COB - BOSAIR FORM

07/09/2026 2:09 PM (MST)

Submitted by Paige.Knott@pima.gov

BOARD OF SUPERVISORS AGENDA ITEM REPORT (BOSAIR)

All fields are required. Enter N/A if not applicable. For number fields, enter 0 if not applicable.

Record Number: PO DCS PO2600019248

Award Type:	Contract
BOSAIR Activity:	Board Meeting Request
Requested Board Meeting Date:	07/28/2026
Supplier / Customer / Grantor / Subrecipient:	Arizona Rehab Campus, LLC (“ARC”)
Project Title / Description:	Inmate Navigation Enrollment Support and Treatment (INVEST)
Purpose:	The purpose of Purchase Order (PO) No. PO2600019248 is to provide Intensive Outpatient Program (IOP) services and bed space for INVEST program participants re-entering the community from jail. This contract is necessary due to the termination of the previous vendor's contract, with services ending effective May 1, 2026. The new contract with Arizona Rehab Campus, LLC (ARC) ensures uninterrupted service delivery for the INVEST program. The contract has an initial one-year term in the annual amount of $220,000.00 and includes three (3) one-year renewal options. The administering department is Detainee and Crisis Systems, and the contract became effective on May 1, 2026.
Procurement Method:	Direct Select for Professional Services: Direct Select per Board of Supervisors Policy D29.6, III-C.
Procurement Method Additional Info:	N/A
Program Goals/Predicted Outcomes:	Provide IOP Services and bed space after initial residential treatment allowing for more structured recovery housing as INVEST program participants work with the INVEST team to become self-sufficient and able to meet their housing needs on their own.
Public Benefit and Impact:	Provide structured recovery housing as participants work to become self-sufficient and able to meet their housing needs on their own. Interventions designed to reduce recidivism, align with Pima County Initiatives to increase public safety and allow law enforcement to direct resources to crime-solving, while reducing tax-payer burdens related to housing detainees post release who would be better served if they received behavioral and medical healthcare in appropriate community settings.
Strategic Plan Pillar	• Quality of Life

Support of Prosperity Initiative:	• C-S-3. Prevent and Reduce Crime
Provide information that explains how this activity supports the selected Prosperity Initiatives	Improve the quality of life for Pima County residents by mitigating the impacts of the opioid and fentanyl crisis working closely with Pima County Sheriff's Department, Adult Probation, Pretrial Services and the Tucson Police Department all of whom serve on the INVEST Advisory Committee.
Metrics Available to Measure Performance:	Arizona Rehab Campus, LLC (ARC) will provide monthly reports for all program participants enrolled in program activities and each individual's progression in the INVEST program. Program performance will be measured through data collect in collaboration with a third-party evaluation team, who will analyze programing for process improvement opportunities, data validity, and outcomes measuring recidivism and quality of life for program participants.
Retroactive:	YES
Retroactive Description:	This contract is retroactive to May 1, 2026, due to the untimely termination of the previous contractor and contract negotiations with ARC. If the contract is not accepted and approved retroactively, INVEST program participants will be unable to continue their current programs and will be required to seek continuity of care through a community-based Intensive Outpatient Program (IOP). Participants would also need to secure alternative housing and self-fund services, which would likely result in program discontinuation.

Contract / Award Information

Record Number: PO DCS PO2600019248

Document Type:	PO
Department Code:	DCS
Contract Number:	PO2600019248
Commencement Date:	05/01/2026
Termination Date:	04/30/2027
Supplier / Subrecipient Headquarters Location	Tucson, Arizona

* Headquarters information is not a consideration for awards

Total Expense Amount:

$220,000.00

Total Revenue Amount:

$0.00

Funding Source Name(s) Required:	General Fund
Funding from General Fund?	YES
If Yes Provide Total General Funds:	
$220,000.00	
Percent General Funds	100
Contract is fully or partially funded with Federal Funds?	NO
Contract is fully or partially funded with Non-Federal Grant Funds?	NO
Were insurance or indemnity clauses modified?	NO
Vendor is using a Social Security Number?	NO
Department:	Detainee and Crisis Systems
Name:	Paige Knott
Telephone:	5207247515
Add Procurement Department Signatures	No
Add GMI Department Signatures	No

Department Director Signature: Linda Everett Date: 7/9/2026 | 2:53 PM MST

Deputy County Administrator Signature: Chad Kosmer Date: 7/12/2026 | 5:36 PM MST

County Administrator Signature: Date: 7/13/2026 | 7:33 AM MST

PIMA COUNTY
DETAINEE & CRISIS SYSTEMS

DATE:	May 15, 2026
TO:	Jan Lesher, County Administrator
FROM:	Paula Perrera, Detainee and Crisis Systems Director PSP
Cc:	Chad Kasmar, Deputy County Administrator Bruce Collins, Procurement Director
SUBJECT:	Request for Direct Selection of Professional Services from Arizona Rehab Campus, LLC (ARC) for the INVEST Program

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Pursuant to Board of Supervisors Policy D29.6 III.C – Direct Selection and Procurement Procedure No. PO-50, this memorandum seeks approval to select Arizona Rehab Campus, LLC (ARC) to provide Reentry Community Intensive Outpatient Program (IOP) services.

Background: On February 12, 2024, the Detainee and Crisis Systems Department (DACS) received a grant from the Arizona Attorney General's Office to expand and enhance two key initiatives at the Pima County Adult Detention Center (PCADC): the Inmate Navigation, Enrollment, Support, and Treatment (INVEST) program and Coordinated Reentry–Release Planning services. The grant was originally scheduled to end on December 31, 2025, but has since been extended for an additional six months, through June 30, 2026.

Recovery In Motion Treatment Center (RIM), the current provider of Intensive Outpatient Program (IOP) services and bed availability, will no longer provide services to INVEST program participants effective May 1, 2026. To ensure uninterrupted service delivery for the INVEST program, DACS proposes entering into a contract with Arizona Rehab Campus, LLC (ARC), retroactive to May 1, 2026.

ARC offers a comprehensive continuum of care and has demonstrated capacity to provide intensive outpatient treatment and recovery services, along with bed availability for individuals reentering the community following detention, where appropriate. Partnering with ARC will enable the continued provision of critical reentry and recovery services to support successful community reintegration for participants in the INVEST program.

Requested Action: The Detainee and Crisis Systems Department requests approval to select Arizona Rehab Campus, LLC (ARC) to provide Intensive Outpatient Program (IOP) services in an amount not to exceed $220,000.00 for an initial one-year contract term, with three (3) one-year extension options and anticipated additional expenditures of $220,000.00 per year, pursuant to the Direct Select provisions of Board of Supervisors Policy D29.6, Section III.C.

Approved as to Form: Julie Burch
For Bruce Collins, Procurement Director
Date: 5/20/26

Concur: [signature]
Chad Kasmar, Deputy County Administrator
Date: 5/20/26

Direct Select Approved: [signature]
Jan Lesher, County Administrator
Date: 5/20/2026

Pima County Department of Detainee and Crisis Systems

Project: Inmate Navigation Enrollment Support and Treatment (INVEST)

Contractor: Arizona Rehab Campus, LLC ("ARC")

Amount: $220,000.00

Contract No.: PO2600019248

Funding: General Fund

PROFESSIONAL SERVICES CONTRACT

1. **Parties and Background**.

   1.1. Parties. This Contract is between Pima County, a body politic and corporate of the State of Arizona ("County"), and Arizona Rehab Campus, LLC ("ARC") ("Contractor").

   1.2. Authority. County selected Contractor pursuant to and consistent with Board of Supervisors Policy D29.6, III.C.

2. **Term**.

   2.1. Initial Term. The term of this Contract commences on May 1, 2026 and will terminate on April 30, 2027 ("Initial Term"). "Term," when used in this Contract, means the Initial Term plus any exercised extension options under Section 2.2. If the commencement date of the Initial Term is before the signature date of the last party to execute this Contract, the parties will, for all purposes, deem the Contract to have been in effect as of the commencement date.

   2.2. Extension Options. County may renew this Contract for up to three (3) additional periods of up to 1 year each (each an "Extension Option"). An Extension Option will be effective only upon execution by the Parties of a formal written amendment.

