

# Solicitation 09-10075

## Transcription Services

State of California

## Bid 09-10075 Transcription Services

Bid Number	09-10075
Bid Title	Transcription Services
Bid Start Date	Jun 11, 2009 2:06:36 PM PDT
Bid End Date	Jun 25, 2009 4:30:00 PM PDT
Question & Answer End Date	Jun 18, 2009 4:30:00 PM PDT
Bid Contact	Michelle Buck 805-468-3700 Michelle.Buck@ash.dmh.ca.gov

**Standard Disclaimer** The State of California advises that prospective bidders periodically check the websites, including but not limited to Bidsync, and/or other state department links for modifications to bid documents. The State of California is not responsible for a prospective bidder's misunderstanding of the bid solicitation or nonresponsive bid due to failure to check these websites for updates or amendments to bid documents, and/or other information regarding the bid solicitations. Failure to periodically check these websites will be at the bidder's sole risk.

The information published and/or responded to on these websites is public information. Confidential questions/issues/concerns should be directed to the contact on the ad.

### Description

Contractor shall provide California Department of Mental Health Atascadero State Hospital (ASH) transcription services of health information and clinical record reports, for a period of approximately twenty-four (24) months. Reports to be transcribed by Contractor will be on an as-needed basis determined by ASH. Turnaround time for transcribed reports shall be no longer than seventy-two (72) hours, excluding weekends and State observed holidays.



**Atascadero State Hospital**

**P.O. Box 7002, Atascadero, CA 93423-7002  
(805)468-2591**

**INVITATION FOR BID**

**Notice to Prospective Bidders**

Date: June 12, 2009

You are invited to review and respond to this Invitation for Bid (IFB), entitled:

**TRANSCRIPTION SERVICES**

(IFB Title)

**09-10075**

(IFB Number)

In submitting your bid, you must comply with the instructions.

Note that all agreements entered into with the State of California will include by reference General Terms and Conditions and Contractor Certification Clauses that may be viewed and downloaded at Internet Site: [www.ols.dgs.ca.gov/Standard+Language](http://www.ols.dgs.ca.gov/Standard+Language). If you do not have Internet access, a hard copy can be provided by contacting the person listed below.

In the opinion of the Department of Mental Health, Atascadero State Hospital, this Invitation for Bid is complete and without need of explanation. However, if you have questions, or should you need any clarifying information, the contact person for this IFB is:

**Michelle Buck**  
**Atascadero State Hospital**  
**Procurement Office**  
**Public Phone Number: (805) 468-3700**  
**Fax Number: (805) 468-3261**  
**E-mail Address: [Michelle.Buck@ash.dmh.ca.gov](mailto:Michelle.Buck@ash.dmh.ca.gov)**

Please note that no verbal information given will be binding upon the State unless such information is issued in writing as an official addendum.

Michelle Buck  
Business Service Officer

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 2 of 40

Table of Contents

<u>Section</u>	<u>Pages</u>
A) Purpose and Description of Service.....	3
B) Bidder Minimum Qualifications.....	3
C) Bid Requirements and Information.....	3 – 6
1) Key Action Dates/Time Schedule.....	3
2) Submission of Bid.....	3 – 5
3) Evaluation and Selection.....	5
4) Award and Protest.....	5
5) Disposition of Bid.....	5
6) Agreement Execution and Performance.....	6
D) Preference Programs.....	6
E) Required Attachments.....	6 – 19
1) Required Attachment Check List.....	7
2) Official State Bid/Bidder Certification Sheet.....	8 – 9
3) Budget Detail.....	10
4) Payee Data Record (STD 204).....	11 – 12
5) Small Business Preference.....	13
6) Bidder References.....	14
7) Contractor's Certification Clauses (CCC – Page 1).....	15 – 18
8) Darfur Contracting Act.....	19
F) Note to Bidders.....	20
Sample Standard Agreement (STD 213).....	21
1) Exhibit A, Scope of Work.....	22 – 24
2) Exhibit B, Payment Provisions.....	25
3) Budget Detail .....	26
4) Exhibit C, General Terms and Conditions (View at DGS Internet Site: <a href="http://www.ols.dgs.ca.gov/Standard+Language">www.ols.dgs.ca.gov/Standard+Language</a> ).....	27 – 32
5) Exhibit D, Special Terms and Conditions.....	33 – 36
6) Exhibit E, Confidentiality and Information Security Provisions.....	37 – 38
7) Exhibit F, Insurance Requirements.....	39 – 40
8) Atascadero State Hospital Mission Statement.....	39 – 40

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 3 of 40

**A) Purpose and Description of Services**

Contractor shall provide California Department of Mental Health (DMH), Atascadero State Hospital (ASH) transcription services of health information and clinical record reports, for a period of approximately twenty-four (24) months. Reports to be transcribed by Contractor will be on an as-needed basis determined by Atascadero State Hospital. Turnaround time for transcribed reports shall be no longer than seventy-two (72) hours, excluding weekends, and State observed holidays.

Bidders must refer to "Exhibit A - Scope of Work" for complete description of services (Pages 22 through 24).

**B) Bidder Minimum Qualifications**

Contractor must have compatible equipment in order to directly access the state hospital's digital system. Atascadero State Hospital currently uses Word 2002/03 for Windows; upgrades or changes in software may occur within the duration of the contract. Remote access through a Citrix Client is required.

Contractor must have verifiable knowledge of medical/psychiatric and legal terminology.

**C) Bid Requirements and Information**

1) Key Action Dates/Time Schedule

<u>Event</u>	<u>Date</u>	<u>Time</u>
IFB available to prospective bidders:	6/12/09	8:00 AM
Final Date for Bid Submission:	6/25/09	4:30 PM
Bid Opening:	6/26/09	10:00 AM
Notice of Intent to Award Posted	7/01/09	4:00 PM
Proposed Award Date:	7/09/09	10:00 AM

2) Submission of Bid

- a) All bids must be submitted under sealed cover and received by Atascadero State Hospital by dates and times shown in Section C, Bid Requirements and Information, Item 1 – Key Action Dates/Time Schedule (page 3). The sealed cover must be plainly marked with the IFB number and title, must show your firm name and address, and must be marked "DO NOT OPEN", as shown in the following example:

(09-10075)  
(Transcription Services)  
(Agency Name and Address)

**DO NOT OPEN**

Bids not submitted under sealed cover shall be rejected. A minimum of two (2) copies of the bid must be submitted.

- b) All bids shall include the documents identified in Section E, Required Attachment Checklist (see page 7). Bids not including the proper "required attachments" shall be deemed non-responsive. A non-responsive bid is one that does not meet the basic bid requirements.

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 4 of 40

- c) All documents requiring a signature must bear an original signature of a person authorized to bind the bidding firm.
- d) Mail or deliver bids to the following address:  
  

<u>U.S. Postal Deliveries:</u>	Atascadero State Hospital Procurement – Attn: Michelle Buck P O Box 7002 Atascadero CA 93423-7002
<u>Hand Deliveries:</u> (UPS, Express Mail, Federal Express)	Atascadero State Hospital Procurement – Attn: Michelle Buck 10333 El Camino Real Atascadero CA 93422
- e) Bids must be submitted for the performance of all the services described herein. Any deviation from the work specifications will not be considered and shall cause a bid to be rejected.
- f) A bid shall be rejected if it is conditional or incomplete, or if it contains any alterations of form or other irregularities of any kind. The State may reject any or all bids and may waive any immaterial deviation in a bid. The State's waiver of immaterial defect shall in no way modify the IFB document or excuse the bidder from full compliance with all requirements if awarded the agreement.
- g) Costs for developing bids and in anticipation of award of the agreement are entirely the responsibility of the bidder and shall not be charged to the State of California.
- h) An individual who is authorized to bind the bidding firm contractually shall sign the Official State Bid Form/Bidder Certification Sheet, Pages 8 and 9. The signature must indicate the title or position that the individual holds in the firm. An unsigned bid shall be rejected.
- i) A bidder may modify a bid after its submission by withdrawing its original bid and resubmitting a new bid prior to the bid submission deadline. Bidder modifications offered in any other manner, oral or written, will not be considered.
- j) A bidder may withdraw its bid by submitting a written withdrawal request to the State, signed by the bidder or an agent authorized in accordance with (h) above. A bidder may thereafter submit a new bid prior to the bid submission deadline. Bids shall not be withdrawn without cause subsequent to bid submission deadline.
- k) The awarding agency may modify the IFB prior to the date fixed for submission of bids by the issuance of an addendum to all parties who received a bid package.
- l) The awarding agency reserves the right to reject all bids for reasonable cause. If all bids are too high, the agency is not required to award an agreement.
- m) Bidders are cautioned to not rely on the State during the evaluation to discover and report to the bidder any defects and errors in the submitted documents. Bidders, before submitting their documents, must carefully proof them for errors and adherence to the IFB requirements.
- n) Where applicable, bidder must carefully examine work sites and specifications. Bidder shall investigate conditions, character, and quality of surface or subsurface materials or obstacles that might be encountered. No additions or increases to the agreement amount will be made due to a lack of careful examination of work sites and specifications.
- o) The State does not accept alternate contract language from a prospective contractor. A bid with such language will be considered a counter proposal and shall be rejected. The State's General Terms and Conditions (GTC) are not negotiable.

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 5 of 40

- p) No oral understanding or agreement shall be binding on either party.

3) Evaluation and Selection

- a) At the time of bid opening, each bid will be checked for the presence or absence of required information in conformance with the submission requirements of this IFB.
- b) The State will evaluate each bid to determine its responsiveness to the published requirements.
- c) Bids that contain false or misleading statements, or which provide references, which do not support an attribute or condition claimed by the bidder, may be rejected.
- d) Award if made, will be to the lowest responsive responsible bidder.

4) Award and Protest

- a) Whenever an agreement is awarded under a procedure which provides for competitive bidding, but the agreement is not be awarded to the low bidder, the low bidder shall be notified by telegram, electronic facsimile transaction, overnight courier, or personal delivery five (5) working days prior to the award of the agreement.
- b) Upon written request by any bidder, notice of the proposed award shall be posted in a public place in the office of the awarding agency at least five (5) working days prior to awarding the agreement.
- c) If any bidder, prior to the award of agreement, files a written protest with the Department of General Services, Office of Legal Services, 707 Third Street, 7<sup>th</sup> Floor, Suite 7-330, West Sacramento, CA 95605 and the awarding agency on the grounds that the (protesting) bidder is the lowest responsible bidder, the agreement shall not be awarded until either the protest has been withdrawn or the Department of General Services has decided the matter.
- d) Within five (5) days after filing the initial protest, the protesting bidder shall file with the Department of General Services and the awarding agency a detailed written statement specifying the grounds of the protest. The written protest must be sent to the Department of General Services, Office of Legal Services, 707 3<sup>rd</sup> Street, 7<sup>th</sup> Floor, Suite 7-330, West Sacramento, California 95605. A copy of the detailed written statement must be mailed to the awarding agency. It is suggested that you submit any protest by certified or registered mail.
- e) Upon resolution of the protest and award of the agreement, Contractor must complete and submit to the awarding agency the Payee Data Record (STD 204), to determine if the Contractor is subject to state income tax withholding pursuant to California Revenue and Taxation Code Section 18662 and 26131. This form can be found on the Internet at [www.documents.dgs.ca.gov/osp/pdf/std204.pdf](http://www.documents.dgs.ca.gov/osp/pdf/std204.pdf) . No payment shall be made unless a completed STD 204 has been returned to the awarding agency.
- f) Upon resolution of the protest and award of the agreement, Contractor must sign and submit to the awarding agency, Page (1) of the Contractor Certification Clauses (CCC) which can be found on the Internet at [www.ols.dgs.ca.gov/Standard+Language](http://www.ols.dgs.ca.gov/Standard+Language). This document is only required if the bidder has not submitted this form to the awarding agency within the last three (3) years.

