



DELAWARE HEALTH
AND SOCIAL SERVICES

Division of Management Services
1901 N. DuPont Highway
New Castle, DE 19720

REQUEST FOR PROPOSAL NO. HSS-11-097

FOR

Community Reintegration Support Project (CRISP)

FOR

**Department of Health and Social Services
Division of Substance Abuse and Mental Health
1901 N DuPont Highway
New Castle, DE 19720**

Deposit	Waived
Performance Bond	Waived

**Date Due: Friday January 20, 2012
11:00 A.M. LOCAL TIME**

A pre-bid meeting will be held on Monday December 19, 2011 at 10:00 a.m. at Herman Holloway Campus, 1901 N. DuPont Highway, 23 Mitchell Lane, Springer Building, Gymnasium. While attendance is not mandatory, entities who wish to bid on this proposal are strongly encouraged to take advantage of this opportunity for face to face discussion with state personnel responsible for managing the contract(s) resulting from this solicitation. To better ensure meeting space will accommodate those desiring to attend, it is requested that bidders limit representation to 2 individuals. Bidders should RSVP by calling (302) 255-9290.

REQUEST FOR PROPOSAL # HSS-11-097

Sealed Proposals for **Community Reintegration Support Project** for the DIVISION OF SUBSTANCE ABUSE AND MENTAL HEALTH will be **received** by:

Kieran Mohammed
Delaware Health and Social Services
Herman M. Holloway Sr. Campus
Procurement Branch
Main Administration Bldg, Sullivan Street
Second Floor, Room #257
1901 North DuPont Highway, New Castle, Delaware 19720

Proposals will be accepted until **11:00 a.m. Friday January 20, 2012**. At which time the proposals will be opened and recorded.

A **pre-bid meeting** will be held on **10:00 a.m. Monday December 19, 2011** at **Herman Holloway Campus, 1901 N. DuPont Highway, 23 Mitchell lane, Springer Building, Gymnasium**. For further information please call 302-255-9290.

While attendance is not mandatory, entities who wish to bid on this proposal are strongly encouraged to take advantage of this opportunity for face to face discussion with state personnel responsible for managing the contract(s) resulting from this solicitation.

In the event that state offices are closed on the day of the pre-bid meeting due to a State of Emergency declared by the Governor of Delaware, the pre-bid meeting will be cancelled or postponed. The status of the pre-bid meeting will be posted to the RFP website as soon as possible at <http://bids.delaware.gov>. If the pre-bid meeting is cancelled, written questions will be accepted, in lieu of the pre-bid meeting, in accordance with the instructions presented in Section VI. D. of this document. If the pre-bid meeting is postponed, the new date and time will be posted to the RFP website.

Obtaining Copies of the RFP

This RFP is available in electronic form [only] through the State of Delaware Procurement Website at <http://bids.delaware.gov>.

Public Notice

Public notice has been provided in accordance with 29 *Del. C.* § 6981

NOTIFICATION TO BIDDERS

Bidder shall list all contracts awarded to it or its predecessor firm(s) by the State of Delaware; during the last three years, by State Department, Division, Contact Person (with address/phone number), period of performance and amount. The Evaluation/Selection Review Committee will consider these Additional references and may contact each of these sources. Information regarding bidder performance gathered from these sources may be included in the Committee's deliberations and factored in the final scoring of the bid. Failure to list any contract as required by this paragraph may be grounds for immediate rejection of the bid."

There will be a ninety (90) day period during which the agency may extend the contract period for renewal if needed.

Note:

DSAMH is planning on releasing three RFP requests during November and December 2011.

These include

- a) A single Community Reintegration Support Project (CRISP), i.e. a community based, capitated behavioral health contract using a case rate financing mechanism. The provider will be responsible for the successful discharge and community integration of individuals currently residing at the DPC and clinically appropriate for discharge,
- b) Multiple Assertive Community Treatment and Intensive Care Management (ACT/ICM) contracts. These contracts will replace the current State-wide CCCP contracts, using the Dartmouth ACT model as well as a new Intensive Case Management model,
- c) A newly developed, single Statewide Targeted Care Management Contract (TCM).

The State welcomes any appropriate provider organization to bid on any or all of these RFPs. However, DSAMH will not permit an organization, its parent, subsidiary, division, branch or affiliated corporate entity or business organization to have both the Targeted Care Management contract in addition to another DSAMH contract that provides direct client care.

IMPORTANT: ALL PROPOSALS MUST HAVE OUR HSS NUMBER ON THE OUTSIDE ENVELOPE. IF THIS NUMBER IS OMITTED YOUR PROPOSAL WILL IMMEDIATELY BE REJECTED.

FOR FURTHER BIDDING INFORMATION PLEASE CONTACT:

Kieran Mohammed
DELAWARE HEALTH AND SOCIAL SERVICES
PROCUREMENT BRANCH
MAIN ADMIN BLD, SULLIVAN STREET
2ND FLOOR –ROOM
1901 NORTH DUPONT HIGHWAY
HERMAN M. HOLLOWAY SR. HEALTH AND
SOCIAL SERVICES CAMPUS
NEW CASTLE, DELAWARE 19720
PHONE: (302) 255-9290

IMPORTANT: DELIVERY INSTRUCTIONS

IT IS THE RESPONSIBILITY OF THE BIDDER TO ENSURE THAT THE PROPOSAL HAS BEEN RECEIVED BY THE PROCUREMENT UNIT OF THE DEPARTMENT OF HEALTH AND SOCIAL SERVICES BY THE DEADLINE.

ATTENTION BIDDERS: Your proposal must include a cover letter and the forms in Appendices C, D, E and F signed and with all information on the forms complete.

The issuance of this Request for Proposals (RFP) neither commits the Delaware Department of Health and Social Services, DIVISION OF SUBSTANCE ABUSE & MENTAL HEALTH, to award a contract, to pay any costs incurred in the preparation of a proposal or subsequent negotiations, nor to procure or contract for the proposed services. The Division reserves the right to reject or accept any or all proposals or portion thereof, to cancel in part or in its entirety this Request for Proposals, or to delay implementation of any contract which may result, as may be necessary to meet the Department's funding limitations and processing constraints. The Department and Division reserve the right to terminate any contractual agreement upon fifteen (15) days notice in the event that the State determines that State or Federal funds are no longer available to continue the contract.

Organizations Ineligible to Bid

Any individual, business, organization, corporation, consortium, partnership, joint venture, or any other entity including subcontractors currently debarred or suspended is ineligible to bid. Any entity ineligible to conduct business in the State of Delaware for any reason is ineligible to respond to the RFP.

**REQUEST FOR PROPOSAL FOR Community Reintegration Support Project
FOR
DIVISION OF SUBSTANCE ABUSE & MENTAL HEALTH**

Availability of Funds

Funds are available for the selected vendor to provide services in the area of Community Reintegration Support Project. Contract renewal is possible for up to **four (4)** additional years contingent on funding availability and task performance.

Pre-Bid Meeting

A pre-bid meeting will be held. The meeting will be on **10:00 a.m. Monday December 19, 2011** at the following location.

Herman M. Holloway Sr. Campus
Springer Building
23 Mitchell Lane
Gymnasium
1901 North DuPont Highway
New Castle, Delaware 19720

Bidders may ask clarifying questions regarding this request for proposal at the pre bid meeting. Responses to questions posed at the pre-bid meeting will be distributed to bidders attending the pre-bid meeting.

Further Information

Inquiries regarding this RFP should be addressed to:

Ceasar McClain
Contracts Manager
dsamhbusinessoperations@state.de.us

Restrictions on Communications with State Staff

From the issue date of this RFP until a contractor is selected and the selection is announced, bidders are NOT allowed to contact any **Division of Substance Abuse and Mental Health** staff, except those specified in this RFP, regarding this procurement. Contact between contractors and **Division of Substance Abuse and Mental Health** is restricted to emailed or faxed questions concerning this proposal. Questions must be submitted in writing and will be addressed in writing.

Questions are due by **Friday December 23, 2011** and will be addressed at the pre-bid meeting. The complete list of questions and their answers will be released via e-mail or fax to the vendors that submitted any questions or attended the pre-bid meeting. The complete list of questions and their answers will also be posted on the internet at <http://bids.delaware.gov>

Following the Pre-Bid meeting bidder communication is limited to Kieran Mohammed, Delaware Health and Social Services. The central phone number for the Procurement office is (302) 255-9290.

Contact with State Employees

Direct contact with State of Delaware employees other than the State of Delaware Designated Contact(s) regarding this RFP is expressly prohibited without prior consent. Vendors directly contacting State of Delaware employees risk elimination of their proposal from further consideration. Exceptions exist only for organizations currently doing business in the State who require contact in the normal course of doing that business. In the case of such exception, communication may not include an active RFP.

**REQUEST FOR PROPOSAL FOR
Community Reintegration Support Project
FOR
The Division of Substance Abuse and Mental Health**

I. INTRODUCTION

A. Background

The State of Delaware and its community partners have made great strides in reducing the size of the Delaware Psychiatric Center's (DPC) census over the past two decades through an investment in an improved community based system of care. While these efforts have had a profound impact on individuals with mental illness and their families, there is much work that remains. Approximately 75 individuals currently residing at the DPC no longer require that institutional setting in order to receive the care. In compliance with its recent settlement agreement with the United States Department of Justice (USDOJ), the State of Delaware is working toward providing these individuals with needed and appropriate supports and services in community based settings, in accordance with the requirements of the Americans with Disabilities Act and Olmstead precepts.

The goal of this RFP is to develop a Community Reintegration and Support Program (CRISP) for these individuals who remain at the DPC and are appropriate for discharge. CRISP will incorporate ACT services that are fully recovery oriented and based on the unique and individualized needs of each person enrolled. In addition, the case-rate contract and funding will support supplemental services such that the provider will have flexibility to implement a specialized plan for each client to meet their individual needs over time. The CRISP case rate financing model is designed to achieve an outcome-oriented effective, community-based system of care for adults with serious mental illness. By subrogating financing to the client-driven outcomes, this model will eliminate artificially imposed funding constraints that limit the ability to deliver flexible, individualized care. Under CRISP, providers will have significant authority and flexibility for designing client services.

Clients who will be included in CRISP are clinically challenging and are often difficult to serve in the current service structure. However, the literature provides evidence that with creative, flexible, individualized approaches they can succeed in the community. The CRISP model provides the tools to promote success by empowering the provider, in partnership with their clients, to use innovative strategies to achieve recovery. The contract with the provider will include specific outcome measures, incentives tied to results, penalties tied to the use of psychiatric hospitals and emergency departments, and flexible funding all within a framework of principles supporting person-centered care.

CRISP will include an ACT level of service that meets Dartmouth fidelity criteria as the base level of service. This will then be supplemented by an individualized treatment plan for each

client. The goal of this approach is to promote the most effective services with the aim of optimizing independence and recovery in the community.

B. Project Goals

CRISP is designed to incorporate the strengths of existing mental health and health capitation programs and minimize the risks and problems that have been identified in program evaluations. It incorporates both a strong mental health authority at DSAMH and a unified provider agency that is accountable for the full spectrum of behavioral health services based on contracts that emphasize value based. CRISP incentives are explicitly designed to motivate individualized, innovative treatment to successfully integrate clients into the community.

