

LOUISIANA



EXTERNAL QUALITY REVIEW ORGANIZATION

BUREAU OF HEALTH SERVICES FINANCING

RFP # 305PUR-DHHRFP-EQRO-2014-MVA

Proposal Due Date/Time: 4:00pm CST

July 31, 2014

Release Date

July 1, 2014

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

Can: Denotes a preference but not a mandatory requirement.

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.

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.

Corrective Action Plan: 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.

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.

Encounter Data: A record of covered services provided to a Medicaid managed care plan's member. An "encounter" is an interaction between a patient and provider (Medicaid managed care plan 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 42 CFR §438.358, or both.

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.

HIPAA: Health Insurance Portability and Accountability Act

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

HIPAA 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.

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.

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.

Managed care organization (MCO): An entity that has, or is seeking to qualify for, a comprehensive risk contract that meets the requirements of 42 CFR §438.2

May: Denotes a preference but not a mandatory requirement.

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 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 Managed Care Plan: Denotes either a managed care organization, prepaid inpatient health plan, prepaid ambulatory health plan, or primary care case management as defined in this Glossary.

Medicaid Managed Care Section (MMCS): 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 Quality Management, Statistics and Reporting Section (MQMSR): Section located within DHH's Bureau of Health Services Financing that is responsible for the oversight of research and reporting for the fee-for-service (FFS) and Medicaid Managed Care programs (MMCP) encounter data and systems support.

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 Medicaid managed care plan, 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.

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 Medicaid managed care plan 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.

Prepaid Ambulatory Health Plan (PAHP) – an entity contracting with the state that meets the requirements contained in 42 CFR §438.2.

Prepaid Inpatient Health Plan (PIHP) – an entity contracting with the state that meets the requirements contained in 42 CFR §438.2

Primary Care Case Management: A system under which a PCCM contracts with the state to furnish case management services to Medicaid beneficiaries as outlined in 42 CFR §438.2.

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 Medicaid managed care plan, 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 Medicaid managed care plan 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.

Readiness Review: Refers to the Department or its designee's assessment of the Medicaid managed care plan's ability to fulfill DHH contractual requirements. Such review may include but not be limited to review of proper licensure, operational protocols, review of Medicaid managed care plan 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 Medicaid managed care plan'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

Shall: Denotes a mandatory requirement.

Should: 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. The Department of Health and Hospitals 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 (BHSF), Office for Citizens with Developmental Disabilities, Office of Behavioral Health, 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. 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 external quality review (EQR) activities consistent with federal regulations for Louisiana's Medicaid managed care plans. The EQRO will provide analysis and evaluation of aggregated information on the plans' quality, timeliness, and access to certain Medicaid covered health care services.
2. A contract is necessary to secure the services of an external quality review organization. 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 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

The DHH Bureau of Health Services Financing is inviting qualified proposers to submit proposals to perform external quality review activities consistent with federal regulations for Louisiana's Medicaid managed care plans in accordance with the specifications and conditions set forth herein.

D. RFP Addenda

In the event it becomes necessary to revise any portion of the RFP for any reason, the Department 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 addresses:

<http://wwwprd1.doa.louisiana.gov/OSP/LaPAC/pubMain.cfm>

<http://new.dhh.louisiana.gov/index.cfm/newsroom/category/47>

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

II. ADMINISTRATIVE INFORMATION

A. RFP Coordinator

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

Mary Fuentes

Department of Health and Hospitals

Division of Contracts and Procurement Support

628 N 4th Street, 5th Floor

Baton Rouge, LA 70802

Email: Mary.Fuentes@LA.GOV

Fax: (225)342-9046

2. All communications relating to this RFP must be directed to the DHH RFP Coordinator person 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.

3. This RFP is available in pdf at the following web links:

<http://wwwprd1.doa.louisiana.gov/OSP/LaPAC/pubMain.cfm>

<http://new.dhh.louisiana.gov/index.cfm/newsroom/category/47>

B. Proposer Inquiries

1. The Department 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 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 the following web link:

<http://wwwprd1.doa.louisiana.gov/OSP/LaPAC/pubMain.cfm>

May also be posted at:

<http://new.dhh.louisiana.gov/index.cfm/newsroom/category/47>

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.

C. Pre-Proposal Conference

Not required for this RFP

D. Schedule of Events

DHH reserves the right to deviate from this Schedule of Events

Schedule of Events	
Public Notice of RFP	Tuesday July 1, 2014
Deadline for Receipt of Written Questions	Tuesday July 8, 2014
Response to Written Questions	Tuesday July 15, 2014
Deadline for Receipt of Written Proposals	Thursday 4:00pm CST July 31, 2014
Proposal Evaluation Begins	Monday August 4, 2014
Contract Award Announced	Wednesday August 13, 2014
Contract Negotiations Begin	Thursday August 14, 2014
Contract Begins	September 1, 2014

III. SCOPE OF WORK

A. Project Overview

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

1. Conduct readiness reviews for new Medicaid managed care plans;
2. Conduct annual reviews for Medicaid managed care plans;
3. Ensure quality of data collected from Medicaid managed care plans;
4. Achieve measurable improvements in the health status of the Medicaid managed care plans' enrollees;
5. Ensure that Medicaid managed care plans' 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;
7. Facilitate collaboration among Medicaid managed care plans and between Medicaid managed care plans and their common provider networks on shared, focused quality improvement goals.
8. Identify Medicaid managed care activities that meet Department of Health and Human Services (HHS) requirements to be included in Medical Loss Ratio (MLR) calculations as quality improvement activities.

B. Deliverables

1. General Requirements

The contractor must perform external quality review and other EQR-related activities as set forth in §438.358.

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, administering consumer or provider surveys of quality of care, 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

<http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Quality-of-Care/Downloads/EQR-Protocols.zip>

2. Programmatic Requirements

- a. The Contractor shall conduct Readiness Reviews for all Medicaid managed care plans:
 - i. The Contractor shall conduct a comprehensive Readiness Review to evaluate each prospective Medicaid managed care plan's compliance with DHH's contract requirements for the Medicaid managed care plans. This review shall be conducted before the plan begins to enroll members 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 Medicaid managed care plan review. This report shall address any Medicaid managed care plan 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) calendar days of the Contractor being notified by DHH of final contract approval by the Office of Contractual Review.
 - iv. The Contractor shall schedule a conference call/discussion with each Medicaid managed care plan 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 Medicaid managed care plan to ensure adequate preparation and discussion.

