TECHNICAL PROPOSAL

Response to

RFP # 3000018331
Pharmacy Benefit Management Services

Louisiana Department of Health

MARCH 29, 2022

Medimpact

March 29, 2022

Germaine Becks-Moody
Louisiana Department of Health
Medical Vendor Administration
628 N 4th Street, 6th Floor
Baton Rouge, LA 70802

Dear Ms. Becks-Moody:

On behalf of MedImpact (MedImpact Healthcare Systems, Inc.), I am pleased to present our response to the LDH (Louisiana Department of Health) RFP (Request for Proposals) #3000018331 for PBM (Pharmacy Benefit Management) Services for Louisiana Medicaid MCOs (Managed Care Organizations).

The intent of our proposal is to convey a thoughtful approach to meeting the RFP requirements, all State regulations, and the objectives of LDH. Leveraging three decades of experience in Medicaid, MedImpact afford to LDH the delivery of transparency, credibility, and accountability, while streamlining processes and adhering to all clinical and policy goals. We understand the multi-stakeholder environment and scrutiny under which the program will operate, and we offer proven experience administering pharmacy benefits in this unique business model.

MedImpact is the only PBM with the relevant experience necessary to help LDH navigate the challenges ahead. We welcome the opportunity to actively partner and continuously collaborate with LDH and the MCOs to enhance the management of the pharmacy benefit and to improve enrollee outcomes.

Summary Organizational Information

Founded in 1989, MedImpact is among the nation's leading PBMs, covering more than 23 million lives across multiple lines of business. Headquartered in San Diego, California, MedImpact is a privately held C-corporation employing more than 1,500 individuals across the nation.

We are one of the largest PBMs in the nation (by claims volume) and the only PBM that can deliver the necessary scale, as well as the relevant experience with LDH's unique business

model, for the single-PBM, coupled with a conflict-free business model. MedImpact is not owned by a health plan and does not own a chain of pharmacies, thus affording LDH the ability to partner with a vendor that can truly meet the requisite fiduciary duty.

Over the past three decades, we have worked to lower costs, improve care, and deliver optimal solutions for our customers and their enrollees. Today, we are the largest independent PBM solutions company, and we are investing millions of dollars in clinical programs, technology, operations, and analytics. MedImpact has provided PBM services similar in size and scope to the Louisiana Medicaid program continuously since 1996. We provide Medicaid-compliant PBM services to 14 clients in 11 states, covering approximately 3,366,656 lives.

Central Administration Office Locations

MedImpact's central administrative and district office addresses are as follows:

Headquarters: 10181 Scripps Gateway Court; San Diego, California 92131

Southwest regional office: 8150 South Kyrene Road; Tempe, Arizona 85282

Corporate services: 350 S. Williams Blvd; Tucson, Arizona 85711

Name and Address of Principal Officer

Frederick Howe, Chief Executive Officer
10181 Scripps Gateway Ct.
San Diego, California 92131

Name and Address for Check Issuance

MedImpact Healthcare Systems, Inc.
10181 Scripps Gateway Ct.
San Diego, California 92131

Names and Addresses of Principal Owners

MedImpact Healthcare Systems, Inc. is a privately held C-corporation founded by pharmacists. Frederick Howe is the majority shareholder with greater than 95% ownership of MedImpact.

Employees and former employees hold the remaining MedImpact shares with no single other shareholder individually owning 1% or more of MedImpact's existing shares. As a privately held corporation, the shares are not traded on public exchanges.

Frederick Howe, Chief Executive Officer
10181 Scripps Gateway Ct.
San Diego, California 92131

Name and Address of Local Representative

While MedImpact does not currently have office space established in Louisiana, we are working to find the most suitable location in which to serve LDH. This office space will be established upon contract execution, with the local name and address information provided at that time.

LDH Engagement in Past 24 Months

MedImpact has no engagements with LDH within the past twenty-four months.

State and Federal Tax Identification Numbers

MedImpact's Federal employer tax identification number is 33-0567651.

MedImpact's Louisiana tax identification number is 2914331-001.

RFP Contact Person

Robert Coppola, Government Sales Lead
Phone: 339.210.3884
Email: Robert.Coppola@MedImpact.com

Proposed Modifications

MedImpact seeks modification to the terms set forth in the RFP to allow for a six-month implementation schedule. This will allow sufficient time for critical transition steps, such as design validation, testing, and provider and enrollee notices. MedImpact is prepared to discuss this with LDH.

MedImpact understands and will comply with all other mandatory and contract terms, as defined in the RFP, and as described in our response. For LDH consideration, MedImpact proposes additional modifications to LDH Standard Contract Form, Attachment 2, CF-1. Please refer to **Appendix A** for our proposed contract modifications.

Conclusion

As the State looks to evolve its Medicaid MCO PBM program, MedImpact stands eager and ready to partner with LDH for the long-term. Together, we will bring accountability, transparency, and innovation to the program, in accordance with Louisiana R.S. 46:450.7 and the requirements of this RFP.

MedImpact appreciates your consideration of its proposal and looks forward to continued discussions and solution presentations. As chief revenue officer, I am authorized to bind MedImpact contractually; if you have any questions or if you require additional information, please do not hesitate to contact Robert Coppola or me directly.

Best regards,

Ray Marsella
Chief Revenue Officer
Phone: 858.790.7043
Email: Ray.Marsella@MedImpact.com

STATE OF LOUISIANA

LDH Medical Vendor Administration
REQUEST FOR PROPOSAL

RESPONSES WILL BE PUBLICLY OPENED
03/30/2022
04:00 PM CST

SUBMIT NON-ELECTRONIC RESPONSE TO:

RFx Number: 3000018331
Version: 2
Buyer: STEPHANIE NEAL
Buyer Phone: 225-219-4401
E-Mail: stephanie.neal2@la.gov
Scheduled Begin Date:
Scheduled End Date:
T-Number:

Vendor No.: N/A
Solicitation: 3000018331
Opening Date: 03/30/2022

Vendor Name and Address: (to be completed by Vendor)

MedImpact Healthcare Systems, Inc.
10181 Scripps Gateway Ct.
San Diego, CA 92131

Ship To Address:
Invalid Delivery Address
Invalid, LA 99999-9999

Name of Solicitation: MCO Pharmacy Benefit Management. Serv.

Notice to bidder:
Addendum 4 - Questions and Answers

Addendum 3 - Schedule of Events revised

Addendum 2 - Schedule of Events revised

Addendum 1 - Schedule of Events

The Louisiana Department of Health (LDH) Bureau of Health Services Financing (BHSF) is issuing a Request for Proposals (RFP) for the purpose of obtaining competitive proposals from qualified and experienced organizations interested in serving as the single Pharmacy Benefit Manager (PBM) for Managed Care Program.

RFx text:
This Request for Proposal form is an internal form only. Please refer to the Request for Proposal for

VENDOR TELEPHONE NUMBER: 800.788.2949 EMAIL ADDRESS: Ray.Marsella@medimpact.com	TITLE Chief Revenue Officer	DATE 3/29/2022
Signature of Authorized Bidder Ray Marsella	Name of Bidder (Typed or printed) Ray Marsella	

all requirements to submit a proposal.

LINE	Description	Quantity	Unit	Unit Price	Extended Amount
1	**Product Category:85101700** FY23 **Required:** 07/01/2022-07/30/2025	N/A	N/A	N/A	
2	**Product Category:85101700** FY24 **Required:** 07/01/2023-07/30/2025	N/A	N/A	N/A	
3	**Product Category:85101700** FY25 **Required:** 07/01/2024-07/30/2025	N/A	N/A	N/A	

1.8.2. TABLE OF CONTENTS

The proposal should contain a table of contents, and each section in hard copy submissions should be separated by a tabbed page that includes headings and numbering to match the corresponding section of the RFP.

1.8.3 EXECUTIVE SUMMARY

This section serves to introduce the scope of the proposal. It shall include administrative information including Proposer contact name and phone number, and the stipulation that the proposal is valid for a time period of at least ninety (90) Calendar Days from the date of submission. This section should also include a summary of the Proposer's qualifications and ability to meet the State agency's overall requirements in the timeframes set by the agency.

MedImpact's proven approach and solutions afford LDH increased financial accountability, alignment with all clinical and policy goals, and improved transparency.

The LDH (Louisiana Department of Health) RFP (Request for Proposal) articulates a clear vision of the Department's next step in the evolution of the State's Medicaid pharmacy program for a single PBM for its MCOs (managed care organizations). From the first state-owned and administered PBM system in the nation, to the migration to managed care in 2012, the Department continues to demonstrate its forward-thinking trajectory. In partnership with the Department, MedImpact stands ready to assist LDH in implementing a transparent single PBM necessary to successfully meet its objective of improving management and administration of the pharmacy benefit for enrollees.

MedImpact has anticipated this RFP since the Department released its Medicaid Pharmacy Comprehensive Plan in response to Act 263 (2019 session). In preparation, we carefully reviewed all RFP materials related to this procurement and studied information available in the procurement library and regulations, such as Louisiana R.S. 46:450.7 and R.S. 39:1648. This information, coupled with our direct experience administering a single PBM model, was utilized to guide our response, to project costs, and to inform our staffing models, as we compared historic volumes (claims, prior authorization requests, calls, etc.) to develop staffing load charts to support both the Implementation and Operational phases of the project. We are confident our thoughtful approach to staffing, solutions, and processes affords LDH the best value.

MedImpact is the nation's sixth largest PBM (by claims volume). We are large enough to bring critical scale to the LDH project, while still offering extensive customization capabilities. We are among the only truly independent PBMs on a national scale. **We do not own, nor are we owned by, a managed care organization, drug manufacturer, drug wholesaler, or a chain retail pharmacy. Our conflict-free model helps to ensure LDH meets its transparency goals.** We work with Medicaid programs in 11 states, bringing life-saving pharmacy benefits to approximately 3.36 million lives.

MedImpact understands the single PBM model. Operating in a multi-stakeholder environment is akin to balancing on a two-legged stool. We are the only PBM in the nation with proven single PBM experience to assure a smooth implementation and transition to operations, while delivering best practice recommendations for sharing pharmacy claims information to ensure coordination of enrollee care. MedImpact understands its fiduciary duty as it relates to the management of this contract.

Our goals for this project are to deliver successful business outcomes, improve health outcomes, and advance the efficiency and economy of the LDH pharmacy benefit. Our solution for this project includes perspectives and lessons learned from a similar state Medicaid implementation (Commonwealth of Kentucky) completed in the second half of 2021, as well as from program enhancements deployed managing the model since July 1, 2021. For the Kentucky Medicaid program, we integrate and collaborate with many of the same MCOs that operate in Louisiana today and in the future (Aetna, Anthem, Centene, and Humana) and are confident our solution and processes will support all MCOs in their efforts to improve enrollee outcomes. We have existing relationships working with this model with all but one of the Louisiana MCOs (AmeriHealth Caritas), providing a roadmap to success.

MedImpact successfully implemented a Medicaid single PBM model within six months of award, on time and within budget.

As previously noted, MedImpact was awarded a contract with the Kentucky DMS (Division of Medicaid Services) to administer the single PBM for its managed care program in January 2021. We were selected from a field of seven bidders to administer the single Medicaid PBM for the Commonwealth's six MCOs. The program was successfully implemented on July 1, 2021—on time and on budget. This program requires collaboration and coordination with multiple complex stakeholders, including the six MCOs, DMS, and its FFS (fee-for-service) Medicaid PBM, to fulfill all contractual requirements and to provide optimal essential pharmacy benefit services to approximately 1.5 million enrollees.

We will utilize the same Implementation team and Medicaid experts from our Kentucky project in Louisiana. This team brings a wealth of diverse Medicaid experience across both FFS and managed care, creating a unique and insightful knowledgebase that offers to LDH a tremendous advantage as we navigate the complexities inherent in implementing and managing the Louisiana single PBM, aided by insights gleaned from the Kentucky project. We recognize that despite the similarities of the Medicaid single PBM programs, there are also many differences in the LDH single PBM model, as compared to Kentucky, such as retaining current managed care flexibility in pharmacy networks and contracting.

We are also teaming with Rice Group, LLC, a Louisiana minority-owned, federally designated SDVSB (Service-Disabled Veteran Small Business) and HUBZONE business, and part of Louisiana's Hudson Initiative. Rice Group will provide staff augmentation services, assisting

MedImpact with staff recruitment and training in support of the LDH single-PBM throughout the contract. We are proud to partner with a group that supports numerous organizations in Louisiana, as well as the federal government (e.g., FEMA, Peace Corps).

MedImpact offers to Louisiana the benefits of our proven core solutions, including:

- **Implementation of single PBM PDL (preferred drug list) and benefit design**—MedImpact will employ a rigorous and proven approach to the implementation of the LDH single PBM, with a workplan customized to LDH and built upon an LDH-mandated timeline and milestones. We will ensure drug claims are processed uniformly across all MCOs.
- **Network management**—Our existing pharmacy network in Louisiana will be leveraged to quickly develop a Louisiana Medicaid single PBM provider network, including required reimbursement for local pharmacies, proposed rates for non-local pharmacies, provider payment, education, and FWA (fraud, waste, and abuse) audits.
- **Claims processing**—Our proprietary claims adjudication system is a proven point-of-sale software that is highly configurable, flexible, and responsive. Highlights of the system include tight integration with our PA and reporting platforms and interoperability to promote efficient data exchange with external partners (LDH, MCO). We have robust automated PA (prior authorization) adjudication capabilities.
- **Customer Service Center**—Our Louisiana-based Customer Service Center will be staffed with our most knowledgeable, trained, and caring pharmacy representatives, who will provide superior call center system and language interpretation capabilities, recognizing the unique footprint of Louisiana. We will partner together to provide the best experience possible to the State's enrollees.
- **Adjudication of PA requests, including appeals and grievances**—Our state-of-the art PA/appeals platform offers an efficient workflow and leverages automation, mitigating provider burden and enhancing enrollee satisfaction. This platform includes the ability to handle and report on any appeals or grievances received.
- **Reporting and analytics**—MedImpact leverages Cognos query tools built upon a pharmacy data warehouse, updated nightly and featuring extensive standard reporting and ad hoc capabilities. Our reporting capabilities leverage our more than 25 years serving Medicaid customers across the nation.

MedImpact's overall mission strives to lower costs, improve care, increase transparency, and deliver optimal solutions for our customers. Today, we are the largest independently owned PBM solutions company, investing millions of dollars in clinical programs, technology, operations, and analytics that benefit our customers and their enrollees.

MedImpact is headquartered in San Diego, California, with additional operational facilities in Arizona (pharmacy operations/data center) and employs more than 1,500 individuals across the nation. **Among the few truly independent PBMs on a national scale, MedImpact provides a full spectrum of sophisticated services focused on optimizing health outcomes, with a transparent business model and customer service culture.**

Administrative Information and Proposal Validity

Robert Coppola, Government Sales Director, will serve as the primary contact for this proposal. Contact information for Mr. Coppola follows.

Contact Name: Robert Coppola, Government Sales Director
Address: 10181 Scripps Gateway Ct., San Diego, CA 92131
Phone Number: (339) 210-3884
Fax Number: (858) 357-2411
Email Address: robert.coppola@medimpact.com

MedImpact confirms its proposal is valid for a time period of at least 120 calendar days (greater than the required 90 calendar days) from the date of submission, March 30, 2022.

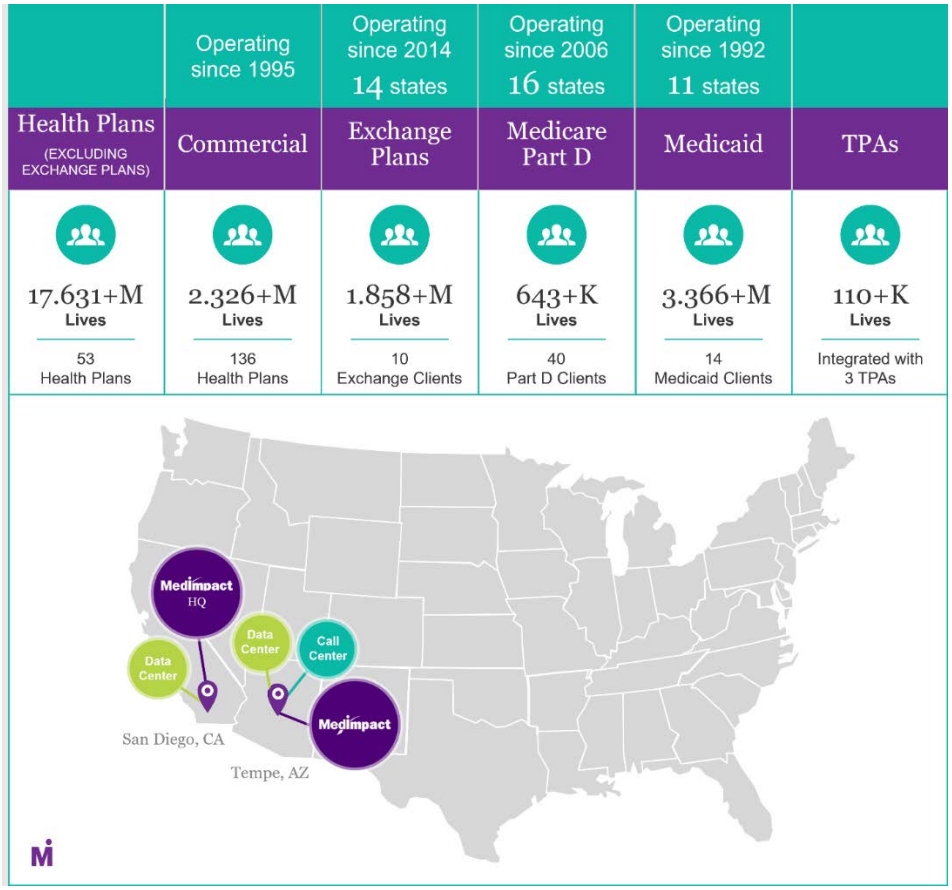
Summary of Qualifications

MedImpact currently provides Medicaid PBM services to 14 Medicaid customers and more than 3.36 million lives in 11 states across the nation. We collaborate extensively with both FFS Medicaid and managed Medicaid programs to improve the efficiency of prescription drug benefits. In many instances, MedImpact contracts directly with the health plans that serve the states' Medicaid populations under the Medicaid MCO model.

A single PBM model is a complex business model. Navigating the needs and expectations of a multi-stakeholder (LDH, five MCOs, enrollees, prescribers, pharmacy providers, FFS vendor) environment is extremely demanding and challenging. MedImpact is the only PBM to implement a single Medicaid PBM model and can share our experiences with circumventing the inherent problems associated with a transition of this magnitude.

With in-depth experience implementing and transitioning PBM programs across health plans, commercial, Health Insurance Exchange, Medicare Part D, Medicaid, and third-party administrator markets, MedImpact currently provides PBM services to nearly 26 million Medicaid lives across the nation, as depicted in **Figure 1.8.3-A.**

Figure 1.8.3-A: MedImpact Lines of Business



Over the past several years, dynamic changes in the regulatory environment and health care delivery models across the United States have shaped the PBM market. We have seen sizable merger and acquisition activity among key health plan and PBM competitors, consolidation between our own customers, and change within government programs, with notable legislative activity aimed at influencing overall health care program cost, PBM transparency, and accountability.

Throughout its existence, MedImpact has embraced the dynamics of change in the technological, clinical, operational, analytical, and business requirements of our customers, the marketplace, and the evolution of government regulations. To fully meet the current and future challenges associated with these changes, our business model and core capabilities are designed, developed, and implemented to respond to potential changes that may confront our PBM, our customers, or the market. Throughout its history, MedImpact demonstrates a willingness to embrace change, as well as to innovate and accommodate the requirements created by change in a manner that benefits our customers, as well as the business and regulatory ecosystem in which we operate.

As Medicaid agencies across the nation began to explore new business models to reduce administrative costs, provide transparency and accountability, and leverage the scale of their programs, MedImpact sought ways to evolve its Medicaid processes and technology. Our objective is to provide improved ways to address the current challenges in state Medicaid pharmacy management by leveraging our existing processes that support managed care and through investments in new technology to enhance automation, visibility, accountability, and transparency. Among our key strategies in pursuing this objective is to recruit highly experienced subject matter experts, including former state Medicaid staff and industry experts, to assist in building a new and credible program for FFS and managed Medicaid.

This endeavor is a primary objective of MedImpact and one in which we have made significant investments since 2017. MedImpact has recruited and retained highly experienced Medicaid subject matter experts, enhanced its claims and PA systems, leveraged our URAC accreditation to help ensure sound business and clinical processes, and even developed a highly advanced, automated platform that supports the CMS Medicaid drug rebate program.

We provide innovative, forward-thinking solutions that optimize satisfaction, cost, service, and quality in the health care industry. Our unique culture is defined by a customer-centric approach to the delivery of service excellence and a commitment to operating as a performance-based organization. We bring an innovative and flexible approach to the administration of pharmacy benefits, with a mission to use our in-depth clinical expertise, advanced technology, and a proactive, holistic approach to engage and to empower individuals to lead healthier lives.

With more than three decades of experience in the provision of PBM services, we offer to LDH, in accordance with its requirements and specifications, the following:

- Account management focused on active customer collaboration and coordination with MCOs
- Customer service center support for enrollees and pharmacy providers
- Primary customer service center in Louisiana, with backups in Arizona and San Diego
- Claims adjudication and payment services using proprietary technology
- Conversion and validation of paid adjudicated claims to proper encounter data formats (built for Louisiana and automated through MedImpact's encounters program)
- Reporting and quality assurance
- Emergency and Disaster Planning
- Security and privacy
- Pharmacy and prescriber network administration and management, including audit
- Specialty drug management
- FWA proactive and retroactive detection, monitoring, reporting, and special investigations
- Pharmacy clinical program review, development, and monitoring
- Analytical services and reporting
- Louisiana regulatory review, tracking, and reporting

- Covered drug list/PDL development, management, and drug utilization review/drug use evaluation
- Fee schedules, including MAC management and physician administered drugs
- Behavioral health policies and procedures
- Drug utilization review
- State and federal compliance
- Continuity of operations

MedImpact maintains full URAC PBM and NCQA Utilization Management accreditation. These distinguished accreditations add value by providing an external, independent seal of approval for our policies and maintaining a comprehensive commitment to quality care, efficient processes, and improved enrollee outcomes.

Pharmacy services quality program accreditations, such as URAC PBM and NCQA Utilization Management, demonstrate MedImpact's commitment to high-quality standards across all departments within the organization, including benefit design, claims processing, customer service, preferred drug list design, and utilization management. As a result of its ongoing commitment to quality PBM solutions and services, MedImpact has earned industry recognition on multiple occasions.

Ability to Meet State Requirements and Timeframes

MedImpact's ability and readiness to successfully serve the Department's enrollees by the operational start date is demonstrated throughout our proposal and supported by our deep PBM experience in Medicaid, coupled with our recent, successful experience implementing a model that closely mirrors the program proposed for LDH.

As the only PBM to successfully implement this model, MedImpact has a proven knowledge and understanding of LDH's specific needs and objectives, and the ability to readily meet all LDH requirements and timeframes necessary to provide a single PBM to serve the estimated 1.7 million Louisianans enrolled in the State's Medicaid managed care program.

Specifically, our team has drafted LDH-specific proposed workflows, an implementation plan, responsibility matrices, network provider agreement templates, and a list of questions and considerations to discuss with LDH upon contract award. We understand that to meet the planned operational start date, we must prepare in advance. MedImpact is poised to assist the Department in realizing this next step in the evolution of the Louisiana Medicaid pharmacy program.

MedImpact welcomes the opportunity to partner with LDH and the MCOs and stands eager and ready to bring our single PBM solution and services to the State's Medicaid managed care program.

1.8.4 COMPANY BACKGROUND AND EXPERIENCE

The Proposer should give a brief description of their organization or corporate entity including brief history, corporate or organization structure, number of years in business. The Proposer shall include copies of its latest three (3) years of audited financial statements.

Founded by two pharmacists in 1989, MedImpact's mission was to provide innovative PBM (pharmacy benefit management) solutions to health plans. Three decades later, it is among the only truly independent PBMs on a national scale, routinely ranking among the top six PBMs in the nation. We have a unique business model conferred by our independence; **we do not own, nor are we owned by, a managed care organization, drug manufacturer, drug wholesaler, or a chain retail pharmacy.**

MedImpact has continuously provided Medicaid PBM services since 1996 and is dually accredited by URAC (Utilization Review Accreditation Commission) and NCQA (National Committee for Quality Assurance). We have an expansive footprint across all lines of business in 33 states (including Louisiana) serving Medicaid, Medicare, Exchange plans, commercial, and third-party administrators (e.g., white label, private label). Currently, we provide **Medicaid PBM** services to customers in 11 states, providing health management and information technology to more than 3.36 million enrollees across all Medicaid business models, including full-service PBM, single Medicaid PBM, and PBM with single/common PDL (preferred drug list) models. **We meet all mandatory and desired qualifications of the LDH Medicaid single PBM RFP.**

MedImpact has proven PBM experience in Louisiana (since 2014), providing claims processing, prior authorization, network, and formulary management.

Louisiana providers are familiar with MedImpact and its services.

Medicaid programs are a core competency of MedImpact, and our Medicaid customers drive our capabilities, strengths, and resources. They serve as the foundation for our strategic advantages in technology, reporting, and business processes. We understand that Medicaid is a complex line of business in which to operate, even more so than Medicare. In 2017, MedImpact's Senior Leadership team evaluated an evolving Medicaid PBM landscape that was carving PBM services away from health plans and implementing single (or common) PDLs. Following thorough and careful review, our leadership determined MedImpact's solutions are well-aligned with FFS (fee-for-service) and made the decision to further invest in the technology, staffing, and resources necessary to develop enhanced FFS and managed Medicaid solutions. These solutions include automated prior authorization, MECT (Medicaid Enterprise Certification Toolkit)-compliant Medicaid rebate, enhanced claims processing, automated service authorization platforms, encounter management and improved business processes.

We bring an innovative and flexible approach to the administration of pharmacy benefits, with a mission to use in-depth clinical expertise and advanced technology that enables our customers to achieve a proactive, integrated approach to engage and empower individuals to lead healthier lives. MedImpact provides innovative, forward-thinking solutions that optimize satisfaction, cost, service, and quality in the health care industry.

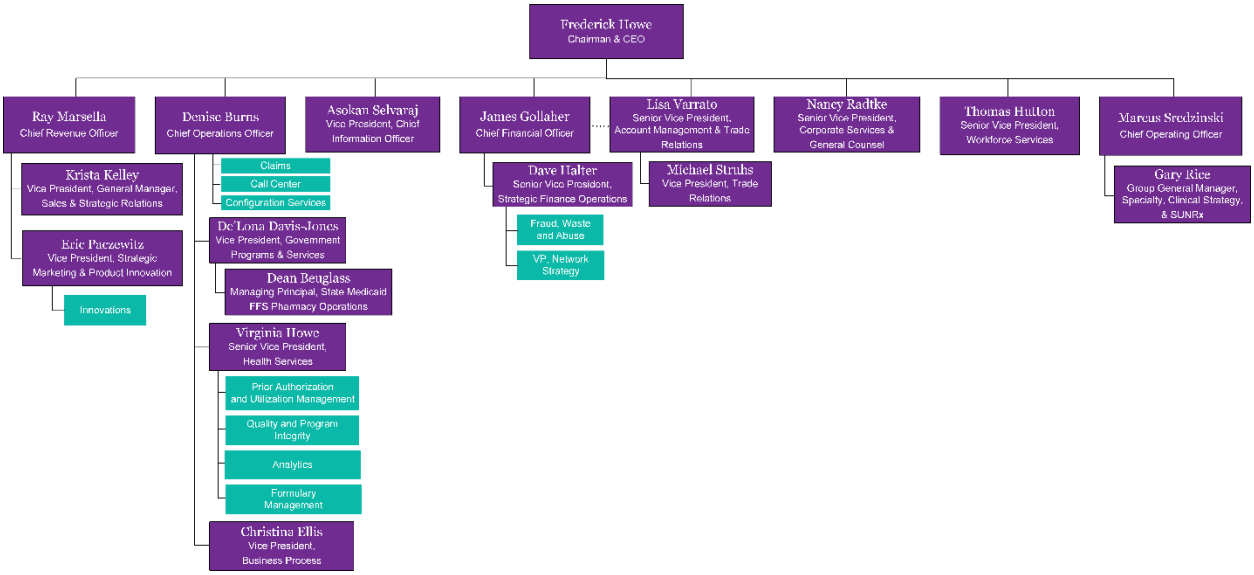
We provide a full spectrum of sophisticated services focused on optimizing health outcomes, with **a transparent business model** and customer service culture. Our culture is defined by a customer-centric approach to the delivery of service excellence and a commitment to operating as a performance-based organization.

Organizational Structure and Description

Headquartered in San Diego, California, MedImpact is a privately-held C-corporation employing more than 1,500 individuals across the nation. We are the largest independently-owned PBM solutions company in the nation, providing high-quality PBM services across multiple business segments.

Medimpact has been in business for over 30 years. We continue to maintain a stable organizational history and structure, with a strong financial position and long history of financial integrity and solvency. Fred Howe has served as chief executive officer throughout our history, supported by a team of executives and staff with in-depth PBM experience. Our Senior Leadership team, depicted in **Figure 1.8.4-A**, is dedicated to achieving the organization's primary objective to promote customer and enrollee satisfaction through flexible solutions and customer-centric products, with a keen focus on lower net cost and quality outcomes.

Figure 1.8.4-A: MedImpact Leadership Structure



MedImpact has nearly three decades of experience providing pharmacy programs and services to Medicaid programs and their enrollees. We collaborate extensively with MCOs to improve the efficiency of prescription drug benefits. Our core Medicaid team possesses a wealth of experience managing Medicaid pharmacy benefits for state Medicaid agencies. The State's entire project will be overseen and governed by Dean Beuglass, Managing Principal, Medicaid Services, who brings more than 20 years of Medicaid experience and who will serve as the CEO for the LDH single PBM.

Mr. Beuglass reports directly to De'Lona Davis-Jones, Vice President, Government Programs and Services, and currently leads and directs MedImpact's Medicaid Implementation and Operations teams, including on-site support following contract award. A tenured pharmacy benefit management resource and subject matter expert specializing in Medicaid programs, Mr. Beuglass possesses high-level business analysis, communication, and presentation skills necessary to successfully manage and support the activities of this contract. Prior to joining MedImpact, Mr. Beuglass served at the Commonwealth of Virginia as senior pharmacy policy and data strategist to the chief medical officer. He also oversaw Medicaid program PBM implementations while working with a previous employer, where he served as vice president of Government Implementations.

Commitment to Quality

MedImpact demonstrates its commitment to quality through NCQA UM (utilization management) and URAC PBM accreditation. MedImpact was among the first PBMs to attain PBM accreditation from URAC and expanded its accreditations by achieving NCQA UM accreditation in 2017. Every two to three years, MedImpact is thoroughly re-assessed by NCQA and URAC for accreditation. To remain a leader in the industry, we are firmly focused on quality—a cornerstone of our organization—which includes customer service and process accuracy.

Audited Financial Statements

MedImpact maintains a strong financial position and long history of financial integrity and solvency. Please refer to **Appendix B** for copies of the latest three years of audited financial statements.

Please refer to **Appendix C** for MedImpact's certificate of good standing.

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 scope of services outlined in this RFP. All experience under this section should be in sufficient detail to allow an adequate evaluation by the Department.

Prior Projects and Implementations

MedImpact has a decades-long history of successful implementations of the services sought through this RFP. We have led and delivered hundreds of on-time, large-scale implementations, including multiple large state contracts comparable in size and complexity to that required by LDH. MedImpact is proud of its successful track record of 100 percent on-time completion of all implementations to-date. **Table 1.8.4-B** provides detailed information on our experience implementing and providing PBM services for our Medicaid customers (state and MCO contracts), including a description of each project's scope and scale.

MedImpact boasts a successful track record of 100% on-time completion of all implementations to-date.

Table 1.8.4-B: Medicaid Implementations Experience

Customer / Length of Service	State	Scope and Scale of Medicaid Services
Kentucky Cabinet for Health and Family Services, Department for Medicaid Services 07/01/2021 to Present	Kentucky	MedImpact performs full-service Medicaid single pharmacy benefits management services for 1.5 million lives, serving six MCOs (through six separate MCO contracts). MedImpact performs full service PBM services, including claims processing; prior authorization (PA); grievances; appeals; reporting / analysis; network administration; implementation of DMS PDL and DUR edits; FWA, pharmacy audits; call center; and integration with MMIS and all current MCOs. In addition, we coordinate with the MCOs to optimize enrollee outcomes, as well as to support case management and other MCO functions (e.g., reporting, CMS Annual Report, appeals/grievances).
Kaiser Permanente 10/01/1999 to Present	Hawaii Maryland Virginia California *	MedImpact manages multiple lines of business across seven regions to include HMO, Marketplace, Medicaid, and PPO plans. In total, MedImpact manages more than 11.8 million Kaiser Permanente lives. MedImpact provides PBM services that include benefit creation, pharmacy network management to include customer-owned and operated pharmacies, claims processing, drug utilization management programs and support, clinical guidance and support for custom formulary, regulatory compliance support, opioid overutilization management programs, IT enhancements to meet unique state Medicaid connectivity requirements, custom rebate billing and reporting, and a fully-dedicated customer team.
Cook County Health and Hospitals System 04/01/2019 to Present	Illinois	MedImpact performs full-service PBM services, with the exception of P&T (Pharmacy and Therapeutics) service, for approximately 365,000 Medicaid lives.

Customer / Length of Service	State	Scope and Scale of Medicaid Services
Advanced Health - Doctors of the Oregon Coast South 10/01/1998 to Present	Oregon	MedImpact performs full-service Medicaid PBM services, with the exception of PA services, for more than 22,000 Medicaid lives.
AIDS Healthcare Foundation 01/01/2011 to Present	California	MedImpact performs comprehensive Medicaid pharmacy benefits management services for approximately 4,000 Medicaid lives, including claims processing for specialty drugs, DUR, provider services for pharmacy, pharmacy network contracting and management, collaboration on formulary development.
AllCare Health f/k/a Mid Rogue IPA 03/17/2003 to Present	Oregon	MedImpact performs full-service Medicaid PBM services for approximately 60,000 Medicaid lives, with the exception of PA services.
Cascade Comprehensive Care (Oregon) 12/01/2002 to Present	Oregon	MedImpact performs full-service Medicaid PBM services for approximately 25,000 Medicaid lives, with the exception of PA services.
Denver Health Medical Plan (Colorado) 01/01/2012 to Present	Colorado	MedImpact performs all standard Medicaid pharmacy benefits management support services for approximately 130,000 Medicaid lives, with the exception of PA.
HealthPartners 01/01/2008 to Present	Minnesota	MedImpact manages multiple lines of business including Medicaid, HMO, Marketplace, and Medicare lives. Total lives served are approximately 890,000, including approximately 210,000 Medicaid lives. MedImpact provides PBM services including benefit creation, pharmacy network management including custom specialty and mail order network, claims processing, drug utilization management programs and support, clinical guidance and support for custom formulary, regulatory compliance support, opioid overutilization management programs, Medicare Part D Stars programs, and a fully-dedicated customer team.

Customer / Length of Service	State	Scope and Scale of Medicaid Services
McLaren Health Plan 01/01/2019 to Present	Michigan	MedImpact performs comprehensive Medicaid pharmacy benefits management services for approximately 390,000 lives. Services include claims processing of specialty drugs, PA, DUR, enrollee and provider services for pharmacy, pharmacy network contracting and management, and collaboration on formulary development and PDL.
MDWise 1/1/2015 to Present	Indiana	MedImpact performs comprehensive Medicaid pharmacy benefits management services for approximately 396,000 lives. Services include claims processing of all types including specialty drugs, PA, DUR, enrollee, and provider services for pharmacy, pharmacy network contracting and management, and collaboration on formulary development and PDL.
PrimeWest Health (Minnesota) 01/01/2016 to Present	Minnesota	MedImpact performs full Medicaid pharmacy benefits management services for approximately 50,000 lives. Services include prior authorization, formulary, call center, claims processing, etc.
Umpqua Health Alliance - Douglas County (Oregon) 05/01/2001 to Present	Oregon	MedImpact performs comprehensive Medicaid pharmacy benefits management services for approximately 35,000 lives. Services include claims processing of specialty drugs, PA, DUR, provider services for pharmacy, pharmacy network contracting and management, and collaboration on formulary development.
VNS Choice Health Plans (New York) 01/01/2015 to Present	New York	MedImpact performs comprehensive Medicaid pharmacy benefits management services for approximately 5,000 covered individuals. Services include claims processing of specialty drugs, PA, DUR, network management, formulary management, and state mandated reporting.
Previous Medicaid Implementations / Contracts in California Note: On January 1, 2022, all pharmacy benefits under Medi-Cal MCOs were carved out of managed care and placed into fee-for-service (FFS).		

Customer / Length of Service	State	Scope and Scale of Medicaid Services
Partnership Health Plan of California* 04/01/1996 to 12/31/2021	California	MedImpact performed comprehensive Medicaid pharmacy benefits management services for approximately 630,000 lives. Services included claims processing of specialty drugs, DUR, provider services for pharmacy, pharmacy network contracting and management, and collaboration on formulary development.
CenCal Health* 08/01/2004 to 12/31/2021	California	MedImpact performed comprehensive Medicaid PBM services for approximately 180,000 lives. Services include claims processing for specialty drugs, PA, DUR, provider services for pharmacy, pharmacy network contracting and management, and collaboration on formulary development.
Central California Alliance for Health* 01/01/2013 to Present	California	MedImpact performed comprehensive Medicaid PBM services for approximately 350,000 lives, including claims processing for specialty drugs, PA, DUR, provider services for pharmacy, pharmacy network contracting and management, and collaboration on formulary development. MedImpact continues to provide PBM services for approximately 500 commercial MCO enrollees.
Community Health Group* 11/11/1992 to Present	California	MedImpact performed comprehensive Medicaid PBM services for approximately 225,000 lives. Services included claims processing for specialty drugs, PA, DUR, provider services for pharmacy, pharmacy network contracting and management, and collaboration on formulary development. MedImpact continues to provide PBM services for approximately 7,000 dually eligible Medicare-Medicaid plan enrollees.
Santa Clara Family Health Plan* 03/20/2006 to Present	California	MedImpact performed comprehensive Medicaid pharmacy benefits management services for approximately 270,000 covered individuals. Services included claims processing of specialty drugs, PA, DUR, provider services for pharmacy, pharmacy network contracting and management, collaboration on formulary development.

Customer / Length of Service	State	Scope and Scale of Medicaid Services
		MedImpact continues to provide PBM services for approximately 10,000 dually eligible Medicare-Medicaid Plan enrollees.
Rady Children's Hospital * 07/01/2018 to 12/31/2021	California	MedImpact performed full Medicaid pharmacy benefits management services, including PA, formulary, call center, claims processing, etc.

* On January 1, 2022, all pharmacy benefits were carved out of Medi-Cal managed care and placed into FFS .

Similar Recent Project

The Proposer should have, within the last thirty-six (36) months, implemented a similar type of project.

MedImpact brings proven implementation and operational experience, based upon our PBM contract in the Commonwealth of Kentucky for its single PBM program, which was implemented and operates in a manner that resembles the pharmacy benefit program outlined by LDH in this RFP. While there are other single PBM models, such as Ohio (not implemented yet) and Tennessee (no MCO direct contracts), and Puerto Rico (utilization management not delegated to the PBM), the Louisiana model is unique, with the Commonwealth of Kentucky being the closest project similar to the Louisiana delivery model.

MedImpact is the only PBM experienced in implementing and operating a single PBM model similar to Louisiana's.

In January 2021, MedImpact was awarded the contract with the Kentucky DMS (Department for Medicaid Services). We were selected from a field of seven bidders to administer the single Medicaid PBM for the Commonwealth's six managed care organizations. The program was successfully implemented on July 1, 2021, on schedule and on budget. This program is very similar to LDH in that we must collaborate and coordinate with multiple stakeholders (six MCOs, DMS, pharmacy providers, and the incumbent FFS Medicaid vendor) to fulfill all contractual requirements and to provide optimal essential pharmacy benefit services to approximately 1.5 million enrollees.

In this project (like Louisiana), we have a direct zero-dollar contract with DMS that establishes all terms and conditions and fiduciary responsibilities, as well as separate contracts with each of the six MCOs, that establishes payment terms, roles, and responsibilities. This program is overseen by DMS, including mitigation of disputes, evaluation and levying of performance guarantees, and MedImpact's overall adherence to contract requirements. We receive the benefit design from the State's incumbent FFS Medicaid vendor. We actively collaborate with

DMS and the MCOs to help ensure optimal pharmaceutical outcomes and to optimize the program management.

The scope of work for the Medimpact and Kentucky DMS contract is comparable to the services requested in the RFP issued by LDH. For example, our core solutions for DMS include:

- Implementation of State Medicaid PDL and benefit designs
- Network administration (including payment and FWA/audits)
- Claims processing, including COB; benefit/formulary design
- Call center services for pharmacy providers, prescribers, and enrollees
- Encounter management
- Adjudication of PA requests, appeals, and grievances; ePA and automated prior authorization
- Prospective / Retrospective drug utilization review activities and support
- Provider and enrollee support, including communications
- Reporting and analytics

Customer References

Proposers should identify at least two customer references for projects implemented in the last twenty-four (24) months. References shall include the name, email address and telephone number of each contact person.

As required, MedImpact provides the following customer references for projects implemented in the last 24 months.

In March 2021, Kentucky DMS issued an RFP for FFS Medicaid PBM services; therefore, it is unable to serve as a reference at this time. MedImpact is proud of the work we are doing in collaboration with the Kentucky MCOs and the Commonwealth.

Reference One

[redacted]

Reference Two

[redacted]

[redacted]

Contract Terminations

The Proposer shall provide a brief statement if any of the following has occurred: Within the last ten (10) years, Proposer's Pharmacy Benefits Manager contract was (1) terminated or not renewed for non-performance or poor performance; and/or (2) terminated on a voluntary basis prior to the contract end date .

Within the last ten years, MedImpact has had no contract terminations or non-renewals for non-performance or poor performance. Please see **Appendix D** for contracts terminated on a voluntary basis prior to the contract end date during the specified period, none of which were terminated for non-performance or poor performance.

Financial, Legal, Contractual, and Other Business Interests

The Proposer shall disclose all financial, legal, contractual, and other business interests of the Proposer and any Subcontractor, affiliate, partner, parent, subsidiary, or other similar entity related to the activities detailed in the Scope of Work. 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, the Proposer should so state.

All work performed by MedImpact under this contract will be performed in accordance with the requirements specified in the RFP. As required, we have disclosed any information requested within each RFP requirement and RFP forms.

MedImpact (MedImpact Healthcare Systems, Inc.) is a privately held C-corporation. It is not owned by or affiliated with any managed care organization, pharmaceutical manufacturer, drug wholesaler, or chain drug store and operates independently, free of the conflicts of interest inherent in those equity arrangements.

