

REQUEST FOR PROPOSALS

External Quality Reviews (EQR)

MEDICAL VENDOR ADMINISTRATION
LOUISIANA MEDICAID PROGRAM
DEPARTMENT OF HEALTH AND HOSPITALS

RFP # 305PUR-DHHRFP-EQR-MVA
Proposal Due Date/Time: April 25, 2011 / 4 pm CDT

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Glossary

Addendum: Means a document issued to supplement the original solicitation document.

Bureau of Health Services Financing (BHSF): The agency within the Louisiana Department of Health & Hospitals, Office of Management & Finance, that has been designated as Louisiana's single state Medicaid agency to administer the Medicaid and LaCHIP programs.

Business Day: Traditional workdays, which are Monday, Tuesday, Wednesday, Thursday and Friday. Traditional work hours are 8:00 a.m. - 5:00 p.m. State holidays are excluded.

Calendar Days: All seven (7) days of the week. Unless otherwise specified, the term "days" in this attachment refers to calendar days.

Centers for Medicare and Medicaid Services (CMS): The agency within the United States Department of Health & Human Services that provides administration and funding for Medicare under Title XVIII, Medicaid under Title XIX, and the State Children's Health Insurance Program under Title XXI of the Social Security Act. Formerly known as Health Care Financing Administration (HCFA).

CFR: Code of Federal Regulations.

Consumer Assessment of Healthcare Providers and Systems (CAHPS): A standardized survey of members' experiences with ambulatory and facility-level care established by the Agency for Healthcare Research and Quality (AHRQ).

Contract: A written, signed and statutorily approved agreement related to this RFP .

Contract Dispute: A circumstance whereby the Department and the Contractor are unable to arrive at a mutual interpretation of the requirements, limitations, provisions or compensation for the performance of services under the contract.

Convicted: A judgment of conviction entered by a federal, state or local court, regardless of whether an appeal from that judgment is pending.

Coordinated Care Network (CCN): An organized health care delivery system designed to improve access to care and the quality of services, as well as to promote healthier outcomes for Medicaid recipients through the establishment of a medical home system of care.

Coordinated Care Network - Prepaid (CCN-P): A risk-bearing, MCO health care delivery system that is responsible for the provision of specified Medicaid State Plan services.

Coordinated Care Network – Shared Savings (CCN-S): An entity that serves as a primary care case manager by providing enhanced primary care case management in addition to contracting with primary care providers (PCPs) for primary care management.

Corrective Action Plan (CAP): A plan that is designed to ameliorate an identified deficiency and prevent reoccurrence of that deficiency. The CAP outlines all steps/actions and timeframe necessary to address and resolve the deficiency.

Coordinated Care Program: The Section within the Louisiana Medicaid Program providing statewide leadership to most effectively utilize resources to promote the health and well being of Louisianans in DHH’s Fee-for-Service Program, Shared Savings Coordinated Care Network and Prepaid Coordinated Care Network programs.

Department: The Louisiana Department of Health and Hospitals, also referred to as DHH throughout this RFP. The state agency responsible for promoting and protecting health and ensuring access to medical, preventive, and rehabilitative services for all citizens of the state of Louisiana.

DR/BCP: Disaster Recovery and Business Continuity Plan

Encounter Data: A record of covered services provided to a CCN-P’s member. An “encounter” is an interaction between a patient and provider (CCN-P, rendering physician, lab, etc.) who delivers services or is professionally responsible for services delivered to a patient.

EQR: External Quality Review

External Quality Review Organization (EQRO): An organization that meets the competence and independence requirements set forth in 42 CFR §438.354, and performs EQR, other EQR-related activities as set forth in §438.358, or both.

Fee for Service (FFS): A method of provider reimbursement based on payments for specific services rendered to an enrollee.

Fiscal Intermediary (FI): The Department’s contractor responsible in the current delivery model for an array of support services including MMIS development and support, claims processing, pharmacy services, provider services, financial and accounting systems, prior authorization and utilization management, fraud and abuse systems, and decision support.

Fiscal Year (FY): The budget year - Federal Fiscal Year: October 1 through September 30 (FFY); State fiscal year: July 1 through June 30 (SFY).

FPL – Federal Poverty Level

Fraud: As it relates to Medicaid Program Integrity means an intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to him or some other person. It includes any act that constitutes fraud under applicable Federal or State law. Fraud may include deliberate misrepresentation of need or eligibility; providing false information concerning costs or conditions to obtain reimbursement or certification; or claiming payment for services which were never delivered or received.

Full-Time Equivalent Position (FTE): Refers to the equivalent of one (1) full-time employee who works forty (40) hours per week; or a full-time primary care physician shall be defined as a physician delivering outpatient preventive and primary (routine, urgent and acute) care for 32 hours or more per week (exclusive of travel time) for a minimum of four days per week.

Geographic Service Area (GSA): The designated geographical service area in which a CCN is authorized by the contract to deliver core benefits and services to Medicaid/CHIP enrollees. The minimum geographic service area a CCN may provide core benefits shall be one of the following lettered regions: Region A consists of DHH Administrative Regions 1 and 9; Region B consists of DHH Administrative Regions 2, 3 and 4; and Region C consists of DHH Administrative Regions 5, 6, 7 and 8.

Healthcare Effectiveness Data and Information Set (HEDIS): A set of performance measures developed by the National Committee for Quality Assurance. The measures were designed to help health care purchasers understand the value of health care purchases and measure plan performance.

HIPAA: Health Insurance Portability and Accountability Act

Immediate: In an immediate manner; instantly; instantly or without delay.

Information Systems (IS): A combination of computing hardware and software that is used in: (a) the capture, storage, manipulation, movement, control, display, interchange and/or transmission of information, *i.e.* structured data (which may include digitized audio and video) and documents; and/or (b) the processing of such information for the purposes of enabling and/or facilitating a business process or related transaction.

Insolvency: A financial condition that exists when an entity is unable to pay its debts as they become due in the usual course of business, or when the liabilities of the entity exceed its assets, or as determined by the Louisiana Department of Insurance.

Liquidated Damages: Damages that may be assessed whenever the Contractor or its subcontractors fail to achieve certain performance standards and other items defined in the terms and conditions of the contract.

Louisiana Children’s Health Insurance Program (LaCHIP): Louisiana’s name for the Children’s Health Insurance Plan created by Title XXI of the Social Security Act in 1997. Provides health care coverage for uninsured children up to age 19 through a Medicaid expansion program for children at or below 200% FPL and a separate state CHIP program for the unborn prenatal option and for children with income from 200% up to and including 250% FPL.

Louisiana Department of Health and Hospitals (DHH): The state department responsible for promoting and protecting health and ensuring access to medical, preventive and rehabilitative services for all citizens in the state of Louisiana.

Louisiana Medicaid State Plan: The binding written agreement between DHH and CMS which describes how the Medicaid program is administered and determines the services DHH will receive federal financial participation.

Medicaid: A means tested federal-state entitlement program enacted in 1965 by Title XIX of the Social Security Act as amended. Medicaid offers federal matching funds to states for costs incurred in paying health care providers for serving covered individuals.

Medicaid Coordinated Care Section (MCCS): Section located within DHH’s Bureau of Health Services Financing that is responsible for the formulation of medical and program policy, interpretation of policies and oversight of quality and utilization management requirements.

Medicaid Management Information System (MMIS): The computerized claims processing and information retrieval system which includes all providers enrolled in the Medicaid Program. This system is an organized method of payment for claims for all Medicaid services, and includes information on all Medicaid providers and enrollees.

Medicaid Enrollee: Refers to an individual determined eligible, pursuant to federal and state law, to receive medical care, goods or services for which DHH may make payments under the Medicaid Program, who is enrolled in the Medicaid Program, and on whose behalf payments may or may not have been made.

Medicaid Recipient: An individual who has been determined eligible, pursuant to federal and state law, to receive medical care, goods or services for which DHH may make payments under the Medicaid or CHIP Program, who may or may not be currently enrolled in the Medicaid or CHIP Program, and on whose behalf payment is made.

Medical Loss Ratio (MLR): An accounting statistic that, stated simply, measures the percentage of total premiums that insurance companies spend on health care and quality initiatives, versus what they spend on administration, marketing and profit.

Medical Record: A single complete record kept at the site of the member's treatment(s), which documents all of the treatment plans developed, including, but not limited to, outpatient and emergency medical health care services whether provided by the CCN, its contractor, or any out-of-network providers. The records may be on paper, magnetic material, film or other media. In order to qualify as a basis for reimbursement, the records must be dated, legible and signed or otherwise attested to, as appropriate to the media, and meet the requirements of 42 CFR §456.111 and 42 CFR §456.211.

Member(s): Medicaid enrollees who enroll in a Coordinated Care Network.

Must: Denotes a mandatory requirement.

Network: As utilized in this RFP, "network" may be defined as a group of participating providers linked through contractual arrangements to a CCN to supply a range of primary and acute health care services.

Performance Improvement Projects (PIP): Projects to improve specific quality performance measures through ongoing measurements and interventions that result in significant improvement, sustained over time, with favorable effect on health outcomes and enrollee satisfaction.

Performance Measures (PM): Specific operationally defined performance indicators using data used to track performance and quality of care to identify opportunities for improvement on important dimensions of care and service.

Policies: The general principles which guide decisions and outcomes; high-level overall plans embracing general goals and acceptable procedure. As used herein in reference to DHH, policies are the general principles by which DHH is guided in its management of the Title XIX program.

Primary Care Provider (PCP): An individual physician or other licensed health practitioner responsible for the management of a member's health care who is licensed and certified in one of the following general specialties: family practitioner, general practitioner, general pediatrician, general internal medicine, general internal medicine and pediatrics, or obstetrician/ gynecologist. The primary care provider is the patient's point of access for preventive care of an illness and may treat the patient directly, refer the patient to a specialist (secondary/tertiary care), or admit the patient to a hospital.

Privacy Rule (45 CFR Parts 160 & 164): Standards for the privacy of individually identifiable health information.

Proposer: Entity or company seeking a contract to provide stated deliverables and services identified within RFP document.

