ten (10) calendar days to make a final determination regarding the decision to refer the matter to the Chief Procurement Officer for action and to provide written notice to the Contractor of the final determination.

2.18.11 The Offeror shall provide examples of a full range of standardized operational reports utilized where the Offeror is or was the contracted Correctional Health Services Vendor.

2.18.12 The Offeror shall describe their capability to generate reports on-line and in print.

2.18.13 The Offeror shall provide an example demonstrating your organization's flexibility in customizing reports to meet the needs of a specific Correction Health Services Customer.

2.19 CONTRACT MONITORING GENERAL REQUIREMENTS

2.19.1 The Department shall assign a Department Contract Monitor who shall be responsible for Contract compliance and Contractor performance.

2.19.2 The Department shall assign Department Monitoring Staff who shall monitor Contract compliance and performance and coordinate all necessary activities relative to the Contractor, the Contractor's Arizona CEO or other Arizona Corporate Staff, the Contractor's Area Manager and the Department. Department Monitoring Staff shall report to the Department Contract Monitor.

2.19.2.1 Department Monitoring Staff shall review inmate access to care, compliance with NCCHC Standards, and adherence to required Department policies, procedures and regulatory directives to assure that correctional health service needs of the inmate population are adequately met.

2.19.2.2 Department Monitoring Staff shall review general compliance with the requirements and terms of the Contract to assure that the needs of the Department and the State of Arizona are adequately met.

2.19.2.3 Compliance monitoring activities shall be conducted on a random and routine basis and shall include quarterly audits required under Section 2.20.

2.19.2.4 The Contractor's Arizona Corporate Staff and the Area Manager shall meet with Department Monitoring Staff as requested and at locations designated by the Department Monitoring Staff as necessary to conduct the compliance monitoring activities.

2.19.3 The Department and the Department Monitoring Staff shall have free access to all Contract areas at any time and shall be given free access to staff and work products, and to any correspondence, records, reports, or other written and/or electronic materials dealing with

this Contract. The Department requires written assurance from the Contractor that such access shall be provided.

2.19.4 The results of compliance monitoring activities conducted by the Department, including identification of non-compliance, shall be provided to the Contractor in writing by Department Monitoring Staff.

2.19.5 If non-compliance issues, other than those identified in Subsection 2.19.6, are identified during a quarterly audit required under Section 2.20, or any other monitoring activity, the Department Monitoring Staff shall provide a written cure notice to the Contractor's Arizona CEO and Area Manager regarding the details of the non-compliance, the required corrective action, and the period of time allowed to bring performance back into compliance with Contract requirements.

2.19.5.1 If, at the end of the specified time period, the Contractor has complied with the cure notice requirements, the Department shall take no further action.

2.19.5.2 If, however, the Contractor has not complied with the cure notice requirements, the Department Contract Monitor shall notify the Contractor's Arizona CEO and Area Manager in writing that the matter shall be referred to the Chief Procurement Officer to take action against the Contractor, including but not limited to monetary sanctions, suspension, refusal to renew, or termination of the Contract.

2.19.6 If non-compliance issues are identified or discovered, during a quarterly audit required under Section 2.20 or any other monitoring activity, whose gravity or severity can not be mitigated by the Contractor's ability to bring its performance back into compliance at a future date, the Department Contract Monitor shall notify the Contractor's Arizona CEO and Area Manager in writing that the matter shall be referred to the Chief Procurement Officer to take action against the Contractor, including but not limited to monetary sanctions, suspension, refusal to renew, or termination of the Contract.

2.19.7 The Contractor shall have ten (10) calendar days to appeal in writing disputing a finding of non-compliance that results in either a cure notice or a decision to refer the matter to the Chief Procurement Officer for action.

2.19.8 The Department Contract Monitor shall have ten (10) calendar days to make a final determination regarding the disposition of the cure notice or the decision to refer the matter to the Chief Procurement Officer for action and to provide written notice to the Contractor of the final determination.

2.20 CONTRACT PERFORMANCE QUARTERLY AUDITS

2.20.1 The Contractor shall be responsible, as applicable to a Contract awarded as a result of this Request for Proposal, for meeting specified quarterly performance outcomes and measures, by discipline, deemed crucial in measuring compliance with Department expectations of service delivery as identified in Subsection 2.20.2. Performance Outcome Measures and

measurement sources may be added, revised or updated by the Department to reflect current priorities of the Department in delivering health care services to inmates and to accommodate automated reporting available after an Electronic Health Record system is implemented,

2.20.1.1 The Contractor shall ensure that each stated performance outcome, as applicable to a Contract awarded as a result of this Request for Proposal, is met one hundred percent (100%).

2.20.1.2 Department Monitoring Staff shall conduct quarterly audits of each Arizona State Prison Complex. The Contractor's performance shall be measured quarterly for the preceding quarter at each Arizona State Prison Complex, beginning the second quarter after service has been implemented.

2.20.2 Required Performance Outcomes and Measures:

2.20.2.1 Intake:

Performance Outcome 1: A physical examination is completed by a Medical Provider by day two (2) of an inmate's arrival at facility.
Measure: New Inmates identified from Intake Report reflect completion of physical examination documented in the medical record by Medical Provider by day two (2) of an inmate's arrival to the facility (minimum sample of 25 new inmate cases opened per quarter per site selected from the reporting quarter).

Performance Outcome 2: A mental health assessment is completed by a mental health practitioner by day two (2) of inmate's arrival at the intake facility.
Measure: New Inmates identified from Intake Report reflect completion of mental health assessment documented in the medical record by mental health practitioner by day two (2) of inmate's arrival to the facility (minimum sample of 25 new inmate cases opened per quarter per site selected from the reporting quarter).

2.20.2.2. Sick Call:

Performance Outcome 1: Sick call shall be held five days a week, Monday through Friday (excluding Holidays), for all inmates.
Measure: Reports reflect sick call held Monday through Friday every week.

Performance Outcome 2: All sick call inmates shall be triaged within 24 hours with emergent health need requests triaged immediately
Measure: Inmates identified from HNR Appointment Report show that triage is performed within 24 hours (or immediately for emergent needs) of request form date and time. (Minimum sample of 25 cases per quarter per site selected from the HNR Appointment Report database/log).

Performance Outcome 3: Every inmate's vital signs shall be checked and documented each time they attend sick call on the appropriate assessment form.
Measure: Medical record reflects vital signs for each sick call inmate. The percentage of inmates in HNR Appointment Report sample with documented vital signs on the assessment form/record (minimum sample of 25 cases per quarter per site selected from the reporting quarter HNR Appointment Report database/log).

Performance Outcome 4: All Sick call entries are documented in the medical record utilizing the "Subjective – Objective – Assessment – Plan - Education" (SOAPE) format.
Measure: The medical record shall have a SOAP entry for each sick call inmate (minimum sample of 25 cases per quarter per site selected from the quarter reporting period HNR Appointment Report database/log).

Performance Outcome 5: Referrals from sick call to a Physician or Midlevel provider are seen within seven (7) days.
Measure: Date of referral to physician or Midlevel provider compared to date of sick call (minimum sample of 25 cases per quarter per site selected from the reporting quarter HNR Appointment Report database/log).

2.20.2.3.Medical Specialty Consultations:

Performance Outcome 1: Urgent consultations are scheduled within thirty (30) days of the date the request is initiated.
Measure: Date of consultation in medical record as compared to the date request is initiated. The percentage of inmates from the sample with a documented consultation in the Medical Record within thirty (30) days of request for an urgent consult. (sample of a minimum of 25 cases per quarter per site identified from the Medical Transport Report database/log during the reporting quarter).

Performance Outcome 2: Consultation reports are followed-up within seven days of receiving the report.
Measure: Date of follow-up as compared to date of receipt of report. The percentage of inmates from the sample with a completed consultation, receipt of a consultation report and documentation by clinical staff of review and action on recommendations from the report in the Medical Record within seven (7) days of receipt of the report. (sample of a minimum of 25 cases per quarter per site identified from the Medical Transport Report database/log during the reporting quarter).

