



**STATE OF ARIZONA**  
**Department of Health Services**  
**NOTICE OF REQUEST FOR PROPOSAL**

**ARIZONA DEPARTMENT OF HEALTH SERVICES**  
 1740 West Adams Street  
 Phoenix, Arizona 85007  
 (602) 542-1040  
 (602) 542-1741 Fax

**SOLICITATION NUMBER:** ADHS14-00003830

**SOLICITATION DUE DATE/TIME:** April 24, 2014 at 3:00 p.m. Local Arizona time

**Submit via ProcureAZ**

**SUBMITTAL LOCATION:** <https://procure.az.gov/bsol/login.jsp>

**DESCRIPTION:** **High Risk Perinatal Program/Newborn Intensive Care Program (HRPP/NICP) Community Health Nursing Services**

<b>PRE-OFFER CONFERENCE:</b>	<b>April 9, 2014</b>	<b>10:00 AM</b>	<b>Arizona Department of Health Services 1740 W. Adams, Room 309 Phoenix, AZ 85007</b>
	<u>Date</u>	<u>Time</u>	<u>Location</u>

In accordance with A.R.S. § 41-2534, competitive sealed proposals for the services specified will be received by the Arizona Department of Health Services (ADHS) online in the State of Arizona’s online procurement system, Procure.az.gov (ProcureAZ). Proposals received by the due date and time will be opened. The name of each Offeror will be publicly available. Proposals must be submitted in the State ProcureAZ system on or prior to the date and time indicated. Late proposals will not be considered. It is the responsibility of the supplier/offeror to routinely check the ADHS web site for Solicitation Amendments. Additional instructions for preparing an Offer are included in this solicitation.

With seventy-two (72) hours prior notice, persons with disabilities may request special accommodations such as interpreters, alternative formats, or assistance with physical accessibility. Such requests are to be addressed to the Solicitation contact person named below.

**OFFERORS ARE STRONGLY ENCOURAGED TO CAREFULLY READ THE ENTIRE SOLICITATION**

**Solicitation Contact Person:**

Tracey Thomas

Arizona Department of Health Services

(602) 542-1011

E-mail: [Tracey.Thomas@azdhs.gov](mailto:Tracey.Thomas@azdhs.gov)

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Part One (1)	Pre-Solicitation Documents	Determination, Legal Notice
Part Two (2)	Solicitation	*Included in this document: Notice Page, Table of Contents, Scope of Work, Special Terms and Conditions and Exhibits.
Part Three (3)	Uniform T's & C's	Uniform Terms and Conditions
Part Four (4)	Uniform Instructions	Uniform Instructions to Offerors
Part Five (5)	Special Instructions	Special Instructions to Offerors
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# SCOPE OF WORK

## SOLICITATION NO: ADHS14-00003830

### 1. Background

Prior to 1967, Arizona had one of the highest infant mortality rates in the country. That same year, in an effort to reduce the infant mortality rates, Arizona applied for and received a federal demonstration grant. The grant was designed to reduce infant death by transporting critically ill newborns from rural hospitals into intensive care centers. To meet the federal grant requirements community health nurses also followed infants for five (5) years. Between 1967 and 1971 there was a significant reduction in infant mortality.

In 1972, the State Legislature provided state funding for the program, which eventually became the High Risk Perinatal Program (HRPP) Newborn Intensive Care Program (NICP). The system provided care to those infants transported to metropolitan hospitals (Level III's), and expanded to include infants born in Level II or Level III hospitals.

In 1975 Arizona received a Robert Wood Johnson Foundation Grant to develop regionalized perinatal care. A component of that system was the follow-up of families whose infants were enrolled in the Newborn Intensive Care Program (NICP) up to the infant's first (1<sup>st</sup>) year of age.

In the late 1980's, the Office of Women's and Children's Health (OWCH) in coordination with the County Health Departments identified a need for community health nursing home based services for those infants who may not have been critically ill at birth but were diagnosed with health concerns at a later date. These other children with special health care needs are now also receiving home visits in all counties. The Office for Children with Special Health Care Needs (OCSHCN), now housed in the Bureau of Women's and Children's Health (BWCH) collaborates with the HRPP/NICP to support the home visiting program to provide assessment and intervention services to children who have a chronic medical conditions and whose families express a desire for information, support, and/or coordination with multiple service providers and resources. The age level for services was extended to three (3) years for HRPP/NICP and twenty-one (21) years for OCSHCN eligible children.