Protected Health Information (PHI): Individually identifiable health information that is maintained or transmitted in any form or medium and for which conditions for disclosure

are defined in the Health Insurance Portability and Accountability Act of 1996 (HIPAA) 45 CFR Parts 160 and 164.

Provider: Either (1) for the Fee-For-Service Program, any individual or entity furnishing Medicaid services under an agreement with the Medicaid agency; or (2) for the CCN Program, any individual or entity that is engaged in the delivery of health care services and is legally authorized to do so by the State in which it delivers services.

Quality: As it pertains to external quality review, means the degree to which a CCN increases the likelihood of desired health outcomes of its enrollees through its structural and operational characteristics and through the provision of health services that are consistent with current professional knowledge.

Quality Assessment and Performance Improvement Program (QAPI Program): Program that objectively and systematically defines, monitors and evaluates the quality and appropriateness of care and services and promotes improved patient outcomes through performance improvement projects, medical record audits, performance measures, surveys, and related activities.

Quality Companion Guide: Written instructional document for performance improvement projects, performance measure specifications and validation processes.

Quality Improvement Plan (QIP): A written plan, required of all CCNs, detailing quality management and committee structure, performance measures, monitoring and evaluation process and improvement activities measures that rely upon quality monitoring implemented to improve health care outcomes for enrollees.

Quality Management (QM): The ongoing process of assuring that the delivery of covered services is appropriate, timely, accessible, available and medically necessary and in keeping with established guidelines and standards and reflective of the current state of medical and behavioral health knowledge.

Readiness Review: Refers to the Department or its designee's assessment of the CCN's ability to fulfill DHH Contractual requirements. Such review may include but not be limited to review of proper licensure, operational protocols, review of CCN standards, and review of systems. The review consists of a desk review and an on-site review and may include interviews with pertinent personnel so that the Department can make an informed assessment of the CCN's ability and readiness to render services.

Recipient: An individual entitled to benefits under Title XIX of the Social Security Act, and under the Louisiana Medicaid State Plan who is or was enrolled in Medicaid and on whose behalf a payment has been made for medical services rendered.

Representative: Any person who has been delegated the authority to obligate or act on behalf of another.

RFP: Request for Proposal

Secure File Transfer Protocol (SFTP): Software protocol for transferring data files from one computer to another with added encryption.

Security Rule (45 CFR Parts 160 & 164): A key part of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) which stipulates that covered entities must maintain reasonable and appropriate administrative, physical, and technical safeguards to protect the confidentiality, integrity, and availability of their Electronic Protected Health Information against any reasonably anticipated risks.

Shall: Denotes a mandatory requirement.

Should, May, Can: Denote a preference but not a mandatory requirement.

State: The state of Louisiana.

State Plan: Refers to the Louisiana Medicaid State Plan.

Subcontractor: Means any person having a contract to perform work or render service to Contractor as a part of the Contractor's agreement arising from this solicitation.

Utilization Management (UM): Refers to the process to evaluate the medical necessity, appropriateness, and efficiency of the use of health care services, procedures, and facilities. UM is inclusive of utilization review and service authorization.

Validation: The review of information, data, and procedures to determine the extent to which they are accurate, reliable, free from bias and in accord with standards for data collection and analysis.

Will: Denotes a mandatory requirement.

I. GENERAL INFORMATION

A. Background

1. The mission of the Department of Health and Hospitals (DHH) is to protect and promote health and to ensure access to medical, preventive, and rehabilitative services for all citizens of the State of Louisiana. DHH is dedicated to fulfilling its mission through direct provision of quality services, the development and stimulation of services of others, and the utilization of available resources in the most effective manner.
2. DHH is comprised of the Bureau of Health Services Financing, the Office for Citizens with Developmental Disabilities, the Office of Behavioral Health, the Office of Aging and Adult Services, and the Office of Public Health. Under the general supervision of the Secretary, these principal offices perform the primary functions and duties assigned to DHH.
3. DHH, in addition to encompassing the program offices, has an administrative office known as the Office of the Secretary, a financial office known as the Office of Management and Finance, and various bureaus and boards. The Office of the Secretary is responsible for establishing policy and administering operations, programs, and affairs.
4. BHSF is the agency within DHH responsible for the administration of the program of medical assistance under Title XIX of the Social Security Act known as the Medicaid Program. The United States Department of Health and Human Services allocates funds under Title XIX and Title XXI to DHH for the provision of medical services for eligible persons in accordance with the Louisiana State Plan for Medical Assistance, herein referred to as the State Plan.
5. The Medicaid Coordinated Care Section (MCCS), located within DHH's Bureau of Health Services Financing, is responsible for the formulation of medical and program policy, interpretation of policies and oversight of quality and utilization management requirements.

B. Purpose of RFP

1. The purpose of this RFP is to solicit proposals from qualified external quality review organizations (EQRO) to perform readiness reviews and undertake external quality review (EQR) activities consistent with federal regulations for Louisiana's Coordinated Care Networks. The Coordinated Care Networks will consist of two models: Coordinated Care Network-Shared Savings (CCN-S) model and Coordinated Care Network-Prepaid (CCN-P) model. The EQRO will provide analysis and evaluation of aggregated information on the CCNs' quality, timeliness, and access to

certain Medicaid covered health care services. DHH anticipates having two (2) to three (3) CCN-P entities and two (2) to three (3) CCN-S entities in each of three (3) Geographic Service Area (GSA)s. The Contractor will provide services in all GSAs to all CCN-P and CCN-S entities.

2. A contract is necessary to secure the services of an external quality review organization. Federal law 42 CFR § 438.350 requires that each State Medicaid managed care program be evaluated by an EQRO to identify problem areas and monitor the progress in this effort annually. This annual external review must be conducted by an independent entity that meets the qualifications set forth in 42 CFR § 438, using information obtained from EQR related activities that are consistent with protocols referenced by the CFR.

C. Invitation to Propose

DHH/BHSF MCCS is inviting qualified proposers to submit proposals for services to provide external quality reviews of potential CCNs to whom DHH has awarded a Contract.

D. RFP Coordinator

1. Request for copies of the RFP and written questions or inquiries must be directed to the RFP coordinator listed below:

Rhonda Baird, RN
Medicaid Program Manager
BHSF/Medicaid Coordinated Care Section
Louisiana Department of Health and Hospitals
Bienville Building
628 North 4th St.
Baton Rouge, LA 70802
318-458-0134
FAX: 318-676-5587
rhonda.baird@la.gov

2. This RFP is available in PDF at the following weblinks:
<http://new.dhh.louisiana.gov/index.cfm/newsroom/category/47> and
<http://wwwprd.doa.louisiana.gov/OSP/LaPAC/bidlist.asp?department=4>
3. All communications relating to this RFP must be directed to the DHH RFP Coordinator named above. All communications between Proposers and other DHH staff members concerning this RFP shall be strictly prohibited. Failure to comply with these requirements shall result in proposal disqualification.

E. Proposers Inquiries

1. DHH will consider written inquiries regarding the requirements of the RFP or Scope of Services to be provided before the date specified in the Schedule of Events. To be considered, written inquiries and requests for clarification of

the content of this RFP must be received at the above address or via the above fax number or email address by the date specified in the Schedule of Events. Any and all questions directed to the RFP coordinator will be deemed to require an official response and a copy of all questions and answers will be posted by the date specified in the Schedule of Events to both of the following web links:

<http://new.dhh.louisiana.gov/index.cfm/newsroom/category/47> and
<http://wwwprd.doa.louisiana.gov/OSP/LaPAC/bidlist.asp?department=4>

2. Action taken as a result of verbal discussion shall not be binding on the Department. Only written communication and clarification from the RFP Coordinator shall be considered binding.

F. Pre-Proposal Conference

Not required for this RFP.

G. Schedule of Events

DHH reserves the right to deviate from this Schedule of Events

Schedule of Events	
Public Notice of RFP	March 24, 2011
Deadline for Receipt of Written Questions	April 7, 2011 4:00 pm CDT
Response to Written Questions	April 14, 2011
Deadline for Receipt of Written Proposals	April 25 , 2011 4:00 pm CDT
Proposal Evaluation Begins	April 27, 2011
Contract Award Announced	May 20, 2011
Contract Negotiations Begin	May 20, 2011
Contract Begins	July 1, 2011

H. RFP Addenda

In the event it becomes necessary to revise any portion of the RFP for any reason, DHH shall post addenda, supplements, and/or amendments to all potential proposers known to have received the RFP. Additionally, all such supplements shall be posted at the following web address:

<http://new.dhh.louisiana.gov/index.cfm/newsroom/category/47> and
<http://wwwprd.doa.louisiana.gov/OSP/LaPAC/bidlist.asp?department=4>

It is the responsibility of the proposer to check the websites for addenda to the RFP, if any.

II. SCOPE OF WORK

A. Project Overview

By contracting with an EQRO, the Department seeks to achieve the following objectives:

1. Conduct readiness reviews for prospective CCNs
2. Conduct annual reviews for CCNs
3. Assure quality of data collected from CCNs;
4. Achieve measurable improvements in the health status of the CCNs enrollees;
5. Assure that CCN enrollees have access to and the availability of an adequate network;
6. Narrow the gap between evidence-based recommendations/standards of care and actual practice; and
7. Facilitate collaboration among CCNs and between CCNs and their common provider networks on shared, focused quality improvement goals.
8. Identify CCN-P activities that meet Department of Health and Human Services (HHS) requirements to be included in Medical Loss Ratio (MLR) calculations as quality improvement activities.

The federal Centers for Medicare and Medicaid Services (CMS) have issued protocols for EQROs to use as guidance when undertaking the mandatory and optional tasks for external quality reviews. Included are protocols for validating performance measures, calculating performance measures, validating performance improvement projects, validating consumer and provider surveys and validating encounter data. The Contractor shall become familiar with the EQRO proposed federal rules and protocols. The protocols can be accessed electronically in the procurement library at:

<http://new.dhh.louisiana.gov/index.cfm/newsroom/category/47> or
https://www.cms.gov/MedicaidCHIPQualPrac/07_Tools_Tips_and_Protocols.asp.