Performance Outcome 3: Appropriate utilization of off-site services to meet medical, dental and mental health needs of inmates
Measure: Audit review of off-site services to evaluate rationale for off-site services and recommendation for changes to processes and/or resources to offer services and provide care on-site when possible (minimum sample of 25 cases identified from the Medical Transport Report during the reporting

quarter. Contractor to submit audit report quarterly to ADC and documentation of follow-up on recommendations).

Performance Outcome 4: Appropriate and timely transfer for emergency services to meet the emergent medical needs of the inmate population
Measure: Audit review of all Emergency room transfers and admissions to review processes, clinical nature leading to emergency, transfer timeliness and recommendations based on findings to reduce potentially avoidable emergency room admissions. Contractor to submit audit report quarterly to ADC and documentation of follow-up on recommendations.

Performance Outcome 5: All Inpatient Admissions will have documented utilization review of admission and continued stay, meeting medical necessity review criteria and evidence of discharge planning.
Measure: Audit review of all Inpatient hospital admissions to assure documentation of admission and concurrent utilization review with approval based on meeting medical necessity criteria and documentation of discharge planning for return to infirmary or on-site services when clinically indicated. Contractor to submit audit report quarterly to ADC and documentation of follow-up on recommendations.

2.20.2.4.Chronic Condition and Disease Management Programs:

Performance Outcome 1: Inmates in the CC/DM Programs have a treatment plan developed by a Provider, representing the appropriate clinical discipline, within thirty (30) days of identification.
Measure: The percentage of inmates from the CC/DM Active Inmate Roster sample with a documented treatment plan in the Medical Record, relevant to chronic condition/diseases, within thirty (30) days of identification (minimum sample of 25 cases per quarter per site selected from CC/DM Active inmate Roster during the reporting quarter).

Performance Outcome 2: CC/DM inmates are seen by a Provider (representing the appropriate clinical discipline) every three (3) to six (6) or as specified in the inmate's treatment plan and based on stability and individual need with documentation of the CC/DM assessment and intervention in inmate's medical record.
Measure: The percentage of inmates from the CC/DM Active Inmate Roster sample with a documented Provider visit, relevant to inmate's chronic condition/diseases, consistent with frequency of visits specified in the inmate's treatment plan (minimum sample of 25 cases per quarter per site selected from CC/DM Active inmate Roster during the reporting quarter).

Performance Outcome 3: CC/DM inmates are provided coaching and education about their conditions/diseases as specified in the inmate's treatment plan in individual or group settings with documentation of CC/DM activity in inmate's medical record.

Measure: The percentage of inmates from the CC/DM Active Inmate Roster sample with documented coaching/education consistent with frequency of coaching/education activity as specified in the inmate's treatment plan (minimum sample of 25 cases per quarter per site selected from CC/DM Active inmate Roster during the reporting quarter).

Performance Outcome 4: Disease Management Guidelines shall be developed and implemented for Chronic Condition Disease Management or other conditions not classified as Chronic Conditions as deemed necessary by the Department. These guidelines shall be used in conjunction with the treatment of Chronic Conditions or other identified conditions. Review of medical records shall be conducted quarterly with quarterly and yearly summaries presented to the Department.
Measure: Not less than ~~3~~ four (4) Disease Management Guidelines shall be developed and submitted for approval by ADC annually with audit methodology. Audit of medical records against DM guidelines implemented per quarter until the Department's need for additional guidelines is met or additional guidelines are requested. Contractor's submission of CC/DM Guidelines and audit methodology annually and submission of Guideline Audit results quarterly on the 15th day following and end of the reporting quarter.

2.20.2.5.Medical Records:

Performance Outcome 1: Medical Records are current, accurate, and chronologically maintained with all documents filed in the designated location.
Measure: Medical record shall demonstrate that filing is chronological, properly located and current (minimum sample of 25 cases per quarter per site).

Performance Outcome 2: Physician's Orders in the medical record are taken off daily, annotated with time, date and name of the person taking them off.
Measure: Comparison of dates/times of Physician's orders with dates/times they were taken off. The percentage of inmates in Medical Record audit sample with current and chronologically maintained documents filed in designated location (minimum sample of 25 cases per quarter per site). .

Performance Outcome 3: The Medication Administration Record (MAR) is filed in the chart and reflects dose, route, frequency, start date and nurse's signature.
Measure: The percentage of inmates in the Medical Record Audit sample with MAR reflecting documentation of dose, route, frequency, start date and nurse's signature. (minimum sample of 25 cases per quarter per site).

Performance Outcome 4: Medical record entries shall be legible, complete and the date, time, name stamp and signature shall attest to the entry.

Measure: Medical Records shall reflect appropriate entries. The percentage of inmates in the Medical Record Audit sample with medical records reflecting documentation that legible, complete and the date, time, name stamp and signature attesting to the entry (minimum sample of 25 cases per quarter per site).

2.20.2.6.Prescribing Practices and Pharmacy:

Performance Outcome 1: Recommendations made by the Pharmacy and Therapeutics Committee shall be appropriately acted upon on a timely basis and reported back in writing at the next quarterly meeting.
Measure: Review of Pharmacy and Therapeutics Committee meeting reports and minutes shall demonstrate that recommendations were appropriately enacted.

Performance Outcome 2: To ensure compliance by the Contractor with all medication-related requirements provided in this document and by the NCCHC standards, Pharmaceutical Operations and Medication Services.
Measure: Monitoring and reviewing all medication-related policies, procedures, forms (including non-formulary requests), protocols and documentation employed by the Contractor.

Performance Outcome 3: All medications shall be prescribed in therapeutic dosage ranges as determined by the most current editions of Drug Facts and Comparisons or the package insert.
Measure: Review of prescriptions for compliance with therapeutic ranges or if not within ranges, an approved NFR and clinical rational document shall be in inmate's medical record (minimum of 25 records selected from log of inmates receiving prescriptions).

Performance Outcome 4: Dosages of medication shall not be changed, increased or decreased contrary to time frames stated in appropriate clinical compendia, such as Drug Facts and Comparisons and/or the package insert, unless the need is clinically documented in the chart and a non-formulary request is approved.
Measure: Clinical compendia resources shall be used to compared to the dosage being administered for clinical appropriateness. If a change (increase or decrease) in medication dosage is demonstrated, an approved non-formulary request and/or clinical rational document shall be in the inmate's medical record. (Minimum of 25 records selected from log of inmates receiving prescriptions).

Performance Outcome 5: When a medication error occurs, nursing staff must complete a medication incident report form, document per policy and notify the Nursing Supervisor and Health Facility Administrator, who will notify all other Program Managers and ADC On-site Monitor.
Measure: Medical record shall contain documentation of medication error form and report to appropriate staff per policy (minimum of 25 records representing medical errors,).

2.20.2.7.Reporting (AIMS):

Performance Outcome 1: Required AIMS entries are made timely, completely and accurately and no greater than 3 work days from the entry in the medical record.
Measure: AIMS entries shall be compared with same entries in the medical record (minimum sample of 25 cases per quarter per site selected from AIMS database during the reporting quarter).

2.20.2.8.Grievances:

Performance Outcome 1: Responses to grievances shall be made within required time frames described in Department Order 802 Inmate Grievance Procedure and shall be completed within fifteen (15) calendar days of receipt of the grievance; the Health Facility Administrator shall investigate the complaint and prepare a written response.
Measure: Date of grievance response shall be within fifteen (15) calendar days of receipt of grievance as indicated on grievance log. Review of monthly Grievance report submitted to ADC with documentation of response within fifteen (15) days of receipt.

2.20.2.9.No Shows:

Performance Outcome 1: When an inmate "no shows" for appointments, clinic visits, misses a medication dose or other medical, dental or mental health service, nursing staff must document per policy, Department Order 1101, and notify the Health Facility Administrator and Shift Commander.
Measure: Medical record shall contain documentation of "no-show' along with forms citing notification of appropriate staff per policy (minimum of 25 records selected from "no-show" log).

2.20.2.10. Mental Health:

Performance Outcome 1. All Mental Health, Health Needs Requests (HNR) when received by mental health personnel, shall be triaged within twenty four (24) hours by a qualified mental health professional.
Measure: Sick call log/HNR shall document that HNRs are triaged within twenty four (24) hours. The percentage of inmates in HNR Appointment Report – mental health need sample of those receiving triage within twenty four (24) hours of the health need request (minimum sample of 25 cases per quarter per site selected from the reporting quarter HNR Appointment Report database/log with documented mental health need).