- b.** The Contractor shall conduct desk reviews and on-site visits for all Medicaid managed care plans annually which shall include the following tasks:
 - i. Desk review of all policies and procedures, program descriptions, committee minutes, manuals, handbooks, and quality data; and
 - ii. On-site visit conducted in the Medicaid managed care plan office to review credentialing files, medical records, conduct staff interviews and provide feedback.
- c.** The Contractor shall provide technical assistance to all Medicaid managed care plans and DHH.
 - i. The Contractor shall provide on-going technical assistance to the Medicaid managed care plan'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 Medicaid managed care plans' performance measures annually.
 - iii. The Contractor shall provide ad-hoc technical assistance to DHH and all Medicaid managed care plans upon request and approval of DHH.
- d.** Upon request by the Department, the Contractor shall review managed care plan activities to determine whether they meet U.S. Department of Health and Services (HHS) requirements to be included in Medical Loss Ratio (MLR) calculations as recommended by the National Association of Insurance Commissioners (NAIC) and as adopted by HHS in 45 C.F.R. § 158.150 (<http://www.gpo.gov/fdsys/pkg/CFR-2013-title45-vol1/pdf/CFR-2013-title45-vol1-sec158-150.pdf>) and § 158.151 (<http://www.gpo.gov/fdsys/pkg/CFR-2013-title45-vol1/pdf/CFR-2013-title45-vol1-sec158-151.pdf>).
- e.** The Contractor shall validate each Medicaid managed care plan's Performance Improvement Projects (PIP) utilizing CMS's most current Validating Performance Improvement Projects protocol.
 - i. The current "Validating Performance Improvement Projects" protocol is located in the electronic procurement library and at the following website: <http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Quality-of-Care/Downloads/EQR-Protocols.zip>.
 - ii. The Contractor shall validate all PIPs annually. This protocol describes the following three activities that the Contractor shall undertake in validating PIPs:
 - Assess the Medicaid managed care plan's methodology for conducting the PIP;
 - Verify actual PIP study findings; and
 - Evaluate overall validity and reliability of study results.

- iii. The Contractor shall ensure that the technical report includes information on the validation of PIPs required by the State to comply with requirements set forth in § 438.240(b)(1) and that were underway during the preceding 12 months.
 - iv. The Contractor shall ensure that the technical report describes the manner in which the data from the validation of PIPs were aggregated and analyzed, and conclusions were drawn as to the quality, timeliness, and access to the care furnished by the Plan.
 - v. The Contractor shall ensure that the technical report includes the following related to the validation of PIPs:
 - Objectives;
 - Methods of data collection and analysis (Note: this should include a description of the validation process/methodology, e.g., was the CMS PIP validation protocol used, or a method consistent with the CMS protocol);
 - Description of data obtained; and
 - Conclusions drawn from the data.
 - vi. The Contractor shall ensure that the technical report includes an assessment of the overall validity and reliability of study results and includes any threats to accuracy/confidence in reporting.
 - vii. The Contractor shall ensure that the technical report includes validation results for all State-required PIP topics for the current EQR review cycle.
 - viii. The Contractor shall ensure that the technical report includes a description of PIP interventions and outcomes information associated with each State-required PIP topic for the current EQR review cycle.
- f. The Contractor shall validate each Medicaid managed care plan's Performance Measures (PM).
- i. 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 <http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Quality-of-Care/Downloads/EQR-Protocols.zip>
 - ii. The Contractor must validate Performance Measures annually. The protocol addresses the following three activities that the Contractor shall undertake in validating PM:
 - Review the data management processes of the Medicaid managed care plan;
 - Evaluate algorithmic compliance (the translation of captured data into actual statistics) with specifications defined by DHH; and
 - Verify performance measures to confirm that the reported results are based on accurate source information.
 - iii. The Contractor shall ensure that the technical report includes information on the validation of Plan PMs reported (as required by the state) or Plan PMs calculated by the state during the preceding 12 months to comply with requirements set forth in 42 C.F.R. § 438.240(b)(2).
 - iv. The Contractor shall ensure that the technical report describes the manner in which the data from the validation of PMs were aggregated and analyzed, and conclusions were drawn as to the quality, timeliness, and access to the care furnished by the Plan.
 - v. The Contractor shall ensure that the technical report includes the following related to the validation of PMs:
 - Objectives;

- Methods of data collection and analysis (Note: this should include a description of the validation process/methodology, e.g., was the CMS PM validation protocol used, or a method consistent with the CMS protocol);
 - Description of data obtained; and
 - Conclusions drawn from the data.
- vi. The Contractor shall ensure that the technical report clearly documents which PMs the state required the EQRO to validate for the current EQR review cycle (Note: this may be a subset of reported PMs or all reported PMs).
 - vii. The Contractor shall ensure that the technical report indicates that the EQR performed an assessment of the Plan's information system as part of the validation process.
 - viii. The Contractor shall ensure that the technical report includes validation results of PMs for each Plan for the current EQR review cycle.
 - ix. The Contractor shall ensure that the technical report includes outcomes information associated with each PM for the current EQR review cycle.
- g.** The Contractor shall review each Medicaid managed care plan's compliance with DHH's standards for access to care, structure and operations, and quality measurement and improvement.
- i. 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 <http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Quality-of-Care/Downloads/EQR-Protocols.zip>.
 - ii. The Contractor shall validate Medicaid managed care plan compliance annually. The Contractor shall perform the following seven activities that comprise this protocol:
 - Planning for compliance monitoring activities;
 - Obtaining background information from DHH;
 - Documenting review;
 - Conducting interviews;
 - Collecting any other accessory information (e.g., from site visits);
 - Analyzing and compiling findings; and
 - Reporting results to DHH.
 - iii. 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 Medicaid managed care plans' accreditation standards. To determine comparability, the Contractor shall assess whether each accreditation standard meets the relevant CFR regulations in entirety or in part. To ensure DHHs compliance with CMS requirements, and for the related standard to be exempt from review, the Medicaid managed care plan'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 Medicaid managed care plan will be subject to a full review of the standard by the EQRO.

- h.** The Contractor shall conduct at least two (2) studies on quality that focus on a particular aspect of clinical or nonclinical services at a point in time (as described in 42 CFR §438.358(c)(5)) as determined by the State.
- i.** The Contractor shall follow CMS's most current "Conducting Focused Studies of Health Care Quality" protocol. The current Focused Studies protocol is located in the electronic procurement library and <http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Quality-of-Care/Downloads/EQR-Protocols.zip>.
 - ii.** This protocol describes eight steps for conducting Focused Studies:
 - Select the study topic(s);
 - Define the study question(s);
 - Select the study variable(s);
 - Study the whole population or use a representative sample;
 - Use sound sampling methods;
 - Reliably collect data;
 - Analyze data and interpret study results; and
 - Report results to the DHH.
 - iii.** The Contractor shall ensure that the technical report includes the following related to conducting focused studies:
 - Objectives;
 - Methods of data collection and analysis;
 - Description of data obtained; and
 - Conclusions drawn from the data.
- iii.** The Contractor shall administer one annual statewide provider survey on quality of care (as described in §438.358(c)(2)).

3. Operations Requirements

- a.** 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 Contractor is notified by DHH of contract approval by the Office of Contractual Review and thirty (30) calendar days prior to subsequent changes.
- b.** The Contract Monitor shall be notified at least two (2) weeks in advance of all scheduled meetings involving DHH.
- c.** To prepare each Medicaid managed care plan for an annual review, the Contractor must schedule a conference call/discussion with management staff of each Medicaid managed care plan 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 Medicaid managed care plan to ensure adequate preparation and discussion.
- d.** The Contractor shall coordinate, host and participate in regularly scheduled quarterly meetings provided to Medicaid managed care plans 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 Medicaid managed care plans 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.

- e. The Contractor shall attend and participate in each Medicaid managed care plan's Quality Assessment and Performance Improvement (QAPI) Committee quarterly meetings as requested by DHH or the Medicaid managed care plan.

4. 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 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.

5. 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.

