



STATE OF MICHIGAN PROCUREMENT

Department of Corrections

206 E. Michigan Avenue, Lansing, MI 48933

PO Box 30003, Lansing, MI 48909

CONTRACT CHANGE NOTICE

Change Notice Number 3

to

Contract Number 210000001210

CONTRACTOR	Professional Consulting Services, Inc.
	1515 Greenwood Avenue
	Jackson, MI 49203
	Michael J. Halacka
	(517) 768-9200
	mhalacka@pcsjxn.com
	CV0005364

STATE	Program Manager	Greg Johnson	MDOC
		(734) 434-4068	
		JohnsonG16@michigan.gov	
	Contract Administrator	Lisa Lehnert	MDOC
		(517) 335-4904	
		LehnertL@michigan.gov	

CONTRACT SUMMARY				
DESCRIPTION: Health Services Community Reintegration Program				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW	
September 1, 2021	August 31, 2024	Two, one-year	August 31, 2025	
PAYMENT TERMS		DELIVERY TIMEFRAME		
Net 45 Days		N/A		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
<input type="checkbox"/> P-card <input type="checkbox"/> Payment Request (PRC) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
MINIMUM DELIVERY REQUIREMENTS				
N/A				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input checked="" type="checkbox"/>	One-year	<input type="checkbox"/>		August 31, 2026
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$23,371,850.00		\$9,000,000.00	\$32,371,850.00	
DESCRIPTION: Effective May 6, 2025, the State is exercising the second option year and increasing the contract value by \$9,000,000.00. The revised contract expiration date is August 31, 2026.				
All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement and State Administrative Board approval on May 6, 2025.				

FOR THE CONTRACTOR:

Professional Consulting Services, Inc.
Company Name

E-SIGNED by Michael Halacka
on 2025-04-29 15:10:42 EDT

Authorized Agent Signature

Michael Halacka

Authorized Agent (Print or Type)

2025-04-29 15:10:42

Date

FOR THE STATE:

E-SIGNED by Julie Hamp
on 2025-05-06 16:00:40 EDT

Signature

Julie Hamp, Deputy Director
Name & Title

Department of Corrections
Agency

2025-05-06 16:00:40

Date



STATE OF MICHIGAN PROCUREMENT

Department of Corrections

206 E. Michigan Avenue, Lansing, MI 48933

PO Box 30003, Lansing, MI 48909

CONTRACT CHANGE NOTICE

Change Notice Number 2

to

Contract Number 210000001210

CONTRACTOR	Professional Consulting Services, Inc.	STATE	Program Manager	Greg Johnson	MDOC
	1515 Greenwood Avenue			(734) 434-4068	
	Jackson, MI 49203			JohnsonG16@michigan.gov	
	Michael J. Halacka		Contract Administrator	Lisa Lehnert	MDOC
	(517) 768-9200			(517) 335-4904	
	mhalacka@pcsjxn.com			LehnertL@michigan.gov	
	CV0005364				

CONTRACT SUMMARY				
DESCRIPTION: Health Services Community Reintegration Program				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW	
September 1, 2021	August 31, 2024	Two, one-year		
PAYMENT TERMS		DELIVERY TIMEFRAME		
Net 45 Days		N/A		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
<input type="checkbox"/> P-card <input type="checkbox"/> Payment Request (PRC) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
MINIMUM DELIVERY REQUIREMENTS				
N/A				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input checked="" type="checkbox"/>	One-year	<input type="checkbox"/>		August 31, 2025
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$23,371,850.00		\$0.00	\$23,371,850.00	
DESCRIPTION: Effective August 8, 2024, the State is exercising the first option year. The revised contract expiration date is August 31, 2025.				
Effective August 8, 2024, the following amendments are incorporated into this Contract, per attached document titled Change Notice 2.				
Effective September 1, 2024, pricing for D47 cases on this Contract is replaced, per attached updated Schedule B.				

All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement.

CHANGE NOTICE NO. 2 TO CONTRACT NO. 210000001210

FOR THE CONTRACTOR:

Professional Consulting Services, Inc.
Company Name

E-SIGNED by Michael Halacka
on 2024-08-09 15:09:53 EDT

Authorized Agent Signature

Michael Halacka

Authorized Agent (Print or Type)

2024-08-09 15:09:53 UTC

Date

FOR THE STATE:

E-SIGNED by Julie Hamp
on 2024-08-09 16:37:52 EDT

Signature

Julie Hamp, Deputy Director
Name & Title

Department of Corrections
Agency

2024-08-09 16:37:52 UTC

Date

Change Notice 2

The following contract language is hereby replaced with the following:

Standard Contract Terms:

6. Insurance Requirements.

- a. General Requirements.** Contractor, at its sole expense, must maintain the insurance coverage as specified herein for the duration of the Term. Minimum limits may be satisfied by any combination of primary liability, umbrella or excess liability, and self-insurance coverage. To the extent damages are covered by any required insurance, Contractor waives all rights against the State for such damages. Failure to maintain required insurance does not limit this waiver.
- b. Qualification of Insurers.** Except for self-insured coverage, all policies must be written by an insurer with an A.M. Best rating of A- VII or higher unless otherwise approved by DTMB Enterprise Risk Management.
- c. Primary and Non-Contributory Coverage.** All policies for which the State of Michigan is required to be named as an additional insured must be on a primary and non-contributory basis.
- d. Claims-Made Coverage.** If any required policies provide claims-made coverage, Contractor must:
 - (1) Maintain coverage and provide evidence of coverage for at least 3 years after the later of the expiration or termination of the Contract or the completion of all its duties under the Contract;
 - (2) Purchase extended reporting coverage for a minimum of 3 years after completion of work if coverage is cancelled or not renewed, and not replaced with another claims-made policy form with a retroactive date prior to the Effective Date of this Contract.
- e. Proof of Insurance**
 - (1) Insurance certificates showing evidence of coverage as required herein must be submitted to the Contract Administrator within 10 days of the contract execution date.
 - (2) Renewal insurance certificates must be provided on annual basis or as otherwise commensurate with the effective dates of coverage for any insurance required herein.
 - (3) Insurance certificates must be in the form of a standard ACORD Insurance Certificate unless otherwise approved by DTMB Enterprise Risk Management.
 - (4) All insurance certificates must clearly identify the Contract Number (e.g., notated under the Description of Operations on an ACORD form).
 - (5) The State may require additional proofs of insurance or solvency, including but not limited to policy declarations, policy endorsements, policy schedules, self-insured certification or authorization, and audited financial statements.
 - (6) In the event any required coverage is cancelled or not renewed, Contractor must provide written notice to the Contract Administrator no later than 5 business days following such cancellation or nonrenewal.
- f. Subcontractors.** Contractor is responsible for ensuring its subcontractors, if any, carry and maintain insurance coverage as applicable to the subcontracted service(s).
- g. Limits of Coverage & Specific Endorsements.** (See Table 6.1 Below)

TABLE 6.1

Revised 2/2019

Required Limits	Additional Requirements
Commercial General Liability Insurance	
Minimum Limits: \$1,000,000 Each Occurrence \$1,000,000 Personal & Advertising Injury \$2,000,000 Products/Completed Operations \$2,000,000 General Aggregate	Contractor must have their policy endorsed to add “the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents” as additional insureds using endorsement CG 20 10 11 85, or both CG 20 10 12 19 and CG 20 37 12 19. Coverage must not have exclusions or limitations related to sexual abuse and molestation liability.
Automobile Liability Insurance	
Minimum Limits: \$1,000,000 Per Accident	Contractor must have their policy: (1) endorsed to add “the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents” as additional insureds; and (2) include Hired and Non-Owned Automobile coverage.
Workers' Compensation Insurance	
Minimum Limits: Coverage according to applicable laws governing work activities.	Waiver of subrogation, except where waiver is prohibited by law.
Employers Liability Insurance	
Minimum Limits: \$500,000 Each Accident \$500,000 Each Employee by Disease \$500,000 Aggregate Disease	
Privacy and Security Liability (Cyber Liability) Insurance	
Minimum Limits: \$1,000,000 Each Occurrence \$1,000,000 Annual Aggregate	Contractor must have their policy cover information security and privacy liability, privacy notification costs, regulatory defense and penalties, and website media content liability.
Professional Liability (Errors and Omissions) Insurance	
Minimum Limits: \$1,000,000 Each Occurrence \$3,000,000 Annual Aggregate	
Medical Malpractice Insurance (as applicable to the services provided)	
Minimum Limits: \$200,000 Each Occurrence \$600,000 Annual Aggregate	

- h. Non-Waiver.** This Section 6 is not intended to and is not to be construed in any manner as waiving, restricting or limiting the liability of either party for any obligations under this Contract, including any provisions hereof requiring Contractor to indemnify, defend and hold harmless the State.

36. Records Maintenance, Inspection, Examination, and Audit. Pursuant to MCL 18.1470, the State or its designee may audit Contractor to verify compliance with this Contract. Contractor must retain and provide to the State or its designee and the auditor general upon request, all records related to the Contract through the term of the Contract and for 4 years after the latter of termination, expiration, or final payment under this Contract or any extension (“Audit Period”). If

an audit, litigation, or other action involving the records is initiated before the end of the Audit Period, Contractor must retain the records until all issues are resolved.

Within 10 calendar days of providing notice, the State and its authorized representatives or designees have the right to enter and inspect Contractor's premises or any other places where Contract Activities are being performed, and examine, copy, and audit all records related to this Contract. Contractor must cooperate and provide reasonable assistance. If financial errors are revealed, the amount in error must be reflected as a credit or debit on subsequent invoices until the amount is paid or refunded. Any remaining balance at the end of the Contract must be paid or refunded within 45 calendar days.

This Section applies to Contractor, any parent, affiliate, or subsidiary organization of Contractor, and any subcontractor that performs Contract Activities in connection with this Contract.

Schedule A:

A. 5. Target Population Process – a. 3) Offenders Designated as D47:

- 3) The Contractor must work with local agencies in the offender's county of return (county of last known residence) to develop a plan of service (aftercare plan) to meet all identified needs. The proposed aftercare plan submitted by the Contractor will be forwarded for approval to the MHS clinical team responsible for treating the offender. The treatment team is responsible for reviewing the plan to determine whether the offender's needs and risks are adequately addressed in the plan. If the team determines the plan will not adequately meet the offender's needs and risks, the plan will be returned to the Contractor with a request that specific deficiencies be resolved. Unapproved aftercare plans will not be forwarded to the Parole Board for further consideration.

Male offenders with a deferred parole (D47 code) referred to this Contract may be transferred to a facility within their area of return to receive pre-release program services and an assessment of mental health, housing and other needs. Those not transferred include:

- Offenders at WCC receiving inpatient mental health services
- Offenders placed in Residential Treatment Programming (RTP) at Richard A. Handlon Correctional Facility (MTU), Gus Harrison Correctional (ARF), and Macomb Correctional (MRF)
- Offenders placed in Adaptive Skills Residential Program (ASRP) at MTU or St. Louis Correctional Facility (SLF)

Contract 210000001210
Health Services Community Reintegration Program
SCHEDULE B
PRICING
Effective September 1, 2024

Service category: Regular Paroles - Mentally III/(D47)		
Number of Days in Service Plan: Proposed 180-day case rate:	180 Days	
	\$10,080.00	
	%	Amount
Pre-release planning:	4.8	\$487.50
Day of release payment:	32.3	\$3,255.00
Successful case closure payment:	14.5	\$1,462.50
Monthly service charge:	48.4	\$812.50

Service category: Regular Paroles - Medically Fragile/(D48)		
Number of Days in Service Plan: Proposed 180-day case rate:	180 Days	
	\$12,300.00	
	%	Amount
Pre-release planning:	5	\$615.00
Day of release payment:	35	\$4,305.00
Successful case closure payment:	10	\$1,230.00
Monthly service charge:	50	\$1,025.00

Service category: Community Referrals - Mentally III		
Number of Days in Service Plan: Proposed 180-day case rate:	180 Days	
	\$9,350.00	
	%	Amount
Receipt of approved referral:	25	\$2,337.50
AC plan approved:	10	\$935.00
Successful case closure payment:	15	\$1,402.50
Monthly service charge:	50	\$779.17

Service category: Community Referrals - Medically Fragile		
Number of Days in Service Plan: Proposed 180-day case rate:	180 Days	
	\$12,050.00	
	%	Amount
Receipt of approved referral:	25	\$3,012.50
AC plan approved:	10	\$1,205.00
Successful case closure payment:	15	\$1,807.50
Monthly service charge:	50	\$1,004.17



STATE OF MICHIGAN PROCUREMENT

Department of Corrections

206 E. Michigan Avenue, Lansing, MI 48933

PO Box 30003, Lansing, MI 48909

CONTRACT CHANGE NOTICE

Change Notice Number **210000001210**

to

Contract Number **1**

CONTRACTOR	Professional Consulting Services, Inc.
	1515 Greenwood Avenue
	Jackson, MI 49203
	Michael J. Halacka
	(517) 768-9200
	mhalacka@pcsjxn.com
	CV0005364

STATE	Program Manager	Greg Johnson	MDOC
		(734) 434-4068	
		JohnsonG16@michigan.gov	
	Contract Administrator	Lisa Lehnert	MDOC
		(517) 335-4904	
		LehnertL@michigan.gov	

CONTRACT SUMMARY				
DESCRIPTION: Health Services Community Reintegration Program				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW	
September 1, 2021	August 31, 2024	Two, one-year		
PAYMENT TERMS		DELIVERY TIMEFRAME		
Net 45		N/A		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
<input type="checkbox"/> P-card <input type="checkbox"/> Payment Request (PRC) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
MINIMUM DELIVERY REQUIREMENTS				
N/A				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$23,371,850.00		\$0.00	\$23,371,850.00	
DESCRIPTION: Effective May 1, 2022, the following amendments are incorporated into this Contract per attached document titled Change Notice 1.				
All other terms, conditions, specifications, and pricing remain the same. Per Contractor and agency agreement.				

FOR THE CONTRACTOR:

Professional Consulting Services, Inc.
Company Name

E-SIGNED by Michael Halacka
on 2022-05-11 12:58:39 EDT

Authorized Agent Signature

Michael Halacka

Authorized Agent (Print or Type)

2022-05-11 12:58:39 UTC

Date

FOR THE STATE:

E-SIGNED by Lia Gulick
on 2022-05-11 14:52:14 EDT

Signature

Lia Gulick, Deputy Director
Name & Title

Department of Corrections
Agency

2022-05-11 14:52:14 UTC

Date

Contract 210000001210

Change Notice 1

The following contract language is hereby replaced with the following:

Schedule A, Section 1.0 A. 8. c.

- c. The Contractor must provide a minimum of one monthly contact with each offender throughout their term of service. Direct contacts must include, at a minimum, one of the following elements 1) the offender's self-assessment, 2) engagement in meaningful, healthy, structured activities, 3) engagement in treatment and review of crisis response plan, 4) offender's unmet needs and 5) the plan for future action. Documentation of the direct contact must specify the type of contact completed (e.g., face-face, phone, video, other).