MedImpact is owned through Howe Family Trust by Frederick Howe, RPh, Chairman and CEO, who co-founded the Company on September 1, 1989. MedImpact Healthcare Systems, Inc., a pharmacy benefit manager, was incorporated in California on June 1, 1993. It is not owned or affiliated with any drug manufacturers, drug wholesalers, or chain drug stores. It is neither owned by nor affiliated with an entity that contracts on behalf of a pharmacy or any pharmacy

services administration organization and its affiliated companies. MedImpact is not owned by a third-party payor and its affiliated companies.

MedImpact's independent board members have not historically been and are not currently shareholders.

Fred Howe is the majority shareholder with greater than 95 percent ownership of MedImpact. Employee and former employees hold the remaining MedImpact shares with no single other shareholder individually owning 1 percent or more of MedImpact's existing shares. As a privately held corporation, the shares are not traded on public exchanges.

Current Litigation

There is no pending material litigation against MedImpact which could adversely affect its ability to meet the contractual requirements pursuant to this RFP. MedImpact is justifiably proud of its stellar record of high integrity and provides the following litigation summary in the interest of full disclosure. Apart from employment-related litigation, only one case is pending, which is detailed below.

Player v. BCBSAL and MedImpact Healthcare Systems, Inc., Circuit Court of Montgomery County, Alabama (transferred from Macon County, where originally filed) Case No. 46-CV-2019-900104.00

Amended complaint (adding MedImpact) filed on March 19, 2020 (originally filed against only BCBS in 2019).

Plaintiff, a member of a customer health plan alleges breach of contract and bad faith based on denial of reimbursement for diabetes drugs. BCBS and MedImpact both moved to transfer case to Montgomery County pursuant to mandatory venue provision in the customer agreement; trial court denied motion, but Alabama Supreme Court granted mandamus and ordered transfer. Case has docketed in Montgomery County, but the court has yet to give formal notice triggering deadlines to respond and Plaintiff has taken no further action. Accordingly, case is currently dormant. Once either the court or the Plaintiff initiates further action, both BCBS and MedImpact move to dismiss. MedImpact is not a proper party as it is the PBM administrator of the customer's plan design and there is additionally no privity of contract between Plaintiff and MedImpact. MedImpact believes it has no liability in this matter and will seek dismissal as soon as procedurally appropriate.

Mandatory Qualifications

Proposers must meet or exceed the following qualifications prior to the deadline for receipt of proposals. In order to be considered for award, the Proposer must demonstrate that it has met the following mandatory requirements:

- Have a minimum of five (5) full years of experience as a PBM for a state Medicaid program (fee for service (FFS) or MCO) prior to the deadline for receipt of proposals.
- Have, within the last thirty-six (36) months prior to the deadline for receipt of proposals, been engaged in a contract or awarded a new contract as a PBM with a population equal to or greater than 1.5 million Beneficiaries.
- Have its principal place of business be located inside the continental United States.
- Provide copies of its latest three (3) years of audited financial statements.

MedImpact meets or exceeds all mandatory qualifications and complies with all mandatory proposal submission requirements in this section.

Minimum of Five Years of PBM Experience Serving State Medicaid Programs

MedImpact confirms it meets the minimum years of PBM experience serving state Medicaid programs. With over 25 years of continuous experience as a PBM serving state Medicaid MCOs, MedImpact exceeds the LDH RFP requirement of five full years of experience as a PBM for a state Medicaid program (FFS or MCO). As evidence of compliance, please refer to **Table 1.8.4-B** in this section for MedImpact's experience serving state Medicaid MCOs.

MedImpact has provided PBM services similar in scope to those of LDH continuously since 1996, beginning with the implementation of Community Health Group (a California-based managed Medicaid plan).

In this table, there are numerous examples that meet this mandatory qualification requirement; for example, our contract with HealthPartners in Minnesota (210,000 Medicaid lives since 2008) and our contract with Partnership Health Plan of California (610,000 Medicaid lives from 1996 to 2021, which terminated with the State's move to a FFS carve-out model on January 1, 2022).

PBM Contracts with Populations Equal to or Greater Than 1.5 Million Lives

MedImpact confirms it has engaged in a contract or has been awarded a new contract as a PBM with a population equal to or greater than 1.5 million enrollees . As evidence of compliance, MedImpact is contracted to provide PBM services to the Commonwealth of Kentucky (~1.5 million enrollees, awarded December 2020, with an on-time go-live on July 1, 2021) and Kaiser

Permanente (~11.8 million enrollees since 1999). Both of these clients are briefly described in **Table 1.8.4-b**, referenced above.

Principal Place of Business Located Inside the Continental United States

MedImpact confirms its principal place of business is located inside the continental United States in San Diego, California.

Latest Three Years of Audited Financial Statements

MedImpact confirms it is providing the latest three years of audited financial statements. Please refer to **Appendix B, Audited Financial Statements**.

Desirable Qualifications

It is desirable that Proposers should meet the following qualifications prior to the deadline for receipt of proposals:

- Have the ability to accept, price, and process physician-administered Drug Claims, applying the same edits and utilization management (UM) criteria as those applied to a National Council for Prescription Drug Programs (NCPDP) Drug Claim, and/or additional edits as specified by LDH.
- Have the ability to enhance Enrollee access and convenience (e.g., mobile app access).
- Have the capability to, as directed and/or approved by LDH, implement a suite of technical Prescriber tools/electronic prescribing systems, or health information exchanges to maintain and support the PDL, prior authorizations (PAs), and coverage details of the Louisiana Medicaid Program.

MedImpact meets or exceeds all desirable qualifications, described as follows.

Ability to Accept, Price, and Process Physician-Administered Drug Claims

MedImpact's claims system currently accepts, prices, and processes physician-administered drug claims through a batch solution, which leverages their current process for medical claims submission (either electronic or paper claims submission), or through Web claim submission, wherein providers directly enter the claim into our system for processing. Both of these processes accept, price, and process physician-administered drug claims, applying the same edits and UM (utilization management) criteria as those applied to a National Council for Prescription Drug Programs (NCPDP) drug claim, and/or additional edits, as specified by LDH. The batch process mirrors providers' current processes and do not require any additional training, software, or operational overhead.

We will collaborate with LDH and the MCOs to fully understand requirements, including whether providers are already MCO-credentialed and how they are paid (e.g., load them as providers in our system or have the MCO pay directly).

Ability to Enhance Enrollee Access and Convenience

MedImpact offers a fully featured enrollee mobile application and portal, configurable based upon LDH and/or MCO requirements. Our consumer portal (enrollee engagement platform) provides enrollees access to view their personalized pharmacy benefit and prescription information from any web-enabled or mobile device. This includes claims history, benefit plan highlights, and copayment amounts (if applicable). Using the portal, enrollees can also find / locate participating pharmacies. MedImpact will make the consumer portal available to enrollees by placing appropriate Web links on the LDH and/or MCO websites.

The consumer portal is also available as a downloadable mobile application for both iOS and Android. The mobile app includes the Medicine Chest feature, which enables enrollees to schedule medication and refill reminders and to view their utilization history. Through the companion Apple Watch application, enrollees receive medication reminders, mark their medication as taken or skipped, and view upcoming scheduled medications.

Capability to Implement Technical Prescriber Tools / Electronic Prescribing Systems or Health Information Exchanges

MedImpact will collaborate with LDH prescriber system vendors and pharmacy providers to explore strategies to support increased program interoperability, enhance connections with providers' electronic prescribing systems, electronic health records, the Louisiana Health Information Exchange (LaHIE), and to support the Louisiana PMP (Prescription Monitoring Program) goals and objectives. Increased data-sharing and connectivity creates opportunity to enhance PDL access and compliance, reduce provider administrative burden, and improve the quality and accessibility of our PBM services.

MedImpact currently contracts directly with hubs, such as Surescripts and CenterX, which provide connectivity with prescribers' EHR (electronic health record) or electronic medical record systems. Our program supports the following transaction types with Surescripts:

- **ePA (electronic prior authorization)**—MedImpact connects using NCPDP (National Council for Prescription Drug Programs) script standard 2017071 and supports all four parts of ePA transactions, including:

  - Initial request (PAInitiationRequest) and response
  - PA request (PARquest) and response
  - PA cancelled request (PACancelRequest) and response

- PA appeal request (PAAppealRequest) and response

- **E-prescribing**—MedImpact connects with connectivity providers for e-prescribing in the following ways:

  - For F&B (formulary and benefit), MedImpact sends information using NCPDP F&B 3.0 standard.
  - For the enrollee directory, MedImpact sends the enrollee demographic information to help route the transaction.
  - For eligibility, MedImpact connects following HL7 270/271 standard.

For medication history, MedImpact connects using NCPDP script standard 2017071 providing medication history to providers as needed.

1.8.5 Approach and Methodology

Proposals should define the Proposer's approach and methodology in providing services and identify the tasks necessary to meet the RFP requirements of the provision of services, as outlined in the RFP, and as specifically found in Section 1.8.6, Administrative Data; Section 1.8.7, Work Plan/Project Execution; and Section 1.8.8, Detailed Scope Response. Proposals should include enough information to satisfy evaluators that the Proposer has the appropriate experience, knowledge, and qualifications to perform the scope of services as described herein and Proposers should respond to all requested areas.

MedImpact's experienced and informed approach to the provision of pharmacy benefit-related services and support to LDH, MCOs (managed care organizations), and enrollees leverages our proven single PBM implementation process, experienced Implementation and Account teams, state-of-the art claims processing and data management, and clear and open communication with all stakeholders. MedImpact is committed to providing our knowledge and lessons learned from our successful Kentucky single PBM implementation to ensure the LDH, the MCOs, and enrollees receive the highest quality and least disruptive low-risk transition of services. Our commitment to serving our customers extends throughout the program services provided to LDH and into the enrollee experience.

Service Delivery

MedImpact's comprehensive approach to serving the entire Medicaid market affords a unique perspective few entities serving this sector can deliver. Our recent experience with the single PBM model, coupled with prior FFS (fee-for-service) experience administering 'FFS-like' programs and serving managed Medicaid customers, affords additional insight and understanding of the public sector. We are prepared to meet the dynamic needs of LDH through a variety of program design and technology solutions to help ensure program compliance, stakeholder engagement, and support of all program partners in the pursuit of the Triple Aim of improving experience of care, improving health of populations, and reducing total costs of health care.

MedImpact's experienced and sector-leading approach enables LDH to achieve its stated objectives for administrative performance, program transparency, and operational efficiency through:

- Consistent and repeatable application of benefits and rules processing
- Alignment of operational, clinical, and policy goals with LDH's vision
- Unredacted access to claims data and program financial components
- Application of best practices gleaned from similar implementations

Task Identification

Identifying tasks to support implementation and transition to the Operations and Maintenance phase of a large-scale project, such as the LDH PBM services for managed Medicaid organizations, is a process best served by experience, an informed and skilled requirements validation process, and open and productive lines of communication. MedImpact begins with a proven and effective process that includes a thorough and complete review and capture of stated RFP and/or solicitation documents. This initial group of tasks is further informed by customer interviews and completion of our tenured and effective Implementation questionnaire, along with the assimilation of additional program-specific tasks, timelines, and lessons captured during prior implementations.

Building upon our established best-practices, in-project capture of lessons learned, and quality improvement activities, we establish and evolve workplans, work breakdown structures, and requirements traceability content. These items inform review, approval, and delivery of incremental and critical tasks required to successfully implement each customer's vision and objectives. Our organizational administrative processes and leadership focus on the customer experience from contracted entities to the enrollee.

Our experienced Medicaid team supports customers through implementation, operations, and ongoing program administration. As part of our commitment to the public sector, we recruit and retain industry leaders from pharmacy benefit managers, state Medicaid agencies, and leading technology vendors. Collaboration between internal and external customers is a strength of our organization that creates stronger teams, relationships, and quality. In the sections that follow, we provide specific details regarding company leadership, team members, Account team support, and the management and oversight of dedicated resources and shared services, all of which are core components of our proven solutions.

As part of any Agile project implementation, it should be expected that (on occasion) new or updated tasks may affect program design, training activities, or even scope of services. As these items are identified, the Implementation and Account teams are part of the discussions, solutioning, and deployment of such items. Engagement and collaboration between implementation support and operational and account team members is another established best-practice employed by MedImpact to help ensure all parties are actively engaged, informed, and prepared to meet their responsibilities and support the larger customer team. MedImpact's open and collaborative communication channels facilitate engagement of affected or impacted stakeholders, distribution of information, and further inform collective decisions.

Scope of Services Delivery

MedImpact's comprehensive approach and experience serving a diverse portfolio of programs in the public sector and, more specifically, the Medicaid market, is integral and pervasive in our organization. Compliance with federal and state regulations, CMS, HRSA, and state program guidance is supported by our Compliance and Legal teams to help ensure the delivery of fully compliant solutions to all customers. We continuously monitor and update our solutions to remain industry and contract compliant in areas, including:

- Enrollee access
- Prior authorization timelines and emergency overrides
- PDL (preferred drug list) receipt, processing, and support for LDH net-net cost program goals
- CMS and LDH DUR (drug utilization review) programs and reporting
- Network management and monitoring / oversight
- Program Integrity
- Evolving guidance and regulations related to security and privacy
- MITA / MECT, industry-standard interfaces, and reusability
- Emergency planning and disaster recovery to support continuity of operations

MedImpact is perfectly positioned to meet the dynamic needs of LDH and its contracted MCOs, bringing our unique position as a vendor supporting both program models. Our infrastructure includes defined teams, roles, and responsibilities that support claims processing, data exchange, and program transparency supported by our technology solutions to help ensure pharmacy benefit program compliance and services necessary to deliver on the Triple Aim, as our approach helps payers achieve their objectives for administrative performance and efficiency at low net cost.

MedImpact's claims processing services are supported by an ecosystem of specialized applications. Our core applications reside within our unified technology platform, which enables us to leverage the efficiencies of shared infrastructure, tools, and technologies. This provides a single source of truth for data.

We have made significant investments to help ensure our solution addresses the evolving regulatory and business requirements of our customers. MedImpact's proprietary, fully integrated solution enables us to react to industry and regulatory changes in the most efficient and time-sensitive manner. The extension and application of program quality improvement processes previously noted also enables us to enhance the capabilities, capacity, and performance of our systems to meet or exceed industry standards and expectations.

Technology, application support, and automation are just three channels MedImpact leverages to enhance and improve the customer experience, from Agency to enrollee. Specialty product management, clinical initiatives related to patient safety and drug utilization review, and provider and customer support functions of our automated and online functionality delivery

additional value and efficiency. Each item in the suite of tools supporting a program as progressive and innovative as the LDH Pharmacy Benefit Management Services for MCOs affords MedImpact the opportunity to better serve Louisiana and its Medicaid enrollees. Our Medicaid team, in concert with subject matter experts, captures and applies impact projections to assure we appropriately staff each component and function required to support our contracts.

Figure 1.8.5-A: Medicaid PBM Services

Partnering with State Agencies and Medicaid MCOs Across the Nation to Provide Comprehensive PBM Services

- ✓ Account management focused on active customer collaboration and coordination with MCOs
- ✓ Call center support for enrollees and pharmacy providers
- ✓ Claims adjudication and payment services using proprietary technology
- ✓ Conversion and validation of paid adjudicated claims to proper encounter data formats (custom solution for Louisiana and automated through MedImpact's encounters program)
- ✓ Covered drug list / PDL management
- ✓ Fee schedules, including MAC management and physician administered drugs
- ✓ Reporting and quality assurance
- ✓ Pharmacy and prescriber network administration and management, including audit
- ✓ Specialty drug and pharmacy services
- ✓ Fraud, waste, and abuse; proactive and retrospective detection, monitoring, reporting, and special investigation support
- ✓ Pharmacy and Therapeutics committee support
- ✓ Pharmacy clinical program review, development, and monitoring
- ✓ Drug Utilization Review
- ✓ Analytical services and reporting
- ✓ State-specific regulatory review, tracking, and reporting
- ✓ Behavioral health program support
- ✓ State and federal program compliance
- ✓ Security and privacy
- ✓ Emergency and disaster planning
- ✓ Continuity of operations

1.8.6 ADMINISTRATIVE DATA

- State Proposer's knowledge and understanding of the needs and objectives of LDH Pharmacy and the MCOs as related to the scope of this RFP.

The State of Louisiana, through LDH Pharmacy, articulates a sharp vision and objectives for its single PBM (Pharmacy Benefit Manager) services for both the contractor and the awarded Louisiana MCOs (managed care organizations). In preparation for our response, we carefully reviewed the RFP and attachments, as well as available information contained within the bidder's library or provided in the public domain (e.g., Pharmacy Benefits Management Services Manual Revision-B and LDH Pharmacy website content). We also reviewed Department-issued program guidance and resources, the LDH PDL (preferred drug list), and all relevant regulations, including Louisiana R.S. 46:450.7, which authorizes LDH to remove pharmacy services from Medicaid MCO contracts and assume direct responsibility for all Louisiana Medicaid covered drug pharmacy services.

Knowledge and Understanding of LDH Needs and Objectives

MedImpact possesses a thorough understanding of LDH RFP requirements and the single PBM model. We acknowledge the overarching objectives of the program are to improve the efficiency of Medicaid pharmacy benefit administration, as well as enhance accountability and transparency.

MedImpact understands LDH's objective is to administer a uniform benefit across all MCOs. LDH will prescribe all benefit and formulary edits / designs and any customization or variance is permitted only at the direction of the Department. A single PBM will administer the MCO Medicaid pharmacy drug benefit more efficiently than multiple PBMs through the processing of drug claims equally and uniformly for all MCOs. This avoids duplication of effort and administrative costs for each MCO and their contracted PBM, resulting in a reduction in program administrative overhead. The single PBM vendor must deliver and maintain a prominent level of credibility through the accurate processing of claims, the provision of full visibility to claims data, strong collaboration with the MCOs, and a seamless transition to operations.

MedImpact understands that among the benefits of the single PBM model is the flexibility it affords LDH in managing certain aspects of the program (e.g., pharmacy provider network and provider tax). Our approach to providing a Louisiana-specific Medicaid pharmacy network is based upon our experience building customized networks across the nation, while still providing 100 percent transparency to LDH.

The successful bidder will be required to execute separate contracts with each MCO, as well as a zero-dollar contract with LDH to establish a basis for contractual terms. At a minimum, these

contracts will govern the terms and conditions, as well as the roles and responsibilities of each party during the transition, operational, and turnover phases. No changes are allowed to any terms or scope of these contracts without LDH approval; MCOs pay for administrative services through a transaction fee per paid claim, in compliance with Louisiana R.S. 46:450.7 (no spread pricing, no transaction fees, no claw-backs, true-ups, or effective rates).

MedImpact's conflict-free, transparent business model supports LDH goals.

MedImpact recognizes that LDH seeks a closely aligned partner to implement this model, support its MCOs, and work collaboratively to continuously improve the program. The transition to a single PBM will require a knowledgeable and experienced partner free of any conflicts of interest. Our comprehensive, end-to-end single PBM solution eliminates inefficiency and streamlines management of the Medicaid program. Our Medicaid managed care experience will help to further ensure compliance with State and federal regulations, including any applicable Managed Care Rule requirements.

The scope of work, as outlined in RFP Section 2, includes, at a minimum:

- Implementation of LDH claims processing (uniform across all MCOs), automated prior authorization adjudication following the LDH-prescribed benefit design, and PDL integration and administration
- Delivering consistency of benefit administration for prescribers and pharmacy providers
- Streamlined administration of the pharmacy benefit, resulting in more efficient rebate invoicing and PDL coordination
- Best practice recommendations for sharing drug claims data with MCOs to ensure optimal coordination of enrollee care
- Improving enrollee outcomes
- Transparent and full pass-through pharmacy network management, including claims payment, communication and education/liaison activities, audits and audit support, fraud, waste, and abuse monitoring
- Consistent, accurate, and predictable pharmacy claim response and reimbursement to pharmacy providers
- Drug utilization review, including ProDUR and RetroDUR support
- Coordination of benefits to ensure LDH is the payer of last resort
- Alignment with clinical and policy goals
- Reporting, including standard and ad hoc reporting, for MCOs and LDH
- Accurate and efficient reporting that leverages a single common source of data
- Provider and enrollee support through a program-wide enrollee and provider call center
- Louisiana-based call center for prescribers to call to request prior authorizations, in accordance with LDH guidelines
- Partnership and collaboration with LDH and MCOs to enhance the management of the pharmacy benefit and to improve enrollee outcomes

MedImpact's approach to serving the Medicaid market with its flexible PBM program affords Medicaid agencies customizable solutions to meet both organizational goals and complex contract requirements. We will meet the dynamic needs of LDH and the MCOs by offering program and technology solutions to help ensure pharmacy benefit program compliance and to improve clinical outcomes.

MedImpact brings a unique perspective, insight, and proven solutions to potential difficulties and challenges ahead. Our proven experience and lessons learned offer value-added assurance to LDH as aligned partners on the implementation and management of the single PBM.

- Provide a written explanation of the Proposer's organizational structures of both operations and program administration, and a description of how the components communicate and work together in both an administrative and functional capacity from the top down.

Organizational Structures for Operations and Program Administration

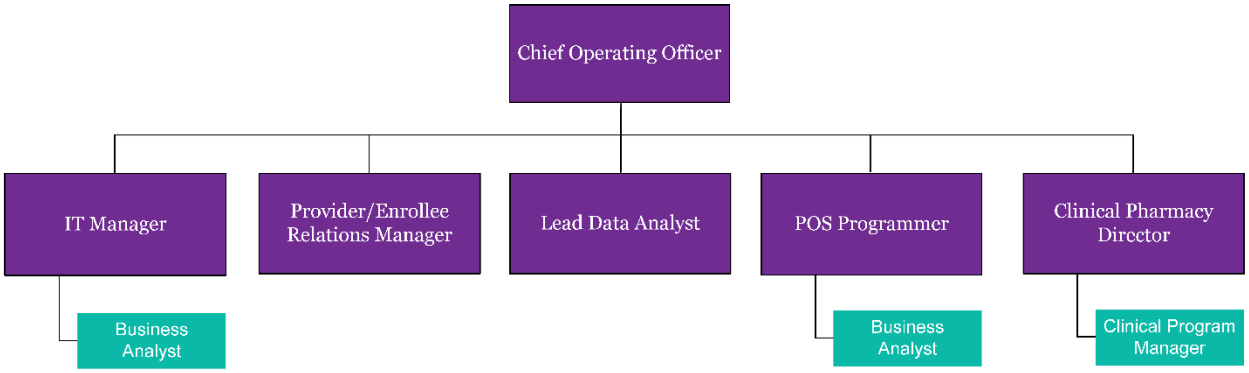
The State, its MCOs, and LDH Medicaid enrollees will be supported by a comprehensive, cross-functional team of Account Management, Implementation, Operations, Reporting, and Business Technology team members, with the experience, leadership, and operational acumen necessary to successfully implement, launch, and deliver the required services. These teams work in concert to deliver high-quality, high-touch service through direct and highly collaborative interactions with the MCOs and LDH, and to help ensure every enrollee within its population receives necessary and timely care. MedImpact's organizational structure determines how information flows between different parts of the company and how certain activities are directed to achieve defined goals.

MedImpact's matrixed organizational structure provides efficient processing of large amounts of information by leveraging specific technical and operational skills and staff. Our company is organized across operational units (e.g., Call Center, PA Unit, Configuration Services, Compliance, Legal) and each operational unit supports our Account (program administration) teams. This structure maximizes productivity, and the use of coordinated leaders and chains of command makes the organization more dynamic and responsive. We utilize shared services for business operations that are used by multiple parts of the company, enabling us to operate more efficiently through centralized operations.

Each operational unit assigns team members to assist the Account team (program administration); Operational team members have a dotted-line reporting structure to the Account team, while remaining solidly part of their functional unit. This affords team members access to colleagues, processes, scale, and training, all of which are critical job development components that would otherwise be absent.

COO (Chief Operational Officer), Kevin Chang, PharmD, BCPS, will serve as the executive in charge of the Louisiana single PBM program and the assigned Account team (**Figure 1.8.6-A**). The Account team is managed in a more hierarchical manner, from top down, with each key account team member reporting to the COO, except for the Louisiana compliance officer who reports up through our corporate compliance officer.

Figure 1.8.6-A: Louisiana Account Management Team



A single, unified team of key management personnel will serve all Louisiana MCOs, with a single point-of-contact established for each MCO. The Louisiana COO reports directly to the CEO, who in turn reports to De'Lona Davis-Jones, Vice President, Government Programs and Services. Ms. Davis-Jones is a member of our Senior Leadership team and will participate in meetings with the Account team regularly, as well as with LDH. As issues are escalated to Ms. David-Jones, she will have the necessary awareness to speak with her leadership peers so that any issue is moved to resolution.

With a staffing plan tailored to meet the specific needs of LDH, MedImpact's organizational matrix leverages our demonstrated experience managing PBM services. Our highly seasoned, local team is afforded corporate oversight and support, with reliance upon our corporate efficiencies, to successfully implement and maintain the single PBM program to meet the needs of Medicaid managed care enrollees across the State. MedImpact draws upon its historical information and experience with similar contract types and volumes, including claims, calls, prior authorizations, and edits. This serves as the foundation for our operations staffing projections, combined with further customization to address LDH program uniquities, to help assure appropriate resources for the Louisiana single PBM program from a services and technological perspective. MedImpact commits to meeting the staffing goals and objectives of LDH.

MedImpact's organizational structure clearly aligns segments of the operations scope of work with administrative departmental boundaries, clarifying the scope of responsibility for each department and its leadership, as depicted in **Figure 1.8.6-B**. While our Louisiana Account team and individual contributors collaborate freely across organizational boundaries, each department leader understands exactly what they are responsible for delivering to help ensure

fulfillment of the contract requirements. Account team management and individuals are important members in the capture, documentation, and effectuation of program design and procedures established to provide program administration and serve in roles of leadership and support for matrixed departments and services, as depicted in **Figure 1.8.6-B**.

Figure 1.8.6-B: Operations and Program Matrix Structure

COO, Kevin Chang, PharmD, BCPS, will provide project oversight and will collaborate closely with Implementation Manager, Jennifer Lakstins Alvarez, PMP, CSM., both of whom participate in all key implementation meetings. The core Account team for Louisiana also participates in these meetings. This approach affords optimal awareness of critical decisions and responsiveness necessary to help ensure a knowledgeable foundation of support to LDH. Support staff are also included in our resource management plan, with assigned subject matter experts for a specific period to various activities. Dr. Chang and Ms. Lakstins report directly to Dean Beuglass, RPh, Managing Principal, Government Programs and Services, who has a direct line of visibility and oversight of both the implementation and operational phases for LDH. Mr. Beuglass serves as our lead Medicaid FFS PBM resource and subject matter expert. He possesses high-level business analysis, communication, and presentation skills. Mr. Beuglass is a licensed pharmacist, with 28 years of experience in various pharmacy practice settings, including oversight of multiple PBM implementations. His experience also includes oversight of a PBM implementation during his tenure with the Commonwealth of Virginia.

The specific team proposed for this program is composed of seasoned professionals who possess industry and subject matter knowledge and expertise necessary to successfully support the project. Key roles are supported by the appropriate Operations and Program Administration resources (functional, technical, business processes, and people) to accomplish the tasks and activities with optimal effectiveness for LDH and its stakeholders.

- 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 System.

Management Philosophy

MedImpact leverages general operating philosophies, principles, systems, and controls, which are used to document and manage all projects. Through these processes, practices, and tools, we define the approach, processes, and systems to capture and establish quality control, risk and issue management, project oversight, and communication plans for the LDH Medicaid managed care program services.

Quality Control

Pharmacy service program quality accreditations, such as URAC PBM and NCQA Utilization Management, demonstrate MedImpact's commitment to high-quality standards across departments within the organization, including benefit design, claims processing, customer service, PDL design, and utilization management. These distinguished accreditations add value to all organizational programs and processes. We employ these best practices to our program and service-related policies and maintain a comprehensive commitment to quality care, efficient processes, and improved enrollee outcomes.

MedImpact's quality management program, led by our Quality Management team, establishes the fundamentals to help ensure systems, processes, and associates deliver service excellence daily. The scope of the quality management program includes:

- Defining the policy for the quality management program, which is based upon customer and regulatory requirements, and health care industry standards
- Defining the controls necessary to help ensure the products and services comply with applicable customer and regulatory requirements, and providing the framework to continually improve processes and satisfy customers, including quality of clinical and enrollee services, as well as enrollee safety
- Defining objective, measurable QI (quality improvement) indicators with target values to help ensure data from those indicators is reviewed and analyzed on an aggregate basis to evaluate trends, assess performance to the pre-established targets, develop opportunities for improvement, and identify any barriers to improvement, which may require additional intervention

- Overseeing cooperation and coordination when requested, specifically related to implementing quality improvements and other quality-related activities, as appropriate

The Quality Management team consistently applies SMART processes to help ensure our actions are:

- **S**ustainable—Replicating the same high levels of performance so MedImpact continuously meets or exceeds customers' expectations
- **M**easurable—Establishing standards for the levels of performance MedImpact provides and quantifying the results we achieve with customer-driven metrics
- **A**ccurate—Helping to ensure the results MedImpact achieves are precisely accurate, so our customers repeatedly receive what they require and need
- **R**eliable—Being trustworthy by delivering to our customers what MedImpact says it will deliver
- **T**imely—Delivering to our customers what MedImpact says it will deliver and by when it is promised

MedImpact produces a business and quality plan annually, which provides insights, analytics, and solutions to identify new opportunities to improve programs, enrollee health, and customer experience. Our annual plan is created with a cross-functional and collaborative approach. Prior to publication, our teams meet internally and with our customers to gather areas of focus, review priorities in quality, and work together to create improvement projects.

This approach enables us to aggregate data and blindly share information with state Medicaid programs as appropriate. State participation enables us to help ensure the goals of the state customers are our priorities. This multiple-entity, cross-functional team discusses performance issues, areas identified for improvement, and ways in which we can partner together to tackle emerging industry issues. MedImpact's quality assurance plan incorporates the following key elements:

Identification of major annual activities—Our national conference is an invitation-only event directed to consumers of MedImpact services and our customers. This conference is conducted to convey non-proprietary information to this audience and receive direct consumer and customer feedback to help us improve.

Selection of interventions that achieve goals and objectives—MedImpact helps to ensure enrollees achieve the best therapeutic outcomes possible. This is monitored through robust clinical and financial reporting for our customers. We measure program performance and manage trends. These touchpoints include performing claims reviews, prescription drug adherence outreach, monitoring of safety issues, financial review of prescription and medical drug spend, enrollee polypharmacy outreach, and drug utilization review.

Definitions for starting point and targets for performance—Quality benchmarks are established through monitoring across our entire book of business. We also use information

from reports from national quality organizations, such as NCQA, Pharmacy Quality Alliance, the National Quality Forum, and CMS. Using these benchmarks, we create a baseline for what we expect our Medicaid customers to achieve. We also use prior performance and input from pharmacies, prescribers, consumers, and our customers to establish starting points. These efforts help to ensure a realistic and achievable performance measurement goal.

Feedback loops and transparency—Our plan includes the feedback loop and operational staffing structure in place to communicate, escalate, and transfer findings. The feedback loop inherent in our staffing model enhances our productivity, compliance rates, customer satisfaction, and quality performance results. Cross-functional quality meetings involve scorecards and reports that summarize underperforming levels of quality. Quality is everyone's job at MedImpact. Quality improvement projects develop as a direct result of underperforming levels. A scheduled process is used for quality reviews, with specific algorithms that scan for outliers in our data. Because it is important to correct any outliers quickly and provide the best service, we perform these scans timely, along with necessary outreach. Our data-driven processes use key performance indicators, book-of-business benchmarks as medians, and historical customer performance to view trends, performance, and develop goals.

The MedImpact Enterprise Quality Management Program uses the following methodologies to help ensure quality within our PBM services:

- **LSS (Lean Six Sigma)**—Our teams maximize value, with a focus on minimizing waste using methodical, documented strategies, and processes. The process documents value-added services, as well as non-value-added services. Our teams hold regularly occurring Kaizen events to prioritize, document, and discuss our strategies. We use five principles referred to as **5S** where we **S**ort, **S**et in order, **S**hine, **S**tandardize, and **S**ystemize. Our LSS principles and techniques are used to improve workflow, reduce waste, solve problems, provide optimal customer service to enrollees and providers, and continuously improve our processes.
- **PDSA (Plan, Do, Study, Act) process**—The Quality Management team discusses the plan of what needs to happen, the team decides what needs to occur, the approach and expected result is studied, the team then acts by either sunsetting the item, considering it complete, or trying a different approach.
- **SDLC (Software Development Life Cycle)**—Our Information Technology and Information Reporting team uses the SDLC process to help ensure the development of new technology or solutions involves rigorous phases that include quality time spent in the review of requirements, designing, and planning. These phases of the MedImpact SDLC help to ensure we build a solution in line with the needs of LDH and other customers.
- **ISO9001:2015**—Our QMS (quality management systems) are driven from the International Standard of Quality Systems (QMS Management). Our teams use the specifications, terms, and units of measurement to communicate, report, and measure quality. ISO9001:2015 is an important tool used in measuring financial sustainability and risk.

- **ITIL (Information Technology Infrastructure Library)**—We incorporate ITIL-driven IT services management strategies in our claims and rebate administration processes so that we are effectively positioned to handle increasing enrollee demand, maintain regulatory compliance, and maximize value for LDH.
- **TCM (Trend Calculation Methodology)**—Our trend calculation methodology involves the use of Commercial, Medicaid, and Medicare Part D data. This compiled data across our entire book of business provides a baseline for comparison for our customers. Using a comparison of LDH against the trend calculation book of business baseline, we can establish whether performance levels are consistent and within an acceptable range. The trend calculation methodology excludes plans with the following:
  - A plan or program lacking 24 months of continuous coverage for claims processing and eligibility
  - A plan or program with a change in enrollment of more than 20 percent
  - A plan or program designed as a cash card discount program
  - A plan or program with no eligible or utilizing enrollees
- **Clinical Quality Methodologies—**Our Clinical team uses established monitoring and reporting solutions that sweep claims processed by our POS system to produce summaries of clinical quality measures with historical claims utilization. The Clinical team routinely monitors clinical quality, efficacy, and patient safety using our enhanced DUR (drug utilization review) process.
- **Direct Customer Feedback—**The most important measurement or methodology is received directly from our customers. We use customer surveys, suggestions received through correspondence or our call center, our annual meeting called Impact, and customer focus groups.
- **CMS Guidance—**Our programs are driven by and compliant with regulations set within the CMS Prescription Drug Benefit Manual Chapter 9, Medicare Managed Care Manual Chapter 21, and Medicaid and CHIP Managed Care Final Rule (CMS-2390-F)

Our organization's success is predicated upon meeting our quality objectives. To help ensure these objectives are met, MedImpact leverages advanced data-driven reporting along with analytics to identify potential issues across pharmacies, prescribers, and enrollees. Our teams drill down into the details related to how these parties interact with one another.

MedImpact employs descriptive analysis and incorporates advanced statistical modeling to capture suspicious claims and behaviors, including:

- Trend and spike analysis
- Provider scoring
- Network analysis
- Predictive modeling

Key MedImpact personnel also hold active memberships with several nationally recognized quality and compliance associations. This team's participation provides MedImpact with the insight of industry best practices that keep us informed and abreast of new or cutting-edge processes and tools. The following are several of the national associations with MedImpact participation:

- HCCA (Health Care Compliance Association)
- ACFE (Association of Certified Fraud Examiners)
- HFPP (Healthcare Fraud Prevention Partnership)
- NHCAA (National Healthcare Anti-Fraud Association)
- NADDI (National Association of Drug Diversion Investigator)
- SCCE (Society of Corporate Compliance and Ethics), which includes CCEP (Certified Compliance and Ethics Professional) and CCEP-I (Certified Compliance and Ethics Professional – International)

MedImpact's commitment to providing excellent service and quality pharmacy benefits management is portrayed to our staff, our customers, and the public through our quality assurance reports. Using evidence-based data, coupled with detailed analytics, we provide an assessment from clinical, financial, and operational consultation. For each report, our data analytics and claims review teams work in concert to populate the template with the data. COO, Kevin Chang, PharmD, BCPS, will facilitate the meeting and include subject matter experts responsible for the material in the presentation. Annual and quarterly quality review reports include:

- Number of (ever) active clients during the reporting period
- Number of claims processed during the reporting period
- Number of utilizers during the reporting period
- Utilization by age
- Utilization by gender
- Utilization by demographic (as selected by the LDH team)
- Number of claim reviews performed
- Number of claims recoupments and recoupment amounts
- Number of potential recoupments
- Number of open reconsiderations
- Top 10 drugs utilized by claims
- Top 10 drugs by cost
- Generic vs. brand utilization
- Controlled substance reports

Within the report, our Claims Review team outlines the procedures used to process the claims in the review. All processed claims must coincide with MedImpact's policies and procedures as agreed upon by LDH. If they do not, we will establish a corrective action plan and an associated timeline for the claims to be corrected.

Professional Practices

MedImpact applies industry-based processes and best practices, tailored to the specifications of this project, to provide the highest level of service across all areas of the contract. These methodologies and processes promote a common language, effective communication, efficient linkages, asset reuse, and information-sharing.

In accordance with the Project Management Institute Guide to the Project Management Body of Knowledge Guide, MedImpact's SDLC methodology directly aligns with the Software Engineering Institute's Capability Maturity Model Integration and ISO 9000x standards. This strong foundation affords clear standards, automated processes, and measured controls to manage activities, tasks, deliverables, workplans, staffing, issues, risks, and milestones for projects in an enterprise solution. Further, it reduces project risk by avoiding deviations from LDH-approved requirements and reinforcing agreed upon project standards and disciplines. These methodologies and processes promote a common language, effective communication, efficient linkages, asset reuse, and information-sharing.

MedImpact follows industry-standard SDLC methodology for the proposed solution to achieve optimal outcomes. Our hybrid approach to project management offers Agile, where most effective, and Waterfall for the remainder. The industry standard Agile method is a software development methodology that promotes iterative and incremental system development where sprints are most effective. We employ Agile methodologies for the efficiency and efficacy of software teams working within the SDLC. The Waterfall method is utilized for the distinct phases within the larger scope of the project. We support both Waterfall and Agile development methodologies to help ensure fast application development, when required, with full traceability of requirements to capabilities. In concert with our configurable, commercial-off-the-shelf/SaaS software, our system development processes promote teamwork, frequent deliveries of working software, close customer collaboration, and the ability to respond quickly to change.

Supervision

Dean Beuglass, Managing Principal, Government Programs and Services, maintains oversight and governance of every phase of this important project. Mr. Beuglass brings more than 17 years of Medicaid experience and currently leads and directs MedImpact's State Medicaid FFS team. A tenured pharmacy benefit management resource and subject matter expert specializing in Medicaid programs, he possesses high-level business analysis, communication, and presentation skills necessary to successfully manage and support the activities of this contract. COO, Kevin Chang, PharmD, BCPS, oversees and supervises all staff supporting the fulfillment and execution of the LDH contract. Training applicable to each staff member and their management and oversight of the project requirements is completed during implementation.

Contract-specific and role-specific initial and ongoing training programs are provided within each individual operational area, which includes a combination of classroom and online training modules. All employees undergo rigorous corporate-wide training on topics such as HIPAA compliance, protected health information, security and confidentiality, disaster recovery and business continuity, and internal applications. Rigorous standards are applied in training, education, skills matrix testing, and performance evaluations. The scope of training includes both internal and external LDH users, including LDH staff, contractors, prescribing providers, pharmacists, and MedImpact State FFS staff.

Distribution of Work

The project implementation manager and account team facilitate multiple workshops (generally held within the first two weeks following project kickoff) composed of SMEs (subject matter experts) across the organization, as well as LDH SMEs, to provide their expertise on the program requirements and project deliverables required by their respective teams to support implementation and operations. While these workshops are typically conducted in person, doing so may be dependent upon the current pandemic or travel restrictions. In the event travel is restricted or prohibited on a State or federal level, MedImpact schedules web-based meetings to review documentation, establish communications, and facilitate requirement capture and validation.

Communication System

As previously noted, paramount to the success of all implementations is ongoing collaboration and communication. At the outset of the project, we work with LDH to establish roles and responsibilities, performance expectations, and overall project communication expectations, methods, and vehicles. With organizationally and geographically diverse teams, MedImpact considers all methods of communication and collaborates with LDH, the MCOs, and other stakeholders to clearly understand expectations and deliver accessible and effective information sharing. MedImpact uses technology in concert with on-site and direct communication methods to provide varied data and project material access points that meet the need of project stakeholders. Web-based, telephonic, in-person, collaboration software, and written documentation shared for review and approval are all methodologies and practices used to help ensure access, collaboration, and availability of materials and artifacts of the project in all contract phases.

1.8.7 Work Plan and Project Execution

The Proposer should articulate an understanding of, and ability to, effectively implement services as identified in Section 2. Scope of Work. In this section, the Proposer should state the approach it intends to use in achieving each objective of the scope as outlined, including a project work plan and schedule for implementation.

The Proposer should:

With more than 30 years of experience, MedImpact has successfully led hundreds of large-scale implementations, including multiple large state contracts similar in size and scope to that of the LDH program. With in-depth experience implementing and transitioning PBM (pharmacy benefit management) programs across the health plan, commercial, Exchange, Medicare Part D, Medicaid, and TPA markets, MedImpact currently provides PBM services to millions of lives across multiple lines of business throughout the nation the nation. Our most recent similar government implementation is with the Department of Medicaid Services in the Commonwealth of Kentucky.

- Provide a written explanation of how the operations and program administration components of the Proposer's organizational structures will support service implementation. Individual components should include plans for supervision, training, technical assistance, as well as collaboration as appropriate.

LDH service implementation is directly supported by a comprehensive, cross-functional team of Account Management, Implementation, Operations, Reporting, and Business Technology team members with the experience, leadership, and operational acumen necessary to successfully implement, launch, and deliver the required services. These teams work in concert to deliver high-quality, high-touch service through direct and highly collaborative interactions with the MCOs and LDH, and to help ensure every enrollee within its population receives necessary, timely care. Our experience providing large-scale PBM services across the nation directly translates to our ability to successfully support the State, its enrollees and MCOs, and all other relevant stakeholders.

Support of Service Implementation

With decades of experience performing these services, coupled with its proven approach, MedImpact is afforded a unique understanding of the scope of work and level of effort required for this engagement.

