

<u>Bidders Company Name</u> <hr/>
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REQUEST FOR PROPOSAL

#6094

CONSUMER RUN COMMUNITY CENTER

Prepared by:

Washtenaw County
Purchasing Division
Administration Building
P.O. Box 8645
220 N. Main B-35
Ann Arbor, MI 48107

Anne Strieter, C.P.M.
Senior Buyer





**WASHTENAW COUNTY
FINANCE DEPARTMENT**

Purchasing Division

P.O. Box 8645, 220 N. Main, Ann Arbor, MI 48107-8645
Phone (734) 222-6760, Fax (734) 222-6764

REQUEST FOR PROPOSAL # 6094

August 12, 2003

Washtenaw County Purchasing Division on behalf of the Washtenaw Community Health Organization is issuing a Request for Proposal (RFP) #6094 for Consumer Run Community Center. This Request for Applications will be an open bid for a three-year period. **The initial due date for the application package is September 4, 2003 at 1:00 pm.** Although it is an open bid, we request that you return your application as soon as possible so that the review process can be completed and a panel of eligible providers established. The panel will be limited to approximately four providers.

Sealed Proposals: Contractor will deliver one (1) original and three (3) copies to the following address:

**Washtenaw County
Administration Building
Purchasing Division
220 N. Main St. Room B-35
P.O. Box 8645
Ann Arbor, MI 48107**

by 1:00 pm on Thursday, September 4, 2003

There will be a mandatory bidders conference and technical assistance workshop **August 15, 2003** at 1:30 pm in room 107 at 555 Towner, Ypsilanti, Michigan. Requirements for the application will be reviewed and general questions answered. Staff will be available to assist with specific questions regarding the completion of the RFP. You are strongly encouraged to attend this conference to discuss the application process with staff.

Proposals received after the above cited time will be considered a late bid and are not acceptable unless waived by the Purchasing Manager.

- Please use the attached self-addressed label or the envelope should be clearly marked "**SEALED RFP # 6094**".
- Please direct purchasing and procedural questions regarding this RFP to Anne Strieter C.P.M. at 734-222-6760 or email strietera@ewashtenaw.org
- Please direct technical questions regarding this RFP to Lorin Burgess at (734) 544-6817 or email burgessl@ewashtenaw.org

RFP # 6094 Consumer Run Community Center

TIMELINE FOR RFP # 6094

Bid to WCHO Board Committee for Review	8-4-2003
Letter notifying potential contractors of bid	8-7-2003
Bid to General Services for Printing	8-7-2003
Bid advertised in local newspapers	8-13-2003
Bid available to bidders in Purchasing	8-13-2003
Bidders Conference/Technical Assistance	8-15-2003
Bid submission deadline	9-4-2003
Bid opening	9-4-2003
Bidder Site Reviews/Interviews begin	9-5-2003
Award Recommendations approved by WCHO Board	9-16-2003
Award Notices	9-16-2003
Contracts prepared by	10-1-2003

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IV. Application

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VII. Sample Contract for Provider Review

A COMPLETED BID WILL INCLUDE:

1. **A Coversheet**
2. **A checklist**
3. **A General application**
Including copies of Articles of Incorporation.
4. **A General Narrative Application**
5. **Proof of agency's financial stability:**
Last 2 fiscal year Independent Audit Reports (including notes, complete balance sheet, statement of Activity, statement of cash flow, schedule of revenue and expenses by program) Bidders that have not had audits will be given a grace period of one year at which time an audit must be submitted.
6. **Any and all compliance audits (program specific)**
7. **Board Minutes from the last six (6) months**
8. **Insurance – Minimum Requirements**

Worker's Compensation Insurance with Michigan statutory limits and Employers Liability Insurance with minimum limit of 100,000 each accident for any employee.

Comprehensive / Commercial General Liability Insurance with a combined single limit of 1,000,000 each occurrence for bodily injury and property damage. **Washtenaw Community Health Organization** shall be added as "additional insured" on general liability policy with respect to the services provided under the contract.

Automobile Liability Insurance covering all owned, hired and non-owned vehicles with Personal Protection Insurance and Property Protection Insurance to comply with the provisions of the Michigan No Fault Insurance Law, including residual liability insurance with a minimum combined single limit of 1,000,000 each accident for bodily injury and property damage. Policy shall include **Washtenaw Community Health Organization** as additional insured with respect to automobile liability.

Professional Liability Insurance for claims or damages arising out of an error, omission, of negligent act in the performance of professional services with a minimum limit of \$1,000,000 per occurrence. Policy shall include **Washtenaw Community Health Organization** as additional insured with respect to professional liability.

Insurance policies must be issued by companies licensed to do business in Michigan or approved to do business in Michigan and such companies must be well rated and acceptable to the Washtenaw County Administrator.

GENERAL INFORMATION

PURPOSE: The Washtenaw Community Health Organization is issuing a Request for Proposal for a Consumer Run Community Center. It is the intention of the WCHO Board to provide an array of services to foster stability and continuity for customers including services developed and staffed primarily by consumers.

POTENTIAL BIDDERS: All interested parties are invited to submit proposals. Each bidder should submit a bid in accordance with the instructions contained herein. A completed application form and requested documentation initiates the evaluation process. Appropriate documentation must be submitted in order to verify each criterion. It is WCHO policy that individual and facility providers, who contract to provide services, will have met any applicable credentialing or re-credentialing standards.

