



Contract Number PO-10000-00049852

**STATE OF OREGON
PERSONAL/PROFESSIONAL SERVICES CONTRACT**

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This Contract is between the State of Oregon, acting by and through its Oregon Department of Human Services, hereinafter referred to as "**ODHS**," and

**Specialized Supports NW Inc.
1790 16th Street NE, Suite 203
Salem, OR 97302
Attention: James Malkin
Telephone: 503-881-0370
E-mail address: james.malkin@specializedsupportsnw.com**

hereinafter referred to as "**Contractor**."

Work to be performed under this Contract relates principally to ODHS'

**Office of Child Welfare Programs
Treatment Services
500 Summer Street NE
Salem, OR 97301
Contract Administrator: Jennie Walker or delegate
Telephone: 503-779-4366
E-mail address: jennie.m.walker@odhs.oregon.gov**

1. Effective Date and Duration. This Contract shall become effective on the last date all required signatures in Section 6., below have been obtained. Unless extended or terminated earlier in accordance with its terms, this Contract shall expire on **June 30, 2027**. Contract termination shall not extinguish or prejudice ODHS' right to enforce this Contract with respect to any default by Contractor that has not been cured.

2. Contract Documents.

- a.** This Contract consists of this document and includes the following listed exhibits which are incorporated into this Contract:
 - (1) Exhibit A, Part 1: Statement of Work
 - (2) Exhibit A, Part 2: Payment and Financial Reporting
 - (3) Exhibit A, Part 3: Special Provisions
 - (4) Exhibit B: Standard Terms and Conditions
 - (5) Exhibit C: Insurance Requirements

There are no other contract documents unless specifically referenced and incorporated into this Contract.

- b.** This Contract and the documents listed in Section 2., "Contract Documents", Subsection a. above, shall be in the following descending order of precedence: this Contract less all exhibits, Exhibits B, A, and C.

3. Consideration.

- a.** The maximum, not-to-exceed compensation payable to Contractor under this Contract, which includes any allowable expenses, is **\$11,000,000.00**. ODHS will not pay Contractor any amount in excess of the not-to-exceed compensation of this Contract for completing the Work, and will not pay for Work performed before the date this Contract becomes effective or after the termination or expiration of this Contract. If the maximum compensation is increased by amendment of this Contract, the amendment must be fully effective before Contractor performs Work subject to the amendment.
- b.** Payments to Contractor shall be subject to ORS 293.462, and shall be made in accordance with the payment schedule and requirements in Exhibit A, Part 2., "Payment and Financial Reporting."
- c.** ODHS will only pay for completed Work under this Contract. For purposes of this Contract, "Work" means the tasks or services and deliverables accepted by ODHS as described in Exhibit A, Part 1, "Statement of Work."

4. Contractor Determination. In accordance with the State Controller's Oregon Accounting Manual, policy 30.40.00.104, ODHS' determination is that:

Contractor is a contractor Not applicable

Assistance Listings number(s) of federal funds to be paid through this Contract: N/A

5. Contractor Information and Certification.

a. **Contractor Information.** This information is requested pursuant to ORS 305.385 and OAR 125-246-0330(1).

PLEASE PRINT OR TYPE THE FOLLOWING INFORMATION

Contractor Name (exactly as filed with the IRS): Specialized Supports NW INC

Street address: 1790 16TH STREET SUITE 201

City, state, zip code: SE SALEM OR 97302

Email address: James.Malkin@specializedsupportsnw.com

Telephone: (503) 881-0370 Fax: ()

Is Contractor a nonresident alien, as defined in 26 U.S.C. § 7701(b)(1), a foreign person, or a foreign entity? (Check one box): YES NO

Business Designation. (Check one box):

<input type="checkbox"/> Professional Corporation	<input type="checkbox"/> Nonprofit Corporation	<input type="checkbox"/> Limited Partnership
<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Limited Liability Partnership	<input type="checkbox"/> Sole Proprietorship
<input checked="" type="checkbox"/> Corporation	<input type="checkbox"/> Partnership	<input type="checkbox"/> Other

Contractor Proof of Insurance. Contractor shall provide the following information upon submission of the signed Contract. All insurance listed herein and required by Exhibit C must be in effect prior to Contract execution.

Professional Liability Insurance Company: Hamilton Select Insurance Inc

Policy #: AMHS550457 Expiration Date: 08/29/2026

Commercial General Liability Insurance Company: Hamilton Select Insurance Inc

Policy #: AMHS550457 Expiration Date: 08/29/2026

Automobile Liability Insurance Company: BERKSHIRE HATHAWAY HOMESTATE CO

Policy #: 05APM051834-01 Expiration Date: 10/02/2025

Physical Abuse and Molestation Insurance Company: Beazley Safeguard

Policy #: SML-0000-00470139A Expiration Date: 08/26/2026

Workers' Compensation. Does Contractor have any subject workers, as defined in ORS 656.027? (Check one box): YES NO If YES, provide the following information:

Workers' Compensation Insurance Company: LM INS CORP

Policy #: 36-15628-25213-382820 Expiration Date: 08/01/2026

b. **Certification.** Without limiting the generality of the foregoing, by signature on this Contract, the undersigned hereby certifies under penalty of perjury that:

(1) Contractor is in compliance with all insurance requirements in Exhibit C of this Contract, and notwithstanding any provision to the contrary,

Contractor shall deliver to the ODHS Contract Administrator (see page one of this Contract) the required Certificate(s) of Insurance within 30 days of execution of this Contract. By certifying compliance with all insurance as required by this Contract, Contractor acknowledges it may be found in breach of the Contract for failure to obtain required insurance. Contractor may also be in breach of the Contract for failure to provide Certificate(s) of Insurance as required and to maintain required coverage for the duration of the Contract;

- (2) Contractor acknowledges that the Oregon False Claims Act, ORS 180.750 to 180.785, applies to any “claim” (as defined by ORS 180.750) that is made by (or caused by) the Contractor and that pertains to this Contract or to the project for which the Contract work is being performed. Contractor certifies that no claim described in the previous sentence is or will be a “false claim” (as defined by ORS 180.750) or an act prohibited by ORS 180.755. The Oregon Attorney General may enforce the liabilities and penalties provided by the Oregon False Claims Act against the Contractor, in addition to any remedies that may be available to ODHS under this Contract;
- (3) The undersigned is authorized to act on behalf of Contractor and represents and warrants that Contractor has complied with the tax laws of the State of Oregon and the applicable tax laws of any political subdivision of Oregon. Contractor shall, throughout the duration of this Contract and any extensions, comply with all tax laws of this state and all applicable tax laws of any political subdivision of Oregon. For the purposes of this Section, “tax laws” includes: (i) All tax laws of Oregon, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318; (ii) Any tax provisions imposed by a political subdivision of Oregon that applied to Contractor, to Contractor’s property, operations, receipts, or income, or to Contractor’s performance of or compensation for any work performed by Contractor; (iii) Any tax provisions imposed by a political subdivision of Oregon that applied to Contractor, or to goods, services, or property, whether tangible or intangible, provided by Contractor; and (iv) Any rules, regulations, charter provisions, or ordinances that implemented or enforced any of the foregoing tax laws or provisions.

Contractor acknowledges that the Oregon Department of Administrative Services will report this Contract to the Oregon Department of Revenue (DOR). The DOR may take any and all actions permitted by law relative to the collection of taxes due to the State of Oregon or a political subdivision, including: (i) garnishing the Contractor’s compensation under this Contract; or (ii) exercising a right of setoff against Contractor’s compensation under this Contract for any amounts that may be due and unpaid to the State of Oregon or its political subdivisions for which the DOR collects debts;

- (4) The information shown in Section 5.a., “Contractor Information” above is Contractor’s true, accurate and correct information;
- (5) To the best of the undersigned’s knowledge, Contractor has not discriminated against and will not discriminate against minority, women or emerging small business enterprises certified under ORS 200.055 in obtaining any required subcontracts;
- (6) Contractor and Contractor’s employees and agents are not included on the list titled “Specially Designated Nationals” maintained by the Office of Foreign Assets Control of the United States Department of the Treasury and currently found at: <https://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>;
- (7) Contractor is not listed on the non-procurement portion of the General Service Administration’s “List of Parties Excluded from Federal procurement or Non-procurement Programs” currently found at: <https://www.sam.gov/SAM>;
- (8) Contractor is not subject to backup withholding because:
 - (a) Contractor is exempt from backup withholding;
 - (b) Contractor has not been notified by the IRS that Contractor is subject to backup withholding as a result of a failure to report all interest or dividends; or
 - (c) The IRS has notified Contractor that Contractor is no longer subject to backup withholding; and
- (9) Contractor’s Federal Employer Identification Number (FEIN) or Social Security Number (SSN) provided to ODHS is true and accurate. If this information changes, Contractor shall provide ODHS with the new FEIN or SSN within 10 days.

**CONTRACTOR, BY EXECUTION OF THIS CONTRACT, HEREBY
ACKNOWLEDGES THAT CONTRACTOR HAS READ THIS CONTRACT,
UNDERSTANDS IT, AND AGREES TO BE BOUND BY ITS TERMS AND
CONDITIONS.**

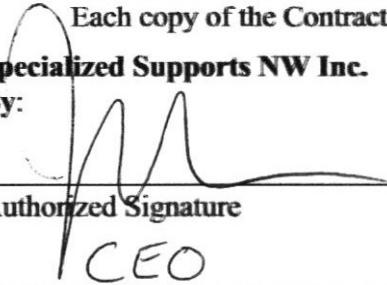
**CONTRACTOR: YOU WILL NOT BE PAID FOR SERVICES RENDERED BEFORE
THE EFFECTIVE DATE OF THIS CONTRACT.**

6. **Signatures.** This Contract and any subsequent amendments may be executed in several counterparts, all of which when taken together shall constitute one agreement binding on all parties, notwithstanding that all parties are not signatories to the same counterpart. Each copy of the Contract and any amendments so executed shall constitute an original.

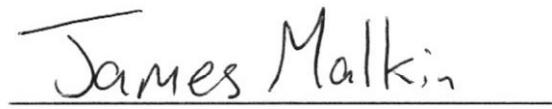
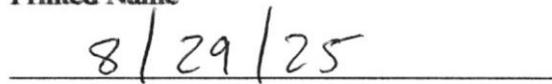
Specialized Supports NW Inc.

By:

Authorized Signature

 CEO

Title


James Malkin
Printed Name
 8/29/25
Date

State of Oregon, acting by and through its Oregon Department of Human Services

By:

 Sara Fox, Treatment
Services Program
Manager

Title

Digitally signed by Sara Fox,
Treatment Services Program
Printed Name
Manager
Date: 2025.09.03 07:50:30 -07'00'
Date

Approved by the Oregon Department of Administrative Services:

Exempt per OAR 125-246-0170(2)

Authorized Signature

Title

Date

Approved for Legal Sufficiency:

Approved via email by Jeffrey Wahl, AIC
Oregon Department of Justice

8/12/2025
Date

EXHIBIT A

Part 1 Statement of Work

1. **Background.** ODHS' implementation of its strength/needs-based system of care model for delivering services to children and families has placed an increased emphasis on providing Clients with the individualized services they need in a timely manner. The Client's strength/needs are collaboratively identified by the following parties, if appropriate: the Client, primary caregiver, Family members in addition to the primary caregiver, employees of ODHS, and other interested parties. Services are designed to meet the Client's needs and reach the agreed-upon outcomes.

2. **Purpose.**

- a. The purpose of this Contract is to provide enhanced supervision to Clients in Temporary Lodging. These services are intended to maintain the safety of Clients with complex needs that have disrupted from their current placement or cannot be supported at the time of placement need in any other placement setting that is safe and meets their needs.
- b. In the provision of all services, ODHS values fairness, equity, inclusion, accessibility, diversity and transparency and ODHS values the voices, experiences, cultures, intellect and uniqueness of the Children, Young Adults, and Families that are served.