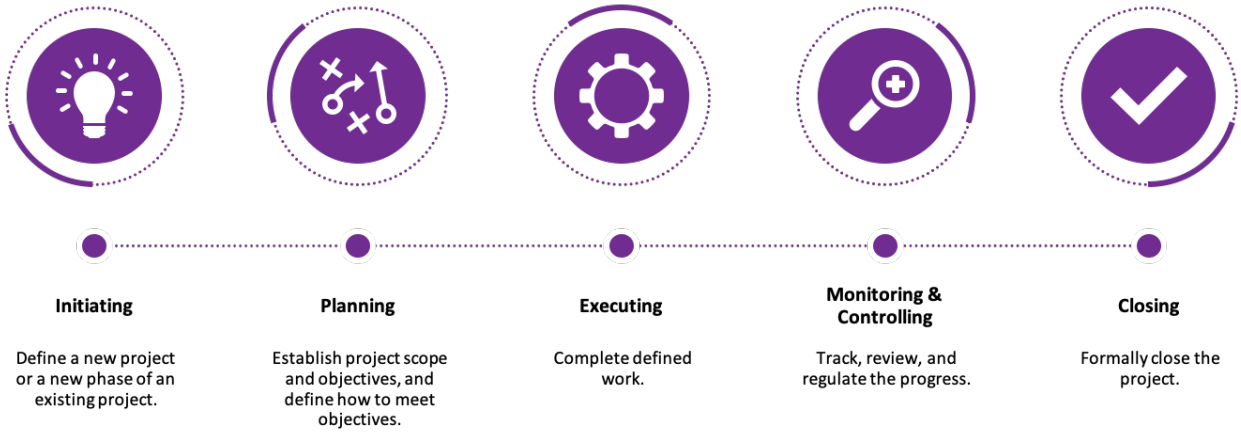
Approach to Service Implementation

Our approach to service implementation and project management methodology is grounded in the PMI (Project Management Institute's) PMBOK (Project Management Body of Knowledge) principles, which represent the leading standard for defining project management processes, tools, techniques, and plans. Leveraging these principles helps to ensure MedImpact's ability to successfully manage large-scale implementation projects across multiple markets, customer types, and lines of business.

Based upon the PMBOK, depicted in **Figure 1.8.7-A**, our project management model encompasses:

- Requirements collection and management
- Planning
- Tracking
- Quality assurance
- Configuration management
- Communication management
- Cost assessment
- Risk management
- Training processes
- Intergroup coordination

Figure 1.8.7-A: PMBOK IPECC Project Management Model



Initiating—Critical to the initiation phase is gathering, verifying, and documenting all requirements. MedImpact collaborates with LDH to analyze the business drivers, requirements, and other supporting data, using a wide variety of tools and methods to ascertain that the proposed scope aligns with LDH's and MedImpact's business and technology strategies. This project management plan (work breakdown structure [WBS]) is updated to include tasks identified during requirements verification and shared with LDH, the MCOs and their stakeholders, key team members at MedImpact, and all other stakeholders specified by LDH.

Planning—Among the most essential phases of a new requirement or approved change project, this phase involves collaboration with LDH to define a detailed plan for managing all aspects of the project, including scope, schedule, cost identification and tracking, quality monitoring, communication strategy, and risk and issue management. During this phase, we finalize plans and materials required for project delivery and conduct project kick-off meetings to help ensure MedImpact's Implementation team, LDH leadership, and all identified stakeholders align with respect to project goals and objectives. The implementation manager collaborates with LDH to establish a cadence of meetings and activities to document project scope, as well as to track and facilitate the development and delivery of the following project deliverables:

- Functional and informational requirements documents
- Data dictionary
- Implementation and readiness review plans

Executing—The implementation manager performs routine quality checks to help ensure the project generates the requisite high-quality deliverables on schedule and on budget. The implementation manager provides the necessary information regarding the project available to project stakeholders, in accordance with the communications strategy and as agreed-upon with LDH. The implementation manager drives the agenda for status meetings based upon the reports generated by the Implementation team, including the quality analyst. We escalate issues to stakeholders using established escalation mechanisms and status meetings, thus ensuring issues appropriate visibility, and are addressed in a timely manner.

Monitoring and Controlling—MedImpact's project control and execution processes continuously interact with one another. We follow comprehensive system change control procedures implemented within our business and software development processes. MedImpact supports an agile development method that facilitates prompt application development with full traceability of functions back to requirements. In addition, we monitor any identified risk indicators for evidence that a risk may be realized. In the event a risk progresses and becomes an issue we activate remediation or contingency plans as appropriate.

Closing—The implementation manager performs closure activities to generate, gather, and disseminate project-specific information to formalize project completion, LDH approval, and closure. We distribute this information through closure reports and share it with LDH. As components of project closure, we evaluate project metrics against project plan baselines, documented best practices, and lessons learned to capture and internalize for use on subsequent projects. We use these documents refine, enhance, and plan future projects or project phases.

MedImpact monitors, tracks, and reports on all systems and operations-related tasks, promptly addressing identified risks and issues as they arise. Our experienced project management team uses industry-leading project management toolsets, coupled with standards-driven project management plan processes and procedures, across all phases of the contract—all of which are customized and continually refined to meet the specific needs of LDH.

All phases of our project management activities focus on carefully managing and reporting on LDH project cost, schedule, quality, performance, scope, risk / issues / opportunities, and staffing. MedImpact facilitates coordination with LDH, the MCOs and their stakeholders, the systems integrator, and other stakeholders whose participation is necessary to help ensure the successful delivery of this PBM (pharmacy benefit management) MCO program.

Supervision and Training

Dean Beuglass, Managing Principal, Government Programs and Services, maintains oversight and governance of every implementation phase of this important project. A tenured pharmacy benefit management resource and subject matter expert specializing in Medicaid programs, Mr. Beuglass possesses high-level business analysis, communication, and presentation skills necessary to successfully manage and support the activities of this contract. Mr. Beuglass oversees and supervises all staff supporting the fulfillment and execution of the LDH contract. Training applicable to each staff member and their management and oversight of the project requirements is completed during implementation.

Contract-specific and role-specific initial and ongoing training programs are provided within each individual operational area, which includes a combination of classroom and online training modules. All employees undergo rigorous corporate-wide training on topics, such as HIPAA compliance, PHI, security and confidentiality, disaster recovery and business continuity, and internal applications. Rigorous standards are applied in training, education, skills matrix testing, and performance evaluations. The scope of training includes both internal and external LDH users, including LDH staff, contractors, prescribing providers, pharmacists, MCOs, and FFS staff.

MedImpact training activities include:

- Development and maintenance of a training plan(s)Development and maintenance of training materials in LDH-approved formats
- Delivery of direct hands-on training to staff identified by LDH as requiring training
- Delivery of training to new staff, consistent with assigned roles and responsibilities
- Delivery of in-person and on-site training for each release, at the discretion of LDH
- Analysis to improve and tailor training to specific user roles and groups

MedImpact employs a variety of training modes to deliver training, including:

- In-person training for LDH (dependent upon COVID-19 guidelines)
- In-person training for approved managed care plan personnel
- Online training available to all appropriate stakeholders (pre-recorded and live)

MedImpact views user documentation and training materials as the enabling element for workforce success, ensuring each user knows:

- Tasks to perform
- How to perform those tasks

- When the tasks are being performed correctly
- Tools to use to perform the tasks

A comprehensive training plan, tailored to the LDH project, is developed to assure all MedImpact staff, authorized LDH personnel, and end users (MCOs, pharmacies, and prescribers) have the information they need to work effectively with our systems and processes. The training plan includes the following specific content:

- **Purpose**—The purpose of MedImpact's training is to help all stakeholders who work with our processes and systems understand the underlying concepts and principles and are able to perform their work with a high level of proficiency.
- **Audiences for Training**—Identifies the primary audiences for training and their general informational needs
- **Schedule for Training**—This information is derived from the implementation work plan.
- **Scope of Training (Curriculum)**—Defines the set of training classes to be produced and delivered during the coming year
- **Training Modes**—Description of the modes through which we deliver training

MedImpact uses the Cisco WebEx Training Center for online training. The system provides the following capabilities:

- Sharing multimedia, including presentations, video, system demonstrations, etc.
- Breakout sessions for small groups
- High-definition video, integrated audio, and voice-over-IP conferencing
- Threaded question-and-answer sessions between the instructor and attendees
- Trainee knowledge tests
- Chat (private or public) between attendees
- Feedback through audience polling
- Attendee evaluation feedback post-class
- Class registration and reporting of attendance
- Support for training on mobile devices and across systems software
- Support for training in multiple languages (Microsoft Windows platform only)

MedImpact helps to ensure all training materials are accessible for all trainees in accordance with the Americans with Disabilities Act. Each technical writer, instructional designer, and trainer within our Documentation and Training team complete training on the requirements of the Act as part of their initial training with MedImpact to assure they understand the relevant requirements.

All printed materials designed for in-person training events incorporate design guidelines to accommodate users with visual impairments. Examples include:

- Printing alternate versions of materials designed for a minimum 14-point open typeface (such as Helvetica or Arial) to enable readability for those with visual impairments

- Printing of Braille versions of materials as needed

Online training materials are reviewed against the following standards:

- Section 508 of the Rehabilitation Act (29 U.S.C. § 794d) as amended by Workforce Investment Act of 1998 (P.L. 105-220)
- Web Content Accessibility Guidelines (WCAG) 2.0 and incorporating WCAG 2.1 standards as applicable

The Documentation and Training team collaborates with our Information Technology team to help ensure the technology used for training delivery conforms with these standards and that we address any issues that limit accessibility. Particular considerations include, among others:

- Sufficient size typeface to accommodate users with visual impairments (e.g. minimum 14-point or larger and responsive design if the user zooms the page)
- Alternate (alt) text for screen visual elements
- Clear identification of screen hyperlinks
- Design considerations for automated screen readers

Technical Assistance

MedImpact recognizes the technical complexity of a service implementation of this nature. The named IT (Information Technology) manager and Point-of-Sale (POS) programmer are seasoned technology professionals who will oversee the technical aspects of the project, including security and account provisioning; customer connectivity; historical data conversion; interface development and testing; application enhancements; infrastructure development; and more. These resources are supplemented by an assigned technical project manager who will actively participate as a member of the Implementation team and who will coordinate all project-related activities within our Corporate Solutions, Information Technology department. These three resources will provide or facilitate technical assistance needs, as required, with the full support of our extended Corporate Solution, Information Technology department. Our LDH and MCO partners will have direct access to these individuals via email and telephone, with 24 x 7 x 365 access to support from our Technical Help Desk, as well.

Collaboration

Paramount to the success of all implementations is ongoing collaboration and communication. At the outset, we work with LDH to establish the roles and responsibilities, performance expectations, and overall project communication expectations.

With organizationally and geographically diverse teams, MedImpact considers all methods of communication and collaborates with LDH, MCOs, and other stakeholders to clearly understand the expectations. We utilize active communication methods, including:

- Face-to-face meetings

- Video conference, meeting – one-on-one or group
- Telephone conference, or voice only Web conference
- Webinars, becoming increasingly popular for the delivery of presentation-based activities
- Telephone
- Stand-up, in-person presentations

Standup meetings are conducted with team members to assure we are always aware of any issues or successes that each member experiences. Our team members are accustomed to the open communication and transparency. Because everyone's contribution is important and aids in the success of each implementation, we solicit team members' feedback on a continual basis.

MedImpact recognizes the most significant part of communication entails being present and prepared to communicate to all stakeholders at their respective levels. To accomplish this objective, we listen intensely to assure full understanding of the end goal and work toward that common goal.

We collaborate with LDH from the outset to identify its specific communication needs and requirements, which may include the following:

- Information to communicate—to include the level of detail and format
- Audience for each communication
- Communication methods—meetings, email, telephone, Web portal, etc.
- Distribution of information—frequency of project communications, both formal and informal
- Responsible stakeholder for communicating project information
- Communication requirements for all project stakeholders
- Project resources allocated for communication
- Communication of any sensitive or confidential information and individual responsible for authorization
- Management of communication of changes or the communication process
- Project communications flow
- Constraints, internal or external, that affect project communications
- Standard templates, formats, or documents the project must use for communicating
- Escalation process for resolving any communication-based conflicts or issues

The implementation manager identifies all project stakeholders and establishes the frequency and method of communication, including:

- Project management and staff
- MedImpact internal departments
- LDH—project lead; clinical lead; IT lead
- Providers (prescribers and pharmacies)
- Members

- Billing agent announcements
- Other stakeholders, including MCOs, counties, and community agencies
- CMS

In accordance with LDH organizational policy, the Implementation team determines communication methods and technologies to be used based on factors, including stakeholder communication requirements, available technologies (internal and external), and organizational policies and standards.

A SharePoint platform enables the Implementation team and LDH to view updates, archive various reports, and conduct project communications. This platform affords senior MedImpact and LDH management, as well as stakeholders, compatible technology to access project data and communications at any time. SharePoint also provides the ability for stakeholders and Implementation team members to collaborate on project work and communication.

MedImpact conducts weekly meetings with LDH stakeholders to discuss project status, identified issues requiring resolution, and to report on project control metrics. In addition, we report to LDH leadership weekly on project control metrics and any items that may require escalation and mitigation.

In addition, the implementation manager performs the following prior to the meeting date:

- Updates WBS and the Microsoft Project standard dashboard that show late tasks, completion percentage of current tasks, and upcoming tasks
- Prepares and distributes meeting agendas

The implementation manager is responsible for each meeting and conducts the following:

- Minutes from the project status meetings
- Action Items from the meetings
- Additional follow-up required from the meetings

MedImpact's use of Microsoft Project offers various standard views and reports for all system users, as well as other project reports identified and defined by LDH. Additional data can be retrieved for key metrics identified during the project control and reporting process work plan. For formal reporting purposes, MedImpact develops several standard weekly reports, including:

- **Weekly Progress Report**—Documented in Microsoft Word format, this report provides a detailed summary of all items to be discussed at weekly status meetings.
- **Weekly Deliverable Status Report**—This report, produced in Microsoft Project, provides the status of all deliverables, overdue deliverables, milestones, and approvals.

Through the functionality available in Microsoft Project, MedImpact produces reports to assess the health of the project. These reports can be configured for individual audiences, such as the Executive Steering Committee, executive director, implementation manager, as well as an LDH-

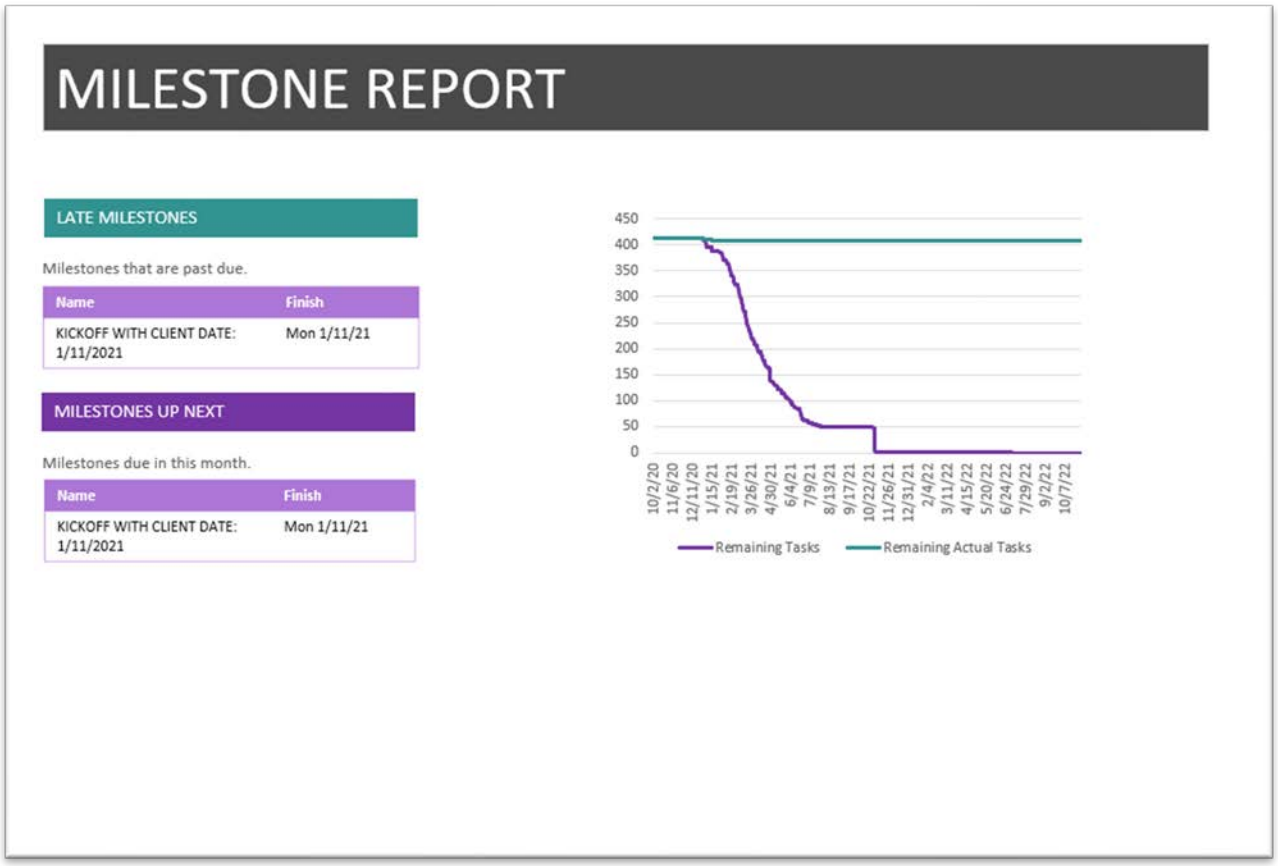
specific dashboard to track specific desired metrics. Reports and associated metrics are produced and updated by the implementation manager, with delivery of these reports to LDH as part of our general project management responsibilities.

The implementation manager produces a weekly status report and makes it available prior to the status meeting. This individual collects the information and merge with automated data to produce the weekly status report. In the Project Initiation phase, we collaborate with LDH to determine the optimal format for the weekly status report.

The following figures (**Figure 1.8.7-B** and **Figure 1.8.7-C**) represent formats from Microsoft Project reporting dashboards for the status report and for a milestone report.

Figure 1.8.7-B: Sample Status Report

Figure 1.8.7-C: Sample Milestone Report



Experienced Staff

- Demonstrate an ability to hire staff with the necessary experience and skill set that will enable them to effectively meet the needs of Enrollees.

All staff are vetted, hired, and onboarded within the required LDH timeframes. We offer competitive salary and benefits and incorporate robust retention strategies, such as professional development, career paths, flexibility, incentives, and competitive pay into our offers. Our flexible staffing model can be readily adjusted based upon LDH requirements. We commit to adjusting staffing, as necessary, throughout the contract term to meet the specific needs of LDH, its members, and providers.

LDH requires qualified personnel with the requisite qualifications, skills, and experience necessary to successfully implement and operate the program to the satisfaction of LDH and its stakeholders. LDH benefits from three decades of MedImpact's successful experience delivering comprehensive pharmacy services to state Medicaid models and delivery systems across the nation. With decades of experience performing these services, coupled with a proven methodology, we are afforded a unique understanding of the scope of work and level of effort

required for this engagement, which is factored into our staffing strategy to provide these key services to LDH.

MedImpact has extensive experience serving managed Medicaid health plans and programs, with a clearly defined staffing model that reflects and adjusts to the ever-changing needs of the Medicaid programs we support. Leveraging these experiences, all project requirements are analyzed—including LDH, provider, and member needs—to determine resource leveling at different phases of implementation and operations. Hiring and staffing estimates are based upon the volume of anticipated claims, PAs, and other transaction volumes provided in the RFP (Request for Proposal) documentation and compared to our experience with other contracts similar in size and scope. Our approach optimizes staffing projections to assure all contract obligations and volume fluctuations are met, while remaining good fiscal stewards of LDH funds. Our staffing model is flexible and can be readily adjusted to reflect various levels and changes in LDH requirements, including the addition of FFS LDHs. We commit to augment staffing, as necessary, throughout the contract term to meet the needs of members, providers, and LDH. Additionally, model forecasts require staffing levels by proven ratios and efficiency metrics appropriate to each position type. We use guidelines built on time studies and complexity of services. For example, our LDH Customer Service Center staffing model forecasts staffing levels based upon metrics, such as call handle times and projected peak call times.

LDH benefits from MedImpact's proposed team, which includes seasoned professionals who possess industry and subject matter knowledge and expertise necessary to fill key roles and effectively support every contract phase and projects. Key roles receive support from the appropriate essential resources (technical, business processes, and people) to accomplish the tasks and activities with optimal effectiveness for LDH and its stakeholders. MedImpact's leadership team provides supplementary oversight of the project.

As part of MedImpact's staffing plan we prepare a resource load chart that details the planned resource allocation and deployment for this project. Our staffing model for implementation includes rapid deployment of all key account management staff to foster continuity and the development of institutional knowledge. Key staff are onboarded within LDH-required timeframes following contract award and are properly credentialed and trained during the first 30 days. The load chart also illustrates our timeline for adding other support, as well as the number of full-time equivalents by job type, and details our forecast of project staffing needs by phase, including staffing numbers, hours, and personnel types. The load chart provides a visual representation of the estimated effort measured in working hours for each staff resource assigned to the project.

Various Organizational Strategies for Day-to-Day Operations

- Demonstrate an understanding of, and ability to implement, the various types of organizational strategies to be integrated within the day-to-day operations.

Chief Operational Officer, Kevin Chang, PharmD, MBA, will oversee the day-to-day business activities and will serve as the single point-of-contact for LDH and the MCOs, as required. Staff activities are organized based upon its experience with prior implementations and align with the tasks and deliverables within the project workplan. Team members understand their roles and responsibilities and are highly adept at the work they undertake. Implementation Manager, Jennifer Lakstins-Alvarez, PMP, CSM, is responsible for all staff on the project and for ensuring staff members understand their respective roles and the work associated to those roles. Our internal communication processes keep our entire project and internal product teams up to date. Upon development, delivery, and acceptance of the project work plan, MedImpact's teams follows the guidance for project communication.

Our internal teams serve as the link for both internal and external project communication. These teams represent our first line for risk identification and help to ensure the project's success through communication with LDH and its designees during the deliverable development process, requirements-gathering, configuration, testing, and training. Our teams are experienced in and aware of the specific needs of the implementation for LDH, assuring communication is open throughout the SDLC and integration of our proposed solution.

Strategies to Achieve Objectives and Effective Service Delivery

- Demonstrate knowledge of services to be provided and effective strategies to achieve objectives and effective service delivery.

MedImpact's unique culture is defined by a customer-centric approach to the delivery of service excellence and a commitment to operating as a performance-based organization. We bring an innovative and flexible approach to the administration of pharmacy benefits, with a mission to use our in-depth clinical expertise, advanced technology, and a proactive, holistic approach to engage and empower individuals to lead healthier lives.

As the only PBM to successfully implement this same model, MedImpact has a proven knowledge and understanding of the requirements, risks, needs, and objectives inherent in implementing this model. We acknowledge the intent of this procurement is to provide a single Pharmacy Benefit Manager (PBM) to serve the estimated 1.7 million Louisianans enrolled in the State's Medicaid managed care program.

In January 2021, MedImpact was awarded a contract with the Kentucky Division of Medicaid Services (DMS) to administer its single Medicaid PBM for the Commonwealth's six managed care organizations. Launched July 1, 2021, this program mirrors the program and scope of work requested by LDH, with the provision of optimal essential pharmacy benefit services to over 1.6 million members. This implementation affords us unique insight and knowledge with regard to the service delivery and strategies necessary to achieve LDH objectives for its Medicaid managed care program.

Approach and Strategy for Project Oversight and Management

- Describe approach and strategy for project oversight and management.

MedImpact employs industry best practices and project management tools and methodologies to help ensure seamless project management and leadership. We are committed to delivering quality project oversight and management grounded in the PMI's PMBOK (Project Management Body of Knowledge) principles, representing the leading standard for defining project management processes, tools, techniques, strategies, and plans. Leveraging these principles helps to ensure MedImpact's ability to successfully manage large-scale implementations across multiple markets, customer types, and lines of business. Our teams strive to meet and exceed LDH expectations with its solution, as well as with its project management and collaboration.

Project Oversight

Chief Operational Officer, Kevin Chang, PharmD, MBA, will provide project oversight and will collaborate closely with the implementation manager, both of whom participate in all key implementation meetings. This approach provides optimal awareness of critical decisions and responsiveness necessary to help ensure a knowledgeable foundation of support to LDH. Support staff are included in our staffing plan, with assigned subject matter experts for a specific period to various activities. These individuals both report directly to Dean Beuglass, RPh, Managing Principal, Government Programs and Services, who has a direct line of visibility and oversight of both the Implementation and operational phases for LDH. Mr. Beuglass serves as our lead Medicaid FFS PBM resource and subject matter expert. He possesses high-level business analysis, communication, and presentation skills. Mr. Beuglass is a licensed pharmacist with 28 years of experience in various pharmacy practice settings. Prior to joining MedImpact, Mr. Beuglass served as Senior Pharmacy Policy and Data Strategist for the Commonwealth of Virginia Medicaid program, supporting the chief medical officer and chief deputy.

Project Management

Our implementation strategy begins with the requirements-gathering process by creating a baseline of requirements from sources, such as the RFP and proposal response, along with contract negotiations. From these requirements, we formulate an IQ (Implementation

Questionnaire) specifically customized to LDH. MedImpact's business and technical analysts collaborate with LDH personnel to complete the IQ. These analysts schedule and participate in targeted detailed requirements validation sessions with their counterparts at LDH to validate and refine the requirements.

As part of the work plan, the requirements-gathering process begins with extraction of all information gleaned from the RFP scope of work, online program documentation, posted drug lists, PA (prior authorization) criteria and forms, and any other accessible program data sources. This captured research content is imported into MedImpact's IQ—our requirements analysis document—to form the initial draft of our requirements documentation. This assimilated information is separated into detailed tasks essential to achieving each requirement. A standards manual is developed to guide all deliverables and to help ensure requirements are met. Upon completion of the initial draft, and within two weeks of contract signature, an IQ session is conducted in collaboration with the LDH Implementation team. This joint collaboration helps to ensure all requirements are gathered, reviewed, and validated with LDH.

The IQ defines the approach to conducting successful requirements-analysis meetings, which includes the following steps:

- Establish project goals and objectives early
- Document every requirements elicitation activity
- Transparency with requirements documentation
- Talk to and assure the appropriate stakeholder and users
- Avoid making assumptions regarding requirements
- Prioritize features / needs
- All requirements separated into granular work packages within expanded WBS (work breakdown structure)

IQ items include:

- Customer information: access; accounting set-up
- Pharmacy network: design; reimbursement
- PDL (preferred drug list) design
- Benefit configuration: member drug coverage; coordination of benefits; transition of care
- Regulatory compliance (Louisiana-specific policy)
- PA configuration
- Call center: technical; clinical
- Requirement traceability matrix

This information is then separated into detailed tasks essential to achieving each requirement. Upon completion of the initial draft and within two weeks of contract award, an IQ session is conducted in collaboration with the LDH Implementation team. This joint collaboration helps to ensure all requirements are gathered, reviewed, and validated.

Our Implementation team, composed of staff members from each functional area and led by our PMI (Project Management Institute)-certified PMP leaders, focus on and serve as subject matter experts during IQ workshops, enabling us to dissect and capture each requirement. Once the IQ workshops are completed, the team of experts in each functional area reviews the requirements. Following internal approval by the subject matter experts and the Implementation team, the document is forwarded to LDH for review, input, and approval.

Upon receipt of LDH approval of the IQ requirements documentation, our implementation manager documents any additional steps, tasks, or program requirements into the WBS. The WBS provides a complete breakdown of the tasks required to meet all deliverables defined by LDH, as well as any additional requirements defined through the IQ process. As part of this process, some tasks occur prior to the kick-off and are finalized within 90 days following implementation.

The WBS is developed in the form of a Gantt chart and incorporates significant detail on every area, milestones, and tasks. The WBS is prepared based upon the key dates specified in the RFP and can be adjusted, as required by LDH. Please refer to **Appendix E, Proposed Project Work plan**, based upon all deliverable requirements identified in the RFP and those required by MedImpact, along with definition and organization of the required work. The WBS is organized as follows:

- Project initiation
- Project strategies and plans
- Executing / design and build
- Monitoring and controlling / integration testing
- Monitoring and controlling / user acceptance testing
- Monitoring and controlling / operational readiness
- Deployment (Operational start date)
- Implementation transition to operations / post-deployment

Any identified issues and risks for mitigation are captured by the Implementation team and are reviewed and prioritized during daily and weekly internal team meetings. If it is determined a risk or issue requires a change request, we develop required change request documentation and initiate our change management process. MedImpact will collaborate with LDH to establish a change management plan that aligns with LDH change management processes. The change management plan captures any changes in scope, timeline changes, or deliverable expectations. If it is determined a risk requires a change request, we develop required change request documentation and initiate our change management process. The change management process may require the Implementation team to re-baseline the project with approval from LDH.

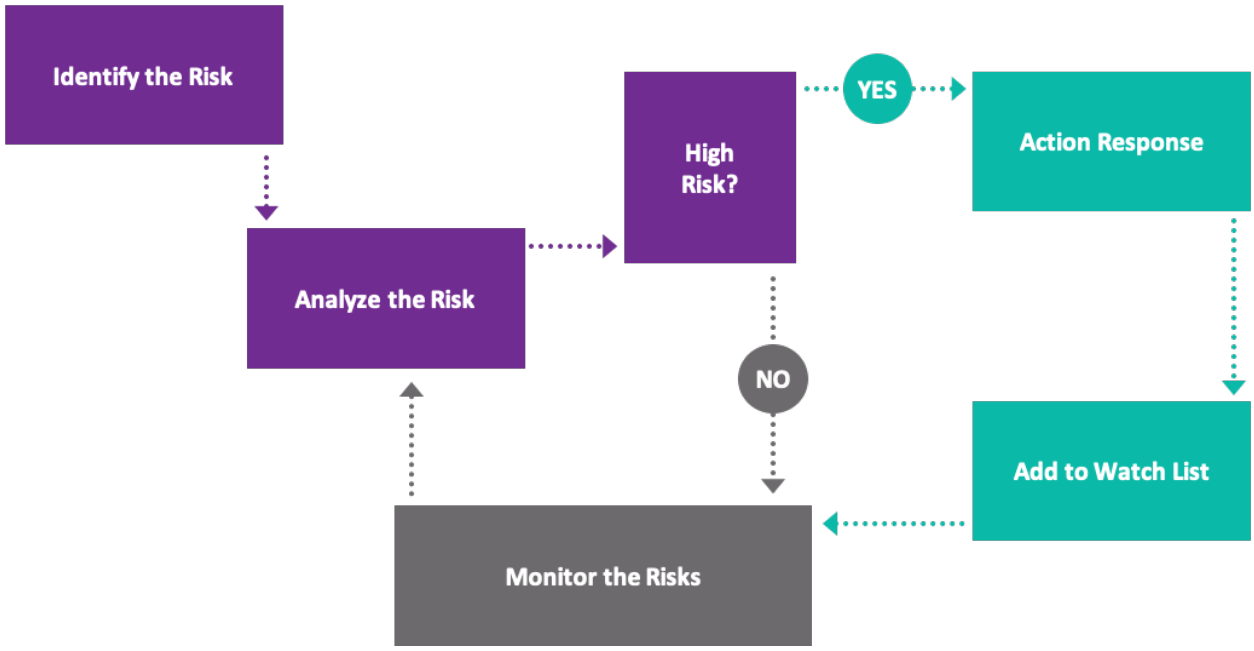
The Implementation team:

- Monitors the risks and issues log on an ongoing basis

- Determines the probability and potential impact
- Initiates contingency and mitigation plans when necessary
- Reviews and removes risks from the log when appropriate due to a change in their overall risk rating
- Prioritizes and communicates new risks as they are identified by scheduling and facilitating project meetings at the minimum of weekly meetings, and ad hoc meetings to address work packages with associated risks
- Collaborates with LDH to review and adjust the risk management process by evolving requirements or applying lessons learned
- Provides continuous improvement based upon quarterly analysis of the risk management approach built upon Lean Six Sigma principles

Figure 1.8.7-D depicts MedImpact's high-level risk management flow.

Figure 1.8.7-D: Risk Management



In accordance with the PMI's Guide to the PMBOK (Project Management Body of Knowledge) Guide, MedImpact's project management methodology directly aligns with the SEI (Software Engineering Institute's) CMMI (Capability Maturity Model Integration), and ISO 9000x standards. This strong foundation affords clear standards, automated processes, and measured controls to manage activities, tasks, deliverables, work plans, staffing, issues, risks, and milestones for projects in an enterprise solution. Further, it reduces project risk by avoiding deviations from LDH-approved requirements and reinforcing agreed upon project standards and disciplines. These methodologies and processes promote a common language, effective communication, efficient linkages, asset reuse, and information-sharing.

MedImpact follows industry-standard SDLC methodologies for its pharmacy POS solution to ensure optimal outcomes. Our hybrid approach to project management offers Agile, where most effective, and Waterfall for the remainder. The industry standard Agile method is a software development methodology that promotes iterative and incremental system development where sprints are most effective. We employ Agile methodologies for the efficiency and efficacy of software teams working within the SDLC (software development lifecycle). The Waterfall method is utilized for the distinct phases within the larger scope of the project. We support both Waterfall and Agile development methodologies to help ensure fast application development, when required, with full traceability of requirements to capabilities. In concert with our configurable, commercial-off-the-shelf / SaaS software, our system development processes promote teamwork, frequent deliveries of working software, close customer collaboration, and the ability to respond quickly to change.

MedImpact's project management methodologies are based upon industry best practices, including PMI best practices, Agile framework processes, and Lean Six Sigma.

With a scrum framework led by certified Scrum Masters, this approach facilitates the early and frequent releases of system functionality. Scrum focuses on the continual delivery of quality results in the shortest time possible and relies upon well-organized, cross-functional teams, with emphasis on customer collaboration. The use of scrum enables the POS implementation to progress in a series of sprints, which are time-boxed system development iterations, generally less than 15 days in duration. Each sprint delivers operational system functionality based upon the project's approved requirements.

System Components Testing

MedImpact employs rigorous quality control measures with every implementation to help ensure complete and accurate delivery of all services provided under the contract. We use a variety of tools and methodologies to help ensure traceability of any software development, business configuration, and requirements-gathering during the Requirements Definition phase of the project to applicable test cases. We design a test strategy for each testing stage / phase and requirements related to that stage, using the most current testing approaches, testing tools, and test types that are most appropriate for the situation.

The core purpose of testing is to help ensure the final systems and deliverables:

- Detect failures so that defects may be discovered and corrected to help ensure the operational start date is seamless to end-users
- Deploy continuous testing throughout DDI to reduce risks and accelerate development
- Improve user experience and optimize business operations
- Create efficiency, reduce cost, and meet requirements for reporting and utilization
- Ensure reliability in the systems/software
- Meet LDH needs efficiently and effectively

We maintain fully integrated test environments that include a user test environment that contains mirrors production data with de-identified member and provider data. A dedicated test environment is provided for the exclusive use of LDH to enable its staff to develop and submit test scenarios, enter test input, and receive system outputs. Our Testing team maintains a deep understanding of our system solutions and business needs and is responsible for developing, implementing, and evaluating test plans. Quality assurance metrics are developed for each implementation testing phase, as required.

Through our proven planning processes and experience on hundreds of successful implementations across the nation, we use our lessons learned to help ensure the implementation for LDH is strategic, efficient, and effective to assure all stakeholders and meet the requirements and needs of LDH and its stakeholders.

Continuous Quality Improvement

- 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.

Pharmacy services quality program accreditations, such as URAC PBM and NCQA Utilization Management, demonstrate MedImpact's commitment to high-quality standards across all departments within the organization, including benefit design, claims processing, customer service, PDL design, and utilization management. With an ongoing commitment to quality PBM solutions and services, MedImpact maintains full URAC PBM accreditation and has done so for the past consecutive 14 years (since 2008). This distinguished accreditation adds value by providing an external, independent seal of approval for our policies and maintaining a comprehensive commitment to quality care, efficient processes, and improved member outcomes. MedImpact complies with all annual URAC reporting requirements, including an annual URAC data validation audit, and is compliant with all requirements necessary to maintain URAC accreditation now and throughout the tenure of this contract.

MedImpact's quality management program, led by our Quality Management team, establishes the fundamentals to help ensure systems, processes, and associates deliver service excellence daily. The scope of the quality management program includes:

- Defining the policy for the quality management program, which is based upon customer and regulatory requirements, and health care industry standards
- Defining the controls necessary to help ensure the products and services comply with applicable customer and regulatory requirements, and provide the framework to continually improve processes and satisfy customers, including quality of clinical and enrollee services, as well as enrollee safety
- Defining objective, measurable continuous quality improvement indicators with target values to help ensure data from those indicators is reviewed and analyzed on an aggregate basis to evaluate trends, assess performance to the pre-established targets,

develop opportunities for improvement, and identify any barriers to improvement, which may require additional intervention

- Overseeing cooperation and coordination when requested, specifically related to implementing quality improvements and other quality-related activities, as appropriate
- Exceptions:

  - Audits, quality control, ethics, and standards related to the preparation of accounting records and audit reports
  - Retention of accounting audit reports and related information to support the conclusion
  - The Finance department independently manages accounting quality control standards and decisions on the corrective action for non-compliance with financial reporting requirements.
  - Non-conformances related to regulatory and legal requirements managed by Corporate Services
  - Non-conformances identified because of customer or any other audits that are not a quality requirement

The Quality Management team consistently applies SMART processes to help ensure our actions are:

- Sustainable—Replicating the same high levels of performance so MedImpact continuously meets or exceeds customers' expectations
- Measurable—Establishing standards for the levels of performance MedImpact provides and quantifying the results we achieve with customer-driven metrics
- Accurate—Helping to ensure the results MedImpact achieves are precisely accurate, so our customers repeatedly receive what they require and need
- Reliable—Being trustworthy by delivering to our customers what MedImpact says it will deliver
- Timely—Delivering to our customers what MedImpact says it will deliver and by when it is promised

MedImpact produces a quality management plan annually, which provides insights, analytics, and solutions to identify new opportunities to improve enrollee health and customer experience. Our annual quality improvement plan is created with a cross-functional and collaborative approach. Prior to publication, our teams meet internally and with our customers to gather areas of focus, review priorities in quality, and work together to create improvement projects.

This non-competitive approach enables us to aggregate data and blindly share information with the state Medicaid programs. State participation enables us to help ensure the goals of the states are our priorities. This cross-functional team discusses performance issues, areas in need

of improvement, and ways in which we can partner together as a group to tackle industry issues. MedImpact's quality assurance plan incorporates the key elements that follow.

Identification of major annual activities—Our national conference is an invitation-only event directed to consumers of MedImpact services and our customers. This conference is conducted to convey non-proprietary information to this audience and receive direct consumer and customer feedback to help us improve.

Selection of interventions that achieve goals and objectives—MedImpact helps to ensure enrollees achieve the best therapeutic outcomes possible. This is monitored through robust clinical and financial reporting for our customers. We measure program performance and manage trends. These touchpoints include but are not limited to performing claims reviews, prescription drug adherence outreach, monitoring of safety issues, financial review of prescription and medical drug spend, beneficiary polypharmacy outreach, drug utilization review.

Definitions for starting point and targets for performance—Quality benchmarks are established through monitoring across our entire book of business. We also use information from reports from national quality organizations, such as NCQA, Pharmacy Quality Alliance, the National Quality Forum, and CMS. Using these benchmarks, we create a baseline for what we expect our Medicaid customers to achieve. We also use prior performance and input from pharmacies, prescribers, consumers, and our customers to establish starting points. These efforts help to ensure a realistic and achievable performance measurement goal.

Feedback loops and transparency—Our plan includes the feedback loop and operational staffing structure in place to communicate, escalate, and transfer findings. The feedback loop inherent in our staffing model enhances our productivity, compliance rates, customer satisfaction, and quality performance results. Cross-functional quality meetings involve scorecards and reports that summarize underperforming levels of quality. Quality is everyone's job at MedImpact. Quality Improvement Projects develop as a direct result of underperforming levels or identification of trends. A scheduled process is used for quality reviews, with specific algorithms that scan for outliers in our data. Because it is important to correct any outliers quickly and provide the best service, we perform these scans timely, along with necessary outreach. Our data-driven processes use key performance indicators, book-of-business benchmarks as medians, and historical customer performance to view trends, performance, develop goals.

The enterprise quality management program uses the following methodologies to help ensure quality within our PBM services:

- **LSS (Lean Six Sigma)**—Our teams maximize value, with a focus on minimizing waste using methodical, documented strategies, and processes. The process documents value-added services, as well as non-value-added services. We prioritize, document, and track all quality management efforts to ensure we are laser-focused on improvements that

lead to significant results. Our teams hold regularly occurring Kaizen events for continuous improvement strategies, as well as sessions to develop standardized work, value-stream mapping, root cause analysis, and hoshin kanri (LSS strategic planning). We use five principles, referred to as **5S,** where we **S**ort, **S**et in order, **S**hine, **S**tandardize, and **S**ystemize, Kanban (visual management), metric analysis, as well as LSS problem-solving strategies. Our LSS principles and techniques are used to improve workflow, reduce waste, solve problems, and provide optimal customer service to enrollees and providers and continuously improve our processes.

- **PDSA (Plan, Do, Study, Act) process**—The Quality Management team discusses the plan of what needs to happen, the team decides what needs to occur, the approach and expected result is studied, the team then acts by either sunsetting the item, considering it complete, or trying a different approach.
- **SDLC** (**Software Development Life Cycle)**—Our Information Technology and Information Reporting team use the SDLC process to help ensure the development of new technology or solutions involves rigorous phases that include quality time spent in the review of requirements, designing, and planning. These phases of the MedImpact SDLC help to ensure we build a solution in line with the needs of LDH and other customers.
- **ISO9001:2015**—Our (QMS) quality management systems are driven from the International Standard of Quality Systems (QMS Management). Our teams use the specifications, terms, and units of measurement to communicate, report, and measure quality. Using ISO9001:2015 is an important tool used in measuring financial sustainability and risk.
- **ITIL (Information Technology Infrastructure Library)**—We incorporate ITIL-driven IT services management strategies in our claims and rebate administration processes so that we are effectively positioned to handle increasing enrollee demand, maintain regulatory compliance, and maximize value for LDH.
- **TCM (Trend Calculation Methodology)**—Our trend calculation methodology involves the use of data composed of Commercial, Medicaid, and Medicare Part D. This compiled data across our entire book of business provides a baseline for comparison for our customers. Using a comparison of LDH against the trend calculation book of business baseline, we can establish whether performance levels are consistent and within an acceptable range.

    - The trend calculation methodology excludes plans with the following:

        - A plan or program lacking 24 months of continuous coverage for claims processing and eligibility
        - A plan or program with a change in enrollment of more than 20%
        - A plan or program designed as a cash card discount program
        - A plan or program with no eligible or utilizing beneficiaries

We measure the change in total year-over-year cost-per-enrollee-per-year (PEPY). Total cost includes ingredient cost, discounts, taxes, and dispensing fees and is net of rebates. Inflation is

considered by measuring the year-over-year change in unit cost (total cost per day supply) and net of rebate. Utilization measures the year-over-year change in days' supply PMPY.