TERM: This is a three-year bid request. Funding may continue for a three-year period beginning as close to October 1, 2003 as possible, subject to availability of funds. Funds will be re-allocated annually over a three-year period ending September 30, 2006. Continued funding will depend on the Contractor's performance during the prior year provision of services.

TRANSITION PLANNING: In the event a services contract is awarded to a provider other than the current service provider, a transition plan shall be negotiated between the WCHO and the current provider. This plan shall take into account the following factors: minimal disruption of continuity of service for consumers, the timeframe in which the new service provider plans to assume contractual obligations, procurement of any required license and/or certification by the new Service Provider and, to the extent possible, minimal disruption to the current provider's operations

FORMAT FOR SUBMISSIONS: All bids should be typed, double-spaced and submitted utilizing the following format: DO NOT BIND OR PLACE THE PROPOSAL IN A HARD COVER

CONDITIONS AND TIME FRAMES: Please note any special conditions or consideration you are requesting. Indicate timeframes you would require for program implementation if your bid is accepted.

TABULATION OF BIDS: All bids will be tabulated by Washtenaw County General Services. A copy of the tabulation, together with all bidding documents, shall become record and available for inspection and copying. Reasonable fees may be charged to groups or individuals requesting copies, if the requests are large.

ADMISSION AND DISCHARGE: The Washtenaw Community Health Organization, through Washtenaw Community Support and Treatment Services (WCCSTS), will identify potential customers for funded programs. WCHO encourages a focus on adapting services to meet the needs of individuals. Non-acceptance of customers meeting the identified criteria for participation in the Community Center may result in financial penalties and/or cancellation of the contract.

ADMINISTRATIVE CONTROL SYSTEM: Any agency contracting with WCHO is required to have an internal accounting and administrative control system in place which (1) protects against waste, fraud and inefficiency; (2) ensures accuracy and reliability in accounting and operating data; and (3) assures compliance with agency policies. This system should include: a) clear lines of responsibility; b) subdivision of duties; and c) a clear separation of accounting functions from custody or access to assets.

CRITERIA FOR JUDGING PROPOSALS

The Washtenaw Community Health Organization reserves the right to reject all bids, to waive or not waive informalities or irregularities in bids or bidding procedures, and to accept any bid determined through the review process to represent the best interest of WCHO and its customers. Bids will not be awarded solely on the basis of cost and selected proposals may not be the lowest bids.

Bids will be reviewed and scored in the following areas:

General

Overall Completeness of Bid	No points (bid not accepted if incomplete)
Hours of Operation	2 points
Role of Board of Directors	6 points
Staffing and Division of Duties	7 points
On-Site and Off-Site activities	7 points
Support of Community Center from outside agencies	6 points
Promotion of Community Awareness and Involvement	5 points
Collection and Usage of Consumer Input	5 points
Promotion of Community Center	6 points
Dealing with Non-Emergent Crisis Situations	6 points
Program Capacity/Finance	40 points
History of Bidder	10 points

Total Possible: 100 points

SITE REVIEW

A site visit or Contract Monitoring Evaluation tool may be used for bidders providing service at existing locations. The results of the review from either of these evaluation tools will be scored and included into the History of the Bidder portion of scoring.

Does your agency give consent for such a review process?

YES

NO

POTENTIAL BIDDER INTERVIEWS

Interviews may be scheduled after the initial scoring of the bid is complete. Bidders meeting the minimum required points may be interviewed. All interviews will be standardized and scored.

DESCRIPTION OF SERVICES CONSUMER-RUN COMMUNITY CENTER
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DESCRIPTION OF SERVICE:

To provide a consumer-run community center that demonstrably reflects current DCH and WCHO Board initiatives regarding consumer-run social/recreational-oriented programming. The community center should provide a safe, supportive and normalizing environment for individuals with a mental illness living in the community. Such an environment will assist consumers, especially those who are isolated or who reject more traditional program supports, to participate in meaningful interactions and activities leading to increased functioning and quality of life. Consumers must be integrally involved with all aspects of policy, administration and program service delivery. The community center must not be merely a drop-in with no discernable programming. **The annual budget for the community center is projected to be \$188,998, subject to change depending on the budgetary environment.**

POPULATION TO BE SERVED:

Washtenaw County residents aged 18 or older with a severe and persistent mental illness.
Approximate number to be served: 100

ACCESS TO SERVICES/LEVEL OF CARE DETERMINATION:

The Community Center will maintain open access to all persons with a severe and persistent mental illness. Programming should be based on a recovery model.

PERSON CENTERED PLANNING AND SERVICE AUTHORIZATION:

It is expected by the Board that all individuals will coordinate their services through the Person Centered Plan. It is also expected that staff of the provider would participate in Person Centered Planning sessions with consumers participating in the Community Center if requested.

CONSUMER RUN COMMUNITY CENTER OBJECTIVES:

- Employ consumers to provide daily services.
- Employ consumers to coordinate day- to-day activities and provide program development and coordination services.

MINIMUM STANDARDS OF SERVICES PROVISION:

- Hours of operation should be flexible to allow more availability to consumers. (At least 5 day/week, 8 hour/day programming).
- Service consistent with DCH and WCHO initiatives regarding consumer-run programs.
- At least one evening or weekend day/week programming.
- No waiting lists.
- Evidence of consumer participation at all levels of the program, including Board membership and service delivery.