ODHS' Child Welfare has a vision that all children experience safe, stable, healthy lives and grow up in the care of a loving family and community. ODHS is part of a larger statewide social safety-net system that works to support Families and communities. This safety net not only works during a life-threatening crisis but well beforehand, when small interventions can make an enormous difference in their lives.

To achieve this vision, ODHS, its contractors, and public and private partners (collectively "Partners") will need to work together to support Families and communities in myriad ways. This may include, but is not limited to, the following:

- (1) Providing economic support;
- (2) Enhancing parenting skills;
- (3) Helping people with their housing needs and employment goals;
- (4) Providing health and behavioral services;
- (5) Helping treat alcohol and substance use disorders; and
- (6) Ensuring Child and Young Adult safety and Family well-being.

ODHS and its Partners will help Families access resources within their natural support networks and the service provider community. This partnership will help Families address their own underlying needs and resolve the most common causes of stress and trauma linked to Child and Young Adult maltreatment.

3. **Definitions.** For purposes of this Exhibit A, Part 1, “Statement of Work” only, capitalized terms shall have the following meaning:

- a. **“Caseworker”** means ODHS staff who is responsible for the coordination of services for an individual Client with Contractor.
- b. **“Child”** means an individual aged 0 through 17 who qualifies for Child Welfare services provided by ODHS.
- c. **“Client”** means the Child or Young Adult receiving services under this Contract.
- d. **“Family”** means, at a minimum but not to the exclusion of siblings as defined in ORS 419A.004 or other persons living in the same household with the Child or Young Adult, the Child or Young Adult and:
 - (1) The Child’s or Young Adult’s parent as defined in ORS 419A.004;
 - (2) The Child’s or Young Adult’s guardian appointed pursuant to ORS chapter 125; or
 - (3) A person who has a caregiver relationship as defined in ORS 419B.116 with the Child or Young Adult.
- e. **“Involuntary Seclusion”** means the confinement of a Child or Young Adult alone in a room or an enclosed space from which the Child or Young Adult is prevented from leaving by any means. Involuntary Seclusion does not include age-appropriate discipline, including but not limited to, time-out if the time-out is in a setting from which the Child or Young Adult is not prohibited from leaving by any means.
- f. **“Resource Family”** means a family for a Child or Young Adult who is certified or approved by ODHS to provide care in their Resource Home. This term includes resource parents, resource-to-adopt families, and kinship caregivers.
- g. **“Resource Home”** means the home where a Resource Family lives.
- h. **“Resource Management Director” or “RMD”** means the individual who is responsible for authorizing any occasion of Temporary Lodging and must first confirm that ODHS has attempted to avoid Temporary Lodging of any Child or Young Adult through the utilization of services and supports.
- i. **“Restraint”** means the physical restriction of a Child’s or Young Adult’s actions or movements by holding the Child or Young Adult or using pressure or other means.
- j. **“Serious Bodily Injury”** means any significant impairment of the physical condition of an individual, as determined by qualified medical personnel, whether self-inflicted or inflicted by someone else.
- k. **“Temporary Lodging” or “TL”** means an overnight stay in a hotel, motel, or inn with a Child or Young Adult with a 2:1 staff ratio. Temporary Lodging occurs only after approval by the Resource Management Director and only when a Child or Young Adult cannot be supported in any other safe placement for that night. Temporary Lodging is not considered a placement.

- I.** **“Young Adult”** means an individual aged 18 through 20 who qualifies for Child Welfare services provided by ODHS.
- 4. Contractor Licensure Requirements.** Contractor shall maintain licensure and adhere to all requirements pursuant to OAR 419-400-0005 through 419-400-0310 as a Child Caring Agency and OAR 419-050-0010 through 419-450-0120 as a Homeless, Runaway, and Transitional Living Shelter.
- 5. Contractor Staffing Requirements.** Services provided under this Contract shall be provided by Contractor's staff that meet the following qualifications:
 - a.** Be at least two years older than the Client;
 - b.** Education and Training:
 - (1)** Supervisor Requirements.
 - (a)** Have a Bachelor of Science or Master of Arts degree in social services or related field; or
 - (b)** Have a Bachelor of Science or Master of Arts degree in a non-related field and have four years' experience working with families with high needs; or
 - (c)** Have at least seven years' experience working with children or families, or both, with high needs.
 - (2)** Non-Supervisory Staff Requirements.
 - (a)** Have an Associate of Arts degree in social services or related field; or
 - (b)** Have at least two years' experience working with children or families, or both, with high needs.
- 6. Contractor and Staff Training Requirements.**
 - a.** Orientation Training.
 - (1)** Contractor's staff providing services under this Contract must complete 14 hours of Contractor's orientation training at time of hire or within 30 days of hire.
 - (2)** Contractor's staff who have not yet completed the orientation training must be supervised by a person who has completed this training while having direct contact with Clients.
 - (3)** Contractor's orientation training must include, but is not limited to, the following topics:
 - (a)** Contractor's program policies and procedures;
 - (b)** Mandatory child abuse reporting laws and requirements;
 - (c)** Behavior management system that aligns with the requirements of OAR 419-400-0150 through OAR 419-400-0180 including de-escalation skills training, crisis prevention and intervention,

positive behavior management, and disciplinary techniques that are non-punitive in nature;

- (d) Medication management;
- (e) Suicide prevention and intervention, that aligns with OAR 419-400-0150(4);
- (f) Trauma-informed and relational-focused care;
- (g) Gender and culturally specific services;
- (h) Training related to serving Clients who have intellectual or developmental disabilities, or both; and
- (i) Training related to serving Clients with psychiatric instability.

- b. Contractor's staff providing services under this Contract must complete ODHS' Information and Security training annually.
- c. Contractor's staff providing direct care to Clients must receive training in, and maintain, cardiopulmonary resuscitation (CPR) and first aid certification within 30 days of providing services under this Contract.
- d. Contractor and Contractor's staff providing services under this Contract shall maintain certification in a crisis-intervention system approved by ODHS for defusing escalating behavior and safely managing aggressive behavior that aligns with and meets the certification requirements described in OAR 419-400-0160.
- e. Contractor and Contractor's staff providing services under this Contract shall receive any additional trainings as requested by the ODHS Contract Administrator or delegate.

7. **Referral and Authorization Procedure.** Clients will be referred to Contractor by ODHS when authorized by the RMD.

- a. Contractor shall be available 24 hours a day, seven days a week to receive referrals.
- b. Pre-Service Authorization Staffing. Contractor shall be available to ODHS for a brief consultation, at no additional cost, to determine the appropriateness of the service request and to determine schedule availability.
- c. After the RMD approves the service authorization, the RMD will refer Clients to Contractor. Referrals will include a TL/TLP Contracted Service Request cover sheet, TL/TLP safety plan or a written statement from the Caseworker that there are no current safety issues requiring such a plan, a current supervision plan, and the ODHS 1055 referral form. The TL/TLP Contracted Service Request cover sheet and the ODHS 1055 referral form will include, at minimum, the following information:
 - (1) All contact information for the Caseworker, the Caseworker's Supervisor (primary contact), and the Program Manager. ODHS will keep Contractor informed of after hour contacts by e-mail; and

(2) The level of care needed, including:

- (a) Requested schedule, including frequency and duration;
- (b) Total number of hours authorized; and
- (c) Level of supervision required, including staff to Client ratio.

d. Contractor shall review referrals and notify the RMD and TLTLP.Contracts@odhs.oregon.gov within 24 hours of referral receipt indicating whether Contractor will accept or deny the referral. If referral is denied, Contractor shall include the reason(s) for denial.

e. Upon acceptance of referral, Contractor shall initiate contact with the Caseworker by phone or e-mail to schedule and coordinate services with the Client(s). Once Contractor and Caseworker have discussed the schedule of services and a service start date has been determined, Contractor shall notify TLTLP.Contracts@odhs.oregon.gov of the service start date and agreed upon schedule of service prior to services beginning.

f. Urgent After-Hours Referrals. In the event of an urgent after-hours referral, a verbal approval from an ODHS on-call supervisor may temporarily allow for initiation of services. The ODHS 1055 referral form and TL/TLP Contracted Service Request cover sheet must be provided to the Contractor by the RMD the next business day in these circumstances.

g. Contractor shall obtain permission from the legal guardian in voluntary cases, prior to any services beginning.

h. Contractor shall request and obtain from the Caseworker any Behavior Support Plans (BSP), Temporary Emergency Support Plans (TESP), and professional assessments on the Clients that Contractor judges to be necessary to provide safe, responsible, and ethical services. Requested documents must be sent by secure e-mail to Contractor.

i. Any request for services must come in writing from the RMD, except in the event of an urgent after-hours verbal referral where the written referral will come the next business day.

j. Any increase in service hours or service date extensions must be authorized in writing from the RMD before additional service hours are provided or extended.

k. Any time Contractor receives a request for any other type of service(s) not required to be provided under this Contract for a Client that Contractor is already providing services to under this Contract, Contractor shall contact TLTLP.Contracts@odhs.oregon.gov for assistance prior to providing services.

8. **Services to be Provided.** All services shall be provided in a Culturally Responsive manner and only upon RMD authorization. Culturally Responsive services are general services that have been adapted to honor and align with the belief, practices, culture and linguistic needs of diverse Client populations and communities whose members identify as having a particular cultural or linguistic affiliation by virtue of their place of birth, ancestry or ethnic origin, religion, preferred language, or language spoken at home.

Culturally Responsive services also refer to services provided in a way that is Culturally Responsive to the varied and intersecting biological, social, and cultural categories such as gender identity, class, ability, sexual orientation, religion, caste, and other axes of identity. Contractor shall provide enhanced supervision services to Clients that provides support, direction, observation, and guidance necessary to promote the safety and well-being of Clients as follows:

- a. Adhere to the Oregon Foster Children's Bill of Rights in accordance with the requirements of Oregon Administrative Rule (OAR) 413-010-0180(2) and comply with Oregon Revised Statute (ORS) 418.200 through 418.202;
- b. Staffing Ratio.
 - (1) Maintain a minimum ratio of two staff to one Client (2:1) for TL services.
 - (2) Required services will vary with each referral and could include the need for services to be provided 24 hours a day, seven days a week. Contractor shall maintain available staff to meet the needs of each referral.
- c. Contractor's staff providing services under this Contract shall be awake and available to the Client during delivery of all scheduled services, and comply with the standards of the Client's supervision plan;
- d. Contractor shall provide Clients and their legal guardian(s) with a current copy of Contractor's policies and procedures upon admission, and documentation that a copy was provided is to be kept in each Client's case file. The policies and procedures must include the following:
 - (1) Rules for operation of the Contractor's service program;
 - (2) Client and Family grievance process;
 - (3) Behavior management/discipline;
 - (4) Restraint or Involuntary Seclusion, or both, when applicable;
 - (5) Medication management which includes prescription medications, non-prescription medication, PRN, and medication disposal;
 - (6) Client and Family rights to include the requirements set forth in OAR 419-400-0090;
 - (7) Searches policies and procedures. If Contractor carries out searches on Clients or visitors, Contractor shall have policies and procedures that align with OAR 419-400-0200(2);
 - (8) Confidentiality;
 - (9) Media releases;
 - (10) Intake process policy;
 - (11) Consent for medical treatment;
 - (12) Mandatory reporting obligations including protocols for how Contractor treats staff whom are implicated in a child abuse report, both prior to and after the conclusion of an investigation; and