B. Project Outline

1. The Contractor shall:
 - a. Conduct Readiness Reviews for prospective CCNs (CCN-P and CCN-S) prior to CCN enrollment).
 - b. Perform specified EQR activities related to the CCNs annually:

- i. Desk review of all policies and procedures, program descriptions, committee minutes, manuals, handbooks, and quality data;
 - ii. On-site visit conducted in the CCN office to review credentialing files, medical records, conduct staff interviews and provide feedback.
 - iii. Validate performance improvement projects (PIP) required by the State;
 - iv. Validate performance measures (PM) required by the State;
 - v. Review CCN's compliance with State's standards for access to care, structure and operations, and quality measurement and improvement;
 - vi. Assess systems information capabilities for CCN-Ps;
 - vii. Validate encounter data for CCN-Ps;
 - viii. Validate consumer and provider surveys on quality of care;
 - ix. Provide technical assistance to CCNs
 - Develop the Quality Companion Guide.
 - Annually conduct a comparison study of all CCNs.
- c. Determine CCN-P Quality Activities that meet MLR requirements.

C. Deliverables

1. Programmatic Requirements

- a. The Contractor shall conduct Readiness Reviews for all CCNs:
 - i. The Contractor shall conduct a comprehensive Readiness Review to evaluate each prospective CCN's compliance with DHH's contract requirements for CCNs. This review shall be conducted before DHH has approved the CCN's Contract and will be divided into two segments: a desk review of materials and documents and an on-site visit to review those areas not covered in the desk review.
 - ii. The Contractor will submit a written report of review findings to DHH within 7 business days after completion of each CCN review. This report shall address any CCN deficiencies requiring corrective action.
 - iii. The Contractor shall develop review criteria/tools to be used during readiness reviews. These tools shall be submitted to DHH for approval within thirty (30) days of EQRO contract implementation.
 - iv. The Contractor shall schedule a conference call/discussion with each CCN in conjunction with DHH to describe the process (both document review and on-site review) and detail the topics of the upcoming review. DHH approved review criteria/tools shall be shared in advance with each CCN to ensure adequate preparation and discussion.

- b. The Contractor shall conduct desk reviews and on-site visits for all CCNs annually which shall include the following tasks:
 - i. Desk review of all policies and procedures, program descriptions, committee minutes, manuals, handbooks, and quality data;
 - ii. On-site visit conducted in the CCN office to review credentialing files, medical records, conduct staff interviews and provide feedback.
- c. The Contractor shall validate each CCN's Performance Improvement Projects (PIP) .

The Contractor shall follow CMS's most current *Validating Performance Improvement Projects* protocol. The current *Validating Performance Improvement Projects* protocol is located in the electronic procurement library and

[https://www.cms.gov/MedicaidCHIPQualPrac/07 Tools Tips and Protocols.asp](https://www.cms.gov/MedicaidCHIPQualPrac/07_Tools_Tips_and_Protocols.asp).

The Contractor shall validate all PIPs annually. This protocol describes the following three activities that the Contractor shall undertake in validating PIPs:

- i. Assess the CCN's methodology for conducting the PIP,
 - ii. Verify actual PIP study findings, and
 - iii. Evaluate overall validity and reliability of study results.
- d. The Contractor shall validate each CCN's Performance Measures (PM).

The Contractor shall follow CMS's most current *Validating Performance Measures* protocol. The current *Validating Performance Measures* protocol is located in the electronic procurement library and

[https://www.cms.gov/MedicaidCHIPQualPrac/07 Tools Tips and Protocols.asp](https://www.cms.gov/MedicaidCHIPQualPrac/07_Tools_Tips_and_Protocols.asp).

The Contractor must validate Performance Measures annually. This protocol addresses the following three activities that the Contractor shall undertake in validating PM:

- i. Review the data management processes of the CCN,
 - ii. Evaluate algorithmic compliance (the translation of captured data into actual statistics) with specifications defined by DHH,
 - iii. Verify performance measures to confirm that the reported results are based on accurate source information.
- e. The Contractor shall review each CCN's compliance with DHH's standards for access to care, structure and operations, and quality measurement and improvement.

The Contractor must follow CMS's most current *Monitoring Medicaid Managed Care Organization (MCOs) and PrePaid Inpatient Health Plans (PIHPs): A protocol for determining compliance with Medicaid Managed Care Proposed Regulations at 42 CFR Parts 400, 430, et al.*. The current protocol is located in the electronic procurement library and

https://www.cms.gov/MedicaidCHIPQualPrac/07_Tools_Tips_and_Protocols.asp.

The Contractor shall validate CCN compliance annually. The Contractor shall perform the following seven activities that comprise this protocol:

- i. Planning for compliance monitoring activities,
 - ii. Obtaining background information from DHH,
 - iii. Documenting review,
 - iv. Conducting interviews,
 - v. Collecting any other accessory information (e.g., from site visits),
 - vi. Analyzing and compiling findings, and
 - vii. Reporting results to DHH.
- f. The Contractor shall implement the deeming option as allowed in 42 CFR §438.360. The Contractor shall use the CFR as the authoritative source of requirements against the CCNs' accreditation standards. To determine comparability, the Contractor shall assess whether each accreditation standard meets the relevant CFR in entirety or parts. To ensure DHHs compliance with CMS requirements, and for the related standard to be exempt from review, the CCN's score on the accreditation standard/element must be 100 percent of the point value during the most recent accreditation survey (within a recent 3 year period). Otherwise, the CCN will be subject to a full review of the standard by the EQRO.
- g. The Contractor shall assess CCN-P information systems capabilities.

The Contractor must follow CMS's *Information Systems Capabilities Assessment for Managed Care Organizations and Prepaid Health Plans: An Appendix to the External Quality Review Activity Protocols*. The current protocol is located in the electronic procurement library and

https://www.cms.gov/MedicaidCHIPQualPrac/07_Tools_Tips_and_Protocols.asp.

The Contractor shall validate CCN-P information systems capabilities annually. The protocol consists of the following four activities that the Contractor shall perform:

- i. Collection of standard information about each CCN's information system,
- ii. Review of collected information,
- iii. Follow-up interviews with CCN staff,

- iv. Analysis of information obtained and follow-up interviews.
- h. The Contractor shall validate CCN-P encounter data.

The Contractor must follow CMS's most current *Validating Encounter Data*. The current protocol is located in the electronic procurement library and

[https://www.cms.gov/MedicaidCHIPQualPrac/07 Tools Tips and Protocols.asp](https://www.cms.gov/MedicaidCHIPQualPrac/07_Tools_Tips_and_Protocols.asp).

The Contractor shall validate CCN-P encounter data annually. The protocol consists of the following five sequential activities that the Contractor shall perform:

- i. Review DHH requirements for collection and submission of encounter data,
 - ii. Review CCN's capability to produce accurate and complete encounter data,
 - iii. Analyze CCN electronic encounter data for accuracy and completeness,
 - iv. Review medical records, as appropriate, for additional confirmation of findings, and
 - v. Submission of findings
- i. The Contractor shall validate each CCN's consumer and provider surveys on quality of care.

The Contractor must follow CMS's most current *Administering or Validating Surveys*. The current protocol is located in the electronic procurement library and

[https://www.cms.gov/MedicaidCHIPQualPrac/07 Tools Tips and Protocols.asp](https://www.cms.gov/MedicaidCHIPQualPrac/07_Tools_Tips_and_Protocols.asp).

The Contractor shall validate CCN consumer and provider surveys annually. The protocol specifies the following seven activities that the Contractor must undertake to assess the methodological soundness of a given survey:

- i. Review survey purpose(s) and objective(s),
- ii. Review intended survey audience(s),
- iii. Assess the reliability and validity of the survey instrument,
- iv. Assess the sampling plan,
- v. Assess the adequacy of the response rate,
- vi. Review survey data analysis and findings/conclusions, and
- vii. Document evaluation of survey.

- j. The Contractor shall provide technical assistance to all CCNs.
 - i. The Contractor shall provide on-going technical assistance to the CCN's Quality Improvement staff as they attempt to fulfill their quality of care obligations with DHH. Technical assistance shall include, but not be limited to, performance improvement project development and implementation, performance measure support, and the development of a Quality Companion Guide. The Quality Companion Guide shall include, but is not limited to, written instruction for performance improvement projects, performance measure specifications and validation processes. The Quality Companion Guide shall be submitted to DHH for approval within sixty (60) days of contract implementation.
 - ii. The Contractor shall conduct a comparison study of all CCN's performance measures annually.
- k. The Contractor shall identify CCN-P activities that meet Department of Health and Services (HHS) requirements to be included in Medical Loss Ratio (MLR) calculations as quality improvement activities;
 - i. The Contractor shall review and identify activities of each CCN-P that improve health care quality as recommended by the National Association of Insurance Commissioners (NAIC) and as adopted by HHS in §§ 158.10 through 158.151 of the Federal Register, Vol.75, No. 230, December 1, 2010. (<http://www.gpo.gov/fdsys/pkg/FR-2010-12-01/pdf/2010-29596.pdf>)
 - ii. The Contractor shall submit a MLR Quality Activities Report annually to DHH by June 30, beginning the year after CCN implementation.

2. Operations Requirements

a. Contract Requirements

- i. The Contractor shall electronically submit all internal procedures, written material, including all manuals, policies, and procedures related to the contract. This information shall be submitted to DHH for approval within thirty (30) calendar days after the contract approval date and thirty (30) calendar days prior to subsequent changes.
- ii. The Contract Monitor shall be notified at least two (2) weeks in advance of all scheduled meetings involving DHH.
- iii. To prepare each CCN for an annual review, the Contractor must schedule a conference call/discussion with management staff of

each CCN in conjunction with DHH to describe the process (both document review and on-site interviews/discussions) and detail the topics to be reviewed. Review criteria/tools, as approved by DHH, will be shared by the Contractor in advance with each CCN to ensure adequate preparation and discussion.

- iv. The Contractor shall coordinate, host and participate in regularly scheduled quarterly meetings provided to CCNs to disseminate information pertaining to quality measures, quality improvement, and other topics specific to quality issues as requested by DHH. Quarterly Quality meetings shall be accessible to CCNs in-person, via teleconference, and/or via webinar. Meeting minutes of these quarterly meetings will be provided to DHH within ten (10) business days following each meeting.
- v. The Contractor shall attend and participate in each CCN's Quality Assessment and Performance Improvement (QAPI) Committee quarterly meetings as requested by DHH or the CCN.