- **Clinical Quality Methodologies—**Our Clinical team uses MedResults, a solution that sweeps claims processed by our POS system to produce summaries of clinical quality measures with historical claims utilization. MedResults, can produce program reporting with the ability to send correspondence to targeted audiences, such as patients, physicians, and pharmacies. The Clinical team routinely monitors clinical quality, efficacy, and patient safety using our enhanced DUR (drug utilization review) process using retrospective data reviews. Our DUR solution has a correspondence component that can target physicians with state-approved letters regarding utilization patterns, clinical recommendations, and reminders.
- **Direct Customer Feedback—**The most important measurement or methodology is received directly from our customers. We use customer surveys, suggestions received through correspondence or our call center, our annual meeting called Impact, and customer focus groups.
- **CMS Guidance—**Our fraud, waste, and abuse program is driven from the regulations set within the CMS Prescription Drug Benefit Manual Chapter 9, Medicare Managed Care Manual Chapter 21, and Medicaid and CHIP Managed Care Final Rule (CMS-2390-F)

Our organization's success is predicated upon meeting our quality objectives. To help ensure these objectives are met, MedImpact leverages advanced data-driven reporting along with analytics to identify potential issues across pharmacies, prescribers, and beneficiaries. Our teams drill down into the details related to how these parties interact with one another.

MedImpact employs descriptive analysis and incorporates advanced statistical modeling to capture suspicious claims and behaviors, such as but not limited to:

- Trend and spike analysis
- Provider scoring
- Network analysis
- Predictive modeling

Key MedImpact personnel also hold active memberships with several nationally recognized quality and compliance associations. This team's participation provides MedImpact with the insight of industry best practices that keep us informed and abreast of new or cutting-edge processes and tools. Below are a few of the national associations with MedImpact participation:

- HCCA (Health Care Compliance Association)
- ACFE (Association of Certified Fraud Examiners)
- HFPP (Healthcare Fraud Prevention Partnership)
- NHCAA (National Healthcare Anti-Fraud Association)
- NADDI (National Association of Drug Diversion Investigator)

- SCCE (Society of Corporate Compliance and Ethics), which includes CCEP (Certified Compliance and Ethics Professional) and CCEP-I (Certified Compliance and Ethics Professional – International)

MedImpact's commitment to providing excellent service and quality pharmacy benefits management is portrayed to our staff, our customers, and the public through our quality assurance reports. Using evidence-based data, coupled with detailed analytics, we provide an assessment from clinical, financial, and operational consultation. For each report, our Data Analytics and Claims Review teams work in concert to populate the template with the data. Chief Operational Officer, Dr. Kevin Chang, Pharm D, will facilitate the meeting, which includes subject matter experts responsible for the material in the presentation.

The annual and quarterly quality review reports contain:

- Number of active utilizers during the reporting period
- Number of claims processed during the reporting period
- Number of utilizers during the reporting period
- Utilization by age
- Utilization by gender
- Utilization by demographic (as selected by the LDH team)
- Number of claim reviews performed
- Number of claims recoupments and recoupment amounts
- Number of potential recoupments
- Number of open reconsiderations
- Top 10 drugs utilized by claims
- Top 10 drugs by cost
- Generic vs. brand utilization
- Controlled substance reports

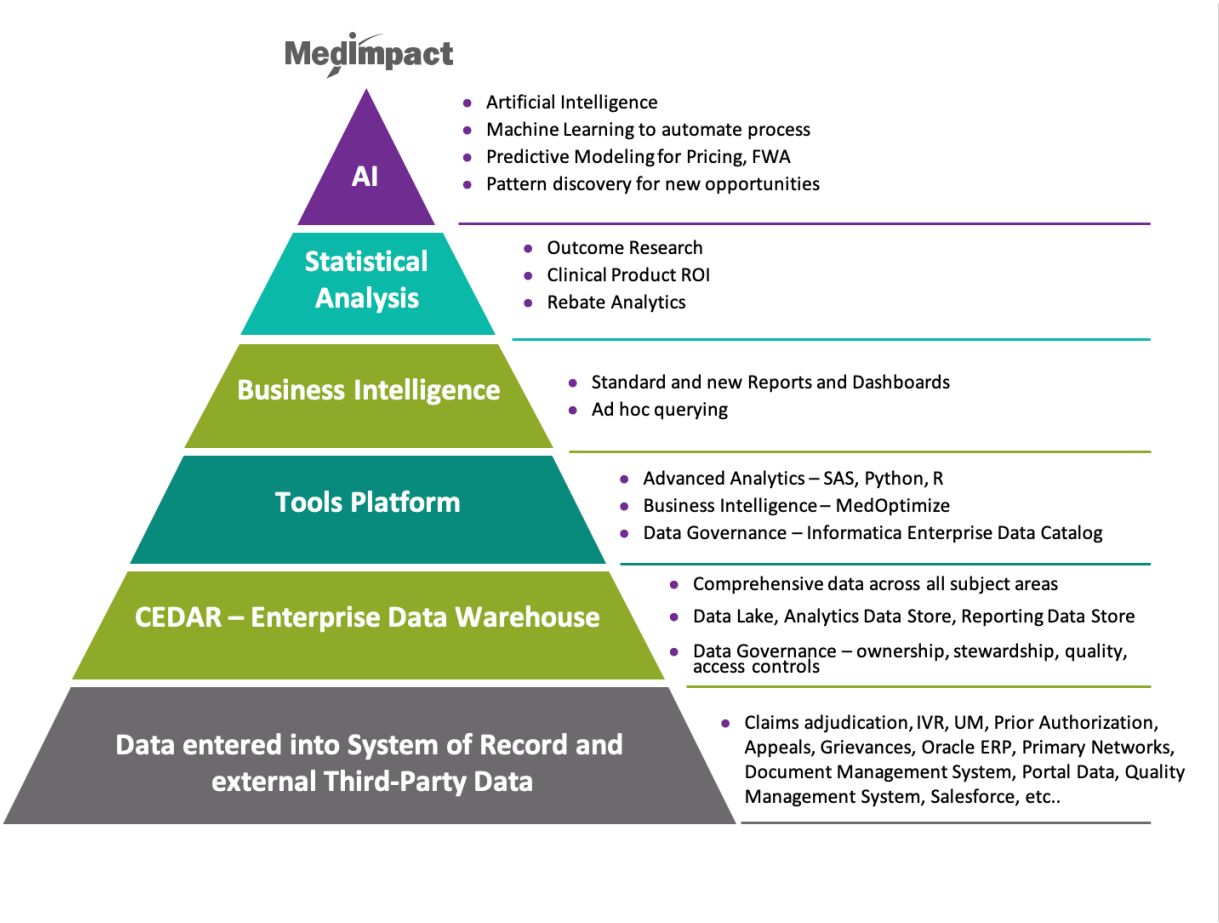
Within the report, our Claims Review team outlines the procedures used to process the claims in the review. All processed claims must coincide with MedImpact's policies and procedures as agreed upon by LDH. If they do not, we include a corrective action plan and an associated timeline for the claims to be corrected.

- Demonstrate an understanding of and ability to implement data collection, as needed.

Data Collection

Data provide the foundation of our analysis capabilities, which flow into CEDAR (Centralized Enterprise Data Analytics and Reporting), our enterprise data warehouse. From there, multiple functions, such as statistical analysis, ad hoc querying, and reporting, are performed. **Figure 1.8.7-E** depicts MedImpact's data analysis approach and systems.

Figure 1.8.7-E: Data Analysis Approach and Systems



The flows of data to and from various systems are important to our decision-making capabilities. CEDAR is a key component of our decision support capabilities, supplying the various data MedImpact and LDH staff can access through our reporting tool.

Data Entered Into System of Record and External Third-Party Data

All reporting and analytics are based upon our data warehouse, which is hosted and resourced separately from our production environment and is designed to enable multilevel claim analysis. Claims are key to our PBM solutions and associated with other dimensions of data, such as historical eligibility and beneficiary demographics, and other data necessary to support the broadest array of reporting needs.

Inbound data feeds to the warehouse include:

- Eligibility files
- Medical claims
- Pharmacy claims
- Provider files
- PA (prior authorization) files

- Coordination of benefits and third-party liability files
- Beneficiary files
- Pricing files
- Drug reference files

Within the data warehouse, claims are linked to eligibility; drug data (including drug groups and classes); pharmacy provider files; outcome codes; reject codes; intervention codes; drug utilization review-tagged claims; and claims, with a response message to the pharmacy. Every version of a claim/transaction (e.g., paid, denied, adjusted, or reversed) submitted to the claims processing system, including historical loads, is captured in the data warehouse to allow querying based on the claim status. One instance of a claim may also have several transaction iterations.

For each claim, the source of payment methodology logic is captured and then carried into the warehouse in the claims processing system's data load file. For each paid claim, data is captured on the price source used to determine the amount allowed. This price source is also stored as a separate data element for each claim. This provides the capability to create queries, such as:

- How many paid claims were paid at a particular price?
- How many denied claims were finally paid?
- How many claims were paid at less than the calculated allowed cost due to lower submitted costs or usual and customary?

Our comprehensive data warehouse facilitates the receipt of accessible information at any time through our claims system. Because we oversee our own data management processes, we can provide a high level of configurability to fit DMS's specific reporting needs.

Our claims processing system stores all transactions, allowing for reporting of the counts for each transaction type. The data warehouse also contains each of these claims and provides a methodology to tie claims together, providing a foundation for in-depth analysis with MedOptimize, our secure online reporting tool.

CEDAR Enterprise Data Warehouse

CEDAR, MedImpact's analytic platform, serves as the source of truth for analytic and reporting data. CEDAR consists of data schemas, tools for analytics, reporting, and data governance, and the underlying technical infrastructure to support reporting and analytic functions. CEDAR resides on Oracle Exadata 7, a best of class analytic hardware solution that combines storage and computer systems into a single machine. Online workflow systems will track events through each status / time as required by CMS and Commonwealth regulations and policies. These data are extracted, transformed, and loaded from the source systems into CEDAR. MedOptimize reports are built to the requirements specified by LDH to provide detailed, on-

demand reporting and dashboards. MedImpact leverages the requirements documents and designs obtained during takeover to provide continuity in reporting.

The Oracle Exadata Database Machine is engineered to deliver fast query speed, cost effectiveness, and high availability for Oracle databases. Exadata features a modern cloud-based architecture with scale-out high-performance database servers, scale-out intelligent storage servers with PCI flash and an ultra-fast InfiniBand internal fabric that connects all servers and storage. Unique software algorithms in Exadata implement database intelligence in storage, compute, and InfiniBand networking to deliver higher performance and capacity at lower costs than other platforms. Exadata runs all types of database workloads, including online transaction processing, data warehousing, in-memory analytics, and a consolidation of mixed workloads.

Tools Platform

MedImpact leverages MedOptimize, its secure online reporting tool, to customize and produce specific reports, in accordance with DMS-defined business rules, as well as all reports and data extracts necessary to support all LDH, MCO, and related business processes. MedOptimize provides powerful standard reporting and ad hoc query capabilities.

The MedOptimize reporting engine provides rich graphical capabilities, allowing trends and outliers in the data to be easily identified at a glance, facilitating informed decision-making. With simple prompts, results can be customized for selected periods or specific segments of the program. Users are also able to establish customized chart reports to serve as their own personal dashboard. MedOptimize is a web-based solution requiring only a browser no software installations as needed.

MedOptimize access is provided to users based on the RBAC (role-based access control) model, which combines data and functional entitlement rules. Users are limited to the data required to perform their job function; MedImpact collaborates with LDH to implement MedOptimize user roles appropriate for LDH, contracted MCOs, and other stakeholders, to optimize the user experience, while enforcing minimum necessary privacy requirements. Roles are assigned to enforce granular functional access rules. We also collaborate with LDH to review and refine access requirements, and to create new user roles as required. The pharmacy reporting claims database is updated nightly to help ensure all MedOptimize reports and analysis are based upon the newest information. MedOptimize provides the capability to report on each and every aspect of a claim.

We work in tandem with our operational functions to generate required reporting in a timely, accurate manner. These functions, in turn, are dependent upon various data flows in and out of MedImpact systems. As previously described, some data flows are captured in MedOptimize, while others may be housed in another operational system.

In close collaboration with LDH and other stakeholders, we help to ensure coordination, clear communications, and prompt issue resolution. We partner with contracted MCOs, our pharmacy network, the State, enrollees, and others as appropriate to optimize our reports and reporting capabilities.

Fiduciary Duty and Knowledge of Applicable Louisiana Legislative Requirements

- Demonstrate an understanding of fiduciary duty, and knowledge of all applicable Louisiana legislative requirements.

Based upon our understanding of this solicitation, the pharmacy service delivery model, and our experience with these new and emerging engagements, MedImpact understands that our fiduciary duty is to the State of Louisiana and the Louisiana Department of Health. We will partner with LDH to reinforce understanding of this, as well as engage other stakeholders through proper communication and education opportunities.

Over the past several years, dynamic changes in the regulatory environment and health care delivery models across the United States have shaped the PBM market. The sector has seen sizable merger and acquisition activity among key health plan and PBM competitors, consolidation between our own customers, and change within government programs, with notable legislative activity aimed at influencing overall health care program cost, PBM transparency, and accountability. Throughout its existence as a viable business, MedImpact has embraced the dynamics of change in the technological, clinical, operational, analytical, and business requirements of our customers, the Marketplace, and full compliance with the evolution of government regulations.

To fully meet the current and future challenges associated with these changes, our business model and core capabilities are designed, developed, and implemented to respond to potential changes that may confront our PBM, our customers, or the market. In addition, we monitor industry-wide change and guidance, proposed changes, and legislation, and actively engage with and review local and State financial and legislative activities, along with the political landscape. Throughout its history, MedImpact demonstrates a willingness to embrace change, as well as to innovate and accommodate the requirements created by change in a manner that benefits our customers, as well as the business and regulatory ecosystem in which we operate.

Functional Approach to Service Provision

- Define its functional approach in providing the services.

As demonstrated throughout its proposal, MedImpact employs a multi-pronged approach and methodology to assuring its proposed service model meets all RFP requirements, meets or exceeds all performance guarantees, and aligns with the intent of LDH legislation. This approach includes experienced fee-for-service (FFS) and managed care staff, coupled with

flexible, reliable technology, supported by a sound staffing plan, as well as a value-added services.

The State and its enrollees will be directly supported by a comprehensive, cross-functional team of Account Management, Implementation, Operations, Reporting, and Business Technology team members with the experience, leadership, and operational acumen necessary to successfully implement, launch, and deliver the required services. We are committed to delivering high-quality, high-touch service through direct and highly collaborative interactions with the MCOs and LDH to help ensure each enrollee within its population receives necessary, timely care. Our experience providing large-scale PBM services across the nation directly translates to our ability to successfully support the State, its enrollees and MCOs, and all other relevant stakeholders.

Functional Approach to Identifying Tasks

- Define its functional approach in identifying the tasks necessary to meet requirements.

MedImpact's proposal details our approach to meeting and exceeding every requirement included in RFP Section 2, Scope of Work, including:

- ✓ Active customer collaboration and coordination with MCOs
- ✓ Claims adjudication and payment services using proprietary technology
- ✓ Conversion and validation of paid adjudicated claims to proper encounter data formats
  - o Built for any applicable state, including Louisiana
  - o Automated through the MedImpact Encounter Program
- ✓ Covered drug list / PDL development, management, and drug utilization review / drug use evaluation
- ✓ Fee schedules, including MAC management and physician administered drugs
- ✓ Reporting and quality assurance
- ✓ Emergency and Disaster Planning
- ✓ State and federal compliance
- ✓ Security and privacy
- ✓ Clinical program support and management
- ✓ Pharmacy and prescriber network administration and management, including audit
- ✓ Specialty drugs and pharmacies
- ✓ Fraud, waste, and abuse proactive and retroactive detection, monitoring, reporting, and special investigations
- ✓ P&T (Pharmacy and Therapeutics) support
- ✓ Pharmacy clinical program review, development, and monitoring
- ✓ Analytical services and reporting
- ✓ State-specific regulatory review, tracking, and reporting
- ✓ Rebate management and collection (managed care and FFS)
- ✓ Behavioral health policies and procedures
- ✓ Drug utilization review
- ✓ Continuity of operations

To identify all tasks necessary to meet each requirement, we begin with the requirements-gathering process to extract of all information gleaned from the RFP scope of work, online program documentation, posted drug lists, PA (prior authorization) criteria and forms, and any other accessible program data sources. This captured research content is imported into MedImpact's IQ—our requirements analysis document—to form the initial draft of our requirements documentation. This assimilated information is separated into detailed tasks essential to achieving each requirement. A standards manual is developed to guide all deliverables and to help ensure requirements are met. Upon completion of the initial draft, and within two weeks of contract signature, an IQ session is conducted in collaboration with the LDH Implementation team. This joint collaboration helps to ensure all requirements are gathered, reviewed, and validated with LDH.

This information is then separated into detailed tasks essential to achieving each requirement. Upon completion of the initial draft and within two weeks of contract award, an IQ session is conducted in collaboration with the LDH Implementation team. This joint collaboration helps to ensure all requirements are gathered, reviewed, and validated.

Our Implementation team, composed of staff members from each functional area and led by our PMI (Project Management Institute)-certified PMP leaders, focus on and serve as subject matter experts during IQ workshops, enabling us to dissect and capture each requirement. Once the IQ workshops are completed, the team of experts in each functional area reviews the requirements. Following internal approval by the subject matter experts and the Implementation team, the document is forwarded to LDH for review, input, and approval.

Upon receipt of LDH approval of the IQ requirements documentation, our implementation manager documents any additional steps, tasks, or program requirements into the WBS. The WBS provides a complete breakdown of the tasks required to meet all deliverables defined by LDH, as well as any additional requirements defined through the IQ process. As part of this process, some tasks occur prior to the kick-off and certification (which we consider a phase of implementation) and are finalized by 90 days following implementation.

Approach to Project Management and Quality Assurance

- Describe the approach to Project Management and Quality Assurance.

MedImpact employs a comprehensive approach to project management and quality assurance.

Project Management

As previously noted, our implementation strategy begins with the requirements-gathering process by creating a baseline of requirements from sources, such as the RFP and proposal response, along with contract negotiations. From these requirements, we formulate an IQ (Implementation Questionnaire) specifically customized to LDH. MedImpact's business and technical analysts collaborate with LDH personnel to complete the IQ. MedImpact business and

technical analysts schedule and participate in targeted detailed requirements validation sessions with their counterparts at LDH to validate and refine the requirements.

As part of the work plan, the requirements-gathering process begins with extraction of all information gleaned from the RFP scope of work, online program documentation, posted drug lists, PA (prior authorization) criteria and forms, and any other accessible program data sources. This captured research content is imported into MedImpact's IQ—our requirements analysis document—to form the initial draft of our requirements documentation. This assimilated information is separated into detailed tasks essential to achieving each requirement. A standards manual is developed to guide all deliverables and to help ensure requirements are met. Upon completion of the initial draft, and within two weeks of contract signature, an IQ session is conducted in collaboration with the LDH Implementation team. This joint collaboration helps to ensure all requirements are gathered, reviewed, and validated with LDH.

The IQ defines the approach to conducting successful requirements-analysis meetings, which includes the following steps:

- Establish project goals and objectives early
- Documents every requirement elicitation activity
- Transparency with requirements documentation
- Talk to and assure the appropriate stakeholder and users
- Avoid making assumptions regarding requirements
- Prioritize features / needs
- All requirements separated into granular work packages within expanded WBS

IQ items include:

- Customer information: access; accounting set-up
- Pharmacy network: design; reimbursement
- PDL (preferred drug list) design
- Benefit configuration: member drug coverage; coordination of benefits; transition of care
- Medicaid drug rebate program: OBRA rebate invoicing; supplemental rebate invoicing
- Regulatory compliance (Louisiana-specific policy)
- PA configuration
- Call center: technical; clinical
- Requirement traceability matrix

This information is then separated into detailed tasks essential to achieving each requirement. Upon completion of the initial draft and within two weeks of contract award, an IQ session is conducted in collaboration with the LDH Implementation team. This joint collaboration helps to ensure all requirements are gathered, reviewed, and validated.

The implementation manager facilitates multiple collaborative working sessions and JAD (Joint Application Design) sessions (held within the first two weeks following the kickoff) composed of SMEs (subject matter experts) across the organization, as well as LDH subject matter experts, to provide their expertise on the project deliverables required by their respective teams. While these workshops are typically conducted in person, doing so will be dependent upon the current pandemic. In the event travel is restricted or prohibited on a state or federal level, MedImpact will schedule web-based meetings to review documentation, establish communications, and facilitate requirement capture and validation.

Our Implementation team, composed of staff members from each functional area and led by our PMI (Project Management Institute)-certified PMP leaders, focus on and serve as subject matter experts during IQ workshops, enabling us to dissect and capture each requirement. Once the IQ workshops are completed, the team of experts in each functional area reviews the requirements. Following internal approval by the subject matter experts and the Implementation team, the document is forwarded to LDH for review, input, and approval.

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The WBS is developed in the form of a Gantt chart and incorporates significant detail on every area, milestones, and tasks. The WBS is prepared based upon the key dates specified in the RFP and can be adjusted, as required by LDH. Please refer to **Appendix E, Proposed Project Work Plan**, based upon all deliverable requirements identified in the RFP and those required by MedImpact, along with definition and organization of the required work. The WBS is organized as follows:

- Project initiation
- Project planning
- Executing / design and build
- Monitoring and controlling / integration testing
- Monitoring and controlling / user acceptance testing
- Monitoring and controlling / operational readiness
- Deployment (operational start date)
- Implementation transition to operations / post-deployment
- CMS certification

Any identified issues for risk mitigation are captured by the Implementation team and are reviewed and prioritized during daily and weekly internal team meetings. If it is determined a risk or issue requires a change request, we develop required change request documentation and initiate our change management process. MedImpact will collaborate with LDH to establish

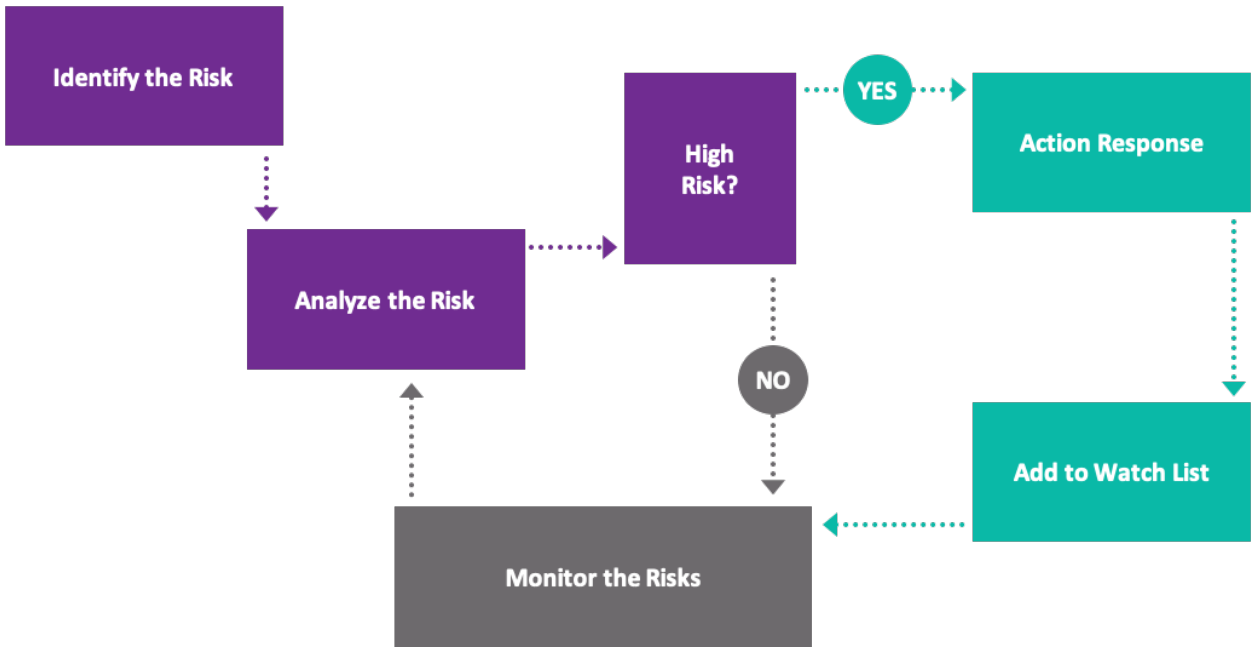
a change management strategy that aligns with LDH change management processes. The change management strategy captures any changes in scope, timeline changes, or deliverable expectations. If it is determined a risk requires a change request, we develop required change request documentation and initiate our change management process. The change management process may require the Implementation team to re-baseline the project with approval from LDH.

The Implementation team:

- Monitors the risks and issues log on an ongoing basis
- Determines the probability and potential impact
- Initiates contingency and mitigation plans when necessary
- Reviews and removes risks from the log when appropriate due to a change in their overall risk rating
- Prioritizes and communicates new risks as they are identified by scheduling and facilitating project meetings at the minimum of weekly meetings, and ad hoc meetings to address work packages with associated risks
- Collaborates with LDH to review and adjust the risk management process by evolving requirements or applying lessons learned
- Provides continuous improvement based upon quarterly analysis of the Risk Management approach built upon Lean Six Sigma principles

Figure 1.8.7-F depicts MedImpact's high-level risk management flow.

Figure 1.8.7-F: Risk Management



In accordance with the PMI's Guide to the PMBOK (Project Management Body of Knowledge) Guide, MedImpact's SDLC methodology directly aligns with the SEI (Software Engineering Institute's) CMMI (Capability Maturity Model Integration), and ISO 9000x standards. This strong foundation affords clear standards, automated processes, and measured controls to manage activities, tasks, deliverables, work plans, staffing, issues, risks, and milestones for projects in an enterprise solution. Further, it reduces project risk by avoiding deviations from LDH-approved requirements and reinforcing agreed upon project standards and disciplines. These methodologies and processes promote a common language, effective communication, efficient linkages, asset reuse, and information-sharing.

Our hybrid approach to project management offers Agile, where most effective, and Waterfall for the remainder. The industry standard Agile method is a software development methodology that promotes iterative and incremental system development where sprints are most effective. We employ Agile methodologies for the efficiency and efficacy of software teams working within the SDLC (software development lifecycle). The Waterfall method is utilized for the distinct phases within the larger scope of the project. We support both Waterfall and Agile development methodologies to help ensure fast application development, when required, with full traceability of requirements to capabilities. In concert with our configurable, commercial-off-the-shelf / SaaS software, our system development processes promote teamwork, frequent deliveries of working software, close customer collaboration, and the ability to respond quickly to change.

This approach facilitates the early and frequent releases of system functionality. Scrum focuses on the continual delivery of quality results in the shortest time possible and relies upon well-organized, cross-functional teams, with emphasis on customer collaboration. The use of scrum enables the POS implementation to progress in a series of sprints, which are time-boxed system development iterations, generally less than 15 days in duration. Each sprint delivers operational system functionality based upon the project's approved requirements.

System Components Testing

MedImpact employs rigorous quality control measures with every implementation to help ensure complete and accurate delivery of all services provided under the contract. We use a variety of tools and methodologies to help ensure traceability of any software development, business configuration, and requirements-gathering during the Requirements Definition phase of the project to applicable test cases. We design a test strategy for each testing stage / phase and requirements related to that stage, using the most current testing approaches, testing tools, and test types that are most appropriate for the situation.

The core purpose of testing is to help ensure the final systems and deliverables:

- Detect failures so that defects may be discovered and corrected to help ensure the operational start date is seamless to end-users
- Deploy continuous testing throughout DDI to reduce risks and accelerate development

- Improve user experience and optimize business operations
- Create efficiency, reduce cost, and meet requirements for reporting and utilization
- Ensure reliability in the systems/software
- Meet LDH needs efficiently and effectively

We maintain fully integrated test environments that include a user test environment that contains mirrors production data with de-identified member and provider data. A dedicated test environment is provided for the exclusive use of LDH to enable its staff to develop and submit test scenarios, enter test input, and receive system outputs. Our Testing team maintains a deep understanding of our system solutions and business needs and is responsible for developing, implementing, and evaluating test plans. Quality assurance metrics are developed for each Implementation Testing phase, as required.

Through our proven planning processes and experience on hundreds of successful implementations across the nation, we use our lessons learned to help ensure the implementation for LDH is strategic, efficient, and effective to assure all stakeholders and meet the requirements and needs of LDH and its stakeholders.

Quality Assurance

Pharmacy services quality program accreditations, such as URAC PBM and NCQA Utilization Management, demonstrate MedImpact's commitment to high-quality standards across all departments within the organization, including benefit design, claims processing, customer service, PDL design, and utilization management. With an ongoing commitment to quality PBM solutions and services, MedImpact maintains full URAC PBM accreditation and has done so for the past consecutive 14 years (since 2008). This distinguished accreditation adds value by providing an external, independent seal of approval for our policies and maintaining a comprehensive commitment to quality care, efficient processes, and improved member outcomes. MedImpact complies with all annual URAC reporting requirements, including an annual URAC data validation audit, and is compliant with all requirements necessary to maintain URAC accreditation now and throughout the tenure of this contract.

MedImpact's quality management program, led by our Quality Management team, establishes the fundamentals to help ensure systems, processes, and associates deliver service excellence daily. The scope of the quality management program includes:

- Defining the policy for the quality management program, which is based upon customer and regulatory requirements, and health care industry standards
- Defining the controls necessary to help ensure the products and services comply with applicable customer and regulatory requirements, and provide the framework to continually improve processes and satisfy customers, including quality of clinical and enrollee services, as well as enrollee safety
- Defining objective, measurable QI (quality improvement) indicators with target values to help ensure data from those indicators is reviewed and analyzed on an aggregate basis

to evaluate trends, assess performance to the pre-established targets, develop opportunities for improvement, and identify any barriers to improvement, which may require additional intervention

- Overseeing cooperation and coordination when requested, specifically related to implementing quality improvements and other quality-related activities, as appropriate
- Exceptions:

  - Audits, quality control, ethics, and standards related to the preparation of accounting records and audit reports
  - Retention of accounting audit reports and related information to support the conclusion
  - The Finance department independently manages accounting quality control standards and decisions on the corrective action for non-compliance with financial reporting requirements.
  - Non-conformances related to regulatory and legal requirements managed by Corporate Services
  - Non-conformances identified because of customer or any other audits that are not a quality requirement

The Quality Management team consistently applies SMART processes to help ensure our actions are:

- Sustainable—Replicating the same high levels of performance so MedImpact continuously meets or exceeds customers' expectations
- Measurable—Establishing standards for the levels of performance MedImpact provides and quantifying the results we achieve with customer-driven metrics
- Accurate—Helping to ensure the results MedImpact achieves are precisely accurate, so our customers repeatedly receive what they require and need
- Reliable—Being trustworthy by delivering to our customers what MedImpact says it will deliver
- Timely—Delivering to our customers what MedImpact says it will deliver and by when it is promised

MedImpact produces an annual business and quality plan annually, which provides insights, analytics, and solutions to identify new opportunities to improve enrollee health and customer experience. Our annual plan is created with a cross-functional and collaborative approach. Prior to publication, our teams meet internally and with our customers to gather areas of focus, review priorities in quality, and work together to create improvement projects.

This non-competitive approach enables us to aggregate data and blindly share information with the state Medicaid programs. State participation enables us to help ensure the goals of the states are our priorities. This cross-functional team discusses performance issues, areas in need

of improvement, and ways in which we can partner together as a group to tackle industry issues. MedImpact's quality assurance plan incorporates the key elements that follow.

Identification of major annual activities—Our national conference is an invitation-only event directed to consumers of MedImpact services and our customers. This conference is conducted to convey non-proprietary information to this audience and receive direct consumer and customer feedback to help us improve.

Selection of interventions that achieve goals and objectives—MedImpact helps to ensure enrollees achieve the best therapeutic outcomes possible. This is monitored through robust clinical and financial reporting for our customers. We measure program performance and manage trends. These touchpoints include but are not limited to performing claims reviews, prescription drug adherence outreach, monitoring of safety issues, financial review of prescription and medical drug spend, beneficiary polypharmacy outreach, drug utilization review.

Definitions for starting point and targets for performance—Quality benchmarks are established through monitoring across our entire book of business. We also use information from reports from national quality organizations, such as NCQA, Pharmacy Quality Alliance, the National Quality Forum, and CMS. Using these benchmarks, we create a baseline for what we expect our Medicaid customers to achieve. We also use prior performance and input from pharmacies, prescribers, consumers, and our customers to establish starting points. These efforts help to ensure a realistic and achievable performance measurement goal.

Feedback loops and transparency—Our plan includes the feedback loop and operational staffing structure in place to communicate, escalate, and transfer findings. The feedback loop inherent in our staffing model enhances our productivity, compliance rates, customer satisfaction, and quality performance results. Cross-functional quality meetings involve scorecards and reports that summarize underperforming levels of quality. Quality is everyone's job at MedImpact. Quality Improvement Projects develop as a direct result of underperforming levels. A scheduled process is used for quality reviews, with specific algorithms that scan for outliers in our data. Because it is important to correct any outliers quickly and provide the best service, we perform these scans timely, along with necessary outreach. Our data-driven processes use key performance indicators, book-of-business benchmarks as medians, and historical customer performance to view trends, performance, develop goals.

The Quality Improvement Committee uses the following methodologies to help ensure quality within our PBM services:

- **LSS (Lean Six Sigma)**—Our teams maximize value, with a focus on minimizing waste using methodical, documented strategies, and processes. The process documents value-added services, as well as non-value-added services. Our teams hold regularly occurring Kaizen events to prioritize, document, and discuss our strategies. We use five principles referred to as **5S** where we **S**ort, **S**et in order, **S**hine, **S**tandardize, and **S**ystemize. Our

LSS principles and techniques are used to improve workflow, reduce waste, solve problems, and provide optimal customer service to enrollees and providers and continuously improve our processes.

- **PDSA (Plan, Do, Study, Act) process**—The Quality Management team discusses the plan of what needs to happen, the team decides what needs to occur, the approach and expected result is studied, the team then acts by either sunsetting the item, considering it complete, or trying a different approach.
- **SDLC (Software Development Life Cycle)**—Our Information Technology and Information Reporting team use the SDLC process to help ensure the development of new technology or solutions involves rigorous phases that include quality time spent in the review of requirements, designing, and planning. These phases of the MedImpact SDLC help to ensure we build a solution in line with the needs of LDH and other customers.
- **ISO9001:2015**—Our (QMS) quality management systems are driven from the International Standard of Quality Systems (QMS Management). Our teams use the specifications, terms, and units of measurement to communicate, report, and measure quality. Using ISO9001:2015 is an important tool used in measuring financial sustainability and risk.
- **ITIL (Information Technology Infrastructure Library)**—We incorporate ITIL-driven IT services management strategies in our claims and rebate administration processes so that we are effectively positioned to handle increasing enrollee demand, maintain regulatory compliance, and maximize value for LDH.
- **TCM (Trend Calculation Methodology)**—Our trend calculation methodology involves the use of data composed of Commercial, Medicaid, and Medicare Part D. This compiled data across our entire book of business provides a baseline for comparison for our customers. Using a comparison of LDH against the trend calculation book of business baseline, we can establish whether performance levels are consistent and within an acceptable range.

    - The trend calculation methodology excludes plans with the following:
    - A plan or program lacking 24 months of continuous coverage for claims processing and eligibility
    - A plan or program with a change in enrollment of more than 20%
    - A plan or program designed as a cash card discount program
    - A plan or program with no eligible or utilizing beneficiaries

We measure the change in total year-over-year cost-per-enrollee-per-year (PEPY). Total cost includes ingredient cost, discounts, taxes, and dispensing fees and is net of rebates. Inflation is considered by measuring the year-over-year change in unit cost (total cost per day supply) and net of rebate. Utilization measures the year-over-year change in days' supply PMPY.

- **Clinical Quality Methodologies—**Our Clinical team uses MedResults, a solution that sweeps claims processed by our POS system to produce summaries of clinical quality measures with historical claims utilization. MedResults, can produce program reporting

with the ability to send correspondence to targeted audiences, such as patients, physicians, and pharmacies. The Clinical team routinely monitors clinical quality, efficacy, and patient safety using our enhanced DUR (drug utilization review) process using retrospective data reviews. Our DUR solution has a correspondence component that can target physicians with state-approved letters regarding utilization patterns, clinical recommendations, and reminders.

- **Direct Customer Feedback—**The most important measurement or methodology is received directly from our customers. We use customer surveys, suggestions received through correspondence or our call center, our annual meeting called Impact, and customer focus groups.
- **CMS Guidance—**Our fraud, waste, and abuse program is driven from the regulations set within the CMS Prescription Drug Benefit Manual Chapter 9, Medicare Managed Care Manual Chapter 21, and Medicaid and CHIP Managed Care Final Rule (CMS-2390-F)

Our organization's success is predicated upon meeting our quality objectives. To help ensure these objectives are met, MedImpact leverages advanced data-driven reporting along with analytics to identify potential issues across pharmacies, prescribers, and beneficiaries. Our teams drill down into the details related to how these parties interact with one another.

MedImpact employs descriptive analysis and incorporates advanced statistical modeling to capture suspicious claims and behaviors, such as but not limited to:

- Trend and spike analysis
- Provider scoring
- Network analysis
- Predictive modeling

Key MedImpact personnel also hold active memberships with several nationally recognized quality and compliance associations. This team's participation provides MedImpact with the insight of industry best practices that keep us informed and abreast of new or cutting-edge processes and tools. Below are a few of the national associations with MedImpact participation:

- HCCA (Health Care Compliance Association)
- ACFE (Association of Certified Fraud Examiners)
- HFPP (Healthcare Fraud Prevention Partnership)
- NHCAA (National Healthcare Anti-Fraud Association)
- NADDI (National Association of Drug Diversion Investigator)
- SCCE (Society of Corporate Compliance and Ethics), which includes CCEP (Certified Compliance and Ethics Professional) and CCEP-I (Certified Compliance and Ethics Professional – International)

MedImpact's commitment to providing excellent service and quality pharmacy benefits management is portrayed to our staff, our customers, and the public through our quality assurance reports. Using evidence-based data, coupled with detailed analytics, we provide an

assessment from clinical, financial, and operational consultation. For each report, our data analytics and claims review teamwork in concert to populate the template with the data. Chief Operational Officer, Kevin Chang, PharmD, MBA, will facilitate the meeting and include subject matter experts responsible for the material in the presentation.

The annual and quarterly quality review reports contain:

- Number of active utilizers during the reporting period
- Number of claims processed during the reporting period
- Number of utilizers during the reporting period
- Utilization by age
- Utilization by gender
- Utilization by demographic (as selected by the LDH team)
- Number of claim reviews performed
- Number of claims recoupments and recoupment amounts
- Number of potential recoupments
- Number of open reconsiderations
- Top 10 drugs utilized by claims
- Top 10 drugs by cost
- Generic vs. brand utilization
- Controlled substance reports

Within the report, our Claims Review team outlines the procedures used to process the claims in the review. All processed claims must coincide with MedImpact's policies and procedures as agreed upon by LDH. If they do not, we include a corrective action plan and an associated timeline for the claims to be corrected.

Proposed Project Work Plan

- Provide a proposed Project Work Plan that reflects the approach and Agile project management methodology, tasks and services to be performed, deliverables, timetables, and staffing.

Please refer to **Appendix E, Proposed Project Work Plan**.

Approach and Methodology to Defining Applicable Transaction Fee

- Provide approach and detail the methodology/formula in defining the applicable transaction fee.

We have given considerable diligence to developing our transaction fee for the LDH Medicaid single PBM. While there are many comparable components of the Louisiana approach to other single PBM and FFS carve-outs, there are also many unique components and requirements. In

determining our transaction fee, our goal is to establish competitive pricing that enables us to meet and exceed program requirements.

To develop its budget and cost proposal, MedImpact carefully examined all RFP requirements, including the mandatory technical requirements, such as infrastructure, security, interfaces, data services, data storage, and architecture. We also reviewed the State's managed care RFP and proposals, all data contained within the procurement library and included the volume estimates provided in the procurement, and subsequent amendments and answers to questions.

Within its costing, MedImpact contemplated the length of the implementation period, beginning at award (April 14, 2022) to operational start date (July 1, 2022), an estimated base contract of three years, any travel necessary to fulfill contractual obligations, office buildout and rent, any necessary subcontracted services (e.g., staff augmentation) and the number of claims, calls, printing, mailing, and prior authorization. We utilized this information and related it to our business processes and Medicaid staffing models to determine sufficient staffing necessary to deliver exceptional service to LDH and the MCOs. We built resource load charts to support the implementation and operations phases, including the deployment of both staffing resources, as well as capital purchases and any necessary enhancements or developments to our unified platform. We utilized our book-of-business to estimate volumes necessary to support certain non-FTE (full-time equivalent) transactional requirements, such as e-prescribing support and ePA.

Our proposal has nearly 100 FTEs participating in the implementation or operational components of the project at any given time. Approximately half of that directly relates to enrollee, pharmacy provider, and prescriber support in our Louisiana-based Customer Service Center and PA unit. The remaining FTEs are managerial and various other general and operational support positions.

Leveraging this information, we created a cost model that collected the necessary FTEs and other investments required to successfully support the LDH Medicaid single PBM program. All partial and wholly allocated FTE estimates are fully loaded to account for salary and benefits, as well as salary escalations, based upon current cost of living metrics established by the CPI (Consumer Price Index) published by the Bureau of Labor Statistics. We are prepared to discuss our administrative fee and answer any questions.

Completing All Project Tasks and Phases Timely

- Explain processes to implement in order to complete all tasks and phases of the project in a timely manner, as outlined within Section 2. Scope of Work.

Our submitted WBS is separated into identified timeframes for tasks and subtasks. Upon verification of this work plan and collection of final requirements, specific dates are provided whenever we baseline the WBS.

Continuity of Operations

- Articulate the ability to develop and implement a Continuity of Operations Plan (COOP) in the event of an emergency.

MedImpact's disaster recovery and business continuity and disaster recovery strategy is documented in its BCP (Business Continuity Plan) and the IT DRP (Information Technology Disaster Recovery Plan). These written plans include comprehensive technical controls and redundancy at all levels to provide high availability and a well-maintained, secure operation, and will provide a basis for development of a continuity of operations plan.

Our BCP defines the organization, roles, responsibilities, communication and notification system, and procedures to efficiently and effectively recover critical business resources in the event of a business disruption or disaster. This living document supports the following objectives:

- Safeguard employees, protect vital records and resources, and exercise care over resources critical to serving MedImpact's customers
- Comply with federal, state, and local agency regulations
- Meet quality standards set forth by PBM industry accreditation programs
- Recover and restore the core business infrastructure of MedImpact business units in the event of a disaster or disruption
- Enable customers to maintain business continuity and service to their members in the event of a MedImpact business disruption or disaster
- Minimize the time needed to execute the decision-making process if an event occurs

The BCP coordinates and directs emergency preparedness procedures, practices, resources, communications, and facilities needed for business recovery readiness. It also provides a proven structure to recover normal daily operations and establishes business continuity-related education, practices, monitoring, and auditing. This includes availability of adequate workspace and steps to minimize data loss. Further, our BCP includes a description of every resource requiring backup, as well as recovery time objectives. Key subcontractors / vendors are required to have disaster recovery plans and business continuity plans, and, where appropriate, participate in our exercises.