(13) Suicide prevention policy and procedure. The policy must include the following: how Contractor will respond in the event a Client exhibits self-injurious, self-harm, or suicidal behavior; warning signs of suicide; emergency protocol and contacts; training requirements for staff, including suicide prevention training and suicide risk assessment tool training; procedures for determining implementation of additional supervision precautions and for determining removal of additional supervision precautions; suicide risk assessment procedures on the day of intake; documentation of requirements for suicide ideation, self-harm, and special observation precautions to ensure immediate communication to all staff; a process for tracking suicide behavioral patterns; and a ‘post-intervention’ plan with identified resources.

e. In addition to the policies and procedures listed in Section 8.d. of this Exhibit A, Part 1, “Statement of Work”, Contractor shall maintain the following policies and procedures and provide them to Client and their legal guardian(s) if requested:

- (1) Procedure by which new policies are written;
- (2) Staff requirements for maintaining professional boundaries with Clients that includes, but is not limited to:
 - (a) Clients not being allowed at staff’s home;
 - (b) Non work-related socialization between staff and Clients;
 - (c) Non work-related personal relationships between staff and Clients; and
 - (d) Staff are not to be at service locations during non-work hours.
- (3) Staff training to include initial and ongoing training requirements;
- (4) Protocol for handling Client’s money;
- (5) Admission criteria and standards;
- (6) Incident reports including incident report writing, protocols for review of incident reports, and distribution of incident reports; and
- (7) Protocol for intervening and handling of illegal substances in a Client’s possession.

f. Prior to Contractor’s assigned staff providing services to a Client, the assigned staff shall receive instruction from Contractor on the Client and their needs which must include, but is not limited to, the following:

- (1) The Client’s safety plan;
- (2) The Client’s supervision plan and expectations;
- (3) Required services and supports;
- (4) Mental health protocol for emergencies; and
- (5) The Client’s BSP or TESP, if applicable.

- g. Provide supervision, as determined by the Client's safety plan, to Clients even when the Client's Family, Resource Family, or ODHS staff are present;
- h. Provide coaching to Clients in addressing their needs or actions which would put Client's current or temporary placement at risk. Contractor may utilize strategies to create calm environments during coaching sessions as needed;
- i. Provide assistance as appropriate, to the Client's Family, Resource Family, or ODHS staff in learning how to best support the Clients in their current developmental stage;
- j. Assist with arrangements for transportation to have Clients who are approved for transportation services transported to residential care or sub-acute care by secure medical transport;
- k. Provide non-medical transportation services as needed in order to facilitate Client's participation in services to include Client appointments. ODHS prefers that all transportation services be provided using Contractor's vehicles; however Contractor may provide these services through its employees' personal vehicles if the employee's vehicle meets the standard requirements found in Subsection (5) below.
 - (1) **Policies and Procedures.** Contractor shall create and adhere to written policies and procedures that describes the Contractor's practices for ensuring the safety of all involved during the provision of transportation services. Contractor's policies and procedures shall address all requirements of this Section 8.k., "Transportation Services." Contractor shall make such policies and procedures available to the ODHS Contract Administrator or delegate upon request.
 - (2) **Driving Record Evaluation and Risk Assessment.** Contractor's policies and procedures must include a process for conducting a driving record evaluation and risk assessment ("Assessment") for each individual who will be performing the duties of a driver in providing transportation services under this Contract. The Contractor's Assessment process must include (a) the requirement that the Assessment must be conducted before the individual begins performing the duties of a driver, and (b) verification of each individual's current and valid driver's license confirmed through a review of a current personal driving record from the Department of Motor Vehicles in all states in which the driver has held a license in the past three years. Contractor shall conduct an Assessment for each individual who will be performing the duties of a driver pursuant to Contractor's policies and procedures. Contractor shall keep a copy of the completed Assessment in the driver's personnel file and make available to ODHS upon request.
 - (3) **Verification.** Prior to performing transportation services, Contractor shall provide the ODHS Contract Administrator a completed "Contractor Staff Roster", or other written document as approved by the ODHS Contract Administrator, verifying that each individual who will be performing the duties of a driver has been determined to be suitable to perform

transportation services per the Contractor's driving record evaluation and risk assessment process and procedure.

(4) Transportation Standards.

- (a) Contractor shall ensure that each individual performing the duties of driver as part of providing transportation services under this Contract follows all applicable traffic laws at all times when operating a vehicle.
- (b) Contractor shall ensure that each individual performing transportation services, whether the individual is performing the duties of driver or not:
 - i. Receives a copy of Contractor's policies and procedures that addresses all requirements of this Section 8.k., "Transportation Services.;"
 - ii. Does not carry on their person, nor shall the vehicle transport, guns, knives, or weapons of any type, or any potentially hazardous material while providing transportation services;
 - iii. Carry a fully charged and operational cellular telephone while providing transportation services and shall follow all applicable laws regarding use of telephonic devices while driving pursuant to ORS 811.507;
 - iv. Does not smoke, vape, or use any tobacco products while providing transportation services;
 - v. Requires all occupants properly use seat belts in accordance with Oregon law. This includes child safety systems pursuant to ORS 811.210; and
 - vi. Immediately notifies Contractor if involved in an accident, receives a traffic citation, or is convicted of a traffic violation at any time.
- (c) Violations.
 - i. Contractor's policies and procedures must include a process for addressing concerns if there is reason to believe an individual providing transportation services under this Contract has violated any of the transportation standards listed in Subsections (a) or (b) of this Subsection (4) "Transportation Standards.;"
 - ii. If Contractor discovers that an individual who performs the function of driver under this Contract has been convicted of any new traffic violations, Contractor shall immediately remove the individual from performing the function of driver under this Contract until the Contractor has

conducted a new driving record evaluation and risk assessment pursuant to the Contractor's policies and procedures; and

iii. If there is credible reason to believe that a new conviction or condition may be found during a criminal history check of an individual providing transportation services, whether performing the function of driver or not, Contractor shall initiate a new background check pursuant to OAR 407-007-0220.

(5) **Vehicle Standards.** Contractor shall ensure each vehicle being used for transportation services under this Contract meets the following standards:

- (a) Vehicle is properly registered;
- (b) Vehicle is maintained in a safe operating condition;
- (c) Vehicle has an uncluttered passenger compartment;
- (d) Vehicle is covered by an insurance policy that is in full force and effect as required in Exhibit C, "Insurance Requirements";
- (e) Vehicle is equipped with a first aid kit;
- (f) Vehicle contains vehicle manufactured seats and seat belts that are properly installed and maintained; and
- (g) Vehicle has an appropriate and properly installed child safety seat if transporting children who are required to be in one based on the child's age, weight, and height pursuant to ORS 811.210.

I. Provide the support necessary for Clients to be transported successfully and safely to and from service sessions as follows:

(1) Unless determined otherwise by the Caseworker pursuant to Subsection (b) below, Contractor shall provide Door-to-Door service to all Clients receiving transportation services under this Contract, pursuant to Section 8.k. of this Exhibit A, Part 1, "Statement of Work".

- (a) "Door-to-Door" service means observing the Client go from the home or building's exit to vehicle and from vehicle to the home or building's entry;
- (b) Pick-up and drop-off points for the transport of a Client shall be reasonably near the exit or entry to be used by the Client and must always be within clear sight of the driver; and
- (c) Contractor shall assure that the Client is under the supervision of the adult designated by ODHS to assume responsibility of the Client by obtaining an acknowledgement from the designated adult.

(2) If determined by the Caseworker in writing, Contractor shall provide Hand-to-Hand services to assist the Client receiving transportation

services under this Contract, pursuant to Section 8.k. of this Exhibit A, Part 1, "Statement of Work" in the successful and safe transport process. "Hand-to-Hand" service means that the Client is escorted at all times necessary to assure that the Client is under the supervision of the adult designated by ODHS to assume responsibility of the Client.

- m. Contractor shall administer, log, and monitor medications consistent with all applicable ODHS rules in accordance with OAR 413-070-0400 through 413-070-0490 in addition to adhering to OAR 419-440-0180. Contractor's medication management policy must also align with these rules.
- n. Contractor shall confirm items such as medications, under sink and other household chemicals, doors and windows, liquor, and knives are secured and locked up when shift begins and throughout entire shift.
- o. Contractor shall conduct bed checks while Client is sleeping, pursuant to Client's safety plan, and at a minimum every hour, to ensure the Client is present and safe.

9. Physical Intervention; Restraint; Involuntary Seclusion.

- a. Except for the Restraints described in Section 9.c. below, a Restraint or Involuntary Seclusion may only be performed by Contractor staff who have been trained and are certified in a crisis-intervention system approved by ODHS under OAR 419-400-0160 and OAR 419-400-0170. Contractor staff must be certified in the specific Restraint performed and must be trained in the specific Involuntary Seclusion performed.
- b. Except for the Restraints described in Section 9.d. and 9.e.(1) and (2) below, Contractor staff may only use Restraint or Involuntary Seclusion on a Client if:
 - (1) The Client's behavior poses a reasonable risk of imminent Serious Bodily Injury to the Client or to others and a less restrictive intervention would not effectively reduce the risk;
 - (2) The Restraint or Involuntary Seclusion is used only for as long as the Client's behavior poses a reasonable risk of imminent Serious Bodily Injury;
 - (3) Contractor staff continuously monitor the Client for the duration of the Restraint or Involuntary Seclusion;
 - (4) The Restraint or Involuntary Seclusion is performed in a manner that is safe, proportionate, and appropriate, taking into consideration the Client's chronological and developmental age, size, gender identity, physical, medical and psychiatric condition, and personal history, including any history of physical or sexual abuse; and
 - (5) If the Restraint or Involuntary Seclusion lasts more than 10 minutes:
 - (a) Contractor staff must provide the Client with adequate access to the bathroom and water every 30 minutes; and
 - (b) Every five minutes after the first 10 minutes of the Restraint or Involuntary Seclusion, a supervisor, who is certified in the

Restraint being performed or trained in the Involuntary Seclusion being performed, must provide written authorization for the continuation of the Restraint or Involuntary Seclusion. The written authorization must document why the Restraint or Involuntary Seclusion continues to be the least restrictive intervention to reduce the risk of imminent Serious Bodily Injury in the given circumstances. If the supervisor is not on-site, the written authorization may be provided electronically.

- c. Contractor staff may use the following types of Restraint on a Client:
 - (1) Holding the Client's hand or arm to escort the Client safely and without the use of force from one area to another;
 - (2) Assisting a Client to complete a task if the Client does not resist the physical contact, and
 - (3) Using a physical intervention when necessary to break up a physical fight or to effectively protect a person from an assault, Serious Bodily Injury, or sexual contact, if the physical intervention uses the least amount of physical force and contact possible and is not a prohibited Restraint described in Section 9.e. below.
- d. Notwithstanding Section 9.b., Contractor staff may not use a Restraint or Involuntary Seclusion other than the Restraints described in Section 9.c. on a Client residing in a Resource Home, unless the Resource Home is a developmental disabilities child foster home, as defined in ORS 443.830.
- e. Contractor staff may not use a Restraint described in ORS 418.521(2) on a Client in any circumstance, unless:
 - (1) The Restraint described in ORS 418.521(2)(e) is necessary to gain control of a weapon, or
 - (2) The Restraint described in ORS 418.521(2)(g) is necessary for the purpose of extracting a body part from a bite.
- f. Contractor staff may not perform a Restraint or Involuntary Seclusion on a Client as a form of discipline, punishment, or retaliation or for the convenience of Contractor staff, ODHS staff, the Family, the Resource Family, or other persons providing services in the home or Temporary Lodging location.
- g. Contractor shall follow all the requirements applicable to programs under ORS 418.526 and shall report any physical intervention or use of Restraint or Involuntary Seclusion pursuant to Section 13. "Incident Reports" of this Exhibit A, Part I, "Statement of Work."
- h. Any perceived violations of ORS 418.521, ORS 418.523, or the requirements of this Section shall be immediately reported to the Oregon Child Abuse Hotline at 1-855-503-SAFE (7233) and reported pursuant to Section 13. "Incident Reports" of this Exhibit A, Part I, "Statement of Work".

