

HENNEPIN COUNTY
MINNESOTA

Health and Human Services

Contract instruction manual

Contract Management Services

300 South Sixth Street, MC: 165

Minneapolis, Minnesota 55487



Table of contents

Contents

General information and instructions3

Contracted services 4

 Contracted services, narrative, section 1..... 4

 Contracted services, performance measures, section 27

Financial information.....9

 Provider budget requirements 9

 Provider financial statement requirements 10

Administrative information..... 11

 Program fact sheet..... 11

 Board of directors list 11

 Authorization to sign contracts..... 11

 Affirmative Action information and plan 11

 Insurance certificate..... 12

 Insurance requirements for non-government agencies 12

 Insurance requirements for units of government and schools..... 15

 Copy of licenses..... 15

General information and instructions

Before you compile your contract documentation packet, please review this manual.

Hennepin County Health and Human Services (HHS) Contract Management Services has assembled this manual to assist agencies that are or have been engaged in contract negotiations with the HHS. The manual is intended to provide additional information regarding the contract requirements that you can expect when you enter into an agreement with HHS.

The contract documentation packet is made up of three sections: the **contracted services** section, the **financial information** section, and the **administrative information** section. Each section includes supporting material, detailed instructions and may include examples or sample forms.

Electronic copies of blank forms needed to complete your contract documentation packet are provided online on the [partners in health and human services](#) page. If you have questions about the forms, contact your contract manager. If you do not know who is assigned to manage your contract, call 612-348-4071 to inquire.

Contract documentation should be submitted in electronic format via email and conform to the format requirements listed below.

1. Format requirements:
2. Use a one-inch margin on all pages.
3. Use Arial, 10 point font.
4. Use black font color.
5. Consecutively number all pages at the bottom center of the page.
6. Arrange the contract documentation packet in the order you've listed documents on the checklist.
7. Label and number each section as listed on the checklist.
8. Submit documents in a modifiable format, such as Microsoft Word.
9. Submit the complete contract documentation packet, via email and with all attachments included, to your contract manager by the submission due date.

This contract documentation solicitation does not commit Hennepin County to award a contract or to pay for any costs incurred in the preparation of the contract documentation packet.

If awarded a contract you will be required to provide updates on information presented in your contract documentation. This information may include but is not limited to, budget or financial information, certificates of insurance, copies of licenses, changes in ownership/services/locations, or changes in affirmative action plans.

If you have questions about the preparation of your contract documentation packet call your contract manager or the reception area at (612) 348-4071 for assistance.

Contracted services

Contracted services, narrative, section 1

The following section offers instructions for writing the contracted services, narrative, section 1. Contracted services, narrative, section 1 gives details that describe the type of services covered by the contract, the people who receive those services, licensing requirements, service locations, and other details that help to provide a clear picture of the services to be delivered.

➤ **EXHIBIT A: CONTRACTED SERVICES, NARRATIVE, SECTION 1**

SERVICE SUMMARY PAGE - [required](#)

The purpose of the Service Summary is to present a comprehensive yet concise description of contracted service(s). It should be written for a general audience and may be used as a primary source of program information for various stakeholders.

The Service Summary Page must include each of the six sections listed below, in the order listed below, and **cannot exceed one page in length**. You may adapt the information within each section to best describe the program. Please include the name of the organization and the name of the contracted program at the top of the page. There will be space for more detailed narrative in the service description following the service summary.

SUMMARY PARAGRAPH: This paragraph should include a brief overview of the program, including services provided through this contract, program results or outcomes for eligible persons and service activities that eligible persons will receive. Be as concise as possible.

TARGET POPULATION: Include the eligible person characteristics, admission or eligibility criteria for the program, and capacity and/or number of persons served.

PROGRAM LICENSURE: Identify program licensure status by listing State of Minnesota license and rules with which the program is required to comply or indicate that the program is not licensed.

SERVICE SITE(S): Identify service address(es) and general geographic area served. (List main address and include other service sites as needed or if services take place in the community.) Indicate if any of the service sites are accessible by public transportation.