The Community Health Nurse (CHN) Program is an important part of ensuring that each child is receiving the appropriate level of services for improved development and growth, which may include being part of a team of caregivers that work collaboratively.

The goals of the Community Nursing Program are:

- 1.1 To reduce infant mortality and morbidity. This is accomplished by specially trained Community Health Nurses (CHN's) and other qualified health professionals who through a home visiting program complete a physical, developmental, psychosocial and environmental assessment of infants and children (please see the Policy and Procedure manual for a complete listing of qualified professionals), provide evidence based education, family support and early intervention along with referral services to community resources as needed and provide interconception support and education to the mother.
- 1.2 To assure that high standards of care and service are provided and maintained.
- 1.3 To implement a family-centered, interdisciplinary approach to home based service.

### 2. Objective

To assist in the smooth transition of medically fragile Newborn Intensive Care Program (NICP) enrolled infants and their families from a NICU to home and to provide family centered, culturally, developmentally appropriate, and evidence-based coordinated home visiting services to these infants and other children/families identified with special health care needs. This care will include collaborating with the mothers on issues related to their own wellbeing in an effort to improve their ability to meet the needs of the enrolled infants and decrease the likelihood of a poor birth outcome with subsequent pregnancies.

### 3. Scope of Work

The Contractor shall assume the responsibility for the provision of a home visitation program for infants enrolled in the HRPP/NICP to include physical, developmental, psychosocial and environmental assessment of the discharged

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infant and a postpartum wellness assessment of the mother as well as an assessment of her interconception health status. This scope will include coordination of and referral to community services as needed and follow up for infants identified by Newborn Screening Program as needing repeat testing.

**3.1 Tasks**

The Contractor shall:

- 3.1.1 Provide a home based visitation program, which shall include a CHN, and may include early interventionist and/or a social worker for children enrolled in the NICP or other children with special health care needs including credentials of staff providing services (ADHS CHN Policy and Procedure Manual 5-2),
- 3.1.2 Identify and enroll infants, toddlers and children meeting the requirements Office for OCSHCN,
- 3.1.3 Provide a program that at a minimum recruits, hires, trains, and supervises community health nurses (CHN), early interventionists and social workers and maintains credentials of staff providing services as required by ADHS CHN Policy and Procedure Manual,
- 3.1.4 Provide a program that ensures the first home visit shall be done by a CHN, and subsequent visits shall be made by appropriate professionals. All visits with children having on-going medical problems shall be done by a CHN,
- 3.1.5 Complete a physical, developmental, psychosocial and environmental assessment of the enrolled infant including evidence based education, family support and early intervention along with referral services to community resources as needed (ADHS CHN Policy and Procedure Manual),
- 3.1.6 Provide postpartum wellness screening, interconception assessment, support and education to the mother as outlined in the Policy and Procedure Manual,
- 3.1.7 Contact the enrolled family within one (1) week of receiving the NICP Enrollment & Discharge Forms,
- 3.1.8 Visit the enrolled infant/family within two (2) weeks of receipt of the NICP Enrollment & Discharge Forms,
- 3.1.9 Visit enrolled infants a minimum of four (4) times within a year from the date of discharge and/or prioritize visitation to ensure the infants are seen as appropriate according to their risk as required by the ADHS CHN Policy and Procedure Manual,
- 3.1.10 Coordinate service area with other contracted CHN agencies when providing services in the same metropolitan area,
- 3.1.11 Coordinate with other providers and make referrals to appropriate services within the community and prevent duplication of services,
- 3.1.12 Assist the ADHS Newborn Screening Program in locating families and facilitating the collection and submission of another newborn screening test for infants with a previously abnormal test result as outlined in the ADHS CHN Policy and Procedure Manual,
- 3.1.13 Assure professional competency with high-risk infants and toddlers,
- 3.1.14 Provide orientation for new staff, continuing education and ongoing supervision of staff for this program,
- 3.1.15 Ensure that all newly licensed nurses shadow an experience licensed nurse for a home visit until they are qualified to complete a visit on their own,

