



# CALIFORNIA CORRECTIONAL HEALTH CARE SERVICES



## MASTER SERVICES AGREEMENT (MSA)

### REQUEST FOR OFFER

#### PROJECT ORGANIZATION CHANGE MANAGEMENT AND BUSINESS PROCESS REENGINEERING

#### RFO #12-044-ITS

June 19, 2013

The California Department of Corrections and Rehabilitation (CDCR), California Correctional Health Care Services (CCHCS), is seeking one (1) Organizational Change Management (OCM) consultant and two (2) Business Process Reengineering (BPR) consultants to support adoption of the Electronic Health Record System (EHR) organizational and business process reengineering needs. The three (3) consultants will assist CCHCS' Project Director and project team(s) to successfully plan and deliver EHR's organizational needs including, but not limited to, solution adoption by end users and BPR activities in preparation for system implementation. In submitting an offer vendor must comply with the instructions found herein.

The term of proposed Agreement is targeted for June 28, 2013 through June 28, 2015. CCHCS reserves the option to extend the Agreement for up to thirty-six (36) additional months and/or to add funds at the same deliverable rate, up to the maximum Master Service Agreement (MSA) threshold. The contract award is subject to availability of funds approved for this purpose and renewal of the MSA for IT Consulting Services.

By submitting an offer, Offeror agrees to the terms and conditions stated in this Request for Offer and with the current in force MSA. Some Contractors and/or sub-contractors affiliated with EHR may be precluded from participation in this RFO.

Offers are due by **4:00 p.m., Wednesday, June 26 2013**. Contractor responses and any required documents must be submitted by electronic mail and clearly labeled to the department contacts noted below.

#### Department Contacts:

California Correctional Health Care Services  
Dave Wynn · [dave.wynn@cdcr.ca.gov](mailto:dave.wynn@cdcr.ca.gov) · (916) 691-3529  
and  
Corey Miller-Rose · [corey.miller-rose@cdcr.ca.gov](mailto:corey.miller-rose@cdcr.ca.gov) · (916) 691-3847

## RESPONSE GUIDELINES

This RFO, Offeror's response, the General Provisions – Information Technology (GSPD-401IT, effective June 2010), and applicable IT Services Special Provisions (i.e., model language) will be made part of CCHCS' Purchase Order and/or procurement contract file. All documents submitted in response to this RFO are the property of the State of California and are subject to review or release to the public under the California Public Records Act, Government Code section 6250 et seq.

Offers must be submitted electronically to the departmental contact address noted on page 1. All pages of Offeror's response received prior to due date and time will be considered. CCHCS is not responsible for any e-mail loss and/or failure to receive an Offeror's response. CCHCS assumes no responsibility if Offeror cannot transmit their response electronically to the departmental e-mail address and/or if the entire response is not received prior to RFO due date.

The delivery of any offer via U.S. mail, private delivery service, and/or by personal service will not be accepted by CCHCS. In the event of such delivery, CCHCS may consider the offer as non-responsive.

Offers submitted in response to this RFO must include all of the following information:

1. Cover letter signed by the authorized officer of the company or firm who has legal and binding authority;
2. Full legal name of Offeror's organization or firm, mailing address, telephone and facsimile numbers;
3. Name, telephone number, and electronic mail (i.e., e-mail) address of Offeror's contact person;
4. Submission date of Offer;
5. A copy of Offeror's MSA agreement that includes the California Department of General Services (DGS) logo, MSA number, agreement term and DGS' signature approval;
6. Copy of Liability Insurance Certificate;

Offeror must provide CCHCS with a Certificate of Insurance showing that there is liability insurance currently in effect for Offeror of not less than \$1,000,000, per occurrence, for bodily injury and property damage liability combined. The Certificate of Insurance must include the following provisions:

- a. The insurer will not cancel the insured's coverage without 30 days prior written notice to the State; and
  - b. The State of California is included as additional insured.
7. Proof of Worker's Compensation Insurance;

Offeror shall provide CCHCS with a Certificate of Insurance showing that there is current workers' compensation insurance coverage for its employees who will be engaged in performance of the requested services. The Certificate of Insurance must include provision that the insurer will not cancel the insured's coverage without 30 days prior written notice to the State.

8. Completed Rate Sheet (Exhibit B-1);

This Agreement will be invoiced and reimbursed on a deliverables basis subject to completion, and approval by CCHCS' Project Director or designee, of tasks or deliverables performed by Contractor.

Offer must include a completed rate sheet (Exhibit B-1) that includes Consultant classification(s) deliverable rate(s) and total cost.

9. Any modifications to the Statement of Work (SOW) of the ensuing Agreement will be defined, documented, and mutually agreed upon by Contractor and DCIO HCIS, or designee(s), and may be reimbursed on a fixed-cost basis as proposed via work authorization.
10. Offeror Declaration Form (GSPD-05-105);

Offerors must complete the Offeror Declaration and include it with response. When completing the declaration, Offerors must identify all subcontractors proposed for participation in the contract. Offerors awarded a contract are contractually obligated to use the subcontractors for requested services unless CCHCS agrees to a substitution via amendment to the Agreement.

The GSPD-05-105 can be found at <http://www.documents.dgs.ca.gov/pd/delegations/GSPD105.pdf>
11. Prior to award contractors may be requested to submit additional written clarifying information (e.g., STD. 843 – Disabled Veteran Business Enterprise Declaration, etc.). Failure to submit requested information may be grounds for rejection of offer.
12. Completed Payee Data Record (STD 204) <http://www.documents.dgs.ca.gov/pd/masters/debris/Std204.pdf>;
13. A detailed description of Contractor's approach for completing the services requested in Exhibit A (Statement of Work), Section C (Scope of Services) including, but not limited to, the functions, roles, and responsibilities of vendor personnel (i.e., individual consultant[s]);
14. A description of Offeror's expertise and experience (e.g., type of services rendered, projects completed, etc.) providing IT direct services as requested in Exhibit A (Statement of Work);
15. Three (3) customer references for Offeror to verify engagement(s) similar in scope as requested in Exhibit A (Statement of Work);
  - a. Include a brief narrative of project description and Offeror's role for each reference provided.
16. Resumes of Contractor personnel must include all of the following:
  - a. All relevant work experience;
  - b. A start and end date for each job cited; and
  - c. Three (3) customer references.
17. Other Requirements:
  - a. Contractor shall be required to attend a CCHCS contract orientation session prior to performing IT consultative services; and
  - b. Contractor's staff may be required to complete the following documents.
    - i. Contractor Confidentiality Statement (Attachment C):

The Political Reform Act of 1974 (Government Code Sections 81000-91015) requires consultants to file a Contractor Confidentiality Statement certifying no personal or financial interest with the project or related projects, and agreeing to keep all information concerning the project confidential.
    - ii. Non-Disclosure Agreement (Attachment D)
    - iii. Statement of Economic Interests (Form 700), which can be found at <http://www.fppc.ca.gov/forms/700-12-13/Form700-12-13.pdf>.
18. Interested Offerors may submit questions and/or requests for clarification, via e-mail, to [dave.wynn@cdcr.ca.gov](mailto:dave.wynn@cdcr.ca.gov) and [corey.miller-rose@cdcr.ca.gov](mailto:corey.miller-rose@cdcr.ca.gov). CCHCS responses to Offeror questions that provide new or additional information will be provided to all Offerors.

**KEY DATES**

<b>Event</b>	<b>Date</b>	<b>Time</b>
Release of Request for Offer	June 19, 2013	
Questions or Clarifications Submittal (latest date)	June 21, 2013	2:00 p.m.
Offer Response Submission Due Date	June 26, 2013	2:00 p.m.
Comparison of Offers and Interview(s), if warranted.	June 27, 2013	
Best Value Determination – Selection of Vendor	June 27, 2013	4:00 p.m.
Proposed Contract Start Date	June 28, 2013	

## SELECTION PROCESS

All offers will be reviewed for responsiveness to requirements of the RFO. If a response is missing required information, it may be deemed non-responsive. Responsive offers will be scored on the “Best Value” criteria listed below. Further review is subject to CCHCS' discretion.

CCHCS' evaluation process is based on an industry best practice technique called progressive filtering. The process steps are as follows:

1. Review Offers to Administrative Criteria;
  - a. Responses are reviewed to ensure the submitted offer contains all administrative sections required for contract purposes (e.g. Cover Letter, Rate Sheet, Payee Data, etc.).
2. Evaluate Offers Based on Technical and Administrative Criteria;
  - a. Offers are scored against Technical and Administrative RFO requirements.
  - b. This step results in a Preliminary Technical Score and Preliminary Administrative Score.
3. Rank and Select Best Offers;
  - a. The Technical score (i.e., consultant qualifications, experience, etc.) and Administrative score are used to select the best two-to-four (2-4) offers.
4. Schedule and Perform Candidate Interviews (optional);
  - a. The candidate interviews are used to refine and validate assessed Technical and Administrative scores.
  - b. This step results in Final Technical and Administrative scores.
5. Review Offer's Proposed Cost; and
  - a. Lowest cost proposal will receive full cost points and each proposal with higher cost will receive a percentage of total points.
6. Determine Best Value.
  - a. Reference checks are performed at the discretion of the evaluation team.
  - b. CCHCS may enter into contract negotiations at this time including, but not limited to, rate/cost negotiation.

