

Request for Proposal for Compliance Monitor Pursuant to the Attorney General's Conditions for the Sale and Change in Control and Governance of Bethel Lutheran Home, Inc.

Issue Date: July 24, 2026

Due Date: August 14, 2026

OVERVIEW

The Healthcare Rights & Access (HRA) Section of the California Attorney General's Office invites you to submit a proposal for the professional services of a Monitor to assist with the Attorney General's oversight of compliance with the Attorney General's Conditions (the "AG Conditions") for the Sale and Change in Control and Governance of Bethel Lutheran Home, Inc., (Bethel) a California nonprofit religious corporation. The California Attorney General conditionally approved the transaction between Bethel Lutheran Home, Inc. and Bayshire Central Valley LLC, doing business as (d/b/a) Jericho Care Group (Bayshire). On July 1, 2026, the transaction closed, and the AG Conditions became effective. The AG Conditions set forth the mandatory requirements and obligations of the parties to the transaction, as well as the Monitor's duties, and are reviewable at the following link on the California Attorney General's Nonprofit Health Facility Transactions website: <https://oag.ca.gov/system/files/media/ag-decision-cond-approval-bethel.pdf>.

SCOPE OF WORK

The provisions for the appointment, selection, responsibilities and duties of the Monitor are set forth in Condition XIV of the AG Conditions. Please consider these provisions, as well as the various other provisions in the AG Conditions (Conditions I through XVIII) that require the Monitor's oversight and/or engagement, as you consider a response to this Request for Proposal.

In order to monitor the Parties' compliance with the AG Conditions, the Monitor must meet the following criteria, and the duties of the Monitor shall include, but not be limited to, the following:

- (1) Exercise specified powers to investigate compliance, and as directed by HRA, e.g., taking confidential complaints from residents, family members, vendors; compelling

confidential disclosure of documents; interviewing witnesses; inspecting records; hiring staff and experts; and making recommendations concerning enforcement to the California Attorney General;

(2) Exercise discretion to fully investigate complaints and determine if there has been compliance; develop a process to gather, evaluate, and document evidence to make appropriate findings and recommendations to the California Attorney General;

(3) Consider and thoroughly evaluate all evidence or information offered by any applicable witnesses or parties, to determine compliance, partial noncompliance, or noncompliance with AG Conditions by the Parties to the transaction, and to prepare and issue reports and recommendations to the California Attorney General.

(4) Maintain all documents, records and information obtained from the California Attorney General's Office, from the Parties, or from other sources, in a confidential and secure manner, and protect against improper or unauthorized disclosure.

(5) The Monitor cannot accept employment or provide consulting services that would present a conflict of interest with the Monitor's responsibilities, including but not limited to being retained (on a paid or unpaid basis) by any of the Parties to the transaction, any of their affiliates, any future or current litigant or claimant, or such litigant's or claimant's attorney, in connection with a claim or suit against the California Attorney General, the Parties, or any of their affiliates, unless such conflict is waived by both the California Attorney General's Office and the Parties. The Monitor also cannot take or hold any direct or indirect ownership or other property interests in Bethel, in any of the Parties to the transaction, or in any of their affiliates, for the duration of the AG Conditions.

(6) The Monitor shall serve for the duration of the AG Conditions and until a final report is issued to the California Attorney General, as set forth in the AG Conditions. The Monitor should expect to begin work no sooner than the date of the execution of any agreement with the Parties and Office of the California Attorney General that confers on the Monitor those rights, powers, and authorities necessary to permit the Monitor to perform their duties.

REQUEST FOR PROPOSAL PROCESS

The California Attorney General's Office invites you to submit a proposal for your engagement as Monitor for the Parties' compliance with the AG Conditions.

The services sought under this proposal are professional services. The California Attorney General's Office reserves the right to reject or accept any proposal for reasons it

deems appropriate. Copies of your proposal must be submitted by 9:00 p.m. PST on August 14, 2026, as follows:

Please submit your proposal by email to the following Deputy Attorney Generals and their email addresses, as follows:

Melissa Hamill (Melissa.Hamill@doj.ca.gov),

Ryan McEwan (Ryan.McEwan@doj.ca.gov),

and with additional copy to HealthTransactions@doj.ca.gov.

Your proposal, at a minimum, must include the information requested below in the section titled, “Required Proposal Content.” The California Attorney General’s Office will expeditiously review the proposals received and will conduct interviews of selected candidates, via video conference in the **last two weeks of August 2026**. Candidates should keep dates available during that time period. The candidates who are selected for an interview will prepare a presentation, limited to 30 minutes, to present to the panelists at the interview. Candidates will also be expected to answer questions from panelists related to the candidate’s proposal and qualifications. Representatives from the Attorney General’s Office and from Bayshire will be on the interview panel.

The Monitor will be paid by the Parties bound to the AG Conditions. The terms of the agreement will be based upon the accepted proposal and the AG Conditions.