6. 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 ad-hoc reports in cooperation with other Federal and/or State agencies. No more than twelve (12) ad-hoc reports shall be required under this contract.
- b. The Contractor shall submit monthly reports by the tenth (10th) calendar day of the month following the month covered by the report. Any weekly reports shall be submitted by the Wednesday following the end of the week covered by the report. 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 Medicaid managed care plan 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 Medicaid managed care plans and updated bi-weekly. This report shall be submitted electronically.
 - e. The Contractor shall submit a complete readiness review report within seven (7) business days after completion of the Medicaid managed care plan 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 Medicaid managed care plan:
 - 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 Medicaid managed care plan. 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;
 - ii. An assessment of each Medicaid managed care plan'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 Medicaid managed care plan;
 - iv. As determined by DHH, methodologically appropriate, comparative information about all Medicaid managed care plans operating within Louisiana; and
 - v. An assessment of the degree to which a Medicaid managed care plan 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 Medicaid managed care plan 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 of each contract year.

7. Transition Plan

- a. In the event of written notification of termination of the Contract by either party, the Contractor shall submit a Turnover Plan ("the plan") within thirty (30) calendar days from the date of notification, unless other appropriate timeframes have been mutually agreed upon by both the Contractor and DHH. The plan shall address the turnover of

records and information maintained by the Contractor. The Turnover Plan must be a comprehensive document detailing the proposed schedule, activities, and resource requirements associated with the turnover tasks. The Turnover Plan must be approved by DHH.

- b.** If the Contract is not terminated by written notification as provided in above, the contractor shall propose a Turnover Plan three months prior to the end of the Contract period, including any extensions to such period. The Plan shall address the possible turnover of the records and information maintained to either DHH or a third party designated by DHH. The Turnover Plan must be a comprehensive document detailing the proposed schedule, activities, and resource requirements associated with the turnover tasks. The Turnover Plan must be approved by DHH.

C. 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 the Department’s payments to the Contractor or if the liquidated damages exceed amounts due from the Department, the Contractor will be required to make cash payments for the amount in excess. The Department may also delay the assessment of liquidated damages if it is in the best interest of the Department to do so. The Department may give notice to the Contractor of a failure to meet performance standards but delay the assessment of liquidated damages in order to give the Contractor an opportunity to remedy the deficiency; if the Contractor subsequently fails to remedy the deficiency to the satisfaction of the Department, DHH may reassert the assessment of liquidated damages, even following contract termination.

For each day that a deliverable is late, incorrect or deficient, the Contractor may be liable to DHH for monetary penalties in an amount per calendar day per deliverable as specified in the table below.

Monetary penalties have been designed to escalate by duration and by occurrence over the term of this Contract.

Occurrence	Daily Amount for Days 1 - 14	Daily Amount for Days 15-30	Daily Amount for Days 31-60	Daily Amount for Days 61 and Beyond
1-3	\$ 750	\$ 1,200	\$ 2,000	\$ 3,000
4-6	\$ 1,000	\$ 1,500	\$ 3,000	\$ 5,000
7-9	\$ 1,500	\$ 2,000	\$ 4,000	\$ 6,000
10-12	\$ 1,750	\$ 3,500	\$ 5,000	\$ 7,500

Occurrence	Daily Amount for Days 1 - 14	Daily Amount for Days 15-30	Daily Amount for Days 31-60	Daily Amount for Days 61 and Beyond
13 and Beyond	\$ 2,000	\$ 4,000	\$ 7,500	\$10,000

2. The decision to impose liquidated damages may 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.

D. 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.

E. Technical Requirements

- The Contractor will be required to transmit all non-proprietary data which is relevant for analytical purposes to DHH on a regular schedule in XML format. Final determination of relevant data will be made by DHH based on collaboration between both parties. The schedule for transmission of the data will be established by DHH and dependent on the needs of the Department related to the data being transmitted. XML files for this purpose will be transmitted via SFTP to the Department. Any other data or method of transmission used for this purpose must be approved via written agreement by both parties.
- The contractor shall be responsible for procuring and maintaining hardware and software resources which are sufficient to successfully perform the services detailed in this RFP.
- The contractor shall adhere to state and federal regulations and guidelines as well as industry standards and best practices for systems or functions required to support the requirements of this RFP.
- The contractor shall clearly identify any systems or portions of systems outlined in the proposal which are considered to be proprietary in nature.
- Unless explicitly stated to the contrary, the contractor shall be responsible for all expenses required to obtain access to DHH systems or resources which are relevant to successful completion of the requirements of this RFP. The contractor shall also be responsible for expenses required for DHH to obtain access to the Contractor’s systems or resources which are relevant to the successful completion of the requirements of this RFP. Such expenses shall be inclusive of hardware, software, network infrastructure and any licensing costs.

- Any confidential information must be encrypted to FIPS 140-2 standards when at rest or in transit.
- Contractor owned resources must be compliant with industry standard physical and procedural safeguards (NIST SP 800-114, NIST SP 800-66, NIST 800-53A, ISO 17788, etc.) for confidential information (HITECH, HIPAA part 164)
- Any contractor use of flash drives or external hard drives for storage of DHH data must first receive written approval from the Department and upon such approval shall adhere to FIPS 140-2 hardware level encryption standards.
- All contractor utilized computers and devices must:
 - Be protected by industry standard virus protection software which is automatically updated on a regular schedule.
 - Have installed all security patches which are relevant to the applicable operating system and any other system software.
 - Have encryption protection enabled at the Operating System level.

F. 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 the Department. The contractor shall not substitute any subcontractor without the prior written approval of the Department. For subcontractor(s), before commencing work, the contractor will provide letters of agreement, contracts or other forms of commitment which demonstrate 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.

G. Compliance With Civil Rights Laws

1. The contractor agrees to abide by the requirements of the following as applicable: Title VI and Title VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Federal Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Act of 1975, and contractor agrees to abide by the requirements of the Americans with Disabilities Act of 1990.
2. Contractor agrees not to discriminate in its employment practices, and will render services under this contract without regard to race, color, religion, sex, national origin, veteran status, political affiliation, or disabilities. Any act of discrimination committed by Contractor, or failure to comply with these statutory obligations when applicable shall be grounds for termination of this 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 Workers' Compensation coverage only.

1. Contractor's Insurance:

The Contractor shall not commence work under this contract until he has obtained all insurance required herein. Certificates of Insurance, fully executed by officers of the Insurance Company written or countersigned by an authorized Louisiana State agency, shall be filed with the State of Louisiana for approval. The Contractor shall not allow any sub-contractor to

commence work on his 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 the State of Louisiana before work is commenced. Said policies shall not hereafter be canceled, permitted to expire, or be changed without thirty (30) days' notice in advance to the State of Louisiana and consented to by the State of Louisiana in writing and the policies shall so provide.