PLACEMENT PROCEDURE: Briefly describe how eligible persons will access the program (e.g., phone call, self-referral, court order, social worker referral), major types of referral sources, and any special approvals that are needed, such as whether the placements must be authorized by Hennepin County staff. Note whether county refers participants or if the provider identifies participants. Do not include detail about the actual referral processes.

FUNDING SOURCE: Identify major sources of revenue used to support the program, including Hennepin County. Do not specify dollar amounts.

SERVICE DESCRIPTION (follows Service Summary Page) - [required](#)

Describe the program's services and the activities engaged in by staff and eligible persons to accomplish the program's stated performance measures. Do not include other descriptions of other programs offered by your agency. **Be clear and concise in your description.**

- Briefly state the reason or need for services.
- Describe the type and emphasis of the service.
- Indicate the frequency of service delivery such as how often eligible persons receive the service.
- Describe the location(s) where services are delivered.
- Describe how the effectiveness of the service is determined.
- Describe how the need for ongoing service to an eligible person is determined.
- Identify the staff positions responsible for providing the service, minimum staffing levels, or levels of staffing required by license.

TARGET POPULATION - required

- Provide information about the demographics of the eligible persons served (e.g. age, race, sex, etc.).
- List specific eligibility criteria for eligible persons.

ADMISSION AND DISCHARGE CRITERIA AND PROCESS - required

- Describe the referral/admission process for the program, including whether services are authorized through Hennepin County. Include follow-up methods and timelines employed to assure all referrals are responded to in a timely manner.
- List the primary sources from which you most frequently receive referrals.
- Specify any eligible person characteristics that would prohibit admission.
- Describe the criteria for successful program completion.
- Describe the criteria and types of discharge from the program and if eligible persons may be referred to program again at a later date.
- Describe when discharge planning begins for eligible persons and how it is integrated into the overall service plan. Include how the determination for discharge is made and all who participate in this process. Indicate what position is responsible for coordinating this process.
- Include a written description or a flow chart detailing how an eligible person moves through the direct service components of your system.

PROGRAM COORDINATION, CONSULTATION AND COMMUNITY INVOLVEMENT – required if any component of the service/program is subcontracted, or include if important/relevant to the service being delivered

- If you subcontract for any of the services purchased in the contract, indicate what services are subcontracted and who or what agency is performing those duties. All subcontractor's services are to be performed in accordance with this contract. Submission of the subcontract is not required, but should be available upon request.
- List the primary sources to which you most frequently make concurrent referrals (while the eligible person is in your program).
- Describe the joint programming or coordination efforts with other agencies. Explain the purpose or expected outcome of these efforts. Identify any written coordination agreements that have been developed with any of these agencies.
- List primary sources to which you most frequently make referrals at discharge.
- Describe ongoing staff development process.
- Describe consultation services the program intends to purchase or receive from other individuals or organizations during the contract period. For any regularly purchased clinical consultation, include the consultant's name, type of license/credentials, purpose, and frequency.

QUALITY ASSURANCE – required for contract file

Describe your agency's quality assurance program as it pertains to services in this contract. (Indicate which of the areas below are not applicable to your agency.) For each area below briefly describe:

- Methods, measures, and procedures,
- How quality assurance monitoring information is used to impact service delivery.
- Quality Assurance Areas:
- Monitoring of services to current eligible persons (including case review, treatment plan review, and clinical peer review).
- Eligible person satisfaction surveys or consumer input.
- Feedback from referral sources or other service providers.
- Staff assessment (including performance evaluations, and group or individual productivity or workload assessments).
- Other quality assurance and program evaluation and monitoring activities.

PLANNED ACTIVITY SCHEDULE – may be requested – will be kept in contract file

Provide a list of planned activities that would normally occur throughout the course of your program. If the planned activities for your service vary throughout the year (e.g. summer schedule, school year schedule,

etc.) or you have more than one service with planned activities, provide a planned activity schedule for each variation. An example of a planned activity schedule is available in the forms section of this manual.