10. **Emergency Transport to Hospital.** In the event that a Client is transported by emergency medical services to a local hospital, Contractor shall take the following steps:
 - a. Allow staff to accompany the Client to the hospital, either via transport in the ambulance or in separate vehicle and physically stay with Client in hospital. Staffing ratio may be reduced to a ratio of 1:1 while the Client remains in the hospital.
 - b. Immediately contact the Caseworker or Caseworker's supervisor if direct contact is not immediately made with the Caseworker.
 - c. If it is after hours, call the Oregon Child Abuse Hotline at 1-855-503-SAFE (7233) and provide notification of the critical event and detailed information about the Client's current status and location.
 - d. Provide Client information to the hospital as requested by hospital staff to facilitate medical treatment and monitoring.
 - e. Any emergencies or incidents shall be verbally communicated immediately to the Caseworker or the Caseworker's supervisor, followed up with a written incident report e-mailed to the Caseworker and TLTLP.Contracts@odhs.oregon.gov within 24 hours of the emergency or incident occurring.
11. **Absences.**
 - a. **Client Absences.** If one unplanned absence occurs on the part of a Client, Contractor shall immediately inform the Caseworker and ODHS Contract Administrator via e-mail, that all remaining scheduled services have been temporarily suspended pending a short phone consultation. If approved by the Caseworker and ODHS Contract Administrator, the services will be rescheduled and may proceed again. ODHS is not responsible to provide payment for subsequent non-attended sessions if Contractor has not notified ODHS in accordance with these instructions.
 - b. **Contractor Absences.** In the event Contractor staff are not available or fail to show up for their shift at the agreed upon time and location, Contractor must immediately notify the Caseworker by phone and follow up with an e-mail to the Caseworker and TLTLP.Contracts@odhs.oregon.gov of the situation. ODHS is not obligated to pay for missed shifts.
12. **Termination or Suspension of Client Services.** Contractor shall provide 72 hours written notice via e-mail to the Caseworker and TLTLP.Contracts@odhs.oregon.gov if services for a Client must be terminated or suspended. Reasons for termination or suspension of services must be outside of Contractor's control such as staff's abrupt departure of employment, staff injury, or other situations that are not attributed to the needs of the Client or Client's Family.
13. **Incident Reports.**
 - a. Contractor shall require its staff to report Critical Events to Contractor and Contractor shall report Critical Events to the Caseworker or designee, the Client's legal guardian(s), assigned Licensing Coordinator, TLTLP.Contracts@odhs.oregon.gov, the RMD team at

templodging.supportandquestions@odhs.oregon.gov, and when applicable to the safety of the Client, Oregon's Statewide Abuse Reporting Hotline at 1-855-503-SAFE (7233) immediately (within 24 hours). Critical Events are defined as events that are considered likely to cause complaints, generate concerns, or come to the attention of the media, law enforcement agencies, first responders, Children's Protective Services (CPS), or other regulatory agencies. Examples of Critical Events include, but are not limited to, the following:

- (a) Possible abuse or neglect under ORS 419B.005 or ORS 418.257 of a Client while receiving contracted services;
- (b) Clients requiring emergency medical care or treatment;
- (c) A motor vehicle accident involving a Client;
- (d) A disturbance or evacuation of a Client (riot, bomb threat, or police response of any nature);
- (e) Law enforcement involvement of any kind;
- (f) A Client who has absconded from placement or is considered a runaway;
- (g) Suicidal or self-harm behaviors of a Client;
- (h) The death of a Client;
- (i) Serious Bodily Injury or illness of a Client;
- (j) The use of Restraint or Involuntary Seclusion;
- (k) Act of physical aggression that results in injury to a Client;
- (l) Damage to physical property; and
- (m) Any allegation or disclosure of abuse or neglect of a Client under ORS 419B.005 or ORS 418.257.

b. All other incidents that do not meet the definition of a Critical Event shall be in writing and submitted via e-mail to the Client's Caseworker or designee and TLTLP.Contracts@odhs.oregon.gov within 24 hours of the incident occurring.

c. Incident reports shall include:

- (1) Name of the Client;
- (2) The OR-Kids case number;
- (3) The Caseworker's name and branch;
- (4) The date, time, location, and type of incident or crisis intervention;
- (5) The duration of any Restraints employed in the context of the incident and a description of the Client's activity that necessitated the use of Restraint, the specific attempts to de-escalate the situation before using Restraint, and the length of time the Restraint was applied;
- (6) The time Restraint started and the time it was terminated, the debriefing completed with Contractor staff and Client involved in the Restraint, and

the documentation of a review by the Contractor's executive director or program director, or their designee;

- (7) Name of Contractor staff involved in the incident or crisis intervention and the names of any witnesses;
- (8) Description of the incident or crisis intervention including the precipitating factors, preventative efforts employed, and description of the circumstance during the incident;
- (9) Physical injuries to the Client or others resulting from the incident or crisis intervention including information regarding any follow-up medical care, treatment, or first aid applied;
- (10) Documentation showing reports were made to the appropriate regulatory agency, any other entity required by law to be notified, the Caseworker, and as applicable the Client's parent(s), legal guardian(s), or legal custodian;
- (11) Documentation indicating the date that a copy of the incident report was submitted to the Caseworker;
- (12) Action or intervention taken by the program staff;
- (13) Any follow-up recommendations for the Client or Contractor's staff;
- (14) Any follow-up recommendations conducted by Contractor or its provider's supervisory staff, and ODHS administrative personnel; and
- (15) Contractor's review of the incident or crisis intervention, including recommendations and outcomes of any consultations with mental health providers or crisis lines, and discharge notes from visits to the hospital or emergency room.

14. Specifications or Performance Standards. ODHS requires that the Contractor meets the highest standards prevalent in the industry or business most closely involved in providing the appropriate goods or services.

15. Contractor Evaluation.

- a. ODHS will conduct comprehensive compliance reviews of the Contractor periodically, including but not limited to, Contractor's documentation of Client(s) being served. Contractor shall participate in comprehensive evaluation activities developed by ODHS based on the terms and conditions of this Contract. Evaluation activities may also take place outside of a comprehensive review process. Evaluation activities may include, but are not limited to, the following:
 - (1) Participating in group contracted provider meetings;
 - (2) Periodic visitations;
 - (3) Participation in regular Contract monitoring meetings with the ODHS Contract Administrator or designee to discuss the following: review of terms and conditions and Contract compliance, which may include fiscal review and funds management; Contract utilization; case notes review; review of daily and weekly reports; and service quality; and

(4) ODHS staff interviews of Clients served.

b. Whenever Contract compliance issues are identified, the actions taken depend on the severity of the issue. Initially, the ODHS Contract Administrator will work informally with Contractor to address the concerns. If the issues cannot be addressed informally, or in the event of a major failure, safety, or security concern; the Corrective Action Plan process below may be followed:

- (1) The ODHS Contract Administrator will collaborate with Contractor to develop a Corrective Action Plan, to include a resolution timeframe.
- (2) The ODHS Contract Administrator will provide the Corrective Action Plan to ODHS' Child Welfare, Treatment Services Program Manager or designee for review and approval.
- (3) Once a Corrective Action Plan is approved, Contractor will be provided with a copy of the implemented Corrective Action Plan.
- (4) During the Corrective Action Plan timeframe, the ODHS Contract Administrator will conduct a follow-up review with Contractor to determine if the Corrective Action Plan is followed and the issues have been adequately corrected, reporting back to ODHS' Child Welfare, Treatment Services Program Manager or designee of the findings.

c. If the issues have not been corrected to the standards aligned within this Contract, ODHS may utilize remedies found in Exhibit B, "Standard Terms and Conditions" pursuant to Section 10. "Default; Remedies; Termination," which may include termination or withholding monies due for work Contractor has failed to deliver or performed inadequately.

16. **Start-up Costs.** ODHS will provide a one-time start-up payment to Contractor upon execution of this Contract and a completed invoice pursuant to Exhibit A, Part 2., "Payment and Financial Reporting". Contractor shall use the start-up funds only for the purposes of staff wages, new staff recruitment and new staff wages, human resources expenses, onboarding and training of new staff, technology and equipment, and administrative expenses that are directly associated with service delivery under this Contract in preparation to start receiving referrals no later than November 1, 2025. Start-up funds must be spent within 90 calendar days after execution of this Contract. Contractor shall prepare and submit a report to ODHS no later than 90 calendar days after execution of this Contract that describes and document in detail how the start-up funds were utilized including an itemized list of actual costs. Contractor shall provide original receipts to ODHS upon request. Any remaining start-up funds, not spent within 90 calendar days of execution of this Contract, must be returned to ODHS within 120 calendar days of execution of this Contract.

17. **Reporting Requirements.** Contractor shall provide the following written reports. The use of phone, e-mail, video conferencing, and text messaging contact may be used for confirmation of appointments and crises, not in lieu of written reports.

a. **Daily Reports.**

- (1) For each day services are provided, Contractor shall submit a written daily

report for each Client served on a form created and provided by ODHS, or on a form created by Contractor and approved by ODHS. Daily reports must be written by each Contractor staff assigned to the Client and written in the form of a narrative for each Client served. Daily reports must include, but is not limited to, the following information:

- (a) A description of behaviors addressed during the day with the Client;
- (b) A description of observed behaviors, interactions, mental health status, and daily activities of the Client;
- (c) Specific service(s) provided to the Client;
- (d) Intervention(s) offered to the Client;
- (e) Client's response(s) to the service(s) provided and any intervention(s) that were offered; and
- (f) If travel occurred or Client transportation services were provided, a description of the travel or Client transportation service to include why the travel or Client transportation occurred, where Contractor traveled or provided Client transportation from and to; and the total number of miles.

(2) Contractor shall submit daily reports via e-mail to the Client's Caseworker within 24 hours from the end of each shift worked, except when 24 hours from end of shift falls on a weekend or State of Oregon holiday, daily reports shall be submitted the next business day.

b. Weekly Reports.

- (1) Contractor shall submit written weekly (Monday through Sunday) reports on a form created and provided by ODHS, or on a form created by Contractor and approved by ODHS. Weekly reports must include the following information:
 - (a) The number of active referrals under review;
 - (b) The number of Clients served during the reporting week;
 - (c) The number of hours spent providing services to each Client during the reporting week;
 - (d) The number of staff and related FTE supporting this Contract during the reporting week;
 - (e) Contractor's availability for accepting new referrals; and
 - (f) All daily reports for each shift worked the previous week for each Client served.
- (2) Contractor shall submit weekly reports via e-mail to TLTLP.Contracts@odhs.oregon.gov every Monday no later than 5:00pm PT for services provided the previous week.

c. Closing Reports.

- (1) Upon closure of a Client's services, Contractor shall submit a written closing report on a form created and provided by ODHS, or on a form created by Contractor and approved by ODHS. Closing reports must include the following information:
 - (a) The name of the Client;
 - (b) The initial date services began;
 - (c) The final date services ended;
 - (d) An outline of any goals identified during services and the progress made toward those goals;
 - (e) The reason(s) for service closure; and
 - (f) Contractor's recommendations for further services or supports for the Client.
- (2) Contractor shall submit closing reports via e-mail to the Caseworker and TLTLP.Contracts@odhs.oregon.gov no later than 14 calendar days of the last day services is provided to Client.

d. Other. Contractor shall provide any additional information related to this Contract upon request by ODHS.