Performance Outcome 2: Referrals to the psychiatric provider for routine requests must occur within seven (7) days of Mental Health receipt of the HNR or sick call visit where a referral need is identified.

Measure: The date of visit to the psychiatric provider compared to the date of HNR receipt or sick call encounter. The percentage of inmates in the HNR Appointment Report – mental health need sample of those receiving triage and documentation of need for referral to psychiatrists that are seen by the psychiatric provider within seven (7) days of the sick call request (minimum sample of 25 cases per quarter per site selected from the reporting quarter HNR Appointment Report database/log with documented mental health need).

Performance Outcome 3. Inmates diagnosed as being Seriously Mentally Ill (SMI) shall have an update to their ongoing mental health treatment plan every thirty (30) days.
Measure: Review of SMI medical records to review treatment plan and supplemental progress notes. The percentage of inmates from SMI sample with updated treatment plan every thirty (30) days (minimum sample of 25 medical records for inmates with SMI diagnoses per quarter per site selected from the reporting quarter).

Performance Outcome 4. Mentally Ill inmates receiving psychotropic medications shall be assessed in a face to face encounter with a psychiatric registered nurse every thirty (30) days to update mental health status.
Measure: Review of selected inmate medical records to validate documentation showing contact on a thirty (30) day basis. The percentage of inmates from Psychotropic med user sample with a documented face to face encounter with a psychiatric nurse every thirty (30) days (minimum sample of 25 medical records for inmates with receiving psychotropic drugs per quarter per site selected from the reporting quarter).

Performance Outcome 5. Mentally Ill inmates receiving psychotropic medications shall be assessed in a face to face encounter with a psychiatric registered nurse every thirty (30) days to update mental health status. If the inmate is not assessed to be stable on his/her current medications, he or she will be referred to and evaluated by a Psychiatrist or Psychiatry Certified Nurse Practitioner within ten (10) working days.
Measure: Review of selected inmate medical records to validate documentation showing contact on a six (6) month basis. The percentage of inmates from Psychotropic med user sample with a documented face to face assessment with a psychiatrist or psychiatric CNP every six (6) months (minimum sample of 25 medical records per site for inmates with receiving psychotropic drugs during reporting quarter and prior reporting quarter).

Performance Outcome 6. Mentally Ill inmates receiving psychotropic medications shall be assessed in a face to face encounter with a Psychiatrist or Psychiatry Certified Nurse Practitioner every three (3) months to assess mental health status.
Measure: Review of selected inmate medical records to validate documentation showing contact on a three (3) month basis. The

percentage of inmates from Psychotropic med user sample with a documented face to face assessment with a psychiatrist or psychiatric CNP every three (3) months (minimum sample of 25 medical records per site for inmates with receiving psychotropic drugs during reporting quarter and prior reporting quarter).

Performance Outcome 7:. The Contractor shall develop a reentry plan for follow up of mental health services and psychotropic medication management (if on medication) for inmates with mental disorders within thirty (30) days prior to release.
Measure: Maintenance of "Reentry/Discharge Plan log identifying inmates within 90, 60 and 30 days of discharge and relevant recommendations for follow-up and referrals..

2.20.2.11. Claims Payment and Provider Appeals

Performance Outcome 1: All clean claims as defined in A.R.S. § 36-2904(G)(1) shall be processed within thirty (30) days of receipt with 90% of clean claims paid within thirty (30) days and 99% of clean claims paid within sixty (60) days.
Measure: Date of claim receipt as compared to date of claim payment as demonstrated in claim data and records, including the Third Party Administrator Report on Processed Claims (sample of 100% of claims paid within the reporting period from claims payment system report).

Performance Outcome 2: Contractor shall provide a Notice of Decision mailed no later than 30 days after a provider files a claim dispute with the Contractor, unless the provider and Contractor agree to a longer period.
Measure: Date of claim receipt of claims dispute as compared to mailing date of Notice of Decision letter as documented in claim data and records (sample of 100% of claims paid within the reporting period from claims payment system report).

Performance Outcome 3: The Contractor's UM physician will conduct an appeal by reviewing the case record and/or discussion with the direct care clinician and render a decision based on the clinical information provided within seventy two hours for inpatient service requests and fourteen calendar days for standard outpatient service requests
Measure: Audit of cases identified from appeals log comparing date of appeal request with documentation of Notice of Decision communicated to provider within seventy two (72) hours for inpatient service requests and fourteen (14) calendar days for standard outpatient service requests (minimum sample of twenty five (25) cases from the appeals log occurring fourteen (14) days before the end of the reporting period)

2.20.2.12. Quality and Peer Review

Performance Outcome 1: Contractor will conduct chart reviews that focus on the clinical aspects of the health care delivery system. The Contractor

will develop and submit an annual Audit Plan to ADC for review and approval, describing criteria, form and sample/volume of charts to be reviewed on a monthly basis for each performance outcomes and reporting measure as specified by ADC or proposed by Contractor.
Measure: Review of audit methodology and sample, monitoring criteria and results of the monthly and quarterly chart audits.

Performance Outcome 2: Contractor will ensure the establishment of the CQI Committee by the Contractor that meets on a monthly basis. This committee will have representation from all disciplines practicing on the complex. The Contractor will ensure the committee conducts at least two (2) process quality improvement studies and two (2) outcome quality studies per year.
Measure: Review of the CQI monthly minutes and review of the annual process and outcome studies, including topics, methodology, findings, plans for improvement based on evidence and outcomes following quarterly monitoring schedules.

Performance Outcome 3: Recommendations made by the Quality Committee shall be appropriately acted upon on a timely basis and reported back in writing at the next monthly meeting.
Measure: Review of Quality Improvement Committee meeting reports and minutes shall demonstrate that recommendations were appropriately enacted.

Performance Outcome 4: As part of the Contractor's continuous quality improvement program the Contractor shall annually conduct scheduled provider peer review of all Physicians, Nurse Practitioners, Physician Assistants, Dentists, Psychiatrists, Psychiatric Nurse Practitioners and PhD. level Psychologists in compliance with NCCHC Standard P-C-02, Clinical Performance Enhancement.
Measure: Documentation that a medical, dental and mental health provider peer review was conducted for each provider within the prior 12 months.

Performance Outcome 5. As part of the Contractor's continuous quality improvement program, the Contractor shall quarterly conduct scheduled on-site audits at each Arizona State Prison Complex to measure compliance with requirements identified in Subsection 2.12.5.
Measure: Documentation that an audit was conducted at each Arizona State Prison within the prior three months and that all identified deficiencies were addressed and appropriate corrective action was taken.

2.20.3. The Offeror shall submit as part of the response to this Request for Proposal information describing how the Offeror shall ensure that each stated performance outcome, as applicable to a Contract awarded as a result of this request for proposal, is met one hundred percent (100%).

2.21. MONETARY SANCTIONS:

2.21.1 The Department may impose monetary sanctions, suspend, refuse to renew, or terminate this Contract as authorized under the terms of this Contract.

2.21.2 The Department may impose monetary sanctions for the Contractor's non-compliance with any term in this Contract.

2.21.3 If it is determined that the Contractor should be assessed a monetary sanction, the Chief Procurement officer shall provide written notice to the Contractor specifying the amount of the monetary sanction, the grounds for the monetary sanction, and the time frame for the monetary sanction.

2.21.4 At its discretion, the Department shall offset against any payments due the Contractor until the full sanction amount is satisfied.

2.21.5 Cure Notice Monetary Sanctions: Prior to the imposition of a monetary sanction for non-compliance with Contract terms and conditions, the Department may provide a written cure notice to the Contractor's Arizona CEO and Area Manager as detailed in Subsection 2.19.5. If the Contractor has not complied with the cure notice and the Department has determined that the non-compliance does not warrant suspension or termination of the Contract, the Department shall assess the monetary sanctions listed in Exhibit 4, Monetary Sanctions against the Contractor until the Contractor has complied with the cure notice requirements.