The IT DRP is a subset of business continuity that outlines the process, procedures, and management actions to be taken if a disaster results in an extended service disruption or outage supported by MedImpact's IT infrastructure and / or systems residing in the data center. This plan aligns with the BCP to provide the strategy for recovering applications, data center operations, hardware, networks, and information technology infrastructure following an event. It provides guidance and critical information for MedImpact's trained and experienced staff to recover core IT systems and / or applications impacted by a service disruption or disaster event. Interim measures may include the relocation of processing to IT systems and operations at an

alternate site, the recovery of IT functions using alternate equipment, or executing key IT functions using manual methods.

Backup and Recovery and Business Continuity

MedImpact maintains secure, offsite data vault facilities with Iron Mountain in Gilbert, Arizona and San Diego, California. “Runbooks,” which provide detailed operational and recovery guidelines for our operating systems, applications, Web services, portals, middleware, and identity access management platform, are stored in our IT document repository, Confluence. This can be accessed from any of the locations. IT personnel required to perform the recovery use the runbooks to perform the correct steps to recover MedImpact’s mission-critical functions. MedImpact performs multiple disaster recovery tests annually to reinforce the process and train personnel on the recovery requirements.

MedImpact’s IT DRP requires that data for critical business processes be backed up and stored offsite with the ability to retrieve or recreate for the recovery site. We do this through a contract with our secure tape storage vendor, Iron Mountain, which holds encrypted tape backups for archiving and recovery. The IT Technical Recovery team is responsible for contacting the offsite storage vendor to deliver encrypted data backup tapes to the Secondary Data Center, making transportation arrangements if necessary. The Technical Recovery team verifies when the data backup has been retrieved. Primary and backup systems can be recovered regardless of the type of failure.

The IT DRP is a subset of business continuity that outlines the process, procedures, and management actions to be taken if a disaster results in an extended service disruption or outage supported by MedImpact’s IT infrastructure and / or systems residing in the data center. This plan aligns with the BCP to provide the strategy for recovering applications, data center operations, hardware, networks, and information technology infrastructure following an event. It provides guidance and critical information for MedImpact’s trained and experienced staff to recover core IT systems and / or applications impacted by a service disruption or disaster event. Interim measures may include the relocation of processing to IT systems and operations at an alternate site, the recovery of IT functions using alternate equipment, or executing key IT functions using manual methods.

MedImpact performs daily backups to encrypted tapes, which are sent offsite to Iron Mountain. Iron Mountain is licensed and bonded to handle electronic and hard-copy PHI, PII, and sensitive data. MedImpact sends its paper records and data to storage vaults in conformance with corporate retention policies and best practices. MedImpact also uses data replication between our two managed, secure, highly available TIER 3 data centers located in San Diego, California and Tempe, Arizona.

Our Arizona primary data center is fully owned and operated by the MedImpact IT and Facilities staff. The Tempe facility has numerous carriers built into our redundant ‘meet me’ rooms and has achieved SOC 2 and AZ Ramp certifications. Our California secondary data center is housed

within a Zayo colocation facility. The San Diego Zayo facility is SOC 2 and OIX-2 certified. MedImpact's assets are in a dedicated server room that is fully secured by monitored badge access. IT Infrastructure gear, including servers, IP switches, telephony, and data storage devices are biometrically secured in their own cages.

MedImpact's data centers maintain direct point-to-point and indirect VPLS WAN connectivity to one another. The point-to-point circuits are commissioned from three distinct carriers and maintain geographically diverse paths into our data centers. We further maintain interstate geographic redundancy by following distinct northern and southern routes between California and Arizona. In the event of a triplicate failure of our point-to-point circuits, our systems will dynamically fail all the way back to our VPLS WAN network.

MedImpact's redundant, always on, replicated data centers contain duplicate IT security technology at each location to help ensure that the exact same protections for ePHI (electronic protected health information) that existed prior to a disaster are in place during a disaster (emergency mode operation) and after a disaster. No separate recovery process or procedure is required to enable MedImpact's ePHI security safeguards in the event of a disaster. In the event of the loss of either data center, MedImpact's ePHI security safeguards are automatically in place and working upon failover.

Internally, all power, cooling, network, and system components are 100 percent redundant within each facility. In the event of a complete data center failure, all applications are dynamically failed over to the active / available facility. Quarterly, we test this failover capability to maintain system and staff readiness. We document all information regarding failover procedures and the results of the quarterly tests in our BCP.

MedImpact's public and customer-facing presence is maintained through a series of Internet and private line circuits. Numerous carrier diverse Internet circuits are dynamically available, and we audit all private line circuits to maintain geographic and Local Exchange Carrier (LEC) redundancy. LDH may choose to communicate with MedImpact over the Internet via SSL-enabled portals, which are TLS 1.2 compliant, or via dedicated and redundant IKEv2 VPN tunnels.

MedImpact employs a rigorous BCP at the enterprise level and within each department to address essential operational functions and responsible staff. Our BCP pre-assigns and defines recovery responsibilities by team and task to control disruption or disaster response and mitigate disruption to members, providers, and customers. The plan includes comprehensive descriptions of staff responsibilities, actions, and critical information for backup and recovery of all operations. It details emergency response guidelines—clearly defined activities and responsibilities—relative to event identification, notification and communication, threat assessment, event trigger, event evaluation and code declaration, response and recovery, and post-event evaluation.

Each critical business unit maintains a business unit recovery plan to address event tasks specific to that unit. These detailed, strategic recovery plans include critical functional responsibilities, personnel, equipment, processes, and action steps. Business unit emergency response checklists help team members confirm completion of the actions necessary to prepare, respond, and recover from a disaster or disruption event.

MedImpact's BCP and IT DRP focus on those functions which are fundamental to our mission of helping to ensure members have uninterrupted access to their drug therapies: pharmacy claims adjudication services and call center services. We establish tiers of services based on their criticality to customers and members. RTO (recovery time objective)—the projected time required to restore an application to normal operations—is established for each tier, with claims adjudication restored within 15 minutes and call center handling and PA (prior authorization) within 30 minutes. The RPO (recovery point objective) is defined as the maximum targeted period in which data might be lost from an IT service due to a major incident. The RPO for MedImpact's Tier 1 through 3 applications is 15 minutes. **Table 1.8.7-G** shows our critical services tier system with accompanying RTOs for each category.

Table 1.8.7-G: Critical Service Functions

Tiers	Service Functions	Time to Recovery
Tier 1	- Claims Adjudication Services - POS - Web Services	Within 15 minutes
Tier 2	- Call Center Cisco Phone Services (CUIC, Cisco Supervisor Desktop, Cisco Call Manager) - IVR - MedAccess (Claims Eligibility and Administration) - Claim Quote - Drug Price Check - MedResponse (PA and appeals) - Operational Design Management System - Verint - Emergency Notification Systems (Emergency Situation Update Hotline, Kronos)	0-30 minutes Minimal downtime level for critical production applications
Tier 3	- Internet access - VPN - Network / shared drive access - Eligibility File and data exchange delivery systems (MFTP, FTP/sFTP) - File processing and scheduling systems (UC4, Informatica, Ops Scheduler) - ePrescribing applications and systems (MedPrescriptions, RTBC)	0.5-4 hours

Tiers	Service Functions	Time to Recovery
	- RightFax - Esker - Email (MS Outlook Exchange) - Customer Portal (Enterprise Portal Platform)	
Tier 4	- Configuration applications and environments (QSP, TAC) - Benefit highlights	4-8 hours
Tier 5	- AP and Filenet (Financial Processing) - Claim Data Store - CNAT - Confluence - MedHub - Media Production (processing and scanning equipment, including network printers, Neopost software, AIMS) - MedOptimize (Reporting) - Virtual Inventory (Administration and Systems) - PDE processing - Direct customer reimbursement - Customer Portal - Pharmacy Locator - PDL Management (EFS, Part D Template, CTI) - MOR - Drug Pricing (FDB / Medi-Span)	8-24 hours Moderate downtime level for ancillary or supporting production applications
Tier 6	- MAC pricing tool - Testing and validation applications and environments (E2E) - Pharmacy Portal - Clinical Programs	24-48 hours Long downtime level for ancillary or supporting production applications
Tier 7	- Physician Portal	>48 hours Extended downtime level for ancillary or supporting applications

MedImpact's chief operations officer serves as a member of the BCDRLT (Business Continuity Disaster Recovery Leadership team), which is authorized to establish emergency communications, alert employees, notify customers, and inform the press. Under its authority, the BCDRLT will declare an event and manage damage control, critical functions, and IT disaster recovery teams.

MedImpact's vice president of IT Applications and Infrastructure is responsible for planning, updating, and testing of MedImpact's IT DRP. Overall direction of IT recovery operations in a disaster event is the responsibility of MedImpact's CIO (chief information officer). The vice president of IT Applications and Infrastructure, along with the CIO and other MedImpact IT leaders, comprise the ITDRMT (IT Disaster Recovery Management team). The ITDRMT reviews test plans, ensuring that IT personnel are familiar with the plan and notification procedures. The ITDRMT provides consultative review and approval on changes to MedImpact's IT DRP. In the event of a disaster or disruption event, the ITDRMT assigns the specifically skilled IT professionals to create a command center, perform required damage assessments, alert the secondary data center, and make recommendations to the BCDRLT on the best course of action to provide the most comprehensive recovery in the shortest amount of time.

MedImpact's multiple levels of redundancy for critical systems maintain a high level of continual service to protect our information technology assets. We are not dependent upon a third-party recovery service provider to support or perform any recovery processes because of the following safeguards:

- **Server redundancy**—In case of individual system failure, MedImpact's multiple redundant systems enable claims processing to continue in fewer than 60 seconds, with minor interruption, as processing is moved to a hot-standby server. Claims processing systems are on redundant or high-availability hardware.
- **Storage redundancy**—MedImpact's replicated databases on isolated storage frames provide critical protection against storage system failure. We replicate critical data locally and to our secondary data center to protect against a single-site failure.
- **Data center redundancy**—MedImpact's systems and critical data are safeguarded by physical data center isolation and redundancy between data centers located 362 miles apart in San Diego, California and Tempe, Arizona. Our data centers are on different power grids with backup power feeds in each location.

Machine failures, storage failures, power failures, and network failures at MedImpact's primary data center would trigger activation of the secondary data center. MedImpact recovers operations from the secondary data center after a disaster is declared. Because our failover POS claims adjudication system resides in both data centers, we can track and store member dispensing data without interruption. This data is not site-dependent, so adjudication and POS for members and reporting tools for customers are not disrupted. Authentication and access controls are also co-located, which eliminates the need to perform a recovery of our data access control platforms and facilitates emergency mode operations during a disaster.

Reporting

- Refer to specific documents and reports that can be produced as a result of completing tasks, to achieve the requested deliverables.

MedImpact's use of Microsoft Project offers various standard views and reports for all system users, as well as other project reports identified and defined by LDH. Additional data can be retrieved for key metrics identified during the project control and reporting process work plan. For formal reporting purposes, **MedImpact develops several standard weekly reports**, including:

- **Weekly Progress Report**—Documented in Microsoft Word format, this report provides a detailed summary of all items to be discussed at weekly status meetings.
- **Weekly Deliverable Status Report**—This report, produced in Microsoft Project, provides the status of all deliverables, overdue deliverables, milestones, and approvals.

Through the functionality available in Microsoft Project, MedImpact produces reports to assess the health of the project. These reports can be configured for individual audiences, such as the Executive Steering Committee, executive director, implementation manager, as well as an LDH-specific dashboard to track specific desired metrics. Reports and associated metrics are produced and updated by the Implementation team, with delivery of these reports to LDH as part of our general project management responsibilities.

The implementation manager produces a weekly status report and makes it available 24 hours prior to the status meeting. This individual collects the information and merges with automated data to produce the weekly status report. In the Project Initiation phase, we collaborate with LDH to determine the optimal format for the weekly status report.

The following figures (**Figure 1.8.7-H** and **Figure** 1.8.7-I) represent formats from Microsoft Project reporting dashboards for the status report and for a milestone report.

Figure 1.8.7-H: Sample Status Report

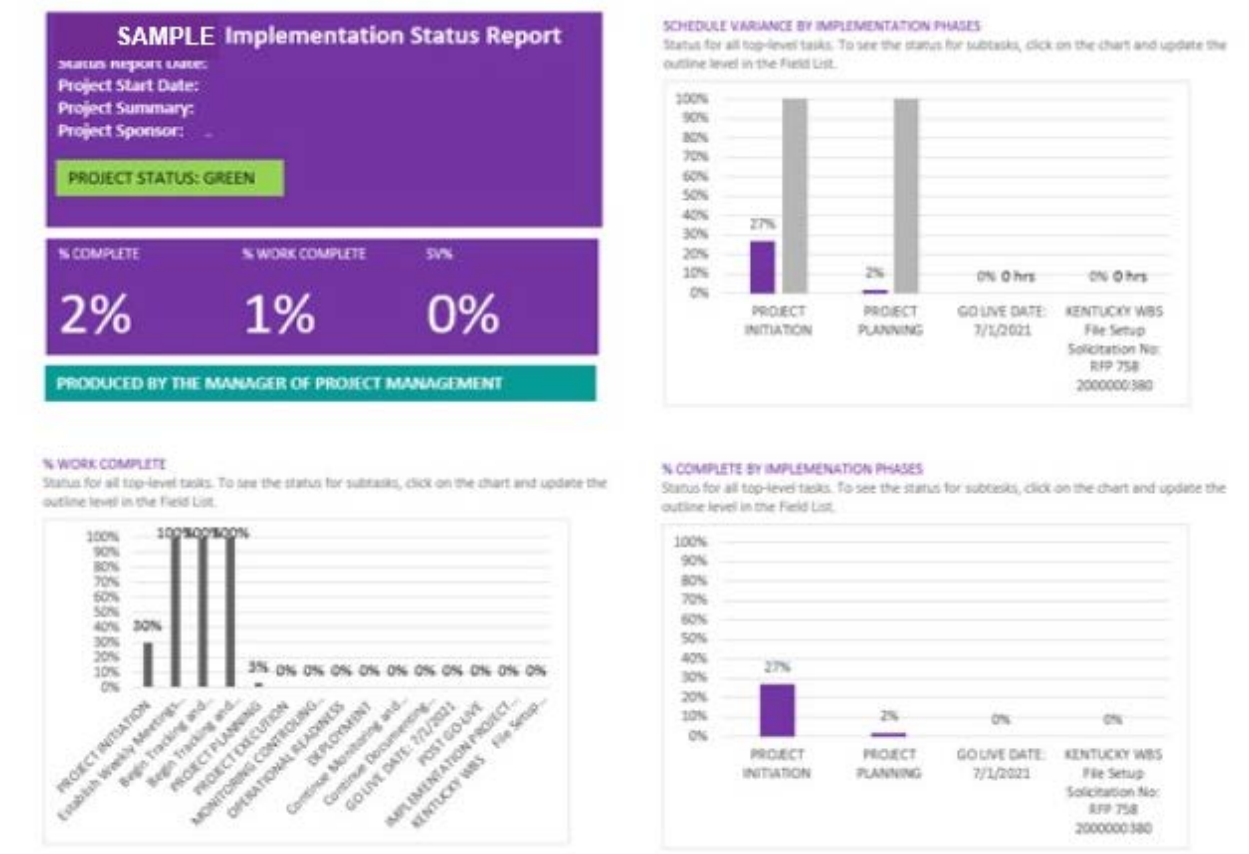
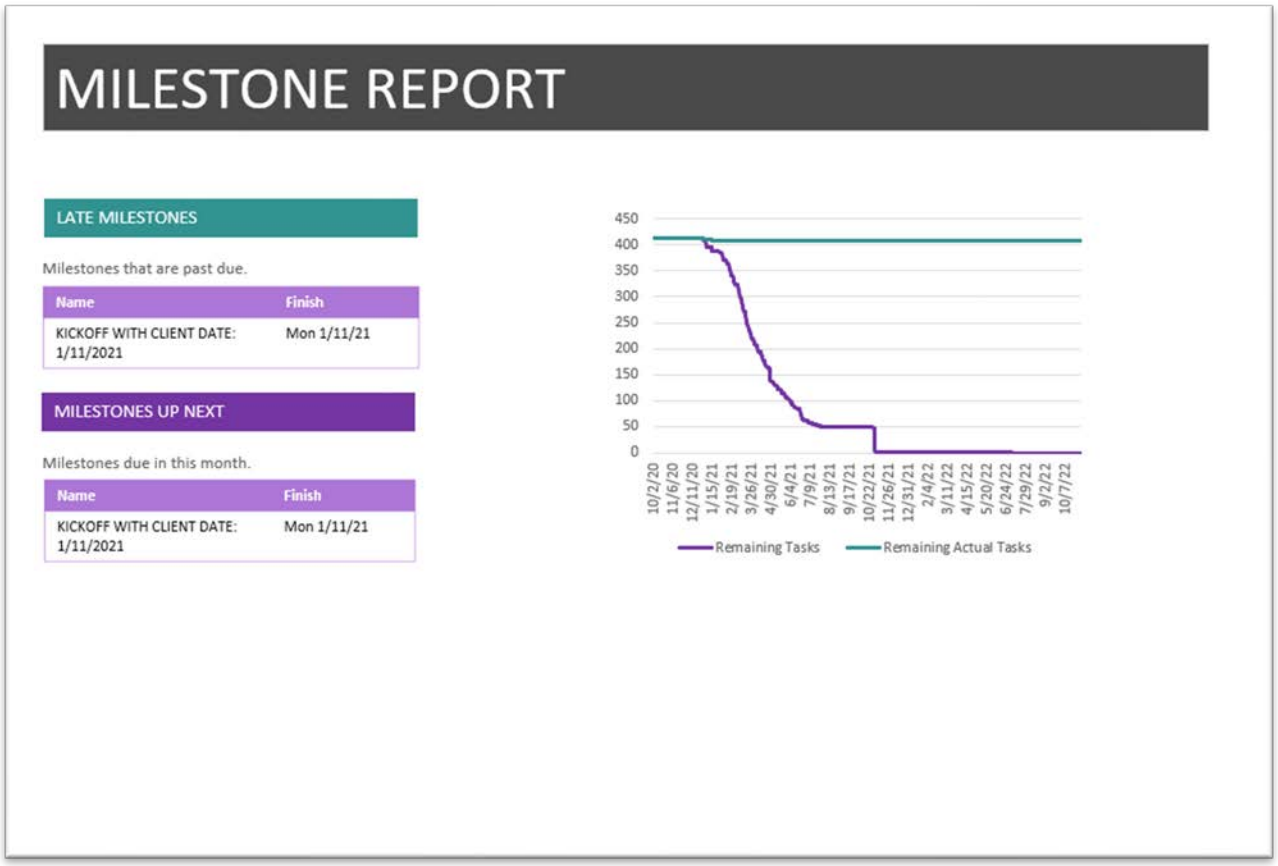


Figure 1.8.7-I: Sample Milestone Report



Work Plan Tasks Assumptions and Constraints

- Identify all assumptions and constraints for work plan tasks.

Assumptions

The work plan template identifies a problem statement; work plan objectives; scope of work; assumptions, risks, and dependencies; constraints; roles and responsibilities; and work plan approach. This template is created by a subject matter expert for each respective deliverable and approved by LDH. The work plan proposed to LDH for this project includes the following assumptions:

- All requirements are verified by the specified date.
- All teams complete tasks by deadline.
- Contracts are executed by specified times.
- Resources from all teams available for project tasks.
- There are no changes in scope.

- Technology platforms and infrastructure are available to complete tasks assigned to LDH and MCOs.
- Deliverables are similar to industry standards.

Constraints

Leveraging lessons learned through extensive implementation experience and its recent complex implementation of a single PBM, MedImpact employs a best practices approach to mitigate barriers to successful implementation. Potential barriers / constraints to meeting the LDH implementation timeline and our mitigation strategies, include:

Potential Constraint	Mitigation Strategy
Lack of stakeholder coordination	Establish clear and structured communication strategy for all stakeholders.
Defined processes for data integration, claims ingestion and responses	Establish clear expectations at each stage of implementation; clear testing schedule and milestones.
Unclear scope and/or roles and responsibilities	Ensure strong leadership and coordination between LDH and MedImpact.
Stakeholder confusion / lack of awareness of change	Facilitate active communications with 'other' LDH stakeholders that may be impacted, including communications with professional groups, such as prescribers, pharmacies, and other groups.
Resource (SME) availability	Ensure the work plan is reviewed by LDH to assure necessary subject matter expert availability for requirements/testing.
Inability to communicate efficiently, seamlessly.	Update technical infrastructure (LDH and MedImpact) to help ensure compatibility with virtual conferencing, etc.
Commitment to testing	Collaborate with LDH to assure adequate time and resources are available to robust/definitive testing.

In our experience with large, complex implementations and operations where the incumbent has a lengthy tenure with LDH, the most common barrier to a smooth transition is the ability to transfer the necessary product / institutional knowledge. Often, the agency may rely upon the incumbent to provide this institutional knowledge and the incumbent may not be accommodating. MedImpact's extensive requirements-gathering techniques and testing serve to help eliminate this risk. The work plan proposed to LDH for this project includes the following constraints:

- Operational start date
- Dependencies must be completed prior to the next task.

- Stakeholder involvement will occur throughout implementation and operations.
- Federal and State requirements

Flexibility to Address Unanticipated Problems

- Discuss what flexibility exists within the work plan to address unanticipated problems which might develop during the contract period.

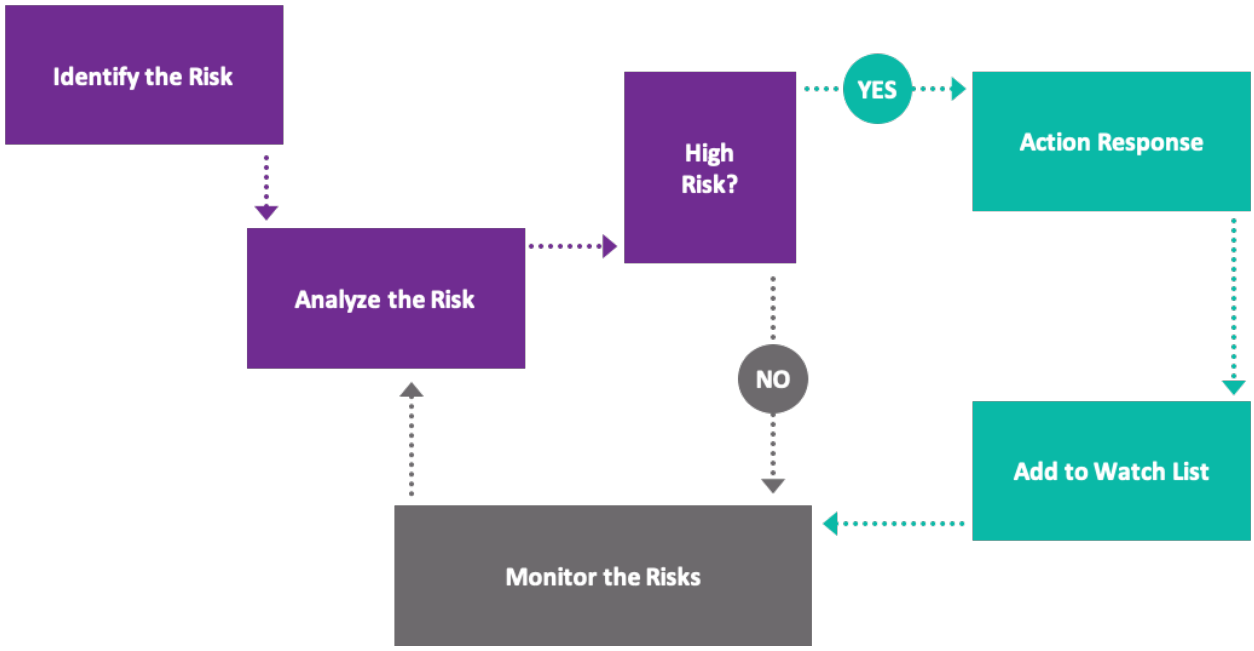
MedImpact's comprehensive approach to serving the Medicaid market with its flexible end-to-end PBM program affords LDH work plan flexibility necessary to meet to meet both organizational goals and its complex contract requirements. We recognize that unanticipated issues can and do occur with all implementations. Any identified issues for mitigation are captured by the Implementation team and are reviewed and prioritized during daily and weekly internal team meetings. If it is determined a risk or issue requires a change request, we develop required change request documentation and initiate our change management process. MedImpact collaborates with LDH to establish a change management strategy that aligns with LDH's change management processes. The change management plan captures any changes in scope, timeline changes, or deliverable expectations. If it is determined a risk requires a change request, we develop required change request documentation and initiate our change management process. The change management process may require the Implementation team to re-baseline the project with approval from LDH.

The Implementation team:

- Monitors the risks and issues log on an ongoing basis
- Determines the probability and potential impact
- Initiates risk contingency and mitigation plans when necessary
- Reviews and removes risks from the log when appropriate due to a change in their overall risk rating
- Prioritizes and communicates new risks as they are identified by scheduling and facilitating project meetings at the minimum of weekly meetings, and ad hoc meetings to address work packages with associated risks
- Collaborates with LDH to review and adjust the risk management process by evolving requirements or applying lessons learned
- Provides continuous improvement based upon quarterly analysis of the Risk Management approach built upon Lean Six Sigma principles

Figure 1.8.7-J depicts MedImpact's high-level risk management flow.

Figure 1.8.7-J: Risk Management



Protection of Confidentiality of Records

- Document procedures to protect the confidentiality of records in LDH databases, including records in databases that may be transmitted electronically via e-mail or the Internet.

MedImpact provides a unified PBA / PBM platform meeting all HIPAA / HITECH and CMS security and confidentiality requirements, and maintains SSAE (Standards for Attestation Engagements) SOC (System and Organization Controls) 2 Version independent certification of our system and the suitability of the design and operating effectiveness of controls to meet the criteria for security, availability, processing integrity, and confidentiality principles.

With numerous state and private customers across the United States, MedImpact mandates the requirement for reporting of effectiveness of internal controls compliant with AICPA (American Institute of Certified Public Accountants) Statement on SSAE No. 18, Reporting on Controls at a SOC 1, SOC 2, and Type 2 Report. Results of these assessments are shared with LDH annually.

MedImpact's solution employs role-based access security to govern access in two dimensions:

- Data entitlement: Users are limited to the data each requires to perform defined job duties, including limits to protected health information / patient identifiable information and confidential or proprietary information.

- Functional entitlement: Assigns functional roles to users to limit access to MedImpact's solution capabilities based on defined policy; new roles can be defined to accommodate LDH access requirements.

We apply advanced user access controls to ensure we assign each user role-based access based upon the specific administrative functions they are required to perform in their respective job functions, as defined by LDH guidelines. Once within an application, we require additional entitlements to access role-specific functionality. We manage data entitlements using role-based access control criteria. By default, users do not have access to any data; they must be granted specific data roles to access authorized data.

Accessors to the solution are permitted to have more than one role. Multiple roles can be accessed with the solution without requiring log off. Our experience safeguarding documents / records in programs, such as the LDH pharmacy program, is extensive; all customers require that we protect sensitive information. MedImpact meets all applicable state, federal, and industry standards in this regard and makes additional revisions for each specific program, as warranted.

MedImpact also understands the importance of HIPAA security and aggressively protects data through effective training, tools, polices, processes and procedures. Along with our Data Security team, we employ policies, procedures, and guidelines to protect individuals' privacy rights as specified in the HIPAA privacy, NIST, and other state and federal statutes, regulations, and guidelines. Our data protection protocols include encrypting data in transit and data at rest.

Our encryption methods are Federal Information Processing Standard (FIPS) Publication 140-2 (FIPS 140-2) certified or higher, which meet or exceed the requirements for protecting HIPAA data levels 1-4.

MedImpact's holistic use of information encryption across its solution includes:

- TLS encryption—Currently, the use of Transport Layer Security (TLS) is considered best practice for Web browser encryption. TLS 1.2 or higher encryption is used on all web-based applications that support external connectivity to MedImpact information technology resources.
- Secure file transfer using Secure Transport—MedImpact provides secured file transfer ability through an TLS encrypted website using Secure Transport. Secure Transport is configured via a front-end web server connecting to a back-end file repository. No files are stored on the front-end server.
- Secure email—Secure email is required to send any email which contains PHI, PII, or company confidential information to a remote email location which resides outside of the MedImpact domain. Axway Communications Corp. MMS/IME software provides encrypted emails. Any emails flagged by this system get redirected to the IME email

encryption service. This service holds the email for pickup, or optionally encrypts the email using S/MIME to send to a remote IME server for site-to-site email encryption.

- SFTP with PGP—For large file transfers, MedImpact supports SFTP with PGP which provides encryption of data prior to transferring over the Internet using the secure file transfer protocol.
- Data in Motion—MedImpact secures Data-in-Motion with a 256-bit AES encryption algorithm with a 2048 bits or greater encryption key.
- Data-at-Rest—MedImpact encrypts all Data-at-Rest with a 256-bit AES encryption algorithm with a 2048 bits or greater encryption key automatically using hardware features.
- Data in Use—MedImpact only decrypts data in use to perform a necessary business function

Our dedicated Data Security team continuously monitors applicable encryption standards and industry best practices for adjustments necessary to our security posture.

Service-Oriented Architecture

- Clearly outline the solution's technical approach as it relates to a service-oriented architecture. Details should include a description of capability and potential strategy for integration with future Department enterprise components as they are established, specifically making use of an Enterprise Service Bus (ESB) for managing touch points with other systems, integration with a Master Data Management Solution (MLDH) and flexibility to utilize a single Identity and Access Management Solution (IAMS). The Proposer shall clearly identify any systems or portions of systems outlined in the proposal, which are considered proprietary in nature.

MedImpact's PBM platform and the organization support model behind it are built to deliver exceptional value, speed, and user experience for our customers. The PBM platform and organizations supporting it continues to evolve to meet new challenges and expectations, and exploits new technologies when applicable. The platform is:

- Modular and composable
- Configuration over coding
- Security and privacy
- Resiliency—elastic capacity and continuous availability
- Assemble—simulate / test—publish
- User experience focus

Architecture

MedImpact's n-tiered architecture is a standard used throughout the industry for encapsulating functionality for maximum reuse and maintainability providing unlimited numbers and flexibility of functional layers. The logical layer design enables it to differentiate between

component tasks, maintain flexibility with modular deployment integrations, and facilitate supporting re-usability of components. We divide an application into separate layers that have distinct roles and functions to maximize maintainability of the code, optimize application functionality, and provide clarity when determining where certain technology or design decisions must be made. Components deliver reusability and system flexibility, lower the cost associated with system modification and maintenance activities, and accelerate compliance to LDH and CMS standards.

MedImpact's unified information technology platform is designed and built to support maximum reliability, affording our customer base 100 percent availability, 24 hours per day, seven days per week, 365 days per year. To achieve this high degree of reliability, we utilize:

- Active redundant component architecture for network infrastructure
- Elastic scalability to enable capacity scaling vertically and horizontally
- Full active redundancy between two geographically separated data centers
- Support for real-time synchronization between the separate data centers
- Ability to introduce changes and enhancements without scheduled downtime
- Support for high degree of configuration over legacy coding

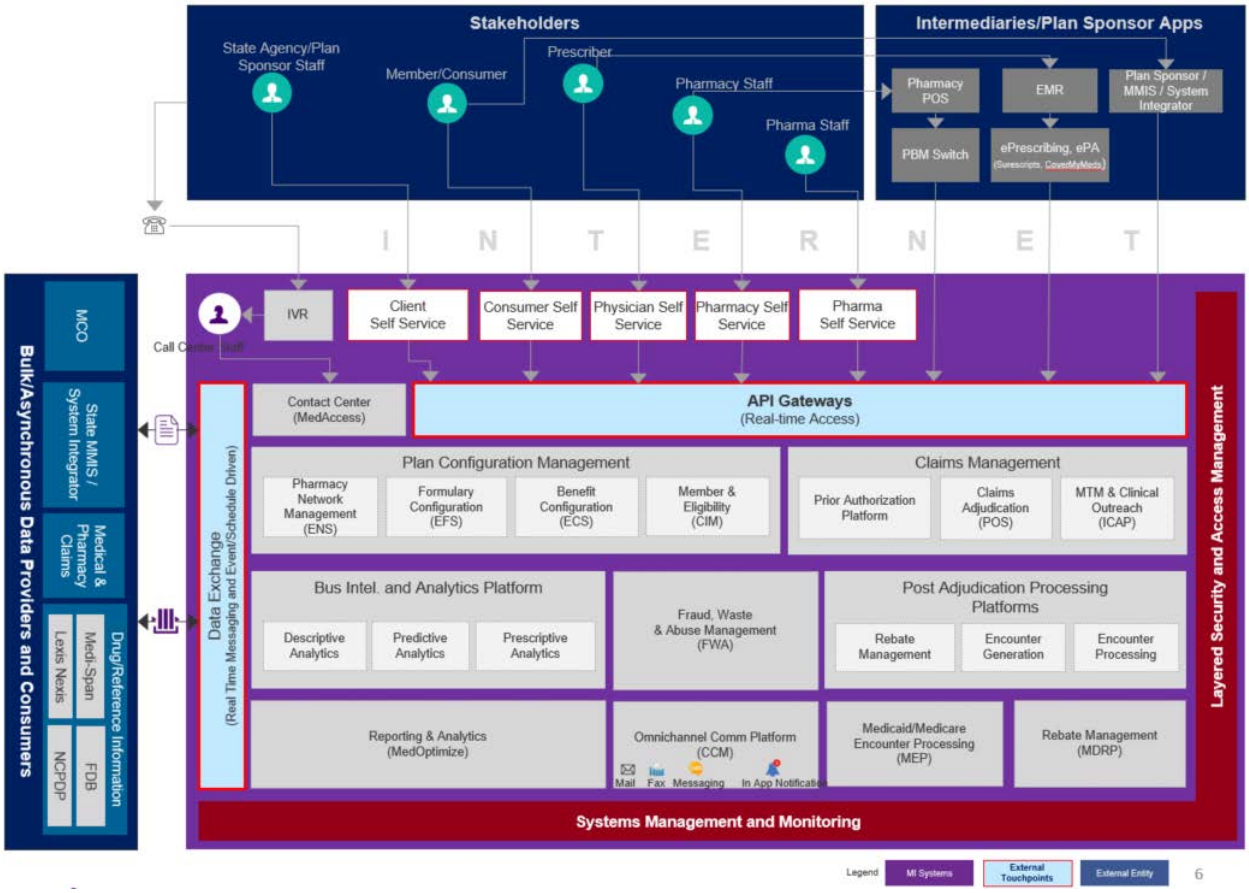
MedImpact's technology systems are supported by an ecosystem of several core applications residing within the unified information technology platform, enabling the ability to leverage the efficiencies of shared infrastructure, tools, and technologies.

Our solution provides a modular, loosely coupled architecture aligning with CMS MITA and industry standard architectural paradigms. Within our architecture, we rely heavily on and prefer standards-based COTS and enterprise class open-source products. Our development platform uses C## and JAVA based programming, when necessary.

Our current architecture provides a modern, up-to-date, industry standards-based platform that we anticipate will meet the needs of our customers into the future. By evolving our current platform, we attempt to avoid revolutionary changes to a target platform architecture.

Figure 1.8.7-K illustrates MedImpact's architecture and supporting technologies of its proposed solution.

Figure 1.8.7-K: Architectural Diagram



Integration with Future Department Enterprise Components

Recognizing that LDH is preparing to secure additional modules for your modernized MES (Medicaid Enterprise System), MedImpact commits to updating LDH and vendor interfaces over the life of the contract to help ensure smooth and successful module implementation and certification.

MedImpact can support a multi-patterned approach to integration with future Department enterprise components. MedImpact employs standard-based, secure integration with business partners and customers. Our Data Exchange solutions provides support for bulk and asynchronous integration, and our API Gateways are used for real-time integration.

During new component implementation, MedImpact will collaborate with LDH and its vendors on planning, development, and testing of new interfaces that meet LDH evolving business needs.

Bulk Integration for Master Data Management

MedImpact employs strict internal control and quality check processes for EDI (Electronic Data Interchange) files to help ensure they are loaded timely and accurately. After LDH (or a vendor) uploads an EDI file to our SFTP (secure file transfer protocol) server, our system executes an automated server scan to retrieve the file from customer folders residing on the SFTP servers. Before updating records, our system performs the following validation and load steps:

- **File processing instructions**—Handling of inbound files
- **File decryption**—Files are decrypted by MedImpact (customer files are typically encrypted by the submitter using PGP (pretty good privacy).
- **File decompression**—Lossless data compression is used to support transfer of very large files more efficiently. MedImpact decodes compressed files using a variety of tools, based upon submitter preference.
- **File translation and validation**—Files are subject to file-level and record-level syntax validation to ensure proper file construction and adherence to standards. This helps to ensure only complete and valid data are loaded into MedImpact systems. Any file failures resulting from these validation edits result in system alerts and corrective action, which may include communication with the submitter to address errors and procure corrected files. Files that pass validation edits are formatted for eventual upload into POS.
- **Notification to customer**—Upon completion of the validation process, MedImpact notifies the submitter of receipt of the file, along with any relevant processing errors.
- **File loads, reports, and notifications**—Once the validation process is complete, files are automatically staged for loading into the MedImpact systems. Files are loaded based upon file type and submitter schedules. Our automated file load processes may perform additional semantic / business validations to further ensure data quality. Load result reports are produced for both internal and submitter use and include processing metrics, error records and counts. Our system automatically posts the report to the submitter's FTP (file transfer protocol) folder for review, follow-up, and remediation.

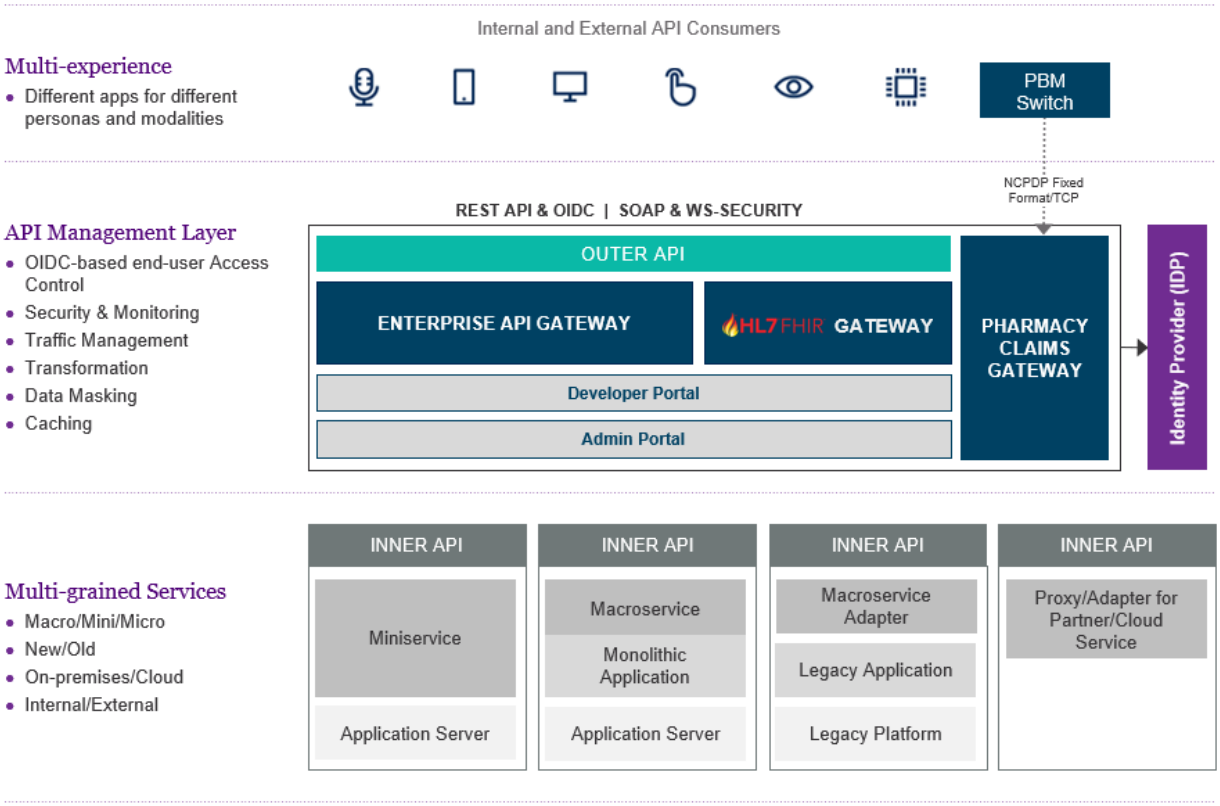
All customer updates are processed and loaded into our systems within 24 hours of receipt, unless otherwise specified by customers. Application support engineers within our Technology Services and Operations department monitor the operations scheduling software to assure all validated files are uploaded into POS timely.

Real-Time, Synchronous Integration

We typically support EDI through Web services real-time integration, as well as message queuing over SFTP. We support real-time SOAP (simple object access protocol)-based Web services to provide interoperability across disparate systems, and for accessing Web services to post or fetch information to and from our PBM solutions. Real-time integration may use MedImpact's pre-defined XML specifications in WSDL (Web service definition language) and XSDs (XML schema definitions) for easy consumption by LDH, vendors, and other agencies, or

MedImpact can readily integrate with LDH, vendors, and other agencies using LDH-approved real-time solutions.

Figure 1.8.7-L: Real-Time Integration Architecture



MedImpact also supports near real-time asynchronous system-to-system integration through JMS (Java Message Service) message queues and can leverage this capability to post and fetch published messages.

Identity and Access Management Solution (IAMS) Integration

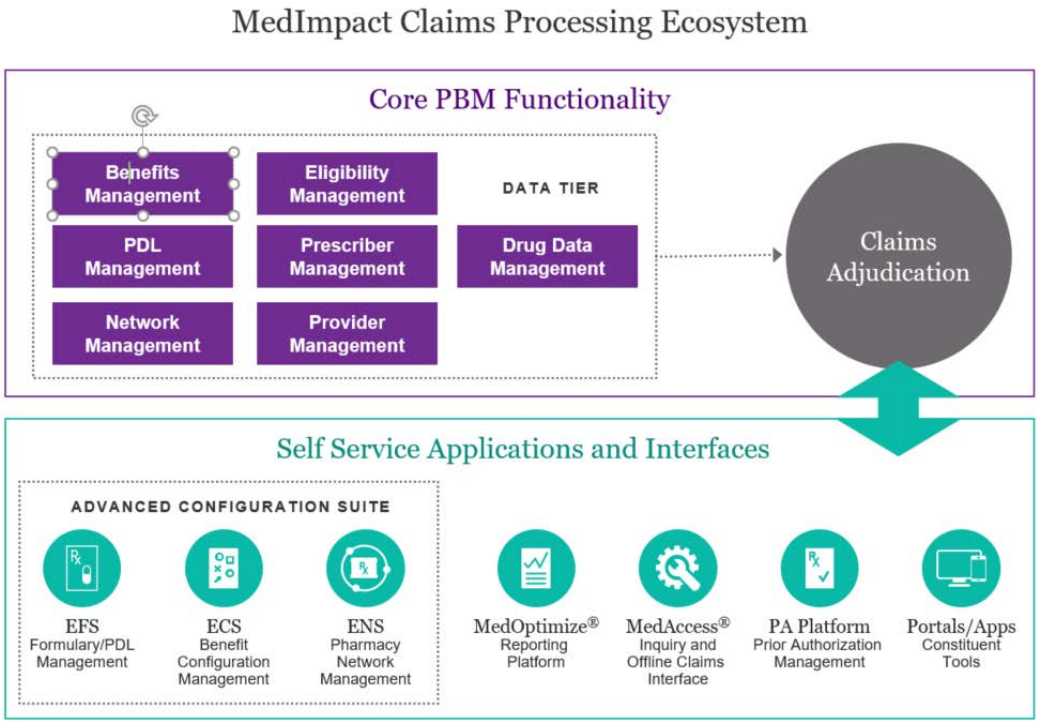
MedImpact's core applications currently support FSSO (Federated Single-Sign-On) with SAML for integration with external IAMS solutions.