3. Staffing Requirements/Qualifications

- a. The EQRO must meet the following requirements of 42 CFR § 438.354 located at http://edocket.access.gpo.gov/cfr_2006/octqtr/pdf/42cfr438.354.pdf.

The EQRO shall have:

- i. Staff with demonstrated experience and knowledge of:
 - Medicaid recipients, policies, data systems, and processes;
 - Managed care delivery systems, organizations, and financing;
 - Quality assessment and improvement methods; and
 - Research design and methodology, including statistical analysis.
 - ii. Sufficient physical, technological, and financial resources to conduct EQR or EQR-related activities.
 - iii. Other clinical and non-clinical skills necessary to carry out EQR or EQR-related activities and to oversee the work of any subcontractors.
- b. The Contractor shall provide sufficient administrative and organizational staff to implement the provisions and requirements of the contract and for fulfillment of the contractual obligations.
 - c. The Contractor shall ensure that all staff has the training, education, experience and orientation to conduct activities under the contract resulting from this RFP.

- d. The Contractor shall conduct National Background Checks on all staff
- i. All temporary, permanent, subcontracted, part-time and full-time Contractor staff working on Louisiana Medicaid contracts must have a national criminal background check within the twelve months prior to starting work on the contract. The results shall include all felony convictions and shall be submitted to DHH for review prior to the staff's start of work on the contract.
 - ii. Any employee with a background unacceptable to DHH must be prohibited from working on this contract or immediately removed from the project by the Contractor. Examples of felony convictions that are unacceptable include but are not limited to those convictions that represent a potential risk to the security of data systems and/or Protected Health Information (PHI), potential for healthcare fraud, or pose a risk to the safety of Department employees.
 - iii. The national criminal background checks must also be performed every two (2) years for all temporary, permanent, subcontracted, part-time and full-time Contractor staff working on this contract beginning with the 25th month following contract affective date. The Contractor will be responsible for all costs to conduct the criminal background checks.
 - iv. The Contractor shall provide the results of the background checks, in a report upon its completion, to DHH on only those employees currently employed on the contract. The format of the report shall be approved by DHH and shall include all copies of background checks as an appendix to the report.
 - v. The Contractor must ensure that all entities or individuals, whether defined as "Key Personnel" or not, performing services under this contract are not "Ineligible Persons" to participate in the Federal health care programs or in Federal procurement or non-procurement programs or have been convicted of a criminal offense that falls within the ambit of 42 U.S.C 1320a-7(a), but has not yet been excluded, debarred, suspended, or otherwise declared ineligible. Exclusion lists include the Department of Health and Human Services/ Office of Inspector General List of Excluded Individuals/Entities (available via the internet at <http://www.oig.hhs.gov>) and the General Services Administration's List of Parties Excluded from Federal Programs (available via the Internet at <http://www.epls.gov>).
 - vi. All temporary, permanent, subcontracted, part-time and full-time Contractor staff working on this contract must complete an annual

statement that includes an acknowledgement of confidentiality requirements and a declaration as to whether the individual has been convicted of a felony crime or has been determined an “Ineligible Person” to participate in Federal healthcare programs or in Federal procurement or non-procurement programs.

- vii.** The Contractor shall keep the individual statements on file and submit a comprehensive list of all current staff in an annual statement to DHH, indicating if the staff stated they were free of convictions or ineligibility referenced above.
- viii.** If the Contractor has actual notice that any temporary, permanent, subcontracted, part-time, or full-time Contractor staff has become an “Ineligible Person” the Contractor shall remove said personnel immediately from any work related to this contract and notify DHH on the same date the notice of a conviction or ineligibility is received. For felony convictions, DHH will determine if the individual should be removed from the contract project permanently.
- e.** The Contractor must notify DHH within ten (10) business days in the event of any changes to key staff. The Contractor must replace within sixty (60) days any of the key staff with a person of equivalent experience, knowledge and talent.

4. Record Keeping Requirements

Contractor shall retain all books, records and other documents relevant to the contract and funds expended there under for at least four (4) years after final payment or as prescribed in 45 CFR 74:53 (b) whichever is longer. Contractor shall make available to DHH such records within thirty (30) days of DHH’s written request and shall deliver such records to DHH’s central office in Baton Rouge, Louisiana, all without expense to DHH. Contractor shall allow DHH to inspect, audit or copy records at the contractor’s site, without expense to DHH.

5. Reporting Requirements

- a.** Reports defined and approved by DHH to be generated by the Contractor shall meet all State and Federal reporting requirements. The needs of DHH and other appropriate agencies for planning, monitoring and evaluation shall be taken into account when developing report formats and compiling data. Upon request by DHH, the Contractor shall also produce a minimum of twelve (12) ad-hoc reports in cooperation with other Federal and/or State agencies.

- b.** The Contractor shall submit monthly reports by the tenth (10th) calendar day of the month following the reporting month. Any weekly reports shall be submitted by the Wednesday following the end of the reporting week. Reports to be generated shall not be limited to those listed below and shall include additional categories as required for State and Federal reports and as described in the Scope of Work.
- c.** The Contractor shall provide DHH with written reports that are clear, concise and useful for the audience for whom they are intended. The reports shall be composed in a manner consistent with DHH specifications and with the Contractor's stated criteria. All reports shall be provided in electronic formats compatible with software applications in use by DHH (i.e., MS WORD, Excel, etc.) as well as in hard copy, as specified by DHH. The Contractor shall be responsible for assuring that it completely understands the specifications and requirements for all reporting and other activities under the contract. Where required, the Contractor shall provide supporting documents such as report appendices.
- d.** The Contractor shall provide DHH with a tracking report of progress on the readiness reviews. This tracking report shall include review progress of each CCN and areas of concern in the form of a brief summary with dates and expectations for completing specified activities. This report shall be initiated at the time of the initial outreach to the CCNs and updated bi-weekly. This report shall be submitted electronically.
- e.** The Contractor shall submit a complete readiness review report within 7 business days after completion of the CCN site visit. This report shall be submitted electronically.
- f.** The Contractor must electronically submit the following information to DHH within thirty (30) days after the completion of the annual review of each CCN:

 - i.** A detailed technical report that describes the manner in which the data from all activities conducted was aggregated and analyzed, and the conclusions drawn as to the quality, timeliness, and access to care furnished by each CCN. The report must include the following for each activity conducted:

 - Objectives;
 - Technical methods of data collection and analysis;
 - Description of data obtained; and
 - Conclusions drawn from the data.
 - Problems encountered in performing the review;

- Recommendation, if applicable, for modifications to the review process; and
 - Suggested follow-up activity;
- ii. An assessment of each CCN's strengths and weaknesses with respect to the quality, timeliness, and access to health care services furnished to Medicaid recipients;
 - iii. Recommendations for improving the quality of health care services furnished by the CCN;
 - iv. As determined by DHH, methodologically appropriate, comparative information about all CCNs (CCN-Ps and CCN-Ss) operating within Louisiana;
 - v. An assessment of the degree to which a CCN has effectively addressed the recommendations for quality improvement made by the EQRO during the previous year's EQR.
- g. The Contractor shall provide DHH with a tracking report of progress on annual reviews. This tracking report will include review progress by CCN and areas of concern. The tracking report will consist of a brief summary with dates and expectations for completing specified activities. This report shall be transmitted electronically and updated bi-weekly.
 - h. The Contractor shall submit a MLR Quality Activities Report annually to DHH by June 30, beginning the year after CCN-P implementation.

6. Transition Plan

- a. The Contractor shall comply with the transition/takeover plan which outlines the procedures and timelines to ensure continuity of services in the event of contract termination or subsequent contract award to different vendor. The transition/takeover plan requires the Contractor, at a minimum, to comply with the following stipulations:
 - i. Upon completion of the contract or if terminated earlier, all records, reports, work sheets or any other pertinent materials related to the execution of the contract shall become the property of DHH;
 - ii. In the event of contract termination, or as requested, the Contractor shall transfer all data and non-proprietary systems to DHH or new vendor within the agreed upon time frame;
- b. The transition/takeover plan must be adhered to within thirty (30) calendar days of written notification of contract termination, unless other

appropriate time frames have been mutually agreed upon by both the Contractor and DHH.

D. Liquidated Damages

1. In the event the Contractor fails to meet the performance standards specified within the contract, the liquidated damages defined below may be assessed. If assessed, the liquidated damages will be used to reduce DHH's payments to the Contractor or if the liquidated damages exceed amounts due from DHH, the Contractor will be required to make cash payments for the excess amount.
 - a. Late submission of any required report - \$1000 per business day, per report.
 - b. Failure to fill vacant contractually required key staff positions within 90 days - \$500 per business day from 91st day of vacancy until filled with an employee approved by DHH.
 - c. Late submission of invoices beginning 10 business days after the stated due date - \$500 per business day per invoice.
 - d. For each day that each deliverable is late, incorrect or deficient, the Contractor shall be liable to DHH for liquidated damages in an amount not to exceed \$1500 per business day per deliverable.
2. The decision to impose liquidated damages shall include consideration of some or all of the following factors:
 - a. The duration of the violation;
 - b. Whether the violation (or one that is substantially similar) has previously occurred;
 - c. The Contractor's history of compliance;
 - d. The severity of the violation and whether it imposes an immediate threat to the health or safety of the consumers; and
 - e. The "good faith" exercised by the Contractor in attempting to stay in compliance.

E. Fraud and Abuse

1. The Contractor shall have internal controls and policies and procedures in place that are designed to prevent, detect, and report known or suspected fraud and abuse activities.
2. Such policies and procedures must be in accordance with state and federal regulations. Contractor shall have adequate staffing and resources to investigate unusual incidents and develop and implement corrective action plans to assist the Contractor in preventing and detecting potential fraud and abuse activities.