3. **Scope of Services**. Contractor will provide County with the services described in **Exhibit A (5 pages)**, at the dates and times described on **Exhibit A or, if Exhibit A contains** no dates or time frames, then upon demand. The Services must comply with all requirements and specifications in the Solicitation.

4. **Key Personnel**. Contractor will employ suitably trained and skilled professional personnel to perform all consultant services under this Contract. Prior to changing any key personnel, especially those key personnel County relied upon in making this Contract, Contractor will communicate to County any changes in the Leadership Team within 24-48 hours.

5. **Compensation and Payment**.

   5.1. Rates; Adjustment. County will pay Contractor at the rates set forth in **Exhibit B (2 pages)**. Those rates will remain in effect during an Extension Option period unless Contractor, at least 90 days before the end of the then-existing Term, or at the time the County informs Contractor that the County intends to extend the Term, if that is earlier, notifies County in writing of any adjustments to those rates, and the reasons for the adjustments.

5.2. Maximum Payment Amount. County's total payments to Contractor under this Contract, including any sales taxes, may not exceed $220,000.00 per year (the "NTE Amount"). The NTE Amount can only be changed by a formal written amendment executed by the Parties. Contractor is not required to provide any services, payment for which will cause the County's total payments under this Contract to exceed the NTE Amount; if Contractor does so, it is at the Contractor's own risk.

5.3. Sales Taxes. The payment amounts or rates in **Exhibit B** do not include sales taxes. Contractor may invoice County for sales taxes that Contractor is required to pay under this Contract. Contractor will show sales taxes as a separate line item on invoices.

5.4. Timing of Invoices. Contractor will invoice County on a monthly basis unless a different billing period is set forth in **Exhibit B**. County must receive invoices no more than 30 days after the end of the billing period in which Contractor delivered the invoiced products or services to County. County may refuse to pay for any product or service for which Contactor does not timely invoice the County and, pursuant to A.R.S. § 11-622(C), will not pay for any product or service invoiced more than 6-months late.

5.5. Content of Invoices. Contractor will use the invoice form provided in **Exhibit B** and include detailed documentation in support of its invoices and assign each amount billed to an appropriate line item. In addition to the standard invoicing requirements, the Contractor shall attach the corresponding approved Purchase Requisition Forms. This form is included in **Exhibit B-1 – Purchase Requisition Form (1 page)**.

5.6. Invoice Adjustments. County may, at any time during the Term and during the retention period set forth in Section 22 below, question any payment under this Contract. If County raises a question about the propriety of a past payment, Contractor will cooperate with County in reviewing the payment. County may set-off any overpayment against amounts due to Contractor under this or any other contract between County and Contractor. Contractor will promptly pay to County any overpayment that County cannot recover by set-off.

Insurance.

6. Contractor will procure and maintain at its own expense insurance policies (the "Required Insurance") satisfying the below requirements (the "Insurance Requirements") until all of its obligations under this Contract have been met. The below Insurance Requirements are minimum requirements for this Contract and in no way limit Contractor's indemnity obligations under this Contract. The County in no way warrants that the required insurance is sufficient to protect the Contractor for liabilities that may arise from or relate to this Contract. If necessary, Contractor may obtain commercial umbrella or excess insurance to satisfy the Insurance Requirements.

6.1. Minimum Scope and Limits of Insurance: Contractor shall procure and maintain, until all of their obligations have been discharged, coverage with limits of liability not less than those stated below.

6.1.1. Commercial General Liability (CGL) – Occurrence Form with limits not less than $2,000,000 Each Occurrence and $2,000,000 General Aggregate. Policy shall include cover for liability arising from premises, operations, independent contractors, personal injury, bodily injury, broad form contractual liability and products-completed operations. Any standard coverages excluded from the CGL policy, such as products/completed operations, etc. shall be covered by endorsement or separate policy and documented on the Certificates of Insurance.

6.1.2. Business Automobile Liability – Coverage for bodily injury and property damage on any owned, leased, hired, and/or non-owned autos assigned to or used in the performance of this Contract with minimum limits not less than $1,000,000 Each Accident.

6.1.3. Workers' Compensation and Employers' Liability – Statutory coverage for Workers' Compensation. Workers' Compensation statutory coverage is compulsory for employers of one or more employees. Employers Liability coverage with limits of $1,000,000 each accident and $1,000,000 each employee – disease.

6.1.4. Professional Liability (E & O) Insurance – This insurance is required for work from professionals whose coverage is excluded from the above CGL policy. The policy limits shall be not less than $2,000,000 Each Claim and $2,000,000 Annual Aggregate. The insurance shall cover professional misconduct or negligent acts of anyone performing any services under this contract.

6.1.5. In the event that the Professional Liability insurance required by this Contract is written on a claims-made basis, Contractor shall warrant that continuous coverage will be maintained as outlined under "Additional Insurance Requirements – Claims-Made Coverage" located in the next section.

6.2. Additional Coverage Requirements. The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

6.2.1. Claims Made Coverage - If any part of the Required Insurance is written on claims-made basis, any policy retroactive date must precede the effective date of this Contract, and Contractor must maintain such coverage for a period of not less than three (3) years following Contract expiration, termination or cancellation.

6.2.2. Additional Insured Endorsement - Additional Insured Endorsement: The General Liability and Business Automobile Liability Policies shall each be endorsed to include Pima County, its departments, districts, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

6.2.3. Subrogation Endorsement - The General Liability, Business Automobile Liability, and Workers' Compensation Policies shall each contain a waiver of subrogation endorsement in favor of Pima County, and its departments, districts, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

6.2.4. Primary Insurance Endorsement - The Contractor's policies shall stipulate that the insurance afforded the Contractor shall be primary and that any insurance carried by Pima County, its agents, officials, employees or Pima County shall be excess and not contributory insurance.

6.2.5. The Required Insurance policies may not obligate the County to pay any portion of a Contractor's deductible or Self Insurance Retention (SIR). Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

6.2.6. Insurer Financial Ratings - Coverage must be placed with insurers acceptable to the County with A.M. Best rating of not less than A- VII, unless otherwise approved by the County.

6.2.7. Subcontractors - Contractor must either (a) include all subcontractors as additional insureds under its Required Insurance policies, or (b) require each subcontractor to separately meet all Insurance Requirements and verify that each subcontractor has done so, Contractor must furnish, if requested by County, appropriate insurance certificates for each subcontractor. Contractor must obtain County's approval of any subcontractor request to modify the Insurance Requirements as to that subcontractor.

6.3. Notice of Cancellation.
For each insurance policy required by the insurance provisions of this Contract, the Contractor must provide to Pima County, within two (2) business days of receipt of notice, if a policy is suspended, voided, or cancelled for any reason. Such notice shall be mailed, emailed, hand-delivered or sent by facsimile transmission to the Pima County Contracting Representative. Notice shall include the Pima County project or contract number and project description.

6.4. Verification of Coverage.

6.4.1. Contractor shall furnish Pima County with certificates of insurance (valid ACORD form or equivalent approved by Pima County) as required by this Contract. An authorized representative of the insurer shall sign the certificates.

6.4.2. All certificates and endorsements, as required by this written agreement, are to be received and approved by Pima County before work commences. Each insurance policy required by this Contract must be in effect 10 days prior to work under this Contract. Failure to maintain the insurance coverages or policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

6.4.3. All certificates required by this Contract shall be sent directly to the appropriate County Department. The Certificate of Insurance shall include the Pima County project or contract number and project description on the certificate. Pima County reserves the right to require complete copies of all insurance policies required by this Contract at any time.

6.4.4. Certificates must specify that the appropriate policies are endorsed to include additional insured and subrogation wavier endorsements for the County and its departments, officials and employees. Note: Contractors for larger projects must provide actual copies of the additional insured and subrogation endorsements.

6.5. Approval and Modifications.

Pima County Risk Management reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action. Neither the County's failure to obtain a required insurance certificate or endorsement, the County's failure to object to a non-complying insurance certificate or endorsement, or the County's receipt of any other information from the Contractor, its insurance broker(s) and/or insurer(s), constitutes a waiver of any of the Insurance Requirements.