2.21.6 Immediate Monetary Sanctions: The Department may assess monetary sanctions, listed in Exhibit 4, Monetary Sanctions, for non-compliance without a written cure notice. The amount of the monetary sanction may vary depending on the nature of the Contractor's action or failure to act. Immediate monetary sanctions shall be imposed for, but are not limited to the following:

2.21.6.1 An act of deliberate indifference that disregards a known and excessive risk to an inmate's health or safety or violates an inmate's civil rights.

2.21.6.2 Failure to provide comprehensive healthcare services coverage twenty four (24) hours a day seven (7) days a week at each Arizona State Prison Complex, excluding a declared state of emergency recognized by the Department.

2.21.6.3 Failure to substantially meet an essential NCCHC standard, to the extent that the Contractor's ability to bring its performance back into compliance at a future date does not mitigate the gravity or severity of the non-compliance.

2.21.6.4 Substantial failure to provide medically necessary services that the Contractor is required to provide under the terms of a Contract resulting from this Request for Proposal to the extent that the Contractor's ability to bring its performance back into compliance at a future date does not mitigate the gravity or severity of the non-compliance.

2.21.6.5 Discrimination among inmates on the basis of their health status of need for health care services to the extent that the Contractor's ability to bring its performance back into compliance at a future date does not mitigate the gravity or severity of the non-compliance.

2.21.6.6 Non-compliance identified or discovered, during a quarterly audit required under Section 2.20 or any other monitoring activity, whose gravity or severity can not be mitigated by the Contractor's ability to bring its performance back into compliance at a future date.

2.21.6.7 Misrepresentation or falsification of information furnished to the Department or NCCHC.

2.22 INFORMATION TECHNOLOGY (IT)

2.22.1. The Contractor shall provide all computer hardware, including central processing units, handheld personal digital assistant-type devices, monitors, printers and keyboards in desktop or laptop versions necessary to conduct health services operations. The Offeror shall submit as part of the response to this request for proposal an initial plan for placement of hardware. The Contractor is also responsible for the servicing and maintenance of the hardware.

2.22.1.1. User Licenses: The Department can request User licenses to access the business applications. These requests will be processed in a timely manner and any associated costs will be absorbed by the Contractor.

2.22.1.2. Medical health records, data, information and reports collected or prepared by the Contractor in the course of performing its duties and obligations under this contract shall be deemed to be owned by the Department. The ownership provision is in consideration of the Contractor's use of public funds in collecting or preparing such medical records, data, information and reports. These items shall not be used by the Contractor for any independent project of the Contractor or publicized by the Contractor without the prior written permission of the Department. Subject to applicable state and Federal laws and regulations, the Department shall have full and complete rights to reproduce, duplicate, disclose and otherwise use all such information. Prior to or at the termination of the contract, the Contractor shall make available all such information as requested by the Department, including in a readable electronic format specified by the Department.

2.22.2. The Contractor shall be responsible for establishing the necessary network to support the IT system, which shall include the cost of installing additional lines, servers and other devices required for operation.

2.22.2.1. Option A – The Department shall provide a Virtual Local Area Network (VLAN) (including physical network interconnects) to the Contractor. This network interconnect shall terminate in an area where a phone company / ISP could provide a WAN connection.

2.22.2.1.1. The Contractor shall be responsible for connectivity from the final Local Area Network (LAN) handoff point to the Wide Area Network (WAN). The WAN shall be the sole responsibility of the Vendor along with all related expenses.

2.22.2.1.2. In the event of an outage troubleshooting will be coordinated among the parties. Each party shall be available and remain available until the issue is resolved.

2.22.2.1.3. This option will virtually segment the LAN allowing computer related network to traverse the network along with phone traffic where applicable. The Department shall be responsible for maintain and service LAN equipment. The Contractor shall maintain and service their WAN equipment. WAN equipment shall be maintained to ensure the appropriate levels of security are in place to minimize external treats and to be in compliance with HIPPA requirements, including VPN if required.

2.22.2.2. Option – B - Vendor may also choose a Physically Separate Network: The Contractor shall be responsible for end-to-end connectivity. End-to-end is defined as the physical cable that plugs into the Ethernet port on the PC to the WAN connection including any connectivity to the Internet and/or a direct connection to their network and servers.

2.22.2.2.1.1. The Department shall be abstracted from this network and will have no part or obligation to any troubleshooting or problem resolution.

2.22.2.2.1.2. The Contractor shall maintain and service any and all required equipment to maintain this network. The equipment shall be maintained to the appropriate security levels including procedures to minimize external treats and to maintain compliance with HIPPA.

2.22.3. The Contractor shall supply software necessary to operate its own computer-based systems.

2.22.4. For the purposes of communicating with Department systems, all software used by the Contractor shall be capable of integration with existing software or data in use by the Department including but not limited to the Adult Inmate Management System (AIMS) software/data.

2.22.5. ADC requires the Contractor to implement an Electronic Health Record (EHR) system within the timeframe specified in the Contractor's Technical Proposal. The new EHR system shall be hosted externally from the ADC network and accessible via the Internet using HTTPS (HyperText Transfer Protocol Secure) under a Software As A Service (SAAS) model. The Vendor shall ensure all communications are in compliance with HIPPA standards continually. The Contractor's EHR system shall provide the Department with the following capabilities:

2.22.5.1. Initiating an inmate medical record search on key fields identified by the Department so that new inmates can be identified as having an existing medical record from a previous commitment, if any, and automatically making the existing inmate medical record active whenever the record search successfully matches on an inmate. When an inmate is released, the EHR system shall automatically make the inmate's medical record inactive. The Contractor shall make all attempts to locate a hard copy medical record and incorporate it into the EHR, if the inmate is identified as having a history in the one of the Department Complexes.

2.22.5.1.1. The Offeror shall outline a plan for paper record conversion in their proposal, specifying the required timeframe.

2.22.5.1.2. The Offeror shall also provide a description of any experience in converting paper records to Electronic Record Systems, including volume and timeframes.

2.22.5.2. Ability to interface with AIMS, to accept and correctly map the demographics of ADC's approximate 35,000 inmates into the EHR system at least two times per day in ASCII file format. Under a SAAS model, the Contractor will need to work with the Department in setting up a secure transmission of the data feeds into the hosted EHR system. Once the data has been exported to the Vendor's system a periodic update will be made available to keep the AIMS (or equivalent) data in synchronization with the Vendor's system. A similar strategy will be determined to periodically update the target system.

2.22.5.3. Capability of interfacing with external pharmacy, labs and other clinical Contractors, with maximum 24-hour turnaround on new account requests, toll-free 24 x 7 help desk support, e-mail for EHR system users and EHR system training and documentation in the form and format requested by the Department Contract Manager.

2.22.5.4. Ability to encrypt any transmitted health data according to HIPPA standards. Vendor should describe the method to be used to ensure data is encrypted if being transmitted. Vendor shall pay for all expense related to any required encryption.

2.22.5.5. Capability for supporting clinical document requirement including but not limited to:

2.22.5.5.1. Screening and assessment
2.22.5.5.2. Sick call
2.22.5.5.3. Med-pass / Pill line
2.22.5.5.4. Scheduling
2.22.5.5.5. Results posted from diagnostics
2.22.5.5.6. Order entry
2.22.5.5.7. Diagnosis
2.22.5.5.8. Care plans
2.22.5.5.9. Educational
2.22.5.5.10. Discharge/release planning
2.22.5.5.11. Dental documentation module
2.22.5.5.12. Mental health documentation module
2.22.5.5.13. Utilization review module
2.22.5.5.14. Where applicable, updated AIMS data

2.22.5.6. The EHR shall incorporate a system of alerts/decision supports including but not limited to:

2.22.5.6.1. Criterion for disease management, preventative services and wellness.

2.22.5.6.2. Display of reminders for disease management, preventative and wellness services in the patient record.

2.22.5.6.3. Incorporation of knowledge base and outcome tools to support direct monitoring and feedback of outcomes to clinicians.

2.22.5.6.4. Updates of disease management guidelines and associated reference material, preventative services/wellness guidelines and associated reference material.