EXHIBIT A

Part 2 Payment and Financial Reporting

1. Payment Provisions.

- a. As consideration for the services provided by Contractor during the period specified in Section 1., **Effective Date and Duration**, of this Contract, ODHS will pay to Contractor, a maximum not-to-exceed amount as specified in Section 3., **Consideration** of this Contract, to be paid as follows:
 - (1) Start-up Costs. Upon execution of this Contract, and a completed and submitted invoice, ODHS will disburse a one-time payment to Contractor for start-up costs in the amount of **\$127,693.00** to be spent pursuant to Exhibit A, Part 1, “Statement or Work”, Section 17., “Start-up Costs”.
 - (2) Supervision Services.
 - (a) Supervision services will be paid at the following rates for the provision of all services provided pursuant to Exhibit A, Part 1, “Statement of Work”:
 - i. ODHS will pay Contractor \$910.78 per day per Client for the first four hours of service provided to the Client, and an additional \$149.14 per hour per Client for each additional hour of service provided to the Client not-to-exceed 12 hours per calendar day. Billable in 15-minute increments; or
 - ii. ODHS will pay Contractor \$3,893.74 per day per Client when Contractor provides 12 or more hours of service to the Client in a calendar day.
 - (b) Services are to be paid under the following OR-Kids service categories and types:
 - i. Service Category: Temporary Lodging – TL
Service Type: Temporary Lodging – Enhanced Supervision
 - ii. Service Category: Temporary Lodging – TL
Service Type: TL – Enhanced Supervision – Post Adp/Grd

b. Contractor Invoice, Completion and Submission.

- (1) Contractor shall submit invoices on the approved ODHS invoice form located at: <https://www.oregon.gov/odhs/providers-partners/child-welfare/Pages/brs-resources.aspx>.

Instructions and requirements for completion and submission of an invoice are included on the third tab of the Excel invoice document. Invoices must be submitted with all fields properly populated.

(2) Payment will be made by ODHS to the Contractor monthly on or after the first of each month following the month in which services were performed, subject to receipt and approval by ODHS of the Contractor's invoice and any required reporting as defined in the Statement of Work for this Contract.

For questions regarding payments please email the ODHS Contract Administrator and central.contractinvoices@odhsoha.oregon.gov.

2. **Travel and Other Expenses.** ODHS will not reimburse Contractor for any travel or other expenses under this Contract.

EXHIBIT A

Part 3 Special Provisions

1. Confidentiality of Information.

a. Client Information.

- (1) All information as to personal facts and circumstances obtained by the Contractor on the client (“Client Information”) shall be treated as privileged communications, shall be held confidential, and shall not be divulged without the written consent of the client, his or her guardian, or the responsible parent when the client is a minor child, or except as required by other terms of this Contract. Nothing prohibits the disclosure of information in summaries, statistical, or other forms which does not identify particular individuals.
- (2) The use or disclosure of Client Information shall be limited to persons directly connected with the administration of this Contract. Confidentiality policies shall be applied to all requests from outside sources.
- (3) If Contractor, or any of its officers, directors, employees, agents, or subcontractors receives or has access to confidential Social Security Administration (SSA), or Federal Tax Information (FTI) records in the performance of Work under this Contract, Contractor shall comply, and ensure that all of Contractor’s officers, directors, employees, agents and subcontractors comply, with the following provisions:
 - (a) With respect to SSA records:
 - i. Provide a current list of employees and employees of any agent or subcontractor with access to SSA records;
 - ii. Adhere to the same security requirements as employees of ODHS;
 - iii. Abide by all relevant Federal laws, restrictions on access, use, disclosure, and the security requirements contained within ODHS’ agreement with SSA;
 - iv. Provide its employees and agents the same security awareness training as ODHS employees; and
 - v. Include the provisions of this Section 1.a.(3)(a) in any subcontract.
 - (b) With respect to Federal Tax Information (FTI), as defined in IRS Publication 1075:
 - i. Contractor and its officers, directors and employees with access to, or who use FTI provided by ODHS must meet the background check requirements defined in IRS Publication 1075;

- ii. Any FTI made available to Contractor shall be used only for the purpose of carrying out the provisions of this Contract. Contractor shall treat all information contained in FTI as confidential and that information shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this Contract. Inspection by or disclosure to anyone other than an officer or employee of the Contractor is prohibited;
- iii. Contractor shall account for all FTI upon receipt and shall properly store all FTI before, during, and after processing. In addition, all FTI related output and products will be given the same level of protection as required for the source material;
- iv. No work involving FTI furnished under this Contract will be subcontracted without prior written approval of the IRS;
- v. Maintain a list of employees who are authorized access to FTI. Such list will be provided to ODHS and, upon request, to the IRS reviewing office; and
- vi. Include the provisions of this Section 1.a.(3)(b) in any subcontract.

(c) Failure to abide by any of the requirements in this subsection could result in criminal or civil penalties and result in termination of this Contract.

(d) Contractor may be subjected to periodic and ongoing security reviews to ensure compliance with the requirements of Section 1.a.(3).

(4) Except as prohibited by Section 1.a.(3) above, ODHS, Contractor and any subcontractor will share information as necessary to effectively serve ODHS clients.

b. Non-Client Information.

(1) Each Party acknowledges that it and any of its officers, directors, employees and agents may, in the course of performing its responsibilities under this Contract, be exposed to or acquire information that is confidential to the other Party. To the extent permitted by law, any and all information of any form provided to a Party or its officers, directors, employees and agents in the performance of the Contract that reasonably could at the time of its disclosure be understood to be confidential shall be deemed to be confidential information of the originating Party (“Confidential Non-Client Information”).

(2) Confidential Non-Client Information shall be deemed not to include information that:

- (a) Is or becomes (other than by disclosure by the Party acquiring such information) publicly known or is contained in a publicly available document except to the extent applicable law still restricts disclosure;
- (b) Is furnished by the originating Party to others without restrictions similar to those imposed on the receiving Party under this Contract;
- (c) Is rightfully in the receiving Party's possession without the obligation of nondisclosure prior to the time of its disclosure by the originating Party under this Contract;
- (d) Is obtained from a source other than the originating Party without the obligation of confidentiality;
- (e) Is disclosed with the written consent of the originating Party; or
- (f) Is independently developed by the receiving Party's officers, directors, employees and agents who can be shown to have had no access to the Confidential Non-Client Information.

(3) Nondisclosure. The receiving Party shall hold all Confidential Non-Client Information in strict confidence, using at least the same degree of care that it uses in maintaining the confidentiality of its own confidential information; and shall not sell, assign, license, market, transfer or otherwise dispose of, give or disclose Confidential Non-Client Information to third parties; shall not use Confidential Non-Client Information for any purposes whatsoever other than as contemplated by this Contract or reasonably related thereto; and shall advise any of its officers, directors, employees and agents that receive or have access to the Confidential Non-Client Information of their obligations to keep Confidential Non-Client Information confidential. These confidentiality obligations do not restrict disclosure of information otherwise qualifying as Confidential Non-Client Information if the receiving Party can show that either of the following conditions exists: (i) the information was disclosed in response to a subpoena or court order duly issued in a judicial or legislative process, in which case the receiving Party shall notify the originating Party of the subpoena five days prior to the disclosure, unless such notice could not reasonably be given; or (ii) the disclosure was required to respond to a request for the information made under the Oregon Public Records Law, ORS 192.311 to 192.478. The receiving Party shall notify the originating Party of a public records request five days prior to the disclosure.

c. Upon request and pursuant to the instructions of ODHS, Contractor shall return or destroy all copies of Confidential Information, and Contractor shall certify in writing the return or destruction of all Confidential Information.

d. “Client” means any individual, family or provider:

- (1) For whom ODHS must provide Services and incidental or specialized Goods, in any combination thereof (“Services and Incidental Supplies”), according to state, federal law, rule, and policy. Those Services and Incidental Supplies include but are not limited to treatment, care, protection, and support without regard to the proximity of the services being provided;
- (2) Who in fact receives and utilizes services provided by ODHS primarily for that individual's or family's benefit;
- (3) Who is under the custody, care, or both of ODHS; or
- (4) Who provides direct care or Services and is a proxy or representative of the non-provider Client.

2. Amendments.

a. Subject to Section 2.c. below, ODHS reserves the right to amend or extend this Contract under the following general circumstances:

- (1) ODHS may extend the Contract for additional periods of time up to a total Contract period of 5 years, and for additional money associated with the extended period(s) of time. The determination for any extension for time may be based on ODHS' satisfaction with performance of the work or services provided by the Contractor under this Contract.
- (2) ODHS may periodically amend any payment rates throughout the life of the Contract proportionate to increases in Portland Metropolitan Consumer Price Index; and to provide Cost Of Living Adjustments (COLA) if ODHS so chooses. Any negotiation of increases in rates to implement a COLA will be as directed by the Oregon State Legislature. In addition, ODHS may periodically amend any payment rates throughout the life of the Contract to meet current market conditions.

b. ODHS further reserves the right to amend the Statement of Work for the following:

- (1) Programmatic changes, additions or modifications deemed necessary to accurately reflect the original scope of work that may not have been expressed in the original Contract or previous amendments to the Contract;
- (2) Implement additional phases of the Work; or
- (3) As necessitated by changes in Code of Federal Regulations, Oregon Revised Statutes, or Oregon Administrative Rules, which, in part or in combination, govern the provision of services provided under this Contract.

c. Upon identification, by any party to this Contract, of any circumstance which may require an amendment to this Contract, the parties may enter into negotiations regarding the proposed modifications. Any resulting amendment must be in

writing and be signed by all parties to the Contract before the modified or additional provisions are binding on either party. All amendments must comply with Exhibit B, "Standard Terms and Conditions", Section 24., "Amendments; Waiver; Consent." of this Contract.

3. Contractor Requirements to Report Abuse of Certain Classes of Persons.

- a. Contractor shall comply with, and cause its employees, agents and subcontractors to comply with, the applicable laws for mandatory reporting of abuse, including but not limited to abuse of the following classes of persons in Oregon:

 - (1) Children (ORS 419B.005 through 419B.045);
 - (2) Elderly Persons (ORS 124.055 through 124.065);
 - (3) Residents of Long Term Care Facilities (ORS 441.630 through 441.645);
 - (4) Adults with Mental Illness or Developmental Disabilities (ORS 430.735 through 430.743).
- b. Contractor shall immediately make reports of suspected abuse of persons who are members of the classes established in Section 3.a. above to Oregon's Statewide Abuse Reporting Hotline: 1-855-503-SAFE (7233) or local law enforcement, as a requirement of this Contract. The Contractor does not need to know abuse occurred, just suspect abuse, to be required to report.
- c. In addition to the requirements of Sections 3.a. and 3.b. above, if law enforcement is notified regarding a report of child abuse, neglect, or threat of harm, Contractor shall also notify the local referring ODHS' caseworker within 24 hours. If law enforcement is notified regarding a report of abuse of elderly, long term care facility residents, adults with mental illness or developmental disabilities, Contractor shall also notify the local Aging and People with Disabilities Office of ODHS within 24 hours.
- d. If known, the abuse report must contain the following:

 - (1) The name and address of the abused person and any people responsible for that person's care;
 - (2) The abused person's age;
 - (3) The nature and the extent of the abuse, including any evidence of previous abuse;
 - (4) The explanation given for the abuse;
 - (5) The date of the incident; and
 - (6) Any other information that might be helpful in establishing the cause of the abuse and the identity of the abuser.

4. Background Checks. Reserved.

5. Equal Access to Services. Contractor shall provide equal access to covered services for both males and females under 18 years of age, including access to appropriate facilities, services, and treatment, to achieve the policy in ORS 417.270.