CRISP Elements:

- Individual client's strength-based evaluation
- Outcome-oriented and value driven services planning and delivery
- A system of incentives and safeguards linked to performance
- Centrally managed accounts
- A unified information system that meets State of Delaware requirements
- Intensive training
- ACT service model

The base model for the delivery of service will include a fidelity based ACT team. The minimum staffing composition and services of the teams must meet Dartmouth Fidelity model and will be reflected in DSAMH certification standards. If this ACT team requires a different staffing mix that does not meet, at a minimum, the Dartmouth Fidelity model, the provider will need to negotiate that with DSAMH and bring strong rationale for any changes to the DSAMH. As this contract is based on individualized, person centered care, it may be that flexibility in the Dartmouth model is required.

Beyond the basic ACT structure, the provider is free to design a system of support that meets the ongoing needs of its assigned individuals. The financing, as presented below, will support this degree of flexibility. It is expected that the selected provider will creatively and flexibly provide services and supports to its clientele that meet the needs as expressed by the individual, are focused on the recovery of the individual and are responsive to the individual's needs as they change over time.

The primary goals of CRISP are:

- To promote successful community integration.
- To assist the individual in achieving their maximum recovery.
- To improve the overall health of the individual
- To meet basic human needs and enhance quality of life.

- To improve the client’s success in the area of social relationships.

The fundamental principles of this program are that:

- The CRISP provider provides a fixed point of responsibility for the consumer.
- The services are person centered and individualized to each particular consumer.
- Services are values based and address the hopes, dreams, and aspirations of each particular consumer.
- Services are delivered in a continuous, rather than time limited framework, for as long as the individual meets the criteria for inclusion in the program.

C. Responsibilities of DHSS/DSAMH

DHSS’ responsibility for providing Community Reintegration Support Project Services stems from the Americans with Disabilities Act (ADA), the Rehabilitation Act of 1973, and Olmstead precepts. It is further codified in Delaware State law in 16 *Del. C.* chapter 1, subchapter VII (“Community Mental health Treatment Act). Additionally, DHSS is currently being monitored for compliance with the terms of a Settlement Agreement between the State of Delaware and the United States Department of Justice arising out of the case *United States v. State of Delaware*, C.A. No. 11-591-LPS. The terms of the Settlement Agreement are publicly available at: <http://www.ada.gov/delaware.htm>. The terms of the Settlement Agreement represent an additional baseline performance measure for any Vendor and DHSS’s compliance with the terms of that Agreement shall constitute an essential and material term for any contract resulting from a vendor’s proposal in response to this RFP.

DSAMH is a partner in implementing CRISP and generating successful outcomes. In addition to the management activities incidental to implementing a service such as payment, data collection and monitoring, DSAMH will provide leadership in providing individualized recovery services and will provide initial and continuing training to the Project Staff. The DSAMH will meet with the Provider’s management staff on a regular and frequent basis and participate in the process of developing an implementation model that is based on the values of the Project and attention to the outcomes.

D. Conclusion

CRISP is designed to empower the Provider in meeting the challenges of serving a complex and vulnerable population in a community-based setting with the goal of achieving recovery. It represents both a challenge and an opportunity including: 1) A challenge to re-think and re-design traditional mental health services within an established rate for resources and; 2) an opportunity to achieve new successes that focus on recovery values, client participation, and that is based on client needs and desires rather than arbitrary funding and program limitations. Please join us in this exciting Project by responding to this RFP.

II. TARGET POPULATION:

The target population will be the individuals currently residing within the DPC long term care units and identified by DSAMH as no longer needing an institutional level of care. The contracted program must have the capacity to serve up to 75 individuals.

DSAMH is responsible for identifying the individuals who are eligible for this service. DSAMH expects that the contractor will accept for services all individuals assigned to them by the DSAMH Eligibility and Enrollment Unit (EEU) and will actively engage the individual within five calendar days of notification by the EEU. This will be done on a staggered basis that can be negotiated but with no less than 10 people every 30 days. It is further expected that, in general, individuals assigned to CRISP residing at the DPC will be successfully discharged from the DPC to the community within 6 months of assignment.

A. On-Going Eligibility Crisp Level of Care

The group of individuals currently residing at the DPC and identified by DSAMH as requiring a non-institutional level of care are to be assigned to the CRISP at inception. Additional assignments to the CRISP team will be the sole responsibility of the DSAMH Eligibility and Enrollment Unit (EEU), and will only begin during the second contract year as current clients could leave, or move or require transition to long term care services in a primary health system. DSAMH will develop a mechanism to provide for successful transition of individuals out of CRISP to a less restrictive level of care.

III. SCOPE OF SERVICES

The following guidelines will apply to the provision of services for CRISP:

The Provider will be required to demonstrate that they can offer or contract for the provision of all services listed below, whether "covered" or "uncovered" which might be required to meet the needs of individuals at any time. Those services that are listed as "covered" or "included within case rate" must be paid for out of the case rate or billed to Medicaid as appropriate.

1. Covered Service/ Included in Case Rate and Medicaid

- Mental health outpatient treatment
- Emergency room visit
- Hospital admission and stay
- Substance use disorder treatment
- Crisis beds
- 24 hour Mobile crisis response

- Transportation
- Supported employment
- Safe, affordable, and integrated housing:
 - a) Integrated housing, in all forms, must meet the following criteria (from the Bazelon Center for Mental Health Law):
 - Housing units are scattered-site or scattered in a single building with no more than 20% of the total building population having mental health or substance use (co-occurring conditions) as best as can be determined.
 - A wide array of flexible, individualized services and supports is available to ensure successful tenancy and support participants' recovery and engagement in community life.
 - Services are delinked from housing. Participants are not required to use services or supports to receive or keep their housing.
 - Participants have direct input in choosing their housing unit, any roommates (if they choose not to live alone) and which services and supports (if any) they want to use.
 - Participants have the same rights and responsibilities as all other tenants. They should have their own personally signed lease agreement. They should be given any accommodations necessary to help ensure successful tenancy.

2. Uncovered Services/ Not included in Case Rate

For those services that are listed as “uncovered” or "outside of case rate", the provider is allowed to work with the client to obtain these services through a separate reimbursement mechanism or out of client funds. If other funds are used, there will be no deduction adjustment from the case rate. **Additionally, the Provider is allowed to pay for any services, including the uncovered services, approved by the provider's treatment team for the purpose of facilitating recovery in the community.**

- a) Linkage to somatic care: annual physical and specialized follow-up, including, but not limited to:
 - Physical rehabilitation
 - Dental care
 - Vision care
 - Long term care in a general hospital for serious medical needs such as surgery for cancer or organ transplant or for other life-threatening, physical problems.

3. Psychotropic medication

All psychotropic medications will be provided by the DSAMH pharmacy. The costs associated with these will be paid for by DSAMH and are not included in the Case Rate. However, the provider is expected, and will be monitored by DSAMH, to take full advantage of available mechanisms for defraying these costs (e.g. Prescription Assistance

Plans, appropriate use and management of Medicare Part D plans, collection of prescription co-pays, sample medications, use of generics when clinically appropriate, etc.) as well as all DSAMH pharmacy reporting requirements. The DSAMH pharmacy **will not** provide non-psychiatric “somatic” medications.

4. Representative Payee

Applicant organizations cannot act as their client’s representative payee. This service will be provided by a third party provider under contract with DSAMH or one selected, mutually by the provider and the client and approved by DSAMH.

5. Quality Improvement

All proposals shall include a suggested method for identifying, evaluating and correcting deficiencies in the quality and quantity of services to be provided under any resulting contract arising out of this RFP. Responsive proposals shall include a specific section entitled “Quality Improvement” which shall include the proposed method by which DHSS shall audit patient charts, employee credentials and licensure, staffing compliment information, staffing attendance information and other proposed indicators essential to a comprehensive and sustainable capability to review the performance of the selected vendor and the overall adequacy of services being provided to patients in the target population. The requirement contained in this paragraph is an essential and material term of any proposal and the failure to include a “Quality Improvement” section containing the above minimum core requirements shall be grounds to deem such proposals non-responsive. Vendors selected for contract negotiations should be aware that DHSS intends to include a robust “Quality Improvement” methodology into any contract resulting from this RFP. DHSS reserves the right to accept or reject, in whole or in part, or negotiate any portion of the proposal’s “Quality Improvement” section during the negotiation phase of this matter. DHSS also reserves the right to attach financial incentives for compliance and financial penalties for non-compliance with the terms and requirements of the “Quality Improvement” section of any contract arising out of this RFP.

6. Staffing Requirements:

The staffing requirements must meet, at a minimum the requirements for ACT under the Dartmouth ACT model.

7. Record Keeping Requirements:

The teams will be responsible for maintaining a medical record on each consumer and safeguarding the medical record and its contents against loss, tampering, and unauthorized use. The medical record documents information about a consumer’s mental

illness; rehabilitation; assessment results; treatment plans; and treatment, rehabilitation, and support services received. The records must be comprehensive, up to date, and provide evidence of the provision of high quality, comprehensive, person centered treatment, according to the treatment plan goals.

A. Outcome Criteria

a) Positive Outcomes

The criteria in this section relates to outcomes for which there is a performance expectation that the following outcomes be increased [Positive Outcomes]:

- Housing acquisition and retention for clients
- The number of clients in work-related skill training or educational programs
- The number of clients with jobs
- Documented success in linking with somatic care, dental care, vision care using a stable provider so consistency in care can be developed and maintained.
- The success of the Provider in fulfilling client needs as defined in the Recovery Plan based on a random sample of a percentage of individual records each year
- Improvement in clients' scores on psychological and functional assessments including developing additional strengths.

b) Negative Outcomes

- Numbers of clients involuntarily dis-enrolled in year
- Numbers of Emergency Department visits, by client and in aggregate
- Number of inpatient beds days/admissions, by client and in aggregate.
- Numbers of nights spent in homeless shelters by client and in aggregate
- Number of individuals in the population who become homeless, number of days per client and in aggregate
- Number of days spent in prison by client and in aggregate.

c) Reporting

A utilization report will be collected and submitted to DSAMH on a monthly basis. This report will include the following at a minimum:

- a) Total active caseload**
- b) The number and percentage of consumers for whom the following items have occurred during the month being reported**
 - Consumers hospitalized in psychiatric hospitals and length of stay.
 - Consumers hospitalized in general health facilities and length of stay.
 - Consumers who have visited a hospital emergency department
 - Consumers arrested
 - Consumers who remained in their housing a minimum of seven months

- Consumers who have a documented increase in independent living skills
 - Consumers who have income from employment
 - Consumers who are involved in substantial volunteer work, educational activities, barter work, or paid work
 - Consumers who are participating in at least one leisure activity alone, or with natural supports
 - Consumers who are having a minimum of 2 face to face contacts per month with natural supports
 - (At six month intervals) Consumers with a change, negative or positive in ASAM status over time
- c) The number of assigned individuals who have left the DPC (until all the initially assigned individuals have been discharged) and the number of days elapsed from assignment to date of discharge.
- d) At the end of each year, an outside evaluator under contract to DSAMH will evaluate performance according to data collected and random file reviews and client interviews based upon the above criteria. A scoring system will be developed. Based on scores received, Provider will be entitled to receive an incentive payment and will retain a portion of any savings remaining at the end of the year to be used at Provider's discretion in any way that benefits the Project and its clients. Specific details will be part of the negotiation process with the Successful vendor.