7. **Indemnification**. To the fullest extent permitted by law, Contractor will defend, indemnify, and hold harmless Pima County and any related taxing district, and the officials and employees of each of them (collectively, "Indemnitee") from and against any and all claims, actions, liabilities, losses, and expenses (including reasonable attorney fees) (collectively, "Claims") arising out of actual or alleged injury of any person (including death) or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by any act or omission of Contractor or any of Contractor's directors, officers, agents, employees, volunteers, or subcontractors. This indemnity includes any claim or amount arising or recovered under the Workers' Compensation Law or arising out of the failure of Contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. The Indemnitee will, in all instances, except for Claims arising solely from the acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all Claims. Contractor is responsible for primary loss investigation, defense and judgment costs for any Claim to which this indemnity applies. This indemnity will survive the expiration or termination of this Contract.

8. **Laws and Regulations**.

8.1. Compliance with Laws. Contractor will comply with all federal, state, and local laws, rules, regulations, standards and Executive Orders.

8.2. Licensing. Contractor warrants that it is appropriately licensed to provide the services under this Contract and that its subcontractors will be appropriately licensed.

8.3. Choice of Law; Venue. The laws and regulations of the State of Arizona govern the rights and obligations of the parties under this Contract. Any action relating to this Contract must be filed and maintained in the appropriate court of the State of Arizona in Pima County.

9. **Independent Contractor**. Contractor is an independent contractor. Neither Contractor, nor any of Contractor's officers, agents or employees will be considered an employee of Pima County for any purpose or be entitled to receive any employment-related benefits, or assert any protections, under the Pima County Merit System. Contractor is responsible for paying all federal, state and local taxes on the compensation received by Contractor under this

Contract and will indemnify and hold County harmless from any and all liability that County may incur because of Contractor's failure to pay such taxes.

10. **Subcontractors**. Contractor is fully responsible for all acts and omissions of any subcontractor, and of persons directly or indirectly employed by any subcontractor, and of persons for whose acts any of them may be liable, to the same extent that the Contractor is responsible for the acts and omissions of its own employees. Nothing in this Contract creates any obligation on the part of County to pay or see to the payment of any money due any subcontractor, except as may be required by law.

11. **Assignment**. Contractor may not assign its rights or obligations under this Contract, in whole or in part, without the County's prior written approval. County may withhold approval at its sole discretion.

12. **Non-Discrimination**. Contractor will comply with all provisions and requirements of Arizona Executive Order 2009-09, which is hereby incorporated into this contract, including flow-down of all provisions and requirements to any subcontractors. During the performance of this Contract, Contractor will not discriminate against any employee, client or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability or national origin.

13. **Americans with Disabilities Act**. Contractor will comply with Title II of the Americans with Disabilities Act (Public Law 110-325, 42 U.S.C.§§ 12101-12213) and the federal regulations for Title II (28 CFR Part 35).

14. **Authority to Contract**. Contractor warrants its right and power to enter into this Contract. If any court or administrative agency determines that County does not have authority to enter into this Contract, County will not be liable to Contractor or any third party by reason of such determination or by reason of this Contract.

15. **Full and Complete Performance**. The failure of either party to insist, in one or more instances, upon the other party's complete and satisfactory performance under this Contract, or to take any action based on the other party's failure to completely and satisfactorily perform, is not a waiver of that party's right to insist upon complete and satisfactory performance, or compliance with any other covenant or condition in this Contract, either in the past or in the future. The acceptance by either party of sums less than may be due and owing it at any time is not an accord and satisfaction.

16. **Cancellation for Conflict of Interest**. This Contract is subject to cancellation for conflict of interest pursuant to A.R.S. § 38-511, the pertinent provisions of which are incorporated into this Contract by reference.

17. **Termination by County**.

    17.1. <u>Without Cause</u>. County or Contractor may terminate this Contract at any time without cause by notifying the other party, in writing, at least 30 days before the effective date of the termination. In the event of such termination, County's only obligation to Contractor will be payment for services rendered prior to the date of termination.

    17.2. <u>With Cause</u>. County may terminate this Contract at any time without advance notice and without further obligation to County when County finds Contractor to be in default of any provision of this Contract.

17.3. Non-Appropriation. Notwithstanding any other provision in this Contract, County may terminate this Contract if for any reason there are not sufficient appropriated and available monies for the purpose of maintaining County or other public entity obligations under this Contract. In the event of such termination, County will have no further obligation to Contractor, other than to pay for services rendered prior to termination.

17.4. Ninety Day Transition. County requests a structured 90-day transition plan in the event the contract is terminated to ensure uninterrupted service delivery, maintain operational continuity, facilitate the orderly transfer of knowledge and responsibilities, and satisfy all contractual obligations during the 90-day transition period following contract termination.

18. **Notice**. Any notice required or permitted to be given under this Contract must be in writing and be served by personal delivery or by certified mail upon the other party as follows:

County:

Paula Perrera, Director
Detainee and Crisis Systems
3950 S. Country Club Rd., Suite 3240
Tucson, AZ 85714

Contractor:

Michael B. Zipprich, CEO
Arizona Rehab Campus, LLC
7114 E. Stetson Dr., Suite 300
Scottsdale, AZ 85251

19. **Non-Exclusive Contract**. Contractor understands that this Contract is nonexclusive and is for the sole convenience of County. County reserves the right to obtain like services from other sources for any reason.

20. **Remedies**. Either party may pursue any remedies provided by law for the breach of this Contract. No right or remedy is intended to be exclusive of any other right or remedy and each is cumulative and in addition to any other right or remedy existing at law or at equity or by virtue of this Contract.

21. **Severability**. Each provision of this Contract stands alone, and any provision of this Contract found to be prohibited by law will be ineffective to the extent of such prohibition without invalidating the remainder of this Contract.

22. **Books and Records**. Contractor will keep and maintain proper and complete books, records and accounts, which will be open at all reasonable times for inspection and audit by duly authorized representatives of County. In addition, Contractor will retain all records relating to this Contract for at least five (5) years after its expiration or termination or, if later, until any related pending proceeding or litigation has concluded.

23. **Public Records**.

23.1. **Disclosure**. Pursuant to A.R.S. § 39-121 et seq., and A.R.S. § 34-603(H) in the case of construction or Architectural and Engineering services procured under A.R.S. Title 34, Chapter 6, all documents submitted in response to the solicitation resulting in award of this Contract, including, but not limited to, pricing schedules, product specifications, work plans, and any supporting documents, are public records. As such, those documents are subject to release and/or review by the general public upon request, including competitors.

23.2. **Records Marked Confidential; Notice and Protective Order**. If Contractor reasonably believes that some of those records contain proprietary, trade-secret or otherwise-confidential information, Contractor must prominently mark those records "CONFIDENTIAL." In the event a public-records request is submitted to County for records marked CONFIDENTIAL, County will notify Contractor of the request as soon as reasonably possible. County will release the records 10 business days after the date of that notice, unless Contractor has, within that period, secured an appropriate order from a court of competent jurisdiction, enjoining the release of the records. County will not, under any circumstances, be responsible for securing such an order, nor will County be in any way financially responsible for any costs associated with securing such an order.

24. **Legal Arizona Workers Act Compliance**.

24.1. Compliance with Immigration Laws. Contractor hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to its employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). Contractor will further ensure that each subcontractor who performs any work for Contractor under this Contract likewise complies with the State and Federal Immigration Laws.

24.2. Books & Records. County has the right at any time to inspect the books and records of Contractor and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.

24.3. Remedies for Breach of Warranty. Any breach of Contractor's or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, is a material breach of this Contract subjecting Contractor to penalties up to and including suspension or termination of this Contract. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, Contractor will be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor, as soon as possible so as not to delay project completion. Any additional costs attributable directly or indirectly to such remedial action are the responsibility of Contractor.

24.4. Subcontractors. Contractor will advise each subcontractor of County's rights, and the subcontractor's obligations, under this Section 24 by including a provision in each subcontract substantially in the following form:

> "Subcontractor hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to Subcontractor's employees, and with the requirements of A.R.S. § 23-214 (A). Subcontractor further agrees that County may inspect the Subcontractor's books and records to insure that Subcontractor is in compliance with these requirements. Any breach of this paragraph by Subcontractor is a material breach of this contract subjecting Subcontractor to penalties up to and including suspension or termination of this contract."