Proprietary Systems

MedImpact's proprietary claims adjudication system supports online, real-time adjudication of pharmacy claims. Upon receipt, raw claims are stored and parsed to validate submission in the correct D.Ø format and that all required fields are present and valid. After the claim format is validated, claims are processed through a variety of rules and edits to determine their final disposition. In all instances, the system returns properly formatted responses to pharmacies as either payable or rejected using the appropriate NCPDP transaction response status codes.

Our claims adjudication engine is supported by an ecosystem of specialized applications. These core applications reside within our unified information technology platform, which enables us to leverage the efficiencies of shared infrastructure, tools, and technologies. This provides a single source of truth for data, which promotes accuracy, uniformity, and visibility. We have made significant investments to help ensure our solution addresses the evolving regulatory and business requirements of our customers. **Figure 1.8.7-M** illustrates MedImpact's capabilities and supporting technologies of our proposed POS claims adjudication system.

Figure 1.8.7-M: Claims System and Supporting Technologies Overview



1.8.8 Detailed Scope Response

Describe its proposed approach to meeting each of the requirements below. The narrative response should demonstrate clear understanding of all the requirements in each category. Any requirement not clearly addressed in the response may negatively affect the Proposer's scoring. The Proposer should respond, at a minimum, to the following sections:

With more than thirty years of experience supporting Medicaid managed care programs, MedImpact is fully prepared to meet the organizational goals of LDH and the contracted MCOs. Our approach to meeting all requirements is to leverage our extensive Medicaid experience, coupled with the lessons learned and best practices from the implementation and operation of our single PBM with the Commonwealth of Kentucky DMS (Division of Medicaid Services), and combine it with guidance and direction from LDH to deploy proven solutions, technology, and processes.

A single PBM is a unique Medicaid model that requires close collaboration with LDH and the MCOs. Each of the MCOs have had significantly larger control of their own pharmacy benefit program since 2012, using different designs and functions of their incumbent PBM. Further compounding the issue is that each PBM designs and deploys edits differently and other nuances that may impact the intent or the outcome. Success is dependent upon careful translation and a complete understanding of these differences to normalize and deploy the LDH vision to ensure all drug claims for each MCO are processed equally and uniformly. MedImpact possesses the experience, staff, and tools necessary to successfully navigate the complexities and challenges inherent in the single PBM model.

MedImpact understands that LDH intends for the single PBM vendor to implement and operate this model for a per paid drug claim transaction fee (approved by LDH) and paid by each MCO as payment in full. All functions required and described in the RFP will be provided at no additional cost, including modifications or customizations necessary to implement the pharmacy benefit, as specified by LDH. All financial transactions between all parties relating to this project will be fully visible to LDH.

In preparation for its response, MedImpact reviewed and analyzed all RFP requirements (including materials provided in the LDH procurement library), actively tracking the evolving Louisiana PBM landscape and regulations (e.g., Louisiana R.S. 46:450.7, R.S. 39:1648, R.S. 46:153.3, 46:153.3.1). Our Corporate Compliance team monitors legislative activity and has researched Louisiana's existing, pending, and introduced regulations governing Medicaid and MCOs (managed care organizations) to ensure our ability to comply with the requirements set forth in the RFP.

Overview (SOW 2.1.1)

MedImpact's approach to providing single PBM services to LDH and the MCOs includes a proven implementation process, an experienced Account team, state-of-the art claims pharmacy benefit management tools combined with added benefit of a proven single PBM partner. MedImpact has proven PBM experience across the nation, including in Louisiana. Louisiana providers already know MedImpact, and we have existing pharmacy network contracts that can be leveraged for LDH, assuring on-time implementation. MedImpact is committed to providing a positive enrollee experience and to help ensure the services provided under the PBM contract mitigate the risk of harm to enrollees.

MedImpact understands the intent of this procurement is to solicit a contractor that:

- Processes drug claims utilizing the most current industry standards, while applying the LDH PDL and defined benefit design
- Utilizes LDH-establish criteria to process PAs (prior authorizations)
- Administers payments to network providers timely and efficiently
- Provides a customer service center that meets and exceeds LDH provider and enrollee expectations
- Performs comprehensive network audits to identify education and training opportunities for providers and to help improve our system edits, network educational efforts, and call-center training
- Collaborates with LDH and the MCOs to develop and deliver a quality standard reporting package and responds to ad hoc reporting requests in a timely and efficient manner
- Offers a quality industry compliant EDI (electronic data interchange) process to exchange accurate daily claims data with the MCOs
- Allows designated LDH and MCO staff appropriate role-based real-time, unredacted, read-only access to MedImpact's claims adjudication and reporting platforms
- Carefully monitors program performance to ensure required PDL compliance measures are met, the intent of the DUR program is accomplished, and to ensure LDH enrollees receive the benefit coverage and support afforded to them by the LDH Medicaid program

MedImpact's comprehensive approach to serving the Medicaid market with its end-to-end PBM program affords LDH a variety of flexible solutions to meet both organizational goals and complex State contract requirements. We meet the dynamic needs of LDH with a variety of program and technology solutions to help ensure pharmacy benefit program compliance and to improve clinical outcomes. This approach enables LDH to achieve its objectives for administrative performance, transparency, and efficiency at low net cost through:

- Consistent application of benefits
- Aligning clinical and policy goals with LDH

- Unredacted access to all claims data and financial components
- Application of best practices gleaned from similar implementations

A Proven Single PBM Partner

MedImpact is the only PBM to have successfully implemented a single PBM program in partnership with the Kentucky Department of Medicaid Services, and in close collaboration with the Commonwealth's six MCOs, including Centene, Molina, Anthem, Aetna, Humana, and United.

The single PBM is a highly unique and evolving model that **requires a comprehensive understanding of both the FFS (fee-for-service) Medicaid and Managed Medicaid PBM dynamics, fiscal impacts, and provider education.** MedImpact's ability to meet and exceed LDH requirements is closely tied to our ability to successfully collaborate with the MCOs so that we may serve enrollees to the best of our abilities. MedImpact understands that the more time spent initially on ensuring all parties are informed and aligned on the transition, the more likely the provision of the highest quality accountability will result in a more widely accepted solution.

There are similarities between the Kentucky and Louisiana single PBM model, providing significant opportunities for MedImpact to leverage existing MCO relationships, processes, concepts, and lessons learned. That said, **we recognize the LDH single PBM requirements are not identical to the Kentucky program, and we are fully prepared to meet the unique requirements of the Louisiana model.**

Proven Implementation Process and Team

MedImpact's Implementation team is led by industry veteran, Dean Beuglass, RPh. Dean Beuglass, Managing Principal, Government Programs and Services. With more than 20 years of Medicaid experience, Mr. Beuglass leads and directs our State Medicaid Implementation team, including on-site support during implementation and following contract award. A tenured pharmacy benefit management resource and subject matter expert specializing in Medicaid programs, he possesses high-level business analysis, communications, and presentation skills necessary to successfully manage and support the activities of this contract. Mr. Beuglass also fulfills the role of CEO (Chief Executive Officer) on the MedImpact LDH team.

Mr. Beuglass leads a team of seasoned Medicaid experts who possess expert knowledge of industry standards, best practices, and innovations. **This team includes contributors with experience in both FFS Medicaid and managed Medicaid** specializing in PDL management (both the loading of formulary from Louisiana's vendor, as well as in PDL design), benefit design, rate setting, clinical programs, information

Mr. Beuglass has nearly two decades of experience implementing or overseeing Medicaid implementations.

technology, claims processing, and process improvement. MedImpact will collaborate with LDH to recommend and deploy ongoing program improvements.

This proven and experienced team will support the Louisiana account team during both the Implementation and Operational phases of the project, actively collaborating with LDH and the MCOs to enhance the management of the pharmacy benefit and to improve enrollee outcomes through the creation of (LDH approved) workflow documents that outline roles, responsibilities, and timelines.

LDH, the MCOs and its enrollees are directly supported by a comprehensive, cross-functional team of Account Management, Implementation, Operations, Reporting, and Business Technology team members with the experience, leadership, and operational acumen necessary to successfully implement, launch, and deliver the required services. We are committed to delivering high-quality, high-touch service through direct and highly collaborative interactions with the MCOs and LDH to help ensure each enrollee within its population receives necessary, timely care. MedImpact employs a multi-pronged approach to assuring its proposed service model meets all RFP requirements and performance guarantees. MedImpact will collaborate with each MCO under the additional oversight of LDH.

Proven PBM Tools

MedImpact's claims adjudication engine is supported by an ecosystem of specialized applications. These core applications reside within our unified technology platform, which enables us to leverage the efficiencies of shared infrastructure, tools, and technologies. This provides a single source of truth for data, which promotes accuracy, uniformity, and visibility.

We have made significant investments to help ensure our solution addresses the evolving regulatory and business requirements of our customers. Within our unified platform are several specialized user interfaces to effectively support operations, including:

- **MedOptimize**—Flexible reporting, data analytics, and dashboarding platform; a Cognos-based query tool built on top of our robust data warehouse
- **MedAccess**—Centralized tool for managing processing edits / validations, eligibility, benefits, and pharmacy networks, with inquiry and update capabilities for our call center and Account Management teams, as well as for LDH. In addition, MedAccess is integrated with the PA platform, as well as POS, to allow real-time claims and PA problem-solving. It provides a unique, best in class ability to track different call types for data and improvement opportunities.
- **Lucida Advanced Configuration Suite**—Our next-generation platform of integrated configuration solutions, which includes:
    - **EFS (Enterprise Formulary System)**—Specialized interface used to design, implement, and maintain PDLs (preferred drug lists)

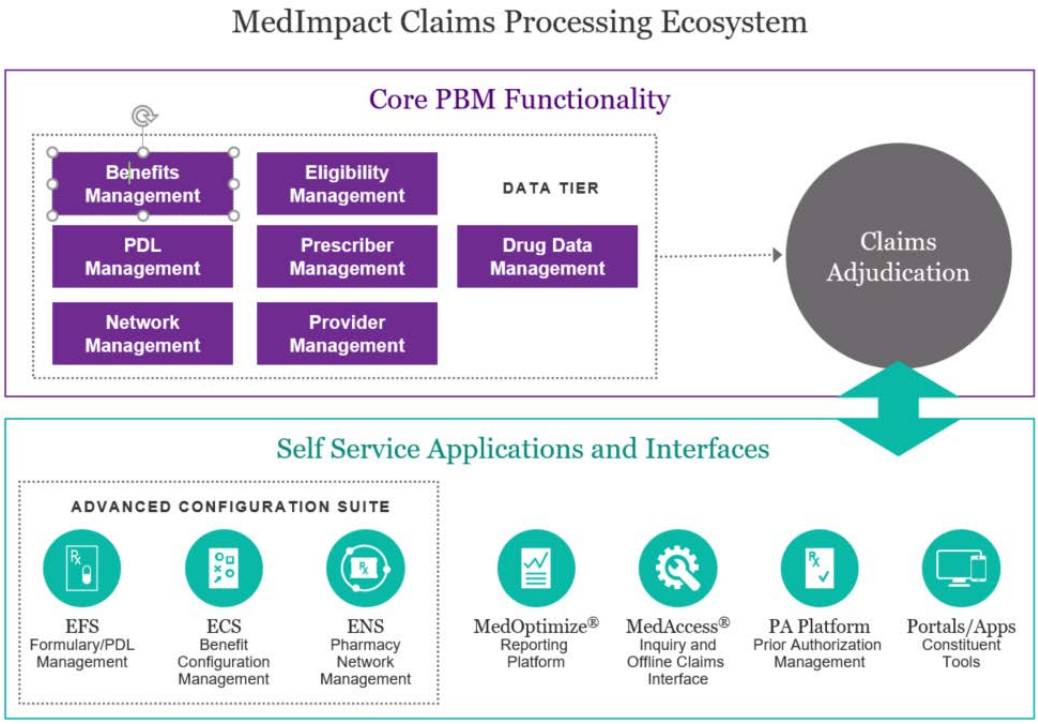
- **ECS (Enterprise Configuration System)—**Specialized interface used to design, test, implement, and maintain benefit configurations
- **ENS (Enterprise Network System)**—Specialized interface used to design, implement, and maintain pharmacy networks and claims reimbursement formulae

- **MEP (Medicaid Encounter Platform)—**Full-cycle solution for generating, receiving, and processing NCPDP batch and post-adjudication standard claim encounter files and managing LDH response files
- **Automated PA—**Our clinical rules engine automates the PA process by evaluating enrollees' data stored in their profiles (e.g., medical claims, diagnoses, encounters) to determine if a prescription meets LDH criteria. Reporting is also available for this process so that MedImpact can monitor and tweak existing or new rule sets to ensure the highest possible automation when appropriate.
- **PA Platform**—Fully-integrated PA electronic workflow management platform, which includes MedImpact's ePA (electronic PA) program, as well as our internal tool for processing requests. The combined nature of this platform ensures consistency between our ePA partners and the criteria, as well as our reviewing staff and the guidelines. There are built-in safeguards to ensure each request is reviewed correctly and escalated, when necessary, to the appropriate party.
- **Portals/Applications**—Suite of fully integrated Web portals supporting LDH, and provider and enrollee access to information, services, and reporting. This includes our ability to provide members with real time access to the status of their PAs, as well as claim history and drug and pharmacy look-up tools.

MedImpact's proprietary, fully integrated solution enables prompt response to industry and regulatory changes without the burden of extensive computer programming and additional time often required to integrate disparate systems. Through ongoing quality improvement processes, we continually review and enhance the capabilities, capacity, and performance of our systems to help ensure they meet or exceed industry standards and expectations.

Figure 1.8.8-A illustrates MedImpact's capabilities and supporting technologies of our proposed POS claims adjudication system.

Figure 1.8.8-A: Claims Engine and Supporting Technologies Overview



Covered Populations (SOW 2.1.6)

- The Contractor shall provide PBM Covered Services for all Beneficiaries enrolled in the Managed Care Program for all MCO Covered Services.

MedImpact understands the awarded contractor is to provide all MCO covered services for all enrollees enrolled in the managed care program, as part of this PBM contract. LDH presents the structure, benefit overview, and covered services throughout its solicitation document. MedImpact will work collaboratively with LDH and its MCOs to ensure covered services are documented fully as part of our implementation requirements validation process. In this way, all stakeholders will be party to and contribute to the delivery of a high-quality transition of services as this new model is deployed for LDH managed care enrollees.

Coordination with MCOs (SOW 2.1.3)

- Coordination with the MCOs: Describe the proposed approach to meet the requirements for coordination with the MCOs included in Section 2.1.3, including detailed transition activities.

The success of the LDH single PBM program requires seamless coordination between the primary stakeholders—there is simply too much at stake to fail. We offer proven experience navigating the single PBM model and will leverage all lessons learned to ensure success

coordinating with the MCOs and LDH. MedImpact employs a variety of plans, processes, and tools necessary to promote and facilitate open and timely communication in a highly collaborative manner. We consider communication a critical component to ensuring the success of our business relationship with LDH and the contracted MCOs. With organizationally and geographically diverse teams, MedImpact considers all methods of communication within the development of its communication plans. We recognize the most significant part of communication entails being present and prepared to communicate with all stakeholders at their respective levels. To accomplish this objective, we utilize on-site, webinar, and other forums for participation, and listen intently to assure full understanding of the needs of LDH, the MCOs, enrollees, and providers and work toward that common goal.

Implementation Manager, Jennifer Lakstins-Alvarez develops and coordinates all MedImpact implementation and transition activities with the MCOs, MCO subcontractors, and LDH. With over three decades of experience and a successful track record of 100 percent on-time, on-budget implementations to-date, MedImpact's implementation plan documents the critical steps necessary to configure, deploy, and adapt its technology, processes, and services to meet and exceed the requirements of this RFP. Our comprehensive approach allows for both planning and monitoring progress and is paramount to the overall success of the PBM project, as well as achieving a seamless transition and implementation of services with LDH, the MCOs, and identified stakeholders by the LDH-directed implementation date. **MedImpact is already hard at work to create the necessary documentation for the implementation plan, readiness review, workflows, communications, and pharmacy network contracting.**

We have provided a work plan with our proposal and are prepared to provide a detailed implementation plan within 30 days of award, including all tasks, action steps, timelines, and responsible parties for all requirements. This implementation plan, at a minimum, will address:

- Action steps and dates for requirements-gathering (e.g., benefit design)
- Timeline for the integration and testing of all enrollee data (pharmacy and medical claims, existing PA data, TPL data, etc.)
- Testing timelines (e.g., file exchanges, benefit design, PDL design)
- Dates for enrollee/provider communication(s)
- List all tasks for configuration/development, including all customization
- Report development
- Readiness timeline, user acceptance testing

In the early stages of implementation, it is imperative that each stakeholder understand their respective roles and areas of responsibility in the single PBM. With LDH input and approval, MedImpact will develop a responsibilities matrix to help orientate each stakeholder with which entity is responsible for what aspect of the single PBM program. **Figure 1.8.8-B** is a sample responsibility matrix that is in development for the Louisiana single PBM program.

Figure 1.8.8-B: Louisiana Single PBM Responsibility Matrix

SAMPLE - CONFIDENTIAL

Louisiana Medicaid Single MCO PBM Program Responsibility Matrix		LDH	MCO	MedImpact
Category	TASK			
Implementation	MCO Single Pharmacy Benefit Design	X		
Implementation	PDL Design and Drug Coverage	X		
Implementation	Common OTC list	X		
Implementation	SUPPORT ACT program			X
Implementation	Provide historical claims (pharmacy, medical and PA)		X	
Implementation	Testing: Benefit Design and PDL (all aspects)	X		X
Implementation	Testing: Connectivity	X	X	X
Implementation	Training			X
Implementation	Go/No-Go Determination	X		
Implementation	Member ID card production		X	
Implementation and Operations	TPL carrier file	X	X	
Implementation and Operations	Additional TPL identification, transmission to DMS		X	
Implementation and Operations	COB			X
Implementation and Operations	Send medical claims file (Type 68)	X	X	
Communications	Pharmacy Mailing: Members		X	X
Communications	Pharmacy Mailing: Pharmacy Providers			X
Communications	Pharmacy Mailing: Prescribers		X	
Communications	Provider Directory: Electronic			X
Communications	Provider Directory: Distribution		X	

Stakeholder Coordination

MedImpact employs a proactive and highly collaborative approach to coordination with LDH and the MCOs, from contract award through all subsequent phases of the contract. Our key staff will be engaged throughout the implementation process to preserve institutional knowledge and to facilitate the transition to operations. Our highly capable and authorized single PBM COO (chief operational officer), Kevin Chang, PharmD, will serve as the primary point-of-contact and is authorized to address issues across the entire managed care program. Dr. Chang will coordinate with all internal resources to ensure we are holding/attending meetings in the manner and within the timeframe designated by the State. To further support the MCOs, we will assign a primary point-of-contact/liaison (account manager) for each MCO throughout the life of the contract. Our account managers are highly trained, experienced MedImpact employees who are familiar with all aspects of our systems and who will undergo additional training on the LDH program. Reporting directly to the COO, they will be responsible for resolving day-to-day issues such as PA overrides and will coordinate and support MCO teams, including enrollee support and other identified issue engagement, tracking, and resolution activities.

The MCOs will remain responsible for many components of enrollee care, such as care coordination, case management, population health, medication adherence, and identification of gaps in care. Accordingly, the MCOs will rely upon MedImpact for the support and data necessary to accomplish these critical enrollee care tasks through reliable access to claims data (and other enrollee information), both in real time and retrospectively. MedImpact will collaborate closely with the MCOs to fulfill these critical components of enrollee care.

MedImpact understands that while the single PBM model transfers many pharmacy benefit administrative tasks to a vendor, the MCOs remain responsible for critical components of enrollee care.

To support these MCO enrollee care activities, MedImpact provides both access to data and clinical support. A nightly claims feed to MCOs will occur via secure SFTP (secure file transfer protocol) and Information Technology Manager, Anthony Sanchez, will work to ensure submission of drug claims data to the MCOs is both accurate and timely, and that file layouts and data submission standards are in accordance with NCPDP D.0. In addition, **MedImpact's LDH Account team is composed of two clinical managers who will support the MCO clinicians in their efforts to enhance enrollee engagement and education** and measure enrollee satisfaction.

MedImpact will provide unredacted view into our claims system through MedAccess, which provides real-time access to detailed information, including:

- Enrollee eligibility, demographics, medication history, lock-ins, and PAs
- Drug claims with submission details, payment information, and applied edits and reference data
- Provider eligibility and reference data

To assure MCOs continue to meet their contractual obligations relating to enrollee care coordination, medication adherence, and other related responsibilities, Data Analyst, Diana Ivandic-Hodzic, will work closely with our Business Intelligence team to develop reports to support MCO clinical programs that leverage pharmacy claims data. Ms. Ivandic-Hodzic will work to ensure all requests for data and reports are delivered in the manner and within a timeframe designated by the State.

As an experienced Medicaid PBM, MedImpact understands the important role pharmacy services provide as part of a multi-disciplinary team. Our Account Management team stands ready to assist MCO pharmacists in fulfilling their roles as invaluable resources to case managers. Our entire Account team (and support staff) is available to meet on a routine basis with MCO pharmacy staff to forge productive partnerships on behalf of the State's enrollees. Our Clinical staff are available to collaborate with care coordinators as resources to the team and to assist case managers with their enrollees.

Another area of collaboration relates to the PDL, benefit design, and utilization management. Clinical Pharmacy Director, Travis Ortiz, PharmD, will support LDH and the MCOs through

trending of data, modeling, and data analysis. Dr. Ortiz and our second clinical pharmacist resource, Brian Mabie, RPh, will make recommendations for changes that benefit enrollees based upon MCO-specific data and evidence-based guidelines.

MedImpact's Implementation and Account teams will collaborate closely with LDH and the MCOs to develop all necessary workflows related to the single PBM program, such as appeals/grievances, payment disputes, overrides, report requests, and call center transfers. Any process that assists MedImpact or the MCOs in meeting the needs of enrollees and providers will be discussed and reviewed, and, if appropriate, workflows will be documented. **Figure 1.8.8-C** represents a sample workflow for the Louisiana single PBM program relating to call center transfers.

Figure 1.8.8-C: Call Center Transfer Workflow (Sample)

Close collaboration is critical to facilitating seamless file exchanges and integration of the LDH PDL, benefit design, and enrollee data. The clinical pharmacy director and COO collaborate with LDH and other vendors to participate in and contribute to these boards/committees on-site in Baton Rouge. Our team of clinicians work with LDH (and their FFS vendor) to support the P&T (Pharmacy and Therapeutics Advisory Committee) and DUR (Drug Utilization Review) Board activities.

MedImpact's strategy for assuring collaboration with the MCOs includes a comprehensive approach to staffing its Account team, providing extensive access to our claims and PA system, delivering quality industry standard EDI capabilities, and access to a wealth of information through our reporting platform, including self-service and ad hoc capabilities.

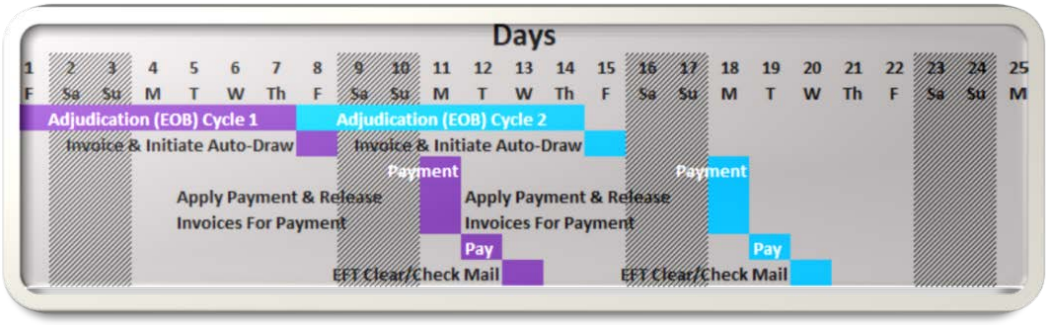
Bi-Directional Information Exchange with MCOs and LDH

In collaboration with LDH and the MCOs, MedImpact establishes system interfaces that conform to current LDH and MCO file layouts, unless otherwise directed by LDH. File transfers are established to exchange enrollee and pharmacy provider eligibility data and third-party liability, and to provide claims and payment history files directly to LDH and the MCOs in the format and at the frequency defined by LDH. Our DES (Data Exchange Solutions) team implements system interfaces based upon all relevant State companion guides and data exchange specifications in effect on the contract start date. This team is responsible for ensuring all required inbound and outbound files and/or data transfers are conducted seamlessly, through continuous monitoring, file validation, and through quality control of the interfaces exchanged between each MCO, LDH, and/or other stakeholders. Information Technology Manager, Anthony Sanchez, serves as the point-of-contact (either directly or through the MCO liaison) to assist with any technical issues accessing our applications or with interface issues. Mr. Sanchez also oversees the implementation of the contract requirements during the Implementation phase ensuring processes are established to so that all inbound and outbound file and/or data transfers and interfaces between the MedImpact, the MCOs and LDH (as well as any other LDH required entity) utilize a format and transmission method requirement approved by the State.

MedImpact supports all current NCPDP standard drug claim files to meet the individual needs of each MCO.

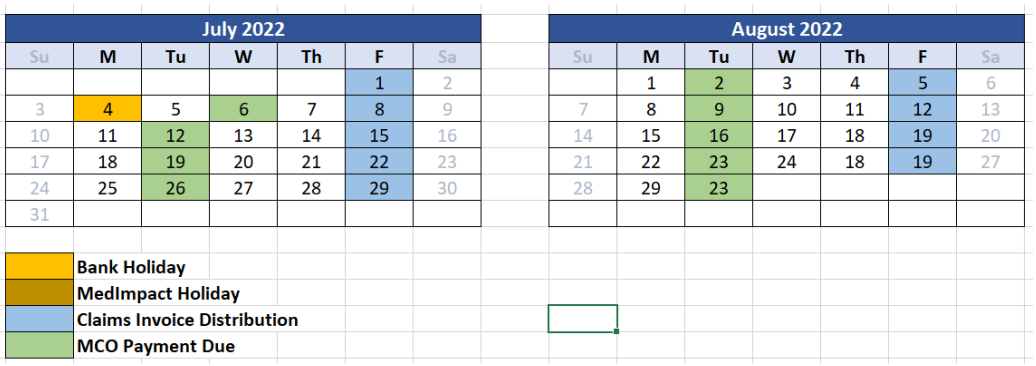
To coordinate the weekly EFT (Electronic Fund Transfers) from the MCOs to MedImpact for reimbursement to pharmacies, our Finance Manager, Keenan Gordon, will initiate the process of sending an invoice and all supporting documentation (claims data) to the MCOs. **Figure 1.8.8-D** depicts a sample payment schedule for a seven-day cycle.

Figure 1.8.8-D: MCO Payment Calendar Cycle



To aid the MCOs in managing their cash flow and anticipating payment dates, MedImpact will provide a claims payment calendar similar to **Figure 1.8.8-E** that follows. Though a small component of the overall project, it is these small items that are provided based upon lessons learned while implementing a single PBM model. This was a highly requested item by the MCOs during the initial months of operation in Kentucky.

Figure 1.8.8-E: MCO Payment Calendar



July 2022						
Su	M	Tu	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

August 2022						
Su	M	Tu	W	Th	F	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	18	19	27
28	29	23				

Access to Claims Data

Our teams collaborate with LDH and the MCOs to provide access to fully transparent adjudicated claims, provider and enrollee eligibility data, and claim payment details, while complying with all applicable privacy and security standards. Because remittance advices are provider-specific and may contain PHI (Personal Health Information), we collaborate with LDH and the MCOs to develop a mutually agreed-upon format (e.g., in compliance with HIPAA transactions, code sets, and rules) that provides all necessary data elements specific to each MCO, without inappropriately exposing PHI for other payers and for unrelated enrollees. This information is otherwise unredacted and made available to LDH and the MCO without restriction.

LDH and contracted MCOs are provided with the appropriate role-based/row-based user access to the claims adjudication application through our MedAccess user interface, a powerful inquiry and entry tool used by our customer service representatives who are responsible for claims and PA inquiries. This platform enables LDH and MCOs to perform a variety of functions, including viewing unredacted adjudicated claims, PA records, and reference files in a live/real-time environment. Contracted MCOs (and LDH) may view adjudicated claims and PA records for dates of services or effective/expiration dates whenever enrollees are enrolled with their MCOs.

MedAccess affords LDH and the MCOs visibility into how a claim adjudicated, including adjudicated benefit plan details, edits applied, and distinct claim-level adjudication codes and / or claim attributes available for a large set of edits. Full traceability to the specific instance of an edit is applied during the adjudication of a claim, based upon the claim and edit timestamps. All configured edits are recorded with start and end dates, added and updated user IDs, and timestamped to assure a complete audit trail.

In addition to predefined reports, our reporting tool, MedOptimize, offers powerful, flexible ad hoc reporting, and enables our Reporting team to quickly create queries and generate detailed ad hoc reports to provide LDH and contracted MCOs with ad hoc requests for information.

MedImpact is committed to fulfilling all reporting and data requests from LDH and the MCOs within the agreed-upon timeframes during the requirements-gathering phase. Our Account Management team is dedicated to supporting LDH and MCOs, with attendance at ad hoc meetings at the request of LDH and/or contracted MCOs.

MedImpact's commitment to enrollee satisfaction is demonstrated by our comprehensive, cross-functional team of Account Management, Implementation, Operations, Reporting, and Business Technology team members, all of whom possess the experience, leadership, and operational acumen necessary to successfully implement, launch, and deliver the State's required services. We routinely collaborate with LDH and the MCOs to seek contemporary and innovative ways to enhance the enrollee experience through outreach and educational activities. Our dedicated clinicians are all available to collaborate and assist the MCOs with care coordination and case management program support, as well as with any other clinical programs. We are committed to delivering high-quality, high-touch service through direct and highly collaborative interactions with LDH and the MCOs to help ensure each enrollee receives necessary, timely care.

Our proven business model promotes a transparent relationship between MedImpact, LDH, the MCOs, and identified stakeholders. All financial terms and arrangements for remuneration between MedImpact and the MCOs, any pharmacy, pharmacy network, pharmacy services organization, prescription wholesaler, group purchasing organization, rebate aggregator, manufacturer, labeler, or other drug supply chain intermediaries are disclosed to LDH. MedImpact does not enter into any financial agreements that are prohibited by State or federal Law.

As the single PBM for the State's managed care program, MedImpact ensures compliance with LDH-defined and/or approved fee schedule and reimbursement methodologies. LDH staff are afforded access to view the exact amounts paid to pharmacies for any claim, while contracted MCOs can access and view the exact amounts paid to pharmacies in their respective programs. For our Medicaid programs, the amount MedImpact invoices the MCOs for claims reimbursements is identical to the amount we pay to the pharmacy. We fully understand the contract is prohibited from facilitating spread pricing and that we cannot assess any fees, retrospective clawbacks, true-ups, effective rates, financial penalties, or other assessments against pharmacies without the direction and written approval of LDH.

Readiness Review

MedImpact recognizes the importance of readiness review, in accordance with federal requirements for a monitoring system as it relates to managed care programs. We will meet all readiness review requirements established by LDH no later than sixty days prior to the operational start date or by the dates otherwise established by LDH in writing. We will be prepared to demonstrate our readiness through desk

review, on-site review, staff interviews or combination thereof. This includes a review or submission of:

- Assurance that remote access users of our systems can only be accessed through two-factor user authentication and/or through methods such as Virtual Private Network (VPN)
- The results of a security risk assessment in an Information Security Plan
- All required system documentation (as outlined in Section 2.1.9.20) to LDH, including a system refresh plan
- A FWA (fraud, waste, and abuse) Compliance Plan
- A Continuity of Operations Plan
- A quality assurance plan for the Customer Service Center
- A PBM Quality Management Monitoring and Audit Plan
- An overall program quality assurance plan
- A Pharmacy claim processing and procedure manual
- The name of the individual who will serve as the contractor's point-of-contact for handling public records' requests (this will be our COO)
- Readiness review to assess the ability and capacity of the single PBM to perform satisfactorily in all major operational areas

We will deliver to LDH a detailed implementation plan that considers and assures compliance with all LDH readiness review requirements, including establishment, testing, and demonstration of operational readiness, and that confirms the business rules, customizations, and functionality required by the RFP, no later than 60 calendar days prior to the operational start date.

MedImpact employs rigorous quality control measures with every implementation to help ensure complete and accurate delivery of all services provided under the contract. As part of the LDH centered test strategy, a comprehensive product and software testing process is executed and includes a rigorous user acceptance testing phase. **Our fully integrated test environments include a user test environment that mirrors production data with de-identified enrollee and provider data.** A dedicated test environment is provided to LDH and the MCOs to support the development and submission of test scenarios, enter test input, and receive system outputs.

MCO Enrollee ID Card

MedImpact will help ensure the MCOs receive the information necessary to support the incorporation of prescription billing information required for a combined medical/pharmacy MCO enrollee ID card so that enrollees are only required to carry one card. The data elements provided comply with NCPDP (National Council for Prescription Drug Programs) ANSI (American National Standards Institute) INCITS (International Committee for Information Technology Standards) 284 standard titled

identification cards (health care identification cards). At a minimum, the MedImpact trademark (at LDH discretion and subject to applicable co-branding restrictions), the name and MCO enrollee identification number of the enrollee, the enrollee customer service center telephone number, the BIN (Banking Identification Number), and the PCN (Processor Control Number) is provided to the MCO.

2.1.4 Staffing

As directed by State's response to bidder questions and answers, please refer to Section 1.8.10 for a detailed response.

Pharmacy and Prescriber Network Management (SOWs 2.1.7 and 2.1.8)

- Pharmacy and Prescriber network management: Describe each network separately, including but not limited to, compliance with Federal and State regulations, as well as addressing each subsection.

MedImpact has nearly three decades of experience in the management and administration of Medicaid provider networks on behalf of state Medicaid programs. We are confident in our ability to successfully administer, maintain, monitor, and enforce the provider network for LDH to include all enrollees in the State's managed care program.

MedImpact will maintain the pharmacy provider network for all Louisiana MCOs. Any pharmacy provider may opt out from participation with any MCO (and remain participating with the others). The single PBM network is composed of pharmacy providers who are enrolled with Louisiana Medicaid (and MCO registered) and submit claims from Louisiana Medicaid enrolled (and MCO registered) prescribers for enrollees. These providers are delineated into two major cohorts:

- **Local Pharmacy Providers—**These are pharmacy providers domiciled in at least one parish that contracts with the MedImpact (either directly or via a PSAO (Pharmacy Services Administrative Organization) but not with a group purchasing organization and has fewer than ten retail outlets (in accordance with the RFP definition). A listing of these pharmacies will be provided by LDH on a monthly basis (per question and answers document). Reimbursement will be made in accordance with Louisiana R.S. 46:460.36, the State Plan Amendment, and as reflected in the MCO Manual.

- **Non-Local Pharmacy Providers—**These are pharmacy providers that may or may not be located within Louisiana, that otherwise do not meet the definition of a Local pharmacy provider. Reimbursement will be made in accordance with our LDH-approved cost methodology included in our cost proposal.

A licensed pharmacy provides medications that meet the definition of a specialty drug (as defined by LDH) for individuals with serious health conditions requiring complex therapies. A specialty pharmacy provider may be a local or non-local pharmacy provider. **MedImpact will not establish a specialty pharmacy network;** however, we will establish reimbursement for those drugs that meet LDH definition of a specialty drug, in accordance with our LDH approved cost methodology included in our cost proposal.

MedImpact will work with LDH and the MCOs to ensure all necessary niche provider types are identified and included in the single PBM pharmacy provider network, such as home infusion, LTC (long-term care), and other specialized pharmacy providers. These providers will be reimbursed, based upon their designation as either local or non-local.

To mitigate enrollee disruption, MCOs will need to clearly understand which drugs are to be managed under the medical benefit and which are to be managed under the pharmacy benefit through one of MedImpact's network providers. As states transition to a single PBM model, there is often confusion over certain high-cost drug processing channels. For example, Zolgensma® may be processed by the State's FFS program using a modified claims submission process; however, due to encounter claim requirements and dollar field limits, we understand this may not be possible in a single-PBM model. MedImpact will work with LDH to identify these rare occurrences based upon our experience with the single PBM model and propose a modified process, if needed.

Network Staff

The Network team will work with the assign a network manager who will work with the Provider/Enrollee Relations manager on all issues related to the program, including contracting, credentialing, communications, payment disputes, EFT payments, etc. The network manager will be responsible for maintaining our written policies and procedures, which (among other processes) outline our compliance with federal and state regulations (e.g., R.S. 39:1648 and Louisiana R.S. 46:450.7). These policies and procedures can be reviewed by LDH at any time. The network manager, working in tandem with the COO, will be responsible for notifying LDH of any material change in the network according to required timelines and enrollee notification commitments.

The Provider/Enrollee Relations manager will assist any enrollee who finds themselves out of state and in need of pharmacy services by facilitating provider enrollment in the LDH network to serve the immediate need. MedImpact will work with LDH to either understand or create an expedited Louisiana Medicaid pharmacy provider enrollment workflow for these special circumstances (e.g., out-of-state due to organ transplant, etc.). The network manager will also work to continuously monitor the status of the network and be prepared to respond and arrange for medically necessary pharmacy services should the network become insufficient within a service area. Should a new MCO become contracted in the Louisiana Managed Care

Program, the network manager will work to ensure receipt of active agreements from pharmacies to participate in that MCO network within thirty after contracting of the new MCO.

The Provider/Enrollee Relations manager will be responsible for developing pharmacy provider communications designed to educate pharmacy network providers about how to access the PDL on its website, how to process claims, changes to payment policies and procedures and related issues. MedImpact will host quarterly weekly provider forums in the weeks leading up to the operational start date and quarterly during operations (or as LDH requires) as a resource to all providers (prescriber, pharmacy providers, provider associations). MedImpact will work to build and foster positive relationships in the provider community, including associations such as (e.g., Louisiana Pharmacist Association, Louisiana State Medical Society).

Our network contracts/provider agreements for the Louisiana single PBM will comply with all federal and State laws and will be free of any ambiguity or any additional fees or charges to providers. MedImpact is committed to transparency, and we have thoroughly reviewed and agree to comply with all provider agreement requirements listed in Section 2.1.7.1 (Provider Agreements) and 2.1.7.4 (2.1.7.4 (Prohibition of Additional Fees or Charges to Providers).

MedImpact complies with these same types of transparency provisions in our existing single PBM contract.

To be clear, MedImpact readily acknowledges and accepts the following prohibitions:

- MedImpact will not charge fees to pharmacy providers for sending, receiving, or processing drug claims data; provider enrollment, credentialing, or recredentialing; or performance of any other requirements under the Louisiana single PBM network.
- MedImpact will not make or allow any direct or indirect reduction of payment to a single PBM pharmacy provider for a drug, device, or service under a reconciliation process to an effective rate of reimbursement, including (but not limited to) generic effective rates, brand effective rates, Professional Dispensing Fee effective rates, direct and indirect remuneration fees, chargebacks, or any other reduction or aggregate reduction of payment without written prior written approval from LDH.
- MedImpact will not implement or apply spread pricing, retrospective claw backs, true-ups, or effective rates without written approval by LDH, including (but not limited to) group pharmacy organizations or PSAOs.

Contracting

MedImpact's existing Louisiana pharmacy network has 1,167 pharmacies currently enrolled (572 non-local, 595 local), representing 88% of the current MCO networks.

MedImpact currently has provider agreements in place with 1,167 Louisiana based pharmacies, providing PBM covered services located across the State. Of these contracted pharmacy providers, 572 are non-local and 595 are local (according to RFP definitions). This existing network will be leveraged to facilitate the creation of the Louisiana single PBM pharmacy provider network.

All MedImpact pharmacy provider agreements/contracts are compliant with 42 CFR §438.214 (Provider Selection) and 42 CFR § 438.12 (Provider Discrimination Prohibited). These existing provider agreements will serve as the templates for the pharmacy network and will be customized and amended to include any Louisiana Medicaid specific language, rates, credentialing rules, and regulations. These contract templates will be submitted to LDH for review/approval, contain all requirements for the single PBM pharmacy provider network, and will allow for terminating the agreement or imposing other non-compliance actions and penalties if a pharmacy provider's performance is inadequate (upon 60 days' notice to LDH).

Our Louisiana-based single PBM pharmacy provider network will be as inclusive as possible. We will not deny any pharmacy or pharmacist participating in the Louisiana Medicaid program from contracting as a provider if they are licensed and in good standing with the Louisiana State Board of Pharmacy. We will coordinate with LDH and with our database/reference files to ensure pharmacy providers (including any out-of-state providers) are enrolled with LDH to provide services under the Louisiana Medicaid program, registered with the MCO and conform to the Louisiana Board of Pharmacy rules concerning records to be maintained by a pharmacy.

After consult and collaboration with MCOs and LDH to identify all current Louisiana Medicaid enrolled MCO network pharmacy providers, MedImpact will send a new provider agreement (solicitation) to any pharmacy provider not in our current network or an amendment specific to the Louisiana Medicaid single PBM program to each provider in the network. This will include provisions such as requirements to comply with any information, records, or data requests from any health care oversight agency, including the Louisiana Department of Justice, MFCU, related to any services provided under the contract. Each of our existing Louisiana network pharmacy providers must execute a new amendment for this contract, agreeing to all Louisiana-specific provisions.

Our provider agreements and amendments will enforce Louisiana-specific requirements, such as eliminating any 'all-product' clauses (if they exist in our standard contracts), informing the provider about enrollees' rights (as described in Section 2.1.7.1), including the right to appeal and file grievances about the services they receive from the provider. The amendment will be

clear that network providers are prohibited any discrimination against enrollees and from billing enrollees for PBM covered services in any amount greater than assessed copayment amounts.