<b>Best Value Criteria</b>	
<b>Technical Experience</b>	<b>65 Points</b>
1. The Organization Change Management (OCM) Consultant must have a minimum of five (5) years' experience in the development and delivery of business readiness for a new IT solution and associated organization transition activities;	0-10
2. The Business Process Engineering (BPR) consultants must have a minimum of five (5) years of BPR experience supporting a new IT solution and associated business reengineering activities;	0-10
3. One (1) of the BPR consultants must have a minimum of three (3) years of lead BPR experience supporting the BPR tasks of an IT solution development and deployment;	0-10
4. The OCM consultant must have a minimum of three (3) years lead OCM experience supporting OCM delivery for an IT Project solution;	0-10
5. All proposed consultants must have a minimum of five (5) years experience working on a large-scale project (3,500 or more users, with a total project cost of at least \$20 Million) for federal, state, or/or local government(s);	0-10
6. All proposed consultants must have a minimum of three (3) years experience with a public sector IT project managed by a system/solution integrator;	0-5
7. The OCM consultant must have a certification in Organizational Change Management issued by an industry-recognized group (e.g. Prosci). Offeror must provide evidence of certification with response; and	0-5
8. The BPR consultant(s) must have a certification in Business Process Reengineering issued by an industry-recognized group, (e.g. Mountain Home Institute for Innovative Management [MHii]). Offeror must provide evidence of certification with response.	0-5
<b>Administrative Criteria</b>	<b>15 Points</b>
1. Completeness of response package;	0-05
2. Detailed resumes of proposed personnel describing experience levels that support Statement of Work; and	0-05
3. Three (3) customer references for Offeror verifying engagements similar in scope to Exhibit A (Statement of work), three (3) customer references for proposed personnel.	0-05
<b>Cost</b>	<b>45 Points</b>
1. Lowest cost proposal will receive full cost points and each proposal with higher cost will receive a percentage of total points.	0-45

CCHCS reserves the sole right to reject any and all offers, and reissue this RFO. CCHCS prefers a single vendor with multiple consultants (i.e. team approach) to meet the needs of the EHRS project for OCM and BPM. However, in the event CCHCS determines that the requested services would be best served by awarding multiple agreements for this RFO, CCHCS reserves the right to make this determination and negotiate with Offerors having “best value” to award more than one company and/or firm. The awarded Contractor will be obligated to provide services at the deliverable rate(s) offered in Exhibit B-1 (Rate Sheet), which under no circumstances may exceed the MSA dollar threshold.

## **EXHIBITS AND ATTACHMENTS**

Exhibit A	Statement of Work
Exhibit B	Budget Detail and Payment Provisions
Exhibit B-1	Rate Sheet
Exhibit C	CCHCS Special Provisions
Attachment A	Deliverable Expectations Document
Attachment B	Deliverable Acceptance Document
Attachment C	Contractor Confidentiality Statement
Attachment D	Non-Disclosure Agreement
Attachment E	Statement of Economic Interests (Form 700)
Attachment F	Business Associate Agreement



## **EXHIBIT A STATEMENT OF WORK**

### **A. BACKGROUND AND PURPOSE**

The State of California's prison medical system was placed into Receivership by United States District Court Judge, Thelton E. Henderson, as a result of a 2001 class action lawsuit brought against the State of California over the quality of medical care in the State's prison system. The Court found that the medical care was a violation of the Eighth Amendment of the U.S. Constitution, which forbids cruel and unusual punishment of the incarcerated.

All activities of the Receivership have one common purpose: to create a collaborative environment where custody and health care staff improve upon the quality of medical services in California prisons in order to meet constitutional standards while reducing avoidable morbidity and mortality. The Receiver has adopted six goals that are necessary for the California Department of Corrections and Rehabilitation (CDCR) health care program to rise to constitutionally acceptable and sustainable levels. The goals are: 1) ensure timely access to health care services; 2) establish a prison medical program addressing the full continuum of health care services; 3) recruit, train and retain a professional quality medical workforce; 4) implement a quality assurance and continuous improvement program; 5) establish medical support infrastructure; and 6) provide for necessary clinical, administrative, and housing facilities.

The above goals encompass key aspects of the CDCR's health care delivery system and the Receiver has initiated organizational changes to improve medical, nursing, mental health, and dental programs. The California Correctional Health Care Services (CCHCS) has embarked on a number of informational technology (IT) projects to support the Receiver's efforts in raising the level of patient-inmate health care to constitutional standards. Some of these solutions include the Health Care Scheduling and Tracking System (HCSTS), Mental Health Tracking System (MHTS) and Electronic Unit Health Record System (eUHR).

CCHCS has contracted with a commercial-off-the-shelf (COTS) software vendor to design, install, configure, and implement an integrated Electronic Health Record System (EHRIS) solution for CDCR's thirty-four (34) adult institutions.

Given the technical and functional complexities of the EHRIS, CCHCS is seeking a Contractor with a team of consultants with Organizational Change Management (OCM) and Business Process Reengineering (BPR) experience and expert knowledge of OCM and BPR best practices to support this Project. Specifically, CCHCS is requesting offers for one (1) OCM consultant and two (2) BPR consultants to support adoption of EHRIS' organizational solution and business process reengineering needs.

Consultants will assist CCHCS' Project Director and project team(s) to successfully plan and deliver EHRIS' organizational needs including solution adoption by end users and BPR activities in preparation for system implementation.

### **B. OFFEROR'S PROPOSED PERSONNEL QUALIFICATIONS**

Contractor's proposed personnel must meet all of the following Mandatory Qualifications to be considered for award. Contractors will be evaluated on expertise and experience stated in the resume against the mandatory qualifications. At the discretion of CCHCS, interviews may be a part of the selection process.

**Mandatory Qualifications**

1. The Organization Change Management (OCM) Consultant must have a minimum of five (5) years experience in the development and delivery of business readiness for a new IT solution and associated organization transition activities;
2. The Business Process Engineering (BPR) consultants must have a minimum of five (5) years of BPR experience supporting a new IT solution and associated business reengineering activities;
3. One (1) of the BPR consultants must have a minimum of three (3) years of lead BPR experience supporting the BPR tasks of an IT solution development and deployment;
4. The OCM consultant must have a minimum of three (3) years lead OCM experience supporting OCM delivery for an IT Project solution;
5. All proposed consultants must have a minimum of five (5) years experience working on a large-scale project (3,500 or more users, with a total project cost of at least \$20 Million) for federal, state, or/or local government(s);
6. All proposed consultants must have a minimum of three (3) years' experience with a public sector IT project managed by a system/solution integrator;
7. The OCM consultant must have a certification in Organizational Change Management issued by an industry recognized group (e.g. Prosci). Offeror must provide evidence of certification with response; and
8. The BPR consultant(s) must have a certification in Business Process Reengineering issued by an industry recognized group, (e.g. Mountain Home Institute for Innovative Management [MHi]). Offeror must provide evidence of certification with response.

**Desirable Qualifications**

1. A minimum of three (3) years experience of training and course development and delivery experience for a large-scale system with 3,500 or more end users;
2. A current or previously licensed medical, dental, or mental health practitioner;
3. Excellent verbal and written communication skills;
4. Possession of a University degree or advanced level of education relevant to the tasks included in this RFO; and
5. Knowledge of the CCHCS Organization.

**C. SCOPE OF SERVICES****Organizational Change Management**

With prior approval from the EHRS Project Director, or designee, the OCM Consultant shall perform all of the following tasks and deliverables:

1. OCM Work Plan Gap Analysis:
  1. Review the existing OCM Work Plan and prepare a Gap Analysis identifying processes for improvement based on best practices for electronic health record projects; and
  2. Prepare an Analysis and Recommendations Report for improvements including, but not limited, to the identification of any plans, efforts, processes, and procedures, which do not currently exist.

Specific Deliverable(s)

1. OCM Gap Analysis; and
2. Analysis and Recommendations Report.

Acceptance Criteria

Approval of deliverables by CCHCS' EHRIS Project Director, or their designee. Deliverables 1.1 and 1.2 are subject to the Deliverable Expectations Document (DED) and Deliverable Acceptance Document (DAD) provisions identified in section D of this Exhibit.

2. Solution Adoption Management Plan Execution;

1. Review the existing Solution Adoption Management Plan, and revise/enhance plan to include processes and procedures identified in the Analysis and Recommendations report; and
2. Execute the Solution Adoption Management Plan at up to fifteen (15) adult institutions statewide.

Specific Deliverable(s)

1. Updated Solution Adoption Management Plan; and
2. Execute Solution Adoption Management Plan at up to fifteen (15) adult institutions.

Acceptance Criteria

Approval of Deliverables by CCHCS' EHRIS Project Director, or their designee. Deliverables 2.1 and 2.2 are subject to the DED and DAD provisions identified in section D of this Exhibit.

3. Project Communication Plan Implementation;

1. Review the existing Project Communication Plan and revise/enhance plan to include processes and procedures identified in the Analysis and Recommendations report;
2. Make recommendations to Project Director and/or Project Manager(s) to enable EHRIS project team(s), project stakeholders, and end users to improve communications, coordination and collaboration when designing, developing, testing, training and implementing EHRIS solution; and
3. Implement Project Communication Plan.

Specific Deliverable(s)

1. Updated Project Communication Plan; and
2. Implement Project Communication Plan.

Acceptance Criteria

Approval of Deliverables by CCHCS' EHRIS Project Director, or their designee. Deliverables 3.1 and 3.2 are subject to the DED and DAD provisions identified in section D of this Exhibit.

4. Organizational Readiness Assessment;

1. Prepare an Organizational Readiness Assessment Plan that includes comprehensive criteria to assess CCHCS' readiness to implement the EHRIS solution for all identified program needs and environments;

2. With assistance from the CCHCS' EHRIS Schedule and Resource Team prepare Project OCM Schedule to the task level. The schedule must provide all activities, deliverables, and resources necessary to perform OCM services, and designate contractor and/or state staff necessary to complete the tasks;
3. Develop Organizational Readiness Assessment Tool(s) to be used in the readiness assessment surveys, and present to the Project Director for review and approval. Contractor shall make any changes required by the Project Director and prepare final version(s);
4. Conduct Organizational Readiness Assessment surveys for the first wave of institutions as determined by the Project Director and/or Project Manager(s); and
5. Prepare an Organizational Readiness Report that analyzes the data gathered during the Organizational Readiness Assessments and provide strategies to transition CCHCS' health care organization from current to future state.

