

**ARKANSAS DEPARTMENT OF HUMAN SERVICES  
PERFORMANCE BASED CONTRACTING**

**SUBSTANCE ABUSE TREATMENT**

Pursuant to Ark. Code Ann. 19-11-1010 et. seq., the selected contractor shall comply with performance-based standards. Following are the performance-based standards that will be a part of the contract and with which the contractor must comply for acceptable performance to occur under the contract.

- I. The contractor must comply with all statutes, regulations, codes, ordinances, and licensure or certification requirements applicable to the contractor or to the contractor's agents and employees and to the subject matter of the contract. Failure to comply shall be deemed unacceptable performance.
- II. Except as otherwise required by law, the contractor agrees to hold the contracting Division/Office harmless and to indemnify the contracting Division/Office for any additional costs of alternatively accomplishing the goals of the contract, as well as any liability, including liability for costs or fees, which the contracting Division/Office may sustain as a result of the contractor's performance or lack of performance.
- III. During the term of the contract, the division/office will complete sufficient performance evaluation(s) to determine if the contractor's performance is acceptable.
- IV. The State **shall** have the right to modify, add, or delete Performance Standards throughout the term of the contract, should the State determine it is in its best interest to do so. Any changes or additions to performance standards will be made in good faith following acceptable industry standards, and may include the input of the vendor so as to establish standards that are reasonably achievable
- V. The contract program deliverables and performance indicators to be performed by the contractor are:

Service Criteria <sup>i</sup>	Acceptable Performance	Damages for Insufficient Performance <sup>ii</sup>
<p><b>A. Program Deliverable</b> Contractor shall provide outpatient and/or residential substance abuse treatment services. Services must be rendered by a facility licensed through the Division of Provider Services and Quality Assurance (DPSQA) and whose staff is properly trained and certified.</p> <p>Substance Abuse Treatment Services must assist DCFS clients with a safe recovery from alcohol or other drug(s) of dependence, thus enabling the client to provide a safe and healthy environment for their child(ren).</p>	<ol style="list-style-type: none"> <li>1. Contractor shall provide residential and/or outpatient substance abuse treatment in compliance with the licensure standards outlined by DPSQA one hundred percent (100%) of the time.</li> <li>2. Contractor shall provide residential and/or outpatient substance abuse treatment to pregnant women within forty-eight (48) hours of recommendation for treatment one hundred percent (100%) of the time</li> <li>3. Contractor shall accept one hundred percent (100%) of DCFS referrals.</li> <li>4. Contractor shall notify the DCFS referring county office of client's non-attendance and progress of treatment for case staffing, court hearings, or as required to fulfill requirement in the case plan.</li> <li>5. One hundred percent (100%) of clients that complete the residential and/or outpatient services shall be referred to appropriate aftercare following completion of treatment. Contractor shall notify the Caseworker of the follow-up treatment plan recommendations.</li> <li>6. If the referred client has Medicaid or other medical insurance, it is considered primary insurance and must be billed prior to billing the DCFS contract for any services.</li> <li>7. If Contractor intends to receive Specialized Women's Services (SWS) Board payments for services provided to children in the custody of parents receiving SWS, Contractor shall meet all IV-E Clearinghouse requirements for designation as promising, supported or well-supported one hundred percent (100%) throughout the contracted term.</li> <li>8. Invoices for monthly billing must be developed online through the CHRIS FINANCIAL MODULE_ <a href="https://dhs.arkansas.gov/dcfs/pie/login.aspx">https://dhs.arkansas.gov/dcfs/pie/login.aspx</a>.</li> <li>9. Invoices, along with the certification of compliance, must be submitted to DCFS Central Office Substance Abuse Program Manger by the 10<sup>th</sup> day of the month. <b><u>Only original signed invoices will only be accepted.</u></b></li> <li>10. Contractor shall bill only for actual services rendered.</li> </ol>	<p>1st Incident: A Corrective Action Plan (CAP) acceptable to DHS shall be due to DHS within ten (10) business days of the request.</p> <p>2nd incident: A ten percent (10%) penalty will be assessed in the following months' payment to the provider for each thirty (30) day period the Vendor is not in full compliance with all requirements of the contract. The ten percent (10%) penalty will be calculated from the total payment for the identified month in which the deficiency took place.</p> <p>3rd incident: DHS reserves the right to impose additional penalties including without limitation, withholding payment on future invoices until Vendor is in full compliance, maintaining a below standard Vendor Performance Report (VPR) in the vendor file and terminating the contract.</p>