B. State Information Technology Requirements

The DHSS Information Technology Services for Vendors web page has links to the DHSS and DTI policies and standards.

<http://www.dhss.delaware.gov/dhss/dms/irm/vendorsvcs.html>

The DTI Systems Architecture Standard contains information confidential to the State and is not available from the internet. However, DTI has set up an email address which will automatically send a response with this document attached. The email address is sysarch@lists.state.de.us

Vendors that electronically store, transmit or process information on behalf of State are required to comply with State standards to properly secure State data. The specific requirements vary with the type of information being stored. Electronic protected health information has the highest security requirements. Securing this data is covered generally by HIPAA requirements but State requirements are more restrictive. State technical staff will discuss these standards with the selected vendor. Vendor is instructed to provide a technical contact for this purpose.

The State Architecture Review Board (ARB) reviews proposed system architecture as it relates to State standards. This may require the creation of an architecture diagram for the review process. For vendor systems that are not compliant, State technical staff will assist the division with an alternate approach.

As part of this consideration, vendor is required to submit technology costs that the State will be directly or indirectly responsible for as part of this contract. The vendor will break down technology costs into three categories for implementation and the same three categories for out-year costs:

1. Hardware
2. Software
3. Technical staffing

For vendor hosted websites, hosting costs can be allocated to the above categories at the discretion of the vendor.

IV. FUNDING AND PAYMENT METHODOLOGY:

The Provider will be paid on a case rate basis for each enrollee in the program. This funding is intended to support all “covered services”. The provider must bill Medicaid or other third party payers for covered and non-covered services. Any revenues received for covered services from Medicaid, and other third party payers will be deducted from the case rate on a quarterly basis. This includes payments made by DSAMH for psychiatric hospitalization. Both the rate and the methodology for this will be discussed with the selected vendor during initial contract negotiations.

1. RATE

The case rate is being estimated at \$40,000 to \$45,000/per client per year. The percentages retained for three Central Accounts (outlined below) will be deducted from this rate. The rate is based on national review of similar models and combined with the estimates of use and costs for similar consumers in Delaware. The provider will receive a portion (to be negotiated) of the agreed upon rate for individuals being engaged within DPC. The full negotiated rate will be provided once an individual is discharged from DPC.

In response to this RFP DSAMH requests that you submit a proposed rate within the above range based on your experience, and your plans for service under the CRISP model. The rate will not be a conclusive factor in awarding the contract, however, the process you use to determine your rate will be weighed in conjunction with other factors when awarding the contract.

2. Central Accounts

DSAMH will administer 3 central accounts to provide incentives for quality care and to provide safeguards against risk. A percentage of the case rate payment will be deducted off the top to fund these accounts. The accounts are:

- **Incentive Account:** DSAMH will transfer 5 % of the case rate to save for the provider. The provider may receive between 0% and 100% of the 5% transfer at the end of the year depending on its performance on an evaluation based on the negotiated outcome criteria. These funds are tied directly to quality of performance.
- **Adversity Account:** DSAMH will transfer 5% of the case to an adversity account to use as insurance if Provider can show need based on adverse selection or an unforeseen and uncontrollable event.
- **Administration and Training Account:** DSAMH will retain 5% to be used by DHSS to support the administration of this project and pay for training for the Provider's staff as part of the implementation of the program.

3. Payment

- DSAMH will pay two quarterly payments based upon the number of clients expected to be enrolled during the first six months of the Project, one at the beginning of quarter one and the second at the beginning of quarter two. These payments will be computed by first subtracting the off – the –top payments for Central Accounts and then dividing the rate by four.
- In the third and subsequent quarters, payments will be adjusted to reflect actual client enrollment.

4. Incentives and Penalties

- DSAMH and the selected provider will negotiate incentives and penalties that directly reflect the positive and negative outcomes presented above.

5. Contractor Monitoring/Evaluation

The contractor may be monitored/evaluated on-site on a regular basis. Failure of the contractor to cooperate with the monitoring/evaluation process or to resolve any problem(s) identified in the monitoring/evaluation may be cause for termination of the contract.

V. SPECIAL TERMS AND CONDITIONS

A. Length of Contract

Contract term is one (1) year with the possibility of renewal for up to four (4) additional years contingent on funding and satisfactory performance.

B. Subcontractors

The use of subcontractors will be permitted for this project. If a subcontractor is going to be used, this needs to be specified in the proposal, with an identification of the proposed subcontractor, the service(s) to be provided, and its qualifications to provide such service(s). Subcontractors will be held to the same requirements as the primary contractor. The contract with the primary contractor will bind sub or co-contractors to the primary contractor by the terms, specifications, and standards of the RFP. All such terms, specifications, and standards shall preserve and protect the rights of the agency under the RFP and any subsequent proposals and contracts with respect to the services performed by the sub or co-contractor, so that the sub or co-contractor will not prejudice such rights. Nothing in the RFP shall create any contractual relation between any sub or co-contractor and the agency.

The proposed subcontractors must be approved by the Division of Substance Abuse and Mental Health.

C. Funding Disclaimer Clause

Delaware Health and Social Services reserves the right to reject or accept any bid or portion thereof, as may be necessary to meet the Department's funding limitations and processing constraints. The Department reserves the right to terminate any contractual agreement upon fifteen (15) calendar day's written notice in the event the state determines that state or federal funds are no longer available to continue said contractual agreement.

D. Reserved Rights

Notwithstanding anything to the contrary, the Department reserves the right to:

- Reject any and all proposals received in response to this RFP;
- Select a proposal other than the one with the lowest cost;
- Waive or seek clarification on any information, irregularities, or inconsistencies in proposals received;
- Negotiate as to any aspect of the proposal with the bidder and negotiate with more than one bidder at a time;
- If negotiations fail to result in an agreement within two (2) weeks, the Department may terminate negotiations and select the next most responsive bidder, prepare and release a new RFP, or take such other action as the Department may deem appropriate.

E. Termination Conditions

The Department may terminate the contract resulting from this RFP at any time that the vendor fails to carry out its provisions or to make substantial progress under the terms specified in this RFP and the resulting proposal.

Prior to taking the appropriate action as described in the contract, the Department will provide the vendor with thirty (30) days notice of conditions endangering performance. If after such notice the vendor fails to remedy the conditions contained in the notice, the Department shall issue the vendor an order to stop work immediately and deliver all work and work in progress to the State. The Department shall be obligated only for those services rendered and accepted prior to the date of notice of termination.

The Contract may be terminated in whole or part:

- by the Department upon five (5) calendar days written notice for cause or documented unsatisfactory performance,
- by the Department upon fifteen (15) calendar days written notice of the loss of funding or reduction of funding for the stated Contractor services,
- by either party without cause upon thirty (30) calendar day's written notice to the other Party, unless a longer period is specified.

F. Payment:

The agencies or school districts involved will authorize and process for payment each invoice within thirty (30) days after the date of receipt. The contractor or vendor must accept full payment by procurement (credit) card and or conventional check and/or other electronic means at the State's option, without imposing any additional fees, costs or conditions.

G. W-9 Information Submission

Awarded vendors will be required to submit their Form W-9 by accessing this website, <http://accounting.delaware.gov/>. The vendor will complete the secure form, read the affirmation, and submit the form by clicking the "Submit" button. Delaware Division of Accounting staff will review the submitted form for accuracy, completeness, and standardization. Once all the requirements are met, the form will be uploaded to the vendor file and approved. The vendor is then able to be paid for services provided.

For those vendors that do not have internet access, a printable version of the Delaware Substitute Form W-9 can be faxed or mailed to the vendor. Upon completion, the vendor will then fax or mail the form directly to the vendor staff at the Delaware Division of Accounting. All vendor

requests, additions and changes, will come directly from the vendor. Questions for vendors who do not have internet access, contact vendor staff at (302) 734-6827.

This applies only to the successful bidder and should be done when successful contract negotiations are completed. It is not a required to be done as part of the submission of the bidder's proposal.

H. State of Delaware Required Reporting

One of the primary goals in administering this contract is to keep accurate records regarding its actual value/usage. This information is essential in order to update the contents of the contract and to establish proper bonding levels if they are required. The integrity of future contracts revolves around our ability to convey accurate and realistic information to all interested Vendors.

A Usage Report (Attachment 1) shall be furnished on the 15th (or next business day after the 15th day) of each month by the successful Vendor **Electronically in Excel format** detailing the purchasing of all items on this contract. The reports (Appendix H) shall be submitted electronically in EXCEL and sent as an attachment to dsamhbusinessoperations@state.de.us and shall contain the six-digit department and organization code. Any exception to this mandatory requirement may result in cancellation of the award. Failure to provide the report with the minimum required information may also negate any contract extension clauses. Additionally, Vendors who are determined to be in default of this mandatory report requirement may have such conduct considered against them, in assessment of responsibility, in the evaluation of future proposals.

VI. TECHNICAL PROPOSAL REQUIREMENTS:

A. Definitions of Requirements

To prevent any confusion about identifying requirements in this RFP, the following definition is offered: The words *shall*, *will* and/or *must* are used to designate a mandatory requirement.

Vendors must respond to all mandatory requirements presented in the RFP. Failure to respond to a mandatory requirement may cause the disqualification of your proposal.

B. Acknowledgement of Understanding of Terms

By submitting a bid, each Vendor shall be deemed to acknowledge that it has carefully read all sections of this RFP, including all forms, schedules and exhibits hereto, and has fully informed itself as to all existing conditions and limitations.

C. Non-Conforming Proposals

Non-conforming proposals will not be considered. Non-conforming proposals are defined as those that do not meet the requirements of this RFP. The determination of whether an RFP requirement is substantive or a mere formality shall reside solely within the DSAMH.

D. Concise Proposals

The DSAMH discourages overly lengthy and costly proposals. It is the desire that proposals be prepared in a straightforward and concise manner. Unnecessarily elaborate brochures or other promotional materials beyond those sufficient to present a complete and effective proposal are not desired. The State of Delaware's interest is in the quality and responsiveness of the proposal.

E. Realistic Proposals

It is the expectation of the DSAMH that Vendors can fully satisfy the obligations of the proposal in the manner and timeframe defined within the proposal. Proposals must be realistic and must represent the best estimate of time, materials and other costs including the impact of inflation and any economic or other factors that are reasonably predictable.

The DSAMH shall bear no responsibility or increase obligation for a Vendor's failure to accurately estimate the costs or resources required to meet the obligations defined in the proposal.

F. Discrepancies and Omissions

Vendor is fully responsible for the completeness and accuracy of their proposal, and for examining this RFP and all addenda. Failure to do so will be at the sole risk of Vendor. Should Vendor find discrepancies, omissions, unclear or ambiguous intent or meaning, or should any questions arise concerning this RFP, Vendor shall notify the DSAMH's Designated Contact, in writing, of such findings at least ten (10) days before the proposal opening. This will allow issuance of any necessary addenda. It will also help prevent the opening of a defective proposal and exposure of Vendor's proposal upon which award could not be made. All unresolved issues should be addressed in the proposal.

Protests based on any omission or error, or on the content of the solicitation, will be disallowed if these faults have not been brought to the attention of the Designated Contact, in writing, no later than ten (10) calendar days prior to the time set for opening of the proposals.