Specific Deliverable(s)

1. Organizational Readiness Assessment Plan;
2. Project OCM Schedule;
3. Organizational Readiness Assessment Tool(s); and
4. Organizational Readiness Report.

Acceptance Criteria

Approval of Deliverables by CCHCS' EHRIS Project Director, or their designee. Deliverables 4.1 through 4.4 are subject to the DED and DAD provisions identified in section D of this Exhibit.

5. Training Assessment:

1. Perform an assessment and prepare a written report of current proposed EHRIS training plan(s), training environment(s), schedule(s), tools, tasks, resources and responsibilities.

Specific Deliverable(s)

1. Training Assessment Report.

Acceptance Criteria

Approval of Deliverables by CCHCS' EHRIS Project Director, or their designee. Deliverable 5.1 is subject to the DED and DAD provisions identified in section D of this Exhibit.

6. Project Management:

1. Prepare an MS Project Schedule for up to ten (10) sub-projects assigned by the EHRIS Project Director; and
2. Prepare and submit to the Project Manager, weekly status reports for each subproject assigned.

Specific Deliverable(s)

1. Project Schedules (up to ten [10]); and
2. Weekly written status reports.

Acceptance Criteria

Approval of Deliverables by CCHCS' EHRS Project Director, or their designee. Deliverables 6.1 and 6.2 are subject to the DED and DAD provisions identified in section D of this Exhibit.

7. OCM Knowledge Transfer;

1. Prepare a Knowledge Transfer plan to transfer OCM knowledge to state staff. The plan shall include, but is not limited to, learning methodology, objectives, and session schedule.
2. Develop training materials for Knowledge Transfer sessions;
3. Provide Knowledge Transfer sessions to state staff in accordance with completed and approved Knowledge Transfer Plan. Knowledge Transfer sessions shall be, at minimum, ten (10) hours per month; and
4. Provide informal training and support to state staff via email or personal inquiries. Informal sessions shall be, at minimum, four (4) hours per month.

Specific Deliverable(s)

1. Knowledge Transfer Plan;
2. Training Materials for Knowledge Transfer sessions;
3. Monthly written report of Knowledge Transfer sessions that identifies attendees, time and date, and topics covered; and
4. Monthly written report of informal training and support to state staff .that identifies staff trained, and topic of training or support.

Acceptance Criteria

Approval of Deliverables by CCHCS' EHRS Project Director, or their designee. Deliverables 7.1 and 7.2 are subject to the DED and DAD provisions identified in section D of this Exhibit. Deliverables 7.3 and 7.4 are subject the DAD provisions.

8. Project Status Updates;

1. Provide the Project Director or their designee, a weekly verbal status report. Reports shall include, but are not limited to, an overview of activities accomplished, schedule update, findings, and corrective actions needed; and
2. Prepare a written monthly status report and submit to the Project Director on the fifth (5<sup>th</sup>) business day of the each calendar month following the first full month of Agreement execution.
  - Monthly reports shall include, but are not limited to, all of the following:
    - a. An overview of project tasks and activities accomplished during the preceding calendar month;
    - b. An overview of tasks and deliverables completed;
    - c. Adherence to schedule;
    - d. Risks and issues identified;
    - e. Significant information regarding the process and work information for performed tasks; and
    - f. Work planned for the next reporting period.

Specific Deliverable(s)

1. Weekly verbal status reports; and
2. Monthly reports submitted to the Project Director.

Acceptance Criteria

Approval of Deliverables by CCHCS' EHRIS Project Director, or their designee. Deliverables 8.1 and 8.2 are subject to the DAD provisions identified in section D of this Exhibit.

9. Final Report:

1. Develop and submit to the Project Director, a final report that details activities, accomplishments, lessons learned and recommendations to support ongoing maintenance and operations (M&O).

Specific Deliverable(s)

1. Final Report.

Acceptance Criteria

Approval of Deliverables by CCHCS' EHRIS Project Director, or their designee. Deliverable 9.1 is subject to the DAD provisions identified in section D of this Exhibit.

**Business Process Reengineering**

With prior approval from the EHRIS Project Director, or designee, the BPR Consultant shall perform all of the following tasks and deliverables:

10. BPR Work Plan Gap Analysis:

1. Review the existing BPR Work Plan, and prepare a Gap Analysis identifying processes for improvement based on best practices for electronic health record projects; and
2. Prepare an Analysis and Recommendations Report for improvements including, but not limited, to the identification of any plans, efforts, processes, and procedures that do not currently exist.

Specific Deliverable(s)

1. BPR Gap Analysis; and
2. Analysis and Recommendations Report.

Acceptance Criteria

Approval of deliverables by CCHCS' EHRIS Project Director, or their designee. Deliverables 10.1 and 10.2 are subject to the DED and DAD provisions identified in section D of this Exhibit

11. BPR Models and Best Practices Guidelines:

1. Prepare and submit to the Project Director, BPR Models and Best Practices Guidelines that include industry standards for health care system delivery solutions.
  - These guidelines will be used by the BPR team as a resource throughout the project.

Specific Deliverable(s)

1. BPR Models and Best Practices Guidelines

Acceptance Criteria

Approval of Deliverables by CCHCS' EHRIS Project Director, or their designee. Deliverable 11.1 is subject to the DED and DAD provisions identified in section D of this Exhibit.

12. Project Communication Plan Integration;

1. Review the existing Project Communication Plan and its implementation, and prepare a written high-level summary; and
2. Make recommendations of any required or appropriate BPR related changes to Project Director and/or Project Manager(s).

Specific Deliverable(s)

1. Written high-level summary of the Project Communication Plan and its integration; and
2. Documented recommendations for BPR related changes.

Acceptance Criteria

Approval of Deliverables by CCHCS' EHRIS Project Director, or their designee. Deliverables 12.1 and 12.2 are subject to the DED and DAD provisions identified in section D of this Exhibit.

13. Future Business Processes;

1. Develop an approach and plan for implementing future (to-be) business processes by utilizing current CCHCS workflow documentation.
  - Consultant shall identify any missing workflows required to develop future (to-be) business processes;
2. Prepare a draft Future Business Processes Implementation Plan and submit to Project Director for review and approval; and
3. Prepare final Future Business Processes Implementation Plan.

Specific Deliverable(s)

1. Draft Future Business Processes Implementation Plan; and
2. Final Business Processes Implementation Plan.

Acceptance Criteria

Approval of Deliverables by CCHCS' EHRIS Project Director, or their designee. Deliverables 13.1 and 13.2 are subject to the DED and DAD provisions identified in section D of this Exhibit.

14. Support the BPR Team;

1. Provide guidance, assessments and recommendations to the BPR team(s), and work directly with the team members on day-to-day activities.
  - Support activities shall be, at minimum, eight (8) hours per week;
2. Provide Project Director and/or Project Managers with recommended tasks and deliverables to be completed by the BPR team(s); and
3. Document any proposed tool(s) and all resources that will be used to conduct BPR tasks.

Specific Deliverable(s)

1. Weekly report to Project Director and/or Project Managers of support activities provided; and
2. Weekly report to Project Director and/or Project Managers of recommended tasks and deliverables; and
3. Documented BPR tools.

Acceptance Criteria

Approval of Deliverables by CCHCS' EHRIS Project Director, or their designee. Deliverables 15.1 through 15.3 are subject to the DED and DAD provisions identified in section D of this Exhibit.

15. Participation in Sub-Projects:

1. With assistance from the CCHCS' EHRIS Schedule and Resource Team prepare BPR Sub-Project Schedule to the task level. The schedule must provide all activities, deliverables, and resources necessary to perform BPR services and designate Contractor and/or state staff necessary to complete the tasks;
2. Assist project team members by managing and/or contributing to EHRIS sub-projects; as assigned by the Project Director;
3. Prepare an MS Project Schedule for up to ten (10) sub-projects assigned by the EHRIS Project Director; and
4. Prepare and submit to the Project Manager, weekly status reports for each subproject assigned.

Specific Deliverable(s)

1. BPR Sub-Project Schedule;
2. Management and/or contribution to EHRIS subprojects (at minimum sixteen [16] hours per week);
3. Project Schedules (up to ten [10]); and
4. Weekly written status reports.

Acceptance Criteria

Approval of Deliverables by CCHCS' EHRIS Project Director, or their designee. Deliverables 16.1 through 16.3 are subject to the DED and DAD provisions identified in section D of this Exhibit.

16. Training and Knowledge Transfer:

1. Conduct BPR training for BPR team members and the appropriate EHRIS state staff. The training sessions shall be, at minimum, six (6) hours per week, and shall include, but are not limited to, all of the following topics:
  - a. Principles, concepts, techniques and terminology used in BPR processes;
  - b. BPR business modeling techniques used during the EHRIS project;
  - c. Tactics and communication techniques for staff working with front-line health care staff during the BPR activities; and
  - d. Any proposed and approved BPR tool(s).
2. Prepare a Knowledge Transfer plan to transfer BPR knowledge to state staff. The plan shall include, but is not limited to, learning methodology, objectives, and session schedule.



3. Develop training materials for Knowledge Transfer sessions;
4. Provide Knowledge Transfer sessions to state staff in accordance with completed and approved Knowledge Transfer Plan. Knowledge Transfer sessions shall be, at minimum, ten (10) hours per month; and
5. Provide informal training and support to state staff via email or personal inquiries. Informal sessions shall be, at minimum, four (4) hours per month.