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	<p>11. Contractor shall provide court testimony upon request from DCFS and/or the Court.</p> <p>12. The contractor shall obtain referrals in advance one hundred percent (100%) of the time before scheduling clients for service(s) unless emergency approval is given by the DCFS Central Office Substance Abuse Program Manager. Invoicing for services rendered without proper authorization are subject to denial by the Division of Children and Family Services. All clients referred for inpatient or residential services must provide a justification of need to the DCFS Central Office Substance Abuse Program Manager prior to admission.</p> <p>13. Contractor shall bill for residential substance abuse treatment services ONLY if the DCFS client is in their facility at midnight.</p> <p>14. Contractor shall notify the DCFS Substance Abuse Program Manager of any changes in the business entity which would include, but not limited to, business entity existence, name change of the business, new location of the business, director changes, or ownership change within three (3) business days.</p> <p>15. Contractor shall notify the caseworker or County Supervisor by telephone no more than three (3) hours after the scheduled residential or outpatient admission time if the client fails to appear.</p> <p>16. Contractor shall submit progress summary reports monthly to the Financial Coordinator, Supervisor, and Caseworker by the 10<sup>th</sup> of the month or as requested by DCFS for court or other required case planning. This report will reflect the client's level of progress and the following information without limitation:</p> <ul style="list-style-type: none"> <li>a. Date of submission of written report to the DCFS Financial Coordinator and Caseworker</li> <li>b. Client progress</li> <li>c. Specific screens or test provided with results</li> <li>d. Clinical impressions</li> <li>e. Current recommendations</li> </ul>	

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	<p>17. Contractor shall complete and submit to the DCFS County Supervisor and DCFS Financial Coordinator a discharge treatment summary upon the client's release from the program along with the treatment plan for the client within five (5) business days of release.</p> <p>18. Contractor will submit a monthly report to DCFS Central Office Substance Abuse Program Manager summarizing services rendered, outcomes, client demographic data, outcomes and other documentation, as requested. The contractor will be required to provide an end of year report by June 30th of each fiscal year.</p> <p>19. Contractor will submit a certification of compliance with performance indicators with monthly billing. Program audits may be conducted at any time by DCFS, scheduled or unscheduled. The Contractor must provide all information related to the scope and performance indicators of this contract. All services must satisfy state and federal requirements for timeliness and quality.</p>	
<p><b>B. Program Deliverable</b> Contractor shall complete drug assessments for clients of the Division of Children and Family Services (DCFS). The contractor shall recommend the least restrictive level of care that adequately meets the need of the client.</p>	<ol style="list-style-type: none"> <li>1. The Contractor shall be a facility licensed by DPSQA whose staff is certified under state law to provide substance abuse assessments and shall maintain the required licensure or certification during the contract period.</li> <li>2. The Contractor shall only accept referrals from the Financial Coordinator that are approved by DCFS Central Office for payment under this contract.</li> <li>3. The Contractor shall schedule service interviews with each DCFS referred client <b>within five (5) working days</b> of receiving the referral from DCFS.</li> <li>4. The contractor shall use standardized drug and/or alcohol assessment tools.</li> <li>5. The Contractor shall submit a written report (drug and/or alcohol assessment) to the DCFS Financial Coordinator/Caseworker within seven (7) working days of completion of the interviews with each DCFS client. The report must be thorough and detailed and must include the required information</li> </ol>	<p>1st Incident: A Corrective Action Plan (CAP) acceptable to DHS shall be due to DHS within ten (10) business days of the request.</p> <p>2nd incident: A ten percent (10%) penalty will be assessed in the following months' payment to the provider for each thirty (30) day period the Vendor is not in full compliance with all requirements of the contract. The ten percent (10%) penalty will be calculated from the total payment for the identified month in which the deficiency took place.</p>

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	<ul style="list-style-type: none"> <li>a. Date of receipt of DCFS referral;</li> <li>b. Date(s) of service interview, including drug and/or alcohol assessment results;</li> <li>c. Drug and alcohol screening results;</li> <li>d. Date of submission of written report to the DCFS Financial Coordinator and Caseworker;</li> <li>e. Background information;</li> <li>f. Specific screens or test provided with results;</li> <li>g. Clinical impressions;</li> <li>h. Recommendations; and</li> <li>l Length of inpatient recommendation, if applicable.</li> </ul> <p>6. The Contractor shall provide court testimony concerning the drug and alcohol assessment, if requested by DHS. This request may be made in the form of a faxed subpoena. The Contractor shall appear without a witness fee.</p> <p>7. If the referred client has Medicaid or other medical insurance, it is considered primary insurance and must be billed prior to billing the DCFS contract for any services.</p> <p>8. Invoices for monthly billing must be developed through the CHRIS FINANCIAL MODULE  <a href="https://dhs.arkansas.gov/dcfs/pie/login.asp">https://dhs.arkansas.gov/dcfs/pie/login.asp</a>  Invoices, along with the demographic form, monthly report, and certification of compliance should be submitted to the Central Office Substance Abuse Program Manager by the 10<sup>th</sup> day of the month. If the 10<sup>th</sup> day is on a weekend, billing is due no later than the following Monday. Only original signed invoices will be accepted.</p> <p>9. Contractor shall notify the Financial Coordinator and Caseworker when services are suspended for a minimum of three (3) consecutive business days.</p> <p>10. Contractor shall conduct individual drug and/or alcohol assessments face to face unless prior written approval from DCFS Substance Abuse Program Manager or the courts.</p>	<p>3rd incident: DHS reserves the right to impose additional penalties including without limitation, withholding payment on future invoices until Vendor is in full compliance, maintaining a below standard Vendor Performance Report (VPR) in the vendor file and terminating the contract.</p>