5) Disposition of Bids

- a. Upon bid opening, all documents submitted in response to this IFB will become the property of the State of California, and will be regarded as public records under the California Public Records Act (Government Code Section 6250 et seq.) and subject to review by the public.
- b. Bid packages shall be returned only at the bidder's expense, unless such expense is waived by the awarding agency.

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 6 of 40

6) Agreement Execution and Performance

- a. Performance shall start not later than the express date set by the awarding agency and the Contractor, after all approvals have been obtained and the agreement is fully executed. Should the Contractor fail to commence work at the agreed upon time, the awarding agency, upon five (5) days written notice to the Contractor, reserves the right to terminate the agreement. In addition, the Contractor shall be liable to the State for the difference between Contractor's bid price and the actual cost of performing work by the second lowest bidder or by another contractor.
- b. All performance under the agreement shall be completed on or before the termination date of the agreement.

**D) Preference Programs**

Small Business Preference applies to this IFB: [www.pd.dgs.ca.gov](http://www.pd.dgs.ca.gov).

This website provides information and procedures for bidders who wish to apply for the Small Business Preference Program. Please note that although participation in this preference program is optional, **all** bidders must complete and submit Attachment 5, "Small Business Preference."

Bidders that are certified as a small business in California are encouraged to apply for this IFB. In addition, per new Small Business Preference regulations, prime contractors who subcontract with a certified small business for not less than 25% of the total contract are eligible for small business preference.

**E) Required Attachments**

Refer to the following pages for additional Required Attachments that are a part of this agreement.



STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 7 of 40

**Attachment 1**

**REQUIRED ATTACHMENT CHECKLIST**

Company/Vendor Name (Please Print)

A complete bid or bid package will consist of the items identified below.

Complete this checklist to confirm the items in your bid. Place a check mark or "X" next to each item that you are submitting to the State. For your bid to be responsive, all required attachments must be returned. This checklist must be returned with your bid package also.

<u>Attachment</u>	<u>Attachment Name/Description</u>
___ Attachment 1	Required Attachment Checklist
___ Attachment 2	Official State Bid Form/Bidder Certification Sheet
___ Attachment 3	Budget Detail
___ Attachment 4	Payee Data Record (STD 204)
___ Attachment 5	Small Business Preference
___ Attachment 6	Bidder References
___ Attachment 7	Contractor Certification Clauses (CCC-307). The CCC can be found on the Internet at <a href="http://www.ols.dgs.ca.gov/Standard+Language">www.ols.dgs.ca.gov/Standard+Language</a> . Page 1 must be signed and submitted prior to award of the contract, but is not required if the bidder has submitted this form to the awarding agency within the last three (3) years.
___ Attachment 8	Darfur Contracting Act
___ No Attachment #	Copy of current Business License

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 8 of 40

## Attachment 2

### OFFICIAL STATE BID FORM

### BIDDER CERTIFICATION SHEET

This Official State Bid Form/Bidder Certification Sheet must be signed and returned along with all the "Required Attachments" as an entire package in duplicate with original signatures. The bid must be transmitted in a sealed envelope in accordance with IFB instructions. Do not return Section C, Bid Requirements and Information (Pages 1 through 6), nor the "Sample" Agreement at the end of this IFB.

- A. **Our all inclusive bid amount for the contract period is \$**\_\_\_\_\_.
- B. All required attachments are included with this Official State Bid Form/Bidder Certification Sheet.
- C. The signature affixed hereon and dated certifies compliance with all the requirements of this bid document. The signature below authorizes the verification of this certification.

#### **An Unsigned Official State Bid Form/Bidder Certification Sheet Shall be Cause for Rejection**

1. Company Name:	2. Telephone Number: ( )	2(a). Fax Number: ( )
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3. Address:
-------------

Indicate your organization type:		
4. <input type="checkbox"/> Sole Proprietorship	5. <input type="checkbox"/> Partnership	6. <input type="checkbox"/> Corporation

Indicate the applicable employee and/or corporation number:	
7. Federal Employee ID No. (FEIN):	8. California Corporation No:

Indicate applicable license and/or certification information:		
9. Contractor's State Licensing Board Number:	10. PUC License Number: CAL-T-	11. Required (Specify):

12. Bidder's Name (Print):	13. Title:
----------------------------	------------

14. <b>Signature:</b>	15. Date:
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16. Are you certified with the Department of General Services, Office of Small Business Certification and Resources (OSBCR) as:	
(A) Small Business Enterprise <input type="checkbox"/> YES <input type="checkbox"/> NO	(B) Disabled Veteran Business Enterprise <input type="checkbox"/> YES <input type="checkbox"/> NO
If yes, enter Certification Number:_____*	If yes, enter your Service Code Number:_____*
<b>*NOTE:</b> A copy of your Certification must be included if either of the above items is checked "YES"	
Date application was submitted to OSBCR, if an application is pending: _____	

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 9 of 40

**Completion Instructions for Official State Bid Form/Bidder Certification Sheet**

Complete the items on the Official State Bid Form/Bidder Certification Sheet by following the instructions below.

<u>Item</u>	<u>Instructions</u>
A.	Your all inclusive (total bid) amount for the contract period must be shown in this item.
B.	Compliance required. Item is self-explanatory.
C.	Compliance required. Item is self-explanatory.
1.	Must be completed. Item is self-explanatory.
2.	Must be completed. Item is self-explanatory.
2(a)	Must be completed. Item is self-explanatory.
3.	Must be completed. Item is self-explanatory.
4.	Check if your firm is a sole proprietorship. A sole proprietorship is a form of business in which one person owns all the assets of the business in contrast to a partnership and corporation. The sole proprietor is solely liable for all the debts of the business.
5.	Check if your firm is a partnership. A partnership is a voluntary agreement between two or more competent persons to place their money, effects, labor, and skill, or some or all of them in lawful commerce or business, with the understanding that there shall be a proportional sharing of the profits and losses between them. An association of two or more persons to carry on, as co-owners, a business of profit.
6.	Check if your firm is a corporation. A corporation is an artificial person or legal entity created by or under the authority of the laws of a state or nation, composed, in some rare instances, of a single person and his successors, being the incumbents of a particular office, but ordinarily consisting of an association of numerous individuals.
7.	Enter your federal employee tax identification number.
8.	Enter your corporation number assigned by the California Secretary of State's Office. This information is used for checking if a corporation is in good standing and qualified to conduct business in California.
9.	Complete if your firm holds a California contractor's license. This information will be used to verify possession of a contractor's license for public works agreements.
10.	Complete if your firm holds a PUC license. This information will be used to verify possession of a PUC license for public works agreements.
11.	Complete, if applicable, by indicating the type of license and/or certification that your firm possesses and that is required for the type of services being procured.
12.	Must be completed. Item is self-explanatory.
13.	Must be completed. Item is self-explanatory.
14.	Must be completed. Item is self-explanatory.
15.	Must be completed. Item is self-explanatory.
16.	If certified as a Small Business Enterprise, place a check in the "YES" box, and enter your certification number on the line. If certified as a Disabled Veterans Business Enterprise, place a check in the "YES" box and enter your service code on the line. A copy of your Certification is required to be included if either of the items are checked "YES".

If you are not certified to one or both, place a check in the "NO" box(s).

If your certification is pending, enter the date your application was submitted to OSBCR.

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 10 of 40

**Attachment 3**

**BUDGET DETAIL**

This will be a twenty-four (24) month contract effective October 1, 2009, or upon approval, through September 30, 2011.

COST PER LINE/ TRAINING HOUR		ESTIMATED LINES PER PAGE		ESTIMATED # OF PAGES PER MONTH/TRAINING HOURS		TERM IN MONTHS		TOTAL CONTRACT AMOUNT
\$ _____ per line	X	55	X	500	X	24	=	\$
\$ _____ Per Hour for Training*		NA	X	4	X	1		\$
TOTAL ESTIMATED EXPENDITURES:								\$

\* Per Hour for Training: As per the Scope of Work (page 23), Section VI, item A, the contractor must participate in and complete an Atascadero State Hospital orientation program, up to four (4) hours in duration, prior to commencement of contract services.

There shall be no expressed or implied guarantees as to any minimum or maximum number of services to be provided throughout the duration of the contract period.

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 11 of 40

### Attachment 4

STATE OF CALIFORNIA-DEPARTMENT OF FINANCE

## PAYEE DATA RECORD

(Required when receiving payment from the State of California in lieu of IRS W-9)

STD. 204 (Rev. 6-2003)