Specific Deliverable(s)

1. Monthly Report of BPR training to EHRS state staff;
2. Knowledge Transfer Plan;
3. Training Materials for Knowledge Transfer sessions;
4. Monthly written report of Knowledge Transfer sessions that identifies attendees, time and date, and topics covered; and
5. Monthly written report of informal training and support to state staff .that identifies staff trained, and topic of training or support.

Acceptance Criteria

Approval of Deliverables by CCHCS' EHRS Project Director, or their designee. Deliverables 16.1 through 16.3 are subject to the DED and DAD provisions identified in section D of this Exhibit. Deliverables 16.4 and 16.5 are subject the DAD provisions.

17. Project Status Updates; and

1. Provide the Project Director or their designee, a weekly verbal status report. Reports shall include, but are not limited to, an overview of activities accomplished, schedule update, findings, and corrective actions needed; and
2. Prepare a written monthly status report and submit to the Project Director on the fifth (5<sup>th</sup>) business day of the each calendar month following the first full month of Agreement execution.
  - Monthly reports shall include, but are not limited to, all of the following:
    - a. An overview of project tasks and activities accomplished during the preceding calendar month;
    - b. An overview of tasks and deliverables completed;
    - c. Adherence to schedule;
    - d. Risks and issues identified;
    - e. Significant information regarding the process and work information for performed tasks; and
    - f. Work planned for the next reporting period.

Specific Deliverable(s)

1. Weekly verbal status reports; and
2. Monthly reports submitted to the Project Director.

Acceptance Criteria

Approval of Deliverables by CCHCS' EHRS Project Director, or their designee. Deliverables 17.1 and 17.2 are subject to the DAD provisions identified in section D of this Exhibit.

**18. Final Report.**

1. Develop and submit to the Project Director, a final report that details activities, accomplishments, lessons learned and recommendations to support ongoing maintenance and operations (M&O).

**Specific Deliverable(s)**

1. Final Report.

**Acceptance Criteria**

Approval of Deliverables by CCHCS' EHRIS Project Director, or their designee. Deliverable 18.1 is subject to the DAD provisions identified in section D of this Exhibit.

**D. DELIVERABLE ACCEPTANCE CRITERIA**

Contractors shall complete all Deliverables and perform all Services in conforming to the term of this Agreement. CCHCS will notify Contractor of any deficiency of any Deliverable or Service found during the performance of this Agreement, and Contractor shall have the opportunity to cure such a deficiency or errors in accordance with the process herein.

1. Prior to starting work on each Deliverable or Service, Contractor and Project Director, or designee, shall agree on the acceptance criteria that will be used for each Deliverable, and may complete a Deliverable Expectations Document (DED) (Attachment A) which shall be the specification for each Deliverable or Service. The Contractor is responsible for ensuring that the DED is signed by Project Director, or designee, and the Contractor prior to initiating development of the Deliverable or Service.
2. After Contractor has completed a Deliverable or Service under this Agreement, the Contractor shall submit to Project Director, or designee for approval such completed Deliverable along with a Deliverable Acceptance Document (DAD) (Attachment B), and a signed copy of the agreed upon DED.
3. Project Director, or designee shall have up to ten (10) business days following the receipt of each Deliverable or Service to review said Deliverable and return a completed DAD to Contractor.
4. Upon the verification that the Deliverable is or is not in conformity with the DED, CCHCS shall complete a DAD which provides CCHCS the opportunity to:
  - a. Accept the Deliverable,
  - b. Accept the Deliverable with changes noted; or
  - c. Reject the Deliverable
5. If the Deliverable provided by Contractor is acceptable to Project Director, or designee, they shall notify Contractor by returning the approved and signed DAD within ten (10) days or otherwise mutually agreed upon number of working days of receipt of the Deliverable from Contractor.
6. If a Deliverable or any portion thereof is unacceptable to Project Director, or designee, they shall notify the Contractor by returning the rejected and signed DAD within ten (10) business days of receipt of the Deliverable from Contractor. The Contractor shall, within ten (10) business days of receipt of notification of rejection, correct the deficiency or deficiencies and bring the Deliverable into compliance with the DED at no additional cost to CCHCS. Failure to correct the deficiency or deficiencies may result in termination of the Agreement.

7. All documents, analyses, reports, recommendations, white papers, and diagrams will be submitted to CCHCS' DCIO HCIS, or designee, and produced using the following Microsoft Office products Project; Word; PowerPoint; Visio; Excel and Outlook and/or CA Clarity.

## **E. ASSUMPTIONS AND CONSTRAINTS**

1. Work hours for this Agreement must be consistent with CCHCS's normal business hours 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding State holidays.
2. No overtime pay will be authorized for non-standard work hours.
3. Contractor shall ensure availability of staff to perform the requirements of the ensuing Agreement at all times during the period described in the preceding item 1 above.
4. The work location will be at CCHCS' Headquarters located in Elk Grove, California, or at another designated location within the greater Sacramento area.
5. Any modifications to the SOW of the ensuing Agreement will be defined, documented and mutually agreed upon by Contractor and Project Director, or designee.
6. Services not specified in Scope may only be performed pursuant to a work authorization signed by CCHCS.
7. Contractor must submit, in advance, a resume of all personnel substitutions. All Contractor personnel substitutions must be approved by the Project Director, or designee, prior to substituted personnel commencing work.
8. CCHCS, in its sole discretion, reserves the right to require Contractor to substitute personnel, reduce or cancel a consultant's performance of services at any time.
9. CCHCS reserves the right to renegotiate services deemed necessary to meet the needs of the project according to State priorities. CCHCS and Contractor shall mutually agree to all changes; and renegotiated services outside the scope of original contract may require control agency approval prior to commencement of work.
  - Work Authorization

Either party may at any time propose a change to Scope. If Contractor believes that such change will increase Contractor's costs or delay completion, the parties will negotiate in good faith to try to accommodate such requests. Contractor will price any additional fees, at CCHCS' option, based on fixed cost per deliverable. Contractor will disclose and explain to CCHCS its method of pricing a change order. At CCHCS' request, the parties will use project estimation tools to aid in determining pricing and to ensure that it is competitive in the marketplace. No change will be effective unless and until set forth in a written amendment to the Agreement, which is approved and signed by the parties. Any agreed upon modifications will be performed by Contractor in accordance with the amendment and Agreement provisions. Any failure to agree to a proposed change will not impair the enforceability of other Agreement terms or in Scope.
10. CCHCS and Contractor are mutually obligated to keep open channels of communications to ensure successful performance of the ensuing Agreement. Both parties are responsible for communicating any potential problem(s) or issue(s) to CCHCS' CIO, or designee, and the Contractor, respectively, within one (1) business day of becoming aware of said problem(s).
11. Contractor certifies that it has appropriate systems and controls in place to ensure that State funds will not be used in performance of this Agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.

**F. CCHCS ROLES AND RESPONSIBILITIES**

1. CCHCS will provide cubicle accommodations at CCHCS' headquarters office in Elk Grove, California or at another designated location in the greater Sacramento area. Accommodations may include a desk, telephone, computer hardware, and software necessary for performance of the work.
2. CCHCS will not provide consultant(s) with smart phones, cell phones, etc.
3. CCHCS will be responsible to monitor and review services as invoiced.
4. CCHCS will help resolve and escalate issues within the organization, as necessary.
5. CCHCS may provide Contractor access to applicable files, reports, contracts, documents, and other relevant information.
6. CCHCS will provide staff availability for consultation meetings.
7. Provision of clerical or other support services is strictly at the option of CCHCS. Contractor should assume that CCHCS will not provide any assistance of a clerical nature for documents or telephone support.

**G. CONTRACTOR ROLES AND RESPONSIBILITIES**

In addition to Scope of Services specified in Item C, above, Contractor is required to do all of the following:

1. Work with the Project Director, and/or designee(s) to ensure that any issue(s) are addressed.
2. Participate in information gathering meetings, fact-finding meetings, working sessions, status reporting (both written and verbal), presentations, and general communication(s) to ensure success of consultant activity performance.
3. Comply with all applicable State and Agency policies and procedures, including those enumerated in Exhibit C (Special Provisions).
  - By accepting Agreement, Contractor (including personnel) acknowledges that he/she has read and agrees to the provisions of Exhibit C;
4. Return all State property including security badges, computer laptop, work products, etc., prior to termination of Agreement;
5. Be tested for Tuberculosis and certified to be free of tuberculosis on the TB Infectious Free Staff Certification in order to gain entrance to the Institutions;
6. Complete a Request for Gate Clearance Form, Application for Identification Card, and/or Emergency Notification form in order to gain entrance to the institutions;
7. Agree to abide by the Digest of Laws Related to Association with Prison Inmates; and
8. Perform any other duties as requested by the Project Director, or designee.

**H. PERIOD OF PERFORMANCE**

The anticipated term of the ensuing Agreement is June 28, 2013 through June 28, 2015. CCHCS reserves the option to extend the Agreement for up to twelve (12) months at the same hourly rate and/or to add additional funds up to the maximum MSA threshold. At any time during the term of the ensuing Agreement CCHCS may instruct Contractor to limit the amount of time being performed by the assigned consultant.

**I. EVALUATION OF CONTRACTOR**

The Project Director, or designee(s), will complete a written evaluation of Contractor' Project Director, or designee s performance under the ensuing Agreement within sixty (60) days following the term end date. The evaluation shall be prepared on the Contract/Contractor Evaluation Form (STD 4) and maintained in the Agreement file for three (3) years. If Contractor's performance is deemed unsatisfactory, a copy of the evaluation shall be sent to the California Department of General Services (DGS), Office of Legal Services (OLS), within five (5) days, and to Contractor within fifteen (15) days, following completion of the evaluation. "Days" means calendar days unless otherwise specified.

**J. TERMINATION**

Notwithstanding provisions #21, #22, and #23 of the GSPD-401IT, CCHCS reserves the right to terminate the ensuing Agreement immediately with or without cause.