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	<p>11. Contractor shall notify caseworker by telephone or email no later than three (3) hours after the scheduled time of service delivery, if a client does not appear for a scheduled evaluation.</p> <p>12. In the event of two (2) failed attempts to provide services to a client, Contractor shall submit a written notice to the DCFS Financial Coordinator and a copy to the DCFS Caseworker.</p> <p>13. The Contractor shall schedule service interviews with each DCFS client within five (5) working days of receiving the referral from DCFS.</p> <p>14. A written report (drug and/or alcohol assessment) shall be submitted, within seven (7) business days after completion of the interviews with each DCFS client to the DCFS Financial Coordinator, Supervisor, and Caseworker.</p> <p>15. Contractor shall submit a monthly report to DCFS Central Office Substance Abuse Program Manager summarizing services rendered, outcomes, client demographic data, and other documentation, as requested. The contractor will be required to provide an end of year report by June 30<sup>th</sup> of each fiscal year.</p> <p>16. Contractor shall submit a certification of compliance with performance indicators with monthly billing. Program audits may be conducted at any time by DCFS, scheduled or unscheduled. The Contractor must provide all information related to the scope and performance indicators of this contract. All services must satisfy state and federal requirements for timeliness and quality.</p>	

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<p><b>C. Program Deliverable</b> Contractor must maintain enrollment as a service provider in the Arkansas Medicaid Program at all times throughout the contracted term.</p>	<p>Acceptable performance is defined as one hundred percent (100%) compliance at all times throughout the contracted term</p>	<p>1st Incident: A Corrective Action Plan (CAP) acceptable to DHS shall be due to DHS within ten (10) business days of the request.</p> <p>2nd incident: A ten percent (10%) penalty will be assessed in the following months' payment to the provider for each thirty (30) day period the Vendor is not in full compliance with all requirements of the contract. The ten percent (10%) penalty will be calculated from the total payment for the identified month in which the deficiency took place.</p> <p>3rd incident: DHS reserves the right to impose additional penalties including without limitation, withholding payment on future invoices until Vendor is in full compliance, maintaining a below standard Vendor Performance Report (VPR) in the vendor file and terminating the contract.</p>

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<p><b>Mandated Reporting</b> Pursuant to Ark. Code Ann. §12-18-402 (b)(10) and Ark. Code Ann. §§ 12-12-1708(a)(1)(AA), Contractor and all of its employees, agents, and all Subcontractors and Subcontractor's employees and agents shall immediately make a report to the Child Abuse Hotline or the Adult Maltreatment Hotline (based on type of maltreatment) if Contractor or any of its employees, agents, or Subcontractors' employees and agents, while performing duties under this contract, have reasonable cause to suspect that:</p> <ul style="list-style-type: none"> <li>a. A child has been subjected to child maltreatment;</li> <li>b. A child died as a result of child maltreatment;</li> <li>c. A child died suddenly and unexpectedly; or</li> <li>d. Observe a child being subjected to conditions or circumstances that would reasonably result in child maltreatment. or</li> <li>e. An endangered person or an impaired person has been subjected to conditions or circumstances that constitute adult maltreatment or long- term care facility resident maltreatment.</li> </ul>	<p>Acceptable performance is defined as one hundred percent (100%) compliance with all service criteria and standards for acceptable performance throughout the contract term as determined by DHS.</p>	<p>For each failure to report, DHS may impose:</p> <ol style="list-style-type: none"> <li>1. A ten percent (10%) penalty, assessed in the following months' payment for each failure to report. The penalty will be calculated from the total payment for the identified month in which the deficiency took place; or</li> <li>2. A one percent (1%) penalty, assessed in the next payment for each failure to report. The penalty will be calculated from the projected total yearly contract amount for the contract, as determined by DHS. DHS may elect to calculate penalties/damages differently per occurrence.</li> </ol> <p>In addition to the above penalties, DHS reserves the right to impose additional penalties including without limitation, requiring a Corrective Action Plan (CAP), withholding payment on future invoices until Vendor is in full compliance, maintaining a below standard Vendor Performance Report (VPR) in the vendor file and contract termination</p>