6. **Media Disclosure.** The Contractor will not provide information to the media regarding a recipient of services purchased under this Contract without first consulting the ODHS office that referred the child or family. The Contractor will make immediate contact with the ODHS office when media contact occurs. The ODHS office will assist the Contractor with an appropriate follow-up response for the media.
7. **Nondiscrimination.**
 - a. The Contractor must provide services to ODHS clients without regard to race, religion, national origin, sex, age, marital status, sexual orientation or disability (as defined under the Americans with Disabilities Act). Contracted services must reasonably accommodate the cultural, language, and other special needs of clients.
 - b. Contractor certifies that Contractor has a written policy and practice that meets the requirements described in ORS 279A.112 for preventing sexual harassment, sexual assault, and discrimination against employees who are members of a protected class. Contractor agrees, as a material term of this Contract, to maintain such policy and practice in force during the entire Contract term.
 - c. As required by ORS 279B.235, Contractor must comply with ORS 652.220 and shall not unlawfully discriminate against any of Contractor's employees in the payment of wages or other compensation for work of comparable character on the basis of an employee's membership in a protected class. "Protected class" means a group of persons distinguished by race, color, religion, sex, sexual orientation, national origin, marital status, veteran status, disability, or age. Contractor's compliance with this Section constitutes a material element of this Contract and a failure to comply constitutes a breach that entitles ODHS to terminate this Contract for cause.
 - d. Contractor may not prohibit any of Contractor's employees from discussing the employee's rate of wage, salary, benefits, or other compensation with another employee or another person. Contractor may not retaliate against an employee who discusses the employee's rate of wage, salary, benefits, or other compensation with another employee or another person.

EXHIBIT B

Standard Terms and Conditions

1. **Governing Law, Consent to Jurisdiction.** This Contract shall be governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit or proceeding (collectively, "Claim") between ODHS or any other agency or department of the State of Oregon, or both, and Contractor that arises from or relates to this Contract shall be brought and conducted solely and exclusively within the Circuit Court of Marion County for the State of Oregon; provided, however, if a Claim must be brought in a federal forum, then it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. In no event shall this Section be construed as a waiver by the State of Oregon of the jurisdiction of any court or of any form of defense to or immunity from any Claim, whether sovereign immunity, governmental immunity, immunity based on the eleventh amendment to the Constitution of the United States or otherwise. Each party hereby consents to the exclusive jurisdiction of such court, waives any objection to venue, and waives any claim that such forum is an inconvenient forum. This Section shall survive expiration or termination of this Contract.
2. **Compliance with Law.** Contractor shall comply with all federal, state and local laws, regulations, executive orders and ordinances applicable to Contractor and the Contract. ODHS' performance under the Contract is conditioned upon Contractor's compliance with the obligations of contractors under ORS 279B.220, 279B.230 and 279B.235, which are incorporated by reference herein. This Section shall survive expiration or termination of this Contract.
3. **Independent Contractor.**
 - a. Contractor is not an officer, employee, or agent of the State of Oregon as those terms are used in ORS 30.265 or otherwise.
 - b. If Contractor is currently performing work for the State of Oregon or the federal government, Contractor by signature to this Contract, represents and warrants that Contractor's Work to be performed under this Contract creates no potential or actual conflict of interest as defined by ORS Chapter 244 and that no statutes, rules or regulations of the State of Oregon or federal agency for which Contractor currently performs work would prohibit Contractor's Work under this Contract. If compensation under this Contract is to be charged against federal funds, Contractor certifies that it is not currently employed by the federal government.
 - c. Contractor is responsible for all federal and state taxes applicable to compensation paid to Contractor under this Contract and, unless Contractor is subject to backup withholding, ODHS will not withhold from such compensation any amounts to cover Contractor's federal or state tax obligations. Contractor is not eligible for any social security, unemployment insurance or workers' compensation benefits from compensation paid to Contractor under this Contract, except as a self-employed individual.

- d. Contractor shall perform all Work as an Independent Contractor, as defined in ORS 670.600. ODHS reserves the right (i) to determine and modify the delivery schedule for the Work, and (ii) to evaluate the quality of the Work Product, however, ODHS may not and will not control the means or manner of Contractor's performance. Contractor is responsible for determining the appropriate means and manner of performing the Work.

4. Representations and Warranties.

- a. **Contractor's Representations and Warranties.** Contractor represents and warrants to ODHS that:
 - (1) Contractor has the power and authority to enter into and perform this Contract;
 - (2) The obligations set forth in this Contract, when executed and delivered, shall be valid and binding obligations of the Contractor enforceable in accordance with its terms;
 - (3) Contractor has the skill and knowledge possessed by well-informed members of its industry, trade or profession and Contractor will apply that skill and knowledge with care and diligence to perform the Work in a professional manner and in accordance with the highest standards prevalent in Contractor's industry, trade or profession;
 - (4) Contractor shall, at all times during the term of this Contract, be qualified, professionally competent, and duly licensed to perform the Work; and
 - (5) Contractor prepared its proposal related to this Contract, if any, independently from all other proposers, and without collusion, fraud, or other dishonesty.

- b. **Warranties Cumulative.** The warranties set forth in this section are in addition to, and not in lieu of, any other warranties provided.

5. Time is of the Essence. Contractor agrees that time is of the essence under this Contract.

6. Funds Available and Authorized; Payments.

- a. Contractor shall not be compensated for Work performed under this Contract by any other agency or department of the State of Oregon or the federal government. ODHS certifies that it has sufficient funds currently authorized for expenditure to finance the costs of this Contract within ODHS' current biennial appropriation or limitation. Contractor understands and agrees that ODHS' payment for Work performed is contingent on ODHS receiving appropriations, limitations, allotments or other expenditure authority sufficient to allow ODHS, in the exercise of its reasonable administrative discretion, to continue to make payments under this Contract.
- b. **Payment Method.** Payments under this Contract will be made by Electronic Funds Transfer (EFT). Upon request, Contractor shall provide its taxpayer identification number (TIN) and other necessary banking information to receive EFT payment. Contractor shall maintain at its own expense a single financial

institution or authorized payment agent capable of receiving and processing EFT using the Automated Clearing House (ACH) transfer method. The most current designation and EFT information will be used for all payments under this Contract. Contractor shall provide this designation and information on a form provided by ODHS. In the event that EFT information changes or the Contractor elects to designate a different financial institution for the receipt of any payment made using EFT procedures, the Contractor shall provide the changed information or designation to ODHS on an ODHS-approved form. ODHS is not required to make any payment under this Contract until receipt of the correct EFT designation and payment information from the Contractor.

7. **Recovery of Overpayments.** IF BILLINGS UNDER THIS CONTRACT, OR UNDER ANY OTHER CONTRACT BETWEEN CONTRACTOR AND ODHS, RESULT IN PAYMENTS TO CONTRACTOR TO WHICH CONTRACTOR IS NOT ENTITLED, ODHS, AFTER GIVING WRITTEN NOTIFICATION TO CONTRACTOR, MAY WITHHOLD FROM PAYMENTS DUE TO CONTRACTOR SUCH AMOUNTS, OVER SUCH PERIODS OF TIME, AS ARE NECESSARY TO RECOVER THE AMOUNT OF THE OVERPAYMENT, UNLESS CONTRACTOR PROVIDES A WRITTEN OBJECTION WITHIN 14 CALENDAR DAYS FROM THE DATE OF THE NOTICE. ABSENT TIMELY WRITTEN OBJECTION, CONTRACTOR HEREBY REASSIGNS TO ODHS ANY RIGHT CONTRACTOR MAY HAVE TO RECEIVE SUCH PAYMENTS. IF CONTRACTOR PROVIDES A TIMELY WRITTEN OBJECTION TO ODHS' WITHHOLDING OF SUCH PAYMENTS, THE PARTIES AGREE TO CONFER IN GOOD FAITH REGARDING THE NATURE AND AMOUNT OF THE OVERPAYMENT IN DISPUTE AND THE MANNER IN WHICH THE OVERPAYMENT IS TO BE REPAYED. ODHS RESERVES ITS RIGHT TO PURSUE ANY OR ALL OF THE REMEDIES AVAILABLE TO IT UNDER THIS CONTRACT AND AT LAW OR IN EQUITY INCLUDING ODHS' RIGHT TO SETOFF.

8. **Ownership of Work Product.**

- a. **Definitions.** As used in this Section, and elsewhere in this Contract, the following terms have the meanings set forth below:

- (1) "Contractor Intellectual Property" means any intellectual property owned by Contractor and developed independently from the Work.
 - (2) "Third Party Intellectual Property" means any intellectual property owned by parties other than ODHS or Contractor.
 - (3) "Work Product" means every invention, discovery, work of authorship, trade secret or other tangible or intangible item and all intellectual property rights therein that Contractor is required to deliver to ODHS pursuant to the Work.

- b. **Original Works.** All Work Product created by Contractor pursuant to the Work, including derivative works and compilations, and whether or not such Work Product is considered a "work made for hire," shall be the exclusive property of ODHS. ODHS and Contractor agree that all Work Product is "work made for

hire" of which ODHS is the author within the meaning of the United States Copyright Act. If for any reason the original Work Product created pursuant to the Work is not "work made for hire," Contractor hereby irrevocably assigns to ODHS any and all of its rights, title, and interest in all original Work Product created pursuant to the Work, whether arising from copyright, patent, trademark, trade secret, or any other state or federal intellectual property law or doctrine. Upon ODHS' reasonable request, Contractor shall execute such further documents and instruments necessary to fully vest such rights in ODHS. Contractor forever waives any and all rights relating to original Work Product created pursuant to the Work, including without limitation, any and all rights arising under 17 U.S.C. §106A or any other rights of identification of authorship or rights of approval, restriction or limitation on use or subsequent modifications.

- c. In the event that Work Product is Contractor Intellectual Property, a derivative work based on Contractor Intellectual Property or a compilation that includes Contractor Intellectual Property, Contractor hereby grants to ODHS an irrevocable, non-exclusive, perpetual, royalty-free license to use, reproduce, prepare derivative works based upon, distribute copies of, perform and display Contractor Intellectual Property and the pre-existing elements of the Contractor Intellectual Property employed in the Work Product, and to authorize others to do the same on ODHS' behalf.
- d. In the event that Work Product is Third Party Intellectual Property, a derivative work based on Third Party Intellectual Property or a compilation that includes Third Party Intellectual Property, Contractor shall secure on ODHS' behalf and in the name of ODHS an irrevocable, non-exclusive, perpetual, royalty-free license to use, reproduce, prepare derivative works based upon, distribute copies of, perform and display the Third Party Intellectual Property and the pre-existing elements of the Third Party Intellectual Property employed in the Work Product, and to authorize others to do the same on ODHS' behalf.