Schedule A, Section 9. Service Level Agreement, Metric 4: Minimum monthly contact for Prison-Based Referrals

Metric 4: Minimum monthly contact for Prison-Based Referrals																	
Definition and Purpose:																	
The Contractor must provide a minimum of one monthly direct contact with each offender for the term of service, meeting requirements of direct contact as noted in Section 1.0 A. 8.c.																	
Data Source:																	
1. Contractor's offender file. 2. Parole Agent reports/notes. 3. Needs Assessment and Aftercare Plan																	
Methodology:																	
Quarterly MDOC program staff will conduct audits of Contractor and Parole Agent records to verify: 1. D47 and D48 offenders on parole received a minimum of one direct monthly contact with the Contractor for the term of the offender's service.																	
Acceptable Standard:																	
The Contractor must ensure 80% of D47 and D48 offenders on parole and under service have received a minimum of one direct monthly contact with the Contractor.																	
Service Level Credit:																	
<table><tr><th>Credit Assessment Level</th><th>Threshold (%)</th><th>Credit Assessed</th></tr><tr><td>Required Compliance Level</td><td>80% or above</td><td>\$0.00</td></tr><tr><td>Tier 1</td><td>75% to 79%</td><td>\$2,000.00</td></tr><tr><td>Tier 2</td><td>70% to 74%</td><td>\$4,000.00</td></tr><tr><td>Tier 3</td><td>Less than 70%</td><td>\$6,000.00</td></tr></table>			Credit Assessment Level	Threshold (%)	Credit Assessed	Required Compliance Level	80% or above	\$0.00	Tier 1	75% to 79%	\$2,000.00	Tier 2	70% to 74%	\$4,000.00	Tier 3	Less than 70%	\$6,000.00
Credit Assessment Level	Threshold (%)	Credit Assessed															
Required Compliance Level	80% or above	\$0.00															
Tier 1	75% to 79%	\$2,000.00															
Tier 2	70% to 74%	\$4,000.00															
Tier 3	Less than 70%	\$6,000.00															
*The percentage will be rounded to the nearest whole number.																	
Extenuating circumstances will be reviewed by the MDOC Contract Manager before any Service Credits are assessed. At the discretion of the State, these credits may be applied toward any payable due to the Contractor or be payable directly to the State of Michigan. Payments made directly to the State of Michigan shall be completed within 10 calendar days upon demand.																	



STATE OF MICHIGAN PROCUREMENT

Department of Corrections

206 E. Michigan Avenue, Lansing, MI 48933
PO Box 30003, Lansing, MI 48909

NOTICE OF CONTRACT

NOTICE OF CONTRACT NO. **210000001210**

between

THE STATE OF MICHIGAN

and

CONTRACTOR	Professional Consulting Services, Inc.
	1515 Greenwood Avenue
	Jackson, MI 49203
	Michael J. Halacka
	(517) 768-9200
	mhalacka@pcsjxn.com
	CV0005364

STATE	Program Manager	Greg Johnson	MDOC
		(734) 434-4068	
		JohnsonG16@michigan.gov	
	Contract Administrator	Lisa Lehnert	MDOC
		(517) 335-4904	
		LehnertL@michigan.gov	

CONTRACT SUMMARY			
DESCRIPTION: Health Services Community Reintegration Program			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
September 1, 2021	August 31, 2024	Two, one-year	
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Payment Request (PRC) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			
MISCELLANEOUS INFORMATION			
N/A			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION		\$23,371,850.00	

FOR THE CONTRACTOR:

Professional Consulting Services, Inc.
Company Name

E-SIGNED by Michael Halacka
on 2021-07-20 10:06:50 EDT

Authorized Agent Signature

Michael Halacka

Authorized Agent (Print or Type)

2021-07-20 10:06:50 UTC

Date

FOR THE STATE:

E-SIGNED by Lia Gulick
on 2021-07-21 07:27:19 EDT

Signature

Lia Gulick, Deputy Director
Name & Title

Department of Corrections
Agency

2021-07-21 07:27:19 UTC

Date



STATE OF MICHIGAN

STANDARD CONTRACT TERMS

This STANDARD CONTRACT ("**Contract**") is agreed to between the State of Michigan (the "**State**") and Professional Consulting Services, Inc. ("**Contractor**"), a Michigan corporation. This Contract is effective on September 1, 2021 ("**Effective Date**"), and unless terminated, expires on August 31, 2024.

This Contract may be renewed for up to two, one year period(s). Renewal is at the sole discretion of the State and will automatically extend the Term of this Contract. The State will document its exercise of renewal options via Contract Change Notice.

The parties agree as follows:

- Duties of Contractor.** Contractor must perform the services and provide the deliverables described in **Schedule A – Statement of Work** (the "**Contract Activities**"). An obligation to provide delivery of any commodity is considered a service and is a Contract Activity.

Contractor must furnish all labor, equipment, materials, and supplies necessary for the performance of the Contract Activities, and meet operational standards, unless otherwise specified in Schedule A.

Contractor must: (a) perform the Contract Activities in a timely, professional, safe, and workmanlike manner consistent with standards in the trade, profession, or industry; (b) meet or exceed the performance and operational standards, and specifications of the Contract; (c) provide all Contract Activities in good quality, with no material defects; (d) not interfere with the State's operations; (e) obtain and maintain all necessary licenses, permits or other authorizations necessary for the performance of the Contract; (f) cooperate with the State, including the State's quality assurance personnel, and any third party to achieve the objectives of the Contract; (g) return to the State any State-furnished equipment or other resources in the same condition as when provided when no longer required for the Contract; (h) not make any media releases without prior written authorization from the State; (i) assign to the State any claims resulting from state or federal antitrust violations to the extent that those violations concern materials or services supplied by third parties toward fulfillment of the Contract; (j) comply with all State physical and IT security policies and standards which will be made available upon request; and (k) provide the State priority in performance of the Contract except as mandated by federal disaster response requirements. Any breach under this paragraph is considered a material breach.

Contractor must also be clearly identifiable while on State property by wearing identification issued by the State, and clearly identify themselves whenever making contact with the State.

- Notices.** All notices and other communications required or permitted under this Contract must be in writing and will be considered given and received: (a) when verified by written receipt if sent by courier; (b) when actually received if sent by mail without verification of receipt; or (c) when verified by automated receipt or electronic logs if sent by facsimile or email.

If to State:	If to Contractor:
Lisa Lehnert, Buyer Michigan Department of Corrections 206 E. Michigan Avenue Lansing, MI 48933 LehnertL@michigan.gov (517) 335-4904	Michael J. Halacka Professional Consulting Services, Inc. 1515 Greenwood Ave. Jackson, MI 49203 mhalacka@pcsjxn.com (517) 768-9200

- Contract Administrator.** The Contract Administrator for each party is the only person authorized to modify any terms of this Contract, and approve and execute any change under this Contract (each a "**Contract Administrator**"):

State:	Contractor:
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Lisa Lehnert, Buyer Michigan Department of Corrections 206 E. Michigan Avenue Lansing, MI 48933 LehnertL@michigan.gov (517) 335-4904	Michael J. Halacka Professional Consulting Services, Inc. 1515 Greenwood Ave. Jackson, MI 49203 mhalacka@pcsjxn.com (517) 768-9200
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Contract Manager. The Contract Manager for each party is the sole point of contact for each party on all contract related issues. The Contract Manager will work with the Contract Administrator/Buyer if there are reasons to modify any terms of this Contract:

State:	Contractor:
Sharene Johnson, Contract Manager Michigan Department of Corrections 206 E. Michigan Avenue Lansing, MI 48933 JohnsonS14@michigan.gov (517) 219-7615	Michael J. Halacka Professional Consulting Services, Inc. 1515 Greenwood Ave. Jackson, MI 49203 mhalacka@pcsjxn.com (517) 768-9200

4. **Program Manager.** The Program Manager for each party will monitor and coordinate the day-to-day activities of the Contract (each a "Program Manager"):

State:	Contractor:
Greg Johnson Michigan Department of Corrections Women's Huron Valley Correctional Facility 3201 Bemis Road Ypsilanti, MI 48197 JohnsonG16@michigan.gov (734) 434-4068	Betsy Hardwick Professional Consulting Services, Inc. 1515 Greenwood Ave. Jackson, MI 49203 betsy@pcsjxn.com (517) 780-9200

5. **Performance Guarantee.** Contractor must at all times have financial resources sufficient, in the opinion of the State, to ensure performance of the Contract and must provide proof upon request. The State may require a performance bond (as specified in Schedule A – Statement of Work) if, in the opinion of the State, it will ensure performance of the Contract.
6. **Insurance Requirements.** Contractor, at its sole expense, must maintain the insurance coverage identified below. All required insurance must: (a) protect the State from claims that may arise out of, are alleged to arise out of, or result from Contractor's or a subcontractor's performance; (b) be primary and non-contributing to any comparable liability insurance (including self-insurance) carried by the State; and (c) be provided by a company with an A.M. Best rating of "A-" or better, and a financial size of VII or better.

Required Limits	Additional Requirements
Commercial General Liability Insurance	
Minimum Limits: \$1,000,000 Each Occurrence \$1,000,000 Personal & Advertising Injury \$2,000,000 Products/Completed Operations \$2,000,000 General Aggregate	Contractor must have their policy endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds using endorsement CG 20 10 11 85, or both CG 20 10 12 19 and CG 20 37 12 19. Coverage must not have exclusions or limitations related to sexual abuse and molestation liability.
Automobile Liability Insurance	
Minimum Limits: \$1,000,000 Per Accident	Contractor must have their policy: (1) endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds; and (2) include Hired and Non-Owned Automobile coverage.

Required Limits	Additional Requirements
Workers' Compensation Insurance	
Minimum Limits: Coverage according to applicable laws governing work activities.	Waiver of subrogation, except where waiver is prohibited by law.
Employers Liability Insurance	
Minimum Limits: \$500,000 Each Accident \$500,000 Each Employee by Disease \$500,000 Aggregate Disease	
Privacy and Security Liability (Cyber Liability) Insurance	
Minimum Limits: \$1,000,000 Each Occurrence \$1,000,000 Annual Aggregate	Contractor must have their policy cover information security and privacy liability, privacy notification costs, regulatory defense and penalties, and website media content liability.
Professional Liability (Errors and Omissions) Insurance	
Minimum Limits: \$3,000,000 Each Occurrence \$3,000,000 Annual Aggregate	
Medical Malpractice Insurance (as applicable to the services provided)	
Minimum Limits: \$200,000 Each Occurrence \$600,000 Annual Aggregate	

If any of the required policies provide **claims-made** coverage, the Contractor must: (a) provide coverage with a retroactive date before the Effective Date of the Contract or the beginning of Contract Activities; (b) maintain coverage and provide evidence of coverage for at least three (3) years after completion of the Contract Activities; and (c) if coverage is cancelled or not renewed, and not replaced with another claims-made policy form with a retroactive date prior to the Contract Effective Date, Contractor must purchase extended reporting coverage for a minimum of three (3) years after completion of work.

Contractor must: (a) provide insurance certificates to the Contract Administrator, containing the agreement or delivery order number, at Contract formation and within twenty (20) calendar days of the expiration date of the applicable policies; (b) require that subcontractors maintain the required insurance contained in this Section; (c) notify the Contract Administrator within five (5) business days if any insurance is cancelled; and (d) waive all rights against the State for damages covered by insurance. Failure to maintain the required insurance does not limit this waiver.

This Section is not intended to and is not to be construed in any manner as waiving, restricting or limiting the liability of either party for any obligations under this Contract (including any provisions hereof requiring Contractor to indemnify, defend and hold harmless the State).

7. **Reserved.**
8. **Reserved.**
9. **Independent Contractor.** Contractor is an independent contractor and assumes all rights, obligations and liabilities set forth in this Contract. Contractor, its employees, and agents will not be considered employees of the State. No partnership or joint venture relationship is created by virtue of this Contract. Contractor, and not the State, is responsible for the payment of wages, benefits and taxes of Contractor's employees and any subcontractors. Prior performance does not modify Contractor's status as an independent contractor.
10. **Subcontracting.** Contractor may not delegate any of its obligations under the Contract without the prior written approval of the State. Contractor must notify the State at least 30 calendar days, unless otherwise pre-approved by the MDOC Program Manager or designee in writing, before the proposed delegation and provide the State any information it requests to determine whether the delegation is in its best interest, unless otherwise stated in Schedule A. If approved, Contractor must: (a) be the sole point of contact regarding all contractual matters, including payment and charges for all Contract Activities; (b) make all payments to the subcontractor; and (c) incorporate the terms and conditions contained in this Contract in any subcontract with a subcontractor. Contractor remains responsible for the completion of the Contract Activities, compliance with the terms of this Contract, and the acts and omissions of the subcontractor. The State, in its sole discretion, may require the replacement of any subcontractor.

11. **Staffing.** The State's Contract Administrator may require Contractor to remove or reassign personnel by providing a notice to Contractor.
12. **Background Checks.** Pursuant to Michigan law, all agencies subject to IRS Pub. 1075 are required to ask the Michigan State Police to perform fingerprint background checks on all employees, including Contractor and Subcontractor employees, who may have access to any database of information maintained by the federal government that contains confidential or personal information, including, but not limited to, federal tax information. Further, pursuant to Michigan law, any agency described above is prohibited from providing Contractors or Subcontractors with the result of such background check. For more information, please see Michigan Public Act 427 of 2018. Upon request, or as may be specified in Schedule A, Contractor must perform background checks on all employees and subcontractors and its employees prior to their assignment. The scope is at the discretion of the State and documentation must be provided as requested. Contractor is responsible for all costs associated with the requested background checks. The State, in its sole discretion, may also perform background checks.
13. **Assignment.** Contractor may not assign this Contract to any other party without the prior approval of the State. Upon notice to Contractor, the State, in its sole discretion, may assign in whole or in part, its rights or responsibilities under this Contract to any other party. If the State determines that a novation of the Contract to a third party is necessary, Contractor will agree to the novation and provide all necessary documentation and signatures.
14. **Change of Control.** Contractor will notify within 30 days of any public announcement or otherwise once legally permitted to do so, the State of a change in Contractor's organizational structure or ownership. For purposes of this Contract, a change in control means any of the following: (a) a sale of more than 50% of Contractor's stock; (b) a sale of substantially all of Contractor's assets; (c) a change in a majority of Contractor's board members; (d) consummation of a merger or consolidation of Contractor with any other entity; (e) a change in ownership through a transaction or series of transactions; (f) or the board (or the stockholders) approves a plan of complete liquidation. A change of control does not include any consolidation or merger effected exclusively to change the domicile of Contractor, or any transaction or series of transactions principally for bona fide equity financing purposes.
- In the event of a change of control, Contractor must require the successor to assume this Contract and all of its obligations under this Contract.
15. **Ordering.** Contractor is not authorized to begin performance until receipt of authorization as identified in Schedule A.
16. **Acceptance.** Contract Activities are subject to inspection and testing by the State within 30 calendar days of the State's receipt of them ("**State Review Period**"), unless otherwise provided in Schedule A. If the Contract Activities are not fully accepted by the State, the State will notify Contractor by the end of the State Review Period that either: (a) the Contract Activities are accepted but noted deficiencies must be corrected; or (b) the Contract Activities are rejected. If the State finds material deficiencies, it may: (i) reject the Contract Activities without performing any further inspections; (ii) demand performance at no additional cost; or (iii) terminate this Contract in accordance with Section 23, Termination for Cause.
- Within 10 business days from the date of Contractor's receipt of notification of acceptance with deficiencies or rejection of any Contract Activities, Contractor must cure, at no additional cost, the deficiency and deliver unequivocally acceptable Contract Activities to the State. If acceptance with deficiencies or rejection of the Contract Activities impacts the content or delivery of other non-completed Contract Activities, the parties' respective Program Managers must determine an agreed to number of days for re-submission that minimizes the overall impact to the Contract. However, nothing herein affects, alters, or relieves Contractor of its obligations to correct deficiencies in accordance with the time response standards set forth in this Contract.
- If Contractor is unable or refuses to correct the deficiency within the time response standards set forth in this Contract, the State may cancel the order in whole or in part. The State, or a third party identified by the State, may perform the Contract Activities and recover the difference between the cost to cure and the Contract price plus an additional 10% administrative fee.
17. **Reserved.**
18. **Reserved.**
19. **Warranty Period.** The warranty period, if applicable, for Contract Activities is a fixed period commencing on the date specified in Schedule A. If the Contract Activities do not function as warranted during the warranty period, the State may return such non-conforming Contract Activities to the Contractor for a full refund.

- 20. Terms of Payment.** Invoices must conform to the requirements communicated from time-to-time by the State. All undisputed amounts are payable within 45 days of the State's receipt. Contractor may only charge for Contract Activities performed as specified in Schedule A. Invoices must include an itemized statement of all charges. The State is exempt from State sales tax for direct purchases and may be exempt from federal excise tax, if Services purchased under this Agreement are for the State's exclusive use. All prices are exclusive of taxes, and Contractor is responsible for all sales, use and excise taxes, and any other similar taxes, duties and charges of any kind imposed by any federal, state, or local governmental entity on any amounts payable by the State under this Contract.