<b>1</b>	<b>INSTRUCTIONS:</b> Complete all information on this form. Sign, date, and return to the State agency (department/office) address shown at the bottom of this page. Prompt return of this <b>fully completed</b> form will prevent delays when processing payments. Information provided in this form will be used by State agencies to prepare Information Returns (1099). See reverse side for more information and Privacy Statement. <b>NOTE:</b> Governmental entities, federal, State, and local (including school districts), are not required to submit this form.		
<b>2</b>	<b>PAYEE'S LEGAL BUSINESS NAME</b> (Type or Print)		
	<b>SOLE PROPRIETOR – ENTER NAME AS SHOWN ON SSN</b> (Last, First, M.I.)		<b>E-MAIL ADDRESS</b>
	<b>MAILING ADDRESS</b>		<b>BUSINESS ADDRESS</b>
	<b>CITY, STATE, ZIP CODE</b>		<b>CITY, STATE, ZIP CODE</b>
<b>3</b>	<b>ENTER FEDERAL EMPLOYER IDENTIFICATION NUMBER (FEIN):</b> <div style="border: 1px solid black; width: 150px; height: 20px; margin: 2px 0;"></div>		<b>NOTE:</b> Payment will not be processed without an accompanying taxpayer I.D. number
<b>PAYEE ENTITY TYPE</b>	<input type="checkbox"/> <b>PARTNERSHIP</b>		
<b>CHECK ONE BOX ONLY</b>	<input type="checkbox"/> <b>ESTATE OR TRUST</b>		
	<input type="checkbox"/> <b>CORPORATION:</b> <input type="checkbox"/> <b>MEDICAL</b> (e.g., dentistry, psychotherapy, chiropractic, etc.) <input type="checkbox"/> <b>LEGAL</b> (e.g., attorney services) <input type="checkbox"/> <b>EXEMPT</b> (nonprofit) <input type="checkbox"/> <b>ALL OTHERS</b>		
	<input type="checkbox"/> <b>INDIVIDUAL OR SOLE PROPRIETOR</b> <b>ENTER SOCIAL SECURITY NUMBER:</b> <div style="border: 1px solid black; width: 150px; height: 20px; margin: 2px 0;"></div> <small>(SSN required by authority of California Revenue and Tax Code Section 18646)</small>		
<b>4</b>	<b>PAYEE RESIDENCY STATUS</b> <input type="checkbox"/> California resident - Qualified to do business in California or maintains a permanent place of business in California. <input type="checkbox"/> California nonresident (see reverse side) - Payments to nonresidents for services may be subject to State income tax withholding. <div style="margin-left: 100px;"> <input type="checkbox"/> No services performed in California.  <input type="checkbox"/> Copy of Franchise Tax Board waiver of State withholding attached.         </div>		
<b>5</b>	<b>I hereby certify under penalty of perjury that the information provided on this document is true and correct. Should my residency status change, I will promptly notify the State agency below.</b>		
	<b>AUTHORIZED PAYEE REPRESENTATIVE'S NAME</b> (Type or Print)		<b>TITLE</b>
	<b>SIGNATURE</b>	<b>DATE</b>	<b>TELEPHONE</b> (     )
<b>6</b>	<b>Please return completed form to:</b>  <b>Department/Office:</b> Atascadero State Hospital <b>Unit/Section:</b> Procurement <b>Mailing Address:</b> P.O. Box 7002 <b>City/State/Zip:</b> Atascadero, Ca 93422 <b>Telephone:</b> (805) 468-3700 <b>Fax:</b> (805) 468-3261 <b>E-mail Address:</b>		

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 12 of 40

1	<u>Requirement to Complete Payee Data Record, STD. 204</u>
	<b>A completed Payee Data Record, STD. 204, is required for payments to all non-governmental entities and will be kept on file at each State agency. Since each State agency with which you do business must have a separate STD. 204 on file, it is possible for a payee to receive this form from various State agencies.</b>
	Payees who do not wish to complete the STD. 204 may elect to not do business with the State. If the payee does not complete the STD. 204 and the required payee data is not otherwise provided, payment may be reduced for federal backup withholding and nonresident State income tax withholding. Amounts reported on Information Returns (1099) are in accordance with the Internal Revenue Code and the California Revenue and Taxation Code.
2	Enter the payee's legal business name. Sole proprietorships must also include the owner's full name. An individual must list his/her full name. The mailing address should be the address at which the payee chooses to receive correspondence. Do not enter payment address or lock box information here.
3	<b>Check the box that corresponds to the payee business type. Check only one box. Corporations must check the box that identifies the type of corporation. The State of California requires that all parties entering into business transactions that may lead to payment(s) from the State provide their Taxpayer Identification Number (TIN). The TIN is required by the California Revenue and Taxation Code Section 18646 to facilitate tax compliance enforcement activities and the preparation of Form 1099 and other information returns as required by the Internal Revenue Code Section 6109(a).</b>
	The TIN for individuals and sole proprietorships is the Social Security Number (SSN). Only partnerships, estates, trusts, and corporations will enter their Federal Employer Identification Number (FEIN).
4	<p align="center"><u>Are you a California resident or nonresident?</u></p> <p>A corporation will be defined as a "resident" if it has a permanent place of business in California or is qualified through the Secretary of State to do business in California.</p> <p>A partnership is considered a resident partnership if it has a permanent place of business in California. An estate is a resident if the decedent was a California resident at time of death. A trust is a resident if at least one trustee is a California resident.</p> <p>For individuals and sole proprietors, the term "resident" includes every individual who is in California for other than a temporary or transitory purpose and any individual domiciled in California who is absent for a temporary or transitory purpose. Generally, an individual who comes to California for a purpose that will extend over a long or indefinite period will be considered a resident. However, an individual who comes to perform a particular contract of short duration will be considered a nonresident.</p> <p><b>Payments to all nonresidents may be subject to withholding. Nonresident payees performing services in California or receiving rent, lease, or royalty payments from property (real or personal) located in California will have 7% of their total payments withheld for State income taxes. However, no withholding is required if total payments to the payee are \$1,500 or less for the calendar year.</b></p> <p>For information on Nonresident Withholding, contact the Franchise Tax Board at the numbers listed below:          Withholding Services and Compliance Section: 1-888-792-4900 E-mail address: wscs.gen@ftb.ca.gov          For hearing impaired with TDD, call: 1-800-822-6268 Website: www.ftb.ca.gov</p>
5	Provide the name, title, signature, and telephone number of the individual completing this form. Provide the date the form was completed.
6	This section must be completed by the State agency requesting the STD. 204.
	<p><u>Privacy Statement</u></p> <p>Section 7(b) of the Privacy Act of 1974 (Public Law 93-579) requires that any federal, State, or local governmental agency, which requests an individual to disclose their social security account number, shall inform that individual whether that disclosure is mandatory or voluntary, by which statutory or other authority such number is solicited, and what uses will be made of it.</p> <p>It is mandatory to furnish the information requested. Federal law requires that payment for which the requested information is not provided is subject to federal backup withholding and State law imposes noncompliance penalties of up to \$20,000.</p> <p>You have the right to access records containing your personal information, such as your SSN. To exercise that right, please contact the business services unit or the accounts payable unit of the State agency(ies) with which you transact that business.</p> <p>All questions should be referred to the requesting State agency listed on the bottom front of this form.</p>

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 13 of 40

**Attachment 5**

**SMALL BUSINESS PREFERENCE**

Section 14835, ET. Seq. Of the California Government Code requires that a five percent (5%) preference be given to bidders who qualify as a small business. The rules and regulations of this law, including the definition of a small business for the delivery of services, are contained in Title 2, California Administrative Code, Section 1896, et. seq. A copy of the regulations is available on request. To claim the Small Business Preference, which may not exceed \$50,000 for any bid, your firm must have its principal place of business located in California and be verified by the State Office of Small Business and DVBE Services. Questions regarding the preference approval should be directed to that office at (916) 375-4940.

**Please complete this form and return with your Bid.**

Are you claiming preference as a small business?

( ) YES      ( ) NO

Are you subcontracting not less than 25% of the total contract to a small business?

( ) YES      ( ) NO

Primary contractor or sub-contractor Small Business Number \_\_\_\_\_

\_\_\_\_\_  
Name of CONTRACTOR/Organization

\_\_\_\_\_  
Street Address, City, State, Zip Code

\_\_\_\_\_  
Today's Date

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 14 of 40

### **Attachment 6**

#### **BIDDER REFERENCES**

Failure to complete and return this attachment with your bid, along with a letter of recommendation from each company referenced below, will cause your bid to be rejected and deemed non-responsive.

1. A letter of recommendation from each company referenced below is required, stapled to this attachment, to ensure contractor has the qualifications, experience and capabilities to perform the services specified in Scope of Work, Exhibit "A". All letters of recommendation must be on the referenced company's letterhead and signed by the referenced company's evaluator, enabling Atascadero State Hospital to verify the authenticity of each reference given.
2. List three references below of similar types of services performed within the last five years. Do not include Atascadero State Hospital as a reference. If three references cannot be provided, please explain why on an attached sheet of paper.

#### **Reference 1**

Name of Firm:

Street Address:

Contact Person:

Dates of Service:

City/State/Zip Code:

Telephone Number: (     )

=====

Brief Description of Service Provided:

#### **Reference 2**

Name of Firm:

Street Address:

Contact Person:

Dates of Service:

City/State/Zip Code:

Telephone Number: (     )

=====

Brief Description of Service Provided:

#### **Reference 3**

Name of Firm:

Street Address:

Contact Person:

Dates of Service:

City/State/Zip Code:

Telephone Number: (     )

=====

Brief Description of Service Provided:



STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 15 of 40

### **Attachment 7**

CCC-307

#### **CERTIFICATION**

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective Contractor to the clause(s) listed below. This certification is made under the laws of the State of California.

<i>Contractor/Bidder Firm Name (Printed)</i>		<i>Federal ID Number</i>
<i>By (Authorized Signature)</i>		
<i>Printed Name and Title of Person Signing</i>		
<i>Date Executed</i>	<i>Executed in the County of</i>	

#### **CONTRACTOR CERTIFICATION CLAUSES**

1. **STATEMENT OF COMPLIANCE:** Contractor has, unless exempted, complied with the nondiscrimination program requirements. (Gov. Code §12990 (a-f) and CCR, Title 2, Section 8103) (Not applicable to public entities.)
2. **DRUG-FREE WORKPLACE REQUIREMENTS:** Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:
  - a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
  - b. Establish a Drug-Free Awareness Program to inform employees about:
    - 1) The dangers of drug abuse in the workplace;
    - 2) The person's or organization's policy of maintaining a drug-free workplace;
    - 3) Any available counseling, rehabilitation and employee assistance programs; and,
    - 4) Penalties that may be imposed upon employees for drug abuse violations.
  - c. Every employee who works on the proposed Agreement will:
    - 1) Receive a copy of the company's drug-free workplace policy statement; and,
    - 2) Agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: the Contractor has made false certification, or violated the certification by failing to carry out the requirements as noted above. (Government Code §8350 et seq.)

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 16 of 40

3. NATIONAL LABOR RELATIONS BOARD CERTIFICATION: Contractor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against the Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court which orders Contractor to comply with an order of the National Labor Relations Board. (Public Contract Code §10296) (Not applicable to public entities.)

4. CONTRACTS FOR LEGAL SERVICES \$50,000 OR MORE- PRO BONO REQUIREMENT: Contractor hereby certifies that contractor will comply with the requirements of Section 6072 of the Business and Professions Code, effective January 1, 2003.

Contractor agrees to make a good faith effort to provide a minimum number of hours of pro bono legal services during each year of the contract equal to the lesser of 30 multiplied by the number of full time attorneys in the firm's offices in the State, with the number of hours prorated on an actual day basis for any contract period of less than a full year or 10% of its contract with the State.

Failure to make a good faith effort may be cause for non-renewal of a state contract for legal services, and may be taken into account when determining the award of future contracts with the State for legal services.

5. EXPATRIATE CORPORATIONS: Contractor hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code Section 10286 and 10286.1, and is eligible to contract with the State of California.

6. SWEATFREE CODE OF CONDUCT:

- a. All Contractors contracting for the procurement or laundering of apparel, garments of corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the Sweat-free Code of Conduct as set forth on the California Department of Industrial Relations website located at [www.dir.ca.gov](http://www.dir.ca.gov), and Public Contract Code Section 6108.
- b. The contractor agrees to cooperate fully in providing reasonable access to the contractor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations, or the Department of Justice to determine the contractor's compliance with the requirements under paragraph (a).