**F. CCHCS CONTRACT MANAGER**

California Correctional Health Care Services  
Attn: EHRS Project Director, ITSD – Building C  
PO Box 588500  
Elk Grove, California 95758

**EXHIBIT B**  
**BUDGET DETAIL AND PAYMENT PROVISIONS**

**A. INVOICING AND PAYMENT**

1. Contractor shall submit to CCHCS, a written invoice for all accepted Deliverables in accordance with Exhibit B-1 (Rate Sheet) of this Agreement. No invoice shall be honored by CCHCS unless and until prior acceptance is obtained pursuant to Paragraph D of Exhibit A of this Agreement is obtained for the Deliverable of Service relating to said invoice.
  - a. During execution of each task, which involves delivery of identified deliverables, and upon CCHCS' approval<sup>1</sup>, Contractor may submit periodically to CCHCS, invoices reflecting a pro-rata cost of the task based on the following:
    - i Signed acceptance of a Deliverable Expectations Document (DED) and Deliverable Acceptance Document (DAD) for tasks(S) performed by Contractor from the Project Director, or designee, that clearly identifies/quantified stages of deliverable progress (e.g., completed task[s] as reflected in written status reports, if required, submitted with invoices.

For example, if Deliverable #1 requires development of enhancement analysis and design documents and has seven (7) tasks to fully complete said deliverable; and contractor offered one-hundred dollars (\$100) per task (or \$700.00 total for Deliverable #1) and completed tasks 1.1 and 1.2, to CCHCS's satisfaction, contractor may be reimbursed a partial payment of \$200.00 for completing tasks 1.1 and 1.2, with submittal of an invoice and supporting documentation (e.g., a DAD).
  - b. Upon completion of a deliverable in accordance with the acceptance criteria set forth in Exhibit A (Statement of Work), the full charge for such deliverable, less a ten-percent (10%) withhold and amount(s) previously invoiced to CCHCS, may be submitted for payment.
    - i A DAD must be approved by the Project Director, or designee, before approval of Contractor's invoice for payment.
2. Contractor invoices shall not be submitted more frequently than monthly to the CCHCS.
3. Invoices reflecting progress payments shall be, at minimum, ninety percent (90%) of the total amount of this Agreement, with the balance to be invoiced upon successful completion of all deliverables.
  - a. It is CCHCS' sole determination as to whether all deliverables haven been successfully completed and are acceptable to CCHCS.
  - b. Payment of Contractor's total 10% withhold is subject to completion of all deliverables and submittal of final written report to the satisfaction of CCHCS.
4. All invoices shall be submitted in triplicate on Contractor's letterhead and include the CCHCS Purchase Order and Agreement numbers, consultant's name, task title and number, task and/or deliverable title, and invoice total.
  - a. Any invoices submitted without the above referenced information may be returned to Contractor for revision(s).

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<sup>1</sup> Partial progress payments for services rendered is not mandated, but is permissive.

5. Contractor shall address and submit all invoices to:

IT ACQUISITIONS  
Administrative Support Division  
California Correctional Health Care Services  
P.O. Box 588500  
Elk Grove, CA 95758  
ATTENTION: JOSIE PROVERBS

**1. BUDGET CONTINGENCY CLAUSE**

- a. It is mutually agreed that if the California State Budget Act for the current fiscal year and/or any subsequent fiscal years covered under this Agreement does not appropriate sufficient funds for the project, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor, or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of the Agreement.
- b. If funding for purposes of this project is reduced or deleted for any fiscal year by the California State Budget Act, the State shall have the option to either cancel the Agreement with no liability occurring to the State, or offer an Agreement amendment to Contractor to reflect the reduced amount.

**2. PROMPT PAYMENT CLAUSE**

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927. Payment to small/micro businesses shall be made in accordance with and within the time specified in Chapter 4.5, Government Code 927 et seq.

**3. SUBCONTRACTOR**

For all Agreements, with the exception of Interagency Agreements and other governmental entities/auxiliaries that are exempt from bidding, nothing contained in the Agreement, or otherwise, shall create any contractual relation between the State and any subcontractors, and no subcontract shall relieve Contractor of contractor's responsibilities and obligations hereunder. Contractor agrees to be as fully responsible to the State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. The Contractor's obligation to pay its subcontractors is an independent obligation from the State's obligation to make payments to the Contractor. As a result, the State shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

**4. TRAVEL AND MISCELLANEOUS EXPENSES**

Travel outside the greater Sacramento metropolitan area may be necessary as CCHCS has correctional institutions and regional offices located throughout the state.

Any reimbursable travel and/or other expenses must be approved in advance by the Project Director or designee and itemized in Contractor's invoice. Travel reimbursement may not exceed the rates, terms, and conditions that apply to comparable State employees, in accordance with travel rules and regulations, as specified in California Code of Regulations (CCR), Title 2, Division 1, Chapter 3, and/or the California Department of Personnel Administration (DPA), Sections 599.619 through 599.631. Travel expenses shall be

submitted on a State of California Travel Expense Claim, Std. 262, and are to be submitted with Contractor's monthly invoice for the applicable time period. No travel or parking within the Sacramento metropolitan area will be paid.

Consultants are expected to travel extensively during the term of the ensuing Agreement. Consultants should plan to spend up to two (2) weeks per month working at correctional institutions and/or regional offices throughout the state. A travel budget will be allotted upon award.



**EXHIBIT B-1  
RATE SHEET**

Contractor hereby agrees to provide all labor and transportation necessary to perform the services required in accordance with the Statement of Work and Terms and Conditions of the ensuing Agreement.

Upon completion of deliverables to the satisfaction of CCHCS, Contractor services shall be billed and reimbursed on a deliverable basis (i.e., fixed-cost), unless otherwise specified.

<b>DELIVERABLE</b>	<b>COST</b>
<b><u>Organizational Change Management (OCM)</u></b>	
1. OCM Work Plan Gap Analysis	
1.1. OCM Gap Analysis	
1.2. Analysis and Recommendations Report	
<b>Deliverable 1 Total:</b>	
2. Solution Adoption Management Plan Execution	
2.1. Updated Solution Adoption Management Plan	
2.2. Execute Solution Adoption Management Plan	
<b>Deliverable 2 Total:</b>	
3. Project Communication Plan Implementation	
3.1. Updated Project Communication Plan	
3.2. Implement Project Communication Plan	
<b>Deliverable 3 Total:</b>	
4. Organizational Readiness Assessment	
4.1. Organizational Readiness Assessment Plan	
4.2. Project OCM Schedule	
4.3. Organizational Readiness Assessment Tool(s)	
4.4. Organizational Readiness Report	
<b>Deliverable 4 Total:</b>	
5. Training Assessment	
5.1. Training Assessment Report	
<b>Deliverable 5 Total:</b>	
6. Project Management	
6.1. Project Schedules (up to ten [10])	
6.2. Weekly written status reports	
<b>Deliverable 6 Total:</b>	

DELIVERABLE	COST
7. OCM Knowledge Transfer	
7.1. Knowledge Transfer Plan	
7.2. Training Materials for Knowledge Transfer sessions	
7.3. Monthly written report of Knowledge Transfer sessions	
7.4. Monthly written report of informal training and support	
<b>Deliverable 7 Total:</b>	
8. Project Status Updates	
8.1. Weekly verbal status reports	
8.2. Monthly reports submitted to the Project Director	
<b>Deliverable 8 Total:</b>	
9. Final Report	
9.1. Final Report	
<b>Deliverable 9 Total:</b>	
<b><u>Business Process Reengineering</u></b>	
10. BPR Work Plan Gap Analysis	
10.1. BPR Gap Analysis	
10.2. Analysis and Recommendations Report	
<b>Deliverable 10 Total:</b>	
11. BPR Models and Best Practices Guidelines	
11.1. BPR Models and Best Practices Guidelines	
<b>Deliverable 11 Total:</b>	
12. Project Communication Plan Integration	
12.1. Written high-level summary of the Project Communication Plan	
12.2. Documented recommendations for BPR related changes	
<b>Deliverable 12 Total:</b>	
13. Future Business Processes	
13.1. Draft Future Business Processes Implementation Plan	
13.2. Final Business Processes Implementation Plan	
<b>Deliverable 13 Total:</b>	
14. Support the BPR Team	
14.1. Weekly report of support activities provided	
14.2. Weekly report of recommended tasks and deliverables	
14.3. Documented BPR tools	
<b>Deliverable 14 Total:</b>	

<b>DELIVERABLE</b>	<b>COST</b>
15. Participation in Sub-Projects	
15.1. BPR Sub-Project Schedule	
15.2. Management and/or contribution to EHRS subprojects	
15.3. Project Schedules (up to ten [10]);	
15.4. Weekly written status reports	
<b>Deliverable 15 Total:</b>	
16. Training and Knowledge Transfer	
16.1. Monthly Report of BPR training to EHRS state staff	
16.2. Knowledge Transfer Plan	
16.3. Training Materials for Knowledge Transfer sessions	
16.4. Monthly written report of Knowledge Transfer sessions	
16.5. Monthly written report of informal training and support	
<b>Deliverable 16 Total:</b>	
17. Project Status Updates	
17.1. Weekly verbal status reports	
17.2. Monthly reports submitted to the Project Director	
<b>Deliverable 17 Total:</b>	
18. Final Report	
18.1. Final Report	
<b>Deliverable 18 Total:</b>	
<b>Total Organizational Change Management</b>	
<b>Total Business Process Reengineering</b>	
<b>TOTAL OFFER</b>	

**EXHIBIT C**  
**CCHCS SPECIAL PROVISIONS**

**1. ACCOUNTING PRINCIPLES**

The Contractor will adhere to generally accepted accounting principles as outlined by the American Institute of Certified Public Accountants. Dual compensation is not allowed; a Contractor cannot receive simultaneous compensation from two or more funding sources for the same services performed even though both funding sources could benefit.