REQUIRED PROPOSAL CONTENT

A. Executive Summary

Provide a detailed description of the manner and methods in which you propose to complete the monitoring duties and for ensuring the Parties’ compliance with each and every condition, Conditions I through XVIII, of the AG Conditions. This summary should also detail and describe your proposed monitoring team that will complete the duties in the manners and methods described, e.g., descriptions and identification of all job titles and names of individuals performing any roles or tasks, the experience of each and every individual and any subcontractor consultant proposed to be involved, including the submission of supporting resumes or curriculum vitae. The Executive Summary should also explain the organizational and supervisory hierarchy of your proposed monitoring team members, and the reporting structures and responsibilities for all team members. The summary should identify which members of your proposed team have experience with monitoring, specifically in health care matters. Finally, the Executive Summary should discuss your understanding of the duties and the criteria as set forth in number (1) through (6) above.

B. Candidate Qualifications

Provide a brief narrative describing the unique characteristics of your organization and/or personnel that you believe make your organization or team best suited to perform the duties described herein. In addition, describe your team's qualifications and experiences in:

(1) Oversight and management of California licensed Skilled Nursing Facilities (SNFs), Residential Care Facilities for the Elderly (RCFEs), Continuing Care Retirement Communities (CCRCs), and other senior living communities, and their financial, administrative, and clinical operations, including but not limited to:

- (a) Hiring, recruiting, terminating, reassigning, supervising, training and directing the direct care staff or other personnel of both SNFs and RCFEs, and other personnel-related actions;
- (b) Obligating facility funds, and performing accounting and other fiscal, auditing, and financial oversight responsibilities and operations for both SNFs and RCFEs, including negotiating and finalizing leases and rents pertaining to health facility space and properties, budgeting, payroll, accounts payable, accounts receivable, contracting and negotiating contracts with vendors, banking and insurance, licensing and permits, monitoring of resident trust accounts, and mandatory compliance reporting to state or federal regulators.
- (c) Creating and implementing new policies and procedures, or revising both SNF and RCFE policies and procedures;
- (d) Procuring equipment, staff, or supplies for both SNFs and RCFEs to provide care and services for its residents;
- (e) Correcting deficiencies for both SNFs and RCFEs issued by state or federal regulatory and licensing authorities;
- (f) Implementing repairs or improvements to the physical structures of both SNFs and RCFEs, or furnishings of both SNFs and RCFEs;
- (g) Contracting with commercial insurance and government payors, or Medicare, and Medi-Cal/Medicaid managed care payors for both SNFs and RCFEs;
- (h) Preparing real property appraisals and valuations pertaining to fair market rent of SNFs, RCFEs, CCRCs or senior living communities.

- (2) Knowledge of California licensing regulations and requirements for SNFs, RCFEs and CCRCs, and regulations promulgated by The Centers for Medicare and Medicaid Services (CMS) pertaining to SNFs and RCFEs.
- (3) Knowledge of California and CMS requirements and regulations for staffing ratios, competency and training of direct care staff, and professional licensing requirements and regulations for the nursing, clinical, or direct care staff of a SNF.
- (4) Knowledge of Payroll Based Journal (PBJ) reporting procedures for CMS regarding SNF staffing, and knowledge of quality and compliance metrics, audits, or other reporting requirements pertaining to SNFs or RCFEs for CMS, the California Department of Public Health (CDPH), the California Department of Social Services (CDSS), the California Department of Health Care Services (DHCS), and the California Department of Health Care Access and Information (HCAI).
- (5) A description of your organization's and proposed monitor team's commitment to equity, diversity, and inclusion;
- (6) Auditing, investigating, or reviewing compliance of organizations, including experience in monitoring health care facilities together with references for each project or experience listed;
- (7) Working with state and federal regulators, including CMS, CDPH, CDSS, DHCS, California Department of Managed Health Care (DMHC), HCAI, California Department of Aging, and local long-term care ombudsmen.
- (8) Dispute resolution, or preparing recommendations as a monitor, mediator, arbitrator, or receiver; experience as an expert or consultant for health facilities, or with California state and local government entities.
- (9) Any other information relevant to your ability to satisfy the duties outlined in the AG Conditions.

C. CONFLICTS

Provide an explanation regarding any actual or potential conflicts of interest that implicate those addressed under the Scope of Work section's Monitor criteria, item number 5 above, for you and all proposed members of your team, including any past (within the last 10 years) or current conflicts of interest.

D. RATES & BUDGET

We recognize that providing a budget for the Monitor activities over a ten-year period is speculative at this time. We ask, however, that you provide a budget for your activities for the first year, taking into account the requirements outlined in the AG Conditions, staff costs, travel costs, and so forth. Please provide sufficient detail about various line items in your proposed budget. Please also include a rate sheet for you and all proposed team members.