2.22.5.7. The Offeror shall provide as part of their response to this Request for Proposal a plan outlining 24 x 7 support for all system users. Should the issue be determined to not involve the EHR, the Contractor shall work with the Department to develop appropriate policies for resolution of IT issues.

2.22.5.8. The Contractor must ensure the EHR system complies with guidelines embedded in the HITECH Act and Federal Health Care Reform Act related electronic medical record data, record keeping and exchange.

2.22.6. The proposed Electronic Pharmacy System shall include an Electronic Medication Administration Records (EMAR) system designed for application in a correctional health care setting and an e-prescribing module. The Department currently uses CIPS, a KALOS INC. product, which contains the pharmacy data for ADC inmates. Vendor shall propose an electronic pharmacy system, using current ADC data as a basis of moving forward. Continuity of care must be assured when the transition phase is complete. ADC reserves the right to charge the Vendor for associated maintenance and/or upgrade costs if the conversion is not completed before the full implementation date. A complete description of the proposed system and conversion of existing data must be included with the vendor's response. Vendor should include in the proposed system description, assurances that the most recent software versions will be upgraded throughout the life of the contract at no additional cost to ADC.

2.22.6.1. KALOS INC has experience with data conversions. Previously KALOS INC has exported their data into a text file with associated variable definitions. The contractor will be responsible for transferring this data by the start date of providing services.

2.22.6.2. ADC reserves the right to charge the Vendor for associated maintenance and/or upgrade costs if the conversion is not completed before the start date of providing services. Arizona Department of Corrections strongly encourages the Vendor to contact KALOS INC.

Current version is: CIPS V8.0.17, build 130

Vendor Contact:
KALOS INC
3518-B SE 21st
Topeka, KS 66607

1-800-264-0068
TECH SUPPORT Gary Bliss EXT 113
SALES Kristin Runyan EXT 110

2.22.7. DATA CONVERSION PLAN:

2.22.7.1. Two sources of data conversion exist: offender management data Adult Inmate Management System (AIMS), and pharmacy data (CIPS). CIPS to EMAR conversion is

described in Subsection 2.22.6. The Offeror shall submit as part of this Request for Proposal a plan that describes the overall approach, assumptions, processes for data conversion, quality assurance expectations for returning the data and the format thereof at the end of the contract. This Data Conversion Plan should describe the strategy, preparation, and specifications for converting data from source system(s) to the target system(s) or within an existing system.

2.22.7.2. The plan shall include a detailed explanation of how data will be converted, associated milestones, along with methodology for error detection and correction. The plan should explain how data quality and assurance will identify the types of data quality problems that may occur, including but not limited to the following considerations: data type redefinitions (e.g., alphas in dates and numbers, embedded information in codes and intelligent keys, implied content); garbled content (e.g., multiple uses for a single field, freeform text values, corrupted data, un-initialized data); invalid record relationships (e.g., broken chains in set relationships, orphan records (on natural key), mismatched keys; invalid content (e.g., values out of defined range, code fields not on a valid list of values or lookup table, blank fields (optionality), inconsistent use of defaults); context changes (e.g., import of external data, historic changes to operational parameters (system upgrades), synchronization timing of duplicated normalized data); and behavior issues (e.g., variations in actual data from planned constraints of size, data type, validation rules, and relationships).

2.22.7.3. Adult Inmate Management System (AIMS):

2.22.7.3.1. Inmate housing data is held in the AIMS, hosted on an IBM mainframe. Reasonable effort will be made to map, format the data, in conjunction with the Vendor, into an acceptable format. The initial data import will be considered as seeding the system.

2.22.7.3.2. The data mapping process provides detailed lists of AIMS data sets and data elements for data conversion. During this process, some decisions will need to be made with regard to obtaining required information needed by the target application which may not be present in the old system. Default settings, user input, and new data entries are many issues that must be addressed during this phase.

2.22.7.3.3. Output from this section will be the input for the target system. Additional processing may be required; any costs associated with this will be absorbed by the Vendor.

2.22.7.3.4. ASCII Flat File and Database Backups: Data will be available from the AIMS system in text file format; comma or space delimited, variable or fixed format data file. Alternatively this data could be available from a MS SQL RDBMS backup and shared in that way. ADC will work with the Vendor on the AIMS conversion and will do the necessary work, within reason, to ensure that data is transported as seamlessly as possible.

2.22.7.3.5. Deliverables: This section contains a minimal list of tasks and deliverables which will be produced during this conversion project:

Task	Deliverable
Document Data Conversion Requirements	Data Conversion Strategy
Define Data Conversion Strategy	Data Conversion Strategy
Define Data Conversion Work plan	Data Conversion Work plan
Design Data Conversion Modules	Data Conversion Module Design
Code Conversion Modules	Conversion Modules
Perform Conversion Module Test	Conversion Module Test Results
Convert and Verify Data	Converted and Verified Data
Compliance with Standards	Federal/National/State and Agency
Export routine	Ability to export data

2.22.7.3.6. All conversion issues will be tracked and managed as part of the overall project level implementation process. All conversion issues will be resolved by mutual agreement between vendor and ADC. Deficiencies will be documented and be corrected at Vendor cost.

2.22.7.3.7. During conversion, the Department reserves the right to test and verify the integrity of the data transfer, and the functionality of the application accessing that data. Any and all modifications to Vendor system(s) shall be performed in a timely manner and at the expense of the Vendor.

2.22.7.3.8. The agreed upon conversion project deliverables should be signed-off by those client representatives who are responsible for the success of the conversion project. In addition three levels of conversion testing have been identified and described in the Data Conversion Module Design deliverable document. The following criteria should be considered while performing data integrity and conversion integration testing: record counts, intensive interrogation of random data elements, system testing, reconciliation, acceptance and acceptable variances.

2.22.7.3.9. The Department reserves the right to make the final Go-Live readiness decision for the EHR and EMAR systems.

2.22.8. The Contractor shall have, as part of its quoted price specifications, an EHR and EMAR transition plan at the end of the Contract in which all data contained within the EHR and EMAR becomes the property of the State of Arizona. All costs shall include conversion of existing records and any associated maintenance, storage and licensing fees associated with contract termination. The Contractor shall be responsible for providing a valid file format that contains all the relevant data for a future data conversion to another system. This data shall be in an ASCII (or equivalent) format with the appropriate definition for each element

within the data dump. If appropriate this data dump shall contain a link to the location of the electronic files containing alternative records, X-rays etc. These links must be in a format that data can be restored from a standalone storage device. This file shall be provided to the Department for review six months prior to contract termination. At such time, the Department reserves the right to request additions and or other modifications to this file. These requests shall be performed, by the Contractor, in a timely manner and at the Contractor's cost. Once this file has been successfully generated a copy shall be made available until the successful conversion to an alternate system has occurred. At that time a backup of the database will be provided to the Department. If the Contract is extended these procedures may be omitted by mutual agreement.

2.22.9. The Contractor shall develop and submit an EHR and EMAR training plan for approval by the Department within forty-five (45) calendar days of contract award date. This plan shall also include the process for identification of EHR "super users" at each Complex, initial EHR training, maintenance of knowledge, and on-boarding of new staff.

2.22.10. The Contractor shall ensure EHR and EMAR availability. The Contractor shall have a "system downtime" procedure for periods of temporary EHR and EMAR unavailability due to power outages, system maintenance or some other event rendering the EHR inaccessible.

2.22.10.1. The Offeror shall submit with their response to this Request for Proposal their proposed "system downtime" procedure for periods of temporary EHR and EMAR unavailability due to power outages, system maintenance or some other event rendering the EHR inaccessible. The procedure shall include entering clinical information in EHR replicated forms and transcription of such information back into the EHR database once the system is available.

2.22.10.1.1. In remote areas of Arizona it is difficult if not impossible to procure redundant data lines; thus, raising the risk of a SAAS deployment. The Offeror shall identify and discuss these risks and how they intend to ensure service delivery in their response to this Request for Proposal.

2.22.10.2. Within forty-five (45) calendar days of Contract award date, the Contractor shall submit a final "system downtime" procedure for periods of temporary EHR and EMAR unavailability due to power outages, system maintenance or some other event rendering the EHR inaccessible, for approval by the Department.