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- 3.1.16 Continuous quality improvement process (CQI) for community nursing services based on specific indicators, one of which is to be determined by ADHS,
- 3.1.17 Designate a CHN to attend the weekly Discharge Planning meetings at Level II Enhanced Qualification and Level III Newborn Intensive Care Units as appropriate, and
- 3.1.18 Within one (1) week of discharge, send a letter to families when a newborn infant may be enrolled in the program by the family, but has been determined to be low-versus high-risk and does not require an initial visit. The family may request a follow-up visit.

**4. Requirements**

The Contractor shall:

- 4.1 Employ Arizona Licensed Registered Nurses with Basic Life Support Certification, experienced in pediatrics and/or NICU and a Bachelor of Science Degree. Social Workers shall be a licensed Master Social Worker and/or hold a Master of Social Work degree. Early Interventionists shall have a minimum of a Bachelor's degree and be license in early childhood, early childhood special education or a closely related field, hold a valid Arizona license as a speech-language pathologist, or be certified as an audiologist, physical therapist or occupational therapist;
- 4.2 Provide the required documentation of the home visitation to ADHS which consists of: orientation log, completed CHN Follow-up visit forms, monthly invoices, log of clients seen, and quarterly reports;
- 4.3 Maintain all necessary permits and license, when applicable, and be licensed to provide service in Arizona;
- 4.4 Provide and update, as requested by ADHS, the following plans to provide service:
  - 4.4.1 Recruitment, hiring, training, supervision and ongoing professional competency of CHNs, early interventionists and social workers that have contact with infants, toddlers and families,
  - 4.4.2 Map of areas of service, including but not limited to, the projected number of clients to be served,
  - 4.4.3 Family contact within one (1) week of receipt of NICP Enrollment & Discharge Forms,
  - 4.4.4 Home visits, including but not limited to, first (1<sup>st</sup>) home visit within two (2) weeks of receipt of the NICP Enrollment & Discharge Forms,
  - 4.4.5 Identification and enrollment of children with special health care needs,
  - 4.4.6 Assessments, including but not limited to physical, developmental, psychosocial and environmental assessments for enrolled infant including evidence based education, family support and early intervention along with referral services to community resources as needed,
  - 4.4.7 Complete postpartum wellness assessment of the mother, including at a minimum, interconception support and education,
  - 4.4.8 Coordination with other CHN agencies providing services within the same metropolitan or local area,
  - 4.4.9 Orientation, continuing education and supervision of staff,
  - 4.4.10 Location of families and facilitating the collection and submission of additional newborn screening tests for infants with a previously abnormal test result,

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- 4.4.11 Provision of continuous quality improvement, and
- 4.4.12 Attendance at weekly Discharge Planning meeting at Level II Enhanced Qualification and Level III Newborn Intensive Care Units as requested.

4.5 All services for this Contract shall be performed in accordance with the Community Nursing Services Policy and Procedure Manual.

**5. Reference Documents**

- 5.1 ADHS CHN Policy and Procedure Manual - will be available on the HRPP/NICP Publications Page <http://www.azdhs.gov/phs/owch/publications/index.php?pg=highrisk> by March 31, 2014.
- 5.2 CHN Invoice – available through Program Manager.
- 5.3 CHN Follow-up visit forms & other visit documents – available at: <http://www.azdhs.gov/phs/owch/children/highrisk.htm> .
- 5.4 Annual & Quarterly Report form – available in ADHS CHN Policy and Procedure Manual.
- 5.5 ADHS Newborn Screening Guidelines – available at: <http://azdhs.gov/lab/aznewborn/documents/providers/AZ-Newborn-Screening-Provider-Guidelines.pdf>.
- 5.6 ADHS/BWCH/OCSHCN Quality Management and Improvement Guidelines – available in ADHS CHN Policy and Procedure Manual.