PLAN OF ACTION

- A Program Coordinator with mental health experience should be employed to; 1) run the day to day operation and 2) to develop and organize a community based, consumer advisory council which will take the lead in managing operations.
- Day to day program staff should be consumers hired by the agency to run the services.
- Drop-in center services should not be primarily meals, but also provide opportunities for social interaction.
- Services should be targeted at persons with a severe and persistent mental illness.
- Program Coordinator and consumer staff may want to visit other programs in lower Michigan to learn more of the various operational and service styles and pick "the best" to consider in Washtenaw County.

COVER SHEET

**WASHTENAW COMMUNITY HEALTH ORGANIZATION BOARD
REQUEST FOR PROPOSAL**

GENERAL AGENCY INFORMATION

FOR WASHTENAW COMMUNITY HEALTH ORGANIZATION USE ONLY DO NOT WRITE IN SHADED AREA		
RFP # 6094 Request for Proposal for: 2003 CONSUMER-RUN COMMUNITY CENTER	Date Issued: October 2003 Date Closed: September 2006	Total application Score:

SUBMITTING AGENCY PLEASE FILL IN THE INFORMATION BELOW.

A. Name of Proposing Agency

B. Address

C. Contact Person for Potential Interviews, Title & Phone

Name

Title

() _____

Phone

D. Organization, Name & Title of authorized signatories

Name

Title

Name

Title

**WCHO
AGENCY APPLICATION**

Identifying Information		
Agency Name: _____		
Federal Tax ID Number _____		
Billing Street Address _____		
City _____	State _____	Zip _____
Billing Phone Number: _____		
Contact Person _____	Emergency Contact Number _____	

Board Composition
Please list the names of your Board Members and the relationship/representation they hold/title. Also, please attach last 6 months of Board minutes.

RFP # 6094 Consumer Run Community Center

Please list the continuing education and training activities in which agency leadership has participated in the last two years or will be participating in the next two years:

Please check the standard reports your computer system can produce:

Membership_____	Eligibility_____	Demographics_____
Access Times_____	Costs_____	Referrals_____
Outcomes_____	Services_____	Progress_____
Grievances_____		

CURRENT MALPRACTICE LIABILITY INSURANCE INFORMATION	
Name of Insurer_____	Policy Number_____
Address_____	
Expiration Date_____	
Amount of Coverage	
Individual \$_____	Minimum Required: Individual_____
Aggregate \$_____	Aggregate_____
Please attach a copy of the face sheet of current certificate of liability coverage.	
Have any malpractice claims been filed against the facility/group within the past ten years or are any currently pending? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Have any malpractice allegations involving the facility/group work ever been settled by your carrier prior to the filing of either a claim or a lawsuit? <input type="checkbox"/> Yes <input type="checkbox"/> No	
If you answered yes to either question please complete the Malpractice Suit Information Form, explaining each claim or allegation, the circumstances, including relevant dates and how it was disposed.	

MALPRACTICE SUIT INFORMATION FORM

CONFIDENTIAL

Submit Individual Sheet for Each Case Settled and/or Pending in the Past Ten Years. Also submit additional sheets if needed. Copy Form as Necessary.
If no claims, please indicate N/A_____

Name of Case_____

Case Number_____

Court_____

Date of Occurrence _____ Date Case Filed _____ Payment Due_____

Allegations which are the basis of the claim: _____

Description of Circumstances in the Case: _____

Description of Facility/Group Participation in the Case: _____

Description of Defense / Expert Witness Reviews in the Case: _____

Disposition of Claim_____

Date of Disposition_____ Amount of Judgment or Settlement_____

Name(s) of the Defendant(s) Named in the Claim or Suite (if any)_____

Disposition of other Defendants_____

Amount of Judgment or Settlement_____

Insurance Company(s) Involved (if any)_____

I hereby certify that the above information is accurate and true and understand the information included in this form will be kept confidential and will only be used for credentialing/recredentialing. I understand that any information submitted on or with this form which is found to be false or intentionally misleading may result in rejection from Washtenaw County Community Mental Health as a network provider

Signature of Applicant_____ Date: _____

ATTESTATION-AUTHORIZATION TO DISCLOSE INFORMATION

I hereby certify on behalf of _____, that all information in this application and the copies of state license(s), certificates of insurance, and accreditation are true and accurate. I fully understand that any significant misstatements in or omissions from this application will void this application and any subsequent agreement on the part of WCHO regarding this agency participation in its provider network panel.

I also release from liability all individuals and organization who provide information in good faith and without malice at the request of the WCHO concerning this application.

I understand that the agency participation as a provider for WCHO is dependent upon review of this application and completion of the credentialing process.

Signature Date

Title

Please Print Name

Release of Information

Washtenaw Community Health Organization

_____, have applied to be a Washtenaw Community Health
Agency/Group Name
Organization Provider. As part of the credentialing process, I must provide WCHO with
information relating to my professional liability insurance coverage and malpractice claims
experience. To facilitate this process, I authorize WCHO to contact _____
Professional Liability Carrier
_____ to obtain any and all information relating to my current professional
liability coverage. I further authorize _____
Professional Liability Carrier
to release to WCHO any and all information relating to my past and current professional
liability insurance claims experience.

