



**State of Arkansas**  
**Arkansas Department of Human Services**  
700 Main Street  
Little Rock, Arkansas 72201

**INVITATION FOR BID (IFB)**

SOLICITATION INFORMATION			
Bid Number:	HS16-0013R	Date Issued:	AUGUST 17, 2016
Service:	MEDICARE/MEDICAID COST REPORT SERVICES		
Material Group No.:	96100 & 91878		
Division:	DIVISION OF BEHAVIORAL HEALTH SERVICES		

SUBMISSION DEADLINE FOR RESPONSE			
Bid Opening Date:	AUGUST 31, 2016	Bid Opening Time:	2:00pm CDT
BIDS WILL BE ACCEPTED UNTIL THE TIME AND DATE SPECIFIED ABOVE. THE BID ENVELOPE, INCLUDING THE OUTSIDE OF OVERNIGHT PACKAGES, MUST BE SEALED AND SHOULD BE PROPERLY MARKED WITH THE BID NUMBER, DATE AND TIME OF BID OPENING AND VENDOR'S RETURN ADDRESS. <b>BIDS SHALL NOT BE FAXED OR EMAILED.</b> IT IS NOT NECESSARY TO SUBMIT "NO BIDS".			

DELIVERY FOR RESPONSE	
Drop Off (Walk-In):	ATTN: CHORSIE BURNS PROCUREMENT OFFICE / SLOT W345 AR DEPT OF HUMAN SERVICES 700 MAIN ST LITTLE ROCK, AR 72201
United States Mail (USPS):	ATTN: CHORSIE BURNS PROCUREMENT OFFICE / SLOT W345 AR DEPT OF HUMAN SERVICES P O BOX 1437 LITTLE ROCK, AR 72203-1437
Commercial Carrier (UPS, FedEx or USPS EXP):	ATTN: CHORSIE BURNS PROCUREMENT OFFICE / SLOT W345 AR DEPT OF HUMAN SERVICES 112 WEST 8th ST LITTLE ROCK, AR 72201
Delivery providers, USPS EXP, UPS, and FedEx deliver mail to our street address on a schedule determined by each individual provider. These providers will deliver to our offices based solely on the street address listed for commercial carrier. Vendors are responsible for delivery of their bid documents prior to the scheduled time for opening.	

BUYER CONTACT INFORMATION			
DHS Buyer:	Chorsie Burns	Direct Phone Number:	501-682-6327
Email Address:	<a href="mailto:chorsie.burns@dhs.arkansas.gov">chorsie.burns@dhs.arkansas.gov</a>	Fax Number:	501-404-4613

BID ATTENDANCE INFORMATION	
Main Entrance Location:	ARKANSAS DEPARTMENT OF HUMAN SERVICES 700 MAIN STREET DONAGHEY PLAZA SOUTH BUILDING, 1 <sup>st</sup> FLOOR LITTLE ROCK, ARKANSAS 72201
Vendors wishing to attend the bid opening must report to the main entrance location. All attendees are required to obtain security clearance upon entrance to the building by submitting a current, valid photo ID, preferably a driver's license, to the Security Officer at the reception area. The Security Officer will issue a visitor's badge which must be worn at all times. Before leaving the bid opening visitors are required to return the visitor's badge to the Security Officer and retrieve their ID.  The receptionist is to contact the buyer, for the vendor, for more detailed directions to the bid opening location.	

1. **MINORITY BUSINESS POLICY:** Minority participation is encouraged in this and in all other procurements by state agencies. Minority is defined by Arkansas Code Annotated § 15-4-303 as a lawful permanent resident of this state who is: African American, Hispanic American, American Indian, Asian American, Pacific Islander American or a Service Disabled Veteran as designated by the United States Department of Veterans Affairs. The Arkansas Economic Development Commission conducts a certification process for minority business.  
  
*Please check minority type on the initial bid form (page 8).*
2. **EQUAL EMPLOYMENT OPPORTUNITY POLICY:** In compliance with Arkansas Code Annotated § 19-11-104, the State Agency is required to have a copy of the vendor's Equal Opportunity Policy prior to issuing a contract award. EO Policies may be submitted in electronic format or as a hard copy. The issuing agency will maintain a file of all vendor EO policies submitted in response to solicitations issued by this office. A vendor may be asked to submit their EO policy during the renewal of a contract to provide updates or changes to their respective policies. Vendors that do not have an established EO policy will not be prohibited from receiving a contract award, but are required to submit a written statement to that effect.
3. **PROHIBITION OF EMPLOYMENT OF ILLEGAL IMMIGRANTS:** Pursuant to, Arkansas Code Annotated § 19-11-105, prior to the award of a contract, selected vendor must have a current certification on file with OSP stating they do not employ or contract with any illegal immigrants.  
  
DHS will notify the selected vendor(s) prior to award if their certification has expired or is not on file. Instructions for completing the certification process will be provided for the vendor(s) at that time.
4. **EO-98-04 GOVERNOR'S EXECUTIVE ORDER:** In compliance with Arkansas Governor's Executive order 98-04, the successful bidder(s) will be required to submit a disclosure form before a contract award is made, as required by state law. A new contract disclosure will be required at each renewal of the contract.
5. **ALTERATION OF ORIGINAL IFB DOCUMENTS:** The original written or electronic language of the IFB documents shall not be changed or altered except by approved written addendum issued by the DHS Buyer. This does not eliminate a Bidder from taking exception(s) to non-mandatory terms and conditions, but does clarify that the Bidder cannot change the original document's written or electronic language. If the Bidder wishes to take exception(s) to any of the original language, it must be submitted by the Bidder in separate written or electronic language in a manner that clearly explains the exception(s). If Bidder's/Contractor's bid submittal is discovered to contain alterations/changes to the original written or electronic documents, the Bidder's response may be declared as "non-responsible" and the response shall not be considered.
6. **REQUIREMENT OF AMENDMENT: THIS IFB MAY BE MODIFIED ONLY BY AMENDMENTS WRITTEN AND AUTHORIZED BY THE DHS BUYER.** Bidders are cautioned to ensure that they have received or obtained, and responded to, any and all amendments to the bid prior to submission. There will be no addendums to a bid 72 hours prior to the bid opening. It is the responsibility of the vendor to check the OSP website <http://www.arkansas.gov/dfa/procurement/bids/index.php> for any and all addendums up to that time.
7. **DELIVERY OF RESPONSE DOCUMENTS:** In accordance with the Arkansas Procurement Law and Rules, it is the responsibility of vendors to submit bids at the designated place, and on or before the date and time, set in the bid solicitation documents. Bid documents received after the date and time designated for bid opening are considered late bids and shall not be considered. Bid documents arriving late will remain unopened. If the documents are not clearly marked, they may be opened for contact information. The DHS buyer may contact the vendor to pick up the documents.
8. **ADDITIONAL TERMS AND CONDITIONS:** DHS objects to, and shall not consider, any additional terms or conditions submitted by a bidder, including any appearing in documents attached as part of a bidder's response. In signing and submitting his bid, a bidder agrees that any additional terms or conditions, whether submitted intentionally or inadvertently, shall have no force or effect. Failure to comply with terms and conditions, including those specifying information that must be submitted with a bid, shall be grounds for rejecting a bid.
9. **ANTICIPATION TO AWARD:** After complete evaluation of the solicitation, the anticipated award will be posted on the Office of State Procurement website. The purpose of the posting is to establish a specific time in which vendors and agencies are aware of the anticipated award. The bid results will be posted for a period of fourteen (14) days prior to the issuance of any award. Vendors are cautioned that these are preliminary results only, and no official award will be issued prior to the end of the fourteen-day posting period. Accordingly, any reliance on these preliminary results is at the vendor's own risk. **The Anticipation to Award may be waived when it is determined to be in the best interest of the State.**
10. **PAST PERFORMANCE:** In accordance with provisions of The State Procurement Law, R7: 19-11-229 Competitive Sealed Bidding - Bid Evaluation paragraph (E) (i) & (ii): a vendor's past performance with the state may be used in the evaluation of any bid made in response to this solicitation. The past performance should not be greater than three years old and must be supported by written documentation on file in the Office of State Procurement at the time of the bid opening. Documentation may be in the form of a written or an electronic report, VPR (Vendor Performance Report), memo, file or any other appropriate authenticated notation of performance to the vendor files.