STAFFING PATTERN – [may be requested](#) – [will be kept in contract file](#)

Include a Staffing Pattern Form (found in the forms section of this manual or may be submitted in a different but equivalent format) that reflects the following points:

- State the hours and days of program operation during a typical week.
- The Staffing Pattern should show staff coverage during a typical week of operation.
- List each position title, assign a position code letter, and state the number of FTE's of each position.
- Show the hours each individual staff person is scheduled to work. This is done by putting the code letter in the appropriate boxes of the grid. Show the amount of coverage provided by each position for hours of program operation.
- Show how program coverage will be provided after regular working hours, on weekends, and holidays, as needed.
- Indicate how emergency coverage/on-call assistance, (e.g. crisis center) is provided during times when the agency/program is closed, as needed.
- Position titles and FTE allocations must be consistent with staffing information provided throughout all of your agency's submitted contract documentation.

If staffing varies throughout the year (e.g. summer schedule, school year schedule etc.) or if you have more than one contracted service, please provide a Staffing Pattern for each variation.

Contracted services, performance measures, section 2

The following section offers instructions for writing the contracted services, performance measures, section 2. Contracted services, performance measures, section 2 gives details that describe the types of information that service providers will be asked to collect in order to show the effectiveness and efficiency of the contracted services.

➤ **EXHIBIT A: CONTRACTED SERVICES, PERFORMANCE MEASURES, SECTION 2**

PERFORMANCE MEASURES AND OUTPUTS – [Performance Measurement Grid](#) – [required](#)

Hennepin County is committed to including performance measures as a part of defining and managing contracted services. Hennepin County considers performance measures to be a critical component of an effective service delivery system and expects your agency's service results to be consistent with the performance measures contained in the contract agreement. Periodic reporting of performance results are defined in contracts and your agency is expected to maintain records and submit reports showing actual results. Performance achievement will be factored into contracting decisions by Hennepin County.

Your contract manager will assist in the completion of the Contracted Services Performance Measures. You will work with your contract manager to determine meaningful performance measures, clear descriptions, and methods to measure objectives.

Your contract manager will provide output information and demographics as anticipated for the described service/program. Outputs can be defined as numbers or quantities of services provided during a designated reporting period. Examples include but are not limited to the following types of information:

- Number of eligible person intakes.
- Number of eligible person admissions.
- Number of eligible person discharges.
- Number of eligible persons by discharge status (completers vs. non-completers).
- Average length of stay in the program.
- Number of hours of direct services.
- Total number of unduplicated eligible persons served.

(End of contracted services section. The financial information section begins on the next page.)

Financial information

Provider budget requirements

HHS requires budgets from providers to gain an understanding of the operational costs of contracted services. HHS Contract Management Services has developed a provider contract budget work book in an effort to simplify and reduce the amount of work providers must put into budget submissions. The budget workbook is set up to accommodate budget information for multiple contracted programs held by a provider. A provider completes one workbook with required informational pages to meet the budget requirements for all of their contracts. This workbook auto populates information to prevent repeated entries on multiple pages. Please contact your contract manager to request a budget workbook to meet your agency's contract reporting needs.

The following four budget information pages are required:

1. Allocated agency budget by program:

This form will organize your budget by Hennepin County contracted service/program(s) and calculate your total agency budget. The program budget should include direct revenues and costs that are identified as relating specifically to the program. The total agency budget should be a consolidation of all programs operated by the agency.

2. Administrative cost allocation schedule:

Administrative costs are allowed as a program cost only if all expenses within administrative costs are clearly identified. A method for reasonable and equitable distribution of administrative costs across all programs must be demonstrated in the administrative cost allocation schedule.

3. Agency salary schedule by program:

The agency salary schedule reports salary detail for the Hennepin County contracted programs and for the overall agency.

4. Budget substantiation:

The budget substantiation provides a narrative of all expense items. For each expense line item, describe the costs and components that make up the line item. The budget substantiation will also explain how the budgeted amounts were calculated or how distribution across programs was determined. For example, if the line item involves an allocation across programs, explain the basis used to determine the cost allocation (e.g., program FTE's, or square footage).