2. Compensation Insurance:

Before any work is commenced, the Contractor shall maintain during the life of the contract, Workers' Compensation Insurance for all of the Contractor's employees employed at the site of the project. 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 him, the State, 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 himself or by a subcontractor, or by anyone directly or indirectly employed by either or them, or in such a manner as to impose liability to the State. Such insurance shall name the State as additional insured for claims arising from or as the result of the operations of the Contractor or his 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 the State 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

BHSF 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. Contract Monitor

All work performed by the contract will be monitored by the contract monitor, Section Chief of Medicaid Quality Management, Statistics and Reporting:

Joshua Hardy
Department of Health and Hospitals
Bureau of Health Services Financing
PO Box 91030
Baton Rouge, LA 70821-9030

K. Term of Contract

1. The contract shall commence on or near the date approximated in the Schedule of Events. The term of this contract shall be a period of 3 years. With all proper approvals and concurrence with the successful contractor, DHH may also exercise an option to extend for up to twenty-four (24) additional months at the same rates, terms and conditions of the initial contract term. Subsequent to the extension of the contract beyond the initial 36 month term, prior approval by the Joint Legislative Committee on the Budget (JLCB) or other approval authorized by law shall be obtained. Such written evidence of JLCB approval shall be submitted, along with the contract amendment to the Office of Contractual Review (OCR) to extend contract terms beyond the initial 3 year term.
2. No contract/amendment shall be valid, nor shall the state be bound by the contract/amendment, until it has first been executed by the head of the using agency, or his designee, the contractor and has been approved in writing by the director of the Office of Contractual Review. Total contract term, with extensions, shall not exceed five (5) years. 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

1. 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 Section Chief of Medicaid Quality Management, Statistics and Reporting. Continuation of payment is dependent upon available funding.
2. Payments will be made to the Contractor after written acceptance by the Department of Health and Hospitals of the payment task and approval of an invoice. DHH will make every reasonable effort to make payments within **30 calendar days** of the approval of invoice and under a valid contract. Such payment amounts for work performed must be based on at least equivalent services rendered, and to the extent practical, will be keyed to clearly identifiable stages of progress as reflected in written reports submitted with the invoices. Payment will be tied to the deliverables as broken out in the cost template. Contractor will not be paid more than the maximum amount of the contract.

IV. PROPOSALS

A. General Information

This section outlines the provisions which govern determination of compliance of each proposer's response to the RFP. The Department 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 the Department.

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. Code of Ethics

1. The contractor acknowledges that Chapter 15 of Title 42 of the Louisiana Revised Statutes (R.S. 42:1101 et. seq., Code of Governmental Ethics) applies to the Contracting Party in the performance of services called for in this contract. The contractor agrees to immediately notify the state if potential violations of the Code of Governmental Ethics arise at any time during the term of this contract.
2. 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. Notwithstanding, any potential conflict of interest that is known or should reasonably be known by a proposer as it relates to the RFP should be immediately reported to the Department by proposer.

D. Rejection and Cancellation

Issuance of this solicitation does not constitute a commitment by DHH to award a contract or contracts or to enter into a contract after an award has been made. The Department reserves the right to take any of the following actions that it determines to be in its best interest:

1. Reject all proposals received in response to this solicitation;
2. Cancel this RFP; or
3. Cancel or decline to enter into a contract with the successful proposer at any time after the award is made and before the contract receives final approval from the Division of Administration, Office of Contractual Review.
4. In accordance with the provisions of R.S. 39:2192, 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 following provisions of the Louisiana Revised Statutes of 1950 governing public contracts: Title 38, Chapter 10 (public contracts); Title 39, Chapter 16 (professional, personal, consulting, and social services procurement); or Title 39, Chapter 17 (Louisiana Procurement Code).

E. Contract Award and Execution

1. The Secretary of DHH reserves the right to:
 - a. Make an award without presentations by proposers or further discussion of proposals received.
 - b. To enter into a contract without further discussion of the proposal submitted based on the initial offers received.
 - c. Contract for all or a partial list of services offered in the proposal.
2. The RFP and proposal of the selected Proposer shall become part of any contract initiated by the State.
3. The selected Proposer shall be expected to enter into a contract that is substantially the same as the sample contract included in Attachment III. In no event shall a Proposer submit its own standard contract terms and conditions as a response to this RFP. The Proposer should submit with its proposal any exceptions or exact contract deviations that its firm wishes to negotiate. Negotiations may begin with the announcement of the selected Proposer.
4. If the contract negotiation period exceeds 30 calendar days or if the selected Proposer fails to sign the final contract within 30 calendar days of delivery, the State may elect to cancel the award and award the contract to the next-highest-ranked Proposer.

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. All assignments must be approved of by the Department.

G. Determination of Responsibility

Determination of the proposer's responsibility relating to this RFP shall be made according to the standards set forth in LAC 34:V.136. The State must find that the selected proposer:

1. Has adequate financial resources for performance, or has the ability to obtain such resources as required during performance;
2. Has the necessary experience, organization, technical qualifications, skills, and facilities, or has the ability to obtain them;
3. Is able to comply with the proposed or required time of delivery or performance schedule; Has a satisfactory record of integrity, judgment, and performance; and
4. Is otherwise qualified and eligible to receive an award under applicable laws and regulations.
5. Proposers should ensure that their proposals contain sufficient information for the State to make its determination by presenting acceptable evidence of the above to perform the contracted services.

H. Proposal and Contract Preparation Costs

The proposer assumes sole responsibility for any and all costs and incidental expenses associated with the preparation and reproduction of any proposal submitted in response to this RFP. The proposer to which the contract is awarded assumes sole responsibility for any and all costs and incidental expenses that it may incur in connection with: (1) the preparation, drafting or negotiation of the final contract; or (2) any activities that the proposer may undertake in preparation for, or in anticipation or expectation of, the performance of its work under the contract before the contract receives final approval from the Division of Administration, Office of

Contractual Review. The proposer shall not include these costs or any portion thereof in the proposed contract cost. The proposer is fully responsible for all preparation costs associated therewith even if an award is made but subsequently terminated by the Department.

I. Errors and Omissions

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

J. Ownership of Proposal

All proposals become the property of the Department and will not be returned to the proposer. The Department 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.

K. Procurement Library/Resources Available To Proposer

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

<http://new.dhh.louisiana.gov/index.cfm/newsroom/category/47>

L. 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 (The Certification Statement must have original signature signed in ink) and should submit one (1) electronic copy (cd or flash drive) of the entire proposal and four (4) hard copies of the proposal. Proposer may provide one electronic copy of the Redacted (cd or flash drive). No facsimile or emailed proposals will be accepted. The cost proposal and financial statements shall 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 Fuentes
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 Fuentes
Department of Health and Hospitals
Division of Contracts and Procurement Support
P.O. Box 1526
Baton Rouge, LA 70821-1526

M. Proprietary and/or Confidential Information

Pursuant to the Louisiana Public Records Act (La. R.S. 44:1 et. seq.), all public proceedings, records, contracts, and other public documents relating to this RFP shall be open to public inspection. Proposers should refer to the Louisiana Public Records Act for further clarification, including protections sought for proprietary and/or trade secret information. Proposers are reminded that cost proposals will not be considered confidential under any circumstance and that protections for technical proposals must be claimed by the proposer at the time of submission of its technical proposal.

N. 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.

O. Requested Proposal Outline:

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

P. Proposal Content

1. Proposals should include information that will assist the Department in determining the level of quality and timeliness that may be expected. The Department 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/BHSF 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 Administrative 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..
 - ix. Veteran/Hudson Initiative: Proposer should demonstrate participation in Veteran Initiative and Hudson Initiative Small Entrepreneurships or explanation if not applicable. (See Attachment I)
- d. The following information ***must*** be included in the proposal:
 - i. Certification Statement: The proposer must sign and submit an original Certification Statement (See Attachment II).

5. **Work Plan/Project Execution**

The proposer should articulate an understanding of, and 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 an All Hazards Response 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.

6. Relevant Corporate Experience

- a. The proposal should indicate the proposer's firm has a record of prior successful experience in the 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 the Department. The proposer should have, within the last 24 months implemented a similar type project. Proposers should give at least two customer references for projects implemented in at least the last 24 months. References should include the name, email address and telephone number of each contact person.
- b. In this section, a statement of the proposer's involvement in litigation that could affect this work should be included. 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 adequacy of personnel for the proposed project team will be

evaluated on the basis of project tasks assigned, allocation of staff, professional skill mix, and level of involvement of personnel.