11. **VISA ACCEPTANCE:** Awarded Contractors should have the capability of accepting the State's authorized VISA Procurement Card (p-card) as a method of payment. Price changes or additional fee(s) may not be assessed when accepting the p-card as a form of payment. The successful bidder may receive payment from the State by the p-card in the same manner as other VISA purchases. VISA acceptance is preferred but is not the exclusive method of payment.
12. **CURRENCY:** All bid pricing must be United States dollars and cents.
13. **LANGUAGE:** Bids will only be accepted in the English language.

## GENERAL INFORMATION

The Arkansas Department of Human Services (DHS), Division of Behavioral Health Services (DBHS) is seeking bids from qualified vendors to provide Medicare/Medicaid Cost Reporting Services for the Arkansas State Hospital (ASH).

**NOTE:** All DHS facilities are designated as NON-SMOKING.

### BACKGROUND

The Arkansas State Hospital (ASH) is a Joint Commission on Accreditation of Healthcare Organizations (JCAHO) accredited Acute Psychiatric Hospital operating 222 beds, providing inpatient services to adults and adolescents.

### TYPE OF CONTRACT

This will be a TERM contract. The term of this contract is anticipated to be effective upon date of signed award. Upon mutual agreement by the Contractor and DHS/DBHS, the contract may be renewed on a year-to-year basis, for up to six (6) additional one-year terms or a portion thereof. In no event shall the total contract term be more than seven (7) years.

### AWARD CRITERIA

Award shall be made on an ALL or NONE bases to the lowest responsive, responsible bidder meeting minimum qualification. Bids **must** meet or exceed all defined specifications. Bids **must** meet all terms and conditions of this Invitation for Bid and the laws of the State of Arkansas.

Contract award continued and maintenance is contingent upon approval by officials of DHS, and subsequent approval by the State Procurement office, and Legislative Council, and availability of State funds. Changes to any non-financial portion of this agreement may be made with the agreement of both DHS and the Contractor.

### MINIMUM QUALIFICATIONS

The Contractor **must** meet the following requirements:

1. Provide proof of a minimum of five (5) consecutive years and for the most recent year (2015) of experience preparing Medicaid/Medicare Cost Reporting for governmental agency, within the United States. As proof Vendor **must** provide a listing of three (3) accounts (within 5 year span beginning with most recent year) which shall include:
  - Agency name
  - Agency address including city and state
  - Brief description of services: include the number on staff of full time and part time employees, total resident capacity and overall size of facility.
  - Agency contact person name
  - Agency contact person phone number
  - Agency contact person email address

Arkansas Department of Human Services (DHS) reserves the right to contact any or all clients of the bidder. The reference accounts should be able to rate the quality of service by rating the bidder's performance as to poor, fair, good or excellent in quality of service.

2. **Must** be or **must** employ (on staff or by contract) a Certified Public Accountant (CPA). As proof a copy of the CPA's current certification must be enclosed with bid.

**FAILURE TO INCLUDE ALL REQUESTED QUALIFICATION ITEMS IN BID PACKAGE MAY RESULT IN BID REJECTION.**

### CHANGE/AMEND SCOPE OF WORK

The contract's scope of work section is subject to change and or be amended based on changes within or conflicts with the US Department of Transportation rules for workplace drug and alcohol testing or the Arkansas State Law, A.C.A. Section § 11-14-101 et seq.

### BID FORMAT

Any statement in this document that contains the word "will", "must" or "shall" means that compliance with the intent of the statement is mandatory, and failure by the bidder to satisfy that intent will cause the bid to be rejected. Reference to handbooks or other technical materials as part of a response must not constitute the entire response and vendor must identify the specific page and paragraph being referenced.

### **CANCELLATION**

In the event the State no longer needs the service or commodity specified in the contract or purchase order due to change in need, including but not limited to, program changes, changes in laws, rules, or regulations, relocation of offices, or lack of appropriated funding, the State may cancel the contract or purchase order by giving the Contractor written notice of such cancellation thirty (30) days prior to the date of cancellation.

### **CAUTION TO BIDDERS**

During the time between the bid opening and contract award, any contact concerning this IFB should be initiated by the issuing office and not the vendor. Specifically, the buyer named herein will initiate all contact.

**Vendors must submit one (1) signed original IFB response on or before the date specified on page one.** Failure to submit the required number of copies with the bid may be cause for rejection. If additional copies of the bid are requested, they must be delivered within twenty-four (24) hours of request.

DHS reserves the right to award a contract or reject a bid for any or all line items of a bid received as a result of this IFB, if it is in the best interest of the State to do so. Bids will be rejected for one or more reasons, not limited to the following:

- Failure of the vendor to submit his/her bid(s) on or before the deadline established by the issuing office.
- Failure to sign the Vendor Information Form.
- Failure to complete the Official Bid Price Sheet(s).
- Any wording by the vendor in their response to this IFB, or in subsequent correspondence, which conflicts with or takes exception to a requirement in the IFB.
- Failure of any proposed goods or service to meet or exceed the specifications.

### **CONDITIONS OF CONTRACT**

The successful bidder shall at all times observe and comply with federal and State laws, local laws, ordinances, orders, and regulations existing at the time of or enacted subsequent to the execution of this contract which in any manner affect the completion of the work.

The successful bidder shall indemnify and save harmless the agency and all its officers, representatives, agents, and employees against any claim or liability arising from or based upon the violation of any such law, ordinance, regulation, order or decree by an employee, representative, or subcontractor of the successful bidder.

### **CONTRACT INFORMATION**

The State of Arkansas may not contract with another party:

- To lease any materials or services for a period of time which continues past the end of a fiscal year unless the contract allows cancellation upon thirty (30) days written notice whenever there are no funded appropriations for the materials or services.
- Upon default, to pay all sums to become due under a contract.
- To pay damages, legal expenses or other costs and expenses of any party.
- To continue a contract once the equipment has been repossessed.
- To conduct litigation in a place other than Pulaski County, Arkansas
- To agree to any provision of a contract which violates the laws or constitution of the State of Arkansas.

A party wishing to contract with the State of Arkansas should:

- Remove any language from its contract which grants to it any remedies other than:
  - The right to possession.
  - The right to accrued payments.
  - The right to expenses of de-installation.
  - The right to expenses of repair to return equipment to normal working order, normal wear and tear excluded.
  - The right to recover only amounts due at the time of repossession and any unamortized nonrecurring cost as allowed by Arkansas Law.
- Include in its contract that the laws of the State of Arkansas govern the contract.
- Acknowledge that contracts become effective when awarded by the Department of Human Services.

The State of Arkansas may contract with another party:

- To accept the risk of loss of materials or equipment and pay for any destruction, loss or damage of the materials or equipment while the State has such risk, when the extent of liability for such risk is based upon the purchase price of the materials or equipment at the time of any loss and the contract has required the State to carry insurance for such risk.
- To lease any materials or equipment past the end of a fiscal year if the contract contains a provision to allow cancellation by the DHS office upon a 30 day written notice to the vendor/lessor in the event funds are not appropriated.

### **COST**

All charges must be included on the Official Bid Price Sheet and must include all associated cost for the services being bid. Bid pricing must be valid for 60 days following IFB opening to allow sufficient time to tabulate and evaluate bid responses.

### **NOTE:**

- The State will not be obligated to pay any costs not identified on the Official Bid Price Sheet.
- Any cost not identified by the bidder but subsequently incurred shall be borne by the bidder.

### **DELEGATION AND/OR ASSIGNMENT**

The selected vendor will be required to assume prime Contractor responsibility for the contract and will be the sole point of contact with regard to all commodities, services and support. The vendor shall give immediate notice, in writing by certified mail, of any action which, in the opinion of the vendor, may result in litigation related in any way to the contract or the State.