**6. Approvals**

- 6.1 Approval of all plans identified in the Scope of Work;
- 6.2 Approval of completed forms and invoices prior to payment;
- 6.3 Review and approval of Quality Assurance Indicators shall be submitted to ADHS at formal site visits; and
- 6.4 Approval of all training prior to classes being scheduled.

**7. Deliverables and Schedule**

- 7.1 CHN Follow-up visit forms, client log, and billing invoice within thirty (30) days after the end of each month;
- 7.2 Follow-up Newborn Screening forms within thirty (30) days after the end of the month;
- 7.3 Completed Orientation Education Log immediately following completion of orientation;
- 7.4 Enrollment Status Change Form within thirty (30) days after the end of the month with monthly invoice for clients according to CHN Policy and procedure manual;
- 7.5 Annual Plan within thirty (30) days of the beginning of each fiscal year;
- 7.6 Quarterly Progress Report, shall be submitted in October, January, April and July for the three (3) months prior and include progress on all Tasks and data related to infants not receiving home visits; and
- 7.7 A valid Certificate of Insurance within five (5) days of Contract award. A Purchase Order shall not be issued for the Contractor to begin work without valid and correct insurance in the Contract file.

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**8. Secure Method for Data Transmission**

The Contractor may be required to provide the required documentation of the home visitation to ADHS which consists of: orientation log, completed CHN Follow-up visit forms, monthly invoices, log of clients seen, and quarterly reports in a more secure method such as, but not limited to, a secure file transport protocol (SFTP).

**9. Notices, Correspondence, Reports and Invoices**

Notices, Correspondence and Reports from the Contractor shall be sent to:

Arizona Department of Health Services  
Community Nursing Program Manager  
150 North 18<sup>th</sup> Avenue, Suite 320  
Phoenix, Arizona. 85007-3242

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**1. Purpose**

Pursuant to provisions of the Arizona Procurement Code, A.R.S. 41-2501 Et Seq., the State of Arizona, Department of Health Services (ADHS) intends to establish a Contract for the materials or services as listed herein.

**2. Term of Contract (3 Years)**

The term of any resultant Contract shall commence on July 1, 2014 or upon award signature, whichever is later, and shall continue for a period of three (3) years thereafter, unless terminated, canceled or extended as otherwise provided herein.

**3. Contract Extensions 5 Year Maximum**

The Contract term is for a three (3) year period subject to additional successive periods of twelve (12) months per extension with a maximum aggregate including all extensions not to exceed five (5) years.

**4. Contract Type**

Fixed Price

**5. Licenses**

The Contractor shall maintain in current status, all federal, state and local licenses and permits required for the operation of the business conducted by the Contractor.

**6. Key Personnel**

It is essential that the Contractor provide adequate experienced personnel, capable of and devoted to the successful accomplishment of work to be performed under this Contract. The Contractor must agree to assign specific individuals to the key positions.

6.1 The Contractor agrees that, once assigned to work under this Contract, key personnel shall not be removed or replaced without written notice to the State.

6.2 Key personnel are not available for work under this Contract for a continuous period exceeding 30 calendar days, or are expected to devote substantially less effort to the work than initially anticipated, the Contractor shall immediately notify the State, and shall, subject to the concurrence of the State, replace such personnel with personnel of substantially equal ability and qualifications.

**7. Price Adjustment**

Contractor prices accepted and subsequently awarded by a Contract shall remain in effect for a minimum of one (1) year. The Contractor may request a price adjustment, but the State will not review or approve an increase until the Contract has been in effect for one (1) year. The ADHS Procurement Office will review any requested rate increase to determine whether such request is reasonable in relation to increased supplier or material costs. Contractor shall provide written justification for any price adjustment requested, including information contained in the Consumer Price Index or similar official cost analysis to support any requested price increase. Any price increase adjustment, if approved, will be effective upon execution of a written Contract amendment. Likewise, the Contractor shall offer the State a price adjustment reduction concurrent with reduced costs from their suppliers. Price reductions will become effective upon execution of a Contract amendment.

**8. Non-Exclusive Contract**

Any contract resulting from this solicitation shall be awarded with the understanding and agreement that it is for the sole convenience of the State of Arizona. The State reserves the right to obtain like goods or services from another source when necessary, or when determined to be in the best interest of the State.