During implementation, we utilize claims data and geo-access tools to assess compliance with Louisiana MCO network standards. This can be conducted by the MCOs or in aggregate. **We believe we currently have contractual relationships with 88 percent of the pharmacies currently serving the MCOs in Louisiana today and will be able to quickly close any network-related gaps.**

We continuously evaluate our pharmacy provider network to identify any gaps and recruit pharmacies in areas where we are may have access issues. This activity is initiated during the first days of implementation, and we complete and demonstrate adequate access to all covered services prior to the operational start date and at any time throughout the contract period. We solicit and contract with as many willing providers in Louisiana as possible. Our Network team is highly successful at efficiently soliciting and attaining contracts prior to the operational start date for new large customers to close any gaps in access. We take all appropriate and necessary steps to ensure we do not contract with providers excluded from participation in Federal health care programs under either Section 1128 or Section 1128A of the Social Security Act.

As part of the network provider onboarding process, MedImpact requests the appropriate banking information necessary to send EFT (Electronic Funds Transfer) payments through our ACH (Automated Clearing House) process. All EFT payments post to the designated payee's bank account the same day the payments are processed, using 1099 information for the provider on the date of service.

Credentialing

Our comprehensive credentialing process incorporates significant criteria for network inclusion. A local credentialing manager helps to ensure the Louisiana network is compliant with the credentialing requirements at all times. There are no fees, of any kind, charged to providers, including any associated with credentialing the Louisiana single PBM pharmacy network.

MedImpact typically requires the following criteria for consideration in its pharmacy network:

- Current license for PIC (pharmacist in charge)
- Current certificate of general and professional liability insurance, which in no event is less than the greater amount required by law or $1 million per occurrence and $3 million in aggregate; provider must report any loss of insurance immediately
- Not sanctioned by the OIG, GSA, or a state that provides public information regarding sanctioned pharmacies
- Validation of any add request for a pharmacy formerly in the network(s) and not currently in the network by checking for state or federal criminal charges, state or

federal investigations, state or federal sanctions, probations, etc., against the pharmacy or its PIC
- In specified cases, observation on-site visits requirement prior to credentialing approval and network participation
- Other criteria as required by federal regulations; and all data reverified during scheduled re-credentialing process
- Any accreditation required; providers are required to notify MedImpact within 24-hours of losing accreditation status

Chain pharmacies are contractually responsible to ensure each enrolled pharmacy meets the credentialing criteria outlined. We first provide new pharmacies a network application form, which provides information about the pharmacy's business model and qualifications to participate in our network. The application also requires the pharmacy to provide all necessary credentialing documents. If the application confirms that the pharmacy meets our standards, including being enrolled with Louisiana Medicaid as a pharmacy provider, we provide the pharmacy with an executable contract. Once the pharmacy signs the contract, we validate credentialing documents against primary source records. We may require an observation visit if a pharmacy fits into the following categories: (1) pharmacy in business for less than one year; (2) pharmacy HEAT area location, as defined by the U.S. Department of Health and Human Services and U.S. Department of Justice.

Upon completion of all requirements, our Network Credentialing Committee reviews the records for each new pharmacy and either approves or denies their entrance to the network. Any denial is reviewed and discussed with LDH prior to pharmacy notification. In areas where pharmacy access is limited, we may work with pharmacies to assist with meeting credentialing standards for acceptance in the single PBM pharmacy network in collaboration with LDH and/or the MCOs.

We recognize the value that local and non-local pharmacy providers bring to our network and to customers' enrollees, and work diligently to help ensure participation from both to meet Louisiana access requirements. Solicitation begins immediately upon award to augment our existing network, assuring compliance with access standards. Work to update existing agreements will also commence immediately, to include all Louisiana specific revisions.

Under the direction of LDH, MedImpact is prepared to allow reimbursement of out-of-state pharmacies for LDH enrollees. Using LDH guidance procedures, we create a process to only reimburse out-of-state pharmacies that are enrolled with LDH or require an out-of-state provider to enroll in the Louisiana Medicaid Program for one-time payment purposes when covered services have been provided for a managed care enrollee.

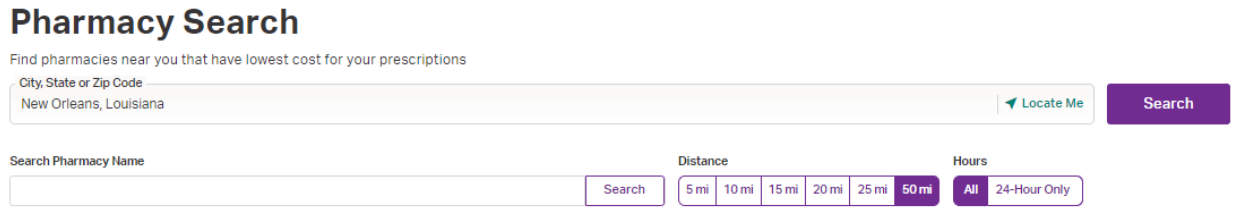
Pharmacy Directory

The most up-to-date network pharmacy directory is always found online at MedImpact's Louisiana single PBM website; this directory is updated no less than weekly. The following information is available for all providers in the pharmacy network:

- Names, locations, and telephone numbers
- Any non-English languages spoken
- Identification of hours of operation, including identification of Providers that are open twenty-four (24) hours per day
- Identification of providers that provide vaccine services
- Identification of providers that provide delivery services
- Identification of compounding and specialty pharmacies

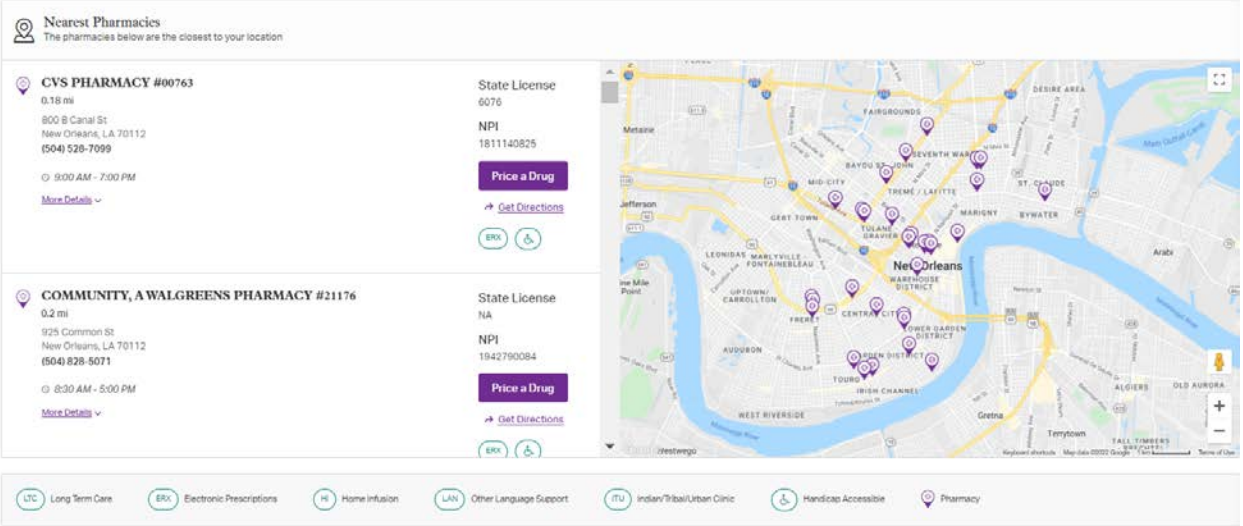
On the website, a 'Search for Pharmacy' feature (**Figure 1.8.8-F**) is a drop-down item located in the banner at the top of the consumer portal's web pages and on a public facing webpage. Enrollees use city, state, and ZIP code, or the enrollee can click on Use My Location to find the closest pharmacy, 24-hour pharmacy; we also allow users to search by specific pharmacy name (e.g., CVS, Walmart, Walgreens, and more).

Figure 1.8.8-F: Pharmacy Provider Location Search



The search results include the closest pharmacies with the address, phone, and hours of operation. Tapping on the pharmacy icon leads to a new window with the GPS map using enrollee-preferred map app (e.g., Google Maps, MapQuest, Waze Navigation, etc.) as depicted in **Figure 1.8.8-G**.

Figure 1.8.8-G: Pharmacy Provider Location Results



Additionally, for MCO or LDH staff, our MedOptimize reporting tool enables users to print a hard copy of the provider directory, the directory can be posted to the MCO website, and MedImpact can provide a hard copy to LDH enrollees upon request.

MedImpact understands that LDH requires that all provider and enrollee marketing materials, including co-branded materials, are reviewed, vetted, and approved prior to distribution. Upon approval, we coordinate with the MCOs to distribute the appropriate materials to enrollees without indication of preference to certain providers. We will work with LDH and the MCOs to ensure all enrollee communications are appropriate, relevant, and meet all readability requirements.

Reimbursement

Our goal is to help LDH advance the efficiency and economy of the Louisiana Medicaid Program's pharmacy benefit. Our proven business model promotes a transparent relationship between MedImpact, LDH, the MCOs, and identified stakeholders. All financial terms and arrangements for remuneration between MedImpact and the MCOs or any pharmacy, pharmacy network, pharmacy services organization, prescription wholesaler, group purchasing organization, rebate aggregator, manufacturer, labeler, or other drug supply chain intermediaries (related to the Louisiana single PBM) are disclosed to LDH. MedImpact does not enter into any financial agreements that are prohibited by State or Federal law or our contract with LDH.

MedImpact agrees to implement a pharmacy drug claim reimbursement methodology in accordance with Louisiana R.S 46:460:36, and understands these prescribed reimbursement methodologies will continue to evolve over the course of the contract. Our approach to managing the State's network includes all configuration and testing support necessary to assure

accurate and transparent application of these methodologies. As the single PBM for the State, MedImpact ensures compliance with LDH-defined reimbursement methodologies for Local pharmacies.

MedImpact's pharmacy claim pricing capabilities support the complexities inherent in state Medicaid provider reimbursement methodologies, including government pricing procurement. The following government-supplied price indices are loaded to our POS adjudication system:

- NADAC (National Average Drug Acquisition Cost)
- ACA FUL (Affordable Care Act Federal Upper Limit)
- CMS FUL (Centers for Medicare and Medicaid Services Federal Upper Limit)
- ASP (Average Sales Price)
- AMP (Weighted Average of Average Manufacturers Price)

These price indices supplement our existing price types:

- AWP (Average Wholesale Price)
- WAC (Wholesale Acquisition Cost)
- Direct price
- MedImpact and custom
- MedImpact MAC (Maximum Allowable Cost)
- MAC customer custom
- Other custom, externally maintained pricing schedules

We can map and load an unlimited number of additional custom MAC lists and price indices through a standard process. This enables us to support states that wish to maintain a regional, survey based AAC (average acquisition cost), state MAC-based reimbursement, or other reimbursement methodology should LDH explore different reimbursement strategies for Local pharmacies.

MedImpact supports the configuration and processing of complex reimbursement methodologies, referred to as price strategies, which allow for definition of:

- Pricing contexts that define the application of pricing rules based upon claim, drug, and provider attributes
- Multiple pricing sets to be interrogated during adjudication to arrive at a claim price
    - Each set can include an unlimited combination of price indices
    - Each price index can have a percentage markup / markdown applied
    - Each set has a price selection method defined
        - Lowest of—Compares all defined price indices to identify the lowest extended price
        - Lowest of, including U&C (usual and customary)—Compares the defined price indices and the submitted U&C price

  - First found—Calculates extended price for defined price indices in prioritized order, uses first found
  - Price as—Used when a single price index is applied
  - An unlimited number of sets can be chained together, if required
  - Alternative set can be used when the prior set yields no price
  - Alternative set can be used when a required index is not available for a drug

- Complementary structures to define dispense fees
- Enrollee cost-sharing, in accordance with copay tiers and excluded copay scenarios outlined in the Louisiana State Plan

MedImpact demonstrates its accountability to transparent pricing and reimbursements through:

- Access to all executed Louisiana single PBM network provider agreements/ contracts; all templates are approved by LDH
- Access to claims detail, including pricing, through MedAccess that affords LDH and the MCOs access to information necessary to validate claims payments, including claim specific reimbursement methodology (e.g., NADAC, MAC, WAC, etc.)
- Provision of any claims extracts necessary for LDH to independently validate our compliance with transparent payments and application of LDH approved reimbursement methodologies to pharmacy providers

Within our claims system, all financial fields are viewable and demonstrate our performance of payment calculations without any additional hidden fees, charges, or mark-ups. MedImpact's claim and invoice systems are compliant with State and federal regulations; the system contains and store all fields used in claims pricing calculations. We provide to LDH and the MCO timely access to all weekly claims invoice files containing all payment details used in claims processing. With the weekly claims invoice files, LDH and the MCO can verify that the claim pricing totals match the invoice totals. Our systems provide an efficient way for LDH (or a designee) to validate that MedImpact derives no additional hidden revenue from this contract.

LDH and MCO staff are afforded access to view the exact amounts paid to pharmacies in its program. We demonstrate transparent payments of the LDH-established fee schedule and pricing methodologies in the following ways:

- For the LDH single PBM program, the amount MedImpact accepts from the Medicaid MCO for claims reimbursements is identical to the amount we pay to the pharmacy.
  - We fully understand that we cannot assess any fees, financial penalties, or other assessments against pharmacies.
- MedImpact provides full disclosure of its policies, procedures, processes, and clinical methodologies.

- These disclosures allow LDH to fully understand the steps taken to remit payments to pharmacies and bill the MCOs.

- Our Finance and Business Intelligence teams engage with LDH and the MCO to provide monthly, quarterly, and annual reports to support a complete reconciliation and validation of claims payments.

  - These reports demonstrate that pricing algorithms applied are based solely on the LDH-established fee schedule. This activity will be coordinated by our single PBM Financial Manager, Keenan Gordon.

- LDH or the MCO has access to all data necessary to review or audit our contract, our claims processing, and our financial payments to the pharmacies to help ensure claims pricing is correctly applied.
- MedImpact collaborates with the State to continue to refine and monitor pass-through pricing to ensure LDH has everything necessary for validation.
- Approved changes to LDH-established reimbursement are communicated to providers on our website and memorialized in a contract amendment.
- Our dedication to compliance and accurate provider payments extends to our hiring standards for finance employees, which help to ensure familiarity with financial systems and accepted accounting practices. Our educated team assure the support we provide to LDH and the MCO incorporates skilled and thorough staff who understand the importance of accurately recording payments and receivables.
- Access to key data and metrics are provided to LDH and the MCOs through our reporting suite, MedOptimize, enabling LDH to view financial details, such as billed amounts, paid amounts, and methods of reimbursement used in claims processing at any time.

MedImpact's provider payment cycle for the Louisiana single PBM is based upon a weekly schedule.

All payments and adjustments to providers are made promptly and accurately, and comply with all LDH, State, and federal prompt-pay rules and regulations. We retain all provider payment record retention and retrieval records, in accordance with all state and federal laws.

We meet all State and federal prompt-pay rules and regulations in our existing network contracts.

MedImpact continues to make investments in innovative solutions to enhance accountability and to help lower costs for states. We partner with LDH to shift the paradigm and institute new strategies to facilitate continuous transparent payments.

MedImpact compiles all adjudicated claims and reversed, rebilled, and voided claims, and produces invoice data for each provider payment. We make payments to providers by tax identification number using linked NPI (National Provider Identification) numbers. This payment

process allows chains or provider associations to be paid in accordance with their corporate accounting procedures. Provider reimbursements are based solely upon LDH-approved reimbursement methodology and the professional dispensing fee. MedImpact creates a weekly check cycle invoice for the MCOs and the MCOs pre-fund MedImpact weekly check cycle payments, as set forth in the contract.

MedImpact's solutions help to ensure proper management of LDH funds used for payment to pharmacies, in accordance with LDH, State, and federal statutes, regulations, and guidance. Our Oracle E-Business Suite system version 12.2 complies with GAAP (Generally Accepted Accounting Principles) and can be configured to manage IFRS (International Financial Reporting Standards). All MedImpact electronic remittance for pharmacy payments (ANSI X12 835 EDI) meet the rules of Section 1104 of the Affordable Care Act that require the adoption of CCD+ and the X12 835 TRN segment.

Remittance Advice Process

Upon gathering requirements for the pharmacy payment cycle and EOB (Explanation of Benefits) production, including the frequency of transmission, MedImpact configures our financial system for each Medicaid MCO program as recurring payment cycles. Our Finance Manager, Keenan Gordon, creates a separate general ledger account, where necessary, to classify which payments belong to specific programs. Our system's hierarchical configuration supports aggregate reporting that can include the MCO and program information. We configure the dates of all payment cycles and configure EOB cycles to correspond with those payment cycle dates.

Next, our Oracle E-Business suite software performs a direct read of claims data, using API (application programming interface) calls to obtain claims processed during the parameters specified in the payment cycle. MedImpact's financial system processes payments by directly reading the data from our POS claims files, which promotes efficiency and minimizes errors. By directly reading data, we can obtain all fields used on the claim during the payment process and directly access exact amounts used in claim adjudication. **This integrated financial process enables us to process and generate pharmacy payments and MCO claims payment invoice files without requiring extracts, transformation, or loads between multiple non-integrated solutions.** Information and records selected include any claims paid, adjusted, voided, and rebilled during the payment cycle. MedImpact generates a pharmacy payment report that lists all pharmacies eligible for pharmacy payment within the invoicing period. Once the payment report is generated and funding is received from the MCOs, we send pharmacy payments by check or electronic funds transfer.

Upon receipt of claims information, we batch the information in coordination with EOB cycles. Our scheduling package optimizes access to the database to ensure that transaction-based processing required for payment processing does not occur during peak transaction periods, which improves system speed and responsiveness.

After the information is viewed and approved for production, an Accounts Payable specialist requests the creation of batches within Oracle E-Business Suite. The batches move to an Accounts Payable specialist who creates, reviews, and analyzes a summary report that was triggered by the payment process. The specialist uses this report to validate payment cycle completeness and accuracy. Once verified, the specialist moves the batch to the queue for the Accounts Payable manager to review and approve.

Finance Manager, Mr. Gordon, then reviews, verifies, and posts the invoice batch. This reclassifies all accounts payable amounts within our system by each specific pharmacy chain ID code or pharmacy code. Next, the system generates accounts payable spreadsheets of the payment cycle and moves the documents for journal entry recording. Our Finance department processes journal entries for all transactions related to adjudicated, adjusted, and voided claims. The system records all information for the Finance team.

Using the Oracle E-Business suite Payables Command Center, our team views historical and upcoming account payable information. Through the command center, our team can help to estimate cash outflow based upon due date. Using this tool, we track the status of recent payments and release invoices on hold.

MedImpact processes claims payments in the payment cycle weekly. The morning of the payment cycle, payments process at 12:15 a.m., Pacific Time.

- We send EFT (Electronic Funds Transfer) payments through the ACH (Automated Clearing House) process. EFT payments post to the payee's bank account the same day the payments are processed, using 1099 information for the provider on the date of service.
- We send paper payments by USPS (United States Postal Service) mail within three to five days of processing, using the address on our provider vendor record for the cycle's dates of service. We secure the blank check stock and a check printer designated for paper claims payments in a locked room at our San Diego facility. Access is limited to designated Account Payables personnel. Two or more personnel process and count the payments, insert them in envelopes, and meter the envelopes for postage. We post these payments to Oracle e-Business suite as they are processed and completed.

MedImpact helps to ensure we pay 95 percent or more of all pharmacy claims within 21 calendar days and 100 percent within 30 calendar days by monitoring the aging of unpaid claims using our aging report that details all claims, including electronic submission, paper submission, and web-based submission claims. Our LDH Finance manager monitors all aged claim records and works with the COO and the Provider/Enrollee Relations manager, as appropriate, on these specific claims to expedite payment and to help ensure compliance with prompt payment rules. Using the aging report, we ensure the remainder of all claims are processed to ensure 100 percent are paid within 30 days.

The Vendor Support team requests, receives, and updates all 1099 records for providers in our system for Accounts Payable and Accounts Receivable staff activities. Whenever our system posts a provider payment or adjustment, we use the 1099 data to post payments to the federal tax identification number. Our provider/enrollee manager will assist pharmacy providers with any questions or concerns.

Our checkwrite process generates a cost-reimbursement invoice that is submitted to our chief financial officer for certification and approval. We transmit the invoice to the MCOs electronically; this invoice is for the funds necessary for the provider check write.

All pharmacy checks are accounted for using the Check Tracking Form (a log to track check runs), which is reviewed and approved by the MedImpact supervisor of Operations or designee. Our bank maintains an approved signature card specifically for pharmacy payments. The Production and Distribution department sends an approval email to our Accounts Payable manager confirming completion of the print job, and the Accounts Payable manager posts the payments in the Oracle e-Business Suite system.

Payments to pharmacies that result in underpayments are not released until we complete and approve a credit memo. These credit memos include the corresponding debit memo to the pharmacies and are automatically recorded to the claims payable account journal entries. As we receive payments from the MCOs, our Accounts Receivable specialist performs the following:

- Matches the remittance support to the bank statement (verifying the amount, EOB, MCO code, and bank account number)
- Checks the “Released” box in the system when the payment brings the invoice to zero
- Processes the receipts in Oracle e-Business Suite
- Provides the supporting documentation and a signed cover sheet to the Accounts Receivable supervisor or designee for review

The Accounts Receivable supervisor or designee then reviews, approves, and posts the cash receipts in Oracle e-Business Suite, which prompts the system to release payments to the pharmacies.

Our system produces remittance advice files at the same time it creates the invoice. We post remittance advices within three business days following payment. The remittance advice may either be an ERA (electronic remittance advice) or SPR (standard paper remittance), depending on the Provider’s preference. We support and maintain all financial information on our remittance advices, whether delivered in the X12 835 or paper form. Providers can change from the ERA to the SPR online through our provider portal. Providers with ERA who require a paper copy of their remittance advice may contact us for the paper copy or download and print the document from the provider portal. MedImpact monitors HIPAA transaction sets and adopts updates, while maintaining compatibility with pharmacies using previous versions, in accordance with LDH-dictated schedules.

To help ensure adequate visibility and detail for each payment, a remittance advice includes information regarding paid claims, reversed claims, and claims suspended, as part of the quality assurance protocols at MedImpact. The remittance advice documentation includes the following segments and content:

- **Header**—Lists values, such as approved original claims (paid claims); denied claims; adjustment claims; previously paid claims, and voided claims
- **Detail**—The detailed section of the remittance advice contains information that is situational or required. Required fields include:
  - Claim date
  - Claim period start date
  - Product or service ID qualifier
  - Product ID / service ID
  - Line-item charge amount
  - Total amount paid to provider
  - Quantity dispensed
  - Prescription reference number
  - Enrollee pay amount
- **Summary**—Summarizes totals of the detail for the provider payments processed by MedImpact.

Our teams collaborate with LDH and the MCOs to provide access to fully transparent claim payment details, while complying with all applicable privacy and security standards. Because remittance advices are provider-specific and may contain PHI (Personal Health Information), we collaborate with LDH and the MCOs to develop a mutually agreed-upon format (e.g., in compliance with HIPAA transactions, code sets and rules) that provides all necessary data elements specific to each MCO without inappropriately exposing PHI for other payers and for unrelated enrollees. **This information is otherwise unredacted and made available to LDH without restriction.**

Pharmacy providers can file disputes regarding an audit or any other aspect of our services, including billing, payment, and other administrative areas. Transitioning a multi-PBM Medicaid program to a single PBM results in confusion in the provider network. Most of this confusion centers around the new reimbursement. Pharmacies are accustomed to commercial PBM reimbursement and are often confused by the transition to a new MAC, or NADAC, particularly when rates are published by different entities supporting LDH. This results in appeals or disputes as providers struggle to understand one new benchmark or another. **Our trained Provider/Enrollee Relations manager works to educate providers and guide them to the proper resource (if not MedImpact) for any appeals (e.g., to Myers and Stauffer for NADAC).** Appeals are routed to the appropriate entity and disputes with MedImpact are handled through a formal dispute process.

Our rigorous process helps to ensure all information is captured and subsequently resolved. Depending upon the nature of the dispute, the Provider/Enrollee Relations manager and network manager work to triage the dispute and work with the provider and our internal resources to resolve. The COO is responsible to ensure timely resolution, involvement of LDH, as appropriate, and for escalation as necessary. All disputes are resolved or mediated within 30 days of submission and tracked for reporting purposes. MedImpact agrees LDH has the authority to overturn our decision and the LDH decision is considered final. **Figure 1.8.8-H** is a sample dispute resolution workflow already in development for the LDH single PBM program.

Table 1.8.8-H: Sample Claims Dispute Resolution (Network) Workflow

Drug Claims / System Requirements (SOW 2.1.9)

- Drug Claims/System Requirements: Describe the approach to, including but not limited to, processing Drug Claims consistently across all MCOs, compliance with Federal and State regulations, LDH policy, programming flexibility, compound drug policy and process for benefit changes.

MedImpact has 30 years of experience providing comprehensive PBA (pharmacy benefits administration) and PBM services across multiple business segments, including Medicaid managed care plans, Medicare Advantage plans, Marketplace/Exchange, commercial and government employers, health plans, and other organizations. MedImpact has reviewed, researched, analyzed, and assessed its capabilities against the State's requirements and is confident in its ability to meet or exceed all claims processing requirements detailed in the RFP and supplemental documents.

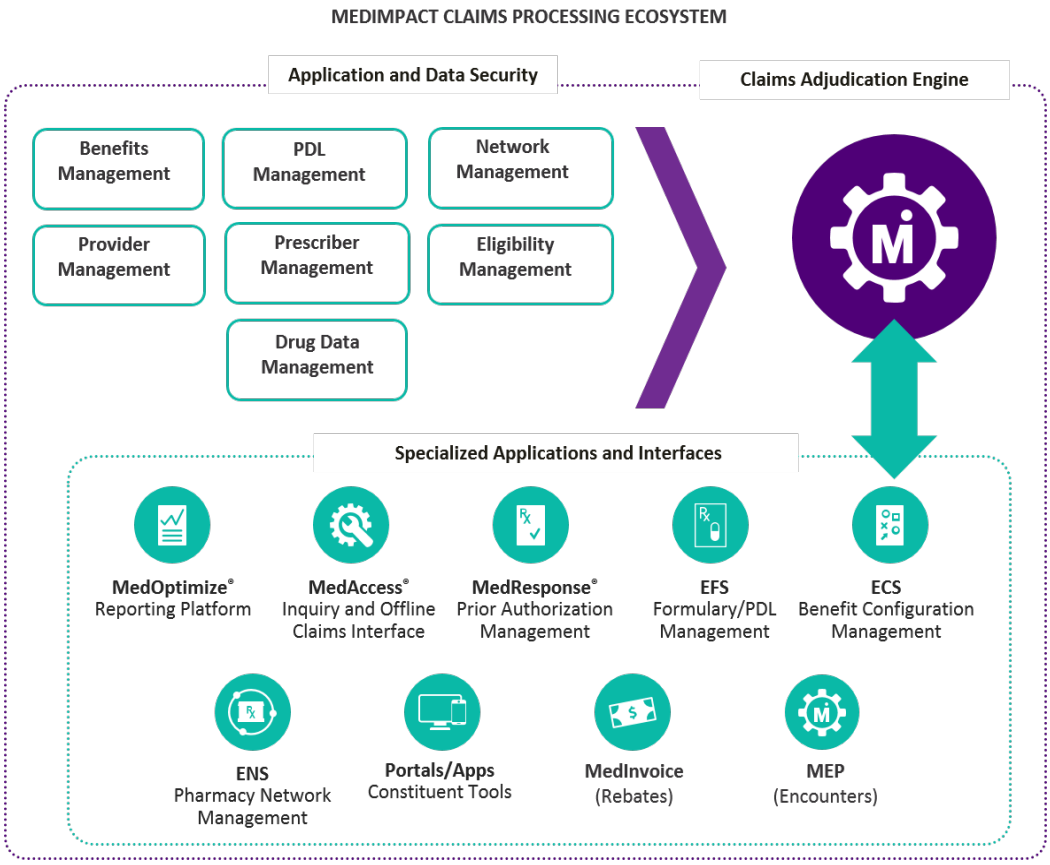
General Drug Claim Adjudication System Requirements (SOW 2.1.9.1)

MedImpact's claims adjudication system supports online, real-time adjudication of pharmacy claims. Upon receipt, raw claims are stored and parsed to validate submission in the correct D.Ø format and that all required fields are present and valid. After the claim format is validated, claims are processed through a variety of rules and edits to determine their final disposition. In all instances, the system returns properly formatted responses to pharmacies as either payable or rejected using the appropriate NCPDP transaction response status codes.

MedImpact's systems are highly scalable, with system capacity to handle its existing large business, as well as expansions and new business. Our performance goal is to double volumes (covered lives and POS claim transactions) without degrading performance, which is measured in milliseconds. Therefore, MedImpact's system architects are accountable to leadership for planning and designing its system to run at or below 50 percent of available capacity to allow for new and expanded business. This translates to system scalability necessary to accommodate anticipated volumes, with the capacity to double claim volume without performance degradation.

MedImpact continuously monitors, adjusts, and adds additional hardware / infrastructure, as required. System architects meet quarterly with executive leadership to demonstrate current system capacity and performance, peak levels of processing during the reporting period, and ways in which system space or processing capabilities are increased to assure future readiness for user requirements, as illustrated in **Figure 1.8.8-I**.

Figure 1.8.8-I: MedImpact Claims Processing Ecosystem



MedImpact's proprietary unified technology platform is engineered to support the mission-critical nature of PBM. Our POS (point-of-sale) claims adjudication system and supporting communication infrastructure is designed and implemented with active redundant component architecture to help ensure near 100% availability 24 hours per day, seven days per week, 365 days per year. System architecture and supporting technologies are highly configurable and robust, enabling MedImpact to achieve consistent and high performance, including end-to-end sub-second (< 0.5 seconds) POS claims adjudication timeframes. We also leverage the full active redundancy of our platform to eliminate the need for downtime associated with routine maintenance, thus affording increased flexibility, agility, and responsiveness, as well as the ability to quickly adapt to meet customer requests and new requirements.

All of our technologies support highly configurable, granular role-based, and row-based-access capabilities. Our flexibility to configure unique user roles affords LDH, MCOs, and LDH-approved stakeholders tailored access to assure they have the information required to perform their specific roles.

MedImpact complies with required HIPAA-named transactions and code sets standards for claim processing and electronic data exchange, which include ASC X12N Version 5010 and the

NCPDP formats and standards, and we constantly monitor the development of future versions. Our systems currently support the following: NCPDP standards:

- NCPDP Telecommunication Standard Version D.Ø (B1 / B2)
- ASC X12N 834 Batch Enrollment Standard V5010
- ASC X12N 835 Claim Remittance Standard V5010
- NCPDP 1.2 Batch Standard
- NCPDP 2.2 Post-Adjudication Standard
- NCPDP 4.2 Post-Adjudication Standard
- NCPDP Benefit Integration Standard
- NCPDP 3.0 Subrogation Standard
- NCPDP PA Standard
- NCPDP SCRIPT Standard 2013101 (ePA)
- NCPDP SCRIPT Standard 2017071 (ePA and eAppeals, in development for 4Q2020)
- NCPDP Real-Time Prescription Benefit Standard (ePrescribing)
- NCPDP Formulary and Benefit Standard v1.3 (ePrescribing)
- ASC X112N 270/271 Eligibility Verification Standard V5010

MedImpact also agrees to comply with any future-named standards. Remaining abreast of PBM standards, best practices, and technology is a corporate requirement. MedImpact employs staff who are active NCPDP enrollees and represent our organization across various functional areas. Membership affords participation in task groups, voting during work groups, and access to standards and educational materials. We review changes to the standards and update our applications, when appropriate, and review all upcoming changes with LDH and the MCO and test all modifications prior to moving them to the production environment.

MedImpact supports accessibility within both enrollee-facing and customer-facing programs and services. The MedOptimize reporting tool, powered by IBM Cognos Analytics, does provide conformance to W3C Web Content Accessibility Guidelines, version 2.0 (WCAG 2.0) at conformance levels A and AA. The detailed report is provided to LDH upon request.

Some accessibility features within MedOptimize include:

- Keyboard-only operation
- Operations that use a screen reader
- User preference and report settings to enable accessibility features
- Accessible report output for report runs, including jobs, job steps, subscriptions, and scheduled items
- Operable in high contrast modes
- Operable when the browser zoom level is increased up to 200 percent
- Accessible visualizations: table, list, and crosstab

Payer Sheets

MedImpact currently maintains several payer sheets using the NCPDP published template, which are shared with the claim switches during each revision and are posted on the MedImpact pharmacy portal. For the Louisiana single PBM, we will produce a single payer sheet for all MCOs. During implementation, MedImpact collaborates closely with LDH and the MCO to develop, implement, and maintain applicable payer sheets using the NCPDP template. We proactively (and with adequate notice) provide LDH-approved payer sheets to the pharmacy network and provide a mechanism to support pharmacy claims testing prior to the operational start date.

Copays

MedImpact has extensive configuration capabilities to support LDH cost sharing (e.g., copay, coinsurance, deductibles) requirements. The following are several cost-sharing options available for configuration and reporting within our self-service ECS application:

- Drug list—Uses a specific drug list, which causes claims for all the medications within the list to adjudicate with a unique copay
- Medication—Identifies a specific medication for which a unique copay or coinsurance amount applies
- Drug Category—Multiple predefined First Databank/Medispan categories
- Pharmacy—Apply any unique copay or coinsurance values by network or channel (retail (Local/Non-Local if applicable)
- Age—Set the copay or coinsurance for PDL / non-PDL based upon enrollee age
- DAW (dispense as written)—Set the copay or coinsurance based upon DAW codes submitted by the pharmacy
- Enrollee attributes—Apply copay or coinsurance based upon specific enrollee attributes provided in LDH eligibility files

Establishing BIN / IIN / PCN / Rx Group Number Combinations

MedImpact encourages its Medicaid MCO customers to use BIN/PCN/Rx group number combinations that uniquely identify their Medicaid populations. This is an industry-recommended solution for addressing issues, such as 340B claim handling. Based on our experience, for LDH, **we recommend procurement and use of a single BIN/PCN/Rx group number combination for all Louisiana Medicaid MCOs. This provider- and enrollee-friendly solution minimizes potential disruption at the point-of-care.** Because MedImpact can help to ensure identification of enrollee eligibility, regardless of MCO enrollment, enrollees can move between MCOs without risking claim denials due to delays in ID card issuance. Claims for each MCO are still distinguishable in our systems and in our reporting, and are not co-mingled in any way.

MedImpact welcomes the opportunity to explore additional options with LDH. Establishing unique BIN/PCN/Rx group number combinations for each MCO can be supported.

Establishing Appropriate System Interfaces

IT Manager, Anthony Sanchez, will work closely with MedImpact's DES (Data Exchange Solutions) team, which possesses decades of collective and relevant experience. Each team member has a minimum of 10 years of experience at MedImpact or in similar roles establishing and maintaining system interfaces with external trading partners. This team supports a number of proprietary formats for maintaining enrollee and provider eligibility, exchanging claim data, and supporting other common integration needs. The team also supports all relevant HIPAA-required interoperability standards, including:

- Enrollee Eligibility and TPL (Inbound)
  - X12N 834 eligibility standard
  - MedImpact Type 23 "Enrollee / Eligible Enrollee"
  - MedImpact Type 24 "Enrollee Attribute File"—supports OHI (other health impairment) / TPL, enrollee diagnosis, other enrollee attributes
- Claims and Payment History (Outbound)
  - NCPDP 1.2, 2.2. & 4.2 Batch and Post Adjudication Standards
  - X12N 835 Claim Remittance Standard
  - MedImpact Type 112 "All Claims File"

MedImpact collaborates with LDH, the MCO and its vendors to establish system interfaces that conform to file layouts currently in use, unless otherwise directed by LDH. We establish file transfers to exchange data on enrollee and pharmacy provider eligibility and TPL and to provide claims and payment history files directly to LDH and MCO in the format and at the frequency defined by the RFP/contract. MedImpact implements system interfaces based upon all relevant State companion guides and data exchange specifications in effect on the contract start date.

While not required, MedImpact promotes the use of MedImpact or industry standards whenever possible. DES leverages powerful data integration, ETL (extract, transformation, and load) tools for rapid development, testing, and deployment of custom data file transfers and conversions. If the use of a currently supported standard is not practical, MedImpact can accept and conform to the interface layouts of LDH and its vendors with ease.

MedImpact successfully manages more than 425,000 file exchanges for more than 500 trading partners quarterly through its EDI management capabilities, as illustrated in **Table 1.8.8-J**.

Table 1.8.8-J: File Exchanges

Exchange Type	Files Per Quarter	% Custom
Inbound file processing	~75,000	~25%
Outbound file processing	~350,000	~25%

With built-in redundancy and high-availability failover functionality, our data exchange network is available 24 hours per day, seven days per week, 365 days per year, and has never experienced an outage.

MedImpact maintains a comprehensive data dictionary, which can be shared with LDH and the MCOs upon request. This data dictionary contains all data elements necessary to support the contract's scope of work. We use Informatica EDC (Enterprise Data Catalog) capabilities to help ensure our dictionary is up-to-date and provide full traceability of all changes. Our DFLDs (data file layout descriptions) manual describes all files, fields, and data structures, and includes EDRs (entity relationship diagrams) in information engineering format, as well as record counts

The MedImpact data dictionary contains industry standard term metadata, as derived from:

- Existing state data dictionaries / term definitions received in Excel, JSON, XML and other format, and loaded to the MedImpact metadata repository
- CMS standard term definitions and metadata
- Other industry standard metadata as required

Term definitions and other metadata are maintained as part of MedImpact's internal Data Governance Program standards and practices. Maintenance of the metadata includes periodic refresh of the metadata from identified source of truth repositories, such as LDH or CMS. Metadata relevant to LDH's contract with MedImpact is available to LDH and MCOs on an ad-hoc basis in an Excel, JSON, or XML format download.

Integrating Historical Claims Data

MedImpact partners with LDH and the MCOs to capture a minimum of 24 months of pharmacy claims history, open PAs, and other enrollee-specific data (e.g., enrollee medical claims history) at the point of turnover to support PA automation and to help ensure a seamless transition. In addition, we will load existing PAs issued by the MCOs, FFS, or their PBM through the end date of the PAs included on the historical PA file provided by each MCO or LDH, unless otherwise directed by LDH.

Mr. Sanchez (IT Manager) has experience working with the State's MCOs to integrate in a single PBM model. Failure at this critical step may cause significant enrollee disruption.

In the absence of historical PAs, MedImpact can grandfather coverage based upon the existence of prior drug history from the MCO or FFS to bypass denial for 'Prior Authorization

Required.' This critical step to mitigating enrollee disruption requires significant collaboration with the MCOs to ensure understanding of layouts, timelines, and expectations. Our IT Manager, Anthony Sanchez, has experience working with the State's MCOs and can help to facilitate seamless integration of historical claims data and PAs.

MedImpact has standard, proprietary history file layouts and also supports HIPAA-standard transaction sets. Either option supports the most efficient transfer of claims and PA data, and MedImpact proposes those to LDH. We are also accustomed to accepting and converting historical data files in a variety of formats from states, PBMs, and vendors. Our experience has shown that even when MedImpact or industry standard formats are used, some level of data conversion is often necessary to capture system values and supporting data necessary to facilitate a successful and seamless turnover. MedImpact has extensive experience developing and implementing data mapping and conversion strategies to migrate data from incumbent systems to its solutions and collaborate with LDH and the MCOs to develop and execute an effective data conversion plan.

Reference Data Maintenance

To ensure timely accurate claims processing, all reference data loads occur within one day of receipt of the files from each source. In addition to sourcing standard reference data only from reliable, industry leading sources, our file load processes perform data validity / and integrity editing to identify any issues with reference files or data that may cause adjudication errors. Our Data Exchange team immediately responds to data quality issues through outreach to the data source. Those sources include:

- **Drug Data**—First DataBank and Medi-Span
- **Drug Pricing Data**—Medi-Span (NADAC, WAC)
- **Pharmacy Provider Data**—NCPDP, LDH (Medicaid enrolled and Local pharmacy list), MCO (registered pharmacies)
- **Prescriber Data**—HMS, LDH and MCO (Medicaid enrolled and registered Medicaid prescribers)

MedImpact's claims adjudication system supports both the Medi-Span and FDB (First DataBank) drug compendia for PDL and benefit configuration and for the processing of claims. This includes the application of ProDUR edits, which can be configured based upon the predetermined criteria of either drug information vendor. Our drug reference data is augmented from other sources (e.g., the CMS drug labeler file) to support additional processing needs. Integration of the drug data source selection is supported in all MedImpact systems, including our MedOptimize reporting system, which allows for consistency across processing and reporting.

A specific compendium is selected based upon a number of factors, including customer preference, customer systems compatibility, historical data conversion, and clinical requirements. We collaborate with LDH to identify the appropriate drug data source to ensure

full compatibility with the Louisiana MMIS (Medicaid Management Information System) since they process claims for the FFS population today.

The agility and responsiveness of our claims adjudication system gives MedImpact the flexibility to support LDH's timely filing requirements. LDH providers are required to file drug claims, including those claims involving TPL within 365 calendar days of the date of service. LDH providers are allowed to reverse and resubmit drug claims within 365 days of the date of service.

General Drug Claim Processing Requirements (SOW 2.1.9.2)

MedImpact understands LDH's objective is to administer a uniform benefit across all MCOs. LDH will prescribe all benefit and formulary edits/designs and any customization or variance is permitted only at the direction of the Department. This is the only way to ensure uniformity across the MCOs since each may interprets or may seek to implement edits in a different way. MedImpact will receive guidance from LDH on the benefit design and PDL during implementation for use as of the operational start date.

During operations, any subsequent changes will be provided to MedImpact by LDH through the BCR (benefit change request) process. Changes are submitted by LDH on behalf of the MCOs through the use of a BCR form, with the assistance of our clinicians and the POS programmer on the Account team. These records will be electronically stored for future access by LDH and MCOs (if appropriate).

Figure 1.8.8-K: Benefit Change Request Workflow

MedImpact's POS adjudication system processes multiple types of NCPDP D.Ø transactions, including claims billing, reversals, and informational transactions (e.g., N1s) on a real-time and batch basis. A standard set of NCPDP reject codes are used to indicate the reason for claim denial, along with custom messaging

with rejection details and information regarding next steps. Whenever a claim is received, the claim request is parsed and validated to help ensure compliance with the NCPDP D.Ø Telecommunication Standard. If any of the submitted fields are missing or invalid, the claim is rejected with the appropriate NCPDP reject code, which identifies the field(s) in error.

Specific error codes and messages are sent to the pharmacy via our POS system, providing details and instructions for assistance. **Table 1.8.8-L** outlines the most common error codes.