F. Technical Requirements

The Contractor must maintain hardware and software compatible with current DHH requirements which are as follows:

- IBM compatible PC,
 - Pentium 4, Celeron or equivalent processor (or compatible successors),
 - 2 Gig of RAM memory,
 - Enough spare USB ports to accommodate thumb drives, etc.
 - 10 Gig free hard drive space (suggest 80 Gig hard drive for the system);
 - Ethernet LAN interface for laptop and desktop PCs
 - Color monitor;
 - Printer compatible with hardware and software required;
 - High speed internet with email;
 - CD ROM;
 - Windows XP, SP3 or later version of operating system (minimum);
 - Windows Internet Explorer 7.0 (or later)
 - Microsoft Office 2003 or later;
 - Appropriate firewalls for internet security.
 - Compliant with industry-standard physical and procedural safeguards for confidential information (NIST 800-53A, ISO 17788, etc.).
1. The Contractor shall collaborate with DHH's fiscal intermediary (FI), University of Louisiana Monroe College of Pharmacy (ULM) and with CCNs in order to obtain the necessary information to perform deliverables;
 2. The Contractor shall be responsible for all initial and recurring costs required for access to DHH system(s), as well as DHH access to the Contractor's system(s). These costs include, but are not limited to, hardware, software, licensing, authority/permission to utilize any patents, annual maintenance, support, and connectivity with DHH and the Fiscal Intermediary;
 3. The Contractor shall have the capability to securely transfer or exchange data with DHH, in the requested formats, within the timelines approved by DHH and specified in the contract. The Contractor shall have the capability to interface with existing and future systems, such as the planned implementation of a new Medicaid Management Information System (MMIS);
 4. The Contractor shall test and maintain a Disaster Recovery and Business Continuity Plan (DR/BCP) and procedures to allow it to continue to deliver essential business functions despite damage, loss or disruption of information technology due to the unexpected occurrence of a natural or man-made emergency or disaster. The plans shall include: Risk Assessment, Business Impact Analysis, Alignment to Business Strategy, Alignment to Business Continuity Strategy, and Testing and Updating Plans.;

5. Any changes to the DR/BCP must be submitted to DHH for review and approval prior to effecting the change.

G. Subcontracting

The contractor shall not contract with any other party for furnishing any of the work and professional services required by the contract without the express prior written approval of DHH. The contractor shall not substitute any subcontractor without the prior written approval of DHH. For subcontractor(s), before commencing work, the contractor will provide letters of agreement, contracts or other forms of commitment which demonstrates that all requirements pertaining to the contractor will be satisfied by all subcontractors through the following:

1. The subcontractor(s) will provide a written commitment to accept all contract provisions.
2. The subcontractor(s) will provide a written commitment to adhere to an established system of accounting and financial controls adequate to permit the effective administration of the contract.

H. Insurance Requirements

Insurance shall be placed with insurers with an A.M. Best's rating of no less than A-VI. This rating requirement shall be waived for Worker's Compensation coverage only.

1. Contractor's Insurance

The Contractor shall not commence work under this contract until it has obtained all insurance required herein. Certificates of Insurance, fully executed by officers of the Insurance Company shall be filed with DHH for approval. The Contractor shall not allow any subcontractor to commence work on subcontract until all similar insurance required for the subcontractor has been obtained and approved. If so requested, the Contractor shall also submit copies of insurance policies for inspection and approval of DHH before work is commenced. Said policies shall not be canceled, permitted to expire, or be changed without thirty (30) days notice in advance to DHH and consented to by DHH in writing and the policies shall so provide.

2. Compensation Insurance

Before any work is commenced, the Contractor shall obtain and maintain during the life of the contract, Workers' Compensation Insurance for all of the Contractor's employees employed to provide services under the contract. In case any work is sublet, the Contractor shall require the subcontractor similarly to provide Workers' Compensation Insurance for all the latter's employees, unless such employees are covered by the protection afforded by the Contractor. In case any class of employees engaged in work under the contract at the site of the project is not protected under the Workers' Compensation Statute, the Contractor shall provide for any such employees, and shall further provide or cause any and all subcontractors to provide

Employer's Liability Insurance for the protection of such employees not protected by the Workers' Compensation Statute.

3. Commercial General Liability Insurance

The Contractor shall maintain during the life of the contract such Commercial General Liability Insurance which shall protect Contractor, DHH, and any subcontractor during the performance of work covered by the contract from claims or damages for personal injury, including accidental death, as well as for claims for property damages, which may arise from operations under the contract, whether such operations be by the Contractor or by a subcontractor, or by anyone directly or indirectly employed by either of them, or in such a manner as to impose liability to DHH. Such insurance shall name DHH as additional insured for claims arising from or as the result of the operations of the Contractor or its subcontractors. In the absence of specific regulations, the amount of coverage shall be as follows: Commercial General Liability Insurance, including bodily injury, property damage and contractual liability, with combined single limits of \$1,000,000.

4. Insurance Covering Special Hazards

Special hazards as determined by DHH shall be covered by rider or riders in the Commercial General Liability Insurance Policy or policies herein elsewhere required to be furnished by the Contractor, or by separate policies of insurance in the amounts as defined in any Special Conditions of the contract included therewith.

5. Licensed and Non-Licensed Motor Vehicles

The Contractor shall maintain during the life of the contract, Automobile Liability Insurance in an amount not less than combined single limits of \$1,000,000 per occurrence for bodily injury/property damage. Such insurance shall cover the use of any non-licensed motor vehicles engaged in operations within the terms of the contract on the site of the work to be performed there under, unless such coverage is included in insurance elsewhere specified.

6. Subcontractor's Insurance

The Contractor shall require that any and all subcontractors, which are not protected under the Contractor's own insurance policies, take and maintain insurance of the same nature and in the same amounts as required of the Contractor.

I. Resources Available to Contractor

The BHSF/ MCCS will have an assigned staff member who will be responsible for primary oversight of the contract. This individual will schedule meetings to discuss progress of activities, and problems identified.

J. Contact Personnel

All work performed by the contractor will be monitored by the contract monitor:

Rhonda Baird, RN
Medicaid Program Manager or Contract Monitor
Medicaid Program Monitor
BHSF/Medicaid Coordinated Care Section
Bienville Building
628 North 4th St.
Baton Rouge, LA 70802

K. Term of Contract

The contract shall commence on or near the date approximated in the Schedule of Events. The term of this contract is for a period of thirty-six (36) months. The continuation of this contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of the contract.

L. Payment Terms

The contractor shall submit deliverables in accordance with established timelines and shall submit itemized invoices monthly or as defined in the contract terms. Payment of invoices is subject to approval of the contract monitor.

III. PROPOSALS

A. General Information

This section outlines the provisions which govern determination of compliance of each proposer's response to the RFP. DHH shall determine, at its sole discretion, whether or not the requirements have been reasonably met. Omissions of required information shall be grounds for rejection of the proposal by DHH.

B. Contact After Solicitation Deadline

After the date for receipt of proposals, no proposer-initiated contact relative to the solicitation will be allowed between the proposers and DHH until an award is made.

C. Rejection and Cancellation

Issuance of this solicitation does not constitute a commitment by DHH to award a contract or contracts. DHH reserves the right to reject all proposals received in response to this solicitation.

In accordance with the provisions of R.S. 39:2182, in awarding contracts after August 15, 2010, any public entity is authorized to reject a proposal or bid from, or not award the contract to, a business in which any individual with an ownership interest of five percent or more, has been convicted of, or has entered a plea of guilty or nolo contendere to any state felony or equivalent federal felony

crime committed in the solicitation or execution of a contract or bid awarded under the laws governing public contracts under the provisions of Chapter 10 of Title 38 of the Louisiana Revised Statutes of 1950, professional, personal, consulting, and social services procurement under the provisions of Chapter 16 of this Title, or the Louisiana Procurement Code under the provisions of Chapter 17 of this Title.

D. Code of Ethics

Proposers are responsible for determining that there will be no conflict or violation of the Ethics Code if their company is awarded the contract. The Louisiana Board of Ethics is the only entity which can officially rule on ethics issues.

E. Award Without Discussion

The Secretary of DHH reserves the right to make an award without presentations by proposers or further discussion of proposals received.

F. Assignments

Any assignment, pledge, joint venture, hypothecation of right or responsibility to any person, firm or corporation should be fully explained and detailed in the proposal. Information as to the experience and qualifications of proposed subcontractors or joint ventures should be included in the proposal. In addition, written commitments from any subcontractors or joint ventures should be included as part of the proposal.

G. Errors and Omissions

The State reserves the right to make corrections due to minor errors of proposer identified in the proposal by State or the proposer. The State, at its option, has the right to request clarification or additional information from proposer.

H. Proposal Cost

The proposer assumes sole responsibility for any and all costs associated with the preparation and reproduction of any proposal submitted in response to this RFP, and shall not include this cost or any portion thereof in the proposed contract price.

I. Ownership of Proposal

All proposals become the property of DHH and will not be returned to the proposer. DHH retains the right to use any and all ideas or adaptations of ideas contained in any proposal received in response to this solicitation. Selection or rejection of the offer will not affect this right. Once a contract is awarded, all proposals will become subject to the Louisiana Public Records Act.

J. Procurement Library/Resources Available To Proposer

Relevant material related to this RFP will be posted at the following web address:

K. Proposal Submission

1. All proposals must be received by the due date and time indicated on the Schedule of Events. Proposals received after the due date and time will not be considered. It is the sole responsibility of each proposer to assure that its proposal is delivered at the specified location prior to the deadline. Proposals which, for any reason, are not so delivered will not be considered.
2. Proposer shall submit one (1) original hard copy and should submit one (1) electronic copy (flash drive or cd) and ten (10) hard copies of each proposal. Facsimile or emailed proposals will not be accepted. The cost proposal and financial statements should be submitted separately from the technical proposal; however, for mailing purposes, all packages may be shipped in one container.
3. Proposals must be submitted via U.S. mail, courier or hand delivered to:

If courier mail or hand delivered:

Mary Gonzalez
Department of Health and Hospitals
Division of Contracts and Procurement Support
628 N 4th Street, 5th Floor
Baton Rouge, LA 70802

If delivered via US Mail:

Mary Gonzalez
Department of Health and Hospitals
Division of Contracts and Procurement Support
P.O. Box 1526
Baton Rouge, LA 70821-1526

L. Proprietary and/or Confidential Information

1. The designation of certain information as trade secrets and/or privileged or confidential proprietary information shall only apply to the technical portion of the proposal. The cost proposal will not be considered confidential under any circumstances. Any proposal copyrighted or marked as confidential or proprietary in its entirety may be rejected without further consideration or recourse.
2. For the purposes of this RFP, the provisions of the Louisiana Public Records Act (La. R.S. 44.1 et. seq.) will be in effect. Pursuant to this Act, all proceedings, records, contracts, and other public documents relating to this RFP shall be open to public inspection. Proposers are reminded that while trade secrets and other proprietary information submitted in conjunction with this RFP may not be subject to public disclosure, protections must be claimed

by the proposer at the time of submission of its Technical Proposal. Proposers should refer to the Louisiana Public Records Act for further clarification.