- b. Proposers should state job responsibilities, workload and lines of supervision. An organizational chart identifying individuals and their job titles and major job duties should be included. The organizational chart should show lines of responsibility and authority.
- c. Job descriptions, including the percentage of time allocated to the project and the number of personnel should be included and should indicate minimum education, training, experience, special skills and other qualifications for each staff position as well as specific job duties identified in the proposal. Job descriptions should indicate if the position will be filled by a sub-contractor.
- d. Key personnel and the percentage of time directly assigned to the project should be identified.
- e. Résumés of all known personnel should be included. Resumes of proposed personnel should include, but not be limited to:
 - Experience with proposer,
 - Previous experience in projects of similar scope and size.
 - Educational background, certifications, licenses, special skills, etc.
- f. If subcontractor personnel will be used, the proposer should clearly identify these persons, if known, and provide the same information requested for the proposer's personnel.

8. Additional Information

As an appendix to its proposal, if available, proposers should provide copies of any policies and procedures manuals applicable to this contract, inclusive of organizational standards or ethical standards. This appendix should also include a copy of proposer's All Hazards Response Plan, if available.

9. Corporate Financial Condition

- a. The organization's financial solvency will be evaluated. The proposer's ability to demonstrate adequate financial resources for performance of the contract or the ability to obtain such resources as required during performance under this contract will be considered.
- b. Proposal should include for each of the last three (3) years, copies of financial statements, preferably audited, including at least a balance sheet and profit and loss statement, or other appropriate documentation which would demonstrate to the Department 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 of successful implementation of all deliverables outlined. An item by item breakdown of costs shall be included in the proposal.
- b. Proposers shall submit the breakdown for **each year** of the contract to demonstrate how cost was determined. Proposers shall break down costs in a format similar to that

provided in Attachment V. Failure to complete will result in the disqualification of the proposal.

- c. Proposers shall submit a separate cost estimate for technical assistance. Proposed cost shall be one blended hourly rate for all technical assistance provided under the contract.

Q. Waiver of Administrative Informalities

The Department of Health and Hospitals reserves the right, at its sole discretion, to waive minor administrative informalities contained in any proposal.

R. Withdrawal of Proposal

A proposer may withdraw a proposal that has been submitted at any time up to the date and time the proposal is due. To accomplish this, a written request signed by the authorized representative of the proposer must be submitted to the RFP Coordinator

V. EVALUATION AND SELECTION

A. Evaluation Process

The following criteria 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 Office of the Secretary, Division of Fiscal Management.
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:

Fee For Service

- a. The proposer with the lowest total cost for all 3 years shall receive 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 total 3 year Cost of all proposers

PC = Individual total 3 year Cost

The assignment of the 20 points based on the above formula will be calculated by a member of the DHH Contracts Office staff.

Technical Assistance

- b. The proposer with the lowest blended hourly rate shall receive 5 points. Other proposers shall receive points for cost based upon the following formula:

$$\text{CPS} = (\text{LPC}/\text{PC}) * 5$$

CPS = Cost Proposal Score

LPC = Lowest blended hourly rate of all proposers

PC = Individual blended hourly rate

The assignment of the 5 points based on the above formula will be calculated by a member of the DHH Contracts Office staff.

5. Hudson/Veteran Small Entrepreneurship Program

a. Ten percent (10%) of the total evaluation points on this RFP are reserved for proposers who are themselves a certified Veteran or Hudson Initiative small entrepreneurship or who will engage the participation of one or more certified Veteran or Hudson Initiatives small entrepreneurships as subcontractors.

b. Proposer Status and Reserved Points:

Reserved points shall be added to the applicable proposers' evaluation score as follows:

- i. Proposer is a certified small entrepreneurship: Full amount of the reserved points
- ii. Proposer is not a certified small entrepreneurship but has engaged one or more certified small entrepreneurships to participate as subcontractors or distributors. Points will be allocated based on the following criteria:
 - The number of certified small entrepreneurships to be utilized
 - The experience and qualifications of the certified small entrepreneurship(s)
 - The anticipated earnings to accrue to the certified small entrepreneurship(s)

6. Evaluation Criteria and Assigned Weights

Proposals that pass the preliminary screening and mandatory requirements review will be evaluated based on information provided in the proposal. The evaluation will be conducted according to the following.

Evaluation Criteria	Assigned Weight
Introduction/Understanding of RFP	5
Work Plan/Project Execution	30
Corporate Experience	10
Qualification of Personnel	15
Financial Statements	5
Cost (20 points for FFS/5 points for TA)	25
Veteran and Hudson Initiatives	10
Total	100

B. On Site Presentation/Demonstration
Not required for this RFP

C. Evaluation Team

The evaluation of proposals will be accomplished by an evaluation team, to be designated by the Department, which will determine the proposal most advantageous to the Department, taking into consideration cost and the other evaluation factors set forth in the RFP.

D. Administrative and Mandatory Screening

All proposals will be reviewed to determine compliance with administrative and mandatory requirements as specified in the RFP. Proposals that are not in compliance will be excluded from further consideration.

E. Clarification of Proposals

The Department reserves the right to seek clarification of any proposal for the purpose of identifying and eliminating minor irregularities or informalities, including resolving inadequate proposal content, or contradictory statements in a proposer's proposal.

F. Announcement of Award

1. The Evaluation Team will compile the scores and make a recommendation to the head of the agency on the basis of the responsive and responsible proposer with the highest score.
2. The State will notify the successful Proposer and proceed to negotiate terms for final contract. Unsuccessful proposers will be notified in writing accordingly.
3. The proposals received (*except for that information appropriately designated as confidential in accordance with R.S. 44.1 et seq*), selection memorandum along with list of criteria used along with the weight assigned each criteria; scores of each proposal considered along with overall scores of each proposal considered, and a narrative justifying selection shall be made available, upon request, to all interested parties after the "Notice of Intent to Award" letter has been issued.
4. Any Proposer aggrieved by the proposed award has the right to submit a protest in writing to the head of the agency issuing the proposal within **14 calendar days** after the award has been announced by the agency.
5. The award of a contract is subject to the approval of the Division of Administration, Office of Contractual Review.

VI. SUCCESSFUL CONTRACTOR REQUIREMENTS

A. Confidentiality of Data

1. All financial, statistical, personal, technical and other data and information relating to the State's operation which are designated confidential by DHH and made available to the contractor in order to carry out this contract, or which become available to the contractor in carrying out this contract, shall be protected by the contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to DHH. The identification of all such confidential data and information as well as DHH's procedural requirements for protection of such data and information from unauthorized use and disclosure shall be provided by DHH in writing to the contractor. If the methods and procedures employed by the contractor for the protection of the contractor's data and information are deemed by DHH to be adequate for the protection of DHH's confidential information, such methods and procedures may be used, with the written consent of DHH, to carry out the intent of this paragraph. The contractor shall not be required under the provisions of the paragraph to keep confidential any data or information which is or becomes publicly available, is already rightfully in the contractor's possession, is independently developed by the contractor outside the scope of the contract, or is rightfully obtained from third parties.
2. Under no circumstance shall the contractor discuss and/or release information to the media concerning this project without prior express written approval of the ***Department of Health and Hospitals***.