25. **Health Insurance Portability and Accountability Act (HIPAA).** The parties acknowledge that the County is a hybrid covered entity as described in 45 C.F.R. §160.103 of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and is required to comply with the provisions of HIPAA with respect to safeguarding the privacy, confidentiality, and security of protected health information. Contractor acknowledges that it may obtain confidential personal health information in the course of its performance under the terms of this Agreement. "Confidential personal health information" includes information that could be used to identify a participant, information pertaining to the participant's care, treatment or experience in County's program, and information pertaining to the cost of, payment for, or collections activities related to participant's care, treatment, and experience in County's program. Contractor agrees to maintain the privacy, confidentiality, and security of information it may obtain in the course of its performance under this Agreement. In particular, Contractor agrees that it is County's Business Associate and agrees to be bound by the Business Associate Agreement in **Exhibit C (7 pages),** which is incorporated into this agreement, and further specifically agrees that:

25.1. Any confidential personal health information that Contractor may obtain shall remain the sole property of the County; and

25.2. Contractor shall establish and maintain procedures and controls that are acceptable to County to assure that no confidential personal health information contained in its records or obtained from County or from others in carrying out its functions under this Agreement shall be used by or disclosed by Contractor, its agents, officers, employees, or sub-contractors, except as required in the performance of its obligations under the terms of this Agreement; and

25.3. Contractor shall not remove any confidential personal health information from County premises, if applicable; and

25.4. Any other information pertaining to individual persons shall not be divulged other than to employees or officers of Contractor as needed for the performance of its duties under this Agreement, or to County.

26. **Israel Boycott Certification**. Pursuant to A.R.S. § 35-393.01, if Contractor engages in for-profit activity and has 10 or more employees, and if this Contract has a value of $100,000.00 or more, Contractor certifies it is not currently engaged in, and agrees for the duration of this Contract to not engage in, a boycott of goods or services from Israel. This certification does not apply to a boycott prohibited by 50 U.S.C. § 4842 or a regulation issued pursuant to 50 U.S.C. § 4842.

27. **Forced Labor of Ethnic Uyghurs**. Pursuant to A.R.S. § 35-394, if Contractor engages in for-profit activity and has 10 or more employees, Contractor certifies it is not currently using, and agrees for the duration of this Contract to not use (1) the forced labor of ethnic Uyghurs in the People's Republic of China; (2) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China; and (3) any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China. If Contractor becomes aware during the term of the Contract that Contractor is not in compliance with A.R.S. § 35-394, Contractor must notify the County within five business days and provide a written certification to County regarding compliance within one hundred eighty days.

28. **Heat Injury and Illness Prevention and Safety Plan**. Pursuant to Pima County Procurement Code 11.40.030, Contractor hereby warrants that if Contractor's employees perform work in an outdoor environment under this Contract, Contractor will keep on file a written Heat Injury and Illness Prevention and Safety Plan. At County's request, Contractor will provide a copy of this plan and documentation of heat safety and mitigation efforts implemented by Contractor to prevent heat-related illnesses and injuries in the workplace. Contractor will post a copy of the Heat Injury and Illness Prevention and Safety Plan where it is accessible to employees. Contractor will further ensure that each subcontractor who performs any work for Contractor under this Contract complies with this provision.

29. **Amendment**. The parties may modify, amend, alter or extend this Contract only by a written amendment signed by the parties.

30. **Entire Agreement**. This document constitutes the entire agreement between the parties pertaining to the subject matter it addresses, and this Contract supersedes all prior or contemporaneous agreements and understandings, oral or written.

This agreement will become effective when all parties have signed it. The effective date of the agreement will be the date this agreement is signed by the last party (as indicated by the date associated with that party's signature).

PIMA COUNTY

____
Chair, Board of Supervisors

____
Date

ATTEST

____
Clerk of the Board

____
Date

APPROVED AS TO FORM

T. W. Beckwith
Deputy County Attorney

Tanner Beckwith
Print DCA Name

7/7/2026
Date

CONTRACTOR

Franklyn D. Jeans
Authorized Officer Signature

Franklyn D. Jeans
Printed Name and Title

07/07/2026
Date

APPROVED AS TO CONTENT

____
Department Head

7.8.2026
Date

Exhibit A (5 pages)
Scope of Services

Arizona Rehab Campus, LLC ("ARC") operates a behavioral health facility in Pima County which provides continuum of care programs covering detoxification, residential treatment and intensive outpatient programs ("IOP"). ARC is licensed by the Arizona Department of Health Services ("AZDHS").

ARC's clients are primarily members of Managed Care Organizations (MCOs) that manage Arizona's Medicaid and Dual Medicare programs through the Arizona Health Care Cost Containment System (AHCCCS), which is overseen by the United States Department of Health and Human Services' Center for Medicare and Medicaid Services (CMS) (cumulatively referred to herein as "Medicaid Administrators). ARC has contractual relationships with Medicaid Administrators and the Scope of Services described herein are subject to ARC's obligations thereunder.

ARC will provide IOP services to Pima County's INVEST Program Participants. The goal of IOP is to help identify the root cause of addictive behaviors and provide the tools necessary to help achieve wellness and successful reintegration into the community. ARC's approach utilizes evidenced-based practices such as motivational interviewing, Cognitive Behavioral Therapy ("CBT"), and peer support services among other behavioral health approaches. ARC offers IOP in a compassionate and gender-inclusive environment.

INVEST Program Participants will have the opportunity to live independently while receiving treatment, allowing them the freedom to work, attend training for employment, and participate in Freedom Management skills courses. Program Participants meet with their program recovery coach, employment specialist, and therapist for a minimum of 9-12 hours per week for a period of up to 90 days. All INVEST Program Participants will comply with the INVEST six (6) month program in addition to following ARC's treatment guidelines.

INVEST is a stand-alone program based on employment and self-sustainability. INVEST's goal is to seamlessly integrate it's (6) month program with ARC's inpatient substance abuse treatment program. Once initial inpatient treatment is completed by INVEST Program Participants, INVEST will coordinate, if applicable, for Program Participants to attend IOP and be provided housing (bed days). IOP will be billed to the Program Participant's medical insurer by ARC, and the housing (bed days) will be reimbursed by INVEST to ARC on a monthly basis via the Contractor Reporting Invoice reflected in **Exhibit B - Compensation and Payment.**

At any time during this process and upon ARC's clinical review and approval, the INVEST Program Participants can be stepped down to half-way housing to move the Program Participant towards independence and self-sustainability. INVEST will partner with ARC's employment program when possible.

The Program will include the following services if determined by ARC and the INVEST program manager as appropriate according to each Program Participant's individualized care plan:

1. Coordination Prior to Intake of Program Participants

   1.1. ARC will work with the INVEST Program staff to coordinate care prior to intake and during the intake process. This will be achieved by Microsoft Teams or in person as needed.

1.1.1. INVEST Care Team will request available bed space, and ARC will endeavor to accommodate any request when three (3) days advance notice is provided.

2. Health Plan Billing and No Match Obligation:

2.1. The Parties acknowledge Program Participants may carry health insurance through health plans & insurers, including federal health care programs (Medicaid as an example). Nothing in this Agreement prohibits Contractor from billing and collecting payment from health plans & insurers for healthcare services rendered to Program Participants. The Parties acknowledge and agree healthcare services reimbursed by health plans & insurers are not within the Scope of Services contemplated under this Agreement.

2.2. Notwithstanding any other provision of this Agreement, Contractor has no obligation to report its collections from health plans & insurers to the County.

3. Intake of Program Participants:

3.1. INVEST Care Team will coordinate transportation with the ARC team to the ARC facility at an agreed upon time.

3.1.1. INVEST Care Team will provide the following:

3.1.1.1. Health Plan and if on Medicaid their ID#.

3.1.1.2. Biopsychosocial assessment.

3.1.1.3. Name, date of birth and any existing mental health diagnoses.

3.1.1.4. Medication list.

3.1.2. ARC will complete intake and ensure the following:

3.1.2.1. The Program Participant is at least 18 years of age.

3.1.2.2. They have contact information and a release for the INVEST Care Team and relevant judicial contacts (e.g. probation officer).