The vendor shall not assign the contract in whole or in part or any payment arising there from without the prior written consent of the Department of Human Services. The vendor shall not delegate any duties under this contract to a subcontractor unless the Department of Human Services has given written consent to the delegation.

### **BIDDER'S QUESTIONS**

It is DHS intent that this IFB have adequate information for any/all vendors to respond. However, should a potential bidder have questions they may contact the buyer, Chorsie Burns, via email: [chorsie.burns@dhs.arkansas.gov](mailto:chorsie.burns@dhs.arkansas.gov), fax: 501-404-4613 or phone: 501-682-6327. Questions and concerns must be received no later than seven (7) calendar days prior to the Bid Opening date.

If a question and answer schedule has been established within the IFB all questions must be in writing and sent to the Buyer during the stated time period to be valid. This includes any questions that are asked during a site-visit. All written questions with their answers will be posted on the Office of State Procurement (OSP) website <http://www.arkansas.gov/dfa/procurement/bids/index.php> in accordance with the established question and answer scheduled.

### **PAYMENT AND INVOICE PROVISIONS**

Payment will be made in accordance with applicable State of Arkansas accounting procedures upon acceptance by the Agency. The State may not be invoiced in advance of delivery and acceptance of any service. Payment will be made only after the Contractor has successfully delivered and invoiced the required services/materials.

Contractor will submit invoices in a format prescribed by DHS. Billing should be submitted monthly. The billing will be a single source billing where the sub-contractor(s) will submit all his/her invoices to the contractor and the contractor will in turn forward invoices to ASH/DHS. An itemized invoice should be sent to support the invoiced amount. Payment of invoice will normally be 30-45 days after receipt of invoice(s).

Selected vendor must be registered to receive payment and future bid notifications. If you are not a registered vendor you may register on-line at <https://www.ark.org/vendor/index.html>

### **PROPRIETARY INFORMATION**

Proprietary information submitted in response to this (IFB) will be processed in accordance with applicable State of Arkansas procurement procedures. Bids and documents pertaining to the (IFB) become the property of the State and shall be open to public inspection subsequent to bid opening. It is the responsibility of the Vendor to identify all proprietary information. The vendor should submit one complete copy of the response from which any proprietary information has been removed, i.e., a redacted copy. The redacted copy should reflect the same pagination as the original, show the empty space from which information was redacted, and should be submitted on a CD or flash drive. Except for the redacted information, the redacted copy must be identical to the original hard copy. The vendor is responsible for ensuring the redacted copy on CD/flash drive is protected against restoration of redacted data. The redacted copy will be open to public inspection under the Freedom of Information Act (FOIA) without further notice to the vendor. If a redacted copy is not included, the entire bid will be open to public inspection with the exception of financial data (other than pricing). If the State of Arkansas deems redacted information to be subject to the FOIA the vendor will be contacted prior to sending out the information.

### **PUBLICITY**

News release(s) by a vendor(s) pertaining to this IFB or any portion of the project shall not be made without prior written approval of the DHS Buyer. Failure to comply with this requirement is deemed to be a valid reason for disqualification of the vendor's bid. The DHS Buyer will not initiate any publicity relating to this procurement action before the contract award is completed.

#### **RECORD RETENTION**

The Contractor shall be required to maintain all pertinent financial and accounting records and evidence pertaining to the contract in accordance with generally accepted principles of accounting and other procedures specified by the State of Arkansas. Access will be granted upon request, to State or Federal Government entities or any of their duly authorized representatives.

Financial and accounting records shall be made available, upon request, to the State of Arkansas' designee(s) at any time during the contract period and any extension thereof, and for five (5) years from expiration date and final payment on the contract or extension thereof.

#### **RESERVATION**

This IFB does not commit the Arkansas Department of Human Services to award a contract, to pay costs incurred in the preparation of a bid in response to this request, or to procure or contract for commodities or services.

#### **STATEMENT OF LIABILITY**

The State will demonstrate reasonable care but shall not be liable in the event of loss, destruction, or theft of Contractor- owned items to be delivered or to be used in the installation of deliverables. The vendor is required to retain total liability until the deliverables have been accepted by the "authorized agency official." At no time will the State be responsible for or accept liability for any vendor-owned items

#### **PRICE CHANGE CLAUSE**

All prices bid **shall** be firm for twelve (12) months of this contract. Thereafter, at the time of optional renewal, a request for increase **must** be submitted in writing, (120) days prior to the Department of Human Services with supporting manufacturer's documentation indicating percentage of increase and effective date. This increase **must** be addressed to the merchant network and be reflective of an increase to all distributors, not to this contract alone. Justifiable increases are based on manufacturer costs due to increase of materials to provide accurate testing results.

The State further reserves the right to reject any proposed price increase, cancel the contract and re-bid if determined to be in the best interest of the State. After receipt of required documentation and in the event a price change is authorized thereafter, said prices **will** remain firm for the period of stated renewal. The Price Change Clause **will** remain in effect for any agreed upon periods of extension.

It is understood and agreed in the event of a reduction in the manufacturer's price, the State of Arkansas **will** be given the full benefit of any such decline in price immediately upon the effective date of reduction. The State of Arkansas may monitor and compare other state's pricing against what is being provided on this contract. DHS may request reductions by requesting the manufacturer to provide cost comparison data at any time after the first six months of the contract to reflect base cost (at time of award) to current cost (at time of request).

#### **REQUIRED DOCUMENTATION**

Required documentation, when requested by DHS, must be received by DHS within seventy-two (72) business hours from request or proof of payment toward processing requested documentation.

#### **INSURANCE REQUIREMENTS**

The Contractor shall maintain Commercial General Liability Insurance with limits sufficient to cover losses resulting from, or arising out of, Contractor action or inaction in the performance of the Contract by the Contractor, its agents, servants, or employees.

The Insurance may not be modified without DHS/ASH approval. The minimum amount:

\$1,000,000.00 Per Occurrence

\$2,000,000.00 Aggregate: includes professional liability, negligence, errors and omissions and public liability

Prior to contract awarding, the Contractor must furnish an approved "Certificate of Insurance" and must maintain the insurance requirements throughout the contract and any/all extensions. The Contractor shall supply DHS/ASH replacement certificate(s) of insurance not less than forty-five (45) days prior to the expiration dates or renewal dates of any insurance policies reflected on such certificates.

## VENDOR INFORMATION FORM

Company Name: \_\_\_\_\_

Company Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

Contact Name (type or print): \_\_\_\_\_

Title: \_\_\_\_\_

Email Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

***An official authorized to bind the vendor to a resultant contract must sign below. Unsigned bids will not be considered.***

By my signature below I certify that the aforementioned statements are true and correct, that I accept the Terms and Conditions as presented in this IFB, and that I am authorized by the respondent to submit this bid on his/her behalf.

Authorized Signature: \_\_\_\_\_ Title: \_\_\_\_\_

*USE INK ONLY.*

Printed/Typed Name: \_\_\_\_\_ Date: \_\_\_\_\_

Business Designation (check one):

Individual [ ]

Sole Proprietorship [ ]

Public Service Corp [ ]

Partnership [ ]

Corporation [ ]

Government / Nonprofit [ ]

Check minority type, if applicable:

African American \_\_\_\_\_

Hispanic American \_\_\_\_\_

American Indian \_\_\_\_\_

Asian American \_\_\_\_\_

Pacific Islander American \_\_\_\_\_

Service Disabled Veteran \_\_\_\_\_

Arkansas Minority Certification Number \_\_\_\_\_



## **SCOPE OF WORK**

### **COST REPORTING SERVICES**

The following reports are required by November 30th each year for the prior fiscal year ending June 30th:

- CMS 2552 Cost Report for Electronic Filing of Hospitals
- CMS 339 Medicare Provider Cost Reimbursement Questionnaire
- Medicaid Uncompensated Care Cost Report
- Other related documents as required

Additional reports and information that will be required as it relates to maximization of Medicare/Medicaid revenue, reimbursements or cost reporting, as needed, such as:

- Hospital Information and Statistics
- Physician Time Studies
- FTE Calculations
- Square footage calculations
- Capital Pass Through Reports
- Medicare/Medicaid Payment Summary Reports (PSR)
- Bad Debt Reports (including date of first bill and date of write-off)
- Specialized Care Supplemental Schedules for State Facilities
- Wage Index Reports (only to be done as requested and not annually)
- American Appraisal Reports
- Requested reports from Medicare/Medicaid Audits
- Fiscal Intermediary requests
- Written interpretation of Medicare, Medicaid rules and regulations
- Reopening and Amending Prior Year Cost Reports
- Certification/compliance of cost. Vendor is to complete and ASH CEO and CFO are to sign off.