Proposals shall contain the following information, adhering to the order as shown:

G. Bidder's Signature Form

This form, found in the Appendix C, must be completed and signed by the bidder's authorized representative.

H. Title Page

The Title page shall include: 1) the RFP subject; 2) the name of the applicant; 3) the applicant's full address; 4) the applicant's telephone number; 5) the name and title of the designated contact person; and 6) bid opening date (**due date: 11:00 a.m. Friday January 20, 2012**).

I. Table of Contents

The Table of Contents shall include a clear and complete identification of information presented by section and page number.

J. APPLICANT ORGANIZATION ELIGIBILITY

Applicant organizations/agencies must be non-profit organizations and document a minimum of five years successful experience in operating an array of community based mental health services, specifically for individuals with serious and persistent mental illness and co-occurring substance use conditions.

Applicants must demonstrate their significant expertise in supporting individuals in the community who have had a history of repeated and/or long psychiatric hospitalizations.

Applicants must provide documentation that both the applicant organization and the lead management staff for the proposed program have expertise in the design, implementation and operation of a fidelity based ACT model and of services in the community to individuals with serious mental conditions and co-occurring substance use conditions.

Applicant must demonstrate a commitment to the full inclusion of people in recovery (Peer Specialists) and a treatment approach that is trauma informed and recovery oriented.

Applicant must document they are prepared to meet full Dartmouth ACT fidelity, either at the beginning of the contract period or within 6 months, providing that they meet the criteria for provisional certification at the beginning of the contract (based on whether the program is designed to meet the Dartmouth fidelity based model).

Applicants must currently be on the Diamond State Health Plan Behavioral Health panels (Delaware Medicaid Managed Care) or able to make an application to become a member of these panels as an outpatient provider within 12 months of the contract award date.

Applicant must identify any and all parent, subsidiary, division, branch, affiliated corporate entity or business organizations.

Any applicant organization that cannot demonstrate its ability to meet these eligibility criteria will not be considered for review.

K. Bidder References

The names and phone numbers of at least three (3) organizations/agencies for whom the vendor carried out a similar project must be included. If no similar project has been conducted, others requiring comparable skills can be used.

Bidder shall list all contracts awarded to it or its predecessor firm(s) by the State of Delaware; during the last three years, by State Department, Division, Contact Person (with address/phone number), period of performance and amount. The Evaluation/Selection Review Committee will consider these additional references and may contact each of these sources. Information regarding bidder performance gathered from these sources may be included in the Committee's deliberations and factored in the final scoring of the bid. Failure to list any contract as required by this paragraph may be grounds for immediate rejection of the bid.

L. Scope of Services

1. Program Abstract: Applicant must provide a description of its clinical management philosophy with respect to new, innovative and creative approaches and include an understanding of how this works with a focus on recovery, outcomes, and flexibility.

2. Program Design:

a) Applicant must provide examples of how they might provide each of the following covered services using hypothetical client situations:

- Mental health outpatient treatment;
- Emergency room visit
- Hospital admission and stay
- Substance use disorder treatment
- Crisis beds
- 24 hour Mobile crisis response
- Transportation
- Supported employment
- Safe, affordable, and integrated housing (see Scope of Services section III.1.a for housing definition).

Applicant must include a statement of understanding that these services will be included in the case rate negotiated with DSAMH.

- b) Applicant must describe how it will provide linkage to somatic care: annual physical and specialized follow-up, including, but not limited to:
- Physical rehabilitation
 - Dental care
 - Vision care
 - Long term care in a general hospital for serious medical needs such as surgery for cancer or organ transplant or for other life-threatening, physical problems.

3. Recovery Plans:

Applicant must include a “mock” recovery plan and associated activities and support designed to successfully serve and support the individuals presented in the following case studies:

a) *Frank*

Frank is a 40 year old man who is currently reporting that he is the second ‘Hemmingway’ and needs to leave the emergency room immediately. Although Frank has a long history of mental health services involvement; he had never completed any form of treatment. Currently, Frank was picked up by the police for standing in the parking lot of local WAWA yelling obscenities to the passing customers and going out onto the highway. He appears disheveled, has not bathed for some time and has a wild look in his eyes. His speech is pressured and Frank becomes easily distracted from the conversation. He is writing throughout the interview on a tablet. “Good stuff for the next book’. He was married and has 2 children and a third child by another woman whom he had had an affair. His x-wife does not know about the child. He has no contact with his x-wife or children. Frank is on welfare. Started to work on his GED and quit. Wife does not work. No other vocational skills. All agencies in town have been approached by Frank who wants to be a writer. Frank says he ‘needs free time to be creative’ and hangs out on the streets to get ‘material’. Claims other women support his writing. His x-wife was always pressuring him to get a job. Frank has been arrested numerous times for breaking and entering and larceny. He has used religious affiliation as a way of getting to go to special meetings in prisons but is not sincere in this area. Currently has no legal involvement. Frank has been living on the streets for the past two years. He had been in DPC five years ago and was finally discharged to a group home after being rejected by several providers due to his noncompliance and aggressive outbursts. Frank saw the group home as “too constricting. They would not let me go out and get more material for my book; too many rules.’ Frank had gotten into many verbal and physical altercations while at the group home. He was demanding and quickly escalated to aggression if his needs were not immediately met and his poor personal hygiene was offensive to staff and peers. During community outings he would begin to yell and use profanity in stores and at social events. Frank was not willing to continue to take medications after being in the group home for two months and accused staff of trying to poison him. He mismanaged his money and called the

police to complain that staff members were stealing it. After many interventions and behavioral contracts, Frank was discharged.

b) Tim

Tim has a history of eight admissions to the state hospital, beginning at age 23, when he was referred for a substance abuse assessment at age 36 to the IOP program. Tim carried a primary diagnosis of Paranoid Schizophrenic, and a secondary label of Mixed Personality Disorders, and plentiful documentation of his involvement with drugs as both user and dealer. Most of Tim's admissions were precipitated by bizarre episodes of religiosity, suicidal ideation, and/or violence. Some of these episodes resulted in prison terms, but he was usually transferred back to the forensic unit of the hospital because of psychotic behaviors. When Tim was 2 years old, he was separated from his mother and twin brother and placed in the first of many foster homes following his mother's psychiatric hospitalization. He has had no subsequent contact with his family. He reported poly-drug usage from the age of 13, his chemicals of choice being alcohol, marijuana, Percodan and hallucinogens. As a teenager, he ran away from his foster placement and wandered all over the U.S., his travels accentuated by arrests, and hospitalizations. In the first interview, Tim explained that his 'mental condition' was both relieved and worsened by drinking. Apparently, the alcohol eased the terror and tension of his auditory hallucinations, but the disinhibitory effects also allowed him to not fight the voices and 'obey' their commands. Tim agreed to take medications and wanted help with his drinking. After only 5 days, Tim was sent back to the state hospital on emergency involuntary papers, having been observed 'mumbling about Satan and suicide'. The staff reported being upset and outraged that someone that 'crazy' was referred to their program. Tim reported that he found the intensity of the groups too stressful and knew that showing symptoms of his mental illness would ensure his removal. Tim experienced this episode as a failure, both in his inability to handle the stress and in his using mental illness as a way out.

c) Mary

Mary is a 30 year old woman who lives with her 12 year old son. Her boyfriend of 6 months provides financial support for Mary. She was recently notified that her Section 8 housing was terminated due to the boyfriend's unauthorized staying in the home. Mary is recently unemployed and has not finished high school or obtained a GED. Most of Mary's employment has been as a waitress or, at time, prostitution. Her boyfriend is unemployed and has a criminal history of drug offenses and domestic violence.

Mary has a family history of depression and alcoholism. Mary herself denies any alcohol or drug use. Mary was sexually abused as a child by her mother's boyfriend and by her paternal uncle. Mary's father is in prison for vehicular manslaughter for the past 5 years. Her relationship with her mother is strained and contact is very limited. Mother is described as an alcoholic. Mary has few close relationships and no female friends, likes 'bad boys', likes to date a lot, and wants to be taken care of. Mary was hospitalized for a suicide attempt one month ago. She was found by her boyfriend while she was cutting her wrists in the bathroom. The boyfriend took care of her son while Mary was hospitalized. This was Mary's fifth hospitalization. Mary

refuses to consider voluntary treatment for her depression stating she has a ‘kid to raise and things to do’.

M. Staffing and Staff Qualifications:

1. Proposers must provide organization charts that depict:
 - a. Where CRISP will fit into the overall organization structure;
 - b. All components and staff of the CRISP;

2. The proposer must provide:

a) Resumes of Key Staff

Resumes of key staff for the proposed program, if known to the proposer at the time of response to the RFP, must be included.

b) Staff Training/Orientation and Development

A staff training and/or orientation plan applicable to all staff who will be assigned to the program must be presented. The plan/schedule should include:

1. Introductory training and orientation schedule;
2. Mandatory training on Department of Health and Social Services Policy Memorandum 46;
3. Mandatory training on confidentiality of client information
4. CRISP related training

N. Implementation Plan

Applicants must submit an Implementation Plan in chart format with timelines for each activity. The plan must cover start up through full program implementation activities. It must describe how this process will be altered/enhanced if the applicant is selected and required to absorb a significant number of clients within a very short period of time. The length of time that the applicant proposes for program start up and to reach full capacity will be important factors in the application rating process.

O. Quality Improvement

Proposals must include a suggested method for identifying, evaluating and correcting deficiencies in the quality and quantity of services to be provided under any resulting contract arising out of this RFP. Responsive proposals shall include a specific section entitled “Quality Improvement” which shall include the proposed method by which DHSS shall audit patient charts, employee credentials and licensure, staffing complement information, staffing attendance information and other proposed indicators essential to a comprehensive and sustainable capability to review the performance of the selected vendor and the overall adequacy of services being provided to patients in the target population. The requirement contained in this paragraph is an essential and material term of any proposal and the failure to include a “Quality Improvement” section containing the above minimum core requirements shall be grounds to deem such proposals non-responsive. Vendors selected for contract negotiations should be aware that DHSS intends to include a robust “Quality Improvement” methodology into any contract resulting from this RFP. DHSS reserves the right to accept or reject, in whole or in part, or negotiate any portion of the proposal’s “Quality Improvement” section during the negotiation phase of this matter. DHSS also reserves the right to attach financial incentives for compliance and financial penalties for non-compliance with the terms and requirements of the “Quality Improvement” section of any contract arising out of this RFP.

P. Certification and Statement of Compliance

The bidder must include statements that the applicant agency complies with all Federal and Delaware laws and regulations pertaining to equal opportunity and affirmative action. In addition, compliance must be assured in regard to Federal and Delaware laws and regulations relating to confidentiality and individual and family privacy in health care delivery and in the collection and reporting of data. (See Appendices D & E)

Q. Standard Contract

Appendix G is a copy of the standard boilerplate contract for the State of Delaware, Delaware Health and Social Services, **Division of Substance Abuse and Mental Health**. This boilerplate will be the one used for any contract resulting from this Request for Proposal. If a bidder has an objection to any contract provisions or the RFP and its procurement provisions, objections shall be stated in the Transmittal Letter of the bidder's proposal. Execution of the contract is NOT required with proposal submission. The contract is provided as a courtesy for review by an interested bidder's legal group.