The State has the right to withhold payment of any disputed amounts until the parties agree as to the validity of the disputed amount. The State will notify Contractor of any dispute within a reasonable time. Payment by the State will not constitute a waiver of any rights as to Contractor's continuing obligations, including claims for deficiencies or substandard Contract Activities. Contractor's acceptance of final payment by the State constitutes a waiver of all claims by Contractor against the State for payment under this Contract, other than those claims previously filed in writing on a timely basis and still disputed.

The State will only disburse payments under this Contract through Electronic Funds Transfer (EFT). Contractor must register with the State at <http://www.michigan.gov/SIGMAVSS> to receive electronic fund transfer payments. If Contractor does not register, the State is not liable for failure to provide payment. Without prejudice to any other right or remedy it may have, the State reserves the right to set off at any time any amount then due and owing to it by Contractor against any amount payable by the State to Contractor under this Contract.

- 21. Reserved.**

- 22. Stop Work Order.** The State may suspend any or all activities under the Contract at any time. The State will provide Contractor a written stop work order detailing the suspension. Contractor must comply with the stop work order upon receipt. Within 90 calendar days, or any longer period agreed to by Contractor, the State will either: (a) issue a notice authorizing Contractor to resume work, or (b) terminate the Contract or delivery order. The State will not pay for Contract Activities, Contractor's lost profits, or any additional compensation during a stop work period.

- 23. Termination for Cause.** The State may terminate this Contract for cause, in whole or in part, if Contractor, as determined by the State: (a) endangers the value, integrity, or security of any location, data, or personnel; (b) becomes insolvent, petitions for bankruptcy court proceedings, or has an involuntary bankruptcy proceeding filed against it by any creditor; (c) engages in any conduct that may expose the State to liability; (d) breaches any of its material duties or obligations; or (e) fails to cure a breach within the time stated in a notice of breach. Any reference to specific breaches being material breaches within this Contract will not be construed to mean that other breaches are not material.

If the State terminates this Contract under this Section, the State will issue a termination notice specifying whether Contractor must: (a) cease performance immediately, or (b) continue to perform for a specified period. If it is later determined that Contractor was not in breach of the Contract, the termination will be deemed to have been a Termination for Convenience, effective as of the same date, and the rights and obligations of the parties will be limited to those provided in Section 24, Termination for Convenience.

The State will only pay for amounts due to Contractor for Contract Activities accepted by the State on or before the date of termination, subject to the State's right to set off any amounts owed by the Contractor for the State's reasonable costs in terminating this Contract. The Contractor must pay all reasonable costs incurred by the State in terminating this Contract for cause, including administrative costs, attorneys' fees, court costs, transition costs, and any costs the State incurs to procure the Contract Activities from other sources.

- 24. Termination for Convenience.** The State may immediately terminate this Contract in whole or in part without penalty and for any reason, including but not limited to, appropriation or budget shortfalls. The termination notice will specify whether Contractor must: (a) cease performance of the Contract Activities immediately, or (b) continue to perform the Contract Activities in accordance with Section 25, Transition Responsibilities. If the State terminates this Contract for convenience, the State will pay all reasonable costs, as determined by the State, for State approved Transition Responsibilities.

- 25. Transition Responsibilities.** Upon termination or expiration of this Contract for any reason, Contractor must, for a period of time specified by the State (not to exceed **270** calendar days), provide all reasonable transition assistance requested by the State, to allow for the expired or terminated portion of the Contract Activities to continue without interruption or adverse effect, and to facilitate the orderly transfer of such Contract Activities to the State or its designees. Such transition assistance may include, but is not limited to: (a) continuing to perform

the Contract Activities at the established Contract rates; (b) taking all reasonable and necessary measures to transition performance of the work, including all applicable Contract Activities, training, equipment, software, leases, reports and other documentation, to the State or the State's designee; (c) taking all necessary and appropriate steps, or such other action as the State may direct, to preserve, maintain, protect, or return to the State all materials, data, property, and confidential information provided directly or indirectly to Contractor by any entity, agent, vendor, or employee of the State; (d) transferring title in and delivering to the State, at the State's discretion, all completed or partially completed deliverables prepared under this Contract as of the Contract termination date; and (e) preparing an accurate accounting from which the State and Contractor may reconcile all outstanding accounts (collectively, "**Transition Responsibilities**"). This Contract will automatically be extended through the end of the transition period.

- 26. General Indemnification.** Contractor must defend, indemnify and hold the State, its departments, divisions, agencies, offices, commissions, officers, and employees harmless, without limitation, from and against any and all actions, claims, losses, liabilities, damages, costs, attorney fees, and expenses (including those required to establish the right to indemnification), arising out of or relating to: (a) any breach by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable) of any of the promises, agreements, representations, warranties, or insurance requirements contained in this Contract; (b) any infringement, misappropriation, or other violation of any intellectual property right or other right of any third party; (c) any bodily injury, death, or damage to real or tangible personal property occurring wholly or in part due to action or inaction by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable); and (d) any acts or omissions of Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable).

The State will notify Contractor in writing if indemnification is sought; however, failure to do so will not relieve Contractor, except to the extent that Contractor is materially prejudiced. Contractor must, to the satisfaction of the State, demonstrate its financial ability to carry out these obligations.

The State is entitled to: (i) regular updates on proceeding status; (ii) participate in the defense of the proceeding; (iii) employ its own counsel; and to (iv) retain control of the defense if the State deems necessary. Contractor will not, without the State's written consent (not to be unreasonably withheld), settle, compromise, or consent to the entry of any judgment in or otherwise seek to terminate any claim, action, or proceeding. To the extent that any State employee, official, or law may be involved or challenged, the State may, at its own expense, control the defense of that portion of the claim.

Any litigation activity on behalf of the State, or any of its subdivisions under this Section, must be coordinated with the Department of Attorney General. An attorney designated to represent the State may not do so until approved by the Michigan Attorney General and appointed as a Special Assistant Attorney General.

- 27. Infringement Remedies.** If, in either party's opinion, any piece of equipment, software, commodity, or service supplied by Contractor or its subcontractors, or its operation, use or reproduction, is likely to become the subject of a copyright, patent, trademark, or trade secret infringement claim, Contractor must, at its expense: (a) procure for the State the right to continue using the equipment, software, commodity, or service, or if this option is not reasonably available to Contractor, (b) replace or modify the same so that it becomes non-infringing; or (c) accept its return by the State with appropriate credits to the State against Contractor's charges and reimburse the State for any losses or costs incurred as a consequence of the State ceasing its use and returning it.
- 28. Limitation of Liability and Disclaimer of Damages. IN NO EVENT WILL THE STATE'S AGGREGATE LIABILITY TO CONTRACTOR UNDER THIS CONTRACT, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT, EXCEED THE MAXIMUM AMOUNT OF FEES PAYABLE UNDER THIS CONTRACT.** The State is not liable for consequential, incidental, indirect, or special damages, regardless of the nature of the action.
- 29. Disclosure of Litigation, or Other Proceeding.** Contractor must notify the State within 14 calendar days of receiving notice of any litigation, investigation, arbitration, or other proceeding (collectively, "**Proceeding**") involving Contractor, a subcontractor, or an officer or director of Contractor or subcontractor, that arises during the term of the Contract, including: (a) a criminal Proceeding; (b) a parole or probation Proceeding; (c) a Proceeding under the Sarbanes-Oxley Act; (d) a civil Proceeding involving: (1) a claim that might reasonably be expected to adversely affect Contractor's viability or financial stability; or (2) a governmental or public entity's claim or written allegation of fraud; or (e) a Proceeding involving any license that Contractor is required to possess in order to perform under this Contract.

- 30. Reserved.**

31. State Data.

- a. **Ownership.** The State's data ("**State Data**," which will be treated by Contractor as Confidential Information) includes: (a) the State's data collected, used, processed, stored, or generated as the result of the Contract Activities; (b) personally identifiable information ("**PII**") collected, used, processed, stored, or generated as the result of the Contract Activities, including, without limitation, any information that identifies an individual, such as an individual's social security number or other government-issued identification number, date of birth, address, telephone number, biometric data, mother's maiden name, email address, credit card information, or an individual's name in combination with any other of the elements here listed; and, (c) personal health information ("**PHI**") collected, used, processed, stored, or generated as the result of the Contract Activities, which is defined under the Health Insurance Portability and Accountability Act (HIPAA) and its related rules and regulations. State Data is and will remain the sole and exclusive property of the State and all right, title, and interest in the same is reserved by the State. This Section survives the termination of this Contract.
- b. **Contractor Use of State Data.** Contractor is provided a limited license to State Data for the sole and exclusive purpose of providing the Contract Activities, including a license to collect, process, store, generate, and display State Data only to the extent necessary in the provision of the Contract Activities. Contractor must: (a) keep and maintain State Data in strict confidence, using such degree of care as is appropriate and consistent with its obligations as further described in this Contract and applicable law to avoid unauthorized access, use, disclosure, or loss; (b) use and disclose State Data solely and exclusively for the purpose of providing the Contract Activities, such use and disclosure being in accordance with this Contract, any applicable Statement of Work, and applicable law; and (c) not use, sell, rent, transfer, distribute, or otherwise disclose or make available State Data for Contractor's own purposes or for the benefit of anyone other than the State without the State's prior written consent. This Section survives the termination of this Contract.
- c. **Extraction of State Data.** Contractor must, within five (5) business days of the State's request, provide the State, without charge and without any conditions or contingencies whatsoever (including but not limited to the payment of any fees due to Contractor), an extract of the State Data in the format specified by the State.
- d. **Backup and Recovery of State Data.** Unless otherwise specified in Schedule A, Contractor is responsible for maintaining a backup of State Data and for an orderly and timely recovery of such data. Unless otherwise described in Schedule A, Contractor must maintain a contemporaneous backup of State Data that can be recovered within two (2) hours at any point in time.
- e. **Loss or Compromise of Data.** In the event of any act, error or omission, negligence, misconduct, or breach on the part of Contractor that compromises or is suspected to compromise the security, confidentiality, or integrity of State Data or the physical, technical, administrative, or organizational safeguards put in place by Contractor that relate to the protection of the security, confidentiality, or integrity of State Data, Contractor must, as applicable: (a) notify the State as soon as practicable but no later than twenty-four (24) hours of becoming aware of such occurrence; (b) cooperate with the State in investigating the occurrence, including making available all relevant records, logs, files, data reporting, and other materials required to comply with applicable law or as otherwise required by the State; (c) in the case of PII or PHI, at the State's sole election, (i) with approval and assistance from the State, notify the affected individuals who comprise the PII or PHI as soon as practicable but no later than is required to comply with applicable law, or, in the absence of any legally required notification period, within five (5) calendar days of the occurrence; or (ii) reimburse the State for any costs in notifying the affected individuals; (d) in the case of PII, provide third-party credit and identity monitoring services to each of the affected individuals who comprise the PII for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, for no less than twenty-four (24) months following the date of notification to such individuals; (e) perform or take any other actions required to comply with applicable law as a result of the occurrence; (f) pay for any costs associated with the occurrence, including but not limited to any costs incurred by the State in investigating and resolving the occurrence, including reasonable attorney's fees associated with such investigation and resolution; (g) without limiting Contractor's obligations of indemnification as further described in this Contract, indemnify, defend, and hold harmless the State for any and all claims, including reasonable attorneys' fees, costs, and incidental expenses, which may be suffered by, accrued against, charged to, or recoverable from the State in connection with the occurrence; (h) be responsible for recreating lost State Data in the manner and on the schedule set by the State without charge to the State; and (i) provide to the State a detailed plan within ten (10) calendar days of the occurrence describing the measures Contractor will undertake to prevent a future occurrence. Notification to affected individuals, as described above, must comply with applicable law, be written in plain language, not be tangentially used for any solicitation purposes, and contain, at a minimum: name and contact information of Contractor's representative; a description of the nature of the loss; a list of

the types of data involved; the known or approximate date of the loss; how such loss may affect the affected individual; what steps Contractor has taken to protect the affected individual; what steps the affected individual can take to protect himself or herself; contact information for major credit card reporting agencies; and, information regarding the credit and identity monitoring services to be provided by Contractor. The State will have the option to review and approve any notification sent to affected individuals prior to its delivery. Notification to any other party, including but not limited to public media outlets, must be reviewed and approved by the State in writing prior to its dissemination. The parties agree that any damages relating to a breach of this **Section 31** are to be considered direct damages and not consequential damages. This section survives termination or expiration of this Contract.

- f. **State's Governance, Risk and Compliance (GRC) platform.** Contractor is required to assist the State with its security accreditation process through the development, completion and ongoing updating of a system security plan using the State's automated GRC platform and implement any required safeguards or remediate any security vulnerabilities as identified by the results of the security accreditation process.

32. Non-Disclosure of Confidential Information. The parties acknowledge that each party may be exposed to or acquire communication or data of the other party that is confidential, privileged communication not intended to be disclosed to third parties. The provisions of this Section survive the termination of this Contract.

- a. **Meaning of Confidential Information.** For the purposes of this Contract, the term "**Confidential Information**" means all information and documentation of a party that: (a) has been marked "confidential" or with words of similar meaning, at the time of disclosure by such party; (b) if disclosed orally or not marked "confidential" or with words of similar meaning, was subsequently summarized in writing by the disclosing party and marked "confidential" or with words of similar meaning; and, (c) should reasonably be recognized as confidential information of the disclosing party. The term "Confidential Information" does not include any information or documentation that was: (a) subject to disclosure under the Michigan Freedom of Information Act (FOIA); (b) already in the possession of the receiving party without an obligation of confidentiality; (c) developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party's proprietary rights; (d) obtained from a source other than the disclosing party without an obligation of confidentiality; or, (e) publicly available when received, or thereafter became publicly available (other than through any unauthorized disclosure by, through, or on behalf of, the receiving party). For purposes of this Contract, in all cases and for all matters, State Data is deemed to be Confidential Information.
- b. **Obligation of Confidentiality.** The parties agree to hold all Confidential Information in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such Confidential Information to third parties other than employees, agents, or subcontractors of a party who have a need to know in connection with this Contract or to use such Confidential Information for any purposes whatsoever other than the performance of this Contract. The parties agree to advise and require their respective employees, agents, and subcontractors of their obligations to keep all Confidential Information confidential. Disclosure to a subcontractor is permissible where: (a) use of a subcontractor is authorized under this Contract; (b) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the subcontractor's responsibilities; and (c) Contractor obligates the subcontractor in a written contract to maintain the State's Confidential Information in confidence. At the State's request, any employee of Contractor or any subcontractor may be required to execute a separate agreement to be bound by the provisions of this Section.
- c. **Cooperation to Prevent Disclosure of Confidential Information.** Each party must use its best efforts to assist the other party in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the foregoing, each party must advise the other party immediately in the event either party learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Contract and each party will cooperate with the other party in seeking injunctive or other equitable relief against any such person.
- d. **Remedies for Breach of Obligation of Confidentiality.** Each party acknowledges that breach of its obligation of confidentiality may give rise to irreparable injury to the other party, which damage may be inadequately compensable in the form of monetary damages. Accordingly, a party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies which may be available, to include, in the case of the State, at the sole election of the State, the immediate termination, without liability to the State, of this Contract or any Statement of Work corresponding to the breach or threatened breach.

- e. **Surrender of Confidential Information upon Termination.** Upon termination of this Contract or a Statement of Work, in whole or in part, each party must, within 5 calendar days from the date of termination, return to the other party any and all Confidential Information received from the other party, or created or received by a party on behalf of the other party, which are in such party's possession, custody, or control; provided, however, that Contractor must return State Data to the State following the timeframe and procedure described further in this Contract. Should Contractor or the State determine that the return of any Confidential Information is not feasible, such party must destroy the Confidential Information and must certify the same in writing within 5 calendar days from the date of termination to the other party. However, the State's legal ability to destroy Contractor data may be restricted by its retention and disposal schedule, in which case Contractor's Confidential Information will be destroyed after the retention period expires.