9. **Indemnity.**

- a. **CONTRACTOR SHALL DEFEND (SUBJECT TO ORS CHAPTER 180), SAVE, HOLD HARMLESS, AND INDEMNIFY THE STATE OF OREGON AND ODHS AND THEIR OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ALL CLAIMS, SUITS, ACTIONS, LOSSES, DAMAGES, LIABILITIES, COSTS AND EXPENSES OF ANY NATURE WHATSOEVER, INCLUDING ATTORNEYS FEES, RESULTING FROM, ARISING OUT OF, OR RELATING TO THE ACTIVITIES OF CONTRACTOR OR ITS OFFICERS, EMPLOYEES, SUBCONTRACTORS, OR AGENTS UNDER THIS CONTRACT.**
- b. **INDEMNITY FOR INFRINGEMENT CLAIMS.** WITHOUT LIMITING THE GENERALITY OF SECTION 9.a. ABOVE, CONTRACTOR EXPRESSLY AGREES TO DEFEND, INDEMNIFY, AND HOLD ODHS, THE STATE OF OREGON AND THEIR AGENCIES, SUBDIVISIONS, OFFICERS, DIRECTORS, AGENTS, AND EMPLOYEES HARMLESS FROM ANY AND ALL CLAIMS, SUITS, ACTIONS, LOSSES, LIABILITIES, COSTS,

EXPENSES, INCLUDING ATTORNEYS FEES, AND DAMAGES ARISING OUT OF OR RELATED TO ANY CLAIMS THAT THE WORK, THE WORK PRODUCT OR ANY OTHER TANGIBLE OR INTANGIBLE ITEMS DELIVERED TO ODHS BY CONTRACTOR THAT MAY BE THE SUBJECT OF PROTECTION UNDER ANY STATE OR FEDERAL INTELLECTUAL PROPERTY LAW OR DOCTRINE, OR ODHS' USE THEREOF, INFRINGES ANY PATENT, COPYRIGHT, TRADE SECRET, TRADEMARK, TRADE DRESS, MASK WORK, UTILITY DESIGN, OR OTHER PROPRIETARY RIGHT OF ANY THIRD PARTY; PROVIDED, THAT THE STATE OF OREGON SHALL PROVIDE CONTRACTOR WITH PROMPT WRITTEN NOTICE OF ANY INFRINGEMENT CLAIM.

THIS SECTION SHALL SURVIVE EXPIRATION OR TERMINATION OF THIS CONTRACT.

10. Default; Remedies; Termination.

- a. Default by Contractor.** Contractor shall be in default under this Contract if:
 - (1) Contractor institutes or has instituted against it insolvency, receivership or bankruptcy proceedings, makes an assignment for the benefit of creditors, or ceases doing business on a regular basis; or
 - (2) Contractor no longer holds a license or certificate that is required for Contractor to perform its obligations under the Contract and Contractor has not obtained such license or certificate within 14 calendar days after ODHS' notice or such longer period as ODHS may specify in such notice; or
 - (3) Contractor commits any material breach or default of any covenant, warranty, obligation or agreement under this Contract, fails to perform the Work under this Contract within the time specified herein or any extension thereof, or so fails to pursue the Work as to endanger Contractor's performance under this Contract in accordance with its terms, and such breach, default or failure is not cured within 14 calendar days after ODHS' notice, or such longer period as ODHS may specify in such notice; or
 - (4) Contractor failed to comply with the tax laws of this state or a political subdivision of this state before the Contractor executed this Contract or fails to comply with the tax laws of this state or a political subdivision of this state during the term of this Contract.
- b. ODHS' Remedies for Contractor's Default.** In the event Contractor is in default under Section 10.a. above, ODHS may, at its option, pursue any or all of the remedies available to it under this Contract and at law or in equity, including, but not limited to:
 - (1) termination of this Contract under Section 10.e.(2) below;
 - (2) withholding all monies due for Work and Work Products that Contractor has failed to deliver within any scheduled completion dates or has performed inadequately or defectively;

- (3) initiation of an action or proceeding for damages, specific performance, or declaratory or injunctive relief; or
- (4) exercise of its right of recovery of overpayments under Section 7., "Recovery of Overpayment", of this Exhibit B.

These remedies are cumulative to the extent the remedies are not inconsistent, and ODHS may pursue any remedy or remedies singly, collectively, successively or in any order whatsoever. If a court determines that Contractor was not in default under Section 10.a. above, then Contractor shall be entitled to the same remedies as if this Contract was terminated pursuant to Section 10.e.(1) below.

- c. **Default by ODHS.** ODHS shall be in default under this Contract if ODHS commits any material breach or default of any covenant, warranty, or obligation under this Contract, and such breach or default is not cured within 30 calendar days after Contractor's notice or such longer period as Contractor may specify in such notice.
- d. **Contractor's Remedies for ODHS' Default.** In the event ODHS terminates the Contract under Section 10.e.(1) below, or in the event ODHS is in default under Section 10.c. above, and whether or not Contractor elects to exercise its right to terminate the Contract under Section 10.e.(3) below, Contractor's sole monetary remedy shall be: (i) with respect to Work compensable at a stated rate, a claim for unpaid invoices, time worked within any limits set forth in this Contract but not yet invoiced, authorized expenses incurred and interest within the limits permitted under ORS 293.462, and (ii) with respect to deliverable-based Work, a claim for the sum designated for completing the deliverable multiplied by the percentage of Work completed and accepted by ODHS, less previous amounts paid and any claim(s) that ODHS has against Contractor. In no event shall ODHS be liable to Contractor for any expenses related to termination of this Contract or for anticipated profits. If previous amounts paid to Contractor exceed the amount due to Contractor under this Section 10.d., Contractor shall immediately pay any excess to ODHS upon written demand. If Contractor does not immediately pay the excess, ODHS may recover the overpayments in accordance with Section 7., "Recovery of Overpayments", and may pursue any other remedy that may be available to it.

- e. **Termination.**

- (1) **ODHS' Right to Terminate at its Discretion.** At its sole discretion, ODHS may terminate this Contract:
 - (a) For its convenience upon 30 days' prior written notice by ODHS to Contractor;
 - (b) Immediately upon written notice if ODHS fails to receive funding, appropriations, limitations, allotments or other expenditure authority at levels sufficient to pay for the Work or Work Products;
 - (c) Immediately upon written notice if federal or state laws, regulations, or guidelines are modified or interpreted in such a way that ODHS' purchase of the Work or Work Products under this

Contract is prohibited, or ODHS is prohibited from paying for such Work or Work Products from the planned funding source; or

(d) Immediately upon written notice to Contractor if there is a threat to the health, safety, or welfare of any ODHS client or recipient of services under this Contract, including any Medicaid Eligible Individual, under its care.

(2) ODHS' Right to Terminate for Cause. In addition to any other rights and remedies ODHS may have under this Contract, ODHS may terminate this Contract immediately upon written notice to Contractor, or at such later date as ODHS may establish in such notice, if Contractor is in default under Section 10.a. above.

(3) Contractor's Right to Terminate for Cause. Contractor may terminate this Contract upon 30 days written notice to ODHS, or at such later date as Contractor may establish in such notice, if ODHS is in default under Section 10.c. above, and ODHS fails to cure such default within 30 calendar days after ODHS receives Contractor's notice or such longer period as Contractor may specify in such notice.

(4) Mutual Termination. The Contract may be terminated immediately upon mutual written consent of the parties or at such other time as the parties may agree in the written consent.

(5) Return of Property. Upon termination of this Contract for any reason whatsoever, Contractor shall immediately deliver to ODHS all of ODHS' property that is in the possession or under the control of Contractor at that time. This Section 10.e.(5) survives the expiration or termination of this Contract.

(6) Effect of Termination: Upon receiving a notice of termination of this Contract, or upon issuing a notice of termination to ODHS, Contractor shall immediately cease all activities under this Contract, unless in a notice issued by ODHS, ODHS expressly directs otherwise.

11. Stop-Work Order. ODHS may, at any time, by written notice to the Contractor, require the Contractor to stop all, or any part of the Work required by this Contract for a period of up to 90 days after the date of the notice, or for any further period to which the parties may agree through a duly executed amendment. Upon receipt of the notice, Contractor shall immediately comply with the Stop-Work Order terms and take all necessary steps to minimize the incurrence of costs allocable to the Work affected by the stop work order notice. Within a period of 90 days after issuance of the written notice, or within any extension of that period to which the parties have agreed, ODHS shall either:

- Cancel or modify the stop work order by a supplementary written notice; or
- Terminate the work as permitted by either the Default or the Convenience provisions of Section 10., "Default; Remedies; Termination."

If the Stop Work Order is canceled, ODHS may, after receiving and evaluating a request by the Contractor, make an adjustment in the time required to complete this Contract and the Contract price by a duly executed amendment.

12. **Limitation of Liabilities.** EXCEPT FOR LIABILITY ARISING UNDER OR RELATED TO SECTION 9., “INDEMNITY”, NEITHER PARTY SHALL BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATED TO THIS CONTRACT.
13. **Insurance.** Contractor shall maintain insurance as set forth in Exhibit C, attached hereto.
14. **Records Maintenance, Access.** Contractor shall maintain all financial records relating to this Contract in accordance with generally accepted accounting principles. In addition, Contractor shall maintain any other records, books, documents, papers, plans, records of shipments and payments, and writings of Contractor, whether in paper, electronic or other form, that are pertinent to this Contract, in such a manner as to clearly document Contractor's performance. All financial records, other records, books, documents, papers, plans, records of shipments and payments, and writings of Contractor, whether in paper, electronic or other form, that are pertinent to this Contract, are collectively referred to as “Records.” Contractor acknowledges and agrees that ODHS, the Oregon Secretary of State's Office, and the federal government, and their duly authorized representatives shall have access to all Records to perform examinations and audits, and to make excerpts and transcripts. Contractor shall retain and keep accessible all Records for the longest of:
 - a. Six years following final payment and termination of this Contract;
 - b. The period as may be required by applicable law, including the records retention schedules set forth in OAR Chapter 166; or
 - c. Until the conclusion of any audit, controversy or litigation arising out of or related to this Contract.
15. **Information Privacy/Security/Access.** If the Work performed under this Contract requires Contractor or, when allowed, its subcontractor(s), to access or otherwise use any ODHS Information Asset or Network and Information System in which security or privacy requirements apply, and ODHS grants Contractor, its subcontractor(s), or both access to such ODHS Information Assets or Network and Information Systems, Contractor shall comply and require its subcontractor(s) to which such access has been granted to comply with the terms and conditions applicable to such access or use, including OAR 407-014-0300 through 407-014-0320, as such rules may be revised from time to time. For purposes of this Section, “Information Asset” and “Network and Information System” have the meaning set forth in OAR 407-014-0305, as such rule may be revised from time to time.
16. **Force Majeure.** No party is responsible for delay or default caused by an event beyond its reasonable control. ODHS may terminate this Contract, without liability to Contractor, upon written notice after reasonably determining the delay or default reasonably prevents performance of this Contract.

17. **Foreign Contractor.** If Contractor is not domiciled in or registered to do business in the State of Oregon, Contractor shall promptly provide to the Oregon Department of Revenue and the Oregon Secretary of State Corporation Division all information required by those agencies relative to this Contract.
18. **Subcontracts; Assignment; Successors.** Contractor shall not assign, transfer, or subcontract rights or responsibilities under this Contract, in whole or in part, without the prior written approval of ODHS. This Contract's provisions are binding upon and inure to the benefit of the parties to this Contract and their respective successors and assigns.
19. **No Third Party Beneficiaries.** ODHS and Contractor are the only parties to this Contract and are the only parties entitled to enforce its terms. Nothing in this Contract gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly or otherwise, to third persons any greater than the rights and benefits enjoyed by the general public unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Contract. This Section shall survive expiration or termination of this Contract.
20. **Severability.** The parties agree that if any term or provision of this Contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Contract did not contain the particular term or provision held to be invalid. This Section shall survive expiration or termination of this Contract.
21. **Notice.** Except as otherwise expressly provided in this Contract, any communications between the parties hereto or notices to be given hereunder shall be given in writing by personal delivery, fax, or mailing the same, postage prepaid to Contractor or ODHS at the address or number set forth in this Contract, or to such other addresses or numbers as either party may indicate pursuant to this Section. Any communication or notice so addressed and mailed by regular mail shall be deemed received and effective five days after the date of mailing. Any communication or notice delivered by fax shall be deemed received and effective on the day the transmitting machine generates a receipt of the successful transmission, if transmission was during normal business hours of the recipient, or on the next business day if transmission was outside normal business hours of the recipient. Notwithstanding the foregoing, to be effective against the other party, any notice transmitted by fax must be confirmed by telephone notice to the other party. Any communication or notice given by personal delivery shall be deemed effective when actually delivered to the addressee.