VII. BUSINESS PROPOSAL REQUIREMENTS:

Vendor will submit a sample line item operating budget using the format distributed at the pre-bid meeting for the operating period of July 1, 2012 through June 30, 2013. The electronic version will also be published on the website as part of the question and answers addendum. The budget is to reflect anticipated operating costs based on the "fixed" costs of the project. This includes the required minimum staffing, occupancy costs, vehicles, staff training, client costs, administrative costs, etc that will support the proposed program described in the technical proposal. The budget does not have to "account" for the total anticipated revenue for the program as there are many additional supports that can not be "budgeted" for "unknown" clients. The budget will not be used to develop the case rate – it is for informational exchange and review purposes only.

Vendor is required to submit technology costs that the State will be directly or indirectly responsible for as part of this contract. The vendor will break down technology costs into three categories for implementation and the same three categories for out-year costs:

4. Hardware
5. Software
6. Technical staffing

For vendor hosted websites, hosting costs can be allocated to the above categories at the discretion of the vendor.

Vendor will submit a proposed annual case rate range based on your experience, and your plans for service under the CRISP model. The rate will not be a conclusive factor in awarding the contract, however, the process you use to determine your rate will be weighed in conjunction with other factors when awarding the contract.

Applicant will demonstrate corporate capability:

Financial stability as determined by review of financial information provided by the Vendor; perceived ability to start up and manage the program in the time required using the staff, structure and phase in required in the RFP. Financial stability should be demonstrated through production of balance sheets and income statements or other generally accepted business record for the last 3 years that includes the following: the Vendor's Earnings before Interest & Taxes, Total Assets, Net Sales, Market Value of Equity, Total Liabilities, Current Assets, Current Liabilities, and Retained Earnings.

In addition to financial information, discuss any corporate reorganization or restructuring that has occurred within the last three years and discusses how the restructuring will impact the Vendor's ability to provide services proposed. Also disclose the existence of any related entities (sharing corporate structure or principal officers) doing business in the field of correctional health care. The DSAMH reserves the right to terminate the contract, based upon merger or acquisition of the Vendor, during the course of the contract. Include a description of any current or anticipated business or financial obligations, which will coincide with the term of this contract.

Applicant will submit a completed Financial Practices, Pre-Audit Monitoring Survey, Self-Report as part of the proposal.

VIII. GENERAL INSTRUCTIONS FOR SUBMISSION OF PROPOSALS

A. Number of Copies Required

Two (2) original CDs (Each Labeled as “Original”) and one (1) CD copy (labeled as “Copy”). In addition, any required confidential financial or audit information relating to the company and not specifically to the proposal may be copied separately to one set of up to three (3) additional CDs (Each labeled “Corporate Confidential Information”). All CD files shall be in PDF and Microsoft Word formats. Additional file formats (i.e. .xls, .mpp) may be required as requested.

It is the responsibility of the bidder to ensure all submitted CDs are machine readable, virus free and are otherwise error-free. CDs (or their component files) not in this condition may be cause for the vendor to be disqualified from bidding.

Ten (10) printed and bound copies that clearly indicate that they are in response to RFP HSS-11-097

The cover letter should include: bidder recognition of all addenda posted on the RFP website (<http://bids.delaware.gov>.) relative to this RFP, a statement confirming the proposal remains effective through the date shown in (D) below, a statement the bidder has or agrees to obtain a Delaware business license if awarded a contract, a statement confirming pricing was arrived at without collusion.

The responses to this RFP shall be submitted to:

Kieran Mohammed
Division of Management Services
Delaware Health and Social Services
Main Administration Building, Sullivan Street
Second Floor, Room 257
1901 North DuPont Highway
New Castle, DE 19720

B. Closing Date

All responses must be received no later than **11:00 a.m. Friday January 20, 2012**. Later submission will be cause for disqualification.

C. Opening of Proposals

The State of Delaware will receive proposals until the date and time shown in this RFP. Proposals will be opened only in the presence of the State of Delaware personnel. Any unopened proposals will be returned to Vendor.

There will be no public opening of proposals but a public log will be kept of the names of all vendor organizations that submitted proposals. The contents of any proposal shall not be disclosed to competing vendors prior to contract award.

D. Proposal Expiration Date

Prices quoted in the proposal shall remain fixed and binding on the bidder at least through **June 30, 2013**. The State of Delaware reserves the right to ask for an extension of time if needed.

E. No Press Releases or Public Disclosure

Vendors may not release any information about this RFP. The DSAMH reserves the right to pre-approve any news or advertising releases concerning this RFP, the resulting contract, the work performed, or any reference to the State of Delaware or the DSAMH with regard to any project or contract performance. Any such news or advertising releases pertaining to this RFP or resulting contract shall require the prior express written permission of the DSAMH.

F. Collusion or Fraud

Any evidence of agreement or collusion among Vendor(s) and prospective Vendor(s) acting to illegally restrain freedom from competition by agreement to offer a fixed price, or otherwise, will render the offers of such Vendor(s) void.

By responding, the Vendor shall be deemed to have represented and warranted that its proposal is not made in connection with any competing Vendor submitting a separate response to this RFP, and is in all respects fair and without collusion or fraud; that the Vendor did not participate in the RFP development process and had no knowledge of the specific contents of the RFP prior to its issuance; and that no employee or official of the State of Delaware participated directly or indirectly in the Vendor's proposal preparation.

G. Penalties

The DSAMH may include in the final contract penalty provisions for non-performance, such as liquidated damages. Any factually or legally applicable penalty or liquidated damage shall not be the exclusive remedy available for breach of contract.

H. Notification of Acceptance

Notification of the Department's intent to enter into contract negotiations will be made in writing to all bidders.

I. Questions

All questions concerning this Request for Proposal must reference the pertinent RFP section(s) and page number(s). Questions must be in writing and can be either faxed, or emailed to:

Cesar McClain
Community Mental Health Contracts Manager
dsambbusinessoperations@state.de.us
Fax: (302)-255-9395

Deadline for submission of all questions is **Friday December 23, 2011**. Written responses will be faxed or emailed to bidders no later than **December 30, 2012**. Please include your fax number and/or your email address with your questions.

All questions and answers will be posted on <http://bids.delaware.gov>.

J. Amendments to Proposals

Amendments to proposals will not be accepted after the deadline for proposal submission has passed. The State reserves the right at any time to request clarification and/or further technical information from any or all applicants submitting proposals.

K. Proposals Become State Property

All proposals become the property of the State of Delaware and will not be returned to the bidders. The State will not divulge any information identified as confidential at the time of proposal submission provided the information resides solely on the CD (s) marked confidential.

L. Non-Interference Clause

The awarding of this contract and all aspects of the awarded bidders contractual obligations, projects, literature, books, manuals, and any other relevant materials and work will automatically become property of the State of Delaware. The awarded bidder will not in any manner interfere or retain any information in relationship to the contractual obligations of said contract, at the time of the award in the future tense.

M. Investigation of Bidder’s Qualifications

Delaware Health and Social Services may make such investigation as it deems necessary to determine the ability of the bidder to furnish the required services, and the bidder shall furnish such data as the Department may request for this purpose.

N. RFP and Final Contract

The contents of the RFP will be incorporated into the final contract and will become binding upon the successful bidder. If the bidder is unwilling to comply with any of the requirements, terms, and conditions of the RFP, objections must be clearly stated in the proposal. Objections will be considered and may be subject to negotiation at the discretion of the state.

O. Proposal and Final Contract

The contents of each proposal will be considered binding on the bidder and subject to subsequent contract confirmation if selected. The contents of the successful proposal will be included by reference in the resulting contract.

All terms, and conditions contained in the proposal will remain fixed and valid for **five (5)** year(s) after proposal due date.

P. Cost of Proposal Preparation

All costs for proposal preparation will be borne by the bidder.

Q. Proposed Timetable

The Department's proposed schedule for reviewing proposals is outlined as follows:

<u>Activity</u>	<u>Date</u>
RFP Advertisement	12/05/2011
Pre-bid Meeting	12/19/2011
Questions Due	12/23/2011
Answers to Questions	12/30/2012
Bid Opening	01/20/2012
Selection Process Begins	01/23/2012
Vendor Selection (tentative)	02/06/2012
Project Begins	03/01/2012

R. Confidentiality and Debriefing

The Procurement Administrator, in conjunction with the Attorney General's Office, shall examine the proposal to determine the validity of any written requests for nondisclosure of trade secrets and other proprietary data identified in conjunction with the Attorney General's Office. After award of the contract, all responses, documents, and materials submitted by the offeror pertaining to this RFP will be considered public information and will be made available for inspection, unless otherwise determined by the Director of Purchasing, under the laws of the State of Delaware. All data, documentation, and innovations developed as a result of these contractual services shall become the property of the State of Delaware. Based upon the public nature of these Professional Services (RFP) Proposals a bidder must inform the state in writing, of the exact materials in the offer which CANNOT be made a part of the public record in accordance with Delaware's Freedom of Information Act, Title 29, Chapter 100 of the Delaware Code.

If a bidder wishes to request a debriefing, he must submit a formal letter to the Procurement Administrator, Herman M. Holloway Campus, Delaware Health and Social Services Main Building, 2nd Floor, Room 257, 1901 N. DuPont Highway, New Castle, Delaware 19720 within 10 days after receipt of Notice of Award. The letter must specify reasons for the request.

IX. SELECTION PROCESS

1.

Basis of Award

The Proposal Evaluation Team shall report to the DSAMH its recommendation as to which Vendor(s) the DSAMH should negotiate for a possible award. The DSAMH may negotiate with at least one of the qualified vendors and may negotiate with multiple vendors at the same time. Once negotiations have been successfully concluded, the DSAMH shall notify the vendors of its selection(s). The DSAMH has the sole right to select the successful Vendor(s) for award, to reject any proposal as unsatisfactory or non-responsive, to award a contract to other than the lowest priced proposal, to award multiple contracts, or not to award a contract, as a result of this RFP.

Notice in writing to a Vendor of the acceptance of its proposal by the DSAMH, the subsequent full execution of a written contract and execution of a Purchase Order will constitute a contract, and no Vendor will acquire any legal or equitable rights or privileges until the occurrence of these events. All Vendor(s) will be notified of their selection status.”

The DSAMH shall award this contract(s) to the most responsible and responsive Vendor(s) who best meets the terms and conditions of the proposal. The award will be made on basis of corporate experience, corporate capability, and quality of the Vendor’s response, price and references. The DSAMH is looking for best quality and value.

The DSAMH reserves the right to reject any or all proposals in whole or in part, to make multiple awards, partial awards, award by types, item by item, or lump sum total, whichever may be most advantageous to the State of Delaware. The intent though is to award this contract to the best Vendor(s).

2. Proposal Evaluation Team

The Proposal Evaluation Team comprises of a group with expertise in health care, procurement, contract management, budgeting, and technical operations. The Team shall determine which Vendors meet the minimum requirements pursuant to selection criteria of the RFP and procedures established in 29 Del. C. §§ 6981 and 6982. The Division will award a contract to the successful vendor in the best interest of the State of Delaware

A. Proposal Clarification

The Proposal Evaluation Team may contact any Vendor in order to clarify uncertainties or eliminate confusion concerning the contents of a proposal. Proposals may not be modified as a result of any such clarification request.