7. DOMESTIC PARTNERS: For contracts over \$100,000 executed or amended after January 1, 2007, the contractor certifies that contractor is in compliance with Public Contract Code section 10295.3.

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 17 of 40

### DOING BUSINESS WITH THE STATE OF CALIFORNIA

The following laws apply to persons or entities doing business with the State of California.

1. CONFLICT OF INTEREST: Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

Current State Employees (Public Contract Code §10410):

- 1). No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
- 2). No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (Public Contract Code §10411):

- 1). For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
- 2). For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (Public Contract Code §10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Pub. Contract Code §10430 (e))

2. LABOR CODE/WORKERS' COMPENSATION: Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)
3. AMERICANS WITH DISABILITIES ACT: Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)
4. CONTRACTOR NAME CHANGE: An amendment is required to change the Contractor's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 18 of 40

5. CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:

- a. When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the contractor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.
  - b. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are statutory exceptions to taxation, rarely will a corporate contractor, performing work within the state, not be subject to franchise tax.
  - c. Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.
6. RESOLUTION: A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.
7. AIR OR WATER POLLUTION VIOLATION: Under the State laws, the Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.
8. PAYEE DATA RECORD FORM STD. 204: This form must be completed by all contractors that are not another state agency or other governmental entity.

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 19 of 40

### **Attachment 8**

### **DARFUR CONTRACTING ACT**

Pursuant to Public Contract Code section 10478, if a bidder or proposer currently or within the previous three years has had business activities or other operations outside of the United States, it must certify that it is not a "scrutinized" company as defined in Public Contract Code section 10476.

Therefore, to be eligible to submit a bid or proposal, please insert your company name and Federal ID Number and complete only one of the following three paragraphs (via initials for Paragraph # 1 or Paragraph # 2, or via initials and certification for Paragraph # 3):

<i>Company/Vendor Name (Printed)</i>	<i>Federal ID Number</i>
<i>Printed Name and Title of Person Initialing (for Options 1 or 2)</i>	

1. \_\_\_\_\_ We do not currently have, and have not had within the previous three years, business activities  
Initials or other operations outside of the United States.

**OR**

2. \_\_\_\_\_ We are a scrutinized company as defined in Public Contract Code section 10476, but we have  
Initials received written permission from the Department of General Services (DGS) to submit a bid or proposal pursuant to Public Contract Code section 10477(b). A copy of the written permission from DGS is included with our bid or proposal.

**OR**

3. \_\_\_\_\_ We currently have, or we have had within the previous three years, business activities or other  
Initials operations outside of the United States, but we certify below that we are not a scrutinized  
company  
+ certification as defined in Public Contract Code section 10476.  
below

### **CERTIFICATION For # 3.**

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective proposer/bidder to the clause listed above in # 3. This certification is made under the laws of the State of California.

<i>By (Authorized Signature)</i>	
<i>Printed Name and Title of Person Signing</i>	
<i>Date Executed</i>	<i>Executed in the County and State of</i>

(DGS Rev. 03-09)

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 20 of 40

### NOTE TO BIDDERS

The following nineteen (19) pages represent a “sample” of the contract that will be awarded, if any, from this IFB:

“SAMPLE” Standard Agreement (STD 213)

Exhibit “A” – Scope of Work

Exhibit “B” – Payment Provisions and  
Budget Detail

Exhibit “D” – Special Terms and Conditions

Exhibit “E” – Confidentiality and Information Security Provisions

Exhibit “F” – Insurance Requirements

Mission Statement of Atascadero State Hospital

Please review it carefully and present any questions in writing to the contact identified for this IFB.

**REMINDER:** Exhibit “C” – General Terms and Conditions – must be viewed by all parties at the Department of General Services Internet Site: [www.ols.dgs.ca.gov/Standard+Language](http://www.ols.dgs.ca.gov/Standard+Language)

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 21 of 40

STATE OF CALIFORNIA  
**STANDARD AGREEMENT**  
STD 213 (Rev 06/03)

AGREEMENT NUMBER
REGISTRATION NUMBER

This Agreement is entered into between the State Agency and the Contractor named below:

STATE AGENCY'S NAME

DEPARTMENT OF MENTAL HEALTH – ATASCADERO STATE HOSPITAL

CONTRACTOR'S NAME

2 The term of this Agreement is: Through

3. The maximum amount \$ of this Agreement is:

The parties agree to comply with the terms and conditions of the following exhibits which are for this reference made a part of the Agreement.

Exhibit A – Scope of Work	XX pages
Exhibit B – Payment Provisions and Budget Detail	XX pages
Exhibit C* – General Terms and Conditions	GTC #
Check mark one item below as Exhibit D:	
<input checked="" type="checkbox"/> Exhibit - D Special Terms and Conditions (Attached hereto as a part of this agreement)	XX pages
<input type="checkbox"/> Exhibit - D* Special Terms and Conditions	
Exhibit E – HIPAA Business Associate Addendum (DELETE IF NOT APPLICABLE)	XX pages
Exhibit F – Insurance Requirements	2 pages
Mission Statement of Atascadero State Hospital	1 page

Items shown with an Asterisk (\*), are hereby incorporated by reference and made part of this agreement as if attached hereto.

These documents can be viewed at [www.ols.dgs.ca.gov/contractors/Language](http://www.ols.dgs.ca.gov/contractors/Language)

**WITNESS WHEREOF, this Agreement has been executed by the parties hereto.**

**CONTRACTOR**

CONTRACTOR'S NAME (if other than individual, state whether a corporation, partnership, etc.)

BY (Authorized Signature)

DATE SIGNED (Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

ADDRESS

**STATE OF CALIFORNIA**

AGENCY NAME: DEPARTMENT OF MENTAL HEALTH  
ATASCADERO STATE HOSPITAL

BY (Authorized Signature)

DATE SIGNED (Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

ADDRESS: Accounting Department – Contracts Office  
P O Box 7002  
Atascadero CA 93423-7002

**California Department of General  
Services Use Only**

☐ Exempt per:

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 22 of 40

## Exhibit A

### Scope of Work

- I. Contractor agrees to provide to Department of Mental Health, Atascadero State Hospital, transcription services, as described herein:  
  
Contractor to provide transcription services for the Health Information Management Department/Transcription Center at Atascadero State Hospital.
- II. The services shall be performed for Atascadero State Hospital, Health Information Management Department, 10333 El Camino Real, Atascadero, CA 93422.
- III. Reports to be transcribed by Contractor will be on an as-needed basis determined by Atascadero State Hospital. Turnaround time for transcribed reports shall be no longer than seventy-two (72) hours, excluding Saturdays, Sundays, and/or state observed holidays.
- IV. The project representatives during the term of this agreement will be:

State Agency:	<u>Atascadero State Hospital</u>	Contractor:	_____
Name:	<u>Roberta Gehring</u>	Name:	_____
Phone:	<u>(805) 468-2260</u>	Phone:	_____
FAX:	<u>(805) 468-2582</u>	FAX:	_____

Direct all inquiries to:

State Agency:	<u>Atascadero State Hospital</u>	Contractor:	_____
	<u>Health Information</u>		_____
Section/Unit:	<u>Management Department</u>	Section/Unit:	_____
Attention:	<u>Roberta Gehring</u>	Attention:	_____
Address:	<u>P.O. Box 7004</u>	Address:	_____
	<u>Atascadero, CA 93423-7004</u>		_____
Phone:	<u>(805) 468-2260</u>	Phone:	_____
FAX:	<u>(805) 468-2582</u>	FAX:	_____

### V. SPECIFICATIONS/DETAILED DESCRIPTION OF WORK

- A. Contractor shall provide Transcription Services for the Health Information Management Department at DMH, ASH on an as-needed basis. Services will be used to fill temporary civil service vacancies, DMH, ASH employees' absences and temporary workload increases.
- B. This Agreement shall not be the primary means for DMH, ASH, receiving this service. This Agreement shall be used only when all other means have been exhausted. This includes, but is not limited to, civil service considerations as well as the use of other Agreements.
- C. Contractor must have verifiable knowledge of medical/psychiatric and legal terminology and the use of digital dictation equipment in order to bid on this project.
- D. Due to the forensic nature of Atascadero State Hospital, dictated reports may contain graphic, offensive language if the dictator quotes comments attributed to hospitalized individuals. Transcribed reports may



STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 23 of 40

undergo legal review; if dictated, the graphic and/or offensive language must be transcribed into the report as dictated.

- E. Contractor must have compatible equipment in order to directly access the Atascadero State Hospital digital dictation system.
- F. Atascadero State Hospital's Transcription Center currently uses Word 2002/03 for Windows; upgrades or changes in software may occur. Remote access through Terminal Services is required. All computers used to access the network will need to comply with minimum department security requirements. ASH reserves the right to audit their computers for technical and security compatibility at any time. ASH assumes no liability for damages caused to their computers as a result of connecting to the network. All minimum connections standards are subject to change at any time with appropriate notification. The contractor will be expected to update their systems to the minimum requirements at their expense or will not be allowed to connect to the network.
- G. Duplication by Contractor of any Atascadero State Hospital patient medical record documents, in any form, is strictly prohibited.
- H. Contractor shall assure that handling of Atascadero State Hospital material meets all requirements of confidentiality by the Department of Health Services Licensure (Title 22), the Joint Commission (JC), Health Insurance Portability and Accountability Act (HIPAA) Privacy and Security Rule, and Standards set forth by the Health Information Management Department at Atascadero State Hospital.
- I. Contractor is required to immediately report, in writing, to the Director of the Health Information Management Department if any employee assigned to the Atascadero State Hospital account has or has had, any type of personal association with a currently hospitalized Atascadero State Hospital patient.
- J. Services shall be on an as-needed basis only as determined by Atascadero State Hospital. The Budget Detail is based on an estimated volume of services to be provided by Contractor on a monthly basis, and is not binding on the contracting agency. The estimated volume of services in the Budget Detail is not a guarantee, neither expressed nor implied, on the actual volume of monthly services that will be required for this as-needed basis contract.

VI. STATE HOSPITAL REQUIREMENTS

- A. Contractor must participate in and complete an Atascadero State Hospital orientation program, up to four (4) hours in duration, prior to commencement of contract services. At the time of this orientation, samples of reports, templates, and staff names will be provided. The duration of the orientation program shall be determined and coordinated by Atascadero State Hospital's contract project coordinator and the hospital's training officer. The date and time for participation in the orientation program shall be mutually agreed upon between Contractor and the hospital's contract project coordinator.

At the discretion of Atascadero State Hospital, a segment of the orientation may include the Patient Safety Program, care of the geriatric and adult male patient, and potential barriers to cultural communication and service delivery.

No Contractor/contract service provider shall be exempt from participating in Atascadero State Hospital's orientation program.