3.1.2.3. They have a substance use disorder.

3.1.2.4. Their insurance status and plan.

3.1.2.5. Confirmation of no arson or sex convictions.

3.2. ARC will coordinate with the INVEST team to ensure all members are transported to Freedom Management on Wednesday evenings from 5:30 p.m. to 7:00 p.m. ARC transportation will pick up INVEST Program Participants in residence at ARC facilities and including out of custody Program Participants. INVEST Program Participants will be driven to and dropped off at the Abrams Public Health Center located at 3950 S. Country Club Rd., Suite 3240, Tucson AZ 85714.

4. Coordination of Care:

4.1. ARC will use established best practices and existing written procedures to provide coordination of care for INVEST Program Participants.

4.1.1. Provide minimum of twice weekly care coordination to the INVEST Team to ensure up to date communication and proactive coordination.

4.1.1.1. Care coordination can be done via email, phone, telehealth, or in person between ARC and INVEST Team. Coordination should include important updates, key observations, and if anything was purchased for the Program Participant.

4.1.2. Mandate program participant attendance in weekly Freedom Management classes at Abrams Public Health Center unless Program Participant have school or employment obligations at the time of Freedom Management. Program Participants cannot remain in the program without attending Freedom Management.

4.1.3. ARC Case Managers attend weekly case conferencing meetings, in person or virtually upon request from INVEST staff.

4.1.4. Encourage Program Participants to attend INVEST Care Team office hours from 9:00 a.m. to 1:00 p.m., Monday through Friday excluding county holidays and weekends. In the event, INVEST Care Team office hours change, ARC will be notified immediately.

4.1.5. Allow INVEST staff to contact, either virtually or in person on ARC premises INVEST program participants at any time during standard business hours, Monday through Friday, between 8:00 a.m. and 5:00 p.m.

4.1.6. ARC will provide the INVEST manager the **Exhibit A-1 - INVEST Program Participant Activity Report (1 page)** each month outlining INVEST Program Participant activities. This report will be submitted with the monthly Contractor Reporting Invoice and back-up.

5. IOP Services for Program Participants:

5.1. ARC will provide housing (daily bed days) and IOP to Program Participants. IOP will be reimbursed through ARC contracts with AHCCCS MCOs health insurers. The negotiated daily bed-day rate is referenced in **Exhibit B.**

5.1.1. Core IOP services may include:

5.1.1.1. Clinical services (9-12 hours) weekly with focus on:

5.1.1.1.1. Relapse Prevention.

5.1.1.1.2. Healing past trauma.

5.1.1.1.3. Building healthy relationships and support system.

5.1.1.1.4. Cognitive Restructuring.

5.1.1.1.5. Weekly case management.

5.1.1.1.6. Other areas of focus as determined to be medically necessary by ARC's clinical staff.

5.1.1.2. Peer Support Services (group and individual).

5.1.1.3. Life Skills Classes.

5.1.1.4. Freedom Management as assigned.

5.1.1.5. Employment Coaching.

5.1.1.6. Assistance with document retrieval (ID, birth certificate, social security card).

5.1.1.7. Group outing in the community.

5.1.1.8. Support with AA/NA and SMART Recovery.

5.1.2. Housing services include a fully furnished shared living space such as a multi-bedroom transitional living facility or house at the contracted daily bed rate.

5.1.2.1. Access to staff on-site for support and guidance.

5.1.2.2. Access to free Wi-Fi and laundry.

6. <u>Discharge of Program Participants from INVEST Program:</u>

6.1. The INVEST Care Team and Program Participants will consult with ARC when determining appropriate discharge from the INVEST program. The goal of discharge is to have the Program Participant manage their housing and treatment services, such as a behavioral health or primary care, without the need for treatment at ARC or the assistance of the INVEST Care Team. The Program Participant will be an active participant in their discharge activities.

6.2. Conditions for Discharge: A Program Participant may be considered for discharge from the INVEST program if the following conditions have been met:

6.2.1. Program Participant shows stability with medical, behavioral, and/or substance use recovery as determined by INVEST Care Teams and has not been booked into jail for at least forty-five (45) days.

6.2.1.1. Program participants may be discharged from ARC services and still be involved in INVEST.

6.2.2. A Program Participant may withdraw consent to participate in the INVEST program at any time and may re-enroll later if requested and approved by INVEST. Program Participants who withdraw consent to participate in evaluation activities may still receive clinical services from ARC if desired. INVEST will not be financially responsible for those services.

6.3. Program Reengagement Protocols: If at any time the Program Participant leaves the ARC IOP treatment program for any reason, voluntary or involuntary, ARC will notify the INVEST Care Team within twenty-four (24) hours.

6.3.1. ARC will hold a Program Participant's bed for up to three (3) days or until the Program Participant reengages. INVEST will pay for up to three (3) bed days even if the client is not present during this time period.

6.3.2. If there is no response from the Program Participant for up to three (3) or more days after the reengagement protocol is initiated, then INVEST will stop paying for the room (bed day) for the Program Participant.

7. Data Requirements: ARC will regularly deliver data summary reports per the Data Requirements attached as **Exhibit D – Data Requirements (1 page)** monthly.

8. Collaborative Comprehensive Care Planning: ARC will participate in Collaborative Comprehensive Care Planning meetings, to be convened either in-person or remotely via telephone or video conference on a regular basis at the request of the INVEST Program Manager.

9. Transportation Services for Program Participants:

9.1. The Contractor shall provide safe, reliable, and timely transportation services for all eligible Program Participants as designated by INVEST and while in residence at ARC's facilities. Services shall include pick-up and drop-off at INVEST-approved locations and must comply with all applicable federal, state, local laws and regulations.

9.2. Transportation mileage shall be paid in accordance with the provisions outlined in **Exhibit B.**

9.3. The Contractor shall maintain accurate trip logs tracking mileage for each transport requested by INVEST and submit monthly invoices to INVEST. Invoices must include all required supporting documentation. No additional transportation-related charges may be incurred without prior written authorization from INVEST staff.

9.3.1. Examples of required transportation needed while INVEST Program Participants are enrolled with ARC IOP.

9.3.1.1. Probation.

9.3.1.2. Job interviews.

9.3.1.3. Document gathering e.g. birth certificate, social security card, driver's License.

9.3.1.4. Court e.g. City and or Superior.

9.3.1.5. Medical Appointments.

9.4. If a Program Participant causes or creates an issue while being transported, ARC agrees to notify the INVEST staff immediately.

End of Exhibit A

Exhibit A-1 (1 page)
INVEST Program Monthly Participant Activity Report

1. ARC will provide INVEST on a monthly basis with an INVEST Program Participant Activity Report outlining INVEST Program Participant activities.

2. The following information is to be included in the monthly ARC report:

   2.1. Date of services provided.
   2.2. Program Participant first and last name.
   2.3. Description of activity(s).
   2.4. Start time of activity(s).
   2.5. End time of activity(s).
   2.6. Intensive Outpatient (IOP) AHCCCS and other health insurers billable activities.
   2.7. Description of purchase(s) made for Program Participant.
   2.8. Total amount of purchase(s) made for Program Participant.
   2.9. Miscellaneous items not identified in the report for Program Participant.

3. The INVEST Program Participant Activity Report will be sent to the following email address: INVESTadmin@pima.gov. This report will be sent with the monthly Contractor Reporting Invoice and back-up via email.

End of Exhibit A-1

Exhibit B (2 pages)
Compensation and Payment

Compensation and Payment: The compensation line items listed below represent the maximum allowable reimbursement amounts for contract-approved expenses, including bed space, transportation, direct services, and rental assistance provided to Program Participants during the program period of May 1, 2026, through April 30, 2027.

Contract Allowable Compensation Line Items	Amount
Bed Space Rate (room & board) @ $27.00 per day	$60,000.00
Transportation Costs including Wednesday Night Freedom Management Transportation will be reimbursed at .70 cents per mile	$18,000.00
Direct Service Support (pre-approval required by the County via Purchase Request Form)	$55,000.00
Rental Assistance (pre-approval required by the County via Purchase Request Form)	$63,000.00
Administrative Cost (equates to a $2000.00 monthly flat rate)	$24,000.00
Total Annual Not-to-Exceed	$220,000.00

1. All-Inclusive Bed Space Rate (Room and Board) not including Intensive Outpatient Program (IOP) Services: $27.00 per bed day.