33. Data Privacy and Information Security.

- a. **Undertaking by Contractor.** Without limiting Contractor's obligation of confidentiality as further described, Contractor is responsible for establishing and maintaining a data privacy and information security program, including physical, technical, administrative, and organizational safeguards, that is designed to: (a) ensure the security and confidentiality of the State Data; (b) protect against any anticipated threats or hazards to the security or integrity of the State Data; (c) protect against unauthorized disclosure, access to, or use of the State Data; (d) ensure the proper disposal of State Data; and (e) ensure that all employees, agents, and subcontractors of Contractor, if any, comply with all of the foregoing. In no case will the safeguards of Contractor's data privacy and information security program be less stringent than the safeguards used by the State, and Contractor must at all times comply with all applicable State IT policies and standards, which are available to Contractor upon request.
- b. **Audit by Contractor.** No less than annually, Contractor must conduct a comprehensive independent third-party audit of its data privacy and information security program and provide such audit findings to the State.
- c. **Right of Audit by the State.** Without limiting any other audit rights of the State, the State has the right to review Contractor's data privacy and information security program prior to the commencement of Contract Activities and from time to time during the term of this Contract. During the providing of the Contract Activities, on an ongoing basis from time to time and without notice, the State, at its own expense, is entitled to perform, or to have performed, an on-site audit of Contractor's data privacy and information security program. In lieu of an on-site audit, upon request by the State, Contractor agrees to complete, within 45 calendar days of receipt, an audit questionnaire provided by the State regarding Contractor's data privacy and information security program.
- d. **Audit Findings.** Contractor must implement any required safeguards as identified by the State or by any audit of Contractor's data privacy and information security program.
- e. **State's Right to Termination for Deficiencies.** The State reserves the right, at its sole election, to immediately terminate this Contract or a Statement of Work without limitation and without liability if the State determines that Contractor fails or has failed to meet its obligations under this Section.

34. Reserved.

35. Reserved.

- 36. **Records Maintenance, Inspection, Examination, and Audit.** The State or its designee may audit Contractor to verify compliance with this Contract. Contractor must retain and provide to the State or its designee and the auditor general upon request, all financial and accounting records related to the Contract through the term of the Contract and for 4 years after the latter of termination, expiration, or final payment under this Contract or any extension ("**Audit Period**"). If an audit, litigation, or other action involving the records is initiated before the end of the Audit Period, Contractor must retain the records until all issues are resolved.

Within 10 calendar days of providing notice, the State and its authorized representatives or designees have the right to enter and inspect Contractor's premises or any other places where Contract Activities are being performed, and examine, copy, and audit all records related to this Contract. Contractor must cooperate and provide reasonable assistance. If any financial errors are revealed, the amount in error must be reflected as a credit or debit on subsequent invoices until the amount is paid or refunded. Any remaining balance at the end of the Contract must be paid or refunded within 45 calendar days.

This Section applies to Contractor, any parent, affiliate, or subsidiary organization of Contractor, and any subcontractor that performs Contract Activities in connection with this Contract.

- 37. Warranties and Representations.** Contractor represents and warrants: (a) Contractor is the owner or licensee of any Contract Activities that it licenses, sells, or develops and Contractor has the rights necessary to convey title, ownership rights, or licensed use; (b) all Contract Activities are delivered free from any security interest, lien, or encumbrance and will continue in that respect; (c) the Contract Activities will not infringe the patent, trademark, copyright, trade secret, or other proprietary rights of any third party; (d) Contractor must assign or otherwise transfer to the State or its designee any manufacturer's warranty for the Contract Activities; (e) the Contract Activities are merchantable and fit for the specific purposes identified in the Contract; (f) the Contract signatory has the authority to enter into this Contract; (g) all information furnished by Contractor in connection with the Contract fairly and accurately represents Contractor's business, properties, finances, and operations as of the dates covered by the information, and Contractor will inform the State of any material adverse changes; (h) all information furnished and representations made in connection with the award of this Contract is true, accurate, and complete, and contains no false statements or omits any fact that would make the information misleading; and that (i) Contractor is neither currently engaged in nor will engage in the boycott of a person based in or doing business with a strategic partner as described in 22 USC 8601 to 8606. A breach of this Section is considered a material breach of this Contract, which entitles the State to terminate this Contract under Section 23, Termination for Cause.
- 38. Conflicts and Ethics.** Contractor will uphold high ethical standards and is prohibited from: (a) holding or acquiring an interest that would conflict with this Contract; (b) doing anything that creates an appearance of impropriety with respect to the award or performance of the Contract; (c) attempting to influence or appearing to influence any State employee by the direct or indirect offer of anything of value; or (d) paying or agreeing to pay any person, other than employees and consultants working for Contractor, any consideration contingent upon the award of the Contract. Contractor must immediately notify the State of any violation or potential violation of these standards. This Section applies to Contractor, any parent, affiliate, or subsidiary organization of Contractor, and any subcontractor that performs Contract Activities in connection with this Contract.
- 39. Compliance with Laws.** Contractor must comply with all federal, state and local laws, rules and regulations.
- 40. Reserved.**
- 41. Reserved.**
- 42. Nondiscrimination.** Under the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.*, the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, and [Executive Directive 2019-09](#). Contractor and its subcontractors agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex (as defined in Executive Directive 2019-09), height, weight, marital status, partisan considerations, any mental or physical disability, or genetic information that is unrelated to the person's ability to perform the duties of a particular job or position. Breach of this covenant is a material breach of this Contract.
- 43. Unfair Labor Practice.** Under MCL 423.324, the State may void any Contract with a Contractor or subcontractor who appears on the Unfair Labor Practice register compiled under MCL 423.322.
- 44. Governing Law.** This Contract is governed, construed, and enforced in accordance with Michigan law, excluding choice-of-law principles, and all claims relating to or arising out of this Contract are governed by Michigan law, excluding choice-of-law principles. Any dispute arising from this Contract must be resolved in Michigan Court of Claims. Contractor consents to venue in Ingham County, and waives any objections, such as lack of personal jurisdiction or *forum non conveniens*. Contractor must appoint agents in Michigan to receive service of process.
- 45. Non-Exclusivity.** Nothing contained in this Contract is intended nor will be construed as creating any requirements contract with Contractor. This Contract does not restrict the State or its agencies from acquiring similar, equal, or like Contract Activities from other sources.
- 46. Force Majeure.** Neither party will be in breach of this Contract because of any failure arising from any disaster or acts of god that are beyond their control and without their fault or negligence. Each party will use commercially reasonable efforts to resume performance. Contractor will not be relieved of a breach or delay caused by its subcontractors. If immediate performance is necessary to ensure public health and safety, the State may immediately contract with a third party.
- 47. Dispute Resolution.** The parties will endeavor to resolve any Contract dispute in accordance with this provision. The dispute will be referred to the parties' respective Contract Administrators or Program Managers. Such referral must include a description of the issues and all supporting documentation. The parties must submit the dispute to a senior executive if unable to resolve the dispute within 15 business days. The parties will continue performing

while a dispute is being resolved, unless the dispute precludes performance. A dispute involving payment does not preclude performance.

Litigation to resolve the dispute will not be instituted until after the dispute has been elevated to the parties' senior executive and either concludes that resolution is unlikely or fails to respond within 15 business days. The parties are not prohibited from instituting formal proceedings: (a) to avoid the expiration of statute of limitations period; (b) to preserve a superior position with respect to creditors; or (c) where a party makes a determination that a temporary restraining order or other injunctive relief is the only adequate remedy. This Section does not limit the State's right to terminate the Contract.

48. **Media Releases.** News releases (including promotional literature and commercial advertisements) pertaining to the Contract or project to which it relates must not be made without prior written State approval, and then only in accordance with the explicit written instructions of the State.
49. **Website Incorporation.** The State is not bound by any content on Contractor's website unless expressly incorporated directly into this Contract.
50. **Schedules.** All Schedules and Exhibits that are referenced herein and attached hereto are hereby incorporated by reference. The following Schedules are attached hereto and incorporated herein:

Schedule A	Statement of Work
Schedule A-1 through A-3	Operational Information
Schedule A-4	Definitions
Schedule A-5 through A-11	Operational Information
Schedule A-12	Service Level Agreements
Schedule B	Pricing

51. **Entire Agreement and Order of Precedence.** This Contract, which includes Schedule A – Statement of Work, and schedules and exhibits which are hereby expressly incorporated, is the entire agreement of the parties related to the Contract Activities. This Contract supersedes and replaces all previous understandings and agreements between the parties for the Contract Activities. If there is a conflict between documents, the order of precedence is: (a) first, this Contract, excluding its schedules, exhibits, and Schedule A – Statement of Work; (b) second, Schedule A – Statement of Work as of the Effective Date; and (c) third, schedules expressly incorporated into this Contract as of the Effective Date. NO TERMS ON CONTRACTOR'S INVOICES, ORDERING DOCUMENTS, WEBSITE, BROWSE-WRAP, SHRINK-WRAP, CLICK-WRAP, CLICK-THROUGH OR OTHER NON-NEGOTIATED TERMS AND CONDITIONS PROVIDED WITH ANY OF THE CONTRACT ACTIVITIES WILL CONSTITUTE A PART OR AMENDMENT OF THIS CONTRACT OR IS BINDING ON THE STATE FOR ANY PURPOSE. ALL SUCH OTHER TERMS AND CONDITIONS HAVE NO FORCE AND EFFECT AND ARE DEEMED REJECTED BY THE STATE, EVEN IF ACCESS TO OR USE OF THE CONTRACT ACTIVITIES REQUIRES AFFIRMATIVE ACCEPTANCE OF SUCH TERMS AND CONDITIONS.
52. **Severability.** If any part of this Contract is held invalid or unenforceable, by any court of competent jurisdiction, that part will be deemed deleted from this Contract and the severed part will be replaced by agreed upon language that achieves the same or similar objectives. The remaining Contract will continue in full force and effect.
53. **Waiver.** Failure to enforce any provision of this Contract will not constitute a waiver.
54. **Survival.** The provisions of this Contract that impose continuing obligations, including warranties and representations, termination, transition, insurance coverage, indemnification, and confidentiality, will survive the expiration or termination of this Contract.
55. **Contract Modification.** This Contract may not be amended except by signed agreement between the parties (a "Contract Change Notice"). Notwithstanding the foregoing, no subsequent Statement of Work or Contract

Change Notice executed after the Effective Date will be construed to amend this Contract unless it specifically states its intent to do so and cites the section or sections amended.

STATE OF MICHIGAN

Contract 210000001210
Health Services Community Reintegration Program

SCHEDULE A STATEMENT OF WORK CONTRACT ACTIVITIES

This schedule identifies the anticipated requirements of the Contract.

BACKGROUND

The Contract is for coordinating and/or providing services to offenders with serious medical or mental health needs (hereby referred to as high need offenders) under the review of Bureau of Health Care Services (BHCS), MDOC. The Contractor's staff must coordinate and/or provide services to paroling and discharging offenders that have been identified during their term of incarceration as having a need that may impede the offender's successful transition to the community. The Health Services Community Reintegration program (HSCR) is designed to facilitate offenders' successful transition to the community. Services for the high need offender population may include, but are not limited to, the following services:

- Housing (e.g. Adult Foster Care, Supervised Independent Living)
- Prescriptions
- Pharmacological Interventions
- Mental Health Services
- Medical Services
- Dental Services
- Family Interventions
- Substance Abuse Treatment
- Employment Services
- Legal (eg. Guardianship, Advocacy, Fiduciary)
- Incidental Expenses (eg. Transportation, Toiletries, Clothing, Food Assistance)
- Criminogenic needs
- Crisis response planning
- Federal and State benefits

The goals of HSCR are:

1. Public safety - Reduce the threat of harm to persons and their property by returning offenders to their communities with structured supervision, coordinated services and planned community supports.
2. Reduce recidivism - Provide or coordinate effective risk management and treatment programming for offenders through planning that highlights individual need for varied services that promote the development and maintenance of community integration and self-sufficiency.
3. Maximize community resources – Develop partnerships with community providers to ensure an adequate supply of services and supports for offenders, regardless of locale.
4. Cost-effectiveness – Optimize opportunities for cost savings through aggressive utilization and reimbursement via alternative funding sources.

Sustainable Supports

The MDOC has a process in place for ensuring that all eligible offenders are released with Medicaid benefits. The Contractor must ensure that the offender's Medicaid is activated after release and the offender is linked with a health

plan. The Contractor must assist with applying for food assistance, and other community supports and benefits that are available.

Many high need offenders returning to the community will qualify for Medicare, SSI/SSDI, VA benefits, or other State and Federal benefit programs. The Contractor must screen offenders prior to custodial release from the MDOC for qualifying benefits and ensure that relevant applications are completed once released.

A current listing of MDOC correctional facilities may be found at <http://www.michigan.gov/corrections>.

A. Program Overview

1. Service Area

The Contractor must serve all referred parolees. Contractor will have the capability to develop and maintain partnerships with community providers to ensure adequate support to offenders. The Contractor must coordinate and/or provide services in collaboration with MDOC. Services may include, mental health providers, substance abuse providers, housing specialists, employment specialists, mentors, and others, depending upon the needs and services identified in each offender's individualized aftercare plan.

The Contractor must be responsive to the needs of the target offender populations while taking into consideration the identified service plans and service area. The Contractor must be able to demonstrate the ability to be flexible in providing and/or coordinating seamless transitional services.

The Contractor should be aware of the approximate distribution of cases by geographical area for all offender transitions.

2. Target Populations

The targeted population includes high need offenders with chronic physical and/or mental health conditions that require intensive intervention. These offenders are medically frail, and/or mentally ill. Services must include an individualized, comprehensive plan that assures necessary medical and/or mental health care services, and links with other needed services and supports.

a. Medically Frail (D48)

Offenders in this category have chronic and/or progressive physical disorders, which affect their activities of daily living in a negative manner. This population may need adult foster care, nursing home or medical room and board placements. For these offenders, Contractors would need to ensure the continuity of physical health services and promote successful community transition.

b. Mentally Ill (D47)

Offenders in this category have mental health needs that may require specialized interventions, such as adult foster care or assistance with the administration of psychotropic medications. For these offenders, Contractors would need to ensure the continuity of mental health services and promote successful community transition.

c. Other

- 1) The Parole Board reserves the right to identify potential offenders as high need participants, regardless of whether they are current or former recipients of intensive health or mental health services.
- 2) BHCS treatment teams may identify youthful trainees that have been sentenced under the Holmes Youthful Trainee Act (HYTA), who are releasing to MDOC probation supervision, and meet one of the high need categories (Medically Frail or Mentally Ill).

3. Referral Sources

a. Prison-Based Referrals

- 1) **Full-Term Paroles**
Most offenders served under the Contract will begin a two-year parole term on the day they are released from prison. All offenders paroled as Medically Fragile (D48) or Mentally Ill (D47) may be served under this contract throughout their entire parole term.
- 2) **Short-Term Paroles**
Some offenders served under the Contract will begin an abbreviated parole term on the day that they are released from prison. All offenders paroled as Medically Fragile (D48) or Mentally Ill (D47) may be served under the Contract only for the duration of an abbreviated parole term.
- 3) **Offenders Releasing Under Holmes Youthful Trainee Act**
Youthful trainees that have been sentenced under the Holmes Youthful Trainee Act (HYTA) and are releasing to MDOC probation supervision may receive service under the Contract if they meet Medically Fragile or Mentally Ill offender criteria.

b. Community Referrals

- 1) **Criteria for a Community-Based Referral**
Community-based service referrals originate from MDOC Field Agents. These referrals must be made to the MDOC Program Manager or designee and must include a rationale for the request that demonstrates how the offender qualifies for service under one of the identified target populations. The MDOC Program Manager or designee approval is required before a case can be accepted for service. To be eligible for admission as a community-based referral, the offender in question must meet all of the following criteria listed below:
 - a) The offender has not been served as part of the HSCR program on the current term of supervision
 - b) The offender has an identified and documented serious medical or mental health need
 - c) The request is in response to factors that directly impact community stabilization

4. Duration of Services

The HSCR program specifies a 180-calendar day standard plan for services for all offenders. The 180-day plan for service applies to offenders releasing from custody to the community on State supervision and offenders already in the community under State supervision received as community referrals. The 180-day plan for service could include some exceptions that may abbreviate or extend the service.