- B. Contractor must meet his/her obligation to his/her employees with regard to the Federal and State Hazardous Communications Standards Set forth in 29 CFR 1910.1200; GISO Section 5194; California Labor Code Section 6360-6362; and any other applicable local, state or federal requirements.
- C. Contract service providers will be restricted from entering the security area if not properly attired, and are prohibited from wearing khaki colored clothing while on state hospital grounds (Administrative Directive 905).
- D. All tobacco, tobacco products, paraphernalia, and non-tobacco smoking products are prohibited for use by all persons on Atascadero State Hospital property. Only nicotine gum is allowed for use by staff, visitors, students, contractors, and vendors outside of security. This is in accordance with the

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 24 of 40

Atascadero State Hospital Administrative Directive #702; with authority under Atascadero Municipal Code Section Title 6 - Section 6.08, Ordinance No. 531; Section 4138 of the Welfare and Institutions Code.

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 25 of 40

## **Exhibit B**

### **Payment Provisions**

#### **Invoicing and Payment**

- A. For services satisfactorily rendered, and upon receipt and approval of the invoices, the State agrees to compensate the Contractor for actual expenditures incurred in accordance with the rates specified herein, which is attached hereto, entitled Budget Detail, and made a part of this Agreement.

The Budget Detail, is an estimate only on the service type and number and/or quantity of service(s) to be provided by the contractor, which may be subject to change in order to meet the demands of the state hospital. The stated costs provided by the Contractor shall not be changed throughout the term of this Agreement.

- B. Invoices, representing an itemized listing of actual service(s) and actual cost per service(s) provided, shall include the Agreement Number, and be submitted in triplicate not more frequently than monthly in arrears to:

Atascadero State Hospital  
Accounting Department – Accounts Payable Section  
P O Box 7002  
Atascadero CA 93423-7002

#### **Prompt Payment Clause**

Payment will be made in accordance with, and within the time specified in Government Code Chapter 4.5, commencing with Section 927.

#### **Budget Contingency Clause**

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

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 26 of 40

### Exhibit B

### BUDGET DETAIL

This will be a twenty-four (24) month contract effective October 1, 2009, or upon approval, through September 30, 2011.

COST PER LINE/ TRAINING HOUR		ESTIMATED LINES PER PAGE		ESTIMATED # OF PAGES PER MONTH/TRAINING HOURS		TERM IN MONTHS		TOTAL CONTRACT AMOUNT
\$ _____ per line	X	55	X	500	X	24	=	\$
\$ _____ Per Hour for Training*		NA	X	4	X	1	=	\$
TOTAL ESTIMATED EXPENDITURES:								\$

\* Per Hour for Training: As per the Scope of Work (page 23), Section VI, item A, the contractor must participate in and complete an Atascadero State Hospital orientation program, up to four (4) hours in duration, prior to commencement of contract services.

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 27 of 40

**EXHIBIT D**  
**SPECIAL TERMS AND CONDITIONS**

rev March 2009

1. **SUBCONTRACTS.** Except for subcontracts identified in the proposal in accordance with the Request for Proposal or Invitation for Bid, Contractor shall submit any subcontracts which are proposed to be entered into in connection with this Contract to the State Agency (State) for its prior written approval before entering into the same. No work shall be subcontracted without the prior written approval of the State. Upon termination of any subcontract, State shall be notified immediately. Any subcontract shall include all the terms and conditions of this Contract and its attachments.
2. **PUBLICATIONS AND REPORTS.**
  - A. If a publication and/or report is required under this Contract, Contractor shall:
    - (1) Incorporate any comments or revisions required by the State into any publication or report and shall not publish any material until it receives final State approval.
    - (2) Furnish two (2) copies of each publication and report required plus one (1) reproducible original.
    - (3) Prepare all illustrations, maps, and graphs in a manner which allows the complete illustration to be contained on a single 8-1/2 by 11 page unless specific written approval is given to the contrary.
    - (4) Print all graphs, illustrations, and printed materials in a single color throughout each publication unless prior State approval is granted.
    - (5) Place the Contractor's name only on the cover and title page of publications and reports and summaries. Covers and title pages shall read as follows:

**DEPARTMENT OF MENTAL HEALTH**  
**TITLE**  
**By (Contractor)**

- B. The State reserves the right to use and reproduce all publications, reports, and data produced and delivered pursuant to this Contract. State further reserves the right to authorize others to use or reproduce such materials, provided the author of the report is acknowledged in any such use or reproduction.
    - C. If the publication and/or report are prepared by non-employees of the State, and the total cost for such preparation exceeds \$5,000.00, the publication and/or report shall contain the numbers and dollar amounts of all contracts and subcontracts relating to the preparation of the publication and report in a separate section of the report (Government Code Section 7550).
3. **PROGRESS REPORTS.** If progress reports are required by the Contract, Contractor shall provide a progress report in writing, or orally if approved by the State Contract Manager, at least once a month to the State Contract Manager. This progress report shall include, but not be limited to, a statement that the Contractor is or is not on schedule, any pertinent reports, or interim findings. Contractor shall cooperate with and shall be available to meet with the State to discuss any difficulties, or special problems, so that solutions or remedies can be developed as soon as possible.
4. **PRESENTATION.** Upon request, a Contractor shall meet with the State to present any findings, conclusions, and recommendations required by the Contract for approval. If set forth in the Contract, Contractor shall submit a comprehensive final report for approval. Both the final meeting and the final report shall be completed on or before the date indicated in the Contract.
5. **DEPARTMENT OF MENTAL HEALTH STAFF.** Department of Mental Health staff shall be permitted to work side by side with Contractor's staff to the extent and under conditions as directed by the State Contract Manager. In this connection, Department of Mental Health staff shall be given access to all data, working papers, etc., which Contractor seeks to utilize.

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 28 of 40

6. CONFIDENTIALITY OF DATA AND DOCUMENTS.

- A. Contractor shall not disclose data or documents or disseminate the contents of the final or any preliminary report without written permission of the State Contract Manager. However, all public entities shall comply with California Public Records Act (Government Code Sections 6250 et seq.) and the Freedom of Information Act (Title 5 of the United States Code Section 552), as applicable.
- B. Permission to disclose information or documents on one occasion shall not authorize Contractor to further disclose such information or documents on any other occasions except as otherwise provided in the Contract or required by law.
- C. Contractor shall not comment publicly to the press or any other media regarding the data or documents generated, collected, or produced in connection with this contract, or the State's actions on the same, except to the Department of Mental Health staff, Contractor's own personnel involved in the performance of this Contract, or as required by law.
- D. If requested by State, Contractor shall require each of its employees or officers who will be involved in the performance of this Contract to agree to the above terms in a form to be approved by State and shall supply State with evidence thereof.
- E. Each subcontract shall contain the foregoing provisions related to the confidentiality of data and nondisclosure.
- F. After any data or documents submitted have become a part of the public records of the State, Contractor may at its own expense and upon written approval by the State Contract Manager, publish or utilize the same data or documents but shall include the following Notice:

LEGAL NOTICE

This report was prepared as an account of work sponsored by the Department of Mental Health (Department), but does not necessarily represent the views of the Department of any of its employees except to the extent, if any, that it has formally been approved by the Department. For information regarding any such action, communicate directly with the Department at P. O. Box 952050, Sacramento, California, 94252-2050. Neither said Department nor the State of California, nor any officer or employee thereof, or any of its contractors or subcontractors makes any warranty, express or implied, or assumes any legal liability whatsoever for the contents of this document. Nor does any party represent that use of the data contained herein, would not infringe upon privately owned rights without obtaining permission or authorization from any party who has any rights in connection with the data.

7. PROVISIONS RELATING TO DATA.

- A. "Data as used in this Contract means recorded information, regardless of form or characteristics, of a scientific or technical nature. It may, for example, document research, experimental, developmental or engineering work; or be usable or be used to define a design or process; or support a premise or conclusion asserted in any deliverable document called for by this Contract. The data may be graphic or pictorial delineations in media, such as drawings or photographs, charts, tables, mathematical modes, collections or extrapolations of data or information, etc. It may be in machine form, as punched cards, magnetic tape, computer printouts, or may be retained in computer memory.
- B. "Generated data" is that data, which a Contractor has collected, collated, recorded, deduced, read out or postulated for utilization in the performance of this Contract. Any electronic data processing program, model or software system developed or substantially modified by the Contractor in the performance of this Contract at State expense, together with complete documentation thereof, shall be treated in the same manner as generated data.
- C. "Deliverable data" is that data which under terms of this Contract is required to be delivered to the State. Such data shall be property of the State.

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 29 of 40

- D. Prior to the expiration of any legally required retention period and before destroying any data, Contractor shall notify the State of any such contemplated action; and State may within 30 days of said notification determine whether or not this data shall be further preserved. The State shall pay the expense of further preserving this data. State shall have unrestricted reasonable access to the data that is preserved in accordance with this Contract.
- E. Contractor shall use best efforts to furnish competent witnesses to identify such competent witnesses to testify in any court of law regarding data used in or generated under the performance of this Contract.
8. APPROVAL OF PRODUCT. Each product to be approved under this Contract shall be approved by the Contract Manager. The State's determination as to satisfactory work shall be final absent fraud or mistake.
9. SUBSTITUTIONS. Contractor's key personnel as indicated in its proposal may not be substituted without Contract Manager's prior written approval.
10. NOTICE. Notice to either party shall be given by first class mail properly addressed, postage fully prepaid, to the address beneath the name of each respective party. Such notice shall be effective when received as indicated by post office records or if deemed undeliverable by post office, such notice shall be effective nevertheless fifteen (15) days after mailing. Alternatively, notice may be given by personal delivery by any means whatsoever to the party and such notice shall be deemed effective when delivered.
11. WAIVER. No waiver of any breach of this Contract shall be held to be a waiver of any other or subsequent breach. All remedies afforded in this Contract shall be taken and construed as cumulative; that is, in addition to every other remedy provided therein or by law. The failure of State to enforce at any time the provisions of this Contract, or to require at any time performance by the Contractor of any of the provisions, shall in no way be construed to be a waiver of such provisions not to affect the validity of this Contract or the right of State to enforce said provisions.
12. GRATUITIES AND CONTINGENCY FEES. The State, by written notice to the Contractor, may terminate the right of Contractor to proceed under this Contract if it is found, after notice and hearing by the State, that gratuities were offered or given by the Contractor or any agent or representative of the Contractor to any officer or employee of the State with a view toward securing a contract or securing favorable treatment with respect to the awarding, amending, or performing of such contract.

In the event this Contract is terminated as provided in the paragraph above, State shall be entitled (a) to pursue the same remedies against Contractor as it could pursue in the event of the breach of the Contract by the Contractor, and (b) as a predetermined amount of liquidated damages, to exemplary damages in an amount which shall not be less than three (3) times the cost incurred by the Contractor in providing any such gratuities to any such officer or employee.