**2. SUBCONTRACTOR/CONSULTANT INFORMATION**

Contractor is required to identify all subcontractors who will perform labor or render services in the performance of the Agreement. Additionally, the Contractor shall notify the CCHCS, DCIO, within ten (10) working days, of any changes to the subcontractor and/or consultant information.

**3. EMPLOYMENT OF EX-OFFENDERS**

- a. Contractor cannot and will not either directly, or via a subcontracted consultant and/or firm, employ in connection with this Agreement:
  - (1) Ex-Offenders on active parole or probation;
  - (2) Ex-Offenders at any time if they are required to register as a sex offender pursuant to Penal Code Section 290 or if such ex-offender has an offense history involving a “violent felony” as defined in subparagraph (c) of Penal Code Section 667.5; or
  - (3) Any ex-felon in a position which provides direct supervision of parolees.
- b. Ex-Offenders who can provide written evidence of having satisfactorily completed parole or probation may be considered for employment by the Contractor subject to the following limitations:
  - (1) Contractor shall obtain the prior written approval to employ any such ex-offender from the Authorized Administrator; and
  - (2) Any ex-offender whose assigned duties are to involve administrative or policy decision-making; accounting, procurement, cashiering, auditing, or any other business-related administrative function shall be fully bonded to cover any potential loss to the State of California.

**4. LICENSES AND PERMITS**

The Contractor shall be an individual or firm licensed to do business in California and shall obtain at Contractor’s expense all license(s) and permit(s) required by law for accomplishing any work required in connection with this Agreement.

In the event any license(s) and/or permit(s) expire at any time during the term of this Agreement, Contractor agrees to provide the CCHCS with a copy of the renewed license(s) and/or permit(s) within thirty (30) days following the expiration date. In the event the

Contractor fails to keep in effect at all times all required license(s) and permit(s), the State may, in addition to any other remedies it may have, terminate this Agreement upon occurrence of such event.

**5. CONFLICT OF INTEREST**

The Contractor and their employees shall abide by the provisions of Government Code (GC) Sections 1090, 81000 et seq., 82000 et seq., 87100 et seq., and 87300 et seq., Public

Contract Code (PCC) Sections 10335 et seq. and 10410 et seq., California Code of Regulations (CCR), Title 2, Section 18700 et seq. and Title 15, Section 3409, and the Department Operations Manual (DOM) Section 31100 et seq. regarding conflicts of interest.

**a. Contractors and Their Employees**

Consultant Contractors shall file a Statement of Economic Interests, Fair Political Practices Commission (FPPC) Form 700 prior to commencing services under the Agreement, annually during the life of the Agreement, and within thirty (30) days after the expiration of the Agreement. Other service Contractors and/or certain of their employees may be required to file a Form 700 if so requested by the CCHCS or whenever it appears that a conflict of interest may be at issue. Generally, service Contractors (other than consultant Contractors required to file as above) and their employees shall be required to file an FPPC Form 700 if one of the following exists:

- (1) The Agreement service has been identified by the CDCR as one where there is a greater likelihood that a conflict of interest may occur;
- (2) The Contractor and/or Contractor's employee(s), pursuant to the Agreement, makes or influences a governmental decision; or
- (3) The Contractor and/or Contractor's employee(s) serves in a staff capacity with the CDCR and in that capacity participates in making a governmental decision or performs the same or substantially all the same duties for the CDCR that would otherwise be performed by an individual holding a position specified in the CDCR's Conflict of Interest Code.

**b. Current State Employees**

- (1) No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
- (2) No officer or employee shall contract on his or her own behalf as an independent Contractor with any state agency to provide goods or services.
- (3) In addition to the above, CDCR officials and employees shall also avoid actions resulting in or creating an appearance of:
  - (a) Using an official position for private gain;
  - (b) Giving preferential treatment to any particular person;
  - (c) Losing independence or impartiality;
  - (d) Making a decision outside of official channels; and
  - (e) Affecting adversely the confidence of the public or local officials in the integrity of the program.
- (4) Officers and employees of the Department must not solicit, accept or receive, directly or indirectly, any fee, commission, gratuity or gift from any person or business organization doing or seeking to do business with the State.

**c. Former State Employees**

- (1) For the two year (2-year) period from the date he or she left state employment, no former state officer or employee may enter into an Agreement in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the Agreement while employed in any capacity by any state agency.

- (2) For the twelve-month (12-month) period from the date he or she left state employment, no former state officer or employee may enter into an Agreement with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed Agreement within the 12-month period prior to his or her leaving state service.

In addition to the above, the Contractor shall avoid any conflict of interest whatsoever with respect to any financial dealings, employment services, or opportunities offered to inmates or parolees. The Contractor shall not itself employ or offer to employ inmates or parolees either directly or indirectly through an affiliated company, person or business unless specifically authorized in writing by the CDCR. In addition, the Contractor shall not (either directly, or indirectly through an affiliated company, person or business) engage in financial dealings with inmates or parolees, except to the extent that such financial dealings create no actual or potential conflict of interest, are available on the same terms to the general public, and have been approved in advance in writing by the CDCR. For the purposes of this paragraph, “affiliated company, person or business” means any company, business, corporation, nonprofit corporation, partnership, limited partnership, sole proprietorship, or other person or business entity of any kind which has any ownership or control interest whatsoever in the Contractor, or which is wholly or partially owned (more than 5% ownership) or controlled (any percentage) by the Contractor or by the Contractor’s owners, officers, principals, directors and/or shareholders, either directly or indirectly. “Affiliated companies, persons or businesses” include, but are not limited to, subsidiary, parent, or sister companies or corporations, and any company, corporation, nonprofit corporation, partnership, limited partnership, sole proprietorship, or other person or business entity of any kind that is wholly or partially owned or controlled, either directly or indirectly, by the Contractor or by the Contractor’s owners, officers, principals, directors and/or shareholders.

The Contractor shall have a continuing duty to disclose to the State, in writing, all interests and activities that create an actual or potential conflict of interest in performance of the Agreement.

The Contractor shall have a continuing duty to keep the State timely and fully apprised in writing of any material changes in the Contractor’s business structure and/or status. This includes any changes in business form, such as a change from sole proprietorship or partnership into a corporation or vice-versa; any changes in company ownership; any dissolution of the business; any change of the name of the business; any filing in bankruptcy; any revocation of corporate status by the Secretary of State; and any other material changes in the Contractor’s business status or structure that could affect the performance of the Contractor’s duties under the Agreement.

If the Contractor violates any provision of the above paragraphs, such action by the Contractor shall render this Agreement void.

Members of boards and commissions are exempt from this section if they do not receive payment other than payment for each meeting of the board or commission, payment for preparatory time and payment for per diem.

## **6. DISCLOSURE**

Neither the State nor any State employee will be liable to the Contractor or its staff for injuries inflicted by inmates or parolees of the State. The State agrees to disclose to the Contractor any statement(s) known to State staff made by any inmate or parolee which indicates violence may result in any specific situation, and the same responsibility will be shared by the Contractor in disclosing such statement(s) to the State.

**7. SECURITY CLEARANCE/FINGERPRINTING**

The State reserves the right to conduct fingerprinting and/or security clearance through the California Department of Justice, Bureau of Criminal Identification and Information (BCII), prior to award and at any time during the term of the Agreement, in order to permit Contractor and/or Contractor's employees' access to State premises. The State further reserves the right to terminate the Agreement should a threat to security be determined.

**8. NOTIFICATION OF PERSONNEL CHANGES**

Contractor must notify the State, in writing, of any changes of those personnel allowed access to State premises for the purpose of providing services under this Agreement. In addition, Contractor must recover and return any State-issued identification card provided to Contractor's employee(s) upon their departure or termination.

**9. NON ELIGIBLE ALIEN CERTIFICATION**

By signing this Agreement Contractor certifies, under penalty of perjury, that Contractor, if a sole proprietor, is not a nonqualified alien as that term is defined by the United States Code (U.S.C.) Title 8, Chapter 14, Section 1621 et seq.

***The following provisions apply to services provided on departmental and/or institution grounds:***

**10. BLOODBORNE PATHOGENS**

Provider shall adhere to California Division of Occupational Safety and Health (CAL-OSHA) regulations and guidelines pertaining to bloodborne pathogens.

**11. TUBERCULOSIS (TB) TESTING**

In the event that the services required under this Agreement will be performed within a CDCR institution/parole office/community based program, prior to the performance of contracted duties, Contractors and their employees who are assigned to work with inmates/parolees on a regular basis shall be required to be examined or tested or medically evaluated for TB in an infectious or contagious stage, and at least once a year thereafter or more often as directed by CDCR. Regular contact is defined as having contact with inmates/parolees in confined quarters more than once a week.

Contractors and their employees shall be required to furnish to CDCR, at no cost to CDCR, a form CDCR 7336, "Employee Tuberculin Skin Test (TST) and Evaluation," prior to assuming their contracted duties and annually thereafter, showing that the Contractor and their employees have been examined and found free of TB in an infectious stage. The form CDCR 7336 will be provided by CDCR upon Contractor's request.

**12. PRIMARY LAWS, RULES, AND REGULATIONS REGARDING CONDUCT AND ASSOCIATION WITH STATE PRISON INMATES**

Individuals who are not employees of the California Department of Corrections and Rehabilitation (CDCR), but who are working in and around inmates who are incarcerated within California's institutions/facilities or camps, are to be apprised of the laws, rules and regulations governing conduct in associating with prison inmates. The following is a summation of pertinent information when non-departmental employees come in contact with prison inmates.