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**9. Volume of Work**

The ADHS does not guarantee a specific amount of work either for the life of the Contract or on an annual basis.

**10. Information Disclosure**

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

**11. Employees of the Contractor**

All employees of the Contractor employed in the performance of work under the Contract shall be considered employees of the Contractor at all times, and not employees of the ADHS or the State. The Contractor shall comply with the Social Security Act, Workman's Compensation laws and Unemployment laws of the State of Arizona and all State, local and Federal legislation relevant to the Contractor's business.

**12. Order Process**

The award of a contract shall be in accordance with the Arizona Procurement Code. Any attempt to represent any material and/or service not specifically awarded as being under contract with ADHS is a violation of the Contract and the Arizona Procurement Code. Any such action is subject to the legal and contractual remedies available to the state inclusive of, but not limited to, Contract cancellation, suspension and/or debarment of the Contractor.

**13. Contractor Performance Reports**

Program management shall document Contractor performance, both exemplary and needing improvements where corrective action is needed or desired. Copies of corrective action reports will be forwarded to the ADHS Procurement Office for review and any necessary follow-up. The Procurement Office may contact the Contractor upon receipt of the report and may request corrective action. The Procurement Office shall discuss the Contractor's suggested corrective action plan with the Procurement Specialist for approval of the plan.

**14. Payment Procedures**

ADHS accounting will not make payments to any Entity, Group or individual other than the Contractor with the Federal Employer Identification (FEI) Number identified in the Contract. Contractor invoices requesting payment to any Entity, Group or individual other than the contractually specified Contractor shall be returned to the Contractor for correction.

The Contractor shall review and insure that the invoices for services provided show the correct Contractor name prior to sending them to the ADHS Accounting Office for payment.

If the Contractor Name and FEI Number change, the Contractor must complete an "Assignment and Agreement" form transferring contract rights and responsibilities to the new Contractor. ADHS must indicate consent on the form. A written Contract Amendment must be signed by both parties and a new W-9 form must be submitted by the new Contractor and entered into the system prior to any payments being made to the new Contractor.

**15. Financial Management**

For all contracts, the practices, procedures, and standards specified in and required by the Accounting and Auditing Procedures Manual for Arizona Department of Health Services funded programs shall be used by the Contractor in the management of contract funds and by the ADHS when performing a contract audit. Funds collected by the Contractor in the form of fees, donations and/or charges for the delivery of these contract services shall be accounted for in a separate fund.

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State Funding. Contractors receiving state funds under this Contract shall comply with the certified Compliance provisions of A.R.S. § 35-181.03.

Federal Funding. Contractors receiving federal funds under this contract shall comply with the certified finance and compliance audit provision of the Office of Management and Budget (OMB) Circular A-133, if applicable. The federal financial assistance information shall be stated in a Change Order or Purchase Order.

### 16. Inspection and Acceptance

All services, data and required reports are subject to final inspection, review, evaluation and acceptance by the ADHS. The ADHS may withhold payment for services that are deemed to not meet contract standards.

### 17. Authorization for Services

Authorization for purchase of services under this Contract shall be made only upon ADHS issuance of a Purchase Order that is signed by an authorized agent. The Purchase Order will indicate the Contract number and the dollar amount of funds authorized. The Contractor shall only be authorized to perform services up to the amount on the Purchase Order. ADHS shall not have any legal obligation to pay for services in excess of the amount indicated on the Purchase Order. No further obligation for payment shall exist on behalf of ADHS unless a) the Purchase Order is changed or modified with an official ADHS Procurement Change Order, and/or b) an additional Purchase Order is issued for purchase of services under this Contract.

### 18. Indemnification Clause

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

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

### 19. Insurance Requirements

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

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

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19.1 **MINIMUM SCOPE AND LIMITS OF INSURANCE:** Contractor shall provide coverage with limits of liability not less than those stated below.

19.1.1 **Commercial General Liability – Occurrence Form**

19.1.1.1 Policy shall include bodily injury, property damage, personal and advertising injury and broad form contractual liability coverage.