### **CONSULTATION SERVICES**

Review and assist with reimbursement procedures to ensure the full maximization of revenue from all financial classes (Medicare, Medicaid, Private Pay, and Insurance) in accordance with Federal and State regulations such as:

- Medicaid Disproportionate Share Program
- Assisting with resolving billing and claim issues
- New regulations that impact reimbursements
- Ensuring that Hospital and Nursing costs are segregated appropriately
- Evaluate Part B ancillary services schedules to ensure services are properly billed for and claimed on the cost report
- Assist ASH with developing a bad debt schedule that is in compliance with the Medicare Provider Reimbursement Manual
- Provide consultation throughout the Cost Reporting process to aide ASH with submitting the appropriate information to be used to prepare a comprehensive cost report.
- Prepare and submit a written report providing findings and recommendations developed during the cost report preparation process to aide in maximizing future revenue collections.
- Provide training and technical assistance to ASH staff as needed, or requested, to ensure proper audit trails are established and documentation necessary to support advantageous rate setting and settlements for all services is obtained.
- Recommended improvements in coding, grouping and data collection methods to optimize Medicare and Medicaid cost reporting opportunities.

### **AUDIT/APPEALS**

- Assist with Medicare and Medicaid appeals on adjustments proposed which cannot be administratively resolved.
- Assist with the development of audit and compliance procedures relative to Medicare and Medicaid reimbursement. Attend audit exit conference to assist ASH with their response to audit adjustments and findings and to propose administrative resolutions to audit adjustments.

## SERVICES

Vendor shall:

1. Provide consulting services by conferencing, telephone, and written correspondence for, but not limited to, raw data collection, cost reports, analysis, review, audit support, form completion, response to any fiscal intermediary, initial filing, final settlement and adjustments.
2. Provide an annual comprehensive checklist of required data necessary for report generation to ASH Contract Manager at least 60 days prior to the Cost Reports due date.
3. Complete services including raw data collection, form completion and response to any fiscal intermediary with follow-up and audit support.
4. Complete initial filing, final settlement, including review and adjustments, if necessary for the final adjustments.
5. Ensure all services, data, and information required by CMS and the intermediary is current and incorporated in the Cost Reports.
6. Shall timely (no more than 24 hours after knowledge) notify ASH of any changes in requirements for the Cost Reports by CMS and the intermediary; ensuring compliance with all new requirements.
7. Provide timely, statistically valid and accurate cost reports under Prospective Payment System (PPS) and the State Medicaid Program.
8. Compile and electronically submit the Medicaid Cost Report and related documents for ASH facility in accordance with Arkansas Title V and Arkansas Title XIX by the dates mandated by the State of Arkansas.
9. Utilize the correct CMS forms (including new additions and alterations as required by Medicare).
10. Compile and submit a Medicare Cost Report for each ASH in accordance with the requirements of the Centers for Medicare and Medicaid Services.
11. Provide one bound hard copy of each report required, with supporting data, as well as one electronic copy. Reports and supporting data shall be provided in Microsoft Excel or other approved electronic format.
12. Provide a comprehensive analysis and review, both written and oral, of each cost report. This includes, but is not limited to, current cost finding techniques, coding, mark-ups, Part B percentage and utilization.
13. Include, at a minimum, in the Cost Report packages a Summary documenting Medicare utilization, RUG reimbursement, average length of stay, analysis of revenue versus expenses under Medicare, fiscal intermediary adjustment reconciliation and fiscal intermediary contact for problem resolution.
14. Compare individual facility revenue and cost centers to other State Hospital facilities revenue and cost centers as well as with other clients of the Contractor.
15. Deliver to ASH written Medicare Cost Report analysis upon completion of the Medicare & Medicaid Cost Reports which analyzes the facilities' revenue and expense cost centers' compared to the prior year and US National Averages.
16. Provide complete support from filing to final settlement including review of adjustments and any intermediary contacts if necessary for each facility.
17. Provide as much detail as possible for all statistics and cost related to the Adolescent and Residential Treatment areas; these areas are to be handled as separate cost centers on the report.
18. Provide all supporting documentation for the Cost Reports.
19. Provide complete support for audits and reviews of the Cost Reports by any state agency having jurisdiction, CMS and the intermediary, or a representative for CMS and the intermediary for ASH, if determined by ASH to be necessary.
20. Schedule and conduct an annual cost reporting review meeting at ASH in early December of each contract year to present final cost reports, wrap up of findings and recommended areas of improvement in the accounting or day to day operations of the facilities.
21. Provide quarterly review of ASH billing practices as needed.
22. Provide annual training session regarding proper Medicare billing procedures as needed.
23. Review and respond to desk audit adjustments and rate summaries produced as a result of the cost study filing for accuracy and conformity to Cost Accounting and Rate Evaluation (CARE) guidelines.
24. Initiate appropriate appeals regarding Medicaid rate promulgations.
25. Provide direct representation at Level 1 appeals.
26. Advise facility management of regulatory and policy changes regarding Medicaid reimbursement methodology with appropriate recommendations.
27. Prepare the required annual Medicare Cost report based on financial and statistical information supplied by ASH.
28. Represent the facility before the fiscal intermediary regarding reviews or audits of cost reports and interim rate calculations as needed.
29. Review final Medicare reports and audit adjustment reports as prepared by the fiscal intermediary for accuracy and conformity to Federal requirements.
30. Advise ASH of changes to Medicare reimbursement methodology with appropriate recommendations.
31. Advise the facility on the maintenance of logs for billing ancillaries and bad debts.

## PERFORMANCE STANDARDS

State law requires that all contracts for services include Performance Standards for measuring the overall quality of services provided. Performance Standards identifies expected deliverables, performance measures or outcomes and defines the acceptable standards a vendor must meet in order to avoid assessment of damages.

The State may be open to negotiations of Performance Standards prior to contract award, prior to the commencement of services, or at times throughout the contract duration.

The State **shall** have the right to modify, add, or delete Performance Standards throughout the term of the contract, should the State determine it is in its best interest to do so. Any changes or additions to performance standards will be made in good faith following acceptable industry standards, and may include the input of the vendor so as to establish standards that are reasonably achievable.

All changes made to the Performance Standards **shall** become an official part of the contract.

Performance Standards **shall** continue throughout the term of the contract.

Failure to meet the minimum Performance Standards as specified **shall** result in the assessment of damages.

The following table sets forth service criteria for the Contract, the level of acceptable performance for each service criteria, and damages for failure to meet the acceptable performance level.

Service Criteria	Acceptable Performance	Damages for Insufficient Performance
Timely submission of Cost Report(s) to CMS.	Vendor must submit all required Cost Report(s) on or before due date(s) as set forth in the contract.	All interest and fines incurred by ASH will be billed to the Vendor.
Accurate submission of report(s) to CMS.	Vendor must submit accurate report(s) as set forth in the contract.	All interest and fines incurred by ASH will be billed to the Vendor.
Provide notice and insights of technical updates to Medicaid/Medicare reporting and their impact	100% Timely notification to ASH	All interest, fines and any loss of reimbursements incurred by ASH will be billed to the Vendor.