The rights and remedies of the State provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

The Contractor warrants by execution of this Contract that no person or selling agency has been employed or retained to solicit or secure this Contract upon a Contract or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees of Contractor, for the purpose of securing business. For breach or violation of this warranty, the State shall have the right to annul this Contract without liability, paying only for the values of the work actually returned, or in its discretion to deduct from the contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

13. INSURANCE. Contractor hereby warrants that it carries and shall maintain in full force and effect during the full term of this contract and any extensions to said term:

Sufficient and adequate Worker's Compensation Insurance for all of its employees who shall be engaged in the performance of this Contract and agrees to furnish to State satisfactory evidence thereof at any time the State may request the same; and

Sufficient and adequate Liability Insurance to cover any and all potential liabilities and agrees to furnish to State satisfactory evidence thereof upon request by State.

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 30 of 40

14. **CONTRACT IS COMPLETE.** Other than as specified herein, no document or communication passing between the parties hereto shall be deemed a part of this Contract.
15. **CAPTIONS.** The clause headings appearing in this Contract have been inserted for the purpose of convenience and ready reference. They do no purport to and shall not be deemed to define, limit or extend the scope or intent of the clauses to which they pertain.
16. **PUBLIC HEARINGS.** If public hearings on the subject matter dealt with in this Contract are held within one (1) year from the contract expiration date, Contractor shall make available to testify, the personnel assigned to this Contract at the hourly rates specified in the Contractor's proposed budget. State shall reimburse Contractor for travel of said personnel at the contract rates for such testimony as may be requested by State.
17. **DVBE.** Unless specifically waived by the Deputy Director of Administrative Services of the Department, Contractor shall comply with the Disabled Veteran Business Enterprises participation goal in accordance with the provisions of Public Contract Code Section 10115 et seq.
18. **FORCE MAJEURE.** Neither the State nor the Contractor shall be deemed to be in default in the performance of the terms of this Contract if either party is prevented from performing the terms of this Contract by causes beyond its control, including without being limited to: acts of God, interference, rulings or decision by municipal, Federal, State or other governmental agencies, boards or commissions; any laws and/or regulations of such municipal, State, Federal or other governmental bodies; or any catastrophe resulting from flood, fire, explosion, or other causes beyond the control of the defaulting party. If any of the stated contingencies occur, the party delayed by force majeure shall immediately give the other party written notice of the cause of delay. The party delayed by force majeure shall use reasonable diligence to correct the cause of the delay, if correctable.
19. **PERMITS AND LICENSES.** The Contractor shall procure and keep in full force and effect during the term of this Contract all permits, registrations and licenses necessary to accomplish the work specified in this Contract, and give all notices necessary and incident to the lawful prosecution of the work.

The Contractor shall keep informed of, observe, comply with, and cause all of its agents and employees to observe and to comply with all prevailing Federal, State, and local laws, and rules and regulations made pursuant to said Federal, State, and local laws, which in any way affect the conduct of the work of this Contract. If any conflict arises between provisions of the plans and specifications and any such law above referred to, then the Contractor shall immediately notify the State in writing.

20. **LITIGATION.** The State, promptly after receiving notice thereof, shall notify the Contractor in writing of the commencement of any claim, suit, or action against the State or its officers or employees for which the Contractor must provide indemnification under this Contract. The failure of the State to give such notice, information, authorization, or assistance shall not relieve the Contractor of its indemnification obligations. The Contractor shall immediately notify the State of any claim or action against it which affects, or may affect, this Contract, the terms and conditions, hereunder, or the State, and shall take such action with respect to said claim or action which is consistent with the terms of this Contract and the interest of the State.
21. **DISPUTES.** Contractor shall first discuss and attempt to resolve any dispute arising under or relating to the performance of this Contract, which is not disposed of by the Contract, informally with the State Contract Manager. If the dispute cannot be disposed of at this level, then the dispute shall be decided by the Department of Mental Health's Deputy Director of Administration. All issues pertaining to this dispute shall be submitted in written statements and addressed to the Deputy Director of Administration, Department of Mental Health, 1600 9<sup>th</sup> Street, Room 150, Sacramento, California 95814. Such written notice must contain the Contract Number. The decision of the Deputy Director of Administrative Services shall be final and binding to all parties. Within ten (10) days of receipt of the written grievance report from the Contractor, the Deputy Director of Administration or his/her designee, the Contractor shall proceed diligently with the performance of the Contract. Neither the pendency of a dispute, nor its consideration by the Deputy Director of Administration, shall excuse the Contractor from full and timely performance of services required in accordance with the terms of the Contract.

Notwithstanding any other provisions of this Contract, after recourse to the procedure set forth in the paragraph above, any controversy or claim arising out of or relating to this Contract or breach thereof shall be settled by arbitration at the election of either party in accordance with California Public Contract Code Section 10240 et seq. and judgment upon the award rendered by the arbitration may be entered in any court having jurisdiction thereof.



STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 31 of 40

22. EVALUATION OF CONTRACTOR'S PERFORMANCE. The Contractor's performance under this Contract shall be evaluated by the State after completion of the contract. A copy of the written evaluation shall be maintained in the contract file and may be submitted to the Office of Legal Services, Department of General Services.

23. TRAVEL. Contractor's headquarters for purposes of payment of travel shall be the city designated in the signature block unless otherwise specified in the contract.

24. TERMINATION. Unless otherwise specified, either party may terminate this Contract by giving thirty (30) days written notice to the other party. The notice of termination shall specify the effective date of termination.

Upon the Contractor's receipt of notice of termination from the State, and except as otherwise directed in the notice, the Contractor shall:

- A. Stop work on the date specified in the notice.
- B. Place no further orders or enter into any further subcontracts for materials, services or facilities except as necessary to complete work under the Contract up to effective date of termination.
- C. Terminate all orders and subcontracts.
- D. Promptly take all other reasonable and feasible steps to minimize any additional cost, loss, or expenditure associated with work terminated, including, but not limited to reasonable settlement of all outstanding liability and claims arising out of termination of orders and subcontracts.
- E. Deliver or make available to the Department all data, drawings, specifications, reports, estimates, summaries, and such other information and materials as may have been accumulated by the Contractor under this Contract, whether completed, partially completed, or in progress.

In the event of termination, an equitable adjustment in the price provided for this Contract shall be made. Such adjustment shall include reasonable compensation for all services rendered, materials supplied, and expenses incurred pursuant to this Contract prior to the effective date of termination.

25. CONFIDENTIALITY AND INFORMATION SECURITY PROVISIONS.

- A. The Contractor shall comply with applicable laws and regulations, including but not limited to Sections 14100.2 and 5328 et seq. of the Welfare and Institutions Code, Section 431.000 et seq. of Title 42, Code of Federal Regulations, and the Health Insurance Portability and Accountability Act (HIPAA), and its implementing regulations (including but not limited to Title 45, CFR, Parts 160, 162, and 164) regarding the confidentiality and security of individually identifiable health information (IIHI).
- B. Nondisclosure. Contractor shall not use or disclose confidential, individually identifiable, or sensitive information other than as permitted or required by the Contract and as required by law.

26. AUDITS, INSPECTION AND ENFORCEMENT.

- A. From time to time, the State may inspect the facilities, systems, books and records of Contractor to monitor compliance with the Contract.
- B. Contractor shall promptly remedy any violation of any provision of the Contract and shall certify the same to the Department Information Security Officer in writing.
- C. The fact that the State inspects, or fails to inspect, or has the right to inspect Contractor's facilities, systems, and procedures does not relieve Contractor of its responsibility to comply with the Contract.
- D. The State's failure to detect or the State's detection of any unsatisfactory practices, but failure to notify Contractor or require Contractor's remediation of the unsatisfactory practices does not constitute acceptance of such practice or a waiver of the State's enforcement rights under the Contract.

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 32 of 40

27. USE OF STATE FUNDS. Contractor, including its officers and members, shall not use funds received from the Department pursuant to this Contract to support or pay for costs or expenses related to the following:

- A. Campaigning or other partisan activities to advocate for either the election or defeat of any candidate for elective office, or for or against the passage of any proposition or ballot measure; or
- B. Lobbying for either the passage or defeat of any legislation.

This provision is not intended and shall not be construed to limit any expression of a view, opinion, or position of any member of Contractor as an individual or private citizen, as long as state funds are not used; nor does this provision limit Contractor from merely reporting the results of a poll or survey of its membership.

28. DRUG-FREE WORKPLACE CERTIFICATION. Contractor shall comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8350 et seq.) and shall provide a drug-free workplace.

29. CONFLICT OF INTEREST CERTIFICATION. In accordance with State laws and Department policy, no employees (including contractors) shall participate in incompatible activities, which are in conflict with their job duties. In addition, State law requires employees whose positions are designated in the Department's Conflict of Interest Code to file statements of economic interest. Employees whose positions have been designated will be notified by the Department if a statement is required.

In signing this Contract, I certify that I have read and understand GOVERNMENT CODE 19990.

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 33 of 40

**EXHIBIT E**  
**CONFIDENTIALITY AND INFORMATION SECURITY PROVISIONS**

rev March 2009

1. CONFIDENTIALITY AND INFORMATION SECURITY PROVISIONS

A. The Contractor shall comply with applicable laws and regulations, including but not limited to Sections 14100.2 and 5328 et seq. of the Welfare and Institutions Code, Section 431.300 et seq. of Title 42, Code of Federal Regulations (CFR), and the Health Insurance Portability and Accountability Act (HIPAA), including but not limited to Section 1320 d et seq. of Title 42, United States Code and its implementing regulations (including but not limited to Title 45, CFR, Parts 160, 162, and 164) regarding the confidentiality and security of Individually Identifiable Health Information (IIHI).

B. Permitted Uses and Disclosures of IIHI by the Contractor.

(1) *Permitted Uses and Disclosures.* Except as otherwise provided in this Agreement, the Contractor, may use or disclose IIHI to perform functions, activities or services identified in this Agreement provided that such use or disclosure would not violate federal or state laws or regulations.

(2) *Specific Uses and Disclosures Provisions.* Except as otherwise indicated in this Agreement, the Contractor may:

(a) Use and disclose IIHI for the proper management and administration of the Contractor or to carry out the legal responsibilities of the Contractor, provided that such use and disclosures are permitted by law.

(b) Use IIHI to provide data aggregation services to DMH. Data aggregation means the combining of IIHI created or received by the Contractor for the purposes of this Contract with IIHI received by the Contractor in its capacity as the Contractor of another HIPAA covered entity, to permit data analyses that relate to the health care operations of DMH.

C. *Safeguards.* Contractor shall develop and maintain an information privacy and security program that includes the implementation of administrative, technical, and physical safeguards appropriate to the size and complexity of the Contractor's operations and the nature and scope of its activities. The information privacy and security program shall reasonably and appropriately protect the confidentiality, integrity, and availability of the IIHI that it creates, receives, maintains, or transmits; and prevent the use or disclosure of IIHI other than as provided for by this Agreement. The Contractor shall provide DMH with information concerning such safeguards as DMH may reasonably request from time to time.