   1.1. Definition of a Bed Day: A "Bed Day" is defined as one overnight stay by a Program Participant in a designated bed space. Each night that a Program Participant occupies a bed shall constitute one (1) Bed Day for billing and reimbursement purposes at the approved daily rate.

2. The County shall reimburse the Contractor for contract-allowable compensation line items provided to Program Participants upon receipt and approval of a monthly invoice. Payment shall not be made in advance of services rendered. Each invoice must be submitted with complete and accurate supporting documentation, including, but not limited to, the following:

   2.1. Authorization forms, purchase approvals, and itemized receipts documenting all goods and services purchased on behalf of Program Participants for which reimbursement is requested.

3. All direct service support expenditures and rental assistance provided on behalf of Program Participants must receive prior written approval from the INVEST Care Team before any purchase or financial commitment is made. Requests for approval shall be submitted using the Purchase Request Form included in **Exhibit B-1**. Costs incurred without prior written approval may be deemed non-reimbursable at the County's sole discretion.

4. ARC will submit an itemized Contractor Reporting Invoice to the County on a monthly basis for all contract-allowable services and expenses. Each invoice shall be accompanied by all required supporting documentation, including any applicable Purchase Requisition Forms as set forth in **Exhibit B-1**. Invoices that are incomplete or lack the required supporting documentation will be returned for correction prior to payment processing.

5. The annual Not-to-Exceed (NTE) amount under this Agreement shall be Two Hundred Twenty Thousand Dollars ($220,000.00). Under no circumstances shall the County be obligated to reimburse the Contractor for costs incurred in excess of the annual NTE amount unless authorized through a written amendment executed by both parties.

6. Contractor Reporting Invoice.

PIMA COUNTY DETAINEE AND CRISIS SYSTEMS CONTRACTOR REPORTING Effective 5/1/2026 – 04/30/2027

Bill to Pima County - this form is to be used for submitting all invoices to Pima County

Invoice for the month of _______________ 2026

SEND INVOICE TO:
Pima County Detainee and Crisis Systems
3950 S. Country Club Rd., Suite 3240
Tucson, AZ 85714
ATTENTION: MONICA PADRON

AGENCY NAME: Arizona Rehab Campus

AGENCY CONTRACT #: PO2600019248

Date: _______________

INVOICE IS FOR: ATTN: Arizona Rehab Campus
7114 E Stetson Dr. Suite 300
Scottsdale, AZ 85251

INVOICE #: _______________

PAYMENT TERMS: Net 10 Days	APPROVED BUDGET	January Billed Amt	February Billed Amt	March Billed Amt	April Billed Amt	May Billed Amt	June Billed Amt	July Billed Amt	August Billed Amt	September Billed Amt	October Billed Amt	November Billed Amt	December Billed Amt	YEAR TO DATE TOTALS	BALANCE AVAILABLE	CRNT MONTH ACCRUALS
BED DAYS ($27.00 per night)	$60,000.00													$0.00	$60,000.00	
TRANSPORTATION COSTS	$18,000.00													$0.00	$18,000.00	
DIRECT SERVICE SUPPORT	$55,000.00													$0.00	$55,000.00	
RENTAL ASSISTANCE	$63,000.00													$0.00	$63,000.00	
ADMIN COSTS	$24,000.00													$0.00	$24,000.00	
TOTAL REIMBURSABLE EXPENSES	$220,000.00	0	0	0	0	0	0	0	0	0	0	0	0	$0.00 0	$220,000.00	

I certify the billing is complete and accurate to the best of my knowledge and all expenses are for the purpose set forth in this contract with Pima County Detainee and Crisis Systems:

Prepared by - please print & sign Date Contact Phone Number/Ext.

Authorized Agency Signature Date Contact Phone Number/Ext.

End of Exhibit B

Exhibit B-1 (1 page)
Purchase Requisition Form

1. Requirements for all Participant Purchases:

   1.1. All purchase requisition forms must be submitted by an INVEST manager or case manager.

   1.2. Each form must be signed by a Detainee and Crisis Systems ("DACS") manager before any purchase can be made.

   1.3. A signed purchase requisition form must accompany all receipts for any purchases made monthly.

   1.4. Reimbursement will be denied if a signed request form and receipt are not submitted with the monthly Contractor Reporting Invoice.

   1.5. A purchase request form is also required for payments made directly to outside entities (e.g., rent, deposits, halfway houses, or any other approved needs requested by an INVEST manager).

2. Purchase Requisition Form:

Pima County Detainee & Crisis Systems

PURCHASE REQUEST FORM

DATE: ________ PAYABLE TO: ________________ AMOUNT: ___________

Participant Name: ________________________________

Requested Purchase: ________________________________

Reason For Purchase: ________________________________

Case Manger Name: ______________________ Date: ______________

DACS Manager Approval: ____________________ Date: ______________

DACS will purchase ___________ **Vendor will purchase** _______________

INVEST

End of Exhibit B-1

Exhibit C (7 pages)
Business Associate Agreement

WHEREAS, Pima County, on behalf of the Pima County Detainee and Crisis Systems Department, ("Covered Entity), and Arizona Rehab Campus, LLC ("ARC") ("Business Associate") (each, a "Party," and collectively, the "Parties") wish to enter into a Business Associate Agreement to ensure compliance with the Privacy and Security Rules of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA Privacy and Security Rules") (45 C.F.R. Parts 160 and 164); and

WHEREAS, the Health Information Technology for Economic and Clinical Health ("HITECH") Act of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, modified the HIPAA Privacy and Security Rules (hereinafter, all references to the "HIPAA Privacy and Security Rules" include all amendments thereto set forth in the HITECH Act and any accompanying regulations); and

WHEREAS, the Parties have entered into a written or oral arrangement or arrangements (the "Underlying Agreement") whereby Business Associate will provide certain services to Covered Entity that require Business Associate to create, receive, maintain, or transmit Protected Health Information ("PHI") on Covered Entity's behalf, and accordingly Business Associate may be considered a "business associate" of Covered Entity as defined in the HIPAA Privacy and Security Rules; and

WHEREAS, Business Associate and Covered Entity wish to comply with the HIPAA Privacy and Security Rules, and Business Associate wishes to honor its obligations as a business associate to Covered Entity.

THEREFORE, in consideration of the Parties' continuing obligations under the Underlying Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to the provisions of this Business Associate Agreement ("Agreement").

Except as otherwise defined herein, any and all capitalized terms in this Agreement shall have the definitions set forth in the HIPAA Privacy and Security Rules. In the event of an inconsistency between the provisions of this Agreement and mandatory provisions of the HIPAA Privacy and Security Rules, as amended, the HIPAA Privacy and Security Rules in effect at the time shall control. Where provisions of this Agreement are different than those mandated by the HIPAA Privacy and Security Rules but are nonetheless permitted by the HIPAA Privacy and Security Rules, the provisions of this Agreement shall control.

I. PERMITTED USES AND DISCLOSURES BY BUSINESS ASSOCIATE

A. Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Underlying Agreement, provided that such use or disclosure would not violate the HIPAA Privacy and Security Rules if done by Covered Entity.

B. Business Associate may use PHI in its possession for its proper management and administration and to fulfill any present or future legal responsibilities of Business Associate, provided that such uses are permitted under state and federal confidentiality laws.

C. Business Associate may disclose PHI in its possession to third parties for the purposes of its proper management and administration or to fulfill any present or future legal responsibilities of Business Associate, provided that:

1. the disclosures are required by law; or

2. Business Associate obtains reasonable assurances from the third parties to whom the PHI is disclosed that the information will remain confidential and be used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party, and that such third parties will notify Business Associate of any instances of which they are aware in which the confidentiality of the information has been breached.

D. Until such time as the Secretary issues regulations pursuant to the HITECH Act specifying what constitutes "minimum necessary" for purposes of the HIPAA Privacy and Security Rules, Business Associate shall, to the extent practicable, access, use, and request only PHI that is contained in a limited data set (as defined in 45 C.F.R. § 164.514(e)(2)), unless Business Associate requires certain direct identifiers in order to accomplish the intended purpose of the access, use, or request, in which event Business Associate may access, use, or request only the minimum necessary amount of PHI to accomplish the intended purpose of the access, use, or request.