2.22.10.3. The Department may impose monetary sanctions, pursuant to Section 2.21, for the Contractor's failure to maintain adequate levels of EHR and EMAR availability.

2.22.11. The Contractor shall have a Business Continuity plan that includes the frequency of hard back up of EHR and EMAR servers, data refreshes and alternative locations for hosting in the event of a catastrophe.

2.22.11.1. The Offeror shall submit with their response to this Request for Proposal their proposed Business Continuity plan, including their disaster recovery plan for the EHR and EMAR systems, including a detailed description of backup and restore procedures.

2.22.11.2. The Offeror shall supply as part of their response to this Request for Proposal a complete list of services and associated service levels – the Service Level Agreement (SLA).

2.22.11.3. Within forty-five (45) calendar days of Contract award date, the Contractor shall submit a final Business Continuity and Disaster Recovery Plan that includes the frequency of hard back up of EHR and EMAR servers, data refreshes and alternative locations for hosting in the event of a catastrophe for approval by the Department.

2.22.11.4. The Department may impose monetary sanctions, pursuant to Section 2.21, for the Contractor's failure to maintain a current Business Continuity and Disaster Recovery Plan or to comply with the requirements set forth in the Business Continuity and Disaster Recovery Plan.

2.22.12. The Offeror shall describe as part of their response to this Request for Proposal the manner in which software updates will be applied. The Department shall not incur any charges for these costs. However, the Department shall be advised to these changes. The Contractor is expected to keep software up to date throughout the period of the contract at no cost to the Department.

2.22.13. The Offeror shall submit as part of their response to this Request for Proposal an explanation of its approach for working with the Department as a partner to achieve "shared goals" and to mitigate the State's risks. Discussion points for this topic shall include:

2.22.13.1. The suggested organizational structure for the project, including both Contractor staff and Department staff, and the roles they would play, the effort involved in those roles, and the skills necessary to satisfy those roles.

2.22.13.2. Method proposed to work together with the State as a team to minimize risk to the project, and to absorb an equitable share of the risk.

2.22.13.3. If applicable, partnering with other subcontractors that is required should also be described.

2.22.14. The Contractor is responsible for the following:

2.22.14.1. Service Level Agreement
2.22.14.2. Hardware or software environment
2.22.14.3. End-user environment (e.g., user work and delivery schedules, timeframes for reports, etc.)
2.22.14.4. Availability of resources
2.22.14.5. Interoperability requirements (e.g., the order that data is processed by each system involved in the conversion).Interface/protocol requirements
2.22.14.6. Data repository and distribution requirements (e.g., volume considerations, such as the size of the database and amount of data to be converted; the number of reads and the time required for conversions).
2.22.14.7. Security Requirements and other requirements related to health record processing.
2.22.14.8. Disposition of obsolete or unused data that is not converted

2.22.14.9. Identify the retention policy for the data that has been converted in case of fall-back and have to rerun the conversion process.

2.22.15. The Department may impose monetary sanctions, pursuant to Section 2.21, for the Contractor's failure to meet the Contract requirements or for acts of misuse or abuse related to Information technology requirements.

2.22.16. Data Ownership and Confidentiality: All data is considered confidential unless specific noted otherwise, in writing from the Department. The Department shall remain the owner of the data. Any data sharing shall be disclosed by the Vendor proactively. Only after written notice from the ADC is given, for each request, shall data restrictions be lifted in accordance with the appended agreement.

2.22.17. The Offeror shall describe as part of their response to this Request for Proposal their experience with implementation of an EHR system in a correctional setting; the description shall include significant lessons learned from the process and expected barriers relative to this proposal.

2.22.18. The Offeror shall provide as part of their response to this Request for Proposal a detailed description of the costs associated with the implementation of an EHR including:

2.22.18.1. Staffing
2.22.18.2. Training
2.22.18.3. Medical record conversion
2.22.18.4. Hardware, software and peripherals
2.22.18.5. Telecommunication and storage
2.22.18.6. Licensing, user agreements and other associated fees
2.22.18.7. Maintenance and support
2.22.18.8. EHR transition at contract termination

3 FEE SCHEDULE

3.1 Proposed fees must represent all required services and shall include applicable State and local taxes, workmen's compensation, insurance, profit and overhead.

3.2 The Department shall make payment based on acceptance of final written report(s) and/or approved invoices.

3.3 The Department shall not compensate for mileage at the current State rate.

3.4 Proposed fees shall not include State per diem rates and lodging expenses associated with travel.

3.5 If proposing to increase on-site infirmary beds, clearly identify the amount required to fund capital construction on line 7.5 AND note any reduction due to savings for having additional on-site facility capacity on line 3.1.1.

Offerors are required to provide a fixed per day per inmate capitation rate that shall cover provision of ***ALL*** required services as pertains to the entire inmate population. The identified rate must include amortized costs as identified and requested herein. A separate Fee Schedule, Per Diem Rate Schedule and Budget Narrative shall be provided.

Type the capitation rate in the space provided below. Each expense item's relative daily cost, per inmate, per day, must be within the proposed per diem rate. If an expense item on the Fee Schedule is not applicable, put N/A in the space provided under "Relative Daily Cost". All expenses must be identified within the structure of this Fee Schedule. Complete the Budget Narrative sheets for each expense item to provide supporting detail. The Budget Narrative sheets follow the Fee Schedule.

The Fee Schedule must be signed where indicated by the authorized signatory.

Capitation Rate $ _____ Fixed Per Day Per Inmate Capitation Rate

_____

_____ _____

Authorized Signatory Date

Breakdown of relative daily costs included in the capitation rate:

No.	Title	Relative Daily Cost
1.	Employee Personal Services – Direct Care	
1.1	Medical Services: Wages and Overtime	$
1.3	Dental Services: Wages and Overtime	$
1.4	Pharmacy Services: Wages and Overtime	$
1.5	Mental Health Services: Wages and Overtime	$
2.	Employer Related Expenditures for Employees– Direct Care	
2.1	Medical Services: Employer Related Expenditures	$
2.2	Dental Services: Employer Related Expenditures	$
2.3	Pharmacy Services: Employer Related Expenditures	$
2.4	Mental Health Services: Employer Related Expenditures	$
3.	Professional and Outside Services– Direct Care	
3.1	Medical Services: Professional and Outside Services	$
3.1.1	Savings Due to Capital Construction for On-Site Services	$
3.2	Dental Services: Professional and Outside Services	$
3.3	Pharmacy Services: Professional and Outside Services	$
3.4	Mental Health Services: Professional and Outside Services	$
4.	Travel – In State	
4.1	Medical Services: Travel – In State	$
4.2	Dental Services: Travel – In State	$
4.3	Pharmacy Services: Travel – In State	$
4.4	Mental Health Services: Travel – In State	$
5.	Travel – Out of State	
5.1	Medical Services: Out of State	$
5.2	Dental Services: Out of State	$
5.3		

Breakdown of relative daily costs included in the capitation rate:

No.	Title		Relative Daily Cost
		Pharmacy Services: Out of State	$
	5.4	Mental Health Services: Out of State	$
6.	Other Operating Expenses		
	6.1	Medical Services Other Operating Expenses	$
	6.2	Dental Services: Other Operating Expenses	$
	6.3	Pharmacy Services: Pharmaceuticals	$
	6.3	Pharmacy Services: Other Operating Expenses excluding Pharmaceuticals	$
	6.4	Mental Health Services: Other Operating Expenses	$
7.	Capital Equipment		
	7.1	Medical Services:	$
	7.2	Dental Services:	$
	7.3	Pharmacy Services:	$
	7.4	Mental Health Services:	$
	7.5	Building Improvement/Construction	$
			$
8.	Non-Capital Equipment		
	8.1	Medical Services:	$
	8.2	Dental Services:	$
	8.3	Pharmacy Services:	$
	8.4	Mental Health Services:	$
9.	Insurance		
	9.1	Commercial General Liability	$
	9.2	Business Automobile Liability	$
	9.3	Umbrella Liability	$
	9.4	Professional Liability	$
10.	Cost Allocation and Indirect Costs		

Breakdown of relative daily costs included in the capitation rate:

No.	Title		Relative Daily Cost
	10.1	All Services: Cost Allocation and Indirect Costs	$
			$
11.	Other		
	11.1	Claims	$
	11.2	In-State Administration	$
	11.3	Out-of-State Administration	$
	11.4	Profit	$
		TOTAL DAILY COST/INMATE*	$ _____

* The Total Daily Cost/Inmate cost above shall be the same as the Fixed Per Day Per Inmate Capitation Rate on the first page of the fee schedule.