Explanation of a line item could be presented in the following manner:

*Occupancy cost: Rent @ \$1,000 per month = \$12,000. Utilities @ \$300 per month
=
\$3,600. Building & Grounds maintenance/snow plowing and lawn care @ \$1,000
annually. Total of \$16,600 is allocated to all programs. A percentage for each*

program is assigned based on each program's percentage used out of the total square footage in the building.

Salaries are separately detailed in the agency salary schedule by program so you do not need to provide further documentation as part of the substantiation. Be sure to provide enough detail so that your substantiation is clear.

Your contract manager may request supporting data to clarify various expense details.

The budget can be submitted using your agency's format provided that it contains all of the content found in the four budget pages listed above. Regardless of which format is used to submit your budget, the revenue and expense line item categories must correlate to those used by your agency. The expense categories will be reviewed by HHS to ensure they are reasonable and appropriate for the contracted services.

Provider financial statement requirements

Please submit the following financial information:

- Independent audit reports from the previous two years (this provides three years of financial information to HHS);
- Revenue and expense reports or statement of activities, from the previous two years.

(End of financial information section. The administrative information section begins on the next page.)

Administrative information

Program fact sheet

Complete a program fact sheet form for your agency. (This form is supplied in a required format in the forms section of this manual.) The legal name of the provider should reflect the legal name registered with the Minnesota Secretary of State's Office.

Board of directors list

Provide a list of the board of directors for your agency, which includes mailing addresses, phone numbers, and titles of officers and each board member's place of employment.

When the contracted program agency is part of another corporate structure (sometimes referred to as a "parent organization"), a list of the board of directors of that corporation is required.

Authorization to sign contracts

Attach a copy of your board resolution, or corporate by-laws, naming individuals and/or positions with authority to sign contracts. Specify the number of signers required, as well as the names/positions with authority to sign contracts. If this information is not contained in a resolution, you may submit minutes of board meetings stating to whom the board has delegated authority to bind the agency into a contract.

Affirmative Action information and plan

Our department's Targeted Contract Services (TCS) unit works with departments to ensure that vendors comply with affirmative action requirements.

Affirmative Action Contract Requirements

For all contracts over \$100,000, the county requires contractors to have an affirmative action plan in place. An affirmative action plan is a set of goal-oriented management policies and procedures to eliminate barriers to employment and increase retention of minorities, women and qualified disabled persons that are not based on specific requirements.

The county partners with the Minnesota Department of Human Rights to monitor compliance. Contractors with contracts over \$100,000 must apply for a Workforce Certificate of Compliance and submit evidence of approval to the county.

In some cases, contractors may be exempt from the requirements. Contractors are exempt if:

- Their company has no facilities in AND no more than one employee operating in Hennepin County
- OR
- Their company employed <40 full-time benefit-earning employees during the prior 12 months.

Insurance certificate

All Hennepin County contracted providers must maintain insurance. A certificate of insurance from the insurance broker must be submitted. The certificate must name Hennepin County as the certificate holder and as an additional insured for the commercial general liability coverage with respect to operations covered under the contract.

The insurance requirements for non-government entities differ from the requirements for government and school providers. Following are descriptions of the requirements for each:

Insurance requirements for non-government agencies

14. INDEMNIFICATION

- a. PROVIDER shall defend, indemnify, and hold harmless COUNTY, its present and former officials, officers, agents, volunteers and employees from any liability, claims, causes of action, judgments, damages, losses, costs, or expenses, including reasonable attorneys' fees, resulting directly or indirectly from any act or omission of PROVIDER, a subcontractor, anyone directly or indirectly employed by them, and/or anyone for whose acts and/or omissions they may be liable in the performance of the services required by this Agreement, and against all loss by reason of the failure of PROVIDER to perform any obligation under this Agreement. Acts or omissions include, but are not limited to, the following:
 - (1) Any applicant or Eligible Persons suffering bodily or personal injury, death, or property loss or damage either while participating in or receiving the care and services to be furnished under this Agreement, or while on premises owned, leased, or operated by PROVIDER, or while being transported to or from said premises in any vehicle owned, operated, leased, chartered, or otherwise contracted for by PROVIDER or any official, officer, agent, employee, or volunteer thereof.
 - (2) Any applicant or Eligible Persons causing injury to, or damage to, the property of another person during any time when PROVIDER or any official, officer, agent, employee, or volunteer thereof has undertaken or is furnishing the care and services called for under this Agreement.