5. Target Population Process

a. Offenders Designated as D47

- 1) For high need offenders with mental illness, the Contractor will be provided with an individualized assessment of each offender's needs prepared by the MDOC to assist in the development of aftercare plans.
- 2) With offender signed consent, the Contractor will be provided with relevant clinical information, to include at a minimum, mental health assessments, treatment interventions, medications and lab work for offenders currently on the

Contractor's assigned caseload. It is expected that the Contractor will share the assessment of needs and clinical information with community providers to assist in the development of aftercare plans, and with appropriate agencies to assist in determinations of eligibility for Federal, State and local benefits for which the offenders may qualify.

- 3) The Contractor must work with local agencies in the offender's county of return (county of last known residence) to develop a plan of service (aftercare plan) to meet all identified needs. The proposed aftercare plan submitted by the Contractor will be forwarded for approval to the MHS clinical team responsible for treating the offender. The treatment team is responsible for reviewing the plan to determine whether the offender's needs and risks are adequately addressed in the plan. If the team determines the plan will not adequately meet the offender's needs and risks, the plan will be returned to the Contractor with a request that specific deficiencies be resolved. Unapproved aftercare plans will not be forwarded to the Parole Board for further consideration.

The majority of male offenders with a deferred parole (D47 code) referred to this Contract will be transferred to Gus Harrison Correctional Facility (ARF) within three weeks of referral by the Parole Board to receive pre-release program services and an assessment of mental health, housing and other needs. Those not transferred to ARF include:

- Offenders at WCC receiving inpatient mental health services
 - Offenders placed in Residential Treatment Programming (RTP) at Richard A. Handlon Correctional Facility (MTU)
 - Offenders placed in Adaptive Skills Residential Program (ASRP) at MTU or St. Louis Correctional Facility (SLF)
- 4) All female offenders, regardless of parole designation or mental health programming needs, will return to the community from Women's Huron Valley Correctional Facility (WHV).
 - 5) Offenders releasing under the HYTA provisions will typically be released from Thumb Correctional Facility (TCF).

b. Offenders Designated as D48

- 1) For offenders with medical fragility releasing to a parole term, the Parole Board may make the referral using the D48 parole code.
- 2) Program participants in this target group are not transferred to ARF due to the need for advanced medical care. These offenders will typically release from Duane Waters Health Center (DWH) (inpatient facility), C-Unit (extended care facility), one of the MDOC infirmaries, or a secure inpatient hospital setting (e.g. surrounding area hospital). Elderly or older adults housed at Lakeland Correctional Facility (LCF), Thumb Correctional Facility (TCF) and older adults with memory disorders housed in other general population facilities may also be referred for services. A significant percentage of offenders who are medically fragile will also be receiving treatment for a co-occurring mental illness which will require treatment and follow-up in the community.
- 3) The MDOC medical social workers working in collaboration with health care and mental health providers complete the needs assessments for this population upon referral from the Parole Board. The Contractor will be provided with an assessment of each offender's needs and relevant medical and mental health (if applicable) records for each offender in this target group. The Contractor will submit an aftercare plan to meet all identified needs.

7. Special Program Considerations

a. Post-Release Involuntary Treatment

- 1) Chapter 10 of the Mental Health Code (PA 258) requires that MDOC assess each offender's need for post-release involuntary mental health treatment, and file appropriate petition and clinical certificates seeking involuntary treatment orders when indicated. The Contractor must assist this effort by coordinating with local mental health providers to ensure that alternative treatment reports are completed when requested by probate courts, and ensuring that local mental health providers are provided necessary court order information and are prepared to support the requirements of the orders.
- 2) Offenders paroling from MDOC custody to direct medical or psychiatric hospital admission, hospital evaluation services, or other secure settings will be transported by MDOC staff.

8. Criminal History and Risk

- a. The Needs Assessment submitted by the MDOC will summarize offender needs related to criminal history and risk factors. This summary will include information related to the following:

- 1) Type, date and nature of the current offense(s)
- 2) Sentence summary including Early Release Date (ERD), max date and history of paroles
- 3) History of antisocial behavior including brief summary of prior arrests and convictions
- 4) MDOC misconducts considered serious over the previous four years, gang history and Security Threat Groups (STG) designation
- 5) Current MDOC security level and history of placement in administrative segregation
- 6) Available risk data from the most recently administered COMPAS Risk and Needs Assessment
- 7) Review of criminogenic needs (antisocial cognition, antisocial peers, antisocial personality, family/marital factors)

There is no guarantee of a specific number of high need offenders needing coordination for services prior to their release from MDOC supervision within any prison facilities.

B. Definitions

A list of definitions for this Contract is located in Schedule A-4.

SCOPE

The Contractor will manage returning offenders with chronic illness, which includes both physical and mental health, to their local communities for both adult and youthful offender populations. The Contractor must provide deliverables/services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below in the minimum standards of care for the HSCR. The below minimum standards of care are to be considered by Contractors as the minimum requirements, in terms of points of contact for services from the time of referral to discharge. Service variation is to be expected, in terms of types and costs, but these standards are not. The

Contractor is responsible for adhering to all provisions of the Contract. Failure to follow the standards contained within this section will result in Service Level Agreements being assessed to the Contractor.

A. Risk-Needs-Responsivity

The Contractor's service provision model must reflect best practice and evidenced based models of transition and offender rehabilitation. Interventions should be based on risks and focused on the conditions that underlie criminal involvement. Reducing recidivism is a leading priority and the MDOC expects any HSCR Contractor to be a collaborative partner toward this goal.

The Contractor must:

1. Collaborate effectively with MDOC FOA on the integration of criminogenic risk factors with mental health and substance abuse needs.
2. Encourage treatment providers to match the intensity of the offender's intervention to their clinical needs and their risk of reoffending.
3. Promote capacity and skills within treatment systems to best serve populations.
4. Engage prosocial community influences to support interventions.
5. Encourage and facilitate engagement in meaningful extracurricular activities (e.g., athletics, music, clubhouse membership, volunteering).
6. Recognize the co-morbidity of physical, mental health and substance abuse disorders.

B. MDOC Contract Monitoring Unit

The MDOC has developed a contract monitoring unit known as the Procurement Monitoring and Compliance Division (PMCD). This unit has oversight for the Department's contracts and ensures that the Contractor is delivering services according to the contract requirements. The Contract Manager will serve as the lead for all contract related issues, and will assist in facilitating kick off meetings, determining service level agreements, overseeing the transition timeline and working with the MDOC program staff to ensure the contractual requirements are being met. A contract monitor will be assigned to monitor the contract(s), and conduct regular monitoring of all contract related activities.

1.0 REQUIREMENTS

The Contractor must provide deliverables/services and staff, and follow the appropriate federal and state laws, and all MDOC policies, procedures and protocols, and complete the work, as set forth below:

A. Minimum Standards of Care

1. Initiate Community-based Case Planning

a. Prison-based Referral

- 1) The Contractor must be familiar with available services in the community in which the offender is returning.
- 2) Upon receipt of the Needs Assessment from MDOC staff, the Contractor must begin identifying and securing appropriate community-based services related to the identified needs within 1-14 calendar days.

b. Community-based Referral

- 1) Upon receipt of referral from MDOC staff, the Contractor must begin identifying and securing appropriate community-based services related to the identified needs within 7 calendar days. In those cases where the offender is at imminent risk of returning to prison due to issues related to his/her mental health, physical health, criminogenic, or other identified needs, the Contractor must find

temporary interventions, services, or both, as required, until permanent services are secured. The Contractor must collaborate with the supervising MDOC Field Agent for case planning.

- c. The Contractor must coordinate with existing networks to provide or arrange health care services, mental health services, substance abuse services, and residential support for offenders with the goal of reducing barriers and developing/maintaining service capacity. The Contractor must:
 - 1) Advocate for and develop sufficient capacity to meet the continuum of service provisions for all target populations.
 - 2) Develop additional resources to reflect the needs of offenders throughout the service area to ensure the availability of programming and resources described in aftercare plans.
 - 3) Coordinate with counties to secure placements and services outside of an offender's county of residence when needed.
 - 4) Advocate/act as a liaison with Corrections Mental Health for offenders releasing to court ordered hospital settings.
 - 5) Assist with and/or facilitate Omnibus Budget Reconciliation Act (OBRA) pre-admission screenings for offenders with medical fragility that may need nursing home placement.
- d. The Contractor must ensure an ample supply of high-quality housing. The Contractor's housing plan must include at a minimum:
 - 1) Effectively securing placements that accommodate the array of service needs for the target populations.
 - 2) Quality standards that include health and safety and a process for systematically monitoring housing providers as appropriate to the housing type.
 - 3) Viable options for offenders releasing with sex offender restrictions and registration requirements.
 - 4) Ensuring subcontractors meet all State of Michigan and Federal requirements.

2. Benefits Processing

- a. Medicaid will be secured by MDOC prior to release. The Contractor must ensure that all other benefit applications are completed and submitted for all offenders who are deemed eligible for such within 30 calendar days of post-release (prison-based) or post referral (community-based).
- b. For Prison Referrals, the Contractor must establish a process to ensure the living arrangement code is updated to reflect the offender has been released from prison. This process must be performed within seven calendar days of release.
- c. For Community Referrals, the Contractor must ensure the offender has active Medicaid. This must be performed within seven calendar days.

- d. In order to provide services as efficiently as possible, the Contractor must maximize all third-party reimbursement opportunities to ensure that necessary services are readily available to offenders during their transition back into the community.

3. Orientation

- a. The Contractor must provide the offender with program orientation and explain the roles and expectations of the Contractor, the MDOC, and the offender. Orientation sessions should be conducted in groups whenever possible.
- b. Prison-based – The Contractor must provide the orientation prior to release from the correctional facility.
- c. Community-based – The Contractor must provide the orientation within 7 calendar days of referral.
- d. The Contractor must discuss, at a minimum, the following during orientation:
 - 1) Program goals and objectives.
 - 2) Duration of services and expectation of the offender to develop self-sufficiency.
 - 3) Expectations for the offender, Contractor and MDOC.
 - 4) The role of Contractor, MDOC Field Agent, and community health service provider.

4. Aftercare Plan

- a. The Contractor must complete an individualized and detailed Aftercare Plan that ensures the needs identified by the MDOC are sufficiently addressed and the offender is provided with appropriate services.
- b. The Contractor must complete an Aftercare Plan for each offender utilizing the MDOC provided template (See Schedule A-5 - Needs Assessment and Aftercare Plan Template.) The Aftercare Plan must include, but is not limited to, a prioritized plan for service delivery including appointments, assessments, referrals, direct, indirect community-based services, transportation needs, and durable medical equipment. Plans include specific goals and objectives to be obtained by the offender within the 180-calendar day term of service.
- c. Prison-based - The initial Aftercare Plan must be completed and submitted in response to the identified needs presented in the Needs Assessment provided by the MDOC within 60 calendar days of receiving the Needs Assessment for MDOC review and final approval.
- d. Prison-based D47 Referrals – The Contractor's Aftercare Plans must adequately address all needs identified in the parolee's Needs Assessment with a qualitative, individualized approach. The MDOC retains the right to reject Aftercare Plans that do not meet the needs of the offender. Feedback and negotiation of the plans may be ongoing until the MDOC MHS treatment team has approved the Contractor's Aftercare Plan. The Contractor's Aftercare Plans must be of sufficient quality to enable MDOC treatment team approval of a finalized Aftercare Plan within 60 calendar days of submission.
- e. Community-based - The Contractor must complete the Needs Assessment and the Aftercare Plan for Community Referral within 7 calendar days of referral.

- f. Each completed Aftercare Plan must be reviewed and approved by the Contractor's Clinical Director or designee and evaluated for appropriate treatment protocols and service timelines. This review must be documented by electronic signature and entered in the offender's secure electronic record maintained by the Contractor.
- g. Each Aftercare Plan must be reviewed and approved by the Contractor's Clinical Director or designee every 90 calendar days after the initial approval.

5. Durable Medical Equipment

- a. The Contractor must provide or otherwise secure necessary durable medical equipment to meet the needs of the offender for the duration of their term of service.

6. Transportation

- a. The Contractor must ensure transportation of offenders from any MDOC correctional facility to the approved community placement on the day of release.
- b. All transportation is the Contractor's responsibility unless an exception is preapproved by the Program Manager or designee. Offenders that need initial hospitalization on the day of release will receive day of release transportation by MDOC.
 - 1) The Contractor must review the Needs Assessment and Aftercare Plan(s) for offender's medical transportation needs.
 - 2) The Contractor must confirm with the Medical Social Work Program Manager or designee whether the Contractor will need to furnish any durable medical equipment for an offender on day of release.
- c. The Contractor must assess transportation needs and provide ADA and accessible transportation for all paroling offenders as needed.
- d. The Contractor must provide transportation to and from the following throughout the offender's term of service:
 - 1) The offender's placement
 - 2) Parole office
 - 3) Scheduled appointments
 - 4) Employment opportunities/job readiness
 - 5) Other meaningful, healthy structured activities (see Scope. A. Risk-Needs-Responsivity for examples)

7. Initial Case Conference

- a. The Contractor must conduct, in conjunction with the assigned MDOC Field Agent, an initial in-person case conference to ensure that the Case Management Team, has an opportunity to review and discuss the Aftercare Plan, conditions of parole and the related roles and responsibilities. This conference shall schedule appointments and develop a plan with timelines for securing services. The Case Management Team members may include, as applicable, the offender, parole/probation agent, mental health provider, substance abuse provider, housing provider, involved family members, and any additional supports.

- b. Face-to-face participation in an Initial Case Conference at FOA offices may be impractical in some circumstances. However, all FOA offices are equipped with video conferencing equipment to satisfy the face-to-face requirement.
- c. Prison-based – The initial case conference must be conducted within 48 hours post-release.
- d. Community-based – The initial case conference must be conducted within 7 calendar days of referral.
- e. The Contractor must document all efforts to involve identified parties and must be available to the MDOC Program Manager.
- f. The Contractor must include, at a minimum, the following during the initial case conference:
 - 1) Review Aftercare Plans.
 - 2) Review plans for establishing and building social support contacts.
 - 3) Review the status and plan for benefit applications.
 - 4) Facilitate an initial intake and evaluation of mental health services, including medication reviews as needed.
 - 5) Confirm transportation plans.
 - 6) Provide the offender with any necessary initial incidental provisions.

8. Ongoing Service Provision

- a. The Contractor must provide a plan for continuing services that are responsive to the acuity of the offender's needs.
- b. The Contractor's staff assigned to each case must maintain regular communication with the identified members of the Case Management Team and document updates related to the Aftercare Plan and the offender's community status.
- c. The Contractor must provide a minimum of one monthly contact for each offender throughout their term of service. Direct contacts must include all of the following elements
 - 1) the offender's self-assessment, 2) engagement in meaningful, healthy, structured activities, 3) engagement in treatment and review of crisis response plan, 4) offender's unmet needs and 5) the plan for future action. Documentation of the direct contact must specify the type of contact completed (e.g., face-face, phone, video, other).
- d. Offenders paroled from the RTP or inpatient medical or mental levels of care will require weekly direct (in-person or via telephone) contacts until they have attended a community-based health screening.
- e. All offenders releasing with identified mental health needs must attend an initial mental health appointment within 21 calendar days of release.
- f. The Contractor must document in the offender's file all required and any additional contacts throughout the duration of the offender's service plan.

B. Duration of Services

- 1. Cases will remain open for 180 calendar days unless the offender reaches the maximum discharge date for MDOC supervision, or an exception is granted by the MDOC Program Manager.