In the event a Performance Standard is not met, the vendor will have the opportunity to defend or respond to the insufficiency. The State **shall** have the right to waive damages if it determines there were extenuating factors beyond the control of the vendor that hindered the performance of services. In these instances, the State **shall** have final determination of the performance acceptability.

These service areas are not the exclusive duties or requirements to be met under the contract, and nothing herein is indicated to comprehensively define, modify, or to limit the duties or liability of the Contractor for failure to perform in accordance with the terms of the Contract, the Scope of Work above, or any other provision of this Invitation for Bid. The IFB, including the Scope of Work, is binding on the Contractor and shall be considered a part of the contract.

Should any compensation be owed to the agency due to the assessment of damages, the vendor shall follow the direction of the agency regarding the required compensation process.

The damages set forth do not in any way limit the damages available to the State, and must be in addition to any and all other damages or remedies available to the State at law or in equity.

ARKANSAS DEPARTMENT OF HUMAN SERVICES

**OFFICIAL BID PRICE SHEET**

All Vendors are asked to bid an hourly rate however if a Vendor(s) bid using an annual or monthly rate that amount will be divided by the below estimated hours.

Medicaid/Medicare Cost Report Services		
ESTIMATED HOURS WEEKLY	PRICE PER HOUR	TOTAL PRICE (Rate X Hours)
40 Hours (for 24 weeks)	\$	\$

**NOTE:** Prices shall include all expenses including all cost reporting services, consultation services and any/all related services. There is no separate travel expense (transportation, mileage, parking, meals, room, food, etc.) paid for any cost reporting related services.

**AUTHORIZATION SIGNATURE**

By my signature below, I certify that the aforementioned statements are true and correct and that I accept the Terms and Conditions as presented in this bid, and that I am authorized by the respondent to submit this bid on his/her behalf.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Title: \_\_\_\_\_

1. **GENERAL:** Any special terms and conditions included in this IFB override these standard terms and conditions to the extent inconsistent with these standard terms and conditions. The standard terms and conditions and any special terms and conditions become part of any contract entered into if any or all parts of the bid are accepted by the State of Arkansas.

Accept as otherwise required by law, the terms and conditions are non-negotiable and will be transferred to the contract as written.

The State has determined that any attempt by any bidder to reserve the right to alter or amend the terms and conditions via negotiation is an exception to the terms and conditions that may result in rejection of the bid.

2. **LEGAL CONSIDERATIONS:** The contract shall be construed according to the laws of the State of Arkansas. Any legal proceedings against the State shall be brought in the State of Arkansas's administrative or judicial forums and the rights and remedies of the parties hereunder shall be determined in accordance with such laws. Venue for all legal proceedings shall be in Pulaski County, Arkansas.

Nothing in this contract may be construed as a waiver of the State's sovereign immunity.

In no event shall the initial term of this contract extend beyond the end of the current biennial period unless the General Assembly, prior to the expiration of the biennial period, makes an appropriation for such purpose.

3. **ACCEPTANCE AND REJECTION:** The state reserves the right to accept or reject all or any part of a bid or any and all bids, to waive minor technicalities, and to award the bid to best serve the interest of the state.
4. **BID SUBMISSION:** Bids must be submitted in time to be received by the DHS Contract Support Unit on the designated form, with attachments when appropriate, on or before the date and time specified as the deadline for receipt of bids. If this form is not used, the bid may be rejected. The bid must be typed or printed in ink. The signature must be in ink. Unsigned bids will be disqualified. The person signing the bid should show title or authority to bind his/her firm in a contract. Each bid should be placed in a separate envelope, completely and properly identified. Late bids will not be considered under any circumstances.

Bids must be complete when submitted and should clearly describe the bidder's ability to meet the requirements of the Invitation for Bid (IFB). The bid proposal must include a discrete listing of cost components. In case of conflict between the bidder's proposal and the IFB, the terms of the IFB shall prevail. Failure of the Contractor to accept these obligations may result in cancellation of his/her selection.

DHS is not liable for cost incurred by respondents or the eventual Contractor in the preparation or submission of proposals.

5. **CONFIDENTIAL INFORMATION IN THE BID:** If the bid package contains material that is considered by the respondent to be confidential under Arkansas law, the respondent must so designate the material and state the basis for the claim of confidentiality. In responding to any requests under the Freedom of Information Act (FOI) for materials so designated, DHS shall review the basis for the claim of confidentiality to determine if the claim of confidentiality appears justified.
6. **PRICES:** Respondent shall bid the unit price. In case of errors in extension, unit prices shall govern. Prices are firm and not subject to escalation unless otherwise specified in the IFB. Unless otherwise specified, the bid must be firm for acceptance for thirty days from the bid opening date. "Discount from list" bids are not acceptable unless requested in the IFB.

The bid shall include all costs to be incurred in the provision of the service/commodity. No additional costs may be charged to DHS or clients.

Respondents' bid shall be arrived at independently without collusion, consultation, communication, or agreement with any other respondent or with any competitor.

7. **QUANTITIES:**
  - **Term Contracts:** Quantities stated in **term contracts** are estimates only, and are not guaranteed. Respondent shall bid the unit price on the estimated quantity and unit of measure specified. The State may order more or less than the estimated quantity on term contracts.
  - **Firm Contracts:** Quantities stated on **firm contracts** are actual requirements of the ordering agency.
8. **AMENDMENTS:** The bid cannot be altered or amended after the bid opening except as permitted by regulation.
9. **TAXES AND TRADE DISCOUNTS:** Respondent shall not include state or local sales taxes in the bid price. Trade discounts should be deducted from the unit price and the net price should be shown in the bid.
10. **AWARD:** Contract liability will be based on the needs of the Division/Office. This determination will be made at the sole discretion of the Division/Office.

- **Term Contracts:** A contract award will be issued to the successful bidder. It results in a binding obligation without further action by either party. This award does not authorize shipment or provision of service. Shipment or provision of service is authorized by the receipt of an order for purchase from DHS.
  - **Firm Contracts:** A written state purchase order authorizing shipment or provision of service will be furnished to the successful bidder.
11. **LENGTH OF CONTRACT:** The IFB shows the period of time the contract will be in effect.
  12. **ANTITRUST ASSIGNMENT:** As part of the consideration for entering into any contract pursuant to this IFB, the bidder, acting herein by the authorized individual or its duly authorized agent, hereby assigns, sells and transfers to the State of Arkansas all rights, title and interest in and to all causes of action it may have under the antitrust laws of the United States or this State for price fixing, which causes of action have accrued prior to the date of this assignment and which relate solely to the particular goods or services purchased or produced by this State pursuant to this contract.
  15. **CONTINGENT FEE:** The bidder guarantees that he/she has not retained a person to solicit or secure this contract upon an agreement or understanding for a commission, percentage brokerage or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies maintained by the bidder for the purpose of securing business.
  16. **ETHICAL STANDARDS:** It shall be a breach of ethical standards for a person to be retained, or to retain a person, to solicit or secure a state contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies maintained by the Contractor for the purpose of securing business.