Signature Date

Title

AGENCY General Narrative Application

Agency:

Person Completing this Application:

Current Services/Locations:

Narrative

Please address the following areas, and describe how your organization defines and implements each area. Try to limit your responses to one double-spaced page per area.

1. **Hours of Operation**
2. **Role of Board of Directors**
3. **Staffing and Division of Duties**
-include matters of personnel management (benefits, insurance, administrative back-up, etc.)
4. **On-Site and Off-Site activities**
-include specific examples
5. **Support of Community Center from outside agencies**
-include specific examples
6. **Promotion of Community Awareness and Involvement**
-include specific examples
7. **Collection and Usage of Consumer Input**
8. **Promotion of Community Center itself. How will potential new members learn about the Community Center?**
9. **Dealing with Non-Emergent Crisis Situations (such as budget problems and crisis issues with consumers that might affect their participation or the participation of others.)**

Program Capacity/Finance

Financial Stability:

Describe your agency's overall financial status. Include information about your assets, level of receivables, liabilities, fund balance and cash flow.

When was your last financial audit completed? What auditor notes or comments were included in your audit? Do you have a plan of correction addressing those areas? What corrective steps have you taken? Attach plan of correction including status.

How often are financial statements produced? What is your process of review? Who reviews and acts upon the financial reports? How often are the financial statements given to your board?

Internal Controls (Checks and Balances)

Describe the internal control system (division of labor) you have in place. Focus on the following areas: cash receipts, check processing, purchasing, invoicing

Contract **No.**
CR #
Bid #
Vendor #

SERVICE CONTRACT
With

This contract, entered into this ____ day of _____, 2003, is between **WASHTENAW COMMUNITY HEALTH ORGANIZATION** (WCHO), a governmental entity, located at 555 Towner, P.O. Box 915, Ypsilanti, Michigan 48197-0915, and **(NAME OF CONTRACTOR)** located at **(CONTRACTOR'S ADDRESS)** ("CONTRACTOR").

In consideration of the promises below, the parties mutually agree as follows

ARTICLE I-SCOPE OF SERVICES/CONTRACTOR RESPONSIBILITIES

The purpose of this contract is to specify the conditions, obligations, and duties of the respective parties with regard to the provision of community living supports as further defined herein.

ARTICLE II-COMPENSATION/CONTRACT PAYMENTS

This contract obligation is contingent upon continued funding from the Department of Community Health ("DCH").

1. Authorized Services: Services must be pre-authorized. Only those services that are included in the individual consumer's Person-Centered Plan (PCP) shall be so authorized. Authorized services are specific to each individual consumer and shall conform to the PCP. CONTRACTOR shall receive notification of authorized services. Claims must be submitted in accordance with the services authorized.
2. Claims shall be submitted on a HCFA 1500 form by the 5th working day of the following month. One form per authorization number is required and shall itemize the service code(s) and date(s) of service, and unit of service provided each month.
3. Payments shall be made for each pre-authorized service at the respective rate. If a service has not been authorized, the claim will be rejected. Claims submitted 60 days or more after the date of service will be rejected. Clean claims (i.e., claims with all information correctly completed) will be paid within 30 days of receipt.
4. Rate adjustments: rates may be amended depending on the availability of funding to WCHO due to changes in legislative appropriations, executive orders, state or local

funding sources, or to changes in benefits or entitlements to consumers. Rates may also be adjusted should a significant change occur in the provision of services.

ARTICLE III- TERM

This contract shall be in effect from **October 1, 2003** to **September 30, 2006**, inclusive, unless terminated pursuant in Article XVI.

ARTICLE IV-RECIPIENT RIGHTS

The CONTRACTOR agrees:

To strictly comply with all Recipient Rights provisions of the Michigan Mental Health Code (Public Act 290 of 1995) and Michigan Department of Community Health Administrative Rules.

1. To post a copy of a WCHO provided Summary of Rights as guaranteed by the Mental Health Code and Administrative Rules in a conspicuous place at the service site.
2. CONTRACTOR agrees to (a) develop and implement policies and procedures as required by MHC 752, and to provide such to WCHO to review by the WCHO-ORR per MHC 755(5); or (b) to comply with and adhere to WCHO policies and procedures as required by MHC 752, which are attached and incorporated by reference. (See Attachment A)
3. To comply with the mechanisms established by WCHO for protecting recipient rights and shall accept the final jurisdiction of the WCHO Recipient Rights Office. To implement appropriate remedial action for substantiated violations of rights guaranteed by the MHC and AR. Those WCHO Rights Office representatives shall have access at any time to all staff, recipients, service records, and services of the CONTRACTOR in order to fulfill its monitoring function of that office or to conduct a thorough investigation. CONTRACTOR's employees are required to cooperate with the rights officer during an investigation.
4. CONTRACTOR agrees to provide or assure that appropriate action is taken to ensure protection for complainants and rights staff if evidence of harassment or retaliation occurs regarding an alleged rights violation or rights complaint.
5. To monitor the safety and welfare of recipients while they are under its service supervision pursuant to this contract. To provide immediate comfort and protection to and assure immediate medical treatment for any recipient who has suffered physical injury. To verbally report the death, serious injury, suspected abuse, neglect, or sexual abuse, or any other serious alleged rights violation of a recipient, to the WCHO Rights Office/designee immediately if possible but no later than the next working day. To document on designated forms, within 24 hours of the alleged occurrence. To report all other alleged right violations of a recipient to the Supports Coordinator/designee by telephone as soon as possible but no later than the start of the next working day, and shall document in writing on an incident report form within 24 hours of the occurrence.