NOTICE: The vendor acknowledges that all products delivered and all services rendered under any contract resulting from this solicitation shall comply in all respects to performance and delivery requirement of the specifications and shall not be adversely affected by any date-related Year 2000 issues. The vendor further acknowledges that the defense of force majeure shall not apply to its failure to perform specification requirements as a result to any date-related data Year 2000 issues.

SALES TAX PERCENT:____%,(See uniform Instructions to Offerors for Formal Solicitation, Paragraph 3.11)
PROMPT PAYMENT DISCOUNT: The price(s) quoted herein can be discounted by:_____%, if payment is within____ days.

PLEASE CHECK THE APPROPRIATE SELECTION BELOW THAT APPLIES TO YOUR COMPANY:

- ☐ 0. Non-Small/Non-Minority/Non Disabled
- ☐ 1. Small Business
- ☐ 2. Minority Owned Business
- ☐ 3. Women Owned Business
- ☐ 4. Owned By Disable Individual
- ☐ 5. Small Business/Minority Owned
- ☐ 6. Small Business/Women Owned
- ☐ 7. Small Business/Disable Owner
- ☐ 8. Minority-Women Owned Business
- ☐ 9. Disable-Minority Owner Business
- ☐ 10. Disabled-Women Owned Business
- ☐ 11.Small Business/Minority-Women Owned
- ☐ 12. Small Business/Disabled-Minority Owned
- ☐ 13. Small Business/Disabled Minority-Women Owned

Instructions: On the following pages, Offerors are to provide written narratives for each cost item on the Fee Schedule. Calculations provided via the Budget Narrative shall ultimately breakdown to the total daily costs shown on the Fee Schedule. Offerors may computerize the Budget Narrative forms; however, format and content must remain unchanged. Be descriptive and provide the Department with enough detail to explain how the cost of the expense category was calculated.

No.	Title
1.	Employee Personal Services– Direct Care
1.1	Medical Services: Wages and Overtime
1.3	Dental Services: Wages and Overtime
1.4	Pharmacy Services: Wages and Overtime
1.5	Mental Health Services: Wages and Overtime
2.	Employer Related Expenditures for Employees– Direct Care
2.1	Medical Services: Employer Related Expenditures
2.2	Dental Services: Employer Related Expenditures
2.3	Pharmacy Services: Employer Related Expenditures
2.4	Mental Health Services: Employer Related Expenditures
3.	Professional and Outside Services– Direct Care
3.1	Medical Services: Professional and Outside Services
3.1.1	Savings Due to Capital Construction for On-Site Services
3.2	Dental Services: Professional and Outside Services
3.3	Pharmacy Services: Professional and Outside Services
3.4	Mental Health Services: Professional and Outside Services
4.	Travel – In State
4.1	Medical Services: Travel – In State
4.2	Dental Services: Travel – In State
4.3	Pharmacy Services: Travel – In State
4.4	Mental Health Services: Travel – In State
5.	Travel – Out of State
5.1	Medical Services: Out of State
5.2	Dental Services: Out of State
5.3	

No.	Title
	Pharmacy Services: Out of State
5.4	Mental Health Services: Out of State

6. Other Operating Expenses

6.1	Medical Services Other Operating Expenses
6.2	Dental Services: Other Operating Expenses
6.3	Pharmacy Services: Pharmaceuticals
6.3	Pharmacy Services: Other Operating Expenses excluding Pharmaceuticals
6.4	Mental Health Services: Other Operating Expenses

7. Capital Equipment

7.1	Medical Services:
7.2	Dental Services:
7.3	Pharmacy Services:
7.4	Mental Health Services:
7.5	Building Improvement/Construction

8. Non-Capital Equipment

8.1	Medical Services:
8.2	Dental Services:
8.3	Pharmacy Services:
8.4	Mental Health Services:

9. Insurance

9.1	Commercial General Liability
9.2	Business Automobile Liability
9.3	Umbrella Liability
9.4	Professional Liability

10. Cost Allocation and Indirect Costs

10.1	All Services: Cost Allocation and Indirect Costs

11. Other

11.1	Claims

No.	Title
11.2	In-State Administration
11.3	Out-of-State Administration
11.4	Profit

RULES FOR NON-EMPLOYEES OF THE DEPARTMENT OF CORRECTIONS IN ARIZONA STATE PRISON COMPLEXES

POLICY STATEMENT:

While the institution recognizes the need of non-staff personnel to have in their possession certain personal items, limits are necessary for the security and safe operation of the institution.

PROCEDURES:

1. All persons entering the institution are subject to search prior to entry and while on the grounds of the institution. All non-staff personnel will, at all times, remain in their authorized area under the direction of the project coordinator.

2. Persons are allowed the materials necessary for the performance of their duties.

3. All non-staff personnel may have in their possession the following:

   A. A wallet with normal contents, e.g.,

      1) photos and personal papers.

      2) currency not to exceed $20.00 (Twenty Dollars). Excess will be reported to the shift commander prior to entry.

      3) no credit cards or checkbooks are allowed.

   B. Handkerchief and comb.

   C. Tobacco products and smoking apparatus for normal daily use.

   D. Keys as necessary (auto and home).

   E. Fingernail clipper.

   F. Confectionary items (gum, candy, etc.)

   G. Watch and rings.

4. All persons are prohibited from introducing medication drugs into the institution grounds unless such a medication has been properly prescribed by a licensed physician and is in the original prescription container.

   A. Medications of a stimulate nature, i.e., Dexedrine, Preludins, Tenuate or any other appetite suppressant or any hypnotic-type drug, are specifically prohibited on institution property. Persons who are taking this type of medication prior to coming to the institution will report this fact to the Shift Commander, prior to reporting to their authorized area.

   B. Persons taking medications of the tranquilizer class, i.e., Valium, Librium, Miltown or any of the anti-depressant class, i.e., Sinequan, Triavil, Elavil or any mood modifying drug of any type; Pain medications i.e., Percodan, Percocet, hydrocodone (Vicodin), Tylenol with codeine, propoxphene, etc., will report this fact to the Shift Commander prior to going to their authorized area. Possession of these types of drugs on prison grounds will be limited to that amount necessary during one eight hour shift.

   C. Personnel taking any other class of medication i.e., antihistamines, antihypertensives, anticholingeries, etc., are limited in the introduction of only such amount of medication as will be required during the period of one eight hour shift, and this fact will be reported to the Shift Commander.

      1) Any deviation from this policy must be cleared with the Warden of the unit. Persons violating this policy may subject themselves to eviction from institution property and/or prosecution.

         NOTE: If anyone loses or has stolen any personal items in his possession, the institution will attempt to retrieve the items, but cannot guarantee the return thereof nor provide reimbursement.

The following Arizona Revised Statutes dealing with inmate and non-staff member relationships require your strict adherence at all times during your stay at the Arizona State Department of Corrections.

Interest of employee and non-employee in contracts, gifts to or for inmates: <u>penalty</u>

1. No non-staff member shall be interested in any contract or purchase made by anyone for or on behalf of the prison, or receive, directly or indirectly, compensation for his services other than prescribed by the administrator of the institution, nor shall he receive any compensation whatever for any act or services he performs for or on behalf of a Contractor, or any agent or employee of a Contractor.

2. No non-staff personnel, without permission of the administrator shall make a gift or present to or receive a gift from an inmate, or barter or deal with an inmate.

3. Any person violating this section shall be discharged from office or service, and every Contractor, or employee or agent of a Contractor, shall not be permitted to act or serve again as such Contractor, agent or employee.