B. Taxes

Contractor is responsible for payment of all applicable taxes from the funds to be received under this contract

C. Fund Use

Contractor agrees not to use contract proceeds 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 Louisiana Legislature or any local governing authority. This provision shall not prevent the normal dissemination of factual information relative to a proposition on any election ballot or a proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority.

VII. CONTRACTUAL INFORMATION

A. Contract

The contract between DHH and the Contractor shall include the standard DHH contract form CF-1 (Attachment III) 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. In addition to the 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 shall not be replaced without the written consent of the Department. 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 the Department 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 first priority to provisions of the contract excluding the RFP and the proposal; second priority to the provisions of the RFP and its amendments and addenda; and third priority to the provisions of the proposal.

4. Entire Agreement

This contract, together with the RFP and its amendments and addenda issued thereto by the Department, the proposal submitted by the contractor in response to the Department'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 the Department promptly of any potential conflict. The contractor shall warrant that it shall remove any conflict of interest prior to signing the contract.

8. Corporation Requirements

If the contractor is a corporation, the following requirements must be met prior to execution of the contract:

- a. If the contractor is a for-profit corporation whose stock is not publicly traded, the contractor shall ensure that a disclosure of ownership form has been properly filed with the Secretary of State of Louisiana.
- 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 Department 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.

9. Contract Controversies

Any claim or controversy arising out of the contract shall be resolved by the provisions of Louisiana Revised Statutes 39:1524-26.

10. Right To Audit

The State Legislative Auditor, agency, and/or federal auditors and internal auditors of the Division of Administration shall have the option to audit all accounts directly pertaining to the contract for a period of three (3) years from the date of the last payment made under this contract. Records shall be made available during normal working hours for this purpose.

11. Contract Modification

No amendment or variation of the terms of this contract shall be valid unless made in writing, signed by the parties and approved as required by law. No oral understanding or agreement not incorporated in the contract is binding on any of the parties.

12. Severability

If any term or condition of this Contract or the application thereof is held invalid, such invalidity shall not affect other terms, conditions, or applications which can be given effect without the invalid term, condition, or application; to this end the terms and conditions of this Contract are declared severable.

13. Applicable Law

This contract shall be governed by and interpreted in accordance with the laws of the State of Louisiana. Venue of any action brought with regard to this contract shall be in the Nineteenth Judicial District Court, parish of East Baton Rouge, State of Louisiana.

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 (Attachment III).

C. Retainage

The Department 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. Within ninety (90) days of the termination of the contract, if the contractor has performed the contract services to the satisfaction of the Department and all invoices appear to be correct, the Department shall release all retained amounts to the contractor.

D. Indemnification and Limitation of Liability

1. Neither party shall be liable for any delay or failure in performance beyond its control resulting from acts of God or force majeure. The parties shall use reasonable efforts to eliminate or minimize the effect of such events upon performance of their respective duties under Contract.
2. Contractor shall be fully liable for the actions of its agents, employees, partners or subcontractors and shall fully indemnify and hold harmless the State and its Authorized Users from suits, actions, damages and costs of every name and description relating to personal injury and damage to real or personal tangible property caused by Contractor, its agents, employees, partners or subcontractors, without limitation; provided, however, that the Contractor shall not indemnify for that portion of any claim, loss or damage arising hereunder due to the negligent act or failure to act of the State. If applicable, Contractor will indemnify, defend and hold the State and its Authorized Users harmless, without limitation, from and against any and all damages, expenses (including reasonable attorneys' fees), claims, judgments, liabilities and costs which may be finally assessed against the State in any action for infringement of a United States Letter Patent with respect to the Products furnished, or of any copyright, trademark, trade secret or intellectual property right, provided that the State shall give the Contractor: (i) prompt written notice of any action, claim or threat of infringement suit, or other suit, (ii) the opportunity to take over, settle or defend such action, claim or suit at Contractor's sole expense, and (iii) assistance in the defense of any such action at the expense of Contractor. Where a dispute or claim arises relative to a real or anticipated infringement, the State or its Authorized Users may require Contractor, at its sole expense, to submit such information and documentation, including formal patent attorney opinions, as the Commissioner of Administration shall require.

3. The Contractor shall not be obligated to indemnify that portion of a claim or dispute based upon: i) Authorized User's unauthorized modification or alteration of a Product, Material or Service; ii) Authorized User's use of the Product in combination with other products not furnished by Contractor; iii) Authorized User's use in other than the specified operating conditions and environment.
4. In addition to the foregoing, if the use of any item(s) or part(s) thereof shall be enjoined for any reason or if Contractor believes that it may be enjoined, Contractor shall have the right, at its own expense and sole discretion as the Authorized User's exclusive remedy to take action in the following order of precedence: (i) to procure for the State the right to continue using such item(s) or part (s) thereof, as applicable; (ii) to modify the component so that it becomes non-infringing equipment of at least equal quality and performance; or (iii) to replace said item(s) or part(s) thereof, as applicable, with non-infringing components of at least equal quality and performance, or (iv) if none of the foregoing is commercially reasonable, then provide monetary compensation to the State up to the dollar amount of the Contract.
5. For all other claims against the Contractor where liability is not otherwise set forth in the Contract as being "without limitation", and regardless of the basis on which the claim is made, Contractor's liability for direct damages, shall be the greater of \$100,000, the dollar amount of the Contract, or two (2) times the charges rendered by the Contractor under the Contract. Unless otherwise specifically enumerated herein or in the work order mutually agreed between the parties, neither party shall be liable to the other for special, indirect or consequential damages, including lost data or records (unless the Contractor is required to back-up the data or records as part of the work plan), even if the party has been advised of the possibility of such damages. Neither party shall be liable for lost profits, lost revenue or lost institutional operating savings.
6. The State and Authorized User may, in addition to other remedies available to them at law or equity and upon notice to the Contractor, retain such monies from amounts due Contractor, or may proceed against the performance and payment bond, if any, as may be necessary to satisfy any claim for damages, penalties, costs and the like asserted by or against them.

E. Termination

1. Termination For Cause

State may terminate this Contract for cause based upon the failure of Contractor to comply with the terms and/or conditions of the Contract; provided that the State shall give the Contractor written notice specifying the Contractor's failure. If within thirty (30) days after receipt of such notice, the Contractor shall not have either corrected such failure or, in the case of failure which cannot be corrected in thirty (30) days, begun in good faith to correct said failure and thereafter proceeded diligently to complete such correction, then the State may, at its option, place the Contractor in default and the Contract shall terminate on the date specified in such notice. Failure to perform within the time agreed upon in the contract may constitute default and may cause cancellation of the contract.

Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the State to comply with the terms and conditions of this contract provided that the Contractor shall give the State written notice specifying the State agency's failure and a reasonable opportunity for the state to cure the defect.

2. Termination For Convenience

State may terminate the Contract at any time without penalty by giving thirty (30) days written notice to the Contractor of such termination or negotiating with the Contractor an effective date. Contractor shall be entitled to payment for deliverables in progress, to the extent work has been performed satisfactorily.

3. Termination For Non-Appropriation Of Funds

The continuation of this contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of the contract by the legislature. 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 of Title 39 of the Louisiana Revised Statutes of 1950 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 have not been appropriated.