6. To notify the appropriate public agency as required by law regarding any suspected abuse, neglect, sexual abuse, or death of any service recipient (Family Independence Agency, Protective Services - Adults and Children, CIS Licensing, Law enforcement and other public agencies as applicable). The CONTRACTOR shall post a copy of said laws in a conspicuous place.
7. To allow individuals, who properly identify themselves as representatives of Michigan Protection and Advocacy, access to program premises, recipients, and service records in compliance with Sections 748(8) and 931 of the Mental Health Code. Such access will be utilized in a reasonable manner so as not to interfere with the program participants planned activities.
8. To maintain the confidentiality of information regarding recipient in compliance with Sections 748 and 750 of the Mental Health Code.
9. That all employees receive training on recipient rights within 30 days of hire, including an immediate orientation on definitions of abuse, neglect, and mandated reporting requirements. Such training shall be the responsibility of the CONTRACTOR. New employees shall receive a complete rights training by a Recipient Rights Officer within one quarter of the date of hire. The WCHO-ORR shall provide rights training monthly for CONTRACTOR'S new employees, or more frequently if necessary as determined by the WCHO-ORR. All employees are to retake the rights class offered by a Recipient Rights Officer, every two years. It is the responsibility of the CONTRACTOR to keep track of their employees' rights training, assure employees retake the rights class every two years, to maintain clear and easily accessible records of all rights training received by staff, and those training records shall be subject for review by the WCHO-ORR.
10. To comply with WCHO mechanisms required by the MDCH Managed Specialty Supports and Services Contract for recipient's/applicant's to pursue resolution of complaints regarding services and supports managed and/or delivered by WCHO. Specifics of these mechanisms (rights complaints, Medicaid grievances, disputes, DCH fair hearings) are set forth in the attached document (WCCMH Livingston/Washtenaw Substance Abuse Coordinating Agency Consumer Grievances and Appeals policy) and incorporated by reference into the contract.
11. To be in compliance with the Bullard-Plawecki Employee Right to Know Act, PA 397 of 1978, assuring that employees are given written notice under the conditions and as detailed in that Act.

WCHO agrees:

1. To provide the CONTRACTOR with copies of the Michigan Mental Health Code, Michigan Department of Community Health Supplement #9 to the 1987 Administrative Rules and WCHO's Recipient Rights related policies.
2. To ensure that WCHO's Recipient Rights Officer notifies the CONTRACTOR and Rights Advisor of complaints received regarding clients of the CONTRACTOR within twenty-four hours when client abuse or neglect is alleged, and within one week for all other complaints.

3. To provide training, technical assistance and consultation to the CONTRACTOR as necessary to develop and maintain a recipient rights protection system.
4. To reserve the rights to terminate this contract for failure to comply with recipient rights policies and/or remedial actions, if client abuse and/or neglect is substantiated and to remove any client, placed pursuant to this contract, whom CMH deems is in immediate danger at the Agency.

ARTICLE V- REPORTING OF CONTRACTOR

Section 1 - The Contractor is to report the designee of WCHO and will cooperate and confer with him/her as necessary to insure satisfactory work progress.

Section 2 - All reports, estimates, memoranda and documents submitted by the Contractor must be dated and bear the Contractor's name.

Section 3 - All reports made in connection with these services are subject to review and final approval by the WCHO Director.

Section 4 - The WCHO may review and inspect the Contractor's activities during the term of this contract.

Section 5 - When applicable, the Contractor will submit a final, written report to the WCHO Director.

Section 6 - After reasonable notice to the Contractor, the WCHO may review any of the Contractor's internal records, reports, or insurance policies.

Section 7 - The State Medicaid Agency and/or Health and Human Services may evaluate through inspection or other means, the quality, appropriateness, and timeliness of any services provided under the terms of this contract and funded with Medicaid funds.

ARTICLE VI-PERSONNEL

Section 1 - The contractor will provide the required services and will not subcontract or assign the services without the WCHO's written approval. The CONTRACTOR will provide the agreed upon services and will not subcontract or assign the service without written approval from the WCHO. In the event permission is granted to subcontract, any resulting subcontract shall not terminate the legal responsibility of the CONTRACTOR to assure that all activities under the contract are carried out and all terms of the contract are met. The CONTRACTOR shall maintain records to demonstrate compliance by the subcontractor with all terms of the contract.

Section 2 - The Contractor will not hire any WCHO employee for any of the required services without the WCHO's written approval.

Section 3 - The parties agree that the Contractor is neither an employee nor an agent of the WCHO for any purpose.

ARTICLE VII-INDEMNITY

CONTRACTOR agrees to protect, defend and indemnify WCHO, their officers, agents, servants, volunteers and employees from any and all liabilities, claims, liens, demands and costs, including reasonable attorney fees, which arise out of the occupancy, use, service, operations, performance or nonperformance of work, or failure to comply with federal, state or local law, including regulations and administrative decisions, by CONTRACTOR, its employees, agents, representatives or sub-contractors in connection with this Agreement.