2. The Contractor must not discharge offenders prior to Day 180 or exceed this standard length of stay without written permission from the MDOC Program Manager or designee.
3. All cases will conclude at Day 180 unless approved for extension by the MDOC Program Manager or designee.
4. At the conclusion of a plan for service, the Contractor must, within 14 calendar days, submit a Discharge Report (CSJ-551) recommending a status of successful or unsuccessful based on the criteria outlined below:

- a. Successful

The Contractor, in collaboration with the MDOC Field Agent, determines that the offender is adequately engaged in meaningful, healthy, structured activities and has demonstrated cooperation with the HSCR plan for service, and/or achieved sufficient progress on Aftercare Plan goals and objectives in order to maintain self-sufficiency and community stability.

The offender has successfully discharged from MDOC supervision.

- b. Unsuccessful

The Contractor, in collaboration with MDOC Field Agent, determines that the offender is not adequately engaged in meaningful, healthy, structured activities and has demonstrated a lack of cooperation with the HSCR plan for service, and/or made insufficient progress toward self-sufficiency, community stability and Aftercare Plan goals and objectives.

The offender has been detained or has absconded, and upon MDOC Program Manager or designee review, they have been removed from the program.

The offender has returned to the custody of the MDOC.

NOTE: The death of a parolee marks the conclusion of their plan of service. Cases closed due to death may be approved as successful closures if they meet criteria as outlined in Section 1.0, B. Duration of Services, 4.

5. The Discharge Report must include the time and date of review with the assigned MDOC Field Agent. The MDOC reserves the right to act as the final arbiter of any case-related disputes.
6. Exceptions:
 - a. The service period may be terminated by the MDOC Program Manager or designee at any time during the standard plan for service following consultation with the MDOC FOA Field Agent. The service period may be terminated if the offender is detained by any local, State or Federal justice or correctional agency, **or** determined to be on absconder status.
 - b. The service period may be extended as deemed necessary by the MDOC Program Manager or designee following Contractor request and in response to documented factors that directly impact the offender's ability to successfully achieve or maintain community stabilization. The MDOC anticipates that approximately 15-25% of offenders served will require an extension of services during the term of MDOC supervision.
 - 1) Criteria for Extension Beyond 180 Days
The Contractor may request, in writing to the MDOC, 30-, 60- or 90- calendar day extensions of the 180-calendar day standard plan for service throughout the course of an entire parole or probation term. Extensions must take the form of a written request (CSJ-549) that outlines documented factors that directly impact the offender's ability to maintain community stabilization. Extension requests may be

submitted at any time throughout the parole term but are required **at least 14 days** prior to the end of a service plan when an extended plan for service is anticipated. Extensions may be approved following MDOC Program Manager or designee review of request and consultation with MDOC FOA.

The MDOC acknowledges the Contractor cannot prevent all instances of crises or decompensation, and these may, at times, occur after closure of the case. Following successful or unsuccessful closure, the MDOC Field Agent may request 30-, 60-, or 90-calendar day extension (CSJ-548) to promote community re-integration and adjustment.

- c. D47 and D48 cases that are provided a continuance, not approved for parole, or otherwise removed from parole consideration will receive pre-release planning by the Contractor if the decision is made less than 60 calendar days from the prisoner's maximum discharge date. Compensation for pre-release planning shall be limited to any "Pre-release planning" and "Day of release" payments.

C. Staff Conduct

1. Overfamiliarity/Unauthorized Contact

- a. Overfamiliarity is strictly prohibited. Overfamiliarity is defined as, establishing a friendship, mutual attraction or intimate relationship with an offender as defined in the Vendor Handbook (See Section 4.8) and MDOC policy.

Examples of overfamiliarity may include, but are not limited to:

- 1) Conduct which has resulted in or is likely to result in intimacy; a close personal or non-work-related association,
- 2) Giving or receiving non-work-related letters, messages, money, personal mementos, pictures, telephone numbers, to or from an offender or a family member of a listed visitor of an offender,
- 3) Exchanging hugs with an offender,
- 4) Dating or having sexual relations with an offender, etc.

Contact with offenders beyond program requirements, accepting items, offers of assistance or services are prohibited. Contract staff and volunteers must have no physical contact or close proximity beyond socially acceptable personal space unless same sex residential security staff is conducting pat downs. Any exceptions must have prior written approval of the MDOC Program Manager and the MDOC Contract Manager.

MDOC has the authority to suspend Contract staff who are overfamiliar with MDOC offenders, parolees and probationers from providing services under the Contract until after the disposition of an investigation.

The Contractor will be responsible for collecting, investigating, and communicating the information on overfamiliarity to the MDOC Program Manager and MDOC Contract Manager.

D. MDOC Notifications

1. The Contractor must provide email notification to the MDOC Field Agent or designee within 24 hours of discovering any serious or adverse incident involving an offender. Incidents include but are not limited to:
 - Behavior
 - Medical problems
 - Failure to appear for a scheduled appointment
 - Criminal activity

- Actions or behaviors that are likely to jeopardize public safety.
2. All critical incidents, including subcontractors, must be reported to the MDOC Field Agent or designee, MDOC Program Manager and MDOC Contract Monitor as soon as the Contractor is made aware of the alleged occurrence.
 3. The Contractor must keep a record of the communication that was sent to MDOC for auditing purposes.

E. Staff Requirements

1. The Contractor must ensure its staff working on the Contract understand and abide with the Contract requirements.

F. The Contractor must provide contract services to transgender and gender non-conforming offenders.

G. American Disabilities Act

Offenders with disabilities must not, on the basis of that disability, be subject to illegal discrimination and must be provided reasonable accommodations under Title II of the Americans with Disabilities Act (ADA).

1. The Contractor must ensure that offenders with disabilities are not discriminated against, excluded from participation and services, or denied services, based on the offender's disability.

H. Quality Assurance and Monitoring

1. The Contractor must maintain and control a secure electronic offender record system in accordance with criteria outlined in the Contract. It is recommended that this system include capability for tracking case notes/charting, supervisory approvals, the benefit application and approval process, critical incidents, key contacts, referrals and appointments, and offender demographic information. The Contractor is bound by the Federal and State regulations regarding the confidentiality of offenders' records as described in (45 CFR) and applicable HIPAA standards.
2. The Contractor and its staff must be responsible for maintaining a quality assurance program for its organization that examines its processes and identifies opportunities to streamline, improve, and optimize the care given and the costs associated with that care
3. The Contractor must develop standards and processes for systematically evaluating/auditing the work of its Contract staff and subcontractors. Information from these evaluations or audits must be utilized to make changes in service provision and subcontractors used for the program. Results from periodic audits and evaluations must be reported to the MDOC Program Manager or designee and must be used to continuously improve Contractor performance through training, changes in personnel or staffing, or changes in subcontractors.
4. The Contractor must work with any MDOC Bureau of Healthcare Services' performance or process improvement committees as requested by the MDOC.

2. General Requirements

2.1. Transition

- A. The Contractor must provide a transition plan with its proposal. This plan must include high level deliverables, key activities for the transition phase, critical tasks, and the staff responsible for those tasks. The plan must include goals and objectives with specific attention to the requirements outlined in this

contract, such as how you will meet the Minimum Standards of Care. MDOC reserves the right to require changes or additions to the transition plan before acceptance. The plan must ensure uninterrupted continuity of care to MDOC offenders throughout the transition. Thirty calendar days after award of the Contract, the Contractor must submit a revised, expanded, detailed narrative of its transition plan and progress toward those goals. The Contractor must continue to revise the transition plan and submit to the MDOC Program Manager and MDOC Contract Manager for approval and acceptance no less than on a monthly basis until all items have been successfully implemented.

The plan must address, how data will be analyzed to illustrate trends and areas for improvement, how you will identify any barriers that are impacting services, and how you will respond to issues identified by MDOC.

- B. The offenders who are currently receiving treatment at the commencement of this Contract will continue with their existing services until their service plan ends unless otherwise authorized by the MDOC Program Manager. This transition process requires communication and delivery of clinical documents to new Contractors 15-30 calendar days prior to offender transfer. MDOC reserves the right to provide awarded Contractors with additional information and requirements for offender and treatment transitioning.
- C. Existing and transitioning Contractors must cooperate and productively participate in all transition meetings between each other and the MDOC.
- D. The Contractor's transition plan must ensure they work in partnership with the MDOC and existing contractors to ensure continuity of care with minimal interruptions to clinical or administrative services. The Contractor is responsible for a customized plan of action to ensure a seamless transition in all aspects of contracted services. To accomplish this, the Contractor activities must include, but are not limited to, the following:
 - 1. Regular, scheduled communication with key MDOC and subcontractor personnel;
 - 2. Deployment of Contract and transition management teams;
 - 3. Implementation of a comprehensive orientation and in-service training program;
 - 4. Transition of services from current contractors;
 - 5. Community resource planning activities; and
 - 6. Development of reporting formats.

2.2. MDOC Provided Training

- A. In accordance with MDOC instruction, Contractor staff and subcontractor staff, who provide direct services to offender, must complete MDOC provided training before providing services under this Contract. Exceptions may be made for transfers or employees with prior MDOC work experience in similar positions who have completed MDOC training previously. Contact the MDOC Contract Monitor and Program Manager with any questions concerning MDOC training.
 - 1. Housing providers that solely provide housing, room and board services and are landlords in the strict definition are not required to take MDOC training. Housing providers that provide direct services outlined in the contract requirements are required to complete training. Example of direct services included in this contract include but is not limited to program orientation, case management, case conference, etc. Those in question may be evaluated by MDOC on a case-by-case basis.
- B. The Contractor must ensure the completion documentation is submitted to the MDOC Contract Monitor. The Contractor must keep a copy of the documentation for auditing purposes.

2.3. Contractor Provided Training

- A. The Contractor must describe in detail its initial and ongoing training plan for its staff. Any proposed Contractor training must be summarized and shared with the MDOC Program Manager at least 7 calendar days prior to implementation. Approval will be implicit unless expressly stated otherwise.

- B. Contractor's training must include clinical, evidence-based, and/or industry standard education and instruction. Training may include but is not to be limited to instruction on Motivational Interviewing, Maintaining Healthy Boundaries, Trauma Informed Care, and Criminogenic Needs.
- C. The MDOC reserves the right to require additional Contractor provided training based on contract needs.

3. Acceptance

3.1. Acceptance, Inspection and Testing

The State will use the following criteria to determine acceptance of the Contract Activities:

- A. MDOC Contract Monitoring Unit receives the Contractor's invoice.
- B. MDOC Program Manager or designee reviews invoice for verification of services.

If the MDOC Program Manager discovers an error on the invoice and/or report, the MDOC Program Manager will notify the Contractor of the issue. The Contractor will have seven calendar days to correct the issue at no additional cost to the MDOC.

4. Staffing

4.1. Contractor Representative

The Contractor must appoint an individual, along with an alternative, specifically assigned to State of Michigan accounts, that will respond to State inquiries regarding the Contract Activities, answering questions related to ordering and delivery, etc. (the "Contractor Representative").

	Contact Representative	Telephone Number	Email
Primary	Michael J. Halacka	(517) 768-9200	mhalacka@pcsixn.com
Alternate	Betsy Hardwick	(517) 768-9200	betsy@pcsixn.com

The Contractor must notify the Contract Administrator at least 30 calendar days before removing or assigning a new Contractor Representative.

4.2. Work Hours

The Contractor must provide Contract Activities during the State's normal working hours Monday – Friday, 8:00 a.m. to 5:00 p.m. EST.

4.3. Key Personnel

The Contractor must appoint the following individuals who will be directly responsible for the day-to-day operations of the Contract ("Key Personnel"). Key Personnel must be specifically assigned to the State account, be knowledgeable on the contractual requirements, and respond to State inquiries within one business day.

- A. Key Personnel:
 - 1. Program Administrator
Provides overall responsibility for the Contract, including adherence to Contract standards and requirements. This position will serve as the Contractor's Point of Contact with the MDOC on all matters pertaining to the Contract. The Program Administrator must respond to MDOC inquiries within one business day. This position must have a Bachelor's degree and a minimum of three years' experience in project management or related field.
 - 2. Contractor's Clinical Director

Provides overall clinical responsibility for ensuring both the quality of services and supports are maintained as documented within the Case Management Plans and service fidelity subscribes to the Contract's Minimum Standards of Care. This position must be located in Michigan and must have a Master's degree in a clinical field, and a minimum of three years' experience of supervision of clinical staff, and must be licensed to practice in Michigan.

The State has the right to recommend and approve in writing the initial assignment, as well as any proposed reassignment or replacement, of any Key Personnel. Before assigning an individual to any Key Personnel position, Contractor will notify the State of the proposed assignment, introduce the individual to the State's Project Manager, and provide the State with a resume and any other information about the individual reasonably requested by the State. The State reserves the right to interview the individual before granting written approval. In the event the State finds a proposed individual unacceptable, the State will provide a written explanation including reasonable detail outlining the reasons for the rejection. The State may require a 30-calendar day training period for replacement personnel.

Contractor will not remove any Key Personnel from their assigned roles on this Contract without the prior written consent of the State. The Contractor's removal of Key Personnel without the prior written consent of the State is an unauthorized removal ("Unauthorized Removal"). An Unauthorized Removal does not include replacing Key Personnel for reasons beyond the reasonable control of Contractor, including illness, disability, leave of absence, personal emergency circumstances, resignation, or for cause termination of the Key Personnel's employment. Any Unauthorized Removal may be considered by the State to be a material breach of this Contract, in respect of which the State may elect to terminate this Contract for cause under Termination for Cause in the Standard Terms. It is further acknowledged that an Unauthorized Removal will interfere with the timely and proper completion of this Contract, to the loss and damage of the State, and that it would be impracticable and extremely difficult to fix the actual damage sustained by the State as a result of any Unauthorized Removal. Therefore, Contractor and the State agree that in the case of any Unauthorized Removal in respect of which the State does not elect to exercise its rights under Termination for Cause, Contractor will issue to the State the corresponding credits set forth below (each, an "Unauthorized Removal Credit"):

(i) For the Unauthorized Removal of any Key Personnel designated in the applicable Statement of Work, the credit amount will be \$5,000.00 per individual if Contractor identifies a replacement approved by the State and assigns the replacement to shadow the Key Personnel who is leaving for a period of at least 30 calendar days before the Key Personnel's removal.

(ii) If Contractor fails to assign a replacement to shadow the removed Key Personnel for at least 30 calendar days, in addition to the \$5,000.00 credit specified above, Contractor will credit the State \$166.67 per calendar day for each day of the 30 calendar-day shadow period that the replacement Key Personnel does not shadow the removed Key Personnel, up to \$5,000.00 maximum per individual. The total Unauthorized Removal Credits that may be assessed per Unauthorized Removal and failure to provide 30 calendar days of shadowing will not exceed \$10,000.00 per individual.

Contractor acknowledges and agrees that each of the Unauthorized Removal Credits assessed above: (i) is a reasonable estimate of and compensation for the anticipated or actual harm to the State that may arise from the Unauthorized Removal, which would be impossible or very difficult to accurately estimate; and (ii) may, at the State's option, be credited or set off against any fees or other charges payable to Contractor under this Contract.

The Contractor must identify the Key Personnel, indicate where they will be physically located, describe the functions they will perform, and provide current chronological résumés.

Position	Name	Physically Located
Program Administrator	Betsy Hardwick	Jackson, MI
Clinical Director	Carrie Matson	Jackson, MI

4.4. Organizational Chart

The Contractor must provide an overall organizational chart that details staff members, by name and title, and includes subcontractors providing case management services to the parolee. Updated organizational charts are

required by the MDOC on a quarterly basis due by January 15th, April 15th, July 15th and October 15th. The MDOC reserves the right to request an updated organizational chart throughout the contract term.