3. The proposer must clearly designate the part of the proposal that contains a trade secret and/or privileged or confidential proprietary information as “confidential” in order to claim protection, if any, from disclosure. The proposer shall mark the cover sheet of the proposal with the following legend, specifying the specific section(s) of the proposal sought to be restricted in accordance with the conditions of the legend:

“The data contained in pages _____ of the proposal have been submitted in confidence and contain trade secrets and/or privileged or confidential information and such data shall only be disclosed for evaluation purposes, provided that if a contract is awarded to this proposer as a result of or in connection with the submission of this proposal, the State of Louisiana shall have the right to use or disclose the data therein to the extent provided in the contract. This restriction does not limit the State of Louisiana’s right to use or disclose data obtained from any source, including the proposer, without restrictions.”

4. Further, to protect such data, each page containing such data shall be specifically identified and marked “CONFIDENTIAL”.
5. Proposers must be prepared to defend the reasons why the material should be held confidential. If a competing proposer or other person seeks review or copies of another proposer's confidential data, DHH will notify the owner of the asserted data of the request. If the owner of the asserted data does not want the information disclosed, it must take legal action as necessary to restrain DHH from releasing information DHH believes to be public record.
6. **If the proposal contains confidential information, a redacted copy of the proposal must be submitted.** If a redacted copy is not submitted, DHH may consider the entire proposal to be public record. When submitting the redacted copy, it should be clearly marked on the cover as - “REDACTED COPY”. The redacted copy should also state which sections or information has been removed.”
7. Any proposal marked as confidential or proprietary in its entirety may be rejected without further consideration or recourse.

M. Proposal Format

1. An item-by-item response to the Request for Proposals is requested.
2. There is no intent to limit the content of the proposals, and proposers may include any additional information deemed pertinent. Emphasis should be on

simple, straightforward and concise statements of the proposer's ability to satisfy the requirements of the RFP.

N. Requested Proposal Outline:

- Introduction/Administrative Data
- Work Plan/Project Execution
- Relevant Corporate Experience
- Personnel Qualifications
- Additional Information
- Corporate Financial Condition
- Cost and Pricing Analysis

O. Proposal Content

1. Proposals should include information that will assist DHH in determining the level of quality and timeliness that may be expected. DHH shall determine, at its sole discretion, whether or not the RFP provisions have been reasonably met. The proposal should describe the background and capabilities of the proposer, give details on how the services will be provided, and shall include a breakdown of proposed costs. Work samples may be included as part of the proposal.
2. Proposals should address how the proposer intends to assume complete responsibility for timely performance of all contractual responsibilities in accordance with federal and state laws, regulations, policies, and procedures.
3. Proposals should define proposer's functional approach in providing services and identify the tasks necessary to meet the RFP requirements of the provision of services, as outlined in Section II.
4. Introduction/Administrative Data
 - a. The introductory section should contain summary information about the proposer's organization. This section should state proposer's knowledge and understanding of the needs and objectives of DHH's BHSF, Medicaid Coordinated Care Section as related to the scope of this RFP. It should further cite its ability to satisfy provisions of the Request for Proposal.
 - b. This introductory section should include a description of how the proposer's organizational components communicate and work together in both an administrative and functional capacity from the top down. This section should contain a brief summary setting out the proposer's management philosophy including, but not limited to, the role of Quality Control, Professional Practices, Supervision, Distribution of Work and Communication Systems. This section should include an organizational chart displaying the proposer's overall structure.

c. This section should also include the following information:

- i. Location of Active Office with Full Time Personnel, include all office locations (address) with full time personnel.
 - ii. Name and address of principal officer;
 - iii. Name and address for purpose of issuing checks and/or drafts;
 - iv. For corporations, a statement listing name(s) and address(es) of principal owners who hold five percent interest or more in the corporation.
 - v. If out-of-state proposer, give name and address of local representative; if none, so state;
 - vi. If any of the proposer's personnel named is a current or former Louisiana state employee, indicate the Agency where employed, position, title, termination date, and social security number;
 - vii. If the proposer was engaged by DHH within the past twenty-four (24) months, indicate the contract number and/or any other information available to identify the engagement; if not, so state; and
 - viii. Proposer's state and federal tax identification numbers.
- d. The following information **must** be included in the proposal
- i. Certification Statement: The proposer must sign and submit the attached Certification Statement (See Attachment I).
 - ii. Transition/Takeover Plan (See Section II,B, #6)
 - iii. DR/BCP (See Section II, F, #5 and #6)
 - iv. MLR Quality Activities Report (See Section II, B, #5, h)
 - v. Readiness Review Tracking Report (See Section II, C, #5, d).
 - vi. Annual Review Tracking Report (See Section II, C, #5, g).

5. Work Plan/Project Execution

The proposer should articulate an understanding of and the ability to effectively implement services as outlined within Section II of the RFP. In this section the proposer should state the approach it intends to use in achieving each objective of the project as outlined, including a project work plan and schedule for implementation. In particular, the proposer should:

- a. Provide a written explanation of the organizational structures of both operations and program administration, and how those structures will support service implementation. Individual components should include plans for supervision, training, technical assistance, as well as collaboration as appropriate.
- b. Provide a strategic overview including all elements to be provided.

- c. Demonstrate an ability to hire staff with the necessary experience and skill set that will enable them to effectively meet the needs of consumers served.
- d. Demonstrate an understanding of, and ability to implement, the various types of organizational strategies to be integrated within the day to day operations, which are critical in organizing their functioning and maximizing productivity.
- e. Demonstrate knowledge of services to be provided and effective strategies to achieve objectives and effective service delivery.
- f. Describe approach and strategy for project oversight and management.
- g. Articulate the need for, and the ability to implement, a plan for continuous quality improvement; this includes (but is not limited to) reviewing the quality of services provided and staff productivity.
- h. Demonstrate an understanding of and ability to implement data collection as needed.
- i. Explain processes that will be implemented in order to complete all tasks and phases of the project in a timely manner, as outlined within Section II.
- j. Articulate the ability to develop and implement the Disaster Recovery and Business Continuity plan in the event of an emergency event.
- k. Refer to specific documents and reports that can be produced as a result of completing tasks, to achieve the requested deliverables.
- l. Identify all assumptions or constraints on tasks.
- m. Discuss what flexibility exists within the work plan to address unanticipated problems which might develop during the contract period.
- n. If the proposer intends to subcontract for portions of the work, include specific designations of the tasks to be performed by the subcontractor.
- o. Document procedures to protect the confidentiality of records in DHH databases, including records in databases that may be transmitted electronically via e-mail or the Internet.

In addition, the Proposer **shall** submit a transition/takeover plan in the proposal which outlines the procedures and timelines to ensure continuity of services in the event of contract termination or subsequent contract award to different

vendor. The transition/takeover plan **must** include procedures that shall, at a minimum, comply with the stipulations listed in the **Scope of Work Section B (Deliverables) Part 6 (Transition Plan)**.

Also, a DR/BCP **must** be submitted with the proposal. The plans shall include: Risk Assessment, Business Impact Analysis, Alignment to Business Strategy, Alignment to Business Continuity Strategy, and Testing and Updating Plans.

Also, the Proposer **shall** include an example of the readiness and annual review tracking report.

6. Relevant Corporate Experience

- a. The proposal should indicate the firm has a record of prior successful experience in the design and implementation of the services sought through this RFP. Proposers should include statements specifying the extent of responsibility on prior projects and a description of the projects scope and similarity to the projects outlined in this RFP. All experience under this section should be in sufficient detail to allow an adequate evaluation by DHH. The proposer should have, within the last 24 months prior to final date for proposal submission, completed a similar type project. Proposers should give at least two customer references for projects completed in at least the last 24 months prior to final date for proposal submission. References should include the name, email address and telephone number of each contact person.
- b. It is highly desirable that the Proposer have experience dealing with Medicaid programs, in particular conducting external quality reviews of Medicaid MCOs.
- c. Proposer should provide the specific details regarding all appropriate, directly relevant experience, regarding proposer's previous and current health care review activities, including Medicaid, and, if applicable, other pertinent health care review experience. Proposer should describe in detail its firm's experience relevant to any projects of the type, size, and scope of that described in this RFP, including any prior projects in Louisiana.
- d. Proposer should include a statement of any involvement in litigation that could affect this work. If no such litigation exists, proposer should so state.

7. Personnel Qualifications

- a. The purpose of this section is to evaluate the relevant experience, resources, and qualifications of the proposed staff to be assigned to this project. The experience of proposer's personnel in implementing similar services to those to be provided under this RFP will be evaluated. The

and profit and loss statement, or other appropriate documentation which would demonstrate to DHH the proposer's financial resources sufficient to conduct the project.

10. Cost and Pricing Analysis

- a. **Proposer shall specify costs for performance of tasks. Proposal shall include all anticipated costs to provide all EQR activities described in this RFP for one (1) CCN-P and one (1) CCN-S.**
- b. The cost proposal **must** be presented on an annual basis for each year of the contract, concluding with the total cost over the term of the contract. Proposer **should** use Attachment IV (Cost and Pricing Template) for the cost proposal.