B. References

The Proposal Evaluation Team may contact any customer of the Vendor, whether or not included in the Vendor's reference list, and use such information in the evaluation process. Additionally, DSAMH may choose to visit existing installations of comparable systems, which may or may not include Vendor personnel. If the Vendor is involved in such facility visits, DSAMH will pay travel costs only for DSAMH personnel or Proposal Evaluation Team members for these visits.

C. Oral Presentations

Selected Vendors may be invited to make oral presentations to the Proposal Evaluation Team. The Vendor representative(s) attending the oral presentation shall be technically qualified to respond to questions related to the proposed system and its components.

All of the Vendor's costs associated with participation in oral discussions and system demonstrations conducted for DSAMH are the Vendor's responsibility.

Proposal Evaluation Team members will assign up to the maximum number of points listed for each of the listed above. For items having quantitative answers, points will be proportionate to each Vendor's response. Items with qualitative answers will receive the average of points assigned by Proposal Evaluation Team

3. Proposal Evaluation Criteria

<u>Category</u>	<u>Weight</u>
Meets mandatory RFP provisions	Pass/Fail
CD's properly submitted	
Hard Copies Properly Submitted	
Forms properly submitted	
1. Qualifications/Experience & Expertise of Applicant Organization	25
2. Proposed Program Design/Incorporating CRISP elements	50
3. Capacity to meet requirements	15
4. Business Proposal	10
Total: 100	

Upon selection of a vendor, a **Division of Substance Abuse and Mental Health** representative will enter into negotiations with the bidder to establish a contract.

B. Consultants and Legal Counsel

The State of Delaware may retain consultants or legal counsel to assist in the review and evaluation of this RFP and the vendors' responses. Bidders shall not contact DSAMH's consultant or legal counsel on any matter related to the RFP.

C. Exclusions

The Proposal Evaluation Team reserves the right to refuse to consider any proposal from a vendor who:

Has been convicted for commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract, or subcontract, or in the performance of the contract or subcontract;

Has been convicted under State or Federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or other offense indicating a lack of business integrity or business honesty that currently and seriously affects responsibility as a State contractor;

Has been convicted or has had a civil judgment entered for a violation under State or Federal antitrust statutes;

Has violated contract provisions such as:

Knowing failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract; or

Failure to perform or unsatisfactory performance in accordance with terms of one or more contracts;

Has violated ethical standards set out in law or regulation; and

Any other cause listed in regulations of the State of Delaware determined to be serious and compelling as to affect responsibility as a State contractor, including suspension or debarment by another governmental entity for a cause listed in the regulations.

D. Project Costs and Proposed Scope of Service

The Department reserves the right to award this project to a bidder other than the one with the lowest cost or to decide not to fund this project at all. Cost will be balanced against the score received by each bidder in the rating process. The State of Delaware reserves the right to reject, as technically unqualified, proposals that are unrealistically low if, in the judgment of the evaluation team, a lack of sufficient budgeted resources would jeopardize project success.

APPENDIX A:
BUSINESS PROPOSAL

Line item operating budget format will be distributed via cd at the pre-bid meeting and will be available online as part of the question and answers addendum.

APPENDIX B:
BIDDERS SIGNATURE FORM



**DELAWARE HEALTH AND SOCIAL SERVICES
REQUEST FOR PROPOSAL**

BIDDERS SIGNATURE FORM

NAME OF BIDDER: _____
SIGNATURE OF AUTHORIZED PERSON: _____
TYPE IN NAME OF AUTHORIZED PERSON: _____
TITLE OF AUTHORIZED PERSON: _____
STREET NAME AND NUMBER: _____
CITY, STATE, & ZIP CODE: _____
CONTACT PERSON: _____
TELEPHONE NUMBER: _____
FAX NUMBER: _____
DATE: _____
BIDDER'S FEDERAL EMPLOYERS IDENTIFICATION NUMBER: _____

THE FOLLOWING MUST BE COMPLETED BY THE VENDOR:

AS CONSIDERATION FOR THE AWARD AND EXECUTION BY THE DEPARTMENT OF HEALTH AND SOCIAL SERVICES OF THIS CONTRACT, THE (COMPANY NAME) _____

HEREBY GRANTS, CONVEYS, SELLS, ASSIGNS, AND TRANSFERS TO THE STATE OF DELAWARE ALL OF ITS RIGHTS, TITLE AND INTEREST IN AND TO ALL KNOWN OR UNKNOWN CAUSES OF ACTION IT PRESENTLY HAS OR MAY NOW HEREAFTER ACQUIRE UNDER THE ANTITRUST LAWS OF THE UNITED STATES AND THE STATE OF DELAWARE, RELATING THE PARTICULAR GOODS OR SERVICES PURCHASED OR ACQUIRED BY THE DELAWARE HEALTH AND SOCIAL SERVICES DEPARTMENT, PURSUANT TO THIS CONTRACT.

APPENDIX C:
CERTIFICATION SHEET



**DELAWARE HEALTH AND SOCIAL SERVICES
REQUEST FOR PROPOSAL**

CERTIFICATION SHEET

As the official representative for the proposer, I certify on behalf of the agency that:

- a. They are a regular dealer in the services being procured.
- b. They have the ability to fulfill all requirements specified for development within this RFP.
- c. They have independently determined their prices.
- d. They are accurately representing their type of business and affiliations.
- e. They will secure a Delaware Business License.
- f. They have acknowledged that no contingency fees have been paid _____ to obtain award of this contract.
- g. The Prices in this offer have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other contractor or with any competitor;
- h. Unless otherwise required by Law, the prices which have been quoted in this offer have not been knowingly disclosed by the contractor and prior to the award in the case of a negotiated procurement, directly or indirectly to any other contractor or to any competitor; and
- i. No attempt has been made or will be made by the contractor in part to other persons or firm to submit or not to submit an offer for the purpose of restricting competition.
- j. They have not employed or retained any company or person (other than a full-time bona fide employee working solely for the contractor) to solicit or secure this contract, and they have not paid or agreed to pay any company or person (other than a full-time bona fide employee working solely for the contractor) any fee, commission percentage or brokerage fee contingent upon or resulting from the award of this contract.
- k. They (check one) operate ___an individual; ___a Partnership ___a non-profit (501 C-3) organization; ___a not-for-profit organization; or ___for profit corporation, incorporated under the laws of the State of _____.

- l. The referenced offerer has neither directly or indirectly entered into any agreement, participated in any collusion or otherwise taken any action in restraint of free competitive bidding in connection with this bid submitted this date to Delaware Health and Social Services.
- m. The referenced bidder agrees that the signed delivery of this bid represents the bidder's acceptance of the terms and conditions of this invitation to bid including all Specifications and special provisions.
- n. They (check one): _____ are; _____ are not owned or controlled by a parent company. If owned or controlled by a parent company, enter name and address of parent company:

Violations and Penalties:

Each contract entered into by an agency for professional services shall contain a prohibition against contingency fees as follows:

- 1. The firm offering professional services swears that it has not employed or retained any company or person working primarily for the firm offering professional services, to solicit or secure this agreement by improperly influencing the agency or any of its employees in the professional service procurement process.
- 2. The firm offering the professional services has not paid or agreed to pay any person, company, corporation, individual or firm other than a bona fide employee working primarily for the firm offering professional services, any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from the award or making of this agreement; and
- 3. For the violation of this provision, the agency shall have the right to terminate the agreement without liability and at its discretion, to deduct from the contract price, or otherwise recover the full amount of such fee, commission, percentage, gift or consideration.

The following conditions are understood and agreed to:

- a. No charges, other than those specified in the cost proposal, are to be levied upon the State as a result of a contract.
- b. The State will have exclusive ownership of all products of this contract unless mutually agreed to in writing at the time a binding contract is executed.

Date

Signature & Title of Official Representative

Type Name of Official Representative

APPENDIX D

STATEMENTS OF COMPLIANCE FORM



**DELAWARE HEALTH AND SOCIAL SERVICES
REQUEST FOR PROPOSAL**

STATEMENTS OF COMPLIANCE FORM

As the official representative for the contractor, I certify on behalf of the agency that _____
_____ (Company Name) will comply with all Federal and Delaware laws and regulations pertaining to equal employment opportunity and affirmative action. In addition, compliance will be assured in regard to Federal and Delaware laws and regulations relating to confidentiality and individual and family privacy in the collection and reporting of data.

Authorized Signature: _____

Title: _____

Date: _____

APPENDIX E

**OFFICE OF MINORITY AND WOMEN BUSINESS ENTERPRISE SELF-CERTIFICATION
TRACKING FORM**



OFFICE OF MINORITY AND WOMEN BUSINESS ENTERPRISE SELF-CERTIFICATION TRACKING FORM
IF YOUR FIRM WISHES TO BE CONSIDERED FOR ONE OF THE CLASSIFICATIONS LISTED BELOW, THIS PAGE MUST BE SIGNED, NOTARIZED AND RETURNED WITH YOUR PROPOSAL.

COMPANY NAME _____

NAME OF AUTHORIZED REPRESENTATIVE (Please print) _____

SIGNATURE _____

COMPANY ADDRESS _____

TELEPHONE # _____

FAX # _____

EMAIL ADDRESS _____

FEDERAL EI# _____

STATE OF DE BUSINESS LIC# _____

Note: Signature of the authorized representative must be of an individual who legally may enter his/her organization into a formal contract with the State of Delaware, Delaware Health and Social Services.

Organization Classifications (Please circle)

Women Business Enterprise (WBE) Yes/No

Minority Business Enterprise (MBE) Yes/No

Please check one---Corporation _____

Partnership _____ Individual _____

For appropriate certification (WBE), (MBE), please apply to Office of Minority and Women Business Enterprise Phone # (302) 739-4206 L. Jay Burks, Executive Director Fax# (302) 739-1965 Certification # _____ Certifying Agency _____

<http://gss.omb.delaware.gov/omwbe/index.shtml>

SWORN TO AND SUBSCRIBED BEFORE ME THIS _____ DAY OF _____ 20_____

NOTARY PUBLIC _____ MY COMMISSION EXPIRES _____

CITY OF _____ COUNTY OF _____ STATE OF _____

Definitions

The following definitions are from the State Office of Minority and Women Business Enterprise.

Women Owned Business Enterprise (WBE):

At least 51% is owned by women, or in the case of a publicly owned enterprise, a business enterprise in which at least 51% of the voting stock is owned by women; or any business enterprise that is approved or certified as such for purposes of participation in contracts subject to women-owned business enterprise requirements involving federal programs and federal funds.

Minority Business Enterprise (MBE):

At least 51% is owned by minority group members; or in the case of a publicly owned enterprise, a business enterprise in which at least 51% of the voting stock is owned by minority group members; or any business enterprise that is approved or certified as such for purposes of participation in contracts subjects to minority business enterprises requirements involving federal programs and federal funds.

Corporation:

An artificial legal entity treated as an individual, having rights and liabilities distinct from those of the persons of its members, and vested with the capacity to transact business, within the limits of the powers granted by law to the entity.

Partnership:

An agreement under which two or more persons carry on a business, sharing in the profit or losses, but each liable for losses to the extent of his or her personal assets.