For clarification and not limitation, this obligation to defend, indemnify, and hold harmless includes, but is not limited to, any liability, claims, or actions resulting directly or indirectly from alleged infringement of any copyright or any property right of another, the employment or alleged employment of PROVIDER personnel, the unlawful disclosure and/or use of protected data, or other noncompliance with the requirements of the provisions set forth herein.

- b. Duty to Notify. PROVIDER shall promptly notify COUNTY of any claim, action, cause of action or litigation brought against PROVIDER, its present and former officials, officers, agents, employees, volunteers, and subcontractors which arises out of the services described in this Agreement. PROVIDER shall also notify COUNTY whenever PROVIDER has a reasonable basis for believing that PROVIDER and/or its present and former officials, officers, agents, employees, volunteers, or subcontractors, and/or COUNTY, might become the subject of a claim, action, cause of action,

administrative action, criminal arrest, criminal charge or litigation arising out of/or related to the services described in this Agreement.

15. INSURANCE

- a. With respect to the services provided pursuant to this Agreement, PROVIDER shall at its sole expense, procure and maintain insurance of the types, and in the form and amounts described below from insurer(s) authorized to transact business in the state where services or operations will be performed by PROVIDER. Such insurance and required coverage shall be in forms acceptable to COUNTY. The insurance requirements described below shall be maintained uninterrupted for the duration of this Agreement, and beyond such term when so required, and shall cover PROVIDER, and others for whom and/or to whom PROVIDER may be liable, for liabilities in connection with work performed by or on behalf of COUNTY, its agents, representatives employees or contractors. PROVIDER is required to have and keep in force the following minimum insurance coverages or PROVIDER's actual insurance limits for primary coverage and excess liability or umbrella policy limits, whichever is greater:

	Limits
(1) Commercial General Liability (CGL) on an occurrence basis with contractual liability coverage (this coverage shall be written on the most current ISO (Insurance Services Office, Inc.) CGL form or its equivalent provided XCU (explosion, collapse and underground) is not excluded):	
General Aggregate	\$2,000,000
Products - Completed Operations Aggregate	\$2,000,000
Personal and Advertising Injury	\$1,500,000
Each Occurrence - Combined Bodily Injury and Property Damage	\$1,500,000
(2) Automobile Liability - Combined single limit each occurrence, or the equivalent, for bodily injury or property damage covering owned, non-owned, and hired automobiles.	\$2,000,000
(3) Workers' Compensation and Employer's Liability:	
(a) Worker's Compensation	Statutory
If PROVIDER is based outside the State of Minnesota, coverage must comply with Minnesota laws. In accordance with Minnesota law, if PROVIDER is a sole proprietor, it is exempted from the above Workers' Compensation requirements to the extent provided by Minnesota law. In the event that PROVIDER should hire employees or subcontract this work, PROVIDER shall obtain the required insurance.	
(b) Employer's Liability. Bodily injury by:	
Each Accident	\$500,000
Disease - Policy Limit	\$500,000
Disease - Each Employee	\$500,000
(4) The following insurance is required in cases where money has been advanced to PROVIDER or where money belonging to Eligible Persons is in the custody and control of PROVIDER.	
Employee Dishonesty	\$50,000
(5) The following insurance is required in cases where PROVIDER's staff or volunteers are performing licensed professional services under this Agreement.	

Professional Liability (PL/E&O):	Per Claim
	\$1,500,000
	Aggregate
	\$2,000,000

The professional liability insurance must be maintained continuously for a period of three years after final acceptance of services or the expiration, cancellation or termination of this Agreement, whichever is later. Coverage shall include liability arising from the errors, omissions or acts of the PROVIDER or any entity for which the PROVIDER is legally responsible in the providing of services under the Agreement. Throughout the term the Agreement, the PL/E&O policy shall include full prior acts coverage.