19.1.1.1.1 General Aggregate \$2,000,000

19.1.1.1.2 Products – Completed Operations Aggregate \$1,000,000

19.1.1.1.3 Personal and Advertising Injury \$1,000,000

19.1.1.1.4 Damage to Rented Premises \$ 50,000

19.1.1.1.5 Each Occurrence \$1,000,000

19.1.1.2 The policy ***shall include coverage for sexual abuse and molestation. This coverage may be sub-limited to no less than \$500,000. The limits may be included within the General Liability limit or provided by separate endorsement with its own limits or provided as separate coverage included with the professional liability.***

19.1.1.3 ***Contractor must provide the following statement on their Certificate(s) of Insurance as provided for in Part E: “Sexual Abuse/Molestation coverage is included.” Policies/certificates stating that “Sexual Abuse/Molestation coverage is not excluded” do not meet this requirement.***

19.1.1.4 The policy shall be endorsed (**Blanket Endorsements are not acceptable**) to include the following additional insured language: ***“The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.”*** Such additional insured shall be covered to the full limits of liability purchased by the Contractor, even if those limits of liability are in excess of those required by this Contract.

19.1.1.3 Policy shall contain a waiver of subrogation endorsement (**Blanket Endorsements are not acceptable**) in favor of the ***“State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees”*** for losses arising from work performed by or on behalf of the Contractor.

19.1.1 **Business Automobile Liability**

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

19.1.1.2 Combined Single Limit (CSL) \$1,000,000

19.1.1.3 The policy shall be endorsed (**Blanket Endorsements are not acceptable**) to include the following additional insured language: ***“The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor, involving automobiles owned, leased, hired or borrowed by the***

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**Contractor.”** Such additional insured shall be covered to the full limits of liability purchased by the Contractor, even if those limits of liability are in excess of those required by this Contract.

19.1.1.4 Policy shall contain a waiver of subrogation endorsement (**Blanket Endorsements are not acceptable**) in favor of the **“State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees”** for losses arising from work performed by or on behalf of the Contractor.

19.1.1.5 Policy shall contain a severability of interest provision.

**19.1.2 Worker's Compensation and Employers' Liability**

19.1.2.2 Workers' Compensation Statutory

19.1.2.3 Employers' Liability

19.1.3.2.1 Each Accident \$ 500,000

19.1.3.2.2 Disease – Each Employee \$ 500,000

19.1.3.2.3 Disease – Policy Limit \$1,000,000

19.1.2.4 Policy shall contain a waiver of subrogation endorsement (**Blanket Endorsements are not acceptable**) in favor of the **“State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees”** for losses arising from work performed by or on behalf of the Contractor.

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

**19.1.3 Professional Liability (Errors and Omissions Liability)**

19.1.4.1 Each Claim \$1,000,000

19.1.4.2 Annual Aggregate \$2,000,000

19.1.4.3 In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.

19.1.4.4 The policy shall cover professional misconduct or negligence acts for those positions defined in the Scope of Work of this contract.

**19.2 ADDITIONAL INSURANCE REQUIREMENTS:** The policies shall include, or be endorsed (**Blanket Endorsements are not acceptable**) to include, the following provisions:

19.2.1 The Contractor's policies shall stipulate that the insurance afforded the contractor shall be primary insurance and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).

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

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- 19.3 **NOTICE OF CANCELLATION:** With the exception of (10) day notice of cancellation for non-payment of premium, any changes material to compliance with this contract in the insurance policies above shall require (30) days written notice to the State of Arizona. Such notice shall be sent directly to **The Arizona Department of Health Services, 1740 West Adams, Room, 303, Phoenix, AZ 85007** and shall be sent by certified mail, return receipt requested.
- 19.4 **ACCEPTABILITY OF INSURERS:** Contractors insurance shall be placed with companies duly licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have an "A.M. Best" rating of not less than A- VII or duly authorized to transact Workers' Compensation insurance in the State of Arizona. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.
- 19.5 **VERIFICATION OF COVERAGE:** Contractor shall furnish the State of Arizona with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this Contract. The certificates for each insurance policy are to be signed by an authorized representative.
- All certificates and endorsements (**Blanket Endorsements are not acceptable**) are to be received and approved by the State of Arizona before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.
- All certificates required by this Contract shall be sent directly to **The Arizona Department of Health Services, 1740 West Adams, Room, 303, Phoenix, AZ 85007**. The State of Arizona project/contract number and project description shall be noted on the certificate of insurance. The State of Arizona reserves the right to require complete copies of all insurance policies required by this Contract at any time.
- 19.6 **SUBCONTRACTORS:** Contractors' certificate(s) shall include all subcontractors as insureds under its policies **or** Contractor shall furnish to the State of Arizona separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.
- 19.7 **APPROVAL:** Any modification or variation from the *insurance requirements* in this Contract shall be made by the contracting agency in consultation with the Department of Administration, Risk Management Division. Such action will not require a formal Contract amendment, but may be made by administrative action.
- 19.8 **EXCEPTIONS:** In the event the Contractor or sub-contractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a Certificate of Self-Insurance. If the contractor or sub-contractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