## For Commodities Only

1. **BRAND NAME REFERENCES:** Any catalog brand name or manufacturer's reference used in the IFB is descriptive only, not restrictive, and used to indicate the type and quality desired. Bids on brands of like nature and quality will be considered. If bidding on other than referenced specifications, the bid must show the manufacturer, brand or trade name, and other descriptions, and should include the manufacturer's illustrations and complete descriptions of the product offered. The State reserves the right to determine whether a substitute offered is equivalent to and meets the standards of the item specified, and the State may require the bidder to supply additional descriptive material. The bidder guarantees that the product offered will meet or exceed specifications identified in this IFB. If the bidder takes no exception to specifications or reference data in this bid he will be required to furnish the product according to brand names, numbers, etc., as specified in the IFB.
2. **GUARANTY:** All items bid shall be newly manufactured, in first-class condition, latest model and design, including, where applicable, containers suitable for shipment and storage, unless otherwise indicated in the IFB. The bidder hereby guarantees that everything furnished hereunder will be free from defects in design, workmanship and material, that if sold by drawing, sample or specification, it will conform thereto and will serve the function for which it was furnished. The bidder further guarantees that if the items furnished hereunder are to be installed by the bidder, such items will function properly when installed. The bidder also guarantees that all applicable laws have been complied with relating to construction, packaging, labeling and registration. The bidder's obligations under this paragraph shall survive for a period of one year from the date of delivery, unless otherwise specified herein.
3. **SAMPLES:** Samples or demonstrators, when requested, must be furnished free of expense to the state. Each sample should be marked with the bidder's name and address, bid number and item number. If samples are not destroyed during reasonable examination they will be returned at bidder's expense, if requested, within ten days following the opening of bids. All demonstrators will be returned after reasonable examination.
4. **TESTING PROCEDURES FOR SPECIFICATIONS COMPLIANCE:** Tests may be performed on samples or demonstrators submitted with the bid or on samples taken from the regular shipment. In the event products tested fail to meet or exceed all conditions and requirements of the specifications, the cost of the sample used and the reasonable cost of the testing shall be borne by the bidder.
5. **DELIVERY ON FIRM CONTRACTS:** The IFB will show the number of days to place a commodity in the designated location under normal conditions. If the bidder cannot meet the stated delivery, alternate delivery schedules may become a factor in an award. DHS has the right to extend delivery if reasons appear valid. If the date is not acceptable, the agency may buy elsewhere and any additional cost will be borne by the vendor.
6. **DELIVERY REQUIREMENTS:** No substitutions or cancellations are permitted without written approval of DHS. Delivery shall be made during agency work hours only 8:00 a.m. to 4:30 p.m. Central Time, unless prior approval for other delivery has been obtained from DHS. Packing memoranda shall be enclosed with each shipment.
7. **STORAGE:** DHS is responsible for storage if the Contractor delivers within the time required and DHS cannot accept delivery.
8. **DEFAULT:** All commodities furnished will be subject to inspection and acceptance of the ordering agency after delivery. Back orders, default in promised delivery, or failure to meet specifications authorize DHS to cancel this contract or any portion of it and reasonably purchase commodities elsewhere and charge full increase, if any, in cost and handling to the defaulting Contractor. The Contractor must give written notice to DHS of the reason and the expected delivery date. Consistent failure to meet delivery without a valid reason may cause removal from the bidders list or suspension of eligibility for award.
9. **VARIATION IN QUANTITY:** The State assumes no liability for commodities produced, processed or shipped in excess of the amount specified by the agency.

## Contractual Terms and Conditions

1. **INSPECTION OF WORK PERFORMED:** The State of Arkansas and its authorized representatives shall, at all reasonable times, have the right to enter the Contractor's work areas to inspect, monitor, or otherwise evaluate the quality, appropriateness, and timeliness of work, services, or both, that have been or are being performed.
2. **STATE PROPERTY:** Any specifications, drawings, technical information, dies, cuts, negatives, positives, data or any other commodity furnished to the Contractor hereunder or in contemplation hereof or developed by the Contractor for use hereunder shall remain property of the state, be kept confidential, be used only as expressly authorized and returned at the Contractor's expense to the F.O.B. point properly identifying what is being returned. Property, including intellectual property, acquired or created by the Contractor as a contract deliverable, is the property of the State. The Contractor shall be responsible for the proper custody and care of all state owned property, including State owned property used in connection with the performance of this contract and the Contractor agrees to reimburse the State for its loss or damage due to negligence, theft, vandalism, or Acts of God.
3. **PATENTS OR COPYRIGHTS:** Except as otherwise required by law, the Contractor agrees to indemnify and hold the State harmless from all claims, damages and costs including attorneys' fees, arising from infringement of patents or copyrights.
4. **ASSIGNMENT:** Any contract entered into pursuant to this IFB is not assignable nor the duties thereunder delegable by either party without the written consent of the other party to the contract.
5. **OTHER REMEDIES:** In addition to the remedies outlined herein, the Contractor and the State have the right to pursue any other remedy permitted by law or in equity.
6. **LACK OF FUNDS:** The State may cancel this contract to the extent funds are no longer legally available for expenditures under this contract. Any delivered but unpaid for goods will be returned in normal condition to the Contractor by the state. If the State is unable to return the commodities in normal condition and there are no funds legally available to pay for the goods, the Contractor may file a claim with the Arkansas Claims Commission. If the Contractor has provided services and there are no longer funds legally available to pay for the services, the Contractor may file a claim.
7. **DISCRIMINATION:** In order to comply with the provision of A.C.A. § 25-17-101, relating to unfair employment practices, the Contractor shall not discriminate against any qualified employee or qualified applicant for employment because of race, color, creed, national origin or ancestry and shall will include a similar provision binding upon all subcontractors.
8. **DISCLOSURE:** Failure to make any disclosure required by Governor's Executive Order 98-04, or any violation of any rule, regulation, or policy adopted pursuant to that order, shall be a material breach of the terms of this contract. Any Contractor, whether an individual or entity, who fails to make the required disclosure or who violates any rule, regulation, or policy shall be subject to all legal remedies available to the agency.
9. **CONTRACTOR:** It is expressly agreed that the Contractor, officers, and employees of the Contractor or subcontractor in the performance of this contract shall act in an independent capacity and not as officers or employees of the State. It is further expressly agreed that the State shall exercise no managerial responsibility over the Contractor nor shall this contract be construed as a partnership or joint venture between the Contractor or any subcontractor and the State or the State of Arkansas. The Contractor hereby represents and warrants to the State that as of the execution date of this contract:
  - a. The Contractor has been duly organized and is validly existing and in good standing under the laws of the State of Arkansas, with power, authority, and legal right to enter into this contract.
  - b. There are no proceedings or investigations pending or threatened, before any court, regulatory body, administrative agency or other governmental instrumentality having jurisdiction over the Contractor or its properties (i) seeking to prevent the consummation of any of the transactions contemplated by this contract; or (ii) seeking any determination or ruling that might materially and adversely affect the performance by the Contractor of its obligations hereunder, or the validity or enforceability of this contract.
  - c. All approvals, authorizations, consents, orders or other actions of any person or of any governmental body or official required to be obtained on or prior to the date hereof in connection with the execution and delivery of this contract and the performance of the services contemplated by this contract and the fulfillment of the terms hereof have been obtained.
  - d. The Contractor and the executive officers of the Contractor have not been the subject of any proceeding under Chapter 7 of the United States Bankruptcy Code.
10. **FORCE MAJEURE:** The Contractor will not be liable for any cost to the State if the failure to perform the contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not restricted to, Acts of God, fires, quarantine restriction, strikes and freight embargoes.



11. **DISPUTES:** In the event of any dispute concerning any performance by the State under the contract, the Contractor shall notify the State Procurement Director in writing. The State Procurement Director or a designee, prior to commencement of an action in court or any other action provided by law, will attempt to negotiate a settlement of the dispute with the parties in accordance with A.C.A. § 19-11-246. If the claim or controversy is not resolved by mutual agreement, and after reasonable notice to the parties in accordance with A.C.A. § 19-11-246 (c)(1), the State Procurement Director or his designee shall promptly issue a decision in writing stating the reason for the actions taken and a copy of the decision shall be mailed or otherwise furnished to the Contractor. This decision will be final and conclusive. Pending final determination of any dispute hereunder, the Contractor shall proceed diligently with the performance of the contract and in accordance with the State Procurement Director's instructions.
12. **PUBLIC DISCLOSURE:** Upon signing of the contract by all parties, terms of the contract shall become available to the public, pursuant to the provisions of Ark. Code Ann., § 25-19-101 et seq.
13. **SUBCONTRACTS:** The Contractor is fully responsible for all work performed under the contract. The Contractor may, with the prior written consent of the State, enter into written subcontract(s) for performance of certain of its functions under the contract. No subcontract under this contract shall in any way relieve the Contractor of any responsibility for performance of its duties. The Contractor agrees that all subcontracts shall adhere to State policies. The Contractor shall give the State immediate notice in writing by certified mail of any action or suit filed and prompt notice of any claim made against the Contractor or any subcontractor which may result in litigation related in any way to the contract or the State.