II. OBLIGATIONS AND ACTIVITIES OF BUSINESS ASSOCIATE

A. Business Associate agrees not to use or further disclose PHI other than as permitted or required by this Agreement or the Underlying Agreement or as required by law.

B. Business Associate agrees to use appropriate safeguards and to comply, where applicable, with 45 C.F.R. Part 164, Subpart C with respect to Electronic Protected Health Information, to prevent use or disclosure of PHI other than as provided for by this Agreement. Specifically, Business Associate will:

1. implement the administrative, physical, and technical safeguards set forth in 45 C.F.R. §§ 164.308, 164.310, and 164.312 that reasonably and appropriately protect the confidentiality, integrity, and availability of any PHI that it creates, receives, maintains, or transmits on behalf of Covered Entity, and, in accordance with 45 C.F.R. § 164.316, implement and maintain reasonable and appropriate policies and procedures to enable it to comply with the requirements outlined in 45 C.F.R. §§ 164.308, 164.310, and 164.312; and

2. report to Covered Entity any Security Incident, and any use or disclosure of PHI that is not provided for by this Agreement, of which Business Associate becomes aware.

C. Business Associate shall require each subcontractor that creates, receives, maintains, or transmits PHI on its behalf to enter into a Business Associate Agreement or equivalent agreement containing the same restrictions on access, use, and disclosure of PHI as those applicable to Business Associate under this Agreement. Furthermore, to the extent that Business Associate provides Electronic PHI to a subcontractor, Business Associate shall require such subcontractor to comply with all applicable provisions of 45 C.F.R. Part 164, Subpart C.

D. Business Associate agrees to comply with any requests for restrictions on certain disclosures of PHI to which Covered Entity has agreed in accordance with 45 C.F.R. § 164.522, of which Business Associate has been notified by Covered Entity.

E. If Business Associate maintains a designated record set on behalf of Covered Entity, at the request of Covered Entity and in a reasonable time and manner, Business Associate agrees to make available PHI required for Covered Entity to respond to an individual's request for access to his or her PHI in accordance with 45 C.F.R. § 164.524. If Business Associate maintains PHI in an electronic designated record set, it agrees to make such PHI available electronically to Covered Entity or, upon Covered Entity's specific request, to the applicable individual or to a person or entity specifically designated by such individual, upon such individual's request.

F. If Business Associate maintains a designated record set on behalf of Covered Entity, at the request of Covered Entity and in a reasonable time and manner, Business Associate agrees to make available PHI required for amendment by Covered Entity in accordance with the requirements of 45 C.F.R. § 164.526.

G. Business Associate agrees to document any disclosures of Protected Health Information, and to make PHI available for purposes of accounting of disclosures, as required by 45 C.F.R. § 164.528.

H. If Business Associate is to carry out one or more of Covered Entity's obligations under 45 C.F.R. Part 164, Subpart E, Business Associate shall comply with the requirements of Subpart E that apply to Covered Entity in the performance of such obligation(s).

I. Business Associate agrees that it will make its internal practices, books, and records relating to the use and disclosure of PHI received from or created or received by Business Associate on behalf of, Covered Entity, available to the Secretary, in a time and manner designated by the Secretary, to enable the Secretary to determine Business Associate's or Covered Entity's compliance with the HIPAA Privacy and Security Rules. Business Associate also shall cooperate with the Secretary and, upon the Secretary's request, pursuant to 45 C.F.R. § 160.310, shall disclose PHI to the Secretary to enable the Secretary to investigate and review Business Associate's or Covered Entity's compliance with the HIPAA Privacy and Security Rules.

J. Unless expressly authorized in the Underlying Agreement, Business Associate shall not:

1. use PHI for marketing or fundraising;

2. use PHI to create a limited data set or to de-identify the information;

3. use PHI to provide data aggregation services relating to the health care operations of Covered Entity; or

4. use or disclose PHI in exchange for remuneration of any kind, whether directly or indirectly, financial, or non-financial, other than such remuneration as Business Associate receives from Covered Entity in exchange for Business Associate's provision of the services specified in the Underlying Agreement.

5. Prior express written authorization from Covered Entity is required for Business Associate to access, store, share, maintain, transmit, use, or disclose PHI in any form via any medium with any entity or person, including the Business Associate's employees and subcontractors, beyond the boundaries and jurisdiction of the United States. Authorization may be granted in the sole discretion of Covered Entity and, if granted, will be subject to additional conditions with which Business Associate must agree.

III. BUSINESS ASSOCIATE'S MITIGATION AND BREACH NOTIFICATION OBLIGATIONS

A. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of this Agreement.

B. Following the discovery of a Breach of Unsecured PHI ("Breach"), Business Associate shall notify Covered Entity of such Breach without unreasonable delay and in no case later than thirty (30) calendar days after discovery of the Breach, and shall assist in Covered Entity's breach analysis process, including risk assessment, if requested. A Breach shall be treated as discovered by Business Associate as of the first day on which such Breach is known to Business Associate or, through the exercise of reasonable diligence, would have been known to Business Associate. The Breach notification shall be provided to Covered Entity in the manner specified in 45 C.F.R. § 164.410(c) and shall include the information set forth therein to the extent known. If, following the Breach notification, Business Associate learns additional details about the Breach, Business Associate shall notify Covered Entity promptly as such information becomes available. Covered Entity shall determine whether Business Associate or Covered Entity will be responsible for providing notification of any Breach to affected individuals, the media, the Secretary, and/or any other parties required to be notified under the HIPAA Privacy and Security Rules or other applicable law. If Covered Entity determines that Business Associate will be responsible for providing such notification, Business Associate may not carry out notification until Covered Entity approves the proposed notices in writing.

C. Notwithstanding the provisions of Section III.B., above, if a law enforcement official states to Business Associate that notification of a Breach would impede a criminal investigation or cause damage to national security, then:

1. if the statement is in writing and specifies the time for which a delay is required, Business Associate shall delay such notification for the time period specified by the official; or

2. if the statement is made orally, Business Associate shall document the statement, including the identity of the official making it, and delay such notification for no longer than thirty (30) days from the date of the oral statement unless the official submits a written statement during that time. Following the period of time specified by the official, Business Associate shall promptly deliver a copy of the official's statement to Covered Entity.

D. Business Associate shall bear Covered Entity's costs of any Breach and resultant notifications, if applicable, to the extent the Breach arises from Business Associate's negligence, willful misconduct, violation of law, violation of the Underlying Agreement, or violation of this Agreement.

IV. OBLIGATIONS OF COVERED ENTITY

A. Upon request of Business Associate, Covered Entity shall provide Business Associate with the notice of privacy practices that Covered Entity produces in accordance with 45 C.F.R. § 164.520.

B. Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by an individual to use or disclose Protected Health Information, if such changes could reasonably be expected to affect Business Associate's permitted or required uses and disclosures.

C. Covered Entity shall notify Business Associate of any restriction on the use or disclosure of PHI to which Covered Entity has agreed in accordance with 45 C.F.R. § 164.522, and Covered Entity shall inform Business Associate of the termination of any such restriction, and the effect that such termination shall have, if any, upon Business Associate's use and disclosure of such Protected Health Information.

V. TERM AND TERMINATION

A. Term. The Term of this Agreement shall be effective as of the first effective date of any Underlying Agreement, and shall terminate upon later of the following events: (i) in accordance with Section V.C., when all of the PHI provided by Covered Entity to Business Associate or created or received by Business Associate on behalf of Covered Entity is returned to Covered Entity or destroyed (and a certificate of destruction is provided) or, if such return or destruction is infeasible, when protections are extended to such information; or (ii) upon the expiration or termination of the last of the Underlying Agreement.

B. Termination. Upon either Party's knowledge of a material breach by the other Party of its obligations under this Agreement, the non-breaching Party shall, within twenty (20) days of that determination, notify the breaching Party, and the breaching Party shall have thirty (30) days from receipt of that notice to cure the breach or end the violation. If the breaching Party fails to take reasonable steps to effect such a cure within such time period, the non-breaching Party may terminate this Agreement and the Underlying Agreement without penalty.