P. Evaluation Criteria

The following process will be used to evaluate proposals:

1. Evaluations will be conducted by a Proposal Review Committee.
2. Evaluations of the financial statements will be conducted by a member of the DHH Fiscal Division.
3. Scoring will be based on a possible total of 100 points, and the proposal with the highest total score will be recommended for award.
4. Cost Evaluation:
 - a. The proposer with the lowest total cost for one CCN-P and one CCN-S for all three years shall receive twenty (20) points. Other proposers shall receive points for cost based upon the following formula:

$$\text{CPS} = (\text{LPC}/\text{PC}) * 20$$

CPS = Cost Proposal Score

LPC = Lowest Proposal Cost of all proposers

PC = Individual Proposal Cost

- b. The assignment of the twenty (20) points based on the above formula will be calculated by a member of the DHH Contracts Office staff.
- c. Additionally, a maximum of five (5) points may be awarded for the cost criteria based on evaluation of reasonableness of cost based on economies of scale, adequate budget detail, and justification that all cost is consistent with the purpose, objectives, and deliverables of the RFP.

- d. The DHH Deputy Undersecretary may provide information to the Proposal Review Committee in its evaluation of the additional five (5) points.

5. Evaluation Criteria and Assigned Weights:

Evaluation Criteria	Assigned Weight
Introduction/Understanding of RFP	5
Work Plan/Project Execution	35
Corporate Experience	15
Qualification of Personnel	15
Financial Statements	5
Cost	25
Total	100

Q. On-Site Presentations/Demonstrations

Not required for this RFP.

R. Announcement Of Award

DHH will award one contract to the proposer with the highest graded proposal and deemed to be in the best interest of DHH. All proposers will be notified of the contract award. DHH will notify the successful proposer and proceed to negotiate contract terms.

IV. CONTRACTUAL INFORMATION

- A. The contract between DHH and the Contractor shall include the standard DHH contract form (CF-1/attached) including a negotiated scope of work, the RFP and its amendments and addenda, and the Contractor’s proposal. The attached CF-1 contains basic information and general terms and conditions of the contract to be awarded.
- B. Mutual Obligations and Responsibilities: The state requires that the mutual obligations and responsibilities of DHH and the successful proposer be recorded in a written contract. While final wording will be resolved at contract time, the intent of the provisions will not be altered and will include all provisions as specified in the attached CF-1.
- C. Retainage – DHH shall secure a retainage of 10% from all billings under the contract as surety for performance. On successful completion of contract deliverables, the retainage amount may be released on an annual basis.

D. In addition, to terms of the CF-1 and supplements, the following will be incorporated into the contract awarded through this RFP:

1. **Personnel Assignments:** The Contractor's key personnel assigned to this contract may not be replaced without the written consent of DHH. Such consent shall not be unreasonably withheld or delayed provided an equally qualified replacement is offered. Key personnel for these purposes will be determined during contract negotiation.
2. **Force Majeure:** The contractor and DHH are excused from performance under contract for any period they may be prevented from performance by an Act of God, strike, war, civil disturbance, epidemic or court order.
3. **Order of Precedence:** The contract shall, to the extent possible, be construed to give effect to all provisions contained therein; however, where provisions conflict, the intent of the parties shall be determined by giving a first priority to provisions of the contract excluding the RFP and the proposal; second priority to the provisions of the RFP; and third priority to the provisions of the proposal.
4. **Entire Agreement:** This contract, together with the RFP and addenda issued thereto by DHH, the proposal submitted by the contractor in response to DHH's RFP, and any exhibits specifically incorporated herein by reference constitute the entire agreement between the parties with respect to the subject matter.
5. **Board Resolution/Signature Authority:** The contractor, if a corporation, shall secure and attach to the contract a formal Board Resolution indicating the signatory to the contract is a corporate representative and authorized to sign said contract.
6. **Warranty to Comply with State and Federal Regulations:** The contractor shall warrant that it shall comply with all state and federal regulations as they exist at the time of the contract or as subsequently amended.
7. **Warranty of Removal of Conflict of Interest:** The contractor shall warrant that it, its officers, and employees have no interest and shall not acquire any interest, direct or indirect, which conflicts in any manner or degree with the performance of services hereunder. The contractor shall periodically inquire of its officers and employees concerning such conflicts, and shall inform DHH promptly of any potential conflict. The contractor shall warrant that it shall remove any conflict of interest prior to signing the contract.
8. If the contractor is a corporation, the following requirement must be met prior to execution of the contract:

- a. If a for-profit corporation whose stock is not publicly traded-the contractor must file a Disclosure of Ownership form with the Louisiana Secretary of State.
- b. If the contractor is a corporation not incorporated under the laws of the State of Louisiana-the contractor must obtain a Certificate of Authority pursuant to R.S. 12:301-302 from the Louisiana Secretary of State.
- c. The contractor must provide written assurance to the agency from contractor's legal counsel that the contractor is not prohibited by its articles of incorporation, bylaws or the laws under which it is incorporated from performing the services required under the contract.

Attachments:

- I. Certification Statement
- II. DHH Standard Contract Form (CF-1)
- III. HIPAA-BAA
- IV. Cost Template

The undersigned hereby acknowledges she/he has read and understands all requirements and specifications of the Request for Proposals (RFP), including attachments.

OFFICIAL CONTACT. The State requests that the Proposer designate one person to receive all documents and the method in which the documents are best delivered. Identify the Contact name and fill in the information below: (Print Clearly)

Date	
Official Contact Name	
Email Address	
Fax Number with Area Code	
Telephone Number	
Street Address	
City, State, and Zip	

Proposer certifies that the above information is true and grants permission to the Department to contact the above named person or otherwise verify the information I have provided.

By its submission of this proposal and authorized signature below, proposer certifies that:

1. The information contained in its response to this RFP is accurate;
2. Proposer accepts the procedures, evaluation criteria, contract terms and conditions, and all other administrative requirements set forth in this RFP.
3. Proposer accepts the procedures, evaluation criteria, mandatory contract terms and conditions, and all other administrative requirements set forth in this RFP.
4. Proposer's technical and cost proposals are valid for at least 120 days from the date of proposer's signature below;
5. Proposer understands that if selected as the successful Proposer, it will have 15 business days from the date of delivery of initial contract in which to complete contract negotiations, if any, and execute the final contract document. The Department has the option to waive this deadline if actions or inactions by the Department cause the delay.
6. Proposer certifies, by signing and submitting a proposal for \$25,000 or more, that their company, any subcontractors, or principals are not suspended or debarred by the General Services Administration (GSA) in accordance with the requirements in OMB Circular A-133. (A list of parties who have been suspended or debarred can be viewed via the internet at www.epls.gov).

Authorized Signature: _____

Typed or Printed Name: _____

Title: _____

Company Name: _____

During the performance of this agreement, the Contractor hereby agrees to the following terms and conditions:

1. Contractor hereby agrees to adhere as applicable to the mandates dictated by Titles VI and VII of the Civil Rights Act of 1964, as amended; the Vietnam Era Veterans' Readjustment Assistance Act of 1974; Americans with Disabilities Act of 1990 as amended; the Rehabilitation Act of 1973 as amended; Sec. 202 of Executive Order 11246 as amended, and all applicable requirements imposed by or pursuant to the regulations of the U. S. Department of Health and Human Services. Contractor agrees not to discriminate in the rendering of services to and/or employment of individuals because of race, color, religion, sex, age, national origin, handicap, political beliefs, disabled veteran, veteran status, or any other non-merit factor.
2. Contractor shall abide by the laws and regulations concerning confidentiality which safeguard information and the patient/client confidentiality. Information obtained shall not be used in any manner except as necessary for the proper discharge of Contractor's obligations. (The Contractor shall establish, subject to review and approval of the Department, confidentiality rules and facility access procedures.)
3. The State Legislative Auditor, Office of the Governor, Division of Administration, and Department Auditors or those designated by the Department shall have the option of auditing all accounts pertaining to this contract during the contract and for a three year period following final payment. Contractor grants to the State of Louisiana, through the Office of the Legislative Auditor, Department of Health and Hospitals, and Inspector General's Office, Federal Government and/or other such officially designated body the right to inspect and review all books and records pertaining to services rendered under this contract, and further agrees to guidelines for fiscal administration as may be promulgated by the Department. Records will be made available during normal working hours.
4. Contractor shall comply with federal and state laws and/or DHH Policy requiring an audit of the Contractor's operation as a whole or of specific program activities. Audit reports shall be sent within thirty (30) days after the completion of the audit, but no later than six (6) months after the end of the audit period. If an audit is performed within the contract period, for any period, four (4) copies of the audit report shall be sent to the **Department of Health and Hospitals, Attention: Division of Fiscal Management, P.O. Box 91117, Baton Rouge, LA 70821-3797** and one (1) copy of the audit shall be sent to the **originating DHH Office**.
5. Contractor agrees to retain all books, records and other documents relevant to the contract and funds expended thereunder for at least four (4) years after final payment or as prescribed in 45 CFR 74:53 (b) whichever is longer. Contractor shall make available to the Department such records within thirty (30) days of the Department's written request and shall deliver such records to the Department's central office in Baton Rouge, Louisiana, all without expense to the Department. Contractor shall allow the Department to inspect, audit or copy records at the contractor's site, without expense to the Department.
6. Contractor shall not assign any interest in this contract and shall not transfer any interest in the same (whether by assignment or novation), without written consent of the Department thereto, provided, however, that claims for money due or to become due to Contractor from the Department under this contract may be assigned to a bank, trust company or other financial institution without advanced approval. Notice of any such assignment or transfer shall be promptly furnished to the Department and the Division of Administration, Office of Contractual Review.
7. Contractor hereby agrees that the responsibility for payment of taxes from the funds received under this contract shall be Contractor's. The contractor assumes responsibility for its personnel providing services hereunder and shall make all deductions for withholding taxes, and contributions for unemployment compensation funds, and shall maintain, at Contractor's expense, all necessary insurance for its employees, including but not limited to automobile insurance, workers' compensation and general liability insurance.