**20. Health Insurance Portability and Accountability Act of 1996**

The Contractor warrants that it is familiar with the requirements of HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act (HITECH Act) of 2009, and accompanying regulations and will comply with all applicable HIPAA requirements in the course of this Contract. Contractor warrants that it will cooperate with the Arizona Department of Health Services (ADHS) in the course of performance of the Contract so that both ADHS and Contractor will be in compliance with HIPAA, including cooperation and coordination with the Arizona Strategic Enterprise Technology (ASET) Office, Statewide Information Security and Privacy Office (SISPO) Chief Privacy Officer and HIPAA Coordinator and other compliance officials required by HIPAA and its regulations. Contractor will sign any documents that are reasonably necessary to keep ADHS and Contractor in compliance with HIPAA, including, but not limited to, business associate agreements.

If requested by the ADHS Procurement Office, Contractor agrees to sign a "Pledge To Protect Confidential Information" and to abide by the statements addressing the creation, use and disclosure of confidential information, including information designated as protected health information and all other confidential or sensitive information as defined in policy. In addition, if requested, Contractor agrees to attend or participate in HIPAA

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training offered by ADHS or to provide written verification that the Contractor has attended or participated in job related HIPAA training that is: (1) intended to make the Contractor proficient in HIPAA for purposes of performing the services required and (2) presented by a HIPAA Privacy Officer or other person or program knowledgeable and experienced in HIPAA and who has been approved by the ASET/SISPO Chief Privacy Officer and HIPAA Coordinator.

**21. Pandemic Contractual Performance**

21.1 The State shall require a written plan that illustrates how the Contractor shall perform up to contractual standards in the event of a pandemic. The State may require a copy of the plan at any time prior or post award of a Contract. At a minimum, the pandemic performance plan shall include:

21.1.1 Key succession and performance planning if there is a sudden significant decrease in Contractor's workforce;

21.1.2 Alternative methods to ensure there are products in the supply chain; and

21.1.3 An up to date list of company contacts and organizational chart.

21.2 In the event of a pandemic, as declared the Governor of Arizona, U.S. Government or the World Health Organization, which makes performance of any term under this Contract impossible or impracticable, the State shall have the following rights:

21.2.1 After the official declaration of a pandemic, the State may temporarily void the Contract(s) in whole or specific sections, if the Contractor cannot perform to the standards agreed upon in the initial terms;

21.2.2 The State shall not incur any liability if a pandemic is declared and emergency procurements are authorized by the Director as per A.R.S. 41-2537 of the Arizona Procurement Code; and

21.2.3 Once the pandemic is officially declared over and/or the Contractor can demonstrate the ability to perform, the State, at its sole discretion, may reinstate the temporarily voided Contract(s).

21.3 The State, at any time, may request to see a copy of the written plan from the Contractor. The Contractor shall produce the written plan within seventy-two (72) hours of the request.

**22. Data Universal Numbering System (DUNS)**

Pursuant to 2 CFR 25.100 et seq., no entity (defined as a Governmental organization, which is a State, local government, or Indian tribe; foreign public entity; domestic or foreign nonprofit organization; domestic or foreign for-profit organization; or Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity) may receive a subaward from ADHS unless the entity provides its Data Universal Numbering System (DUNS) Number to ADHS.