F. Independent Assurances

1. The Department will require the Contractor and /or subcontractors, , to submit to an independent SSAE 16 SOC 1 and/or type II audit of its internal controls and other financial and performance audits from outside companies to assure both the financial viability of the (outsourced) program and the operational viability, including the policies and procedures placed into operation. The audit firm will conduct tests and render an independent opinion on the operating effectiveness of the controls and procedures. the contractor shall be required to provide a quality control plan, such as third party Quality Assurance (QA), Independent Verification and Validation (IV &V), and other internal project/program reviews and audits.
2. These audits will require the Contractor to provide any assistance, records access, information system access, staff access, and space access to the party selected to perform the independent audit. The audit firm will submit to the State Agency and/or Contractor a final report on controls placed in operations for the project and includes a detailed description of the audit firm's tests of the operating effectiveness of controls.
3. The Contractor shall supply the Department with an exact copy of the report within thirty (30) calendar days of completion. When required by Office of Public Health, such audits may be performed annually during the term of the contract. The Contractor shall agree to implement recommendations as suggested by the audits within three months of report issuance at no cost to the State.

Attachments:

- I. Veteran and Hudson Initiatives**
- II. Certification Statement**
- III. DHH Standard Contract Form (CF-1)**
- IV. HIPAA BAA**
- V. Cost Template**

**Veteran-Owned And Service-Connected Small Entrepreneurships
(Veteran Initiatives) And Louisiana Initiative For Small Entrepreneurships
(Hudson Initiative) Programs**

Participation of Veteran Initiative and Hudson Initiative small entrepreneurships will be scored as part of the technical evaluation.

The State of Louisiana Veteran and Hudson Initiatives are designed to provide additional opportunities for Louisiana-based small entrepreneurships (sometimes referred to as LaVet's and SE's respectively) to participate in contracting and procurement with the state. A certified Veteran-Owned and Service- Connected Disabled Veteran-Owned small entrepreneurship (LaVet) and a Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) small entrepreneurship are businesses that have been certified by the Louisiana Department of Economic Development. All eligible vendors are encouraged to become certified. Qualification requirements and online certification are available at <https://smallbiz.louisianaforward.com/index 2.asp>.

Ten percent (10%) of the total evaluation points on this RFP are reserved for proposers who are themselves a certified Veteran or Hudson Initiative small entrepreneurship or who will engage the participation of one or more certified Veteran or Hudson Initiatives small entrepreneurships as subcontractors.

Reserved points shall be added to the applicable proposers' evaluation score as follows:

Proposer Status and Reserved Points

- Proposer is a certified small entrepreneurship: Full amount of the reserved points
- Proposer is not a certified small entrepreneurship but has engaged one or more certified small entrepreneurships to participate as subcontractors or distributors. Points will be allocated based on the following criteria:
 - the number of certified small entrepreneurships to be utilized
 - the experience and qualifications of the certified small entrepreneurship(s)
 - the anticipated earnings to accrue to the certified small entrepreneurship(s)

If a proposer is not a certified small entrepreneurship as described herein, but plans to use certified small entrepreneurship(s), proposer shall include in their proposal the names of their certified Veteran Initiative or Hudson Initiative small entrepreneurship subcontractor(s), a description of the work each will perform, and the dollar value of each subcontract.

During the term of the contract and at expiration, the Contractor will also be required to report Veteran- Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship subcontractor or distributor participation and the dollar amount of each.

The statutes (R.S 39:2171 et seq.) concerning the Veteran Initiative may be viewed at <http://legis.la.gov/lss/lss.asp?doc=671504> and the statutes (R.S 39:2001 et seq.) concerning the Hudson Initiative may be viewed at:

<http://legis.la.gov/lss/lss.asp?doc=96265> The rules for the Veteran Initiative (LAC 19:IX.Chapters 11 and 13) and for the Hudson Initiative (LAC 19:VIII.Chapters 11 and 13) may be viewed at <http://www.doa.louisiana.gov/osp/se/se.htm>

A current list of certified Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurships may be obtained from the Louisiana Economic Development Certification System at <https://smallbiz.louisianaforward.com/index 2.asp>. Additionally, a list of Hudson and Veteran Initiative small entrepreneurships, which have been certified by the Louisiana Department of

Economic Development and who have opted to register in the State of Louisiana LaGov Supplier Portal <https://lagoverpvendor.doa.louisiana.gov/irj/portal/anonymous?guest user=self reg> may be accessed from the State of Louisiana Procurement and Contract (LaPAC) Network <http://wwwprd1.doa.louisiana.gov/osp/lapac/vendor/srchven.cfm>. When using this site, determine the search criteria (i.e. alphabetized list of all certified vendors, by commodities, etc.) and select SmallE, VSE, or DVSE.

CERTIFICATION STATEMENT

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 complies with each of the mandatory requirements listed in the RFP and will meet or exceed the functional and technical requirements specified therein;
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 90 calendar days from the date of proposer's signature below;
5. Proposer understands that if selected as the successful Proposer, he/she will have **30** calendar 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 <https://www.sam.gov>).

Authorized Signature:

Original Signature Only: Electronic or Photocopy Signature are NOT Allowed

Print Name:

Title:

DHH - CF - 1
Revised: 2011-06

**CONTRACT BETWEEN STATE OF LOUISIANA
DEPARTMENT OF HEALTH AND HOSPITALS**

**CFMS:
DHH:
Agency #**

AND

FOR

Personal Services Professional Services Consulting Services Social Services

- 1) **Contractor (Legal Name if Corporation)** 5) **Federal Employer Tax ID# or Social Security #
(Must be 11 Digits)**
- 2) **Street Address** 6) **Parish(es) Served**
- City** 7) **License or Certification #**
- State** 8) **Contractor Status**
- Zip Code** Subrecipient: Yes No
- 3) **Telephone Number** Corporation: Yes No
- 4) **Mailing Address (if different)** For Profit: Yes No
- City** Publicly Traded: Yes No
- State** 8a) **CFDA#(Federal Grant #)**
- Zip Code**
- 9) **Brief Description Of Services To Be Provided:**

- 10) **Effective Date** 11) **Termination Date**
- 12) This contract may be terminated by either party upon giving thirty (30) days advance written notice to the other party with or without cause but in no case shall continue beyond the specified termination date.
- 13) **Maximum Contract Amount**
- 14) **Terms of Payment**
If progress and/or completion of services are provided to the satisfaction of the initiating Office/Facility, payments are to be made as follows:

Contractor obligated to submit final invoices to Agency within fifteen (15) days after termination of contract.

**PAYMENT WILL BE MADE
ONLY UPON APPROVAL OF:**

First Name

Last Name

Title

Phone Number

- 15) **Special or Additional Provisions which are incorporated herein, if any (IF NECESSARY, ATTACH SEPARATE SHEET AND REFERENCE)**

During the performance of this contract, 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.

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**.

4. 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.
5. 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.
6. 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.
7. 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.
8. 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.
9. 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.
10. 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. 42:1113 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.

23. Contractor agrees that the current contract supersedes all previous contracts, negotiations, and all other communications between the parties with respect to the subject matter of the current contract.

THIS CONTRACT CONTAINS OR HAS ATTACHED HERETO ALL THE TERMS AND CONDITIONS AGREED UPON BY THE CONTRACTING PARTIES. IN WITNESS THEREOF, THIS CONTRACT IS SIGNED ON THE DATE INDICATED BELOW.