ARTICLE VIII- INSURANCE

The CONTRACTOR will maintain at its expense during the term of this contract, the following insurance:

1. Workers' Compensation Insurance with the Michigan statutory limits and an employers' liability insurance with a minimum limit of \$100,000 each accident.
2. Commercial General Liability Insurance with a combined single limit of \$1,000,000 each occurrence for bodily injury and property damage. WCHO shall be added as "additional insured" on General Liability policy with respect to the services provided under this contract.
3. Automobile insurance covering all owned, hired and non-owned vehicles to include at a minimum:
 - a. Personal Protection Insurance and Property Protection Insurance to comply with the provisions of the Michigan No Fault Insurance Law; and
 - b. Residual liability insurance with a minimum combined single limit of \$1,000,000 each accident for bodily injury and property damage.
4. Professional Liability Insurance for claims or damages arising out of an error, omission, or negligent act in the performance of professional services with a minimum limit of \$1,000,000 per occurrence. Policy shall include WCHO as additional insured with respect to professional liability.

Companies licensed to do business in Michigan or approved to do business in Michigan must issue insurance policies and such companies must be well rated and acceptable to the WCHO Director.

CONTRACTOR shall furnish certificates of insurance issued to:

WCHO
Attn: Provider Relations Unit
555 Towner
P.O. Box 915
Ypsilanti, MI 48197-0915

evidencing such coverage and endorsements at least ten (10) working days prior to commencement of services under this contract.

No payments will be made to the CONTRACTOR until the certificates of insurance have been received and approved by the WCHO. If the insurance as evidenced by certificates furnished by the CONTRACTOR expires or is cancelled during the term of the contract, services and related payments will be suspended until certificates evidencing renewal of coverage are submitted and approved.

If the required insurance coverage is not maintained at any time during the term of this contract, the contract shall be subject to cancellation immediately or at any time thereafter, at the sole election of WCHO. If the insurance coverage described in the required certificate of insurance expires without evidence of renewed coverage being submitted to the WCHO, this contract shall be subject to cancellation immediately or at any time thereafter, at the sole election of WCHO. If WCHO elects to exercise its option to cancel on these grounds, WCHO shall so notify the CONTRACTOR of its election.

ARTICLE IX-COMPLIANCE WITH LAWS AND REGULATIONS

The CONTRACTOR shall comply with all federal, state and local statutes and regulations, including, but not limited to, all applicable OSHA/MIOSHA requirements and the Americans with Disabilities Act.

WCHO and Consultant agree that WCHO does not control operations or hazards arising out of the services provided under this contract. Consultant is solely responsible for having written standard operating procedures, and for providing the necessary training and personal protective equipment where required.

ARTICLE X-INTEREST OF CONTRACTOR AND WCHO

The Contractor promises that it has no interest, which would conflict with the performance of services required by this contract. The Contractor also promises that, in the performance of this contract, no officer, agent, employee of the WCHO, or member of its governing bodies, may participate in any decision relating to this contract which affects his/her personal interest or the interest of any corporation, partnership or association in which he/she is directly or indirectly interested or has any personal or pecuniary interest. However, this paragraph does not apply if there has been compliance with the provisions of Section 3 of Act No. 317 of the Public Acts of 1968 and/or Section 30 of Act No. 156 of Public Acts of 1851, as amended by Act No. 51 of the Public Acts of 1978, whichever is applicable.

ARTICLE XI-CONTINGENT FEES

The Contractor promises that it has not employed or retained any company or person, other than bona fide employees working solely for the Contractor, to solicit or secure this contract, and that it has not paid or agreed to pay any company or person, other than bona fide employees working solely for the Contractor, any fee, commission, percentage, brokerage fee, gifts or any other consideration contingent upon or resulting from the award or making of this contract. For breach of this promise, the WCHO may cancel this contract without liability or, at its discretion, deduct the full amount of the fee,

commission, percentage, brokerage fee, gift or contingent fee from the compensation due the Contractor.

ARTICLE XII-COVENANTS CONCERNING ETHICS AND EQUAL OPPORTUNITY

1. The CONTRACTOR affirms that, to the best of CONTRACTOR'S knowledge, no principal, representative, agent, employee, or anyone acting on behalf, or legally capable of acting on behalf, of the CONTRACTOR is currently an employee of WCHO, or of the MICHIGAN DEPARTMENT OF MENTAL HEALTH or any of its constituent institutions; nor is any such person using, nor is he or she privy to, insider information which would tend to give, or give the appearance of tending to give, an unfair advantage to said CONTRACTOR. Breach of this covenant may be regarded as a material breach of the contract and a cause for termination thereof.
2. The CONTRACTOR understands that WCHO may seek information about activities of persons described in the following, for any possible conflict of interest. If any such conflict is identified, WCHO may take action to terminate this contract. Prior to the signing of this contract the CONTRACTOR shall supply WCHO with the following information:
 - a. CONTRACTOR shall submit to WCHO on or before the execution of this contract the following documents: Articles of Incorporation, List of Board Members, Name of the Finance Director, List of Board Subcommittees which shall include a Finance Committee, By-laws, Board of Director's Authorized Signature list, Annual report filed with the Department of Commerce. CONTRACTOR's Board Minutes shall be available for review upon request by WCHO.
 - b. CONTRACTOR shall establish an Internal Accounting and Administrative Control System, which shall (1) protect against waste, fraud, and inefficiency; (2) ensure accuracy and reliability in accounting and operating data; and (3) secure compliance with agency policies. This system shall include (1) clear lines of responsibility; (2) subdivision of duties; and (3) a clear separation of accounting functions from custody or access to assets.
 - c. A list of all suppliers/subcontractors/lessors of the CONTRACTOR in connection with the above described program with which corporate officers, partners and employees, or their spouses, have a financial interest to the best of CONTRACTOR'S knowledge.
 - d. A copy of the organization's most recent audit or financial report which demonstrates the CONTRACTOR'S financial status.
 - e. The CONTRACTOR agrees to make available to WCHO for review copies of all current contracts and leases pertinent to this agreement with all suppliers/subcontractors/lessors and copies of all renewals, extensions, modification thereto, together with all new contracts and leases pertinent to this agreement and allow copies to be made at WCHO expense.
3. The CONTRACTOR agrees not to unlawfully discriminate against an employee or applicant for employment because of age, sex, sexual orientation, race, creed, color, national origin, height, weight, marital status, political belief, religious belief, veteran status, mental or physical condition except where the requirement is based on a bona fide occupational qualification.

