

November 14, 2023

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**REQUEST FOR QUALIFICATIONS No. HS-1151
FOR
HEALTHCARE ANCILLARY SERVICES MASTER AGREEMENT
ADDENDUM No. 1**

This Addendum No. 1 to the Request for Qualifications (RFQ) for Healthcare Ancillary Services Master Agreement revises the RFQ to, among others, provide clarifications and respond to questions submitted in accordance with Paragraph 1.4 – CONTACT WITH COUNTY PERSONNEL of the RFQ. This Addendum No. 1 is posted on the Department of Health Services (DHS) Contracts and Grants' website at <http://dhs.lacounty.gov/contracts-and-grants>.

Revised RFQ Document:

RFQ, Appendix A – MASTER AGREEMENT, Paragraph 8.42 – RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT, is deleted in its entirety and replaced with the following:

**"8.42 RECORD RETENTION AND INSPECTION/AUDIT
SETTLEMENT**

8.42.1 Contractor shall maintain and, upon County's request, provide accurate and complete financial records of its activities and operations relating to this Master Agreement in accordance with generally accepted accounting principles. The Contractor shall also maintain accurate and complete employment and other records relating to its performance of this Master Agreement.

8.42.2 Contractor agrees that the County, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy and transcribe any pertinent transaction, activity or record relating to this Master Agreement, including any Work Order(s) executed hereunder (hereinafter for purposes of this Paragraph 42 "material"). All such material, including, but not limited to, all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets and other time and employment records, and proprietary data and information, shall be kept and maintained by the Contractor and shall be made available to the County

during the term of this Master Agreement and for a period of five (5) years thereafter, or any longer period that may be specified in any Work Order executed hereunder, unless the County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by the Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the County's option, the Contractor shall pay the County for travel, per diem and any other costs incurred by the County to examine, audit, excerpt, copy and/or transcribe such material at such location outside of Los Angeles County.

In the event such material is maintained by Contractor at a location outside of Los Angeles, Contractor may satisfy the requirements of this Paragraph 8.42.2 by transmitting it to County electronically, provided that (i) Contractor shall encrypt all material transmitted on networks outside of Contractor's control with Transport Layer Security (hereinafter "TLS") 1.2 or higher or Internet Protocol Security (hereinafter "IPSec"), at a minimum cipher strength of 128 bit or an equivalent secure transmission protocol or method approved by County's Chief Information Security Officer, or authorized designee, and (ii) all such material shall be rendered unusable, unreadable and indecipherable to unauthorized individuals.

- 8.42.3 In the event that an audit of the Contractor is conducted specifically regarding this Master Agreement by any Federal or State auditor or by any auditor or accountant employed by the Contractor or otherwise, including audits conducted by the Medicare and Medi-Cal programs, or both, then the Contractor shall file a copy of each such audit report, including Service Organization Controls (hereinafter "SOC1") Reports, with the County's Auditor-Controller within thirty (30) days of the Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Master Agreement. Subject to applicable law, the County shall make a reasonable effort to maintain the confidentiality of such audit report(s).
- 8.42.4 Failure on the part of the Contractor to comply with any of the provisions of this Paragraph 8.42 shall constitute a material breach of this Master Agreement upon which the County may terminate or suspend this Master Agreement.
- 8.42.5 If, at any time during the term of this Master Agreement or within five (5) years after the expiration or termination of this Master Agreement, representatives of the County conduct an audit of the Contractor regarding the work performed under this Master Agreement, and if such audit finds that the County's dollar liability for any such work is less than payments made by the County to the Contractor, then the difference shall be either: (a) prepaid by the Contractor to the County by cash payment upon demand or (b) at the sole option of the County's Auditor-Controller, deducted from any amounts

due to the Contractor from the County, whether under this Master Agreement or otherwise. If such audit finds that the County's dollar liability for such work is more than the payments made by the County to the Contractor for the work, then the difference shall be paid to the Contractor by the County by cash payment, provided that in no event shall the County's maximum obligation for the provision of such work exceed the funds appropriated by the County for the work.

Questions and Answers:

Question 1: a) Is it required that we agree to the Master Agreement as is without edits?

b) Are we able to redline it and does that need to be submitted with Redlines when the RFQ is submitted?

Answer 1: a) Yes.

b) No, the Master Agreement cannot be edited (redlined).

Question 2: Are Contractors allowed to include proposed redlines and/or exceptions for the County's review in their response?

Answer 2: Refer to Answer No. 1 b.

Question 3: Will the County consider any revisions to the Master Agreement Terms and Conditions?

Answer 3: Refer to Answer No. 1 b.

Question 4: RFQ Appendix A, Section 4 Term of Master Agreement: Does the County allow for price increases for the three (3) one-year extension options?

Answer 4: Pricing is not part of the RFQ solicitation process. The pricing is part of the accompanying Request for Applications or Request for Services, as applicable, each also referred to as a "Work Order Solicitation".

Question 5: RFQ Appendix A, Section 5.3.2 – "Contractor shall submit invoices to the County monthly, by the 15th calendar day of the month following the month of Services." Our company invoices at the end of the month. Please confirm this will be acceptable.

Answer 5: No, refer to RFQ Appendix A, Paragraph 5.3.2. Billing must be submitted by 15th calendar day of the month following the month of Services.

Question 6: RFQ Appendix A, Section 7.3 – Approval of Contractor’s Staff – Can the County please provide a frequency of how often the Medical Examiner Coroner Office has disapproved of their Contractor’s staff?

Answer 6: This question is not germane to this solicitation.

Question 7: RFQ Appendix A, Section 8.42.2 – Record Retention – “All such material shall be maintained by the Contractor at a location in Los Angeles County...” If a Contractor does not have a business location in the State of California, can this statement be not applicable? (This question is in reference to the Medical Examiner Coroner tests only.)

Answer 7: Refer to this Addendum, Revised RFQ Document Section.