**STATE OF LOUISIANA
DEPARTMENT OF HEALTH AND
HOSPITALS**

SIGNATURE	DATE	SIGNATURE	DATE
NAME		NAME	
TITLE		TITLE	

SIGNATURE	DATE	SIGNATURE	DATE
NAME		NAME	
TITLE		TITLE	

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

1. The Louisiana Department of Health and Hospitals (“DHH”) is a Covered Entity, as that term is defined herein, because it functions as a health plan and as a health care provider that transmits health information in electronic form.
2. Contractor is a Business Associate of DHH, as that term is defined herein, because contractor either: (a) creates, receives, maintains, or transmits PHI for or on behalf of DHH; or (b) provides legal, actuarial, accounting, consulting, data aggregation, management, administrative, accreditation, or financial services for DHH involving the disclosure of PHI.
3. **Definitions:** As used in this addendum –
 - A. The term “HIPAA Rules” refers to the federal regulations known as the HIPAA Privacy, Security, Enforcement, and Breach Notification Rules, found at 45 C.F.R. Parts 160 and 164, which were originally promulgated by the U. S. Department of Health and Human Services (DHHS) pursuant to the Health Insurance Portability and Accountability Act (“HIPAA”) of 1996 and were subsequently amended pursuant to the Health Information Technology for Economic and Clinical Health (“HITECH”) Act of the American Recovery and Reinvestment Act of 2009.
 - B. The terms “Business Associate”, “Covered Entity”, “disclosure”, “electronic protected health information” (“electronic PHI”), “health care provider”, “health information”, “health plan”, “protected health information” (“PHI”), “subcontractor”, and “use” have the same meaning as set forth in 45 C.F.R. § 160.103.
 - C. The term “security incident” has the same meaning as set forth in 45 C.F.R. § 164.304.
 - D. The terms “breach” and “unsecured protected health information” (“unsecured PHI”) have the same meaning as set forth in 45 C.F.R. § 164.402.
4. Contractor and its agents, employees and subcontractors shall comply with all applicable requirements of the HIPAA Rules and shall maintain the confidentiality of all PHI obtained by them pursuant to this contract and addendum as required by the HIPAA Rules and by this contract and addendum.
5. Contractor shall use or disclose PHI solely: (a) for meeting its obligations under the contract; or (b) as required by law, rule or regulation (including the HIPAA Rules) or as otherwise required or permitted by this contract and addendum.
6. Contractor shall implement and utilize all appropriate safeguards to prevent any use or disclosure of PHI not required or permitted by this contract and addendum, including 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.
7. In accordance with 45 C.F.R. § 164.502(e)(1)(ii) and (if applicable) § 164.308(b)(2), contractor shall ensure that any agents, employees, subcontractors or others that create, receive, maintain, or transmit PHI on behalf of contractor agree to the same restrictions, conditions and requirements that apply to contractor with respect to such information, and it shall ensure that they implement reasonable and appropriate safeguards to protect such information. Contractor shall take all reasonable steps to ensure that its agents’, employees’ or subcontractors’ actions or omissions do not cause contractor to violate this contract and addendum.
8. Contractor shall, within three (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. Disclosures which must be reported by contractor include, but are not limited to, any security incident, any breach of unsecured PHI, and any “breach of the security system” as defined in the Louisiana Database Security Breach Notification Law, La.R.S. 51:3071 *et seq.* At the option of DHH, any harm or damage resulting from any use or disclosure which violates this contract and addendum shall be mitigated, to the extent practicable, either: (a) by contractor at its own expense; or (b) by DHH, in which case contractor shall reimburse DHH for all expenses that DHH is required to incur in undertaking such mitigation activities.
9. To the extent that contractor is to carry out one or more of DHH’s obligations under 45 C.F.R. Part 164, Subpart E, contractor shall comply with the requirements of Subpart E that apply to DHH in the performance of such obligation(s).
10. 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.
11. Contractor shall make PHI available to DHH upon request in accordance with 45 CFR § 164.524.

12. 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.
13. 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 Rules.
14. Contractor shall indemnify and hold DHH harmless from and against any and all liabilities, claims for damages, costs, expenses and attorneys' fees resulting from any violation of this addendum by contractor or by its agents, employees or subcontractors, without regard to any limitation or exclusion of damages provision otherwise set forth in the contract.
15. The parties agree that the legal relationship between DHH and contractor is strictly an independent contractor relationship. Nothing in this contract and addendum shall be deemed to create a joint venture, agency, partnership, or employer-employee relationship between DHH and contractor.
16. 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 provision of the HIPAA Rules or any material term of this addendum.
17. At the termination of the contract, or upon request of DHH, whichever occurs first, contractor shall 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 shall 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.

Fee for Service Cost Proposal

Instructions:

Proposers must complete a cost proposal in the following format to be considered for award. Failure to complete will result in the disqualification of the proposal.

Year One	Proposed Unit Cost
Readiness Review (total cost for each health plan reviewed) <i>Sec 2(a)</i>	
Quality Companion Guide (total cost for publication of one guide) <i>Sec 2(c)</i>	
MLR Activities Review (total cost for each health plan reviewed) <i>Sec 2(d)</i>	
Compliance Review (total cost for each health plan reviewed) <i>Sec 2(g)</i>	
PIP Validation (total cost for each project validated; plans may have up to four projects each) <i>Sec 2(e)</i>	
Performance Measure Validation (total cost for each performance measure validated) <i>Sec 2(f)</i>	
Conduct Provider Survey (total cost for one annual statewide survey; program wide) <i>Sec 2(h)(iii)</i>	
Total Cost (Year One)	\$

Year Two	Proposed Unit Cost
MLR Activities Review (total cost for each health plan reviewed) Sec 2(d)	
Compliance Review (total cost for each health plan reviewed) Sec 2(g)	
PIP Validation (total cost for each project validated; plans may have up to four projects each) Sec 2(e)	
Performance Measure Validation (total cost for each performance measure validated) Sec 2(f)	
Conduct Provider Survey (total cost for one annual statewide survey; program wide) Sec 2(h)(iii)	
Focused Study (total cost for each DHH initiated study) Sec 2(h)	
Total Cost (Year Two)	\$

Year Three	Proposed Unit Cost
MLR Activities Review (total cost for each health plan reviewed) <i>Sec 2(d)</i>	
Compliance Review (total cost for each health plan reviewed) <i>Sec 2(g)</i>	
PIP Validation (total cost for each project validated; plans may have up to four projects each) <i>Sec 2(e)</i>	
Performance Measure Validation (total cost for each performance measure validated) <i>Sec 2(f)</i>	
Conduct Provider Survey (total cost for one annual statewide survey; program wide) <i>Sec 2(h)(iii)</i>	
Focused Study (total cost for each DHH initiated study) <i>Sec 2(h)</i>	
Total Cost (Year 3)	\$

Total Cost for all 3 years

\$ _____

Technical Assistance Hourly Cost Proposal

Proposers must complete a cost proposal in a similar format as below to be considered for award. Blended hourly rate is inclusive of all related expenses to include but not limited to; travel, supplies, direct and indirect cost. Job titles listed below are for illustration purposes only. Proposers shall use the appropriate titles for each staff member that will serve on the technical assistance team. Hourly rates for each job title are for informational purposes only. The Proposer shall provide a blended hourly rate which will be the hourly rate charged for all types of technical assistance provided under the contract regardless of the individual's job title. Failure to complete will result in the disqualification of the proposal.

Job Title	Hourly Rate
Vice President	
Senior Director	
Assistant Director	
Medical Director	
Project Manager	
Senior Data Analyst	
Statistician	
Health Economist	
Contract Coordinator	
Blended Hourly Rate <i>for all technical assistance provided by contractor.</i>	