- a. The CONTRACTOR agrees to take affirmative action to eliminate discrimination based on sex, race, or a handicap in the hiring of applicants and the treatment of employees. Affirmative action will include, but not be limited to: employment; upgrading, demotion or transfer; recruitment advertisement; layoff or termination; rates of pay or other forms of compensation; selection for training, including apprenticeship.
 - b. The CONTRACTOR agrees to post notices containing this policy against discrimination in conspicuous places available to applicants for employment and employees.
 - c. All solicitations or advertisements for employees placed by or on the behalf of the CONTRACTOR will state that all qualified applicants will receive consideration for employment without regard to race, color, creed, sex, sexual orientation, national origin, physical handicap, age, height, weight, political or religious beliefs, veteran status, and marital status.
 - d. Breach of this provision is a material breach of this contract.
4. The CONTRACTOR agrees not to unlawfully discriminate against a recipient of services or an applicant for receipt of services as required by the Elliott-Larsen Civil Rights Act, P.A. 453 of 1976, as amended, or MCL 37.2101 et. seq. Breach of this covenant may be regarded as a material breach of this contract and a cause for termination thereof.
 5. The CONTRACTOR agrees to complete and return to the Michigan Department of Civil Rights a Minority and Business Verification form if the CONTRACTOR is a minority or female businessperson under P.A. 428 of 1980 and is not already certified by the Michigan Department of Civil Rights as a bona fide minority or female businessperson.

The CONTRACTOR agrees to post, in a conspicuous place, a copy of the Whistleblowers' Protection Act developed as a result of the passage of P.A. 469 of 1980.

ARTICLE XIII-EQUAL ACCESS

The Contractor shall provide the services set forth in Article I without discrimination on the basis of race, color, religion, national origin, sex, sexual orientation, marital status, physical handicap, or age.

ARTICLE XIV-OWNERSHIP OF DOCUMENTS AND PUBLICATION

All documents developed as a result of this contract will be freely available to the public. The Contractor may copyright none. During the performance of the services, the Contractor will be responsible for any loss of or damage to the documents while they are in its possession and must restore the loss or damage at its expense. Any use of the information and results of this contract by the Contractor must reference the project sponsorship by the WCHO. Any publication of the information or results must be co-authored by the WCHO.

ARTICLE XV-ASSIGNS AND SUCCESSORS

WCHO and the CONTRACTOR each binds itself, its successors, and assigns to the other party to this Contract and all covenants of this Contract. The CONTRACTOR shall not assign or transfer its interest in this Contract without the written consent of the WCHO

ARTICLE XVI-TERMINATION

1. Either party may terminate this contract with 60-calendar days written notification by certified mail to the other party. Should WCHO initiate such notification, the CONTRACTOR shall have the right to a hearing before the Executive Committee of the WCHO Board. Such request for the hearing shall be made in writing by certified mail within ten calendar days after the date of notice of termination. Such hearing shall be held within ten calendar days after receipt by WCHO of the request from the CONTRACTOR and a written decision shall be rendered by WCHO within 30 calendar days of the hearing.
2. This contract may be terminated, suspended, denied, revoked, canceled or not renewed by WCHO with 30 calendar days notification in the event that the CONTRACTOR fails to supply any of the records, reports, or accounts required by this contract within 10 calendar days, or other agreed upon deadline after the due date. Such termination shall not relieve either party of any obligations incurred prior to the effective date of such termination.
3. Notwithstanding Sections 1 and 2 above, WCHO may immediately terminate this Agreement if, upon reasonable investigation, it concludes that: (1) CONTRACTOR's Board of Directors, Director of other Executive Official has engaged in malfeasance; (2) CONTRACTOR loses its state and/or federal licensing; (3) funds allocated under this Agreement have been improperly used; (4) program requirements have not been followed; or (5) Recipient's Rights have been violated.
4. Should this contract be terminated prior to its expiration date, the CONTRACTOR agrees to give to WCHO, upon its written request, the recipient's clinical record and copies of fiscal records required by this contract. The clinical records shall be given to WCHO immediately upon written request and other referenced records within 14 calendar days.
5. The CONTRACTOR also agrees to surrender to WCHO immediately any medications used by recipients, all personal property of recipients, including recipients' personal funds, unless the CONTRACTOR is the recipient's payee, all equipment and furnishings purchased by WCHO funds, and all WCHO funds held by the CONTRACTOR not obligated in the performance of this contract upon the termination of this contract.
6. Failure of WCHO to enforce any of its rights contained in this contract shall not be construed as a waiver of such rights in the future.
7. Whenever this contract is terminated in accordance with the terms of this contract, CONTRACTOR shall supply WCHO all information necessary for the reimbursement

of any outstanding Medicaid claims arising out of services provided under this contract and billed to Medicaid.