Where either Party has knowledge of a material breach by the other Party and determines that cure is infeasible, prior notice of the breach is not required, and the non-breaching Party shall terminate the portion of the Underlying Agreement affected by the breach without penalty.

C. Effect of Termination.

1. Except as provided in paragraph 2 of this subsection C., upon termination of this Agreement, the Underlying Agreement or upon request of Covered Entity, whichever occurs first, Business Associate shall return or destroy all PHI received from Covered Entity or created or received by Business Associate on behalf of Covered Entity.
This provision shall apply to PHI that is in the possession of subcontractors of Business Associate. Neither Business Associate nor its subcontractors shall retain copies of the PHI except as required by law.

2. In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate shall provide within ten (10) days to Covered Entity notification of the conditions that make return or destruction infeasible. Upon mutual agreement of the Parties that return, or destruction of PHI is infeasible, Business Associate, and its applicable subcontractors, shall extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate and its applicable subcontractors maintain such Protected Health Information.

VI. MISCELLANEOUS

A. No Rights in Third Parties. Except as expressly stated herein or in the HIPAA Privacy and Security Rules, the Parties to this Agreement do not intend to create any rights in any third parties.

B. Survival. The obligations of Business Associate under Section V.C. of this Agreement shall survive the expiration, termination, or cancellation of this Agreement, the Underlying Agreement, and/or the business relationship of the Parties, and shall continue to bind Business Associate, its agents, employees, contractors, successors, and assigns as set forth herein.

C. Amendment. The Parties agree that this Agreement will be amended automatically to conform to any changes in the HIPAA Privacy and Security Rules as are necessary for each of them to comply with the current requirements of the HIPAA Privacy and Security Rules and the Health Insurance Portability and Accountability Act, unless a particular statutory or regulatory provision requires that the terms of this Agreement be amended to reflect any such change. In those instances where an amendment to this Agreement is required by law, the Parties shall negotiate in good faith to amend the terms of this Agreement within sixty (60) days of the effective date of the law or final rule requiring the amendment. If, following such period of good faith negotiations, the Parties cannot agree upon an amendment to implement the requirements of said law or final rule, then either Party may terminate this Agreement and the Underlying Agreement upon ten (10) days written notice to the other Party. Except as provided above, this Agreement may be amended or modified only in a writing signed by the Parties.

D. Assignment. Neither Party may assign its respective rights and obligations under this Agreement without the prior written consent of the other Party.

E. Independent Contractor. None of the provisions of this Agreement are intended to create, nor will they be deemed to create any relationship between the Parties other than that of independent parties contracting with each other solely for the purposes of effecting the provisions of this Agreement and any other agreements between the Parties evidencing their business relationship. Nothing in this Agreement creates or is intended to create an agency relationship.

F. Governing Law. To the extent this Agreement is not governed exclusively by the HIPAA Privacy and Security Rules or other provisions of federal statutory or regulatory law, it will be governed by and construed in accordance with the laws of the state in which Covered Entity has its principal place of business.

G. No Waiver. No change, waiver, or discharge of any liability or obligation hereunder on any one or more occasions shall be deemed a waiver of performance of any continuing or other obligation, or shall prohibit enforcement of any obligation, on any other occasion.

H. Interpretation. Any ambiguity of this Agreement shall be resolved in favor of a meaning that permits Covered Entity and Business Associate to comply with the HIPAA Privacy and Security Rules.

I. Severability. In the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the provisions of this Agreement will remain in full force and effect.

J. Notice. Any notification required in this Agreement shall be made in writing to the representative of the other Party who signed this Agreement or the person currently serving in that representative's position with the other Party.

K. Entire Agreement. This Agreement constitutes the entire understanding of the Parties with respect to the subject matter hereof and supersedes all prior agreements, oral or written. In the event of any inconsistency between this Agreement and any other agreement between the Parties concerning the use and disclosure of PHI and the Parties' obligations with respect thereto, the terms of this Agreement shall control.

L. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same Agreement.

End of Exhibit C

Exhibit D (1 page)
Data Requirements

Contractor will submit all documents, reports, and data in accordance with Data Requirements outlined below. All deliverables will be submitted in the format prescribed by the County and within the time frames specified. The Contractor is required to obtain an **Attachment D-1 Release of Information Form (2 pages**) from each Program Participant and submit any additional documents and /or ad hoc reports requested by the County.

1. Management and Reporting

1.1. County reserves the right to audit any process or data resulting from provision of services pursuant to this Agreement and to request data compilation as the County determines necessary.

1.2. Contractor shall cooperate with the County in providing information and data as needed and on a monthly basis. Reporting data will be emailed monthly to the County at INVESTadmin@pima.gov and at the same time the Contractor Reporting Invoice and back up documentation is due.

Monthly reports will include the following information for all individuals enrolled in program activities, as available relative to each individual's progression in the program:

1.2.1. Date and time of participant enrollment with ARC.

1.2.2. Date and time of ARC Intake.

1.2.3. Participant demographic characteristics (age, sex, race, and ethnicity).

1.2.4. Participant income upon entry to program.

1.2.5. Date and time of participant referral for housing services (if referred by ARC).

1.2.5.1. Number of AHCCCS services completed per participant may include:

1.2.5.1.1. Counseling
1.2.5.1.2. Peer Support Services
1.2.5.1.3. Life Skills
1.2.5.1.4. Financial Literacy
1.2.5.1.5. Employment Coaching

1.2.6. Date of participant exit from program.

1.2.7. Reason for participant unsuccessful exit from program.

End of Exhibit D

Attachment D-1 (2 pages)
ARC Release of Information Form

ARC Release of Information Form Page 1:

ARC Tucson Outpatient
Consent for Release of Confidential Information

NAME: ______________________
BIRTHDATE: __________________
ALLERGIES: __________________
ADMISSION: __________________
LOCATION: ___________________

I, _______________ (**name**), born on __________________(**DOB**), Social Security Number: ___-___-____ (**SSN**), authorize ARC Tucson Outpatient to:

____ Disclose to ____ Obtain from

____ Electronic ____ Oral ____Written

RECEIVING PARTY:

NAME: ____________________________________
ADDRESS: _________________________________
PHONE: ___________________________________
RELATIONSHIP TO PATIENT: ___________________
OTHER: ____________________________________

The following information:

	Presence in treatment		Medical history/current status		Aftercare recommendations
	Progress in treatment		Biopsychosocial assessment		Discharge Planning
	Treatment plans		Laboratory test results		Discharge summary
	Psychological assessment		Employment information		Other:
	Psychiatric history and assessment		Legal status		
	Results of physical exam		Family information		

Reason for release of information:
(Under the Mental Health Code, release of mental health records must be germane to the purpose and need for disclosure).

I understand that my records are protected under Federal Confidentiality regulations (42 CFR Part 2) published August 10,1987, and the Health Insurance Portability and Accountability Act of 1996 (P.L. 104-191), 42 U.S.C. Section 1320d, et. Seq and cannot be disclosed without my written consent unless otherwise provided for in the regulations. I understand that my medical record may contain information concerning my psychiatric, psychological, drug or alcohol abuse, HIV/Acquired Immune Deficiency Syndrome (AIDS) and/or related conditions.

ARC Release of Information Form Page 2:

ARC Tucson Outpatient
Consent for Release of Confidential Information

I understand that I may revoke this authorization at any time upon written notice to ARC Tucson Outpatient. I acknowledge that such revocation will not be effective if ARC Tucson Outpatient. has already acted in reliance upon this authorization. This authorization is valid (if not previously revoked) this consent will terminate upon 90 days from the date of signature of this form, or the following event/condition: ____________________________________, or 15 days after the completion of treatment, or at the time of the final insurance billing, as the case may be, whichever is sooner.

Prohibition of Re-disclosure:

This information has been disclosed from records protected by Federal Confidentiality rules (42 CFR part 2). The Federal rules prohibit making any further disclosure of this information unless further disclosure is expressly permitted by the written consent of the person to whom it pertains or as otherwise permitted by 42 CFR part 2. The Federal rules restrict any use of the information to criminally investigate or prosecute any alcohol or drug abuse client.

Reason for refusal: ____

End of Attachment D-1