Individual:

Self-explanatory

For certification in one of above, the bidder must contract:

L. Jay Burks

Office of Minority and Women Business Enterprise

(302) 739-4206

Fax (302) 739-5561

APPENDIX F
FINANCIAL PRACTICES SELF REPORT

CONTRACT AGENCY: _____

DIVISION OF SUBSTANCE ABUSE AND MENTAL HEALTH

**FINANCIAL PRACTICES
PRE-AUDIT MONITORING SURVEY
SELF-REPORT**

1. Do you maintain a **summary of total program funding and a breakdown of approximate funding by source?**

Yes _____ No _____

Comments: _____

2. Is your type of accounting system cash [] or accrual []?

Comments: _____

3. Does your **Chart of Accounts** include a description of the accounts, numeric and word components and the topical organization of the accounting system?

Yes ___ No _____

Comments: _____

4. Do you maintain the following **accounting records?**
(Check those maintained)

General Ledger	_____	Journals	_____
Subsidiary Ledgers	_____	Checkbooks	_____
Payroll Records	_____	Bank Statements	_____
Paid & Unpaid Invoices	_____	Funds Receivable	_____
Accounts Payable	_____	Time Sheets	_____
Supportive Documentation	_____	Petty Cash	_____
Payroll Registers	_____	Proof of Payroll	_____
Cancelled Checks	_____	Tax Payments	_____

Comments: _____

5. What type of **financial statements**, frequency, and distribution of financial statements are maintained by the program? Who reviews and approves financial statements? (List)

Type	Frequency	Distributed by	Reviewed/ Approved By

(Use additional pages as necessary)

6. Does the program have a person or persons responsible for the preparation and review of the program budget?

Yes _____ No _____ Name _____

Comments: _____

- a. What are the procedures for preparing the **overall program budget**? (Summarize)

b. What are the procedures for estimating the projected income? (Summarize)

c. What are the procedures for periodic budget review and adjustments? (Summarize)

7. What are your procedures for: a) receipt of funds (receiving-recording-depositing), b) disbursement of funds (supporting document flow), c) authorizing signatures, and d) check writing procedures? (Summarize)

a. _____

b. _____

c. _____

d. _____

8. What are your procedures for purchasing?

a) Solicitation and bids for service

b) Receipt and inspection of goods (Summarize)

9. What is your procedure for payroll processing?

a. Is the payroll manual [] or automated []?

b. What is the payroll period; weekly, monthly, etc.?

Comments: _____

c. Does the **payroll record** include time sheets __, payroll register __ and employee individual earning records __?

Comments: _____

d. Payroll automation - does it include approval of time sheets __, signature on payroll checks __ and payroll taxes __?

Comments: _____

10. Petty cash procedures:

a. What are the allowable uses of the petty cash fund? (Summarize)

- b. Are there standard forms and procedures for using the petty cash fund?
(Summarize)

- c. What is the maximum balance maintained in petty cash fund?

- d. What are the limits on individual transactions?

- e. What are the procedures for reconciling and replenishing the petty cash fund?
(Summarize)

11. Billing for services:

- a. What are the procedures for determining client/consumer fees? (Summarize)

- b. Do you maintain a schedule of fees? (Comments)

c. How is the client informed about the fee schedule?
(Summarize)

d. How is client ability to pay determined? (Summarize)

e. How is receipt of client fees documented? (Summarize)

f. What are the procedures for billing clients? (Summarize)

g. What are the procedures for billing third-party payers? (Summarize)

h. What are the procedures for handling delinquent accounts? (Summarize)

12. Internal Controls

What are the internal management mechanisms for safeguarding the assets of the organization and for preventing and detecting errors? Do the contractor controls include:

a. Written Fiscal/Financial Practice Policies and Procedures?

Yes _____ No _____

Are these Policies and Procedures regularly reviewed and revised as necessary?

Yes _____ No _____

b. Separation of functional responsibilities?

Yes _____ No _____

Comments: _____

2 c. Accurate and complete book of accounts?

Comments: _____

d. Financial reports?

Yes _____ No _____

Comments: _____

e. Proper documentation?

Yes _____ No _____

Comments: _____

f. Annual audit?

Yes _____ No _____

Comments: _____

g. Bonding of employees handling money?

Yes _____ No _____

Comments: _____

13. Corporation Data:

Do you maintain the **following documents** up to date?

		YES	NO
a.	Fidelity Bond		
b.	Insurance Policies for property Liability Vehicle		
c.	IRS Form 501C – Tax Exempt Status		
d.	IRS Form 4161 – Social Security Waiver		
e.	IRS Form 990 – Organization Exempt from Tax		
f.	IRS Form 941 – Qtly. Rpt. of Federal Withholding		
g.	Delaware Annual Franchise Tax Rpt		
h.	Delaware Unemployment Compensation & Disability Insurance Report		
i.	Delaware Forms (VCE - UC8A) W1-W3 Report of State Withholding		
j.	Contracts for Purchased Services (i.e. Rent, etc.)		
k.	Malpractice/Liability insurance to protect agency/staff against lawsuits brought by recipients of services		
l.	Corporate Documentation (e.g.: Certificate(s) of Incorporation; By-laws; Policy & Procedures; etc.)		
m.	Business license [State(s)]		

14. Property Management:

- a. Do you maintain an inventory of furnishings, office equipment, and other capital property?

Yes _____ No _____

Does the inventory show? (check all that apply)

Purchase or acquisition date	
Purchase Price	
Source of funds for purchase	
Identification number of item (serial number, model number, etc.)	
Condition of item	
Location of item	
Date of loss, destruction or other disposition of item	

- b. Is the inventory kept up-to-date?

Yes _____ No _____

How often is the inventory updated? _____

Who is responsible for keeping the inventory?

15. Indirect/Administrative Cost

- a. Does your agency charge an indirect/administrative cost to any of the programs or projects conducted or operated by the agency?

Yes _____ No _____

- b. How do you determine the indirect cost pool for the agency? (Briefly summarize)

Does the agency have a written policy on the development/application of indirect/administrative charges?

Yes _____ No _____

16. Survey Completed by _____

Title/Position _____

Signature _____ Date _____

APPENDIX G

Contract Boilerplate



**DELAWARE HEALTH
AND SOCIAL SERVICES**

**CONTRACT # _____
BETWEEN
[DIVISION NAME HERE]
DELAWARE DEPARTMENT OF HEALTH & SOCIAL SERVICES,
AND
[Contractor]
FOR
[TYPE OF SERVICE]**

A. Introduction

1. This contract is entered into between the Delaware Department of Health and Social Services (the Department), Division of _____ (Division) and _____ (the Contractor).
2. The Contract shall commence on _____ and terminate on _____ unless specifically extended by an amendment, signed by all parties to the Contract. Time is of the essence. (Effective contract start date is subject to the provisions of Paragraph C. 1. of this Agreement.)

B. Administrative Requirements

1. Contractor recognizes that it is operating as an independent Contractor and that it is liable for any and all losses, penalties, damages, expenses, attorney's fees, judgments, and/or settlements incurred by reason of injury to or death of any and all persons, or injury to any and all property, of any nature, arising out of the Contractor's negligent performance under this Contract, and particularly without limiting the foregoing, caused by, resulting from, or arising out of any act of omission on the part of the Contractor in their negligent performance under this Contract.
2. The Contractor shall maintain such insurance as will protect against claims under Worker's Compensation Act and from any other claims for damages for personal injury, including death, which may arise from operations under this Contract. The Contractor is an independent contractor and is not an employee of the State.
3. During the term of this Contract, the Contractor shall, at its own expense, carry insurance with minimum coverage limits as follows:

a) Comprehensive General Liability \$1,000,000

and

- | | | |
|----|-----------------------------------|--------------------------|
| | b) Medical/Professional Liability | \$1,000,000/ \$3,000,000 |
| or | c) Misc. Errors and Omissions | \$1,000,000/\$3,000,000 |
| or | d) Product Liability | \$1,000,000/\$3,000,000 |

All contractors must carry (a) and at least one of (b), (c), or (d), depending on the type of service or product being delivered.

If the contractual service requires the transportation of Departmental clients or staff, the contractor shall, in addition to the above coverage, secure at its own expense the following coverage:

- | | |
|---|---------------------|
| e) Automotive Liability (Bodily Injury) | \$100,000/\$300,000 |
| f) Automotive Property Damage (to others) | \$ 25,000 |

4. Notwithstanding the information contained above, the Contractor shall indemnify and hold harmless the State of Delaware, the Department and the Division from contingent liability to others for damages because of bodily injury, including death, that may result from the Contractor's negligent performance under this Contract, and any other liability for damages for which the Contractor is required to indemnify the State, the Department and the Division under any provision of this Contract.
5. The policies required under Paragraph B. 3. must be written to include Comprehensive General Liability coverage, including Bodily Injury and Property damage insurance to protect against claims arising from the performance of the Contractor and the contractor's subcontractors under this Contract and Medical/Professional Liability coverage when applicable.
6. The Contractor shall provide a Certificate of Insurance as proof that the Contractor has the required insurance. The certificate shall identify the Department and the Division as the "Certificate Holder" and shall be valid for the contract's period of performance as detailed in Paragraph A. 2.
7. The Contractor acknowledges and accepts full responsibility for securing and maintaining all licenses and permits, including the Delaware business license, as applicable and required by law, to engage in business and provide the goods and/or services to be acquired under the terms of this Contract. The Contractor acknowledges and is aware that Delaware law provides for significant penalties associated with the conduct of business without the appropriate license.

8. The Contractor agrees to comply with all State and Federal licensing standards and all other applicable standards as required to provide services under this Contract, to assure the quality of services provided under this Contract. The Contractor shall immediately notify the Department in writing of any change in the status of any accreditations, licenses or certifications in any jurisdiction in which they provide services or conduct business. If this change in status regards the fact that its accreditation, licensure, or certification is suspended, revoked, or otherwise impaired in any jurisdiction, the Contractor understands that such action may be grounds for termination of the Contract.

- a) If a contractor is under the regulation of any Department entity and has been assessed Civil Money Penalties (CMPs), or a court has entered a civil judgment against a Contractor or vendor in a case in which DHSS or its agencies was a party, the Contractor or vendor is excluded from other DHSS contractual opportunities or is at risk of contract termination in whole, or in part, until penalties are paid in full or the entity is participating in a corrective action plan approved by the Department.

A corrective action plan must be submitted in writing and must respond to findings of non-compliance with Federal, State, and Department requirements. Corrective action plans must include timeframes for correcting deficiencies and must be approved, in writing, by the Department.

The Contractor will be afforded a thirty (30) day period to cure non-compliance with Section 8(a). If, in the sole judgment of the Department, the Contractor has not made satisfactory progress in curing the infraction(s) within the aforementioned thirty (30) days, then the Department may immediately terminate any and/or all active contracts.

9. Contractor agrees to comply with all the terms, requirements and provisions of the Civil Rights Act of 1964, the Rehabilitation Act of 1973 and any other federal, state, local or any other anti discriminatory act, law, statute, regulation or policy along with all amendments and revision of these laws, in the performance of this Contract and will not discriminate against any applicant or employee or service recipient because of race, creed, religion, age, sex, color, national or ethnic origin, disability or any other unlawful discriminatory basis or criteria.
10. The Contractor agrees to provide to the Divisional Contract Manager, on an annual basis, if requested, information regarding its client population served under this Contract by race, color, national origin or disability.
11. This Contract may be terminated in whole or part:
 - a) by the Department upon five (5) calendar days written notice for cause or documented unsatisfactory performance,
 - b) by the Department upon fifteen (15) calendar days written notice of the loss of funding or reduction of funding for the stated Contractor services as described in Appendix B,

c) by either party without cause upon thirty (30) calendar days written notice to the other Party, unless a longer period is specified in Appendix A.