In accordance with Executive Order 98-04, IF the agreement between the Contractor and the subcontractor is greater than \$25,000.00:

- The Contractor shall require the subcontractor to complete a **Contract and Grant Disclosure and Certification Form**. This form must be signed no later than 10 days after entering into any agreement with a subcontractor and the Contractor shall transmit a copy of this form to the agency.
  - The Contractor shall include the following in the contract between the Contractor and that Sub-Contractor:
    - Failure to make any disclosure required by Governor's Executive Order 98-04, or any violation of any rule, regulation or policy adopted pursuant to that Order, shall be a material breach of the terms of this subcontract. The party who fails to make the required disclosure or who violates the rule, regulation, or policy shall be subject to all legal remedies available to the Contractor.
14. **INDEMNIFICATION:** Except as otherwise required by law, the Contractor agrees to indemnify, defend, and save harmless the State, its officers, agents and employees from any and all damages, losses, claims, liabilities and related costs, expenses, including reasonable attorney's fees and disbursements awarded against or incurred by the State arising out of or as a result of:
- Any claims or losses resulting from services rendered by any person, or firm, performing or supplying services, materials, or supplies in connection with the performance of the contract;
  - Any claims or losses to any person or firm injured or damaged by the erroneous or negligent acts (including without limitation disregard of Federal or State regulations or statutes) of the Contractor, its officers or employees in the performance of the contract;
  - Any claims or losses resulting to any person or firm injured or damaged by the Contractor, its officers or employees by the publication, translation, reproduction, delivery, performance, use, or disposition of any data processed under the contract in a manner not authorized by the contract, or by Federal or State regulations or statutes;
  - Any failure of the Contractor, its officers or employees to observe local, federal or State of Arkansas laws, including but not limited to labor laws and minimum wage laws.
  - The Contractor shall agree to hold the State harmless and to indemnify the State for any additional costs of alternatively accomplishing the goals of the contract, as well as any liability, including liability for costs or fees, which the State may sustain as a result of the Contractor's or its subcontractor's performance or lack of performance.
15. **WAIVER:** No covenant, condition, duty, obligation, or undertaking contained in or made a part of the contract will be waived except by the written agreement of the parties, and forbearance or indulgence in any other form or manner by either party in any regard whatsoever shall not constitute a waiver of the covenant, condition, duty, obligation, or undertaking to be kept, performed, or discharged by the party to which the same may apply; and until complete performance or satisfaction of all such covenants, conditions, duties, obligations, and undertakings, any other party shall have the right to invoke any remedy available under law or equity, notwithstanding any such forbearance or indulgence. If any provision of the contract (including items incorporated by reference) is declared or found to be illegal, unenforceable, or void, then both the State and the Contractor shall be relieved of all obligations arising under such provision. If the remainder of the contract is capable of performance, it shall not be affected by such declaration or finding and shall be fully performed. If any one or more of the covenants, agreements, provisions or terms of this contract shall be for any reason whatsoever held invalid, then such covenants, agreements, provisions or terms shall be deemed severable from the remaining covenants, agreements, provisions or terms of this contract and shall in no way affect the validity or enforceability of the other provisions of this contract.

16. **ATTORNEY'S FEES:** In the event that either party to this contract deems it necessary to take legal action to enforce any provision of the contract, and the State prevails, the Contractor agrees to pay all expenses of such action, including attorney's fees and costs at all stages of litigation as set by the court or hearing officer. Legal action shall include administrative proceedings.
17. **ACCESS TO CONTRACTOR'S RECORDS:** The Contractor will grant access to its records upon request by state or federal government entities or any of their duly authorized representatives. Access will be given to any books, documents, papers or records of the Contractor which are related to any services performed under the contract. The Contractor additionally consents that all subcontracts will contain adequate language to allow the same guaranteed access to the records of subcontractors.
18. **SET-OFF:** The parties agree that the State, in its sole discretion, shall have the right to set-off any money Contractor owes the State from the State's payment to Contractor under this contract.
19. **STATE AND FEDERAL LAWS:** Performance of this contract by both parties must comply with State and Federal laws and regulations. If any statute or regulation is enacted which requires a change in this contract or any attachment, then both parties will deem this contract and any attachment to be automatically amended to comply with the newly enacted statute or regulation as of its effective date.
20. **ACCESSIBILITY ACT 1227 OF 1999:** The Contractor expressly acknowledges that state funds may not be expended in connection with the purchase of information technology unless that system meets certain statutory requirements, in accordance with State of Arkansas technology policy standards, relating to accessibility by persons with visual impairments. Accordingly, the Contractor represents and warrants to the State that the technology provided to the State for purchase is capable, either by virtue of features included within the technology or because it is readily adaptable by use with other technology, of: (1) providing equivalent access for effective use by both visual and non-visual means; (2) presenting information, including prompts used for interactive communications, in formats intended for non-visual use; and (3) after being made accessible, it can be integrated into networks for obtaining, retrieving, and disseminating information used by individuals who are not blind or visually impaired.

For purposes of this paragraph, the phrase "equivalent access" means a substantially similar ability to communicate with or make use of the technology, either directly by features incorporated within the technology or by other reasonable means such as assistive devices or services which would constitute reasonable accommodations under the Americans with Disabilities Act or similar state or federal laws. Examples of methods by which equivalent access may be provided include, but are not limited to, keyboard alternatives to mouse commands and other means of navigating graphical displays, and customizable display appearance. If requested, the Contractor must provide a detailed plan for making the purchase accessible and/or a validation of concept demonstration.

21. **ENTIRE CONTRACT:** The parties acknowledge that each have read this contract, understand it and agree to be bound by the terms. The parties further agree that this contract, including all of its component documents and attachments (including but not limited to the IFB), is the complete and exclusive statement of the agreement of the parties with respect to the subject matter hereof and that it supersedes all prior proposals, representations, arrangements, understandings, and agreements, whether oral or written, between the parties with respect to the subject matter hereof. This contract may not be modified, amended, or in any way altered except by a written agreement duly executed by the parties and approved in accordance with the laws and established procedures of the State of Arkansas.
22. **SURVIVAL OF RIGHTS AND OBLIGATIONS:** The rights and obligations of the parties under this contract shall survive and continue after the ending or expiration of the term of this contract, and shall bind the parties, and their legal representatives, successors, heirs and assigns.
23. **TERM OF THE CONTRACT:** This contract may be extended in accordance with the terms stated in the procurement, by written mutual agreement of both parties and subject to approval of the Arkansas Department of Finance and Administration/Director of Office of State Procurement, appropriation of necessary funding, and review by any necessary state or federal authority. The State shall notify the Contractor at least thirty (30) days prior to the end of the contract period or extension thereof if the State intends to renew the contract. If notification is not made, the contract will terminate at the end of the contract period or current extension thereof.
24. **TERMS OF PAYMENT/BILLING:** Payment will be made after commodities or services are delivered, accepted, received, and invoiced according to Accounts Payable requirements. No payment will be made prior to delivery of commodities or services.

An original invoice must be submitted to Accounts Payable. Each invoice must include the purchase order number, if applicable.

The Contractor agrees to submit all billing invoices within sixty days of the expiration of the contract. Any billings for services rendered during a particular state fiscal year which are not submitted within ninety days of the end of the fiscal year will not be paid.

25. **TERMINATION OF CONTRACT:** The State may cancel this contract unilaterally at any time, for any reason including unavailability of federal funds, state funds or both by giving the other party thirty (30) calendar days written notice, and

delivering notice of cancellation either in person or by certified mail, return receipt requested, restricted delivery. Availability of funds will be determined at the sole discretion of the State. Payments for completed services or deliverables satisfactorily delivered to and approved by the State shall be at the contract price. Payment for partially completed services or deliverables satisfactorily delivered to and not yet approved by the State shall be at a price mutually agreed upon by the Contractor and the State. In addition to any other law, rule or provision which may authorize complete or partial contract termination, the State may terminate this contract in whole or in part when the State determines that the Contractor or subcontractor has failed to satisfactorily perform its contractual duties and responsibilities.