4.5. Disclosure of Subcontractors

- A. The Contractor must disclose the following for all subcontractors:
 - 1. The legal business name; address; telephone number; a description of subcontractor's organization and the services it will provide; and information concerning subcontractor's ability to provide the Contract Activities.
 - 2. The relationship of the subcontractor to the Contractor.
 - 3. Whether the Contractor has a previous working experience with the subcontractor. If yes, provide the details of that previous relationship.
 - 4. A complete description of the Contract Activities that will be performed or provided by the subcontractor.
- B. The Contractor must submit to the MDOC copies of all contracts, subcontracts and agreements funded through the Contract within 30 calendar days of their execution. The MDOC reserves the right to disapprove or otherwise disallow the use of MDOC funding to support a Contract or subcontract which has at any time been disapproved by the MDOC. The Contractor's subcontractor template must be approved by the MDOC Program Manager or designee prior to utilization.
- C. The Contractor must include a provision within its subcontracts or agreements with local providers to allow the disclosure of information and reporting to MDOC-approved agencies and organizations collaborating with the MDOC to facilitate case management, service provision, and monitoring of engaged offender populations. The Contractor must ensure that such disclosure will be in conformance with applicable Federal and State law as well as being Health Insurance Portability and Accountability Act (HIPAA) and Health Information Technology for Economic and Clinical Health (HITECH) compliant.
- D. The Contractor must include provisions within their subcontracts or agreements with local providers that Contractor staff must notify the MDOC supervising Field Agent within two working days of any and all inappropriate behavior by the offender including:
 - 1. Failure to appear for a scheduled appointment
 - 2. Failure to follow program rules and direction
 - 3. Disruptive behavior
 - 4. Conduct jeopardizing the health and welfare of the offender, staff or the public

4.6. Security

The Contractor/subcontractor and any staff assigned to this contract will be subject to the following security procedures:

- A. No active warrants or pending charges on any staff assigned to this contract, including subcontractors.
- B. MDOC reserves the right to approve, decline, or remove Contractor and subcontractor staff from providing services on this Contract.
- C. Not under investigation or under disciplinary action of the Michigan Department of Licensing and Regulatory Affairs, unless approved by the MDOC Program Manager.
- D. Has not engaged in sexual abuse in a prison, jail, lockup, community confinement facility, juvenile facility or other institution as defined in 42 U.S.C. 1997.

- E. Has not been convicted of engaging in, attempting to engage in or conspiracy to engage in sexual activity facilitated by force, overt or implied threats of force or coercion, or if the victim did not consent or was unable to consent or refuse.
- F. Has not been civilly or administratively adjudicated to have engaged in the activity described in Number E. above.
- G. The MDOC may investigate the Contractor/subcontractor's personnel before they may have access to MDOC facilities. The scope of the background check is at the discretion of the MDOC and the results will be used to determine Contractor/Subcontractor's personnel eligibility for working within MDOC facilities. The investigations will include Michigan State Police Background checks (ICHAT) and the Law Enforcement Information Network (LEIN) and may include the National Crime Information Center (NCIC). Proposed Contractor/subcontractor personnel may be required to complete and submit an RI-8 Fingerprint Card for the NCIC Fingerprint Check. Any request for background checks will be initiated by the MDOC and will be reasonably related to the type of work requested.
- H. The Contractor's personnel must be LEIN cleared and received written approval from the MDOC's Program Manager and/or Contract Manager initially and annually by MDOC prior to any work with MDOC offenders. Any Contractor/subcontractor staff with an identified felony conviction must receive approval through the MDOC Deputy Director or designee. Contractors/subcontractors that are working directly to provide contractual services (Examples of direct services included but are not limited to program orientation, case management, case conference, etc.) with offenders or have access to CJIS at a minimum require a LEIN check.
- I. A completed LEIN Information Form for each staff assigned to the contract must be sent to the MDOC-IntegratedCare-LEINS@michigan.gov and approved by MDOC prior to Contractor's personnel working with MDOC offenders and annually following approval. There is no cost associated with the LEIN. The LEIN form will be provided to the Contract awardee(s).
- J. The Contractor must conduct a background check on subcontractor staff that provide direct services to offenders (prisoner, parolee, probationer), handle or may have access to offender records, or provides supervisory services to staff performing these functions, at the start of the contract and annually thereafter. The background check must include the Michigan State Police Internal Criminal History Access Tool (ICHAT), or the municipal/federal equivalent. The Contractor must report back to the MDOC Contract Manager, or designee, any findings for final consideration. The Contractor must maintain a copy of the background check(s) for auditing purposes.
- K. The Contractor/subcontractor must document if a Contractor/subcontractor's personnel assigned to the Contract is related to or acquainted with an offender receiving service under this contract. For Contractor/subcontractor's personnel who are related to or acquainted with an offender, the Contractor/subcontractor's staff member must complete the Offender Contact Exception Request (CAJ-202) and submit it to the MDOC Program Manager or designee. The Contractor must ensure its personnel and subcontractor's personnel complete the form and notify the MDOC Program Manager of any changes throughout the contract term. The Contractor must maintain a copy of the form in the employee's personnel file for auditing purposes.
- L. The Contractor/subcontractor's personnel may be required to enter State facilities. The State may require the Contractor/subcontractor's personnel to wear State-issued identification badges.
- M. The Contractor/subcontractor's personnel must anticipate delays when visiting any correctional facility due to issues within the facility.
- N. The Contractor/subcontractor's personnel must comply with the State's security and acceptable use policies for State IT equipment and resources. See http://www.michigan.gov/dtmb/0,4568,7-150-56355_56579_56755---,00.html. Contractor/subcontractor personnel must also agree to the State's security and acceptable use policies before the Contractor/subcontractor personnel will be accepted as a resource to perform work for the State. The Contractor must present these documents to prospective Contractor/subcontractor personnel before the Contractor/subcontractor presents the individual to the State

as a proposed resource. Contractor/subcontractor personnel must comply with all physical security procedures in place within the facilities where they are working.

- O. The MDOC reserves the right to deny access to any correctional facility to anyone who fails to comply with any applicable State, Federal, or local law, ordinance or regulation or whose presence may compromise the security of the facility, its offenders, or staff. Weapons, alcoholic beverages, poison, and prescription drugs and controlled substances without written certification of needs from a licensed physician (does not include medical supplies for the facility), cellular devices, cameras, and audio or visual recording devices are prohibited from being brought into all MDOC correctional facilities. Tobacco products and smoking also are prohibited both inside a correctional facility and on facility grounds except as specifically authorized by MDOC policy. Wardens may prohibit other items from being brought into their respective correctional facilities.
- P. Security is the facility's first priority and the Contractor/subcontractor and its personnel must be responsive and respectful of these needs.
- Q. The Contractor/subcontractor and its personnel must comply with and cooperate with all correctional facility rules, procedures and processes as well as State and federal laws. Contractor/subcontractor personnel must ensure that they are complying with all facility rules and regulations including, but not limited to, dress code and items allowed to be possessed.
- R. The Contractor/subcontractor personnel must follow the facility entry, exit, manifest process, including the following:
 - 1. The Contractor/subcontractor personnel will receive an orientation and training by the MDOC on security, procedures, etc., inside the correctional facility. The Contractor must maintain a copy of the Contractor/subcontractor personnel's training certificates in the appropriate file for auditing purposes.
 - 2. The Contractor/subcontractor personnel must follow all MDOC rules, procedures and security processes at all times.
 - 3. The Contractor must ensure that all Contractor/subcontractor personnel working in a correctional facility are familiar and in compliance with the necessary routines and increased awareness of working inside a facility. Working inside the facility requires that the Contractor/subcontractor personnel develop positive and cooperative relationships with MDOC facility staff.
 - 4. The Contractor/subcontractor personnel must report any concerns, issues, or rule violations to the MDOC facility staff immediately.
 - 5. The Contractor/subcontractor personnel must use the MDOC facility staff as a resource for questions and guidance working with prisoners and inside a correctional facility.
 - 6. The Contractor/subcontractor personnel must defer to MDOC correctional facility staff for directions. The Contractor/subcontractor personnel must remember they are a guest in the facility and that security is the first priority of the facility.

4.7. Prison Rape Elimination Act of 2003 (PREA), 42 U.S.C. § 15601

- A. The Contractor must report any information concerning violations of PREA as soon as made aware of the alleged occurrence to the Supervising Agent, Program Manager and Contract Monitor.

- B. If the Contractor's or Subcontractor's staff will be entering MDOC correctional facilities, the following PREA requirements must be followed by the Contractor and its subcontractors:
1. The Contractor and the Contractor Personnel shall comply with the Final Rule implementing PREA, all applicable PREA standards (Schedule A-7) and the agency's policies. The Contractor and Contractor Personnel shall make itself familiar with and at all times shall observe and comply with all PREA regulations that in any manner affect the performance under this Contract. Failure to comply with the PREA standards and related policies of the MDOC will be considered a breach of contract and may result in termination of the contract.
 2. Contract Personnel who may have contact with prisoners must complete PREA training Program A - Correctional Facilities Administration (CFA) Security Regulations (Schedule A-8) prior to entrance in any MDOC Facility. Upon completion, Contractor Personnel shall submit a signed memorandum to the Contract Administrator documenting completion of the training and date of completion.
 3. As is deemed necessary, the MDOC Contract Monitor or Program Manager will provide the Contractor with current copies of all PREA documents via email. Any revisions to the documents will be emailed to the Contractor throughout the Contract period, and the Contractor must comply with all documentation provided.
- C. If PREA standards apply for housing, the Contractor and its subcontractors must follow the below PREA requirements:
1. The Contractor and the Contractor Personnel shall comply with the Final Rule of the PREA of June 20, 2012 and all applicable PREA standards (Schedule A-9) and the agency's policies. The Contractor and Contractor Personnel shall make itself familiar with and at all times shall observe and comply with all PREA regulations that in any manner affect the performance under this Contract. The Contractor must subject itself to a Department of Justice (DOJ) PREA Audit at least once every three (3) years beginning August 20, 2013 and will be solely responsible for paying for a PREA Audit as required by this contract. Failure to comply with the PREA standards and related policies of the MDOC will be considered a breach of contract and may result in termination of the contract.
 2. Contract Personnel who may have contact with prisoners must complete PREA training Program A - Correctional Facilities Administration (CFA) Security Regulations (Schedule A-8). Upon completion, Contractor Personnel shall submit a signed memorandum to the Contract Administrator documenting completion of the training and date of completion.
 3. As is deemed necessary, the MDOC Contract Monitor or Program Manager will provide the Contractor with current copies of all PREA documents via email. Any revisions to the documents will be emailed to the Contractor throughout the Contract period, and the Contractor must comply with all documentation provided.

4.8 Vendor Handbook

Staff entering a correctional facility:

The Contractor will require all its employees working inside an MDOC correctional facility to read and sign the MDOC Vendor Handbook (Schedule A-10) upon award of Contract. The purpose of the MDOC Vendor Handbook is to provide the Contractor with general information regarding basic requirements of working within the MDOC, provide notice of work rules, and consequences of rule violations. The awarded Contractor must provide copies of each signed Employee Acknowledgement to the MDOC Contract Monitor or designee at the completion of the employee's orientation.

Staff working in the community:

Contractor and subcontractor staff that provide direct services to offenders, handle or may have access to offender records, or provides supervisory services to staff performing these functions, must read and sign the MDOC Vendor Handbook (See Schedule A-11) as directed by the MDOC. As deemed necessary, the MDOC Contract Monitor will

provide the Contractor with a copy of the applicable Vendor Handbook via email. Any revisions to the documents will be emailed to the Contractor throughout the Contract period, and the Contractor and subcontractor must comply with all documentation provided. The awarded Contractor must provide copies of each signed Employee Acknowledgement to the MDOC Contract Monitor or designee.

5. Project Management

5.1. Closeout and Contract Expiration Plan

The Contractor must develop a post Contract closeout and termination plan that will address all aspects of the Contract, ensuring that there is a smooth transition of services between contractors, if applicable. The closeout plan must address continuity of care for offenders as the Contract transitions to another contractor.

If the Contractor's contract is terminated or is not renewed within a new contract cycle, the Contractor must complete the following:

- A. Complete and close all cases and forward Discharge Reports (CSJ-551) by the date mutually agreed upon by the Contractor and MDOC Program Manager.

5.2. Meetings

The Contractor must attend the following meetings:

- A. Contract Kick-off Meeting
- B. Contract Implementation Meetings
The Contractor must participate in an initial implementation meeting at the time of Contract commencement. The Contractor must provide MDOC staff with an initial orientation to its organization. The purpose of the initial meeting will be to review the Contractor's implementation plan and develop action steps with deadlines. The MDOC may also request follow-up meetings as needed to support the implementation process.
- C. Operations Meetings
The Contractor and the MDOC will host combined team meetings on a quarterly basis. The purpose of these meetings will be to discuss operational issues stemming from contractual requirements as outlined in Schedule A – Statement of Work-Contract Activities.
- D. Periodic Site Visits
Upon request by the MDOC, the Contractor must schedule, coordinate, and hold scheduled site visits with designated representatives from the MDOC for monitoring of the Contractor's internal controls processes.
- E. Exit/Transition Meeting
The Contractor must provide the MDOC with a Contract transition and closure plan 90 days prior to the Contract completion date in the absence of a Contract renewal or extension option. This plan must include continuity of care for offenders during the transition to another Contractor.
- F. The MDOC may request other meetings, as it deems appropriate.
- G. Currently MDOC utilizes Microsoft TEAMS for virtual meetings. The Contractor must be prepared to participate in Microsoft TEAMS meetings, including the video aspect, if requested. The MDOC reserves the right to change the virtual platform during the contract period.

5.3. Reporting

The Contractor must document all activity from date of referral from the MDOC prison facility through the date of discharge in secure electronic format and shall include records obtained from prison-based and community-based service providers. These records must be available to the MDOC for purposes of review.

A. The following report(s) are due to the MDOC Program Manager on a quarterly basis by the 20th day of the month following the close of the most recent quarter (MDOC quarters are October 1 – December 31; January 1 – March 31; April 1 – June 30; July 1 – September 30):

1. Productivity by Contractor employee and region:
 - a. New cases
 - b. Closed cases
 - c. Average number of days for Aftercare Plan submissions
 - d. Success rates as defined in Section 1.0 B., Duration of Services
 - e. Compliance with direct contact requirements
2. Report summarizing all new subcontracts and any newly signed contracts with employees, service and home providers.
3. Summary information on benefits eligibility screenings and status reports.
4. Training reports, detailing the topic(s), duration, and attendance of Contractor employees and subcontractors.
5. Key Performance Indicator Report – a report that represents a collaborative agreement between the Contractor and the MDOC on critical metrics and targets related to service provision and outcomes:
 - a. Average length of service provision
 - b. Average caseload by care coordinator
 - c. Number and percentage of active cases returned to prison within the reporting period
 - d. Number and percentage of active cases during the current reporting period that have been served by the program within the past five (5) years

B. The following reports are due to the MDOC Program Manager on an annual basis by the 20th day of the month following the end of the fiscal year (MDOC fiscal year is October 1 – September 30):

1. Quality Assurance and Quality Improvement Reports – report on performance improvement activities, targets and timelines, including reports on employee and subcontractor (housing and service providers) performance.
2. Annual Report of Contract Activities including cumulative reviews of all quarterly reporting requirements.

C. The MDOC reserves the right to request additional reporting requirements from the Contractor as needed.

D. The Contractor must develop a program report format for approval by the MDOC within 30 calendar days of the Contract start date. The Contractor must furnish the MDOC such statistical and other information on contracted services as required by the MDOC at such time and in such manner as may be required to evaluate services and offender outcomes.

6. Pricing

6.1. Price Term

Pricing is firm for the entire length of the Contract.

6.2. Price Changes

Adjustments will be based on changes in actual Contractor costs. Any request must be supported by written evidence documenting the change in costs. The State may consider sources, such as the Consumer Price Index; Producer Price Index; other pricing indices as needed; economic and industry data; manufacturer or supplier letters noting the increase in pricing; and any other data the State deems relevant.

Following the presentation of supporting documentation, both parties will have 30 calendar days to review the information and prepare a written response. If the review reveals no need for modifications, pricing will remain unchanged unless mutually agreed to by the parties. If the review reveals that changes are needed, both parties will negotiate such changes, for no longer than 30 calendar days, unless extended by mutual agreement.

The Contractor remains responsible for Contract Activities at the current price for all orders received before the mutual execution of a Change Notice indicating the start date of the new Pricing Period.