ODHS: Office of Contracts & Procurement
500 Summer Street NE. E-03
Salem, OR 97301
Telephone: 503-945-5818
Fax: 503-378-4324

This Section shall survive expiration or termination of this Contract.

22. **Headings.** The headings and captions to sections of this Contract have been inserted for identification and reference purposes only and shall not be used to construe the meaning or to interpret this Contract.
23. **Merger Clause.** This Contract constitutes the entire agreement between the parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, regarding this Contract not specified herein.
24. **Amendments; Waiver; Consent.** ODHS may amend this Contract to the extent provided herein, the solicitation document, if any from which this Contract arose, and to the extent permitted by applicable statutes and administrative rules. No amendment, waiver, or other consent under this Contract shall bind either party unless it is in writing and signed by both parties and when required, approved by the Oregon Department of Justice. Such amendment, waiver, or consent shall be effective only in the specific instance and for the specific purpose given. The failure of either party to enforce any provision of this Contract shall not constitute a waiver by that party of that or any other provision. This Section shall survive the expiration or termination of this Contract.
25. **Contractor's Failure to Perform.** Contractor's failure to perform the statement of work specified in this Contract, or to meet the performance standards established in this Contract, may result in consequences that include, but are not limited to:
 - a. Reducing or withholding payment under this Contract;
 - b. Requiring Contractor to perform at Contractor's expense additional work necessary to perform the statement of work or meet performance standards; or
 - c. Declaring a default of this Contract and pursuing any available remedies for default, including termination of the Contract as permitted in Section 10., "Default; Remedies; Termination", of this Contract.

EXHIBIT C

Insurance Requirements

Contractor shall obtain at Contractor's expense the insurance specified in this Exhibit prior to performing under this Contract. Contractor shall maintain such insurance in full force and at its own expense throughout the duration of this Contract, as required by any extended reporting period or continuous claims made coverage requirements, and all warranty periods that apply. Contractor shall obtain the following insurance from insurance companies or entities that are authorized to transact the business of insurance and issue coverage in the State of Oregon and that are acceptable to ODHS. All coverage shall be primary and non-contributory with any other insurance and self-insurance, with the exception of Professional Liability and Workers' Compensation. Contractor shall pay for all deductibles, self-insured retention, and self-insurance, if any. If Contractor maintains broader coverage and/or higher limits than the minimums shown in this Exhibit, ODHS requires and shall be entitled to the broader coverage and/or higher limits maintained by Contractor.

1. **Workers' Compensation & Employers' Liability.**

- a. All employers, including Contractor, that employ subject workers, as defined in ORS 656.027, shall comply with ORS 656.017, and provide Workers' Compensation Insurance coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). Contractor shall require and ensure that each of its subcontractors complies with these requirements. If Contractor is a subject employer, as defined in ORS 656.023, Contractor shall also obtain Employers' Liability Insurance coverage with limits not less than \$500,000 each accident.
- b. If Contractor is an employer subject to any other state's Workers' Compensation law, Contractor shall provide Workers' Compensation Insurance coverage for its employees as required by applicable Workers' Compensation laws including Employers' Liability Insurance coverage with limits not less than \$500,000 and shall require and ensure that each of its out-of-state subcontractors complies with these requirements.
- c. As applicable, Contractor shall obtain coverage to discharge all responsibilities and liabilities that arise out of or relate to the Jones Act with limits of not less than \$5,000,000 and/or the Longshoremen's and Harbor Workers' Compensation Act.

2. **Commercial General Liability.** Contractor shall provide Commercial General Liability Insurance covering bodily injury and property damage in a form and with coverage that are satisfactory to the State of Oregon. This insurance must include personal and advertising injury liability, products and completed operations, contractual liability coverage for the indemnity provided under this Contract, and have no limitation of coverage to designated premises, project, or operation. Coverage must be written on an occurrence basis in an amount of not less than \$1,000,000 per occurrence and not less than \$3,000,000 annual aggregate limit.

3. Automobile Liability.

Required **Not required**

Contractor shall provide Automobile Liability Insurance covering Contractor's business use including coverage for all owned, non-owned, or hired vehicles with a combined single limit of not less than \$1,000,000 for bodily injury and property damage. This coverage may be written in combination with the Commercial General Liability Insurance (with separate limits for Commercial General Liability and Automobile Liability). Use of personal Automobile Liability Insurance coverage may be acceptable if evidence that the policy includes a business use endorsement is provided.

4. Professional Liability.

Required **Not required**

- a. Contractor shall provide Professional Liability Insurance covering any damages caused by an error, omission or any negligent acts related to the services to be provided under this Contract by the Contractor and Contractor's subcontractors, agents, officers, or employees in an amount not less than \$1,000,000 per claim and not less than \$2,000,000 annual aggregate limit.
- b. If coverage is provided on a claims made basis, then either an extended reporting period of not less than 24 months shall be included in the Professional Liability Insurance coverage, or the Contractor shall provide Continuous Claims Made coverage as stated below.

5. Network Security and Privacy Liability.

Required **Not required**

Contractor shall provide Network Security and Privacy Liability Insurance for the duration of this Contract and for the period of time in which Contractor (or its business associates or subcontractor(s)) maintains, possesses, stores, or has access to ODHS or client data, whichever is longer, with a combined single limit of not less than \$_____ per claim or incident. This insurance must include coverage for third party claims and for losses, thefts, unauthorized disclosures, access, or use of ODHS or client data (which may include, but is not limited to, Personally Identifiable Information ("PII"), Payment Card Data, and Protected Health Information ("PHI") in any format, including coverage for accidental loss, theft, unauthorized disclosure access, or use of ODHS data.

6. Physical Abuse and Molestation.

Required **Not required**

Contractor shall provide Physical Abuse and Molestation Insurance in a form and with coverage that are satisfactory to the State of Oregon covering damages arising out of actual, perceived, or threatened physical abuse, mental injury, sexual molestation, negligent hiring, employment, supervision, training, investigation, reporting to proper authorities, and retention of any person for whom the Contractor is responsible including but not limited to Contractor and Contractor's employees and volunteers. Policy endorsement's definition of an insured must include the Contractor, and the Contractor's

employees and volunteers. Coverage must be written on an occurrence basis in an amount of not less than \$1,000,000 per occurrence and not less than \$3,000,000 annual aggregate. Coverage can be provided by a separate policy or as an endorsement to the Commercial General Liability or Professional Liability policies. The limits must be exclusive to this required coverage. Incidents related to or arising out of physical abuse, mental injury, or sexual molestation, whether committed by one or more individuals, and irrespective of the number of incidents or injuries or the time period or area over which the incidents or injuries occur, must be treated as a separate occurrence for each victim. Coverage must include the cost of defense and the cost of defense must be provided outside the coverage limit.

7. Pollution Liability:

Required **Not required**

- a. Contractor shall provide Pollution Liability Insurance covering Contractor's or appropriate subcontractor's liability for bodily injury, property damage, and environmental damage resulting from sudden accidental and gradual pollution and related cleanup costs incurred by Contractor, all arising out of the goods delivered or services (including transportation risk) performed under this Contract with a combined single limit per occurrence not less than \$ _____ and not less than \$ _____ annual aggregate limit.
- b. An endorsement to the Commercial General Liability or Automobile Liability policy, covering Contractor's or subcontractor' liability for bodily injury, property damage, and environmental damage resulting from sudden accidental and gradual pollution and related clean-up cost incurred by the Contractor that arise from the goods delivered or services (including transportation risk) performed by Contractor under this Contract is also acceptable.

8. Excess/Umbrella Insurance.

- a. A combination of primary and Excess/Umbrella Insurance may be used to meet the required limits of insurance. When used, all of the primary and umbrella or excess policies must provide all of the insurance coverages required herein, including but not limited to, primary and non-contributory, additional insured, Self-Insured Retentions (SIRs), indemnity, and defense requirements. The umbrella or excess policies must be provided on a true "following form" or broader coverage basis, with coverage at least as broad as provided on the underlying insurance. No insurance policies maintained by the Additional Insureds, whether primary or excess/umbrella, and which also apply to a loss covered hereunder, must be called upon to contribute to a loss until the Contractor's primary and excess/umbrella liability policies are exhausted.
- b. If Excess/Umbrella Insurance is used to meet the minimum insurance requirement, the Certificate(s) of Insurance must include a list of all policies that fall under the Excess/Umbrella Insurance.

9. Additional Insured:

- a. All liability insurance, except for Workers' Compensation, Professional Liability, Directors and Officers Liability, and Network Security and Privacy Liability (if

applicable), required under this Contract must include an Additional Insured endorsement specifying the State of Oregon, its officers, employees, and agents as Additional Insureds, but only with respect to Contractor's goods to be delivered and services to be performed under this Contract. Coverage must be primary and non-contributory with any other insurance and self-insurance.

b. Regarding Additional Insured status under the General Liability policy, ODHS requires Additional Insured status with respect to liability arising out of ongoing operations and completed operations, but only with respect to Contractor's goods to be delivered and services performed under this Contract. The Additional Insured endorsement with respect to liability arising out of ongoing operations must be on, or at least as broad as, ISO Form CG 20 10 and the Additional Insured endorsement with respect to completed operations must be on, or at least as broad as, ISO form CG 20 37.

10. Waiver of Subrogation. Contractor shall waive rights of subrogation which Contractor or any insurer of Contractor may acquire against ODHS or State of Oregon by virtue of the payment of any loss. Contractor shall obtain any endorsement that may be necessary to affect this Waiver of Subrogation, but this provision applies regardless of whether or not ODHS has received a Waiver of Subrogation endorsement from Contractor or the Contractor's insurer(s).

11. Continuous Claims Made Coverage. If any of the required liability insurance is on a claims made basis and does not include an extended reporting period of at least 24 months, then Contractor shall maintain continuous claims made liability coverage, provided the effective date of the continuous claims made coverage is on or before the effective date of this Contract, for a minimum of 24 months following the later of: (i) Contractor's completion and ODHS' acceptance of all goods and services required under this Contract, or (ii) ODHS' or Contractor's termination of this Contract, or (iii) The expiration of all warranty periods provided under this Contract.

12. Certificate(s) and Proof of Insurance. Contractor shall provide to ODHS Certificate(s) of Insurance for all required insurance before delivering any goods or performing any services required under this Contract. The Certificate(s) of Insurance must list the State of Oregon, its officers, employees, and agents as a Certificate holder and as an endorsed Additional Insured. The Certificate(s) of Insurance must also include all required endorsements or copies of the applicable policy language effecting coverage required by this Contract. If Excess/Umbrella Insurance is used to meet the minimum insurance requirement, the Certificate(s) of Insurance must include a list of all policies that fall under the Excess/Umbrella Insurance. As proof of insurance ODHS has the right to request copies of insurance policies and endorsements relating to the insurance requirements under this Exhibit.

13. Notice of Change or Cancellation. Contractor or its insurer shall provide at least 30 calendar days' written notice to ODHS before cancellation of, material change to, potential exhaustion of aggregate limits of, or non-renewal of the required insurance coverage(s).

14. **Insurance Requirement Review.** Contractor agrees to periodic review of insurance requirements by ODHS under this Contract and to provide updated requirements as mutually agreed upon by Contractor and ODHS.
15. **State Acceptance.** All insurance providers are subject to ODHS acceptance. If requested by ODHS, Contractor shall provide complete copies of insurance policies, endorsements, self-insurance documents, and related insurance documents to ODHS' representatives responsible for verification of the insurance coverages required under this Exhibit.