By signing this contract, the Contractor agrees that if the provisions of the contract require the Contractor to enter an institution/facility or camp, the Contractor and any employee(s) and/or subcontractor(s) shall be made aware of and shall abide by the following laws, rules and regulations governing conduct in associating with prison inmates:

- a. Persons who are not employed by CDCR, but are engaged in work at any institution/facility or camp must observe and abide by all laws, rules and regulations governing the conduct of their behavior in associating with prison inmates. Failure to comply with these guidelines may lead to expulsion from CDCR institutions/facilities or camps.

*SOURCE: California Penal Code (PC) Sections 5054 and 5058; California Code of Regulations (CCR), Title 15, Sections 3285 and 3415*

- b. CDCR does not recognize hostages for bargaining purposes. CDCR has a “NO HOSTAGE” policy and all prison inmates, visitors, and employees shall be made aware of this.

*SOURCE: PC Sections 5054 and 5058; CCR, Title 15, Section 3304*

- c. All persons entering onto institution/facility or camp grounds consent to search of their person, property or vehicle at any time. Refusal by individuals to submit to a search of their person, property, or vehicle may be cause for denial of access to the premises.

*SOURCE: PC Sections 2601, 5054 and 5058; CCR, Title 15, Sections 3173, 3177, and 3288*

- d. Persons normally permitted to enter an institution/facility or camp may be barred, for cause, by the CDCR Director, Warden, and/or Regional Parole Administrator.

*SOURCE: PC Sections 5054 and 5058; CCR, Title 15, Section 3176 (a)*

- e. It is illegal for an individual who has been previously convicted of a felony offense to enter into CDCR institutions/facilities or camps without the prior approval of the Warden. It is also illegal for an individual to enter onto these premises for unauthorized purposes or to refuse to leave said premises when requested to do so. Failure to comply with this provision could lead to prosecution.

*SOURCE: PC Sections 602, 4570.5 and 4571; CCR, Title 15, Sections 3173 and 3289*

- f. Encouraging and/or assisting prison inmates to escape are a crime. It is illegal to bring firearms, deadly weapons, explosives, tear gas, drugs or drug paraphernalia on CDCR institutions/facilities or camp premises. It is illegal to give prison inmates firearms, explosives, alcoholic beverages, narcotics, or any drug or drug paraphernalia, including cocaine or marijuana.

*SOURCE: PC Sections 2772, 2790, 4533, 4535, 4550, 4573, 4573.5, 4573.6 and 4574*

- g. It is illegal to give or take letters from inmates without the authorization of the Warden. It is also illegal to give or receive any type of gift and/or gratuities from prison inmates.

*SOURCE: PC Sections 2540, 2541 and 4570; CCR, Title 15, Sections 3010, 3399, 3401, 3424 and 3425*

- h. In an emergency situation the visiting program and other program activities may be suspended.

*SOURCE: PC Section 2601; CCR, Title 15, Section 3383*

- i. For security reasons, visitors must not wear clothing that in any way resembles state issued prison inmate clothing (blue denim shirts, blue denim pants).

*SOURCE: CCR, Title 15, Section 3171 (b) (3)*

- j. Interviews with SPECIFIC INMATES are not permitted. Conspiring with an inmate to circumvent policy and/or regulations constitutes a rule violation that may result in appropriate legal action.

*SOURCE: CCR, Title 15, Sections 3261.5, 3315 (3) (W), and 3177*



**13. CLOTHING RESTRICTIONS**

While on institution grounds, Contractor and all its agents, employees, and/or representatives shall be professionally and appropriately dressed in clothing distinct from that worn by inmates at the institution. Specifically, blue denim pants and blue chambray shirts, orange/red/yellow/white/chartreuse jumpsuits and/or yellow rainwear shall not be worn onto institution grounds, as this is inmate attire. The Contractor should contact the institution regarding clothing restrictions prior to requiring access to the institution to assure the Contractor and their employees are in compliance.

**14. TOBACCO-FREE ENVIRONMENT**

Pursuant to Penal Code Section 5030.1, the use of tobacco products by any person on the grounds of any institution or facility under the jurisdiction of the Department of Corrections and Rehabilitation is prohibited.

**15. SECURITY REGULATIONS**

- a. Unless otherwise directed by the entrance gate officer and/or Contract Manager, the Contractor, Contractor's employees and subcontractors shall enter the institution through the main entrance gate and park private and nonessential vehicles in the designated visitor's parking lot. Contractor, Contractor's employees and subcontractors shall remove the keys from the ignition when outside the vehicle and all unattended vehicles shall be locked and secured while on institution grounds.
- b. Any State- and Contractor-owned equipment used by the Contractor for the provision of contract services, shall be rendered temporarily inoperative by the Contractor when not in use, by locking or other means unless specified otherwise.
- c. In order to maintain institution safety and security, periodic fire prevention inspections and site searches may become necessary and Contractor must furnish keys to institutional authorities to access all locked areas on the worksite. The State shall in no way be responsible for Contractor's loss due to fire.
- d. Due to security procedures, the Contractor, Contractor's employees and subcontractors may be delayed at the institution vehicle/pedestrian gates and sally ports. Any loss of time checking in and out of the institution gates and sally ports shall be borne by the Contractor.
- e. Contractor, Contractor's employees and subcontractors shall observe all security rules and regulations and comply with all instructions given by institutional authorities.
- f. Electronic and communicative devices such as pagers, cell phones and cameras/microcameras are not permitted on institution grounds.
- g. Contractor, Contractor's employees and subcontractors shall not cause undue interference with the operations of the institution.
- h. No picketing is allowed on State property.

**16. GATE CLEARANCE**

Contractor and Contractor's employee(s) and/or subcontractors(s) must be cleared prior to providing services. The Contractor will be required to complete a Request for Gate Clearance for all persons entering the facility a minimum of ten (10) working days prior to commencement of service. The Request for Gate Clearance must include the person's name, social security number, valid state driver's license number or state identification card number and date of birth. Information shall be submitted to the Contract Liaison or his/her designee. CDCR uses the Request for Gate Clearance to run a California Law Enforcement Telecommunications System (CLETS) check. The check will include a California Department of Motor Vehicles check, Wants and Warrants check, and Criminal History check.

Gate clearance may be denied for the following reasons: Individual's presence in the institution presents a serious threat to security, individual has been charged with a serious crime committed on institution property, inadequate information is available to establish positive identity of prospective individual, and/or individual has deliberately falsified his/her identity.

All persons entering the facilities must have a valid state driver's license or photo identification card on their person.

#### **17. BUSINESS ASSOCIATE AGREEMENT**

The awarded Contractor will be required meet provisions of the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191 ("HIPAA") and the regulations promulgated thereunder. The Business Associate Agreement is included in this RFO as Attachment F.

#### **18. ELECTRONIC WASTE RECYCLING**

The Provider certifies that it complies with the requirements of the Electronic Waste Recycling Act of 2003, Chapter 8.5, Part 3 of division 30, commencing with Section 42460 of the Public Resources Code, relating to hazardous and solid waste. Provider shall maintain documentation and provide reasonable access to its records and documents that evidence compliance. CCHCS electronic data stored upon any Provider device must be returned to the CCHCS immediately and the vendor must certify that CCHCS data is either removed from the Providers devices by degaussing or shredding per National Institute of Standards and Technology (NIST) Special Publication Series 800-88 and National Industrial Security Program (NISP) Operating Manual (DOD 5220.22-M) and Clearing and Sanitization Matrix (C&SM) based on NSA/CSS Policy Manual 9-12, "Storage Device Declassification Manual".

**ATTACHMENT A  
DELIVERABLE EXPECTATIONS DOCUMENT (DED)**

<b>Contract Information:</b>		
Vendor:	Contract #:	Project:
Deliverable #:	Deliverable Name:	
Deliverable Description from SOW:		

<b>Deliverable Expectations:</b>	
<b>Specific Component of Deliverable:</b>	<b>Acceptance Criteria:</b>

<b>Required Signatures:</b>	
<b>The above Deliverable Expectations have been agreed upon by:</b>	
<b>CCHCS Representative:</b>	
_____	_____
Name, Title	Date
<b>Contractor:</b>	
_____	_____
Name, Title	Date

**ATTACHMENT B  
DELIVERABLE ACCEPTANCE DOCUMENT (DAD)**

<b>Contract Information</b>		
Vendor:	Contract #:	Project:
Deliverable #:	Deliverable Name:	
State Sponsor:	Date Submitted:	

<b>Deliverable Expectations Document:</b>	
Date Approved:	State Approver:

<b>Deliverable Acceptance Status:</b>
<input type="checkbox"/> Accept that the Deliverable is in conformance with the approved DED
<input type="checkbox"/> Accept with changes noted
<input type="checkbox"/> Reject
Date Accepted/Rejected:

<b>Reason for Rejection, if Applicable:</b>

<b>Remarks:</b>

<b>Required Signatures:</b>	
<b>CCHCS Representative:</b>	
_____	_____
Name, Title	Date
<b>Contractor:</b>	
_____	_____
Name, Title	Date

**ATTACHMENT C  
CONTRACTOR CONFIDENTIALITY STATEMENT**

I understand that Consultant can be categorized as a public official for purposes of adherence to Conflict of Interest laws and the filing of a Statement of Economic Interests (Form 700). I certify that I have read and understand Conflict of Interest provisions identified in the online presentation “Ethics Orientation for State Officials” sponsored by the State of California Department of Justice, Office of the Attorney General and the Fair Political Practices Commission located at <http://caag.state.ca.us/ethics/index.htm>.

I certify that I have no personal or financial interest and no present or past employment or activity which would be incompatible with my participation in any activity related to the planning or procurement processes for the EHRIS Project (RFO #12-044-ITS). For the duration of my involvement in this Project, I agree not to accept any gift, benefit, gratuity or consideration, or begin a personal or financial interest in a party who is offering, or associated with a business, on the Project.