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<p>A privilege or contract shall not prevent a person from reporting maltreatment when he or she is a mandated reporter and required to report under this section.</p> <p>An employer or supervisor of a mandated reporter shall not prohibit an employee or a volunteer from directly reporting maltreatment to the Hotline.</p> <p>An employer or supervisor of a mandated reporter shall not require an employee or a volunteer to obtain permission or notify any person, including an employee or a supervisor, before reporting maltreatment to the Hotline.</p> <p>Pursuant to Act 531 of 2019, Ark. Code Ann. §12-18-402(b)(10) and Ark. Code Ann. §§ 12-12-1708(a)(1)(AA), Contractor and all of its employees, agents, and all Subcontractors and Subcontractor's employees and agents are mandated reporters.</p>		

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<p><b>Conflict of Interest Mitigation</b>            During the term of this contract, the Vendor shall comply with the terms of the DHS Organizational or Personal Conflict of Interest provisions. The Vendor shall disclose all actual, apparent, or potential conflicts of interest to the Department of Human Services (DHS) within five (5) days of having knowledge of them.            The Vendor shall develop a mitigation plan as requested by DHS which must be approved and accepted by DHS. Any changes to the approved mitigation plan must be approved in advance by DHS.</p>	<p>The Vendor must maintain one hundred percent (100%) compliance with this item at all times throughout the term of the contract.</p>	<p>The Vendor will be fined one thousand dollars (\$1,000) per day for each day past five (5) days for each actual, apparent, or potential conflict of interest it fails to disclose. The Vendor shall be fined ten thousand dollars (\$10,000) for the first failure to comply with the mitigation plan developed by the Vendor and approved by DHS. Each subsequent violation of the mitigation plan shall be twice the amount of the immediately preceding violation fine.</p>
<p><b>Transition Planning</b>            Ninety (90) days prior to the contract end date, the vendor shall submit to DHS a detailed plan for transitioning all contracted services to DHS, or to another vendor selected by DHS to provide the contracted services.             The transition plan shall include provisions for the delivery of all proprietary data collected and/or created during the life of the contract to DHS thirty (30) days prior to the contract end date. All proprietary data collected and/or created during the final thirty (30) days of the contract, or any proprietary data not captured in the initial delivery, shall be delivered to DHS no more than fifteen (15) days following the contract end date.</p>	<p>The Vendor must maintain one hundred percent (100%) compliance with this item at all times throughout the term of the contract.</p>	<p>If the Vendor fails to meet the acceptable performance standard, DHS may issue a below standard Vendor Performance Report (VPR) maintained in the vendor file.            Final payment may be withheld from the vendor until the all elements of the transition are satisfied as determined by DHS.</p>

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<p><b>Performance Bonding</b> The Contractor <b>shall</b> be required to obtain performance bonds to protect the State's interest as follows:</p> <ol style="list-style-type: none"> <li>1. The amount of the performance bonds <b>shall</b> be one hundred percent (100%) of the annual contract price, unless the State determines that a lesser amount would be adequate for the protection of the State.</li> <li>2. The State <b>shall</b> require additional performance bond protection when a contract price is increased or modified.</li> <li>3. The additional performance bond <b>must</b> be delivered to the Arkansas Department of Human Services Chief Procurement Officer within fourteen (14) calendar days of request.</li> <li>4. The contractor <b>shall</b> notify the State of any changes, modification, or renewals for the performance bond during the term of the contract. The performance bond documentation must be provided to the State with each required notice.</li> </ol>	<p>Acceptable performance is defined as one hundred percent (100%) compliance with Service Criteria at all times throughout the contract term as determined by DHS.</p>	<p>Damages shall be one percent (1%) per day, calculated using the annual contract amount, for each day Vendor fails to meet the Performance Bonding Requirements specified in Service Criteria.</p> <p>In addition, Vendor's continued failure to meet Service Criteria, may result in a below standard Vendor Performance Report (VPR) maintained in the vendor file and contract termination.</p> <p>Failure to provide is a breach of contract and may result in immediate contract termination.</p>

Failure to meet the minimum Performance Standards as specified **may** result in the assessment of damages.

In the event a Performance Standard is not met, the vendor will have the opportunity to defend or respond to, or cure to the satisfaction of the State, the insufficiency. The State **may** waive damages if it determines there were extenuating factors beyond the control of the vendor that hindered the performance of services of it is in the best interest of the State. In these instances, the State **shall** have

final determination of the performance acceptability.

Should any compensation be owed to the agency due to the assessment of damages, vendor **shall** follow the direction of the agency regarding the required compensation process.

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<sup>i</sup> Nothing in this table is intended to set forth all obligations of the Contractor under the contract. These obligations are in addition to any others imposed by the contract and applicable law.

<sup>ii</sup> The damages set forth are not exclusive and shall in no way exclude or limit any remedies available at law or in equity.