The Contractor shall implement administrative, technical, and physical safeguards to ensure the security of DMH information on portable electronic media (e.g., floppy disks and CD-Rom) and in paper files. Administrative safeguards to be implemented shall include, but are not limited to training, instructions to employees, and policies and procedures regarding the HIPAA Privacy Rule. Technical safeguards to be implemented shall include, but are not limited to, role-based access, computer passwords, timing out of screens, storing laptop computers in a secure location (never leaving the equipment unattended at workplace, home, or in a vehicle) and encryption. Physical safeguards to be implemented shall include, but are not limited to, locks on file cabinets, door locks, partitions, shredders, and confidential destruct.

D. The Contractor shall implement appropriate authentication methods to ensure information system access to confidential, personal (e.g., IIHI) or sensitive data is only granted to properly authenticated and authorized persons. If passwords are used in user authentication (e.g., username/password combination), the Contractor shall implement strong password controls on all compatible computing systems that are consistent with the National Institute of Standards and Technology (NIST) Special Publication 800-68 and the SANS Institute Password Protection Policy. The Contractor shall:

(1) Implement the following security controls on each server, workstation, or portable (e.g., laptop computer) computing device that processes or stores confidential, personal, or sensitive data:

(a) Network-based firewall and/or personal firewall

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 34 of 40

- (b) Continuously updated anti-virus software
- (c) Patch-management process including installation of all operating system/software vendor security patches
- (2) Encrypt all confidential, personal, or sensitive data stored on portable electronic media (including but not limited to, CDs and thumb drives) and on portable computing devices (including, but not limited to, laptop computers, smart phones and PDAs) with a solution that uses proven industry standard algorithms.
- (3) Prior to disposal, sanitize all DMH confidential data contained in hard drives, memory devices, portable electronic storage devices, mobile computing devices, and networking equipment in a manner consistent with the National Institute of Standards and Technology (NIST) Special Publication 800-88.

The Contractor shall not transmit confidential, personal, or sensitive data via email or other Internet transport protocol over a public network unless, at minimum, a 128-bit encryption method (for example AES, 3DES, or RC4) is used to secure the data.

E. Mitigation of Harmful Effects. Contractor shall mitigate, to the extent practicable, any harmful effect that is known to Contractor of a use or disclosure of IIHI by Contractor or its subcontractors in violation of the requirements of this Agreement.

F. Notification of Breach. During the term of this Agreement:

(1) Discovery of Breach. Contractor shall **immediately notify the DMH Information Security Officer by telephone call plus email** upon the discovery of breach of security of IIHI in all forms (paper, electronic, or oral)- if the IIHI was, or is reasonably believed to have been, acquired by an unauthorized person, or **within twenty-four (24) hours by email or fax** of the discovery of any suspected security incident, intrusion, or unauthorized use or disclosure of IIHI in violation of this Agreement, or potential loss of confidential data affecting this Agreement. If the incident occurs after business hours or on a weekend or holiday and involves IIHI, notification shall be provided by calling the DMH Information Security Officer. Contractor shall take:

- (a) Prompt corrective action to mitigate any risks or damages involved with the breach and to protect the operating environment; and
- (b) Any action pertaining to such unauthorized disclosure required by applicable Federal and State laws and regulations.

(2) Investigation of Breach. Contractor shall immediately investigate such security incident, breach, or unauthorized use or disclosure of IIHI or confidential data. Within seventy-two (72) hours of discovery (of the breach), Contractor shall notify the DMH Information Security Officer of:

- (a) What data elements were involved and the extent of the data involved in the breach,
- (b) A description of the unauthorized persons known or reasonably believed to have improperly used or disclosed IIHI or confidential data,
- (c) A description of where the IIHI or confidential data is believed to have been improperly transmitted, sent, or utilized,
- (d) A description of the probable causes of the improper use or disclosure; and
- (e) Whether Civil Service Code Sections 1798.29 or 1798.82 or any other Federal or State laws requiring individual notifications of breaches are triggered.

(3) Written Report. Contractor shall provide a written report of the investigation to the DMH Information Security Officer within ten (10) working days of the discovery of the breach or unauthorized use or disclosure. The report shall include, but not be limited to, the information specified above, an estimation of cost for remediation, as well as a full, detailed corrective action plan, including information on measures that were taken to halt and/or contain the improper use or disclosure.

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 35 of 40

(4) Notification of Individuals. Contractor shall notify individuals of the breach or unauthorized use or disclosure when notification is required under State or Federal law and to pay any costs of such notifications, as well as any costs associated with the breach. Notification shall be made in the most expedient time possible without reasonable delay. The DMH Information Security Officer shall approve the time, manner, and content of any such notifications.

(5) DMH Contact Information. Contractor shall direct communications to the DMH Information Security Officer and the Contractor shall initiate contact as indicated herein. DMH reserves the right to make changes to the contact information below by giving written notice to the Contractor. Said changes shall not require an amendment to this Agreement to which it is incorporated.

**Information Security Officer**  
**California Department of Mental Health**  
**1600 9<sup>th</sup> Street, Room 433**  
**Sacramento, CA 95814**  
**Phone: (916) 651-6776**  
**Email: [ISO@dmh.ca.gov](mailto:ISO@dmh.ca.gov)**

- G. Agents and Subcontractors of the Contractor. Contractor shall ensure that any agent, including a subcontractor to which the Contractor provides IIHI received from, or created or received by the Contractor under this Agreement, shall comply with the same restrictions and conditions that apply through this Agreement to the Contractor with respect to such information.
- H. Internal Practices. Contractor shall make Contractor's internal practices, books and records relating to the use and disclose of IIHI received from DMH, or created or received by the Contractor under this Agreement, available to DMH or to the Secretary of the U.S. Department of Health and Human Services in a time and manner designated by DMH or by the Secretary, for purposes of determining DMH's compliance with the HIPAA regulations.
- I. Employee Training and Discipline. Contractor shall train and use reasonable measures to ensure compliance with the requirements of this Agreement by employees who assist in the performance of functions or activities under this Agreement and use or disclose IIHI; and discipline such employees who intentionally violate any provisions of this Agreement, including by termination of employment.
- J. Effect of Termination. Upon termination or expiration of this Agreement for any reason, Contractor shall return or destroy all IIHI received from DMH, or created or received by Contractor under this Agreement that Contractor still maintains in any form, and shall retain no copies of such IIHI or, if return or destruction is not feasible, it shall continue to extend the protections of this Agreement to such information, and limit further use of such IIHI to those purposes that make the return or destruction of such IIHI infeasible. This provision shall apply to IIHI that is in the possession of subcontractors or agents of the Contractor.
- K. Miscellaneous Provisions.
- (1) Disclaimer. DMH makes no warranty or representation that compliance by Contractor with this Agreement, HIPAA or the HIPAA regulations shall be adequate or satisfactory for Contractor's own purposes or that any information in the Contractor's possession or control, or transmitted or received by the Contractor, is or shall be secure from unauthorized use or disclosure. Contractor is solely responsible for all decisions made by Contractor regarding the safeguarding of IIHI.
- (2) Assistance in Litigation or Administrative Proceedings. Contractor shall make itself, and use its best efforts to make any subcontractors, employees or agents assisting Contractor in the performance of its obligations under this Agreement, available to DMH at no cost to DMH to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against DMH, its directors, officers or employees for claimed violation of HIPAA, the HIPAA regulation or other laws relating to security and privacy based upon actions or inactions of the Contractor and/or its subcontractor, employee, or agent, except where Contractor or its subcontractor, employee, or agent is a named adverse party.

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 36 of 40

- (a) No Third-Party Beneficiaries. Nothing expressed or implied in the terms and conditions of this Agreement is intended to confer, nor shall anything herein confer, upon any person other than DMH or Contractor and their respective successors or assignees, any rights, remedies, obligations, or liabilities whatsoever.
- (b) Interpretation. The terms and conditions in this Agreement shall be interpreted as broadly as necessary to implement and comply with HIPAA, the HIPAA regulations and applicable State laws. The parties agree that any ambiguity in the terms and conditions of this Agreement shall be resolved in favor of a meaning that complies and is consistent with State and Federal law, including HIPAA and the HIPAA regulations.
- (c) Regulatory References. A reference in the terms and conditions of this Agreement to a section in the HIPAA regulations means the section as in effect or as amended.
- (d) Survival. The respective rights and obligations of Contractor under this Agreement shall survive the termination or expiration of this Agreement.
- (3) Violations Reported to U.S. Department of Health and Human Services. Upon DMH's knowledge of a material breach of this Agreement by Contractor, that has not been cured or for which termination of this Agreement is not feasible, the DMH Information Security Officer shall report the violation to the Secretary of the U.S. Department of Health and Human Services.
- (4) Judicial or Administrative Proceedings. DMH may terminate this Agreement, effective immediately, if (i) Contractor is found liable in a civil or criminal proceeding for a violation of the HIPAA Privacy or Security Rule or (ii) a finding or stipulation that the Contractor has violated a privacy or security standard or requirement of HIPAA, or other security or privacy laws is made in an administrative or civil proceeding in which the Contractor is a party.

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 37 of 40

**EXHIBIT F**

**INSURANCE REQUIREMENTS**

1. Contractor shall without expense to DMH or the State, maintain or cause to be maintained and in effect at all times during the term of the Agreement, with insurers of recognized reputation and responsibility, a valid certificate of Insurance in accordance with the following State of California requirements:

- A. The certificate(s) of insurance shall be issued by an insurance company, or be provided through partial or total self-insurance acceptable to Department of General Services, Office of Risk and Insurance Management (ORIM).
- B. The certificate(s) of insurance shall meet such additional standards as may be determined by the Department of Mental Health, either independently or in consultation with ORIM, for protection of the state.
- C. Evidence of insurance shall meet the requirements specified in the agreement, as indicated below, and shall be of a form and content acceptable to ORIM.

- (1) General Liability – Contractor shall maintain general liability with limits of not less than \$1,000,000.00 per occurrence/\$2,000,000 aggregate for bodily injury and property damage liability combined. The policy shall include coverage for liabilities arising out of premises, operations, independent contractors, products, completed operations, personal & advertising injury, and liability assumed under an insured contract. This insurance shall apply separately to each insured against whom claim is made or suit is brought subject to the contractor's limit of liability.

The General Liability Policy must include an endorsement that names the State, its Officers, agents, and employees as additional insured's, but only with respect to work performed for the State of California under this contract.

- (2) Automobile Liability – Contractors using vehicles to complete services or a contractor who will be using a vehicle to drive on state property shall provide a certificate of insurance for Automobile Liability of not less than \$1,000,000.00 per accident. Such insurance shall cover liability arising out of a motor vehicle including owned, hired, and non-owned motor vehicles.

The Automobile Liability must include an endorsement that names the State, its Officers, agents, and employees as additional insured's, but only with respect to work performed for the State of California under this contract.

- (3) Workers' Compensation and Employer's Liability – Contractors who have employees shall maintain statutory Workers' Compensation and Employer's Liability coverage for all its employees who will be engaged in the performance of the contract, including special coverage extensions where applicable. Employer's liability limits of \$1,000,000 shall be required.