I certify that I will keep confidential and secure and will not copy, give or otherwise disclose to any other party who has not signed a copy of this confidentiality Agreement, all information concerning the planning, processes, development or procedures of the Project and all bids, proposals, correspondence, etc. which I learn in the course of my duties on the Project. I understand that the information to be kept confidential includes, but is not limited to, specifications, administrative requirements, terms and conditions, any aspect of any supplier’s response or potential response to the solicitation, and includes concepts and discussions as well as written or electronic materials. I understand that if I leave this Project before it ends, I must still keep all Project information confidential. I understand that following completion of this project that I must still maintain confidentiality should the Project and/or my organization be subject to follow-on contracting criteria per Public Contract Code §10365.5. I agree to follow any instructions provided related to the Project regarding the confidentiality of Project information.

I fully understand that any unauthorized disclosure I make may be grounds for civil or criminal penalties and/or contract termination. I agree to advise CCHCS’ Chief Information Officer immediately in the event that I either learn or have reason to believe that any person who has access to Project confidential information has or intends to disclose that information in violation of this Agreement. I also agree that any questions or inquiries from bidders, potential bidders or third parties shall not be answered by me and that I will direct them to CCHCS’ Office of the Chief Information Officer.

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

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

\_\_\_\_\_  
Printed Name:

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

\_\_\_\_\_  
Organization:

\_\_\_\_\_  
Telephone Number:

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

**ATTACHMENT D  
NON-DISCLOSURE AGREEMENT**

I certify that I will hold in confidence all discussions, bids, proposals, correspondence, memoranda, working papers, procurement of goods and services, or any other information on any media, which has any bearing on or discloses any aspect of the EHRS Project (the project). Based on my involvement with the project, where applicable, I certify that I have no personal or financial interest and no present employment or activity, which would be incompatible with my participation in the discussions, review and or participation in the procurement process for the project and related initiative(s)/procurement(s)/trainings thereof.

At all times during and after the process by which the California Correctional Health Care Services (CCHCS) and/or the California Department of Corrections and Rehabilitation (CDCR) procures goods and services to create the Project, CCHCS' and/or CDCR's employees, CCHCS' prospective bidders, and/or CCHCS and/or CDCR's vendors will keep confidential, and will not disclose to any third party or use, such confidential information, except in the course of their employment by or contractual relationship with the Department, and for the benefit of CDCR. The parties will protect CCHCS' and/or CDCR's confidential information using the same degree of care, but no less than a reasonable degree of care, as such party uses to protect his/her/its own confidential information. The parties will carefully restrict access to CCHCS' confidential information, and they may disclose it only to their employees, contractors, and/or other State agencies that have a need to know it and are bound by obligations of confidentiality.

I certify that I am fully able to provide fair and impartial consideration and contribution to all aspects of this project in which I am directly involved. I fully understand that any such disclosure by an employee of the State of California may be considered as a basis for disciplinary action.

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

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

\_\_\_\_\_  
Printed Name:

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

\_\_\_\_\_  
Organization:

\_\_\_\_\_  
Telephone Number:

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

**ATTACHMENT E**  
**STATEMENT OF ECONOMIC INTERESTS (FORM 700)**

The Statement of Economic Interests (Form 700) can be located at the link below:

<http://www.fppc.ca.gov/forms/700-10-11/Form700-10-11.pdf>

**ATTACHMENT F**  
**BUSINESS ASSOCIATE AGREEMENT (HIPAA)**  
**(SAMPLE)**

**Definitions**Catch-all definition:

The following terms and others used in this Agreement shall have the same meaning as those terms in the HIPAA Rules: Breach, Data Aggregation, Designated Record Set, Disclosure, Health Care Operations, Individual, Minimum Necessary, Notice of Privacy Practices, Protected Health Information, Required by Law, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information, and Use<sup>2</sup>

Specific definitions:

(a) Business Associate. “Business Associate” shall generally have the same meaning as the term “business associate” at 45 CFR 160.103, and in reference to the party to this agreement, shall mean the Contractor to the contract to which this Business Associate Agreement is attached as an exhibit. For purposes of this exhibit only, the term “Agreement” shall refer to this Business Associate Agreement. The term “Service Agreement” shall refer to the contract to which this Business Associate Agreement is attached as an exhibit.

(b) Covered Entity. “Covered Entity” shall generally have the same meaning as the term “covered entity” at 45 CFR 160.103, and in reference to the party to this agreement, shall mean California Department of Corrections and Rehabilitation, California Correctional Health Care Services (CCHCS).

(c) HIPAA Rules. “HIPAA Rules” shall mean the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.

**Obligations and Activities of Business Associate**

Business Associate agrees to:

- (a) Not use or disclose protected health information other than as permitted or required by the Agreement or as required by law;
- (b) Use appropriate safeguards, and comply with Subpart C of 45 CFR Part 164 with respect to electronic protected health information, to prevent use or disclosure of protected health information other than as provided for by the Agreement;
- (c) Report to Covered Entity any use or disclosure of protected health information not provided for by the Agreement of which it becomes aware, including breaches of unsecured protected health information and any security incident of which it becomes aware as required by Federal and State laws.
- (d) In accordance with 45 CFR 164.502(e)(1)(ii) and 164.308(b)(2), if applicable, ensure that any subcontractors that create, receive, maintain, or transmit protected health information on behalf of the Business Associate agree to the same restrictions, conditions, and requirements that apply to the Business Associate with respect to such information;
- (e) Make available protected health information in a designated record set to the Covered Entity or individual or the individual’s designee as necessary to satisfy covered entity’s obligations under 45 CFR 164.524;

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<sup>2</sup> These definitions are set forth in the Code of Federal Regulations (CFR); Title 45, Public Welfare: PART 160—GENERAL ADMINISTRATIVE REQUIREMENTS § 160.103 Definitions, [PART 162--ADMINISTRATIVE REQUIREMENTS](#) § 162.103 Definitions, and [PART 164--SECURITY AND PRIVACY](#) § 164.103 Definitions.

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- (f) Make any amendment(s) to protected health information in a designated record set as directed or agreed to by the covered entity pursuant to 45 CFR 164.526, or at the request of an individual, or take other measures as necessary to satisfy covered entity's obligations under 45 CFR 164.526;
- (g) Maintain and make available the information required to provide an accounting of disclosures to the Covered Entity as necessary to satisfy covered entity's obligations under 45 CFR 164.528;
- (h) To the extent the Business Associate is to carry out one or more of Covered Entity's obligation(s) under Subpart E of 45 CFR Part 164, comply with the requirements of Subpart E that apply to the Covered Entity in the performance of such obligation(s); and
- (i) Make its internal practices, books, and records available to the Secretary for purposes of determining compliance with the HIPAA Rules.

### **Permitted Uses and Disclosures by Business Associate**

- (a) Business Associate may only use or disclose protected health information as necessary to perform the services set forth in Service Agreement.
- (b) Business Associate may use or disclose protected health information as required by law.
- (c) Business Associate agrees to make uses and disclosures and requests for protected health information consistent with Covered Entity's minimum necessary policies and procedures.
- (d) Business Associate may not use or disclose protected health information in a manner that would violate Subpart E of 45 CFR Part 164 if done by Covered Entity, except for the specific uses and disclosures set forth below.
- (e) Business Associate may use protected health information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

### **Provisions for Covered Entity to Inform Business Associate of Privacy Practices and Restrictions**

- (a) Covered Entity shall notify Business Associate of any limitation(s) in the notice of privacy practices of covered entity under 45 CFR 164.520, to the extent that such limitation may affect Business Associate's use or disclosure of protected health information.
- (b) However, under 45 CFR 164.520(a)(3), inmates are not entitled to notices of privacy practices, and 45 CFR 164.520 therefore does not currently apply to Covered Entity.

### **Term and Termination**

- (a) Term. The Term of this Agreement shall be effective as of the effective date of the Service Agreement, and shall terminate on termination of the Service Agreement or on the date Covered Entity terminates for cause as authorized in paragraph (b) of this Section, whichever is sooner.
- (b) Termination for Cause. Business Associate authorizes termination of this Agreement by Covered Entity, if Covered Entity determines Business Associate has violated a material term of the Agreement and Business Associate has not cured the breach or ended the violation within the time specified by Covered Entity.

(c) Obligations of Business Associate Upon Termination.

Business Associate

Upon termination of this Agreement for any reason, Business Associate, with respect to protected health information received from Covered Entity, or created, maintained, or received by Business Associate on behalf of Covered Entity, shall:

1. Retain only that protected health information which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities;
2. Return to Covered Entity or, if agreed to by Covered Entity, destroy the remaining protected health information that the Business Associate still maintains in any form;
3. Continue to use appropriate safeguards and comply with Subpart C of 45 CFR Part 164 with respect to electronic protected health information to prevent use or disclosure of the protected health information, other than as provided for in this Section, for as long as Business Associate retains the protected health information;
4. Not use or disclose the protected health information retained by Business Associate other than for the purposes for which such protected health information was retained and subject to the same conditions set out at paragraph (e) above under “Permitted Uses and Disclosures By Business Associate” which applied prior to termination; and
5. Return to Covered Entity or, if agreed to by Covered Entity, destroy the protected health information retained by Business Associate when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities.

Upon termination of this Agreement, if requested by Covered Entity, Business Associate will transmit the protected health information to another business associate of the Covered Entity.

Upon termination of this Agreement, Business Associate shall obtain or ensure the destruction of protected health information created, received, or maintained by subcontractors.

(d) Survival. The obligations of Business Associate under this Section shall survive the termination of this Agreement.

**Miscellaneous**

(a) Regulatory References. A reference in this Agreement to a section in the HIPAA Rules means the section as in effect or as amended.

(b) Interpretation. Any ambiguity in this Agreement shall be interpreted to permit compliance with the HIPAA Rules.