8. Contractor shall obtain and maintain during the contract term all necessary insurance including automobile insurance, workers' compensation insurance, and general liability insurance. The required insurances shall protect the Contractor, the Department of Health and Hospitals, and the State of Louisiana from all claims related to Contractor's performance of this contract. Certificates of Insurance shall be filed with the Department for approval. Said policies shall not be canceled, permitted to expire, or be changed without thirty (30) days advance written notice to the Department. Commercial General Liability Insurance shall provide protection during the performance of work covered by the contract from claims or damages for personal injury, including accidental death, as well as claims for property damages, with combined single limits prescribed by the Department.
9. In cases where travel and related expenses are required to be identified separate from the fee for services, such costs shall be in accordance with State Travel Regulations. The contract contains a maximum compensation which shall be inclusive of all charges including fees and travel expenses.
10. No funds provided herein shall be used to urge any elector to vote for or against any candidate or proposition on an election ballot nor shall such funds be used to lobby for or against any proposition or matter having the effect of law being considered by the legislature or any local governing authority. This provision shall not prevent the normal dissemination of factual information relative to a proposition or any election ballot or a proposition or matter having the effect of law being considered by the legislature or any local governing authority. Contracts with individuals shall be exempt from this provision.
11. Should contractor become an employee of the classified or unclassified service of the State of Louisiana during the effective period of the contract, Contractor must notify his/her appointing authority of any existing contract with State of Louisiana and notify the contracting office of any additional state employment. This is applicable only to contracts with individuals.
11. All non-third party software and source code, records, reports, documents and other material delivered or transmitted to Contractor by State shall remain the property of State, and shall be returned by Contractor to State, at Contractor's expense, at termination or expiration of this contract. All non-third party software and source code, records, reports, documents, or other material related to this contract and/or obtained or prepared by Contractor in connection with the performance of the services contracted for herein shall become the property of State, and shall be returned by Contractor to State, at Contractor's expense, at termination or expiration of this contract.
12. Contractor shall not enter into any subcontract for work or services contemplated under this contract without obtaining prior written approval of the Department. Any subcontracts approved by the Department shall be subject to conditions and provisions as the Department may deem necessary; provided, however, that notwithstanding the foregoing, unless otherwise provided in this contract, such prior written approval shall not be required for the purchase by the contractor of supplies and services which are incidental but necessary for the performance of the work required under this contract. No subcontract shall relieve the Contractor of the responsibility for the performance of contractual obligations described herein.
13. No person and no entity providing services pursuant to this contract on behalf of contractor or any subcontractor is prohibited from providing such services by the provisions of R.S. 1113 as amended in the 2008 Regular Session of the Louisiana Legislature.
14. No claim for services furnished or requested for reimbursement by Contractor, not provided for in this contract, shall be allowed by the Department. In the event the Department determines that certain costs which have been reimbursed to Contractor pursuant to this or previous contracts are not allowable, the Department shall have the right to set off and withhold said amounts from any amount due the Contractor under this contract for costs that are allowable.

15. This contract is subject to and conditioned upon the availability and appropriation of Federal and/or State funds; and no liability or obligation for payment will develop between the parties until the contract has been approved by required authorities of the Department; and, if contract exceeds \$20,000, the Director of the Office of Contractual Review, Division of Administration in accordance with La. R.S. 39:1502.
16. The continuation of this contract is contingent upon the appropriation of funds from the legislature to fulfill the requirements of the contract. If the Legislature fails to appropriate sufficient monies to provide for the continuation of the contract, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of the contract, the contract shall terminate on the date of the beginning of the first fiscal year for which funds are not appropriated.
17. Any alteration, variation, modification, or waiver of provisions of this contract shall be valid only when reduced to writing, as an amendment duly signed, and approved by required authorities of the Department; and, if contract exceeds \$20,000, approved by the Director of the Office of Contractual Review, Division of Administration. Budget revisions approved by both parties in cost reimbursement contracts do not require an amendment if the revision only involves the realignment of monies between originally approved cost categories.
18. Any contract disputes will be interpreted under applicable Louisiana laws and regulations in Louisiana administrative tribunals or district courts as appropriate.
19. Contractor will warrant all materials, products and/or services produced hereunder will not infringe upon or violate any patent, copyright, trade secret, or other proprietary right of any third party. In the event of any such claim by any third party against DHH, the Department shall promptly notify Contractor in writing and Contractor shall defend such claim in DHH's name, but at Contractor's expense and shall indemnify and hold harmless DHH against any loss, expense or liability arising out of such claim, whether or not such claim is successful. This provision is not applicable to contracts with physicians, psychiatrists, psychologists or other allied health providers solely for medical services.
20. Any equipment purchased under this contract remains the property of the Contractor for the period of this contract and future continuing contracts for the provision of the same services. Contractor must submit vendor invoice with reimbursement request. For the purpose of this contract, equipment is defined as any tangible, durable property having a useful life of at least (1) year and acquisition cost of \$1000.00 or more. The contractor has the responsibility to submit to the Contract Monitor an inventory list of DHH equipment items when acquired under the contract and any additions to the listing as they occur. Contractor will submit an updated, complete inventory list on a quarterly basis to the Contract Monitor. Contractor agrees that upon termination of contracted services, the equipment purchased under this contract reverts to the Department. Contractor agrees to deliver any such equipment to the Department within 30 days of termination of services.
21. Contractor agrees to protect, indemnify and hold harmless the State of Louisiana, DHH, from all claims for damages, costs, expenses and attorney fees arising in contract or tort from this contract or from any acts or omissions of Contractor's agents, employees, officers or clients, including premises liability and including any claim based on any theory of strict liability. This provision does not apply to actions or omissions for which LA R.S. 40:1299.39 provides malpractice coverage to the contractor, nor claims related to treatment and performance of evaluations of persons when such persons cause harm to third parties (R.S. 13:5108.1(E)). Further it does not apply to premises liability when the services are being performed on premises owned and operated by DHH.
22. Any provision of this contract is severable if that provision is in violation of the laws of the State of Louisiana or the United States, or becomes inoperative due to changes in State and Federal law, or applicable State or Federal regulations.

(Rev. 1/04)

HIPAA Business Associate Addendum:

This Business Associate Addendum is hereby made a part of this contract in its entirety as Attachment ___ to the contract.

1. The U. S. Department of Health and Human Services has issued final regulations, pursuant to the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), governing the privacy of individually identifiable health information. See 45 CFR Parts 160 and 164 (the "HIPAA Privacy Rule"). The Department of Health and Hospitals, ("DHH"), as a "Covered Entity" as defined by HIPAA, is a provider of health care, a health plan, or otherwise has possession, custody or control of health care information or records.
2. "*Protected health information*" ("PHI") means individually identifiable health information including all information, data, documentation and records, including but not limited to demographic, medical and financial information that relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual or payment for health care provided to an individual; and that identifies the individual or which DHH believes could be used to identify the individual.
"*Electronic protected health information*" means PHI that is transmitted by electronic media or maintained in electronic media.
"*Security incident*" means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system.
3. Contractor is considered a Business Associate of DHH, as contractor either: (A) performs certain functions on behalf of or for DHH involving the use or disclosure of protected individually identifiable health information by DHH to contractor, or the creation or receipt of PHI by contractor on behalf of DHH; or (B) provides legal, actuarial, accounting, consulting, data aggregation, management, administrative, accreditation, financial or social services for DHH involving the disclosure of PHI.
4. Contractor agrees that all PHI obtained as a result of this contractual agreement shall be kept confidential by contractor, its agents, employees, successors and assigns as required by HIPAA law and regulations and by this contract and addendum.
5. Contractor agrees to use or disclose PHI solely (A) for meeting its obligations under this contract, or (B) as required by law, rule or regulation or as otherwise permitted under this contract or the HIPAA Privacy Rule.
6. Contractor agrees that at termination of the contract, or upon request of DHH, whichever occurs first, contractor will return or destroy (at the option of DHH) all PHI received or created by contractor that contractor still maintains in any form and retain no copies of such information; or if such return or destruction is not feasible, contractor will extend the confidentiality protections of the contract to the information and limit further uses and disclosure to those purposes that make the return or destruction of the information infeasible.
7. Contractor will ensure that its agents, employees, subcontractors or others to whom it provides PHI received by or created by contractor on behalf of DHH agree to the

same restrictions and conditions that apply to contractor with respect to such information. Contractor also agrees to take all reasonable steps to ensure that its employees', agents' or subcontractors' actions or omissions do not cause contractor to breach the terms of this Addendum. Contractor will use all appropriate safeguards to prevent the use or disclosure of PHI other than pursuant to the terms and conditions of this contract and Addendum.

8. Contractor shall, within 3 days of becoming aware of any use or disclosure of PHI, other than as permitted by this contract and Addendum, report such disclosure in writing to the person(s) named in section 14 (Terms of Payment), page 1 of the CF-1.
9. Contractor shall make available such information in its possession which is required for DHH to provide an accounting of disclosures in accordance with 45 CFR 164.528. In the event that a request for accounting is made directly to contractor, contractor shall forward such request to DHH within two (2) days of such receipt. Contractor shall implement an appropriate record keeping process to enable it to comply with the requirements of this provision. Contractor shall maintain data on all disclosures of PHI for which accounting is required by 45 CFR 164.528 for at least six (6) years after the date of the last such disclosure.
10. Contractor shall make PHI available to DHH upon request in accordance with 45 CFR 164.524.
11. Contractor shall make PHI available to DHH upon request for amendment and shall incorporate any amendments to PHI in accordance with 45 CFR 164.526.
12. Contractor shall make its internal practices, books, and records relating to the use and disclosure of PHI received from or created or received by contractor on behalf of DHH available to the Secretary of the U. S. DHHS for purposes of determining DHH's compliance with the HIPAA Privacy Rule.
13. Compliance with Security Regulations:

In addition to the other provisions of this Addendum, if Contractor creates, receives, maintains, or transmits electronic PHI on DHH's behalf, Contractor shall, no later than April 20, 2005:

 - (A) Implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic protected health information that it creates, receives, maintains, or transmits on behalf of DHH;
 - (B) Ensure that any agent, including a subcontractor, to whom it provides such information agrees to implement reasonable and appropriate safeguards to protect it; and
 - (C) Report to DHH any security incident of which it becomes aware.
14. Contractor agrees to indemnify and hold DHH harmless from and against all liability and costs, including attorneys' fees, created by a breach of this Addendum by contractor, its agents, employees or subcontractors, without regard to any limitation or exclusion of damages provision otherwise set forth in the contract.
15. Notwithstanding any other provision of the contract, DHH shall have the right to terminate the contract immediately if DHH determines that contractor has violated any material term of this Addendum.