The Workers' Compensation Policy must include an endorsement of waiver of subrogation in favor of the State.

- (4) Professional Liability – Contractor who provides specialized services (i.e. medical, engineering, consulting, etc.) shall maintain Professional Liability covering any damages caused by an error, omission or any negligent acts. Limits of not less than \$1,000,000 per claim/\$3,000,000 aggregate shall be provided. The policy retro date shall be no later than the date contract work is to begin.

- (5) Pollution Liability – Contractors whose scope of work involves handling, removal or transportation of hazardous materials shall maintain Pollution Liability with limits of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate.

The Pollution Liability must include an endorsement that names the State, its Officers, agents, and employees as additional insured's, but only with respect to work performed for the State of California under this contract.

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 38 of 40

- D. The additional insured endorsements and the waiver of subrogation endorsement are to be submitted with their respective certificates of insurance.
- E. Certificate Holder: The Certificate Holder section of the Certificate of Insurance must identify the State Agency you are contracting with, including agency name and address. For Atascadero State Hospital, it must read:

Department of Mental Health  
Atascadero State Hospital  
P.O. Box 7002  
Atascadero, CA. 93423-7002

F. Contractor is responsible for any deductible or self-insured retention contained within the insurance policies.

G. Any insurance shall be primary, and not excess, to any other insurance carried by the State.

2. Notification of Cancellation: In the event said insurance coverage lapses, expires, or is canceled at any time or times during the term of the Agreement, Contractor shall provide at least thirty (30) days prior to said date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of the term of the Agreement, or for a period of not less than one (1) year. New certificates of insurance are subject to the approval of ORIM. Contractor agrees that no work or services shall be performed prior to such approval. In the event Contractor fails to keep current and in effect at all times, insurance coverage as herein provided, the state may, in addition to any other remedies, terminate the Agreement.

Regarding cancellations, the Certificate of Insurance form must state:

"Should any of the above described policies be cancelled before the expiration date thereof, the issuing insurer will endeavor to mail 30 days prior written notice to the Certificate Holder named on the certificate."

Revised June 2009



STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 39 of 40



### ASH Mission

#### Protection

In emphasizing public safety, we provide a secure environment within which individuals referred to our care can recover from the effects of their psychiatric conditions. This secure environment protects the community as well as the people within the hospital and enables and supports the therapeutic milieu.

#### Recovery

We provide up-to-date treatment and rehabilitation services to the individuals in our care and ensure that community standards of practice and care are provided in our facility. We recognize that recovery is most effectively achieved when services are person oriented, empirically based, and arise out of a diverse theoretical and multidisciplinary foundation.

#### Evaluation

We provide consumer-specific objective evaluations and recommendations to the courts and other agencies using the most up-to-date instruments and risk assessment models.

### ASH Vision

**The Individuals We Serve:** We envision a hospital in which individuals referred to our care receive the treatment, rehabilitation services, and support they need to recover from psychiatric disability. Specifically the opportunity to:

- Ameliorate disabling symptoms of mental disorders.
- Develop the knowledge and skills they need to meet the daily life challenges in their chosen environment and to reduce their risks for relapse and re-offense.
- Experience hope that positive change is possible and that they can be successful in their attempts to recover.
- Experience support from a skilled, caring, culturally sensitive staff who cooperatively create positive expectations about recovery and opportunities for growth.
- Experience a sense of purpose in life and belonging to and have a role in their chosen community.
- Feel their voices are heard and their ideas make a difference in the hospital's organization.
- Feel good about themselves and the quality of their lives.

### ASH Values

**Excellence:** The staff members of ASH are committed to the pursuit of clinical, forensic, and organizational excellence. We provide those we serve with the most up to date treatment. We provide our staff with opportunities for career-long professional development, research opportunities and continuing education. We value the principles of shared governance and the characteristics of magnet hospitals and seek to emulate those characteristics to the extent possible.

**Security:** The hospital's security is dependent, first and foremost on the cultivated partnership between skilled clinical and hospital police staff. These two groups communicate regularly, both formally and informally, and monitor safe, therapeutic relationships between staff and individuals, control of contraband and criminal activity, and the integrity of the perimeter of the facility.

**Non Violence:** The staff members of ASH consistently work with the persons served to promote and maintain a norm of nonviolence in the hospital. Staff members continually model and teach pro-social communication skills and create strategies to dispel the prison culture throughout the hospital community. Each individual is assisted to use his strengths and learn new skills to manage his behavior in an environment that is designed to be a "demonstration model" of the larger community. Behavior in the hospital is one important component used when evaluators and the courts make decisions regarding readiness for community treatment. All individuals are informed that recovery and community standards of behavior are promoted and expected in the hospital. While every effort is made to prevent the individual from re-offending both in the hospital and in the community, hospital-wide safety dictates that prosecution for criminal activity is part of the ASH community standard.

STATE OF CALIFORNIA  
Department of Mental Health  
Atascadero State Hospital

IFB NUMBER: 09-10075  
Page 40 of 40

**Blame-Free Culture:** ASH's Blame Free Culture seeks to encourage full disclosure of mistakes. Blame Free Culture is a concept that fosters professional responsibility coupled with the understanding that human error is inherent in a service delivery system. Reporting all errors improves patient safety. Analysis of systems facilitates performance improvement. Professional responsibility and Standards of Practice for all disciplines dictate that misconduct and practicing outside the mandates of policy and procedure is a violation of individual safety. Staff is required to maintain competence and to practice ethically in order for Blame Free Culture to be effective. Staff is supported through educational and corrective interventions, through training and mentoring to ensure that a healthy and functioning Blame Free Culture is promoted.

**Spirit of Community:** A spirit of community and value in service is maintained by all employees. We recognize the social good we are doing and provide opportunities to draw inspiration from this high-minded service ethos. Mutual respect, open communication, and teamwork creates an atmosphere of pride and esprit de corps.

**Dignity and Respect for Persons:** All individuals in our care deserve respect and benevolence in treatment and maximum involvement in their care decisions. We actively strive to dispel the powerful social stigma associated with mental illness related to criminal behavior. We recognize that hostility and retributive action, stemming from stigmatizing attitudes, do little to help individuals. Essential interpersonal skills can only be cultivated in an environment that is supportive while still providing nonjudgmental "natural" consequences for behavior. We create and maintain an atmosphere of mutual dignity and respect and cultural awareness, so that individuals can increase their ability to meet their own personal goals.

**Innovation and Performance Improvement:** The staff of ASH are committed to fostering an environment wherein innovation, change, creative problem solving and performance improvement occur in an atmosphere of collaboration. Whenever possible, planned change processes are preferred over directive change. We recognize and accept that planned change requires time. We recognize too, that some risks must be taken and missteps may be made in pursuit of continuous quality improvement. It is preferable and expected that we will work steadily toward achieving goals, making improvements, and moving through change mindfully with maximum input from the staff and the individuals we serve.

**Spiritual Health:** We recognize that many individuals with antisocial characteristics experience severe deficits in moral development and spiritual health. We offer to assist each individual to cultivate spiritual practices and moral development. We encourage each individual to draw from sources of spiritual strength that they find meaningful and provide a variety of activities and resources, both traditional and secular, toward this end.

Revised: 11/08

## Question and Answers for Bid #09-10075 - Transcription Services

### OVERALL BID QUESTIONS

#### Question 1

How many characters constitute 1 line in your metric? (Submitted: Jun 11, 2009 8:08:02 PM PDT)

#### Answer

- An ASCII Line definition is to be used: "ASCII characters are those printed and visible as part of the completed transcription document and includes spaces and tabs. Formatting such as bolding, underlining, text boxes, and printer instructions are not included in the final character count. An ASCII line is calculated by counting all ASCII characters in the document and dividing by the total number of characters in the established line (usually 65) to arrive at the number of defined lines." Orphaned lines are to be added up and the line count does not include key strokes in headers and footers. Blank lines with no text are not counted. Font is Arial 12. Each page is identified and numbered. (Answered: Jun 19, 2009 1:25:36 PM PDT)

#### Question 2

We are a NJ based transcription company that utilizes on-shore and off-shore resources. Will it be acceptable to use off-shore/blended resources for this bid? (Submitted: Jun 12, 2009 6:46:34 AM PDT)

#### Answer

- Atascadero State Hospital would prefer to use on-shore services. (Answered: Jun 17, 2009 8:48:00 AM PDT)

#### Question 3

What is the current rate ASH is charged per line? (Submitted: Jun 12, 2009 6:47:23 AM PDT)

#### Answer

- The last contract ASH had for these services was from July 1, 2006 - June 30, 2008. At that time, the price per line was \$ 0.11. (Answered: Jun 16, 2009 11:31:29 AM PDT)

#### Question 4

Will there be any STAT requirements for reports? If so what would be the estimated volume of STAT reports? (Submitted: Jun 12, 2009 6:47:49 AM PDT)

#### Answer

- We do not anticipate using this contract for transcription services of stat or urgently needed reports. (Answered: Jun 17, 2009 8:48:00 AM PDT)

#### Question 5

Who is the current contractor providing the transcription services? How much are they charging per year? (Submitted: Jun 12, 2009 9:30:32 AM PDT)

#### Answer

- The last contract vendor for these services was Business Support. The contract was from July 1, 2006 - June 30, 2008. They were charging \$72,600 for the two-year term. (Answered: Jun 16, 2009 11:31:29 AM PDT)

#### Question 6

What type/brand of digital (dictation) system do you use? (Submitted: Jun 14, 2009 7:04:13 PM PDT)

#### Answer

- Nuance Dictaphone "Enterprise Express" Voice and Text Systems. (Answered: Jun 19, 2009 1:25:36 PM PDT)

#### Question 7

Will the Contractor need to purchase a license to access your digital system? If so, is one license needed for the Contractor as a whole, or is one license needed per user/MT? (Submitted: Jun 14, 2009 7:05:11 PM PDT)

#### Answer

- The Contractor will not need to purchase a license to access our system. (Answered: Jun 17, 2009 11:05:01 AM PDT)

#### Question 8

Do you use the AHDI standard of 65 characters to define a line? (Submitted: Jun 17, 2009 7:44:59 AM PDT)

#### Answer

- An ASCII Line definition is to be used: "ASCII characters are those printed and visible as part of the completed transcription document and includes spaces and tabs. Formatting such as bolding, underlining, text boxes, and printer instructions are not included in the final character count. An ASCII line is calculated by counting all ASCII characters in the document and dividing by the total number of characters in the established line (usually 65) to arrive at the number of defined lines." Orphaned lines are to be added up and the line count does not include key strokes in headers and footers. Blank lines with no text are not counted. Font is Arial 12. Each page is identified and numbered. Note: In 2005, The Association for Healthcare Documentation Integrity (AHDI), formerly the American Association for Medical Transcription (AAMT), called for an industry-wide cessation of the reference to and use of the term "AAMT line." (Answered: Jun 19, 2009 1:25:36 PM PDT)

Question Deadline: Jun 18, 2009 4:30:00 PM PDT