- b. An umbrella or excess liability policy is an acceptable method to provide the required commercial general insurance coverage. Coverage shall not include any exclusion or other limitations related to: scope of services; delays in project completion and cost overruns; persons or entities authorized to notify the carrier of a claim or potential claim; or mold, fungus, asbestos, pollutants or other hazardous substances.
- c. The above establishes minimum insurance requirements. It is the sole responsibility of PROVIDER to determine the need for and to procure additional insurance which may be needed in connection with this Agreement. Upon written request, PROVIDER shall promptly submit copies of insurance policies to COUNTY.
- d. PROVIDER shall not commence work until it has obtained required insurance and filed with COUNTY a properly executed Certificate of Insurance establishing compliance. The certificate(s) shall name COUNTY as the certificate holder, and as an additional insured for the required commercial general liability coverage required herein. A self-insured retention (SIR) is not acceptable, unless expressly agreed to in writing by COUNTY. The funding of deductibles and self-insured retentions maintained by PROVIDER, if allowed by the COUNTY, shall be the sole responsibility of PROVIDER. If the certificate form contains a certificate holder notification provision, the certificate shall state that the insurer will endeavor to mail COUNTY thirty (30) days' prior written notice in the event of cancellation/termination of any described policies. If PROVIDER receives notice of cancellation/termination from an insurer, PROVIDER will fax or email a copy of the notice to COUNTY within two (2) business days.
- e. PROVIDER shall furnish to COUNTY updated certificates during the term of this Agreement as insurance policies expire. If PROVIDER fails to furnish proof of insurance coverages, COUNTY may withhold payments and/or pursue any other right or remedy allowed under the Agreement, law, equity, and/or statute. COUNTY does not waive any rights or assume any obligations by not strictly enforcing the requirements set forth in this clause.
- f. If PROVIDER is unable to obtain a required insurance coverage, or if coverage is not renewed or is cancelled/terminated during the term of this Agreement, PROVIDER must immediately provide written notice to COUNTY as required by the provisions herein, Notices, of this Agreement. PROVIDER shall make immediate good faith efforts to obtain or replace the coverage in the open market. If such efforts are unsuccessful, PROVIDER shall immediately apply to the Minnesota Joint Underwriting Association for the insurance coverage. Failure to maintain required insurance shall be considered an event of default pursuant to this Agreement.
- g. PROVIDER's required insurance shall be primary insurance and any insurance or self-insurance maintained by COUNTY shall be excess of and non-contributory with PROVIDER'S insurance. PROVIDER waives all rights against COUNTY, its present and former officials, officers, agents, employees, and volunteers for recovery of damages to the extent the damages are covered by insurance of PROVIDER. If necessary, PROVIDER agrees to endorse the required insurance policies to permit waivers of subrogation in favor of COUNTY.

Insurance requirements for units of government and schools

Indemnification and Insurance:

- Each party is liable for its own acts and agrees to defend, indemnify, and hold harmless each other from any liability, claims, causes of action, judgments, damages, losses, costs or expenses, resulting directly or indirectly from any act or omission in the performance or failure to perform its obligations for the contracted services. Except for State agencies, each party's liability is governed by the provisions of Minnesota Statutes, Chapter 466 and other applicable law. The liability of State agencies is governed by the provisions of Minnesota Statutes, Section 3.736 and other applicable law.
- Each party warrants that it has a purchased insurance or self-insurance program.

Copy of licenses

All local, state, and federal standards for licensing must be met. Please submit a copy of all applicable licenses and certifications for the services to be provided. A contract will not be executed without proper applicable licenses and/or certificates.

If licenses or standards are not applicable to your program, please state that in your contract documentation. Please submit documentation showing that all state and local health and safety standards have been met, and that any facilities used for programs covered under this contract are in compliance with applicable building and housing codes.