ARTICLE XVII-PAYROLL TAXES

The Contractor is responsible for all applicable state and federal social security benefits and unemployment taxes and agrees to indemnify and protect the WCHO against such liability.

The CONTRACTOR agrees that all payroll taxes required by federal and state law shall be maintained as current. Further, the CONTRACTOR agrees that all accrued expenses and accounts payable shall be liquidated by the close of the quarter following the end of the fiscal year with the exception of unemployment and worker's compensation insurance. Expenditures for unemployment insurance, worker's compensation insurance and self-insured health plans will be based on past experience and treated as a long-term expense accrual.

Failure to submit any report WCHO requires as part of this agreement may result in non-payment of any or all of the compensation and is cause for termination of this contract.

ARTICLE XVIII-CHOICE OF LAW AND FORUM

This contract is to be interpreted by the laws of Michigan. The parties agree that the proper forum for litigation arising out of this contract is in Washtenaw County, Michigan.

ARTICLE XIX-CHANGE IN SCOPE OR SCHEDULE OF SERVICES

Any amendment to the terms of this agreement, including the scope of services, which is mutually agreed upon by WCHO and the CONTRACTOR, will be incorporated into this contract by written amendment.

Changes to the budgets may be adjusted by mutual consent in accordance with Article II. Signature on the new budgets by the CONTRACTOR and a CMH Representative shall constitute written approval of budget amendments.

ARTICLE XX-EXTENT OF CONTRACT

The contract and its referenced attachments are intended by the parties to constitute the entire and integrated understanding between them. No oral amendments can be made to this contract.

ARTICLE XXI-LAWS, POLICIES, PROCEDURES AND ADMINISTRATIVE DIRECTIVES

The CONTRACTOR agrees to follow those policies, procedures and administrative directives or other documents as specified WCHO. WCHO may require the CONTRACTOR to follow additional procedural requirements developed to assist the

CONTRACTOR in complying with the policies, procedures and administrative directives. All such policies, procedures and administrative directives and their addenda currently in effect shall be given to the CONTRACTOR at the inception of the contract as listed on the attached Policy and Procedure Checklist and retained by the CONTRACTOR. During the period of this contract, WCHO shall be responsible for advising the CONTRACTOR of any applicable modifications to the Mental Health Code and any changes in the WCHO Policies and Procedures or to the DMH Administrative Rules promulgated according to the Michigan Administrative Procedures Act, PA 390 of 1969, as amended which shall have a bearing on the performance of this contract. The CONTRACTOR shall expressly acknowledge receipt of any such changes during the period of the contract.

CONTRACT MONITORING WCHO shall assign a Contract Monitor. The Monitor, or designee, will meet on a regular basis with the CONTRACTOR regarding service delivery provided under the terms of this agreement.

WCHO shall also conduct periodic site visits to monitor administrative and fiscal compliance during the term of this contract.

RESOLUTION PROCESS: Issues involving service delivery systems or budgets that cannot be resolved between the WCHO Contractor Monitor and the CONTRACTOR's Representative may be forwarded to the Contract Resolution Team which will be composed of the Contract Monitor, the CONTRACTOR's Representative, and the WCHO Contract Manager or one mutually acceptable objective party. The CONTRACTOR's Representative and the WCHO Contract Manager shall resolve other contract compliance issues and language interpretation matters. If resolution is not reached the matter shall be forwarded to the WCHO Director and the CONTRACTOR's Representative. If resolution is still not reached, the matter shall be forwarded to A) the Boards of the respective parties for issues regarding service delivery systems and budgets; or B) to the WCHO Provider Relations Unit for contract compliance and language interpretation matters.

ARTICLE XXII-CONTINUATION OF SERVICES

In the event that a new contract between the parties hereto is not signed by the termination date of this contract, the terms and conditions contained herein may remain in effect for a period not to exceed ninety (90) days from the scheduled termination date, unless either party hereto has notified the other party of its intent not to renew this contract. By written agreement of the parties hereto, this continuation may be extended for an additional ninety (90) days thereafter. Any continuation shall be based on the full-year cost of any amendment that has been executed in accordance with the terms of this agreement.

ARTICLE XXIII-QUALITY IMPROVEMENT

The Contractor agrees to implement a Continuous Quality Improvement Program in accordance the provisions of either Section A or Section B

Section A: The Contractors Continuous Quality Improvement program shall be conducted in accordance with the WCHO's Quality Improvement Program by:

ATTACHMENT A

COMPLIANCE WITH LAWS AND REGULATIONS – Recipient Rights Provision

I, _____, on behalf of _____
(Print Name) (Agency/Corporation)

warrant that (check one):

_____ policies and procedures have been developed and implemented as required by MHC 752, and to provide such to WCHO to review by the WCHO-ORR per MHC 555(5).

_____ Contractor agrees to comply with and adhere to WCHO policies and procedures as required by MHC 752, which are attached and incorporated by reference.