26. **PROCEDURE ON EXPIRATION OR TERMINATION:** Upon delivery by certified mail to the Contractor of a Notice of Termination specifying the nature of the termination and the date upon which such termination becomes effective, the Contractor shall:
- Stop work under the contract on the date and to the extent specified in the Notice of Termination,
  - Place no further orders or enter into any additional subcontracts for services,
  - Terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the Notice of Termination,
  - Assign to the State in the manner and to the extent directed by the State representative all of the right, title and interest of the Contractor in the orders or subcontracts so terminated. The State shall have the right, in its discretion, to settle or pay any and all claims arising out of the termination of such orders and subcontracts,
  - With the approval or ratification of the State representative, settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, the cost of which would be reimbursable, in whole or part, in accordance with the provisions of this contract.
  - Transfer title to the State and deliver in the manner, at the time, and extent directed by the State representative, all files, data, information, manuals, or other documentation, or property, in any form whatsoever, that relate to the work terminated by the Notice of Termination.
  - Complete the performance of such part of the work as shall not have been terminated by the Notice of Termination.
  - Take such action as may be necessary, or as the State representative may direct, for the protection and preservation of the property related to the contract which is in the possession of the Contractor and in which the State has or may acquire an interest.

The Contractor shall proceed immediately with the performance of the above obligations notwithstanding any delay in determining or adjusting the amount of any item or reimbursable price under this clause.

27. **TERMINATION CLAIMS:** After receipt of a Notice of Termination, the Contractor shall submit to the State all outstanding claims within ten (10) working days. The Contractor and the State may agree upon the amounts to be paid to the Contractor by reason of the total or partial termination of work as described in this section. In the event of the failure of the Contractor and the State to agree in whole or in part as to the amount with respect to costs to be paid to the Contractor in connection with the total or partial termination of work as described in this section, the State shall determine, on the basis of information available, the amount, if any, due to the Contractor by reason of termination and shall pay to the Contractor the amount so determined.

28. **CONFIDENTIALITY OF INFORMATION:** In connection with this contract, the Contractor will receive certain Confidential Information relating to DHS clients. For purposes of this contract, any information furnished or made available to the Contractor relating to DHS clients, the financial condition, results of operation, business, customers, properties, assets, liabilities or information relating to recipients and providers including but not limited to protected health information as defined by the Privacy Rule promulgated pursuant to the Health Insurance Portability and Accountability Act (HIPAA) of 1996, is collectively referred to as "Confidential Information". The Contractor shall comply with all DHS policies governing privacy and security of Confidential Information, including the contracting division's designation of the Confidential Information as required by the Arkansas Data and System Security Classification Standards, and shall implement and maintain reasonable security procedures and practices appropriate to the nature of the Confidential Information as required by A.C.A. § 4-11-104, the Personal Information Protection Act ("the Act"). In addition, the Contractor shall comply with the Business Associate Agreement between the parties, incorporated herein by reference, and shall disclose any breaches of privacy or security by contacting the Information Technology Security Officer within one (1) business day of the breach by notification to the following e-mail address: [dhs-it-security@arkansas.gov](mailto:dhs-it-security@arkansas.gov)

The Contractor shall treat all Confidential Information which is obtained by it through its performance under the contract as Confidential Information as required by state and federal law and shall not use any information so obtained in any manner except as necessary for the proper discharge of its obligations.

The parties acknowledge that the disclosure of Confidential Information in contravention of the provisions hereof would damage the party to whom the information disclosed relates and such party has the right to seek all remedies at law or equity to minimize such damage and to obtain compensation therefore. The Contractor agrees to retain all protected health information as defined by the Privacy Rule promulgated pursuant to HIPAA for six (6) years or as otherwise required by HIPAA.

The Contractor shall safeguard the use and disclosure of information concerning applicants for or recipients of Title XIX services in accordance with 42 CFR Part 431, Subpart F, and shall comply with 45 CFR Parts 160 and 164 and shall restrict access to and disclosure of such information in compliance with federal and state laws and regulations.

29. **AUDIT REQUIREMENT:** Contractor shall comply with the state audit requirements as outlined in "Arkansas State of Human Services Audit Guidelines". Copies may be obtained from:  
Arkansas Department of Human Services  
Office of Quality Assurance  
P.O. Box 1437 – Slot S270  
Little Rock, Arkansas 72203-1437
30. **USE AND OWNERSHIP OF SOFTWARE:** The Contractor will have access to all applications software that the State requires the Contractor to use in the performance of the services covered in the contract, subject to customary confidentiality and other license terms and conditions. No changes in the applications software may be made without the written consent of the Contract Administrator if the change would have the effect of causing the State to incur additional costs for either hardware or software upgrades or both. Any applications software developed by the Contractor in the performance of the services under this contract must become the property of the State of Arkansas at no additional cost. Any existing software applications owned by the Contractor and used in the performance of the services under this contract must be granted to the State of Arkansas at no additional cost, subject to customary confidentiality and other license terms and conditions.
31. **LIABILITY:** In the event of non-performance of a contractual obligation by the Contractor or his agents which results in the determination by Federal authorities of noncompliance with Federal regulations and standards, the Contractor will be liable to the State in full for all penalties, sanctions and disallowances assessed against the State.
32. **CRIMINAL HISTORY CHECK/CENTRAL REGISTRY CHECK:** Contractor shall comply with Arkansas Code Annotated (A.C.A.) §21-15-101 et seq, or any amendments thereto, which requires all employees of state agencies, in designated positions including those providing care, supervision, treatment or any other services to the elderly, mentally ill or developmentally disabled persons, to individuals with mental illnesses or to children who reside in any state-operated facility or a position in which the applicant or employee will have direct contact with a child, to have a criminal history check and a central registry check. Should an applicant or employee be found to have been convicted of a crime listed in A.C.A. §21-15-101 et seq, that employee shall be prohibited from providing services in a designated position as defined by Arkansas law or being present at the facility.
33. **COMPLIANCE WITH STATE POLICY ISSUANCES:** The Contractor agrees to deliver the services authorized by this contract or any attachment in accordance with all manuals and other official issuances of the State promulgated through the Administrative Procedures Act.
34. **NOTICES:** All demands, notices and communications hereunder shall be in writing and shall be deemed to have been duly given if mailed by first class mail, postage prepaid, to the name and address of Contractor's identified contact person or such other name or address as may hereafter be furnished to State in writing by the Contractor. Notices to the State should be mailed to:  
ARKANSAS DEPARTMENT OF HUMAN SERVICES  
PROCUREMENT OFFICE  
PO BOX 1437/ SLOT W345  
LITTLE ROCK, AR 72203
35. **CERTIFICATION REGARDING LOBBYING:** The Contractor will comply with public law 101-121, section 319 (section 1352 of Title 31 U.S.C.) for an award in excess of \$100,000.00 by certifying that appropriated federal funds have not been or will not be used to pay any person to influence or attempt to influence a federal official/employee in connection with the awarding of any federal contract, grant, loan or cooperative agreement. If the Contractor has paid or will pay for lobbying using funds other than federal appropriated funds, Standard Form-LLL (Disclosure of Lobbying Activities) shall be completed and included as an attachment to this contract.
36. **CERTIFICATION REGARDING DEBARMENT:** The Contractor, as a lower tier recipient of \$25,000.00 or more in federal funds, will comply with Executive Order 12549 (Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion-Lower Tier Covered Transactions).

By signing and submitting this lower tier proposal, the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal or state agency if the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal.

The prospective lower tier participant further agrees by submitting this proposal that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion- Lower Tier Covered Transactions" without modification in all lower tier covered transactions.

Contractor certifies that the Contractor is in compliance with Public Law 101-121 (Certification Regarding Lobbying) and Executive Order 12549 (Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion-Lower Tier Covered Transactions).