Unauthorized communication with inmates: penalty

A person not authorized by law who, without the permission of the officer in charge of the state prison, communicates with a person imprisoned or detained therein, or who takes any letter, writing, literature or reading matter to or from a person imprisoned or detained therein, is guilty of a misdemeanor.

--- ---

Signature **Date**

ARIZONA STATE PRISONS	
Arizona State Prison Complex - Douglas (ASPC-D)	
Physical Address	Mailing Address
6911 North B.D.I. Blvd.	P.O. Drawer 3867
Douglas, Arizona 85608	Douglas, Arizona 85608-3867
Arizona State Prison Complex-Douglas/Papago (ASPC-D/Papago)	
Physical Address	Mailing Address
25 16th Street	P.O. Drawer 3867
Douglas, Arizona 85607	Douglas, Arizona 85608-3867
Arizona State Prison Complex - Eyman (ASPC/E)	
Physical Address	Mailing Address
4374 East Butte Avenue	P.O. Box 3500
Florence, Arizona 85132	Florence, Arizona 85132-3500
Arizona State Prison Complex - Florence (ASPC-F)	
Physical Address	Mailing Address
1305 East Butte Avenue	P.O. Box 629
Florence, Arizona 85132	Florence, Arizona 85132-0629
Arizona State Prison Complex - Florence/Picacho (ASPC-F/Picacho)	
Physical Address	Mailing Address
25230 Picacho Boulevard	P.O. Box 629
Picacho, Arizona 85141	Florence, Arizona 85132-0629
Arizona State Prison Complex - Lewis (ASPC/L)	
Physical Address	Mailing Address
26700 South Hwy. 85	P.O. Box 70
Buckeye, Arizona 85326	Buckeye, Arizona 85326
Arizona State Prison Complex - Perryville (ASPC-PV)	
Physical Address	Mailing Address
2014 North Citrus Road	P.O. Box 3000
Goodyear, Arizona 85395	Goodyear, Arizona 85395
Arizona State Prison Complex -Phoenix (ASPC-Phoenix)	
Physical Address	Mailing Address
2500 East Van Buren Street	P.O. Box 52109
Phoenix, Arizona 85008	Phoenix, Arizona 85072-2109
Arizona State Prison Complex - Florence/Globe(ASPC-F/Globe)	
Physical Address	Mailing Address
1000 Fairgrounds Road	P.O. Box 2799
Globe, Arizona 85501	Globe, Arizona 85502-2799
Arizona State Prison Complex - Safford (ASPC-S)	
Physical Address	Mailing Address
896 South Cook Road	896 South Cook Road
Safford, Arizona 85546	Safford, Arizona 85546

ARIZONA STATE PRISONS	
Arizona State Prison Complex - Safford/Fort Grant (ASPC/S/Fort Grant	
Physical Address	Mailing Address
15500 South Fort Grant Road	896 South Cook Road
Fort Grant, Arizona 85643	Safford, Arizona 85546
Arizona State Prison Complex - Tucson (ASPC/T)	
Physical Address	Mailing Address
10000 South Wilmot Road	P.O. Box 24400
Tucson, Arizona 85734	Tucson, Arizona 85734-4400
Southern Arizona Correctional Release Center (SACRC)	
1275 West Star Pass Boulevard	P.O. Box 24400
Tucson, Arizona 85713	Tucson, Arizona 85734-4400
Arizona State Prison Complex - Winslow (ASPC-W)	
Physical Address	Mailing Address
2100 South Highway 87	2100 South Highway 87
Winslow, Arizona 86047	Winslow, Arizona 86047
Arizona State Prison Complex - Winslow/Apache (ASPC-W/Apache)	
Physical Address	Mailing Address
38322 U.S. Highway 180	2100 South Highway 87
St. Johns, Arizona 85936	Winslow, Arizona 86047
Arizona State Prison Complex - Yuma (ASPC-Y)	
Physical Address	Mailing Address
7125 East Juan Sanchez Blvd.	P.O. Box 13004
San Luis, Arizona 85349	Yuma, Arizona 85366-3004

The Department reserves the right to add or delete Prison Institutions and service locations relative to this Contract as determined by the Department.

PARTICIPATION IN STATE PROCUREMENT TRANSACTIONS
BY
SMALL BUSINESSES

The following definition will be used in completing the information required by one or more of three categories of business contained in this Appendix as applicable to your firm: (1) Participation by Small Business..

Definitions

Period is the specified 12-month period for which the information provided in this list is applicable and valid. The period will be specified as month and year.

Firm name, Address and Phone Number is the name, address and business phone number of the small business, with which the Offeror has contracted or done business over the specified period of plans to involve on this contract, as applicable.

Contact Person is the name of the individual in the specified small business, who would have knowledge of the specified contracting and would be able to validate the information provided in this list.

Type Goods or Services is the specific goods or services the Offeror has contracted for from the specified small; over the specified period of time of plans to use in the performance of this contract, as applicable, The Offeror will asterisk (*) those goods and services that are in the Offeror's primary business or industry.

Dollar Amount is the total dollar amount (in thousand of dollars) the Offeror has contracted for or has done business with the listed firm during the specified period or plans to use on this Contract, as applicable.

% of Total Company Expenditures for Goods and Services is calculated by dividing the dollar amount of business conducted or contracted form with the indicted firm over the specified period by the total expenditure of the Offeror over the specified period for goods and service.

% of Total Contract is calculating by dividing the estimated dollars planned for the indicated firm on this Contract by the total Offeror estimated price of this Contract.

PARTICIPATION IN STATE PROCUREMENT TRANSACTIONS BY SMALL BUSINESSES

1. The Department encourages Contractors to provide for the participation of small businesses through partnerships, joint ventures, subcontractors, or other contractual opportunities. Submission of a report of past efforts to utilize the goods and services of such businesses and plans for involvement on this are required. By submitting a proposal, Offerors certify all information provided in response to this RFP is true and accurate.

2. Participation: All information requested by this RFP on the ownership, utilization and planned involvement of small businesses; must be submitted. If an Offeror fails to submit all information requested, the Department may require prompt submission of mission information after the receipt of proposals.

3. Submission Requirements: The Offeror must submit the following three sets of data for small business: (1) ownership, (2) utilization of small business for the most recent 12 months, and (3) planned involvement of small businesses, on the procurement. The formats for submission of this data are included in Attachment #3.

4. Periodic Progress Reports/Invoices: For contracts requiring the submission of periodic contract performance progress reports or program status reports, the Contractor will include a section on involvement of small businesses. The section will specify the actual dollars contracted to be spent to date with such businesses, actual dollars expended to date with such businesses, and the total dollars planned to be contracted with such businesses on this contract.

   If the contract does not require the submission of periodic progress reports, the Contractor will be required to provide the above required information on actual involvement of small businesses as part of their periodic invoices or periodically as stipulated by the Department.

5. Final Actual Involvement Report: The Contractor will submit, prior to completion or at completion of the contract and prior to final payment, a report on the actual dollars spent with small businesses during the performance of this contract. At a minimum, this report shall include for each firm contracted with and for each such business class a comparison of the total actual dollars spent on this contract with the planned involvement of the firm and business class as specified in the proposal, and the actual percent of the total contract value. A suggested format is provided in Attachment #3.

PARTICIPATION IN STATE PROCUREMENT TRANSACTIONS
BY
SMALL BUSINESSES
(Sample)

A. Offeror certifies that it ( ) is, ( ) is not, a small business.

B. List small businesses with which the Offeror has contracted or done business and dollar amounts spent with each of these businesses in the most recent 12-month period for which data is available. Offerors are encouraged to provide additional information and expand upon the following format:

PERIOD: From:_____ To: _____

Firm Name Address & Phone #	Contact Person	Type Of Goods Services	Dollar Amounts	% Total Co. Expenditures For Goods & Services

PARTICIPATION BY SMALL BUSINESSES (Continued)

C. Describe Offeror's plans to involve small businesses in the performance of this Contract either as part of a joint venture, as a partnership, as subcontractor or as suppliers. Offerors are encouraged to provide additional information and expand upon the following format:

Firm Name Address & Phone #	Contact Person	Type Of Goods Services	Dollar Amounts	% Total Co. Expenditures For Goods & Services