7. Ordering

7.1. Authorizing Document

The appropriate authorizing document for the Contract will be delivery order.

8. Invoice and Payment

8.1. Invoice Requirements

All invoices submitted to the State must include: (a) offender name and number categorized by target group (mentally ill, medically fragile), (b) referral type (prison- and community-based), (c) delivery order number, and (d) contract rate. All invoices must include dates of reimbursable events (referral, release, monthly service, successful case closure) as determined by the MDOC. Invoices must be submitted by the 20th day of the month. Any invoice received beyond this date may be deemed void and not reimbursable.

Invoices must be sent to the appropriate MDOC Program Manager or designee and the MDOC Health Care Financial Specialist.

8.2. Payment Methods

The State will make payment for Contract Activities via Electronic Funds Transfer (EFT).

8.3. Procedure

A. Payment Structure

The Case Rate is the sum of all the billable events included in servicing a case from the day of referral to the day of closure at the end of a standard 180-day term of service (see Schedule B). The Case Rates may differ by referral type (D47 or D48) or source of referral (prison or community based). The billable events are:

1. Initial referral for prerelease planning
2. Day of release
3. Six monthly service charges
4. Successful closure as approved by MDOC.

Cases that do not complete a full term of service with a successful closure will not be compensated at the full Case Rate. For example, an offender that absconds from parole 80 days after their release. The Contractor is entitled to compensation for prerelease planning, day of release, and three-monthly service charges.

If an offender requires additional services on the same parole term, they may be reopened for service through an FOA referral. If the offender completes their approved term of service, the Contractor will receive the corresponding number of monthly service charges and the Contractor may request and receive compensation for a successful case closure (if one has not been received previously). The Contractor is only eligible to receive the successful case closure once per offender per parole term.

Contractor and FOA extension requests are eligible for the monthly service charge equivalent to the length of the extension approved (i.e., 30-, 60-, or 90-calendar days).

B. Third-Party Reviewer

The MDOC has a third-party reviewer contract which assists the MDOC in assessing services provided under the Contract, including, but not limited to review and enforcement of SLAs, review and monitoring of claims and invoice data, site visits related to contractual obligations, and assistance in other areas as appropriate. The Contractor must provide all requested information (financial information, claims, billings, payroll, relevant data, etc.) to the third-party reviewer, copying the MDOC Program Manager. The Contractor does not have any financial responsibility for the payment of the third-party reviewer.

9. Service Level Agreements

MDOC has developed a series of SLAs to ensure the contract requirements are being met (See Schedule A-12).

Service Level Agreements will begin 180 days post go-live.

Prior to assessing any credit, the MDOC shall advise the Contractor of the finding that is the basis for the assessment and shall afford the Contractor the opportunity to review and respond to the SLA. The Contractor may dispute the assessment or provide any extenuating circumstances that may explain or mitigate any failure to meet the SLA. Extenuating circumstances will be reviewed by the MDOC Contract Manager before any Service Credits are assessed. At the discretion of the MDOC, these credits may be applied toward any payable due to the Contractor.

Contract 210000001210
Schedule A-4
Definitions

Case Management Team members must include the offender, MDOC Field Agent, and the Contractor. It may also include guardian, mental health provider, substance abuse provider, housing provider, family members, and any additional supports.

“Co-morbid” means the presence of more than one mental health and/or physical health disorder in an offender.

“Critical Incident” means **any event outside the usual realm of practice that may undermine the integrity of program services.**

“D-47” means the Parole Board Action (Deferred - Code 47) for an offender with mental illness who is being considered for parole, but the decision is “Deferred” pending further review. Offenders in this category have mental health needs that may require specialized interventions, such as adult foster care or assistance with the administration of psychotropic medications. For these offenders, ensuring the continuity of mental health services is critical to community stability.

“D-48” means the Parole Board Action (Deferred - Code 48) for an offender with medical fragility that is being considered for parole, but the decision is “Deferred” pending further review. Offenders in this category have a chronic physical condition which impairs their functional ability and results in a prolonged reliance on medical care. This population may need adult foster care, nursing home or medical room and board placements.

“Holmes Youthful Trainee Act - (HYTA)” means the 1967 Michigan Statute that allows judges to place youth between 17 and 20 years of age in prison or on probation without a conviction to avoid a criminal record. The HYTA protects the privacy of the offender while on trainee status. If the trainee successfully completes the program, there is no criminal record. Imprisonment or probation cannot exceed three years.

“Mental Health Code” means the compilation of State laws governing the management and delivery of mental health services in the State of Michigan. These laws were first codified by Act 258 of the Public Acts of 1974.

“Needs Assessment/Aftercare Plan” means a comprehensive document that is the basis of transition planning. The Needs Assessment/Aftercare Plan details the offender needs and, the plan and identified providers, in areas of housing, physical health, mental health, substance abuse, benefits, family relationships, employment, education and legal.

“Offender” means a male or female person age 16 or above currently under the jurisdiction of the Michigan Department of Corrections (State-MDOC) as a prisoner (housed at correctional facilities), probationer or parolee supervised in the community setting. Offender may also refer to those recently discharged from the State-MDOC’s supervision.

“Parole” means the term of supervised release following incarceration in a State-MDOC prison. Parolees are supervised by State-MDOC Parole Agents. Parolees remain under the jurisdiction of the Parole Board rather than the sentencing judge. A parolee can be returned to prison for violations of conditions of parole or new criminal behavior.

“Probation” means a term of community supervision and monitoring under the jurisdiction of the Michigan Court rather than the Parole Board.

“Prison” means a State-MDOC run correctional facility for offenders sentenced to more than one year of incarceration. State prisons tend to hold offenders of the same security level for long periods of time unlike jails which have very diverse populations that turn over rapidly.

“Referral” means the process of requesting care coordination from the Contractor. Prison-based deferred parole (D-47 and D-48) and HYTA cases will be referred through submission of a Needs Assessment to the Contractor. Community-based parole cases will be referred through the approval of the State-MDOC CCI or designee.

“State” means the State of Michigan, including its departments, divisions, agencies, sections, commissions, officers, employees, and agents.

“Subcontractor” means a company the Contractor delegates performance of a portion of the services to, but does not include independent contractors engaged by Contractor solely in a staff augmentation role.

“Transition Plan” means a written document describing the Contract startup plan. This plan should document high level milestones, deliverables, key activities for the transition phase, critical tasks, and the person responsible for those tasks.

“Unauthorized Removal” means the Contractor’s removal of Key Personnel without the prior written consent of the State-MDOC.



Contract 210000001210
Schedule A-12

Project: Health Services Community Reintegration Program
Agency/Vendor: Professional Consulting Services, Inc.
Contract #: 210000001210
Effective Date: September 1, 2021

Metric 1: Aftercare Plan Timeliness for Prison-based Referrals																	
Definition and Purpose:																	
The Contractor must ensure initial Aftercare Plans are submitted within 60 days of receiving a Needs Assessment for prison-based referrals, as noted in Section 1.0 A. 4.c.																	
Data Source:																	
1. MDOC database of D47 and D48 offenders. 2. Needs Assessment and Aftercare Plan																	
Methodology:																	
Quarterly the MDOC program staff will conduct audits to verify the timeliness of Aftercare Plan submissions. MDOC program staff will review all D47 and D48 prison-based referrals and verify Aftercare Plan Submissions were completed within 60 days of Needs Assessment receipt.																	
Acceptable Standard:																	
The Contractor must ensure 90% of D47 and D48 offenders with a completed Needs Assessment have an Aftercare Plan submitted within 60 days.																	
Service Level Credit:																	
<table><tr><th>Credit Assessment Level</th><th>Threshold (%)</th><th>Credit Assessed</th></tr><tr><td>Required Compliance Level</td><td>90% or above</td><td>\$0.00</td></tr><tr><td>Tier 1</td><td>85% to 89%</td><td>\$2,000.00</td></tr><tr><td>Tier 2</td><td>80% to 84%</td><td>\$4,000.00</td></tr><tr><td>Tier 3</td><td>Less than 80%</td><td>\$6,000.00</td></tr></table>			Credit Assessment Level	Threshold (%)	Credit Assessed	Required Compliance Level	90% or above	\$0.00	Tier 1	85% to 89%	\$2,000.00	Tier 2	80% to 84%	\$4,000.00	Tier 3	Less than 80%	\$6,000.00
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Extenuating circumstances will be reviewed by the MDOC Contract Manager before any Service Credits are assessed. At the discretion of the State, these credits may be applied toward any payable due to the Contractor or be payable directly to the State of Michigan. Payments made directly to the State of Michigan shall be completed within 10 calendar days upon demand.																	

Metric 2: Aftercare Plan Acceptance for Prison-based D47 Referrals																	
Definition and Purpose:																	
Contractor must obtain approval of finalized Aftercare Plan by MDOC treatment team within 60 days of submission. The Contractor's Aftercare Plans must adequately meet the needs of the prisoner as identified in Section 1.0 A.4 (b) and (d) of the contract.																	
Data Source:																	
<ol style="list-style-type: none"> 1. MDOC database of D47 offenders. 2. Correspondence with the MDOC program staff and/or Contractor. 3. Needs Assessment and Aftercare Plan 																	
Methodology:																	
Quarterly MDOC program staff will conduct audits to verify the timeliness of Aftercare Plan approvals by MDOC. MDOC program staff will review all D47 Aftercare Plans to determine if approved by MDOC treatment team within 60 days of submission. Aftercare plans that are outstanding after 60 days due to MDOC rejection because of aftercare plan inadequacy will result in the SLA issuance.																	
Acceptable Standard:																	
The Contractor must ensure 90% of D47 offenders have an approved Aftercare Plan within 60 days of submission.																	
Service Level Credit:																	
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Metric 3: Initial Mental Health Appointment Timeliness																	
Definition and Purpose:																	
The Contractor must ensure that every offender with identified mental health needs attend an initial mental health appointment within 21 days of release, as noted in Section 1.0 A. 8. e																	
Data Source:																	
<ol style="list-style-type: none"> 1. Contractor's offender file. 2. Parole Agent reports/notes. 3. Needs Assessment and Aftercare Plan 																	
Methodology:																	
Quarterly MDOC program staff will conduct audits to verify initial mental health appointments were attended within 21 days of release to community. MDOC will select and review a random sample of D47 and D48 offenders with identified mental health needs released to the community.																	
Acceptable Standard:																	
The Contractor must ensure 90% of D47 and D48 offenders with identified mental health needs attended their initial mental health appointments within 21 days of release.																	
Service Level Credit:																	
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Metric 4: Minimum monthly contact for Prison-Based Referrals																	
Definition and Purpose:																	
The Contractor must provide a minimum of one monthly direct contact for each offender for the term of service, meeting all requirements of direct contact as noted in Section 1.0 A. 8.c.																	
Data Source:																	
<ol style="list-style-type: none"> 1. Contractor's offender file. 2. Parole Agent reports/notes. 3. Needs Assessment and Aftercare Plan 																	
Methodology:																	
Quarterly MDOC program staff will conduct audits of Contractor and Parole Agent records to verify: <ol style="list-style-type: none"> 1. D47 and D48 offenders on parole received a minimum of one direct monthly contact with the Contractor for the term of the offender's service. 																	
Acceptable Standard:																	
The Contractor must ensure 80% of D47 and D48 offenders on parole and under service have received a minimum of one direct monthly contact with the Contractor.																	
Service Level Credit:																	
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Metric 5: Minimum Weekly direct contact for RTP																	
Definition and Purpose:																	
Offenders paroled from RTP or inpatient medical or mental levels of care will require weekly direct (in-person or via telephone) contacts until they have attended a community-based health screening, as noted in Section 1.0 A. 8. d.																	
Data Source:																	
<ol style="list-style-type: none"> 1. Contractor's offender file. 2. Parole Agent reports/notes. 3. Needs Assessment and Aftercare plan 																	
Methodology:																	
<p>Quarterly MDOC program staff will conduct audits of Contractor and Parole Agent records to verify:</p> <p>D47 and D48 offenders paroled from RTP or inpatient medical or mental levels of care, received a minimum of one weekly contact with the Contractor until they have attended a community-based health screening.</p>																	
Acceptable Standard:																	
The Contractor must ensure 80% of D47 and D48 offenders paroled from RTP or inpatient medical or mental levels of care, have received a minimum of weekly contact with the Contractor until they have attended a community-based health screening.																	
Service Level Credit:																	
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Metric 6: Transportation	
Definition and Purpose:	
<p>The Contractor must ensure transportation of offenders from any MDOC correctional facility to the approved community placement on the day of release as noted in Section 1.0 A. 6.a.</p> <p>All transportation is the Contractor's responsibility unless an exception is preapproved by the Program Manager or designee as noted in Section 1.0 A. 6. b. Offenders that need initial hospitalization on the day of release will receive day of release transportation by MDOC.</p>	
Data Source:	
<ol style="list-style-type: none"> 1. MDOC records and/or correspondence 2. Parole Agent reports/notes. 3. Needs Assessment and Aftercare Plan 	
Methodology:	
<p>When MDOC Program Manager or designee has been notified by Contractor, CFA or FOA staff that the offender has not been transported by the Contractor on the scheduled day of release, the MDOC will document the incident and review all case planning records, the finalized Aftercare Plan and whether an exception was granted as described above in Definition and Purpose. MDOC will assess credits for transportation failures no more than 90 days after the prisoner's scheduled release.</p>	
Acceptable Standard:	
<p>The Contractor must ensure 100% of offenders are transported on the day of release.</p>	
Service Level Credit:	
<p>A credit of \$1,000.00 will be assessed per incident.</p> <p>Extenuating circumstances will be reviewed by the MDOC Contract Manager before any Service Credits are assessed. At the discretion of the State, these credits may be applied toward any payable due to the Contractor or be payable directly to the State of Michigan. Payments made directly to the State of Michigan shall be completed within 10 calendar days upon demand.</p>	

STATE OF MICHIGAN

Contract 210000001210

Health Services Community Reintegration Program

SCHEDULE B PRICING

1. Contract pricing must include all costs, including but not limited to, any one-time or set-up charges, fees, and potential costs that Contractor may charge the State (e.g., shipping and handling, per piece pricing, and palletizing).
2. The Contractor may request a one-time cash advance within the first 30 calendar days of the Contract effective date. The advance may not be more than 1/12 of the annual contract value and is subject to approval by the MDOC Program Manager or designee. Requests for advances must be accompanied by a brief explanation of the necessity. Cash advances will be reconciled against the last expenditure report for the fiscal year.
3. The Contractor is encouraged to offer quick payment terms. The number of days must not include processing time for payment to be received by the Contractor's financial institution.

Quick payment terms: N/A % discount off invoice if paid within N/A days after receipt of invoice.

Contract 210000001210
Health Services Community Reintegration Program
SCHEDULE B
PRICING

Service category: Regular Paroles - Mentally Ill/(D47)		
Number of Days in Service Plan:	180	
Proposed 180-day case rate:	\$9,750.00	
	%	\$
Pre-release planning:	5	487.50
Day of release payment:	30	2,925.00
Successful case closure payment:	15	1,462.50
Monthly service charge:	50	812.50

Service category: Regular Paroles - Medically Fragile/(D48)		
Number of Days in Service Plan:	180	
Proposed 180-day case rate:	\$12,300.00	
	%	\$
Pre-release planning:	5	615.00
Day of release payment:	35	4,305.00
Successful case closure payment:	10	1,230.00
Monthly service charge:	50	1,025.00

Service category: Community Referrals - Mentally Ill		
Number of Days in Service Plan:	180	
Proposed 180-day case rate:	\$9,350.00	
	%	\$
Receipt of approved referral:	25	2,337.50
AC plan approved:	10	935.00
Successful case closure payment:	15	1,402.50
Monthly service charge:	50	779.17

Service category: Community Referrals - Medically Fragile		
Number of Days in Service Plan:	180	
Proposed 180-day case rate:	\$12,050.00	
	%	\$
Receipt of approved referral:	25	3,012.50
AC plan approved:	10	1,205.00
Successful case closure payment:	15	1,807.50
Monthly service charge:	50	1,004.17