In the event of termination, all finished or unfinished documents, data, studies, surveys, drawings, models, maps, photographs, and reports or other material prepared by Contractor under this contract shall, at the option of the Department, become the property of the Department.

In the event of termination, the Contractor, upon receiving the termination notice, shall immediately cease work and refrain from purchasing contract related items unless otherwise instructed by the Department.

The Contractor shall be entitled to receive reasonable compensation as determined by the Department in its sole discretion for any satisfactory work completed on such documents and other materials that are usable to the Department. Whether such work is satisfactory and usable is determined by the Department in its sole discretion.

Should the Contractor cease conducting business, become insolvent, make a general assignment for the benefit of creditors, suffer or permit the appointment of a receiver for its business or assets, or shall avail itself of, or become subject to any proceeding under the Federal Bankruptcy Act or any other statute of any state relating to insolvency or protection of the rights of creditors, then at the option of the Department, this Contract shall terminate and be of no further force and effect. Contractor shall notify the Department immediately of such events.

12. Any notice required or permitted under this Contract shall be effective upon receipt and may be hand delivered with receipt requested or by registered or certified mail with return receipt requested to the addresses listed below. Either Party may change its address for notices and official formal correspondence upon five (5) days written notice to the other.

To the Division at:

Division name here
address
address
Attn:

To the Contractor at:

13. In the event of amendments to current Federal or State laws which nullify any term(s) or provision(s) of this Contract, the remainder of the Contract will remain unaffected.
14. This Contract shall not be altered, changed, modified or amended except by written consent of all Parties to the Contract.
15. The Contractor shall not enter into any subcontract for any portion of the services covered by this Contract without obtaining prior written approval of the Department. Any such subcontract shall be subject to all the conditions and provisions of this Contract. The approval requirements of this paragraph do not extend to the purchase of articles, supplies, equipment, rentals, leases and other day-to-day operational expenses in support of staff or facilities providing the services covered by this Contract.
16. This entire Contract between the Contractor and the Department is composed of these several pages and the attached Appendix ____.
17. This Contract shall be interpreted and any disputes resolved according to the Laws of the State of Delaware. Except as may be otherwise provided in this contract, all claims, counterclaims, disputes and other matters in question between the Department and Contractor arising out of or relating to this Contract or the breach thereof will be decided by arbitration if the parties hereto mutually agree, or in a court of competent jurisdiction within the State of Delaware.
18. In the event Contractor is successful in an action under the antitrust laws of the United States and/or the State of Delaware against a vendor, supplier, subcontractor, or other party who provides particular goods or services to the Contractor that impact the budget for this Contract, Contractor agrees to reimburse the State of Delaware, Department of Health and Social Services for the pro-rata portion of the damages awarded that are attributable to the goods or services used by the Contractor to fulfill the requirements of this Contract. In the event Contractor refuses or neglects after reasonable written notice by the Department to bring such antitrust action, Contractor shall be deemed to have assigned such action to the Department.
19. Contractor covenants that it presently has no interest and shall not acquire any interests, direct or indirect, that would conflict in any manner or degree with the performance of this Contract. Contractor further covenants that in the performance of this contract, it shall not employ any person having such interest.
20. Contractor covenants that it has not employed or retained any company or person who is working primarily for the Contractor, to solicit or secure this agreement, by improperly influencing the Department or any of its employees in any professional procurement process; and, the Contractor has not paid or agreed to pay any person, company, corporation, individual or firm, other than a bona fide employee working primarily for the Contractor, any fee, commission, percentage, gift or any other consideration

contingent upon or resulting from the award or making of this agreement. For the violation of this provision, the Department shall have the right to terminate the agreement without liability and, at its discretion, to deduct from the contract price, or otherwise recover, the full amount of such fee, commission, percentage, gift or consideration.

21. The Department shall have the unrestricted authority to publish, disclose, distribute and otherwise use, in whole or in part, any reports, data, or other materials prepared under this Contract. Contractor shall have no right to copyright any material produced in whole or in part under this Contract. Upon the request of the Department, the Contractor shall execute additional documents as are required to assure the transfer of such copyrights to the Department.

If the use of any services or deliverables is prohibited by court action based on a U.S. patent or copyright infringement claim, Contractor shall, at its own expense, buy for the Department the right to continue using the services or deliverables or modify or replace the product with no material loss in use, at the option of the Department.

22. Contractor agrees that no information obtained pursuant to this Contract may be released in any form except in compliance with applicable laws and policies on the confidentiality of information and except as necessary for the proper discharge of the Contractor's obligations under this Contract.
23. Waiver of any default shall not be deemed to be a waiver of any subsequent default. Waiver or breach of any provision of this Contract shall not be deemed to be a waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of the Contract unless stated to be such in writing, signed by authorized representatives of all parties and attached to the original Contract.
24. If the amount of this contract listed in Paragraph C2 is over \$25,000, the Contractor, by their signature in Section E, is representing that the Firm and/or its Principals, along with its subcontractors and assignees under this agreement, are not currently subject to either suspension or debarment from Procurement and Non-Procurement activities by the Federal Government.

C. Financial Requirements

1. The rights and obligations of each Party to this Contract are not effective and no Party is bound by the terms of this contract unless, and until, a validly executed Purchase Order is approved by the Secretary of Finance and received by Contractor, *if required by the State of Delaware Budget and Accounting Manual*, and all policies and procedures of the Department of Finance have been met. The obligations of the Department under this Contract are expressly limited to the amount of any approved Purchase Order. The State will not be liable for expenditures made or services delivered prior to Contractor's receipt of the Purchase Order.

2. Total payments under this Contract shall not exceed \$ _____ in accordance with the budget presented in Appendix _____. Payment will be made upon receipt of an itemized invoice from the Contractor in accordance with the payment schedule, if any. The contractor or vendor must accept full payment by procurement (credit) card and or conventional check and/or other electronic means at the State's option, without imposing any additional fees, costs or conditions. Contractor is responsible for costs incurred in excess of the total cost of this Contract and the Department is not responsible for such costs.
3. The Contractor is solely responsible for the payment of all amounts due to all subcontractors and suppliers of goods, materials or services which may have been acquired by or provided to the Contractor in the performance of this contract. The Department is not responsible for the payment of such subcontractors or suppliers.
4. The Contractor shall not assign the Contract or any portion thereof without prior written approval of the Department and subject to such conditions and revisions as the Department may deem necessary. No such approval by the Department of any assignment shall be deemed to provide for the incurrence of any obligations of the Department in addition to the total agreed upon price of the Contract.
5. Contractor shall maintain books, records, documents and other evidence directly pertinent to performance under this Contract in accordance with generally accepted accounting principles and practices. Contractor shall also maintain the financial information and data used by Contractor in the preparation of support of its bid or proposal. Contractor shall retain this information for a period of five (5) years from the date services were rendered by the Contractor. Records involving matters in litigation shall be retained for one (1) year following the termination of such litigation. The Department shall have access to such books, records, documents, and other evidence for the purpose of inspection, auditing, and copying during normal business hours of the Contractor after giving reasonable notice. Contractor will provide facilities for such access and inspection.
6. The Contractor agrees that any submission by or on behalf of the Contractor of any claim for payment by the Department shall constitute certification by the Contractor that the services or items for which payment is claimed were actually rendered by the Contractor or its agents, and that all information submitted in support of the claims is true, accurate, and complete.
7. The cost of any Contract audit disallowances resulting from the examination of the Contractor's financial records will be borne by the Contractor. Reimbursement to the Department for disallowances shall be drawn from the Contractor's own resources and not charged to Contract costs or cost pools indirectly charging Contract costs.
8. When the Department desires any addition or deletion to the deliverables or a change in the services to be provided under this Contract, it shall so notify the Contractor. The Department will develop a Contract Amendment authorizing said change. The Amendment shall state whether the change shall cause an alteration in the price or time required by the Contractor for any aspect of its performance under the Contract. Pricing of changes shall be

consistent with those prices or costs established within this Contract. Such amendment shall not be effective until executed by all Parties pursuant to Paragraph B.14.

D. Miscellaneous Requirements

1. *If applicable*, the Contractor agrees to adhere to the requirements of DHSS Policy Memorandum # 46, (PM # 46, effective 3/11/05), and divisional procedures regarding the reporting and investigation of suspected abuse, neglect, mistreatment, misappropriation of property and significant injury of residents/clients receiving services, including providing testimony at any administrative proceedings arising from such investigations. The policy and procedures are included as Appendix _____ to this Contract. It is understood that adherence to this policy includes the development of appropriate procedures to implement the policy and ensuring staff receive appropriate training on the policy requirements. The Contractor's procedures must include the position(s) responsible for the PM46 process in the provider agency. Documentation of staff training on PM46 must be maintained by the Contractor.
2. The Contractor, including its parent company and its subsidiaries, and any subcontractor, including its parent company and subsidiaries, agree to comply with the provisions of 29 Del. Code, Chapter 58: "Laws Regulating the Conduct of Officers and Employees of the State," and in particular with Section 5805 (d): "Post Employment Restrictions."
3. *When required by Law*, Contractor shall conduct child abuse and adult abuse registry checks and obtain service letters in accordance with 19 Del. Code Section 708; and 11 Del. Code, Sections 8563 and 8564. Contractor shall not employ individuals with adverse registry findings in the performance of this contract.
4. *If applicable*, the Contractor agrees to adhere to the requirements of DHSS Policy Memorandum # 40, and divisional procedures regarding conducting criminal background checks and handling adverse findings of the criminal background checks. This policy and procedure are included as Appendix _____ to this Contract. It is understood that adherence to this policy includes the development of appropriate procedures to implement the policy and ensuring staff receive appropriate training on the policy requirements. The Contractor's procedures must include the title of the position(s) responsible for the PM40 process in the contractor's agency.
5. *If applicable*, the Contractor agrees to adhere to the requirements of DHSS Policy Memorandum # 36 (PM #36, effective 9/24/2008), and divisional procedures regarding minimal requirements of contractors who are engaging in a contractual agreement to develop community based residential arrangements for those individuals served by Divisions within DHSS. This policy and procedure are included as Appendix _____ to this Contract. It is understood that adherence to this policy includes individuals/entities that enter into a contractual arrangement (*contractors*) with the DHSS/Division to develop a community based residential home(s) and apartment(s). Contractors shall be responsible for their subcontractors' adherence with this policy and related protocol(s) established by the applicable Division.

6. All Department campuses are tobacco-free. Contractors, their employees and sub-contractors are prohibited from using any tobacco products while on Department property. This prohibition extends to personal vehicles parked in Department parking lots.

E. Authorized Signatures:

For the Contractor:

Signature

Name (please print)

Title

Date

For the Department:

Rita M. Landgraf
Secretary

Date

For the Division:

Kevin A. Huckshorn
Director

Date

Attachment 1

Monthly Usage Report