Table 1.8.8-L: Error Codes

Reject Code	Description
79	Refill Too Soon
70	Product / Service Not Covered; Plan / Benefit Exclusion
7X	Days' Supply Exceeds Plan Limitation
N1	No Enrollee Match Found
65	Enrollee Is Not Covered
75	PA Required
76	Plan Limitations Exceeded
9G	Quantity Dispensed Exceeds Maximum Allowed
88	DUR Reject Error
41	Submit Bill to Other Processor or Primary Payer

MedImpact's implementation of the NCPDP D.Ø standard is focused on the requirements of its government programs business, with fully exercised, time-tested functionality in areas of particular importance to its Medicaid customers, including:

- NCPDP standard and customized messaging
- Other payer cost avoidance / TPL (third party liability) processing for government programs
- 340B covered entity and claims identification
- Multi-ingredient compound claims processing
- ProDUR (Prospective DUR) messaging and provider response / PPS (pharmacy professional service) codes

Our extensive support for industry standards, including current HIPAA named standards, also includes the following:

- ANSI X12 Version 5010
    - ANSI X12 270—Eligibility, coverage, or benefit inquiry
    - ANSI X12 271—Eligibility, coverage, or benefit response
    - ANSI X12 834—Benefit enrollment and maintenance
    - ANSI X12 835—Health claim remittance / advice

- ANSI X12 878—Product authorization / de-authorization
- ANSI X12 879—Price information

➢ CMS Edge server pharmacy claims submission file

The ECS is a highly configurable rules-based driven coverage configuration platform, leveraging full automation and reusability. ECS is used to design quickly and efficiently, test, implement, and maintain LDH program coverage rules, including all applicable utilization management, PDL status, and non-covered / excluded drug products. We implement LDH program coverage at multiple layers, including therapeutic class, HICL, GCN, GSN, NDC-9, and NDC-11. Our automated coverage configuration interfaces are currently offered through batch-based formats using an XML-based standard. In addition, we support real-time Web service interface that can be leveraged to streamline ongoing program coverage changes. If we cannot manage a coverage configuration change solely through automated interfaces, we can perform a manual load instead. **Figures 1.8.8-M through 1.8.8-O** illustrate a high-level overview of the processes automated by ECS.

Figure 1.8.8-M: ECS Process Flow

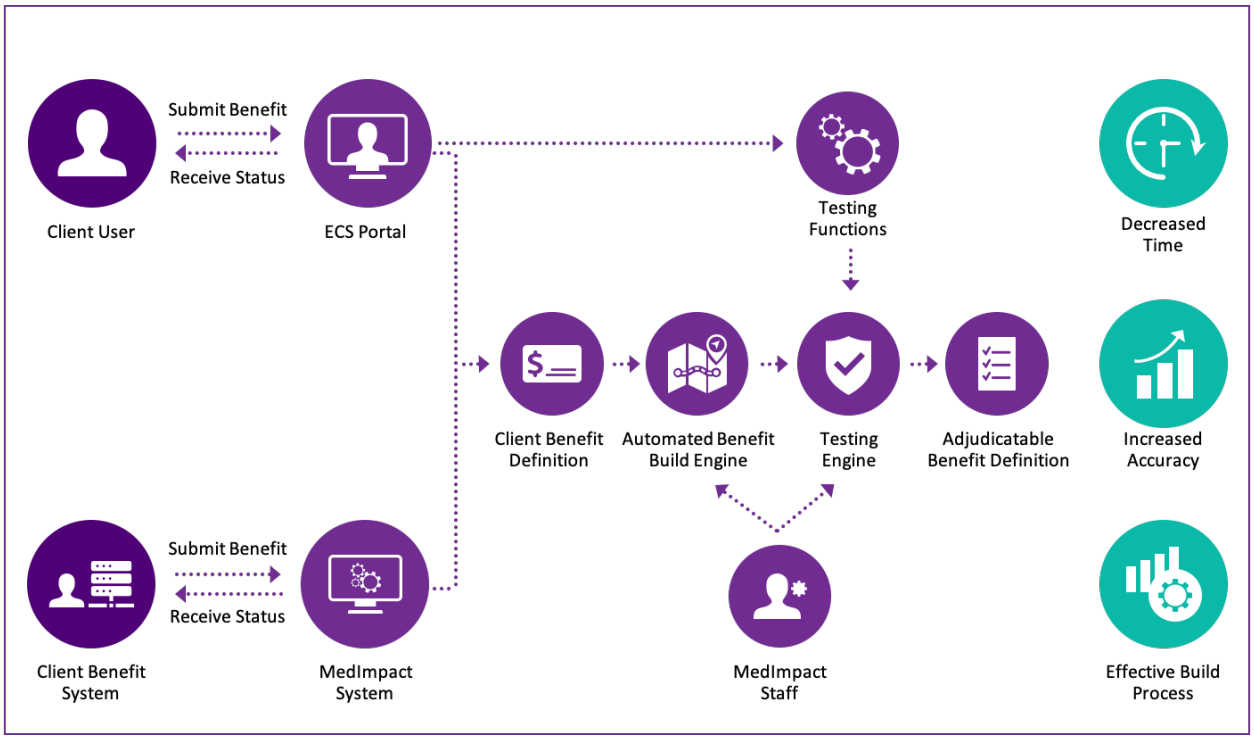


Figure 1.8.8-N: Benefit Change Request Intake Process in ECS

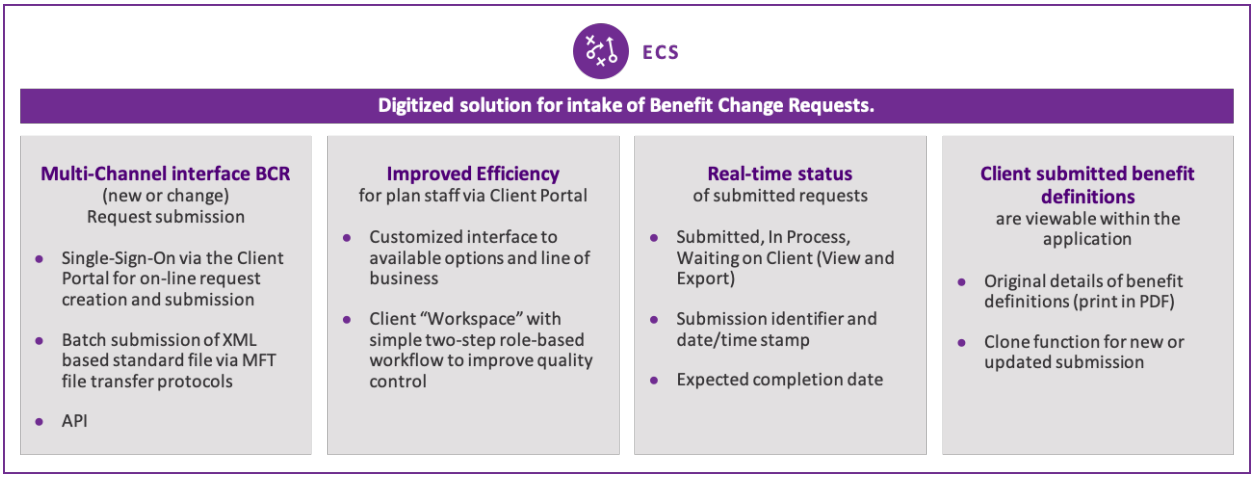
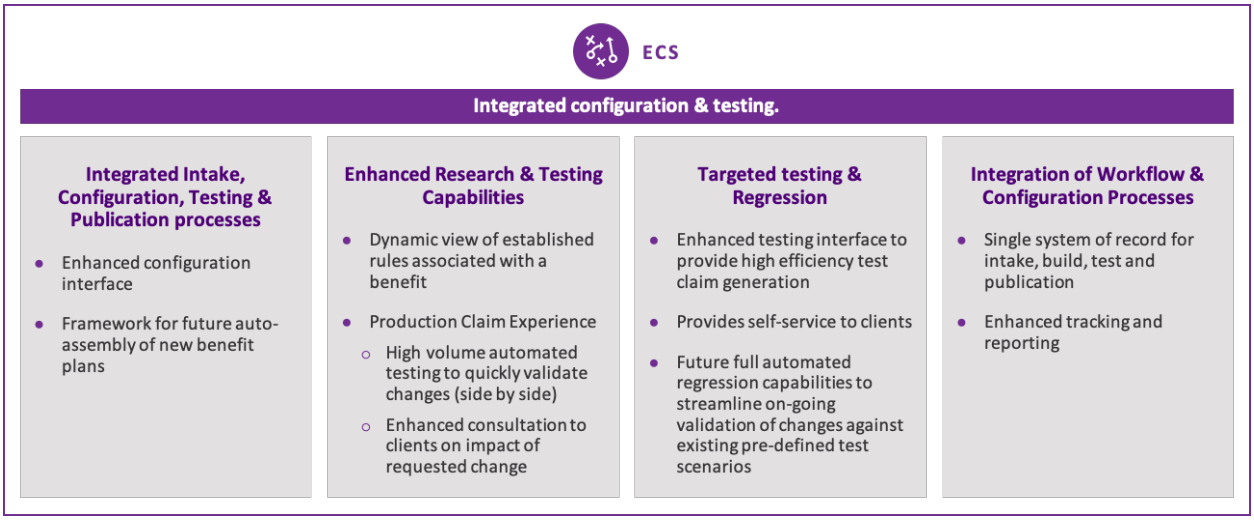


Figure 1.8.8-O: ECS Integrated Configuration and Testing Process



MedImpact's coverage configuration process employs a rigorous change and quality assurance process that includes:

- Requirements-gathering
- Coding / programming system and / or benefit changes
- Staging changes
- Performing end-to-end testing
- Transitioning to a live production environment
- Conducting regression testing
- Confirming benefit coverage configuration accuracy through quality control

MedImpact stores the digitized version of the BCR form, including coverage plan details, user information, and submission date and time, for auditing purposes. LDH or MCO staff can access

this information at any time to verify status and view the digitized request. Additionally, our POS Programmer, Sonya McDuffie, engages and consults with LDH staff and the clinical managers to help ensure coverage plan designs along with any subsequent LDH change requests are implemented seamlessly and within established service level agreements.

While the average turnaround time for coverage additions is seven days, some additions can be processed in one day and MedImpact can support mass coverage updates. The average time to add and activate a new coverage into our adjudication system varies, depending upon the specifics of each request. For a more standard build where existing PDL, network, and programs are bundled together into a new benefit with differences mainly in enrollee cost share (e.g., copays, coinsurance, and accumulator limits), the historical average is within seven days. Through automated assembly utilizing system-to-system interfaces or the online portal, this timeframe can be reduced to one day in emergency cases, with testing conducted in parallel or post-go-live to further validate the build meets LDH intent. ECS leverages the re-usability of rules and coverage options across benefit plans with the same attributes, enabling mass updates, adds, or deletions of plan rules and options.

ECS includes a testing environment that emphasizes silo and integration testing for the changed element and any elements incorporated with that change. First, MedImpact creates a test enrollee and group. The test group is then linked to actual coverage. If the change is applied to multiple coverages, various enrollees and groups are created to test the differences between each application. MedImpact generates as many claims as necessary to test possible scenarios. LDH or the MCO can review these claim results by using an online demonstration tool. The expected outcome of each scenario is recorded and compared with the actual results on the claims status report.

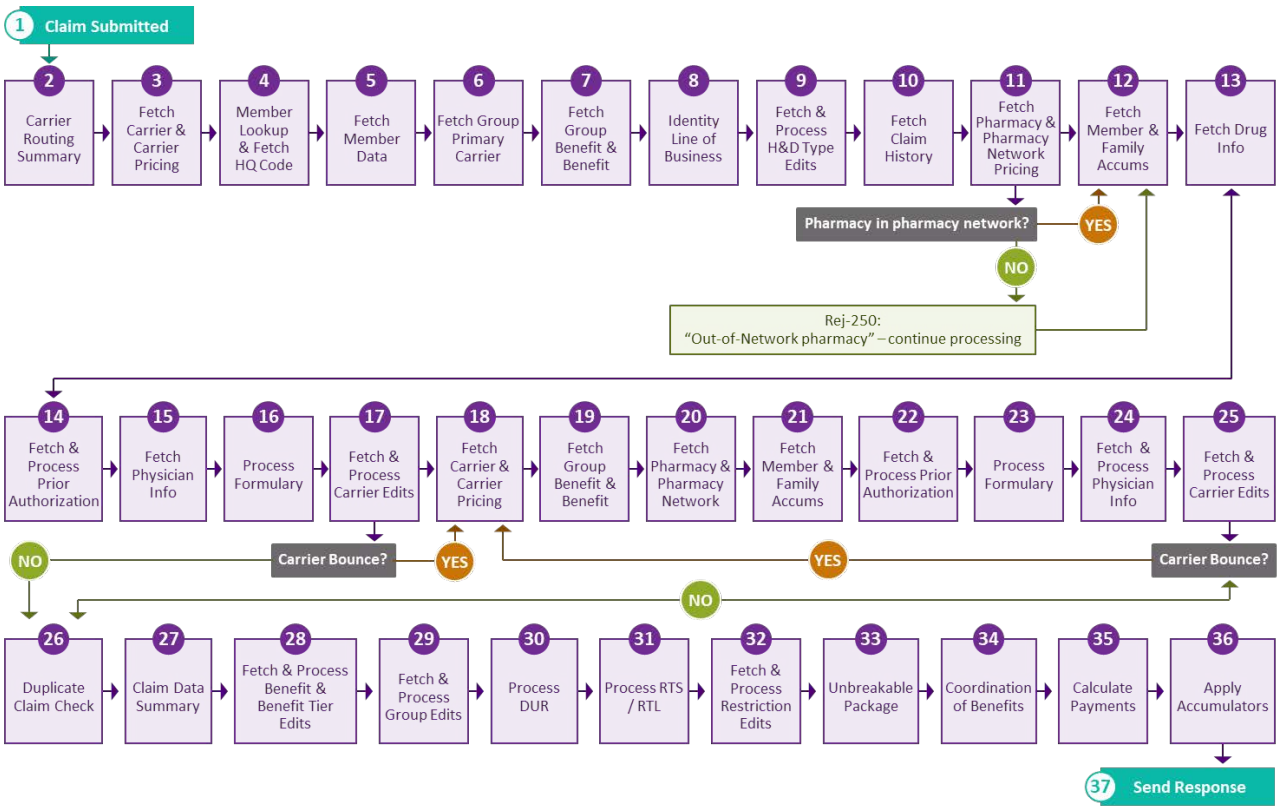
MedImpact runs a claims status report to help ensure claims are adjudicating (approving/denying), in accordance with LDH specifications. Following completion of the testing process, the project advances to our Quality Assurance department for quality checks. Our quality assurance process helps to assure consistency with LDH requirements coverage design. We correct any discrepancies found during testing within the testing environment. In the event of unsuccessful test results, MedImpact shares the findings with LDH and take immediate corrective action. Claims are retested to help ensure accuracy and satisfactory results. Benefit configuration is placed in production only when we have successfully completed all testing with LDH approval and sign-off.

ECS affords LDH the ability to review test claim results or submit its own test claims before approving a change or new benefit for deployment to production. This system captures the history of a plan’s benefit designs and can be used to view previous versions of LDH benefits or components. LDH staff should anticipate a highly consultative approach from our dedicated Configuration Services team and, if needed, provide clarifying answers or guidance related to a requested change to help ensure the highest level of service and program accuracy.

Errors (design or configuration discrepancies) are tracked and managed to resolution within the workflow management system. Each issue identified through testing, performed by the Quality Assurance department, is documented, and assigned a unique task identification number for the appropriate department or individual to address. Upon completion of the update, corrective action is documented and the task is reassigned to the Quality Assurance department to validate the update and close the task.

As demonstrated throughout our response, MedImpact's POS claims adjudication solution consistently processes claims transactions with a response time of less than 0.5 seconds. **Figure 1.8.8-P** illustrates the procedures performed by our claims system in under one second.

Figure 1.8.8-P: The Sub-Second Life of a Claim



MedImpact archives and retains historical data for primary, real-time adjudicated claims for two years, plus the balance of the current year. Our processes include full database backups to tape, storage, and maintenance at a secure off-site location which allows us to report online transaction processing and analytical processing history for 10 years. Our reporting platform, MedOptimize, is available 24 hours per day, seven days per week, 365 days per year, allowing reports to be generated at any time or scheduled to run on a predetermined frequency of the user's choice. We work in tandem with our operational functions to generate accurate reporting requested by LDH within 48hours.

Drug Claims System Requirements (SOW 2.1.9.3)

Our POS claims systems are available 24 hours per day, seven days per week, 365 days per year, and achieve nearly 100 percent uptime. The only exception to achieving 100 percent uptime occurred in 2018 when we experienced a single, seven-minute outage, which resulted from a table index change requiring a rebuild during a deployment. This resulted in full table scans with B1 transactions exceeding RT (response time) limits and was quickly resolved by a system restart. A full root cause analysis was performed as part of our quality assurance and deployment process, and the appropriate changes were implemented to avoid this type of an outage occurring in the future. We improve system availability, as well as the quality and resiliency of our hardware and software, by continuously implementing and improving high availability strategies that are led by our experienced IT team. **Table 1.8.8-Q** shows our availability performance over the past three years.

Table 1.8.8-Q: MedImpact POS Pharmacy Claims Availability History Uptime

	2018	2019	2020	2021
POS Pharmacy Claims System	99.99%	100.00%	100.00%	100.00%

MedImpact employs an N + 1 redundancy strategy and has achieved an unparalleled level of availability and resiliency year-over-year by ensuring every critical system component / node (N) has at least one independent backbone node / component (+ 1). Our N + 1 strategy helps to ensure greater than 99.9% uptime across all application systems, near 100% uptime across all POS pharmacy claims payment systems, and maintain 100% data center uptimes, as we scale to meet the needs of the State. As a result of this redundancy strategy, **MedImpact maintains a zero scheduled maintenance downtime requirement.**

MedImpact's average processing time is 0.485 seconds.

MedImpact notifies LDH and MCO staff of any performance issues impacting POS adjudication upon discovery. MedImpact's Splunk transaction monitoring system evaluates claims response time 24 hours per day, seven days per week, 365 days per year. Increases in processing time send automated alerts via text and email to the IT Claims team, allowing our teams to respond to any potential issues promptly.

The availability of our claims adjudication system and reducing any potential disruption to our customers, pharmacies, and the enrollees we serve, is of critical importance. We have full redundancy between our primary datacenter in Arizona and our secondary site in California, and coordinate with the switches to employ active routing to both datacenters so that claims are routed to both locations at all times. In the event of an unplanned outage or reduction in service levels, MedImpact can easily fail over from one site to the other without delay associated with coordinating that activity with the switches. We test failover processes and capabilities at least three times annually.

There are no planned outages for MedImpact's claims adjudication system. We deploy all new features and functionality to production in a coordinated release wherein we bring down each node, one at a time, and then restart it on the new version until all nodes are on the new version. This enables claims processing to continue uninterrupted. For unplanned outages, the switches automatically return a properly formatted time-out response to the pharmacy if no response is received from our systems.

In 2019 and 2020, MedImpact experienced zero minutes of unscheduled downtime.

In the rare event that LDH or the MCOs identify a system problem that is not affecting adjudication, the MedImpact IT manager responds to the LDH notification in writing within five calendar days and resolve or present a plan for resolution within 15 calendar days. Continuous transaction monitoring by our IT Claims team significantly diminishes the possibility of adverse system availability incidents. Should performance issues impacting POS Adjudication occur, MedImpact will notify LDH and MCOs within thirty (30) minutes of our identification of system problems in accordance with PBM-2 (Attachment IV: Table of Deliverables).

MedImpact adjudicates online pharmacy claims within an average response time of 0.485 seconds and agrees to fully comply with the POS response time of five seconds or less 98% of the time as measured weekly and reported monthly. Our system operates at a maximum of 50% capacity and can handle more than double the volume of claims received during peak times without the need to add any software or hardware upgrades. A monitoring system generates alerts whenever processing times increase to .80 seconds for 80% of claims during a 10-minute timeframe. On-call personnel, available 24 hours per day, seven days per week, 365 days per year, immediately respond to alerts.

During implementation, we collaborate with LDH to discuss the process to identify and report outliers and root causes. **Table 1.8.8-R** demonstrates MedImpact's year-over-year improvement in POS sub-second claims adjudication performance.

Table 1.8.8-R: Average Real-Time Round-Trip Response Times

2017	2018	2019	2020	2021
0.543 seconds	0.508 seconds	0.489 seconds	0.485 seconds	0.554 seconds

MedImpact performs quality review on a random sampling of claims each quarter, per our Quality Assurance Plan. MedImpact uses industry standard practices to measure claims adjudication accuracy. These claims are reviewed against applicable coding in the system (e.g., enrollee cost share, benefit designs, and anomalies in coverage of drugs according to PA requirements). These reviews help to ensure claims adjudicated based upon the benefit and system configuration. Additionally, MedImpact

routinely monitors denied claims for potential errors in processing and receives automated, real-time alerts when certain anomalies in the number or types of rejections are encountered.

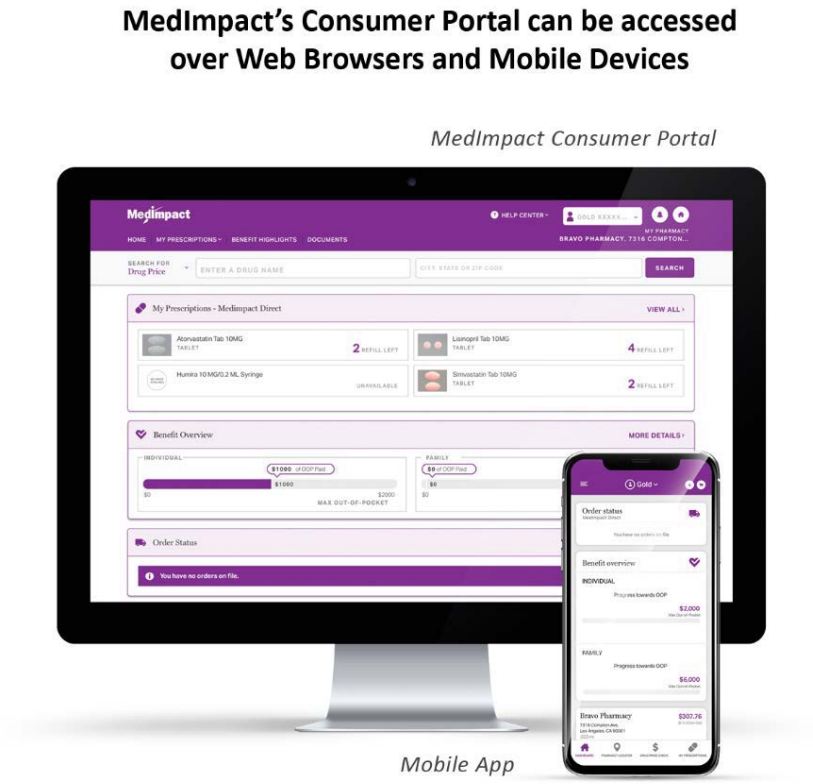
MedImpact follows a standard process to rectify claims confirmed as erroneously adjudicated. Any claims that require adjustments are completed within 45 days from identification of impacted claims. Whenever an issue is identified, it is forwarded to the appropriate department for research and to determine action(s) to correct the issue. This may include coding configuration, data corrections or system enhancements. Once MedImpact determines the nature and extent of the issue, a customer communication is provided that includes the issue, root cause analysis, preventive measures, and monitoring plan, no later than five business days from the discovery of the issue.

Claims that require adjustments are handled through our claim adjustment processing system, MedAdjust. Adjusted claims detail amounts impacting an enrollee or pharmacy. There are situations wherein the original claim would be required to be reversed and re-adjudicated (e.g., eligibility or line of business changes). MedAdjust produces an extract which provides the details of adjustment activity both at the provider and individual claim levels. Adjustments can be reviewed and approved prior to processing in production.

MedImpact's consumer (enrollee) portal is a flexible (PC and mobile access) and easy-to-use platform for education and outreach to enrollees to provide them with easy intuitive access to information and services, as illustrated in **Figure 1.8.8-S**. Additional features of the consumer portal include:

- View medication history
- View PAs
- PDL look up
- Pharmacy locator
- Submit inquiries to the customer service center

Figure 1.8.8-S: MedImpact Consumer Portal



DRF (Drug Reference File) tables are maintained with drug data, purchased from both First Databank and Medi-Span, including price updates contained in their daily update files, as well as their weekly product updates. The data from these sources enable our teams to assess and identify changes in pricing records immediately. Within the DRF tables product codes, classifications and descriptions are updated with record effective dates and date timestamps in the event more than one update occurs on the same day. We update and maintain active and historical pricing files, including price effective dates, for evaluation and selection during claim adjudication. Our system selects and uses the most recent version of the product record effective on the submitted claim's date-of-service, so the most current price records are used to determine the final price the claim. Authorized LDH users can view online the rate histories for the current year, plus the previous three years, through the MedAccess application. Older records, up to 10 years, are stored securely on an onsite server, whereby MedImpact can deliver reporting and/or specific data upon request when needed.

MedImpact can support mass updates to enrollee demographics, benefit coverage, diagnosis information, and other coverage information. We can accept, update, or refresh files at LDH's

desired frequency, including a periodic reconciliation. MedImpact collaborates closely with LDH during the requirements-gathering phase establish an enrollee enrollment file schedule.

Information Systems Availability (SOW 2.1.9.4)

LDH and contracted MCOs are provided with the appropriate role-based/row-based user access to the claims adjudication application through our MedAccess user interface. MedAccess is a powerful inquiry and entry tool used by a variety of MedImpact stakeholders, including our (and the MCOs) customer service representatives who are responsible for claim and PA inquiries. MedAccess enables LDH and the MCOs to perform a variety of functions, including viewing unredacted adjudicated claims, PA records, and reference files in a live/real-time environment. Contracted MCOs may view adjudicated claims and PA records for dates of services or effective/expiration dates whenever the enrollee is enrolled with their MCO.

MedAccess affords LDH visibility into how a claim is adjudicated, including adjudicated benefit plan details, edits applied, and distinct claim-level adjudication codes and/or claim attributes available for a large set of edits. There is full traceability to the specific instance of an edit applied during the adjudication of a claim based upon the claim and edit timestamps. All configured edits are recorded with start and end dates, added and updated user IDs, and timestamped to assure a complete audit trail.

MedImpact provides to LDH role-based access to the information used by our Systems team members who support the State's program. Our solution employs role-based access security to govern access in two dimensions:

- **Data entitlement**—Users are limited to the data each requires to perform defined job duties, including limits to protected health information/enrollee identifiable information and confidential or proprietary information.
- **Functional entitlement**—Assigns functional roles to users to limit access to MedImpact's solution capabilities based upon defined policy; new roles can be defined to accommodate LDH access requirements.

We apply advanced user access controls to ensure each user is assigned role-based access based upon the specific administrative functions they are required to perform in their respective job functions, as defined by LDH guidelines. Once within an application, we require additional entitlements to access role-specific functionality. We manage data entitlements using role-based, customer-based access control criteria. By default, users do not have access to any data; they must be granted specific data roles to access authorized data.

Users of the solution are permitted to have more than one role; multiple roles can be effectuated within the solution without requiring log off. Our experience safeguarding documents / records in programs, such as the LDH pharmacy program, is extensive; all customers require that we protect sensitive information. MedImpact meets all applicable state,

federal, and industry standards in this regard and makes additional revisions for each specific program, as warranted.

MedImpact understands the significant impact to LDH and other customers should an outage occur to the pharmacy POS module. We agree to an initial response of 30 minutes to any unplanned outage and providing updates every hour until the issue is resolved. MedImpact's data centers are staffed 24 hours per day, 7 days per week, 365 days per year. Operational staff members follow written processes and procedures in the event of unplanned outages, including serious outages that may require activation of the disaster recovery and business continuity strategy.

Our disaster recovery and business continuity strategy is documented in its BCP (Business Continuity Plan) and the IT DRP (Information Technology Disaster Recovery Plan). Our BCP defines the organization, roles, responsibilities, communication and notification system, and procedures to efficiently recover critical business resources in the event of a business disruption or disaster. This living document supports the following objectives:

- Safeguard employees, **protect vital records and resources**, and exercise care over resources critical to serving MedImpact's customers
- **Comply** with federal, state, and local agency regulations
- Meet quality standards set forth by PBM industry accreditation programs
- Recover and restore the core business infrastructure of MedImpact business units in the event of a disaster or disruption
- Enable customers to **maintain business continuity and service** to their enrollees in the event of a MedImpact business disruption or disaster
- Minimize the time needed to execute the decision-making process if an event occurs.

The BCP coordinates and directs emergency preparedness procedures, practices, resources, communications, and facilities needed for business recovery readiness. It also provides a proven structure to recover normal daily operations and establishes business continuity-related education, practices, monitoring, and auditing. This includes availability of adequate workspace and steps to minimize data loss. Further, our BCP includes a description of every resource requiring backup, as well as recovery time objectives. Key subcontractors/vendors are required to have disaster recovery plans and business continuity plans, and, where appropriate, participate in our exercises.

The IT DRP is a subset of business continuity that outlines the process, procedures, and management actions to be taken if a disaster results in an extended service disruption or outage supported by MedImpact's IT infrastructure and / or systems residing in the data center. This plan aligns with the BCP to provide the strategy for recovering applications, data center operations, hardware, networks, and information technology infrastructure following an event. It provides guidance and critical information for MedImpact's trained and experienced staff to recover core IT systems and / or applications impacted by a service disruption or disaster event. Interim measures may include the relocation of processing to IT systems and operations at an

alternate site, the recovery of IT functions using alternate equipment, or executing key IT functions using manual methods. **Over the past three years, MedImpact's systems experienced just 30 minutes of systems downtime, with no impact to customers or their enrollees.**

MedImpact's BCP and IT DRP focus on those functions which are critical to enrollees maintaining uninterrupted access to their drug therapies: pharmacy claims adjudication services and call center services. We establish tiers of services based on their criticality to customers. RTO (recovery time objective)—the projected time required to restore an application to normal operations—is established for each tier, with claims adjudication restored within 15 minutes and call center handling and PA within 30 minutes. The RPO (recovery point objective) is defined as the maximum targeted period in which data might be lost from an IT service due to a major incident. **The RPO for MedImpact's Tier 1 through 3 applications which include PA services, data exchange delivery systems, and the customer portal in addition to claims adjudication and call center services is 15 minutes.**

Offsite Storage and Remote Back-Up (SOW 2.1.9.5)

MedImpact's IT DRP (Information Technology Disaster Recovery Plan) requires that data for critical business processes be backed up and stored offsite with the ability to retrieve or recreate for the recovery site. We do this through a contract with our secure tape storage vendor, Iron Mountain, which holds encrypted tape backups for archiving and recovery. The IT Technical Recovery team is responsible for contacting the offsite storage vendor to deliver encrypted data backup tapes to the Secondary Data Center, making transportation arrangements if necessary. The Technical Recovery team verifies when the data backup has been retrieved. Primary and backup systems can be recovered, regardless of the type of failure.

The IT DRP is a subset of business continuity that outlines the process, procedures, and management actions to be taken if a disaster results in an extended service disruption or outage supported by MedImpact's IT infrastructure and/or systems residing in the data center. This plan aligns with the BCP (Business Continuity Plan) to provide the strategy for recovering applications, data center operations, hardware, networks, and information technology infrastructure following an event. It provides guidance and critical information for MedImpact's trained and experienced staff to recover core IT systems and / or applications impacted by a service disruption or disaster event. Interim measures may include the relocation of processing to IT systems and operations at an alternate site, the recovery of IT functions using alternate equipment, or executing key IT functions using manual methods.

MedImpact performs daily backups to encrypted tapes, which are sent offsite to Iron Mountain. Iron Mountain is licensed and bonded to handle electronic and hard-copy PHI, PII, and sensitive data. MedImpact sends its paper records and data to storage vaults in conformance with corporate retention policies and best practices. MedImpact also uses data replication between

our two managed, secure, highly available TIER 3 data centers located in San Diego, California and Tempe, Arizona.

Our Arizona primary data center is fully owned and operated by the MedImpact IT and Facilities staff. The Tempe facility has numerous carriers built into our redundant 'meet me' rooms and has achieved SOC 2 and AZ Ramp certifications. Our California secondary data center is housed within a Zayo co-location facility. The San Diego Zayo facility is SOC 2 and OIX-2 certified. MedImpact's assets are in a dedicated server room that is fully secured by monitored badge access. IT Infrastructure gear, including servers, IP switches, telephony, and data storage devices are biometrically secured in their own cages. MedImpact's data centers maintain direct point-to-point and indirect VPLS WAN connectivity to one another. The point-to-point circuits are commissioned from three distinct carriers and maintain geographically diverse paths into our data centers. We further maintain interstate geographic redundancy by following distinct northern and southern routes between California and Arizona. In the event of a triplicate failure of our point-to-point circuits, our systems dynamically fail all the way back to our VPLS WAN network.

Records Retention (SOW 2.1.9.6)

The importance of maintaining LDH's data for possible future use drives our multiple data archiving strategies. MedImpact has experience meeting federal, state, and customer records retention requirements. MedImpact current provides PBA / PBM services to more than 300 customers (Medicare Part D, Medicaid, health plans, Exchange plans, commercial plans, and as a third-party administrator).

Data archiving and retention processes include full database backups to tape, storage, and maintenance at a secure off-site location. Historical data is available through our online reporting system. The following are example retention requirements:

- Primary, real-time claims adjudication system: two years plus balance of current year
- Reporting online transaction processing systems: 10 years
- Reporting online analytical processing systems: 10 years

MedImpact also exceeds the HIPAA requirement for retaining data for six years. We publish used data frequently, storing in a data warehouse that provides user-friendly access to managers, analysts, and LDH staff. This access enables authorized users to connect to the data warehouse immediately to view organizational data. Authorized users can also use the data warehouse to quickly sort and analyze program data as needed. All information contained in the data warehouse is consistent and accurate.

Our state-of-the-art data warehouse solutions enable authorized users to access data for powerful ad hoc reporting, dashboards, and pre-built queries. This provides to users access to a suite of technologies that optimize business intelligence, fraud prevention, and reporting capabilities for the POS program. Our data warehouse solutions provide authorized users

powerful tools to monitor pharmacy benefit processing patterns, administrative actions, and fraud prevention and detection—even during disasters.

Information Security and Access Management (SOW 2.1.9.7)

MedImpact can provide to LDH and contracted MCO staff highly customized access to our system features and data. This enhances our ability to coordinate with LDH and contracted MCOs and provides full oversight transparency. We leverage our extensive role-based application security, which is addressed in two dimensions—function entitlement and data. These dimensions minimize role expansion and provide the flexibility required to achieve minimum necessary access control. Both dimensions are achieved using the RBAC (roles-based access control) model.

The management of functional entitlement (access to functional capabilities within our applications, referred to as functional entitlement), occurs by assigning functional roles to specific capabilities within applications (policy). Capabilities can be coarse-grained at page level or fine grained at specific buttons or fields. We manage functional entitlement policies centrally for all applications. Functional entitlement decisions are also centralized to a software component shared by most applications. Enforcement of functional entitlement decisions is the responsibility of the application. For applications leveraging the IBM BPM (business process management) platform, functional entitlement is managed within the BPM application.

Users gain access to capabilities within an application based upon the functional roles assigned to them. At the highest level, a user requires a role to access any given application and the base capabilities. Once within the application, additional entitlements are required to access role-specific functionality.

We also employ data entitlement management and enforcement. By default, an application user does not have access to any data. Users must be granted specific data roles to authorize their access data. Data entitlements are also managed using RBAC and support coarse-grained and fine-grained access. Coarse-grained data is used to segregate data in a multi-tenant data environment. Each customer data set is protected through coarse-grained entitlement management (e.g., controls the universe of data). Fine-grained data entitlement provides the ability to further restrict access to subset of records (row-level) within the universe to specific individuals.

MedImpact encrypts all data repositories using Oracle's Transparent Database Encryption technology which encrypts at AES 256. MedImpact encrypts the entire database table space (not just select fields) to provide comprehensive and complete data protection. We encrypt all laptop and desktop hard drives using Microsoft's Bitlocker to perform whole disk encryption at AES 256. We also encrypt iPhones via the native iPhone encryption engine at AES 256 which users cannot turn off as we enforce it via our mobile device management platform. MedImpact encrypts all backup tapes using Netbackup's Tape Encryption module with AES 256 cryptography to secure data written to backup tapes.

For remote access into MedImpact's secure network, MedImpact employs 2-factor authentication using an RSA Secure ID token and a Cisco Anywhere secure encrypted VPN customer.

Drug Claims Submission to the MCOs (SOW 2.1.9.8)

The contracted MCO's receive complete and accurate daily encounter reporting through our MEP (Medicaid Encounter Program), MedImpact's proprietary encounter workflow application. MEP is a flexible, configurable platform that automates a majority of data conversion, correction, submission, and response acknowledgement in a simple, efficient, and auditable manner. It accommodates changes to encounter data edits within 30 days of receipt as required by LDH. MEP provides a solution for LDH and the MCOs that includes a configurable, custom encounter lifecycle solution. The system records all transactions within audit tables, enabling designated LDH and MCO staff to view the full history of each claim.

MEP produces encounter records using file processing technology programmed, housed, maintained, and updated by MedImpact. The MEP can generate encounter output in any NCPDP standard, including the LA MMIS implementation of the NCPDP Batch Standard v1.0, as well as the NCPDP Post Adjudication Standard or a State required proprietary format. Because MedImpact owns the system, changes requested by LDH receive the highest priority to ensure we meet or exceed the requested timeline for deployment. Access to MEP is provided through a HIPAA-compliant portal, with the MEP configured to comply with LDH-specific requirements. MEP also enables MedImpact to audit individual encounter records.

MEP allows for state-specific workflow customizations to accommodate state-specific submission, remediation, and reporting requirements. MEP activities include:

- Creation of LDH users within the administrative console of MEP
- Configuration of any specific changes for LDH
- Claim extraction
- Validation and generation of encounter files for submission
- Encounter file submission to LDH through SFTP (or other method as directed by LDH)
- Encounter file processing
- Receiving, loading, and processing files, and addressing any LDH or MCO disputed files
- Detailed and summary level encounter response file reporting
- Validation, generation, and correction of encounters for resubmission
- Archiving all approved encounters

MedImpact optimizes encounter data acceptance through frequent updates to eligibility and other time-sensitive data received from LDH and the MCOs, The Data Exchange team supports a number of proprietary formats for exchanging claim data and supporting other common integration needs. This team also supports all relevant, HIPAA-required interoperability standards, including:

- X12N 834 eligibility standard
- MedImpact Type 23 “Customer/Eligible Customer”
- MedImpact Type 24 “Member Attribute File”—supports OHI (other health information) / TPL, enrollee diagnosis, Managed care membership, and other enrollee attributes
- MedImpact Type 26 “Member Restriction Load”
- X12 837 Post Adjudicated Standard (Type 68 “Medical Data”)
- Custom file layouts where an industry standard does not exist

MedImpact collaborates with LDH and its vendors to establish system interfaces that conform to file layouts currently in use by LDH and the MCOs, unless otherwise directed by LDH. File transfers are established to enrollee eligibility, OHI, and TPL data at the frequency defined by LDH and the contracted MCOs. System interfaces are implemented based upon all relevant State companion guides and data exchange specifications.

EDI (Electronic Data Interchange) X-12 Claim Submissions (SOW 2.1.9.9)

Our POS claims and batch processing systems are available 24 hours per day, seven days per week, 365 days per year, and achieve nearly **100 percent uptime**. This is due to our N + 1 redundancy strategy that ensures every critical system component / node (N) has at least one independent backbone node / component (+ 1). This, coupled with use of widely-adopted, powerful software components, provides for stable, robust processing of claims.

MedImpact’s preferred claim processing method is on-line, real-time processing of claims submitted through claim switches in the NCPDP Telecommunication Version D.0 standard. NCPDP Batch Version 1.2 or NCPDP Subrogation Version 3.0 are our preferred batch claim standards. We strictly adhere to these NCPDP standards, as documented in the related implementation guides.

For providers required to submit claims in the X12 837P standard, MedImpact will perform bi-directional mapping of claims from X12 837P to NCPDP D.0, with claims responses mapped from NCPDP D.0 into the X12 835 format. Real-time X12 transactions will be translated and processed synchronously using real-time SOAP (simple object access protocol)-based Web services exposed from our Enterprise API Gateway. Batch X12 transactions are translated and processed using Informatica and our batch claims engine. Batch files are loaded within 24 hours of receipt.

In the event of an unplanned outage affecting real-time claims processing, the switches automatically return a properly formatted time-out response that incorporates expected recovery times to the pharmacy when no response is received from our systems. Regardless of submission method, MedImpact can and does test with trading partners, and provides ongoing support and training as needed to ensure compliance with defined processes and standards, and to ensure smooth claims processing operations. Payer sheets and claims templates, FAQs, training materials, and other related content are published on our provider portal.

MedImpact will encourage the use of EDI standards for claims processing, targeting Network providers that submit paper claims with written educational materials and other forms of outreach to promote the timeliness and accuracy of non-paper submissions. In no cases will MedImpact ever financially incentivize or disincentivize a network provider from using any accepted claims submission method.

Mandatory Generic Substitution (SOW 2.1.9.10)

MedImpact recognizes to the need to control the growth of brand name drug spending. Our POS adjudication system is programmed to evaluate a claim for a multi-source brand drug and requires a pharmacy to dispense the therapeutically equivalent generic product if the generic is available. The denied brand product can be programed to return an NCPDP reject code, such as 22 "M/I Dispense as Written (DAW)/Product Selection Code," to the pharmacy. MedImpact can return a detailed supplemental message with further instructions for the pharmacy at the request of LDH. If the prescribing provider indicates that the brand product is medically necessary, our system enables the pharmacy to resubmit the claim with a DAW (Dispense as Written) code of 1 to override the NCPDP denial code. If a generic equivalent is not market available, the pharmacy may resubmit the claim with a DAW code of 8 to override the NCPDP denial code. For brand drugs that are preferred over the generic equivalent, the pharmacy can resubmit with a DAW code of 9 to override the NCPDP denial code.

340B Drug Pricing Program (SOW 2.1.9.11)

MedImpact employs strategies to identify 340B claims in real-time, prospectively, and retrospectively. MedImpact allows 340B claims to pay from 340B providers on the LDH identified 340B covered pharmacies list. Our contracts with 340B covered entities include provisions requiring that these pharmacies submit the following NCPDP D.Ø fields for Medicaid enrollees to identify claims dispensed for drugs acquired under the 340B program:

- Submission Clarification Code = 20 (NCPDP field #42Ø-DK)
- Basis of Cost Determination = 08 (NCPDP field #423-DN)

MedImpact 340B functionality supports the submission of the codes above to identify these claims, route them to the appropriate carrier, and apply 340B pricing. In addition to any list provided by LDH, MedImpact can create and maintain a pharmacy panel based upon the HRSA (Health Resources and Services Administration) Office of Pharmacy Affairs MEF (Medicaid Exclusion File) that identifies 340B covered entities opting to carve-in Medicaid enrollees by dispensing drugs acquired through the program. Inclusion in this panel drives claims to 340B processing, including pricing of claims based upon state 340B pricing algorithms. MedImpact collaborates with LDH to develop a process to improve the quality of the MEF data through enhanced matching, along with other LDH-based efforts and initiatives related to 340B claim identification.

MedImpact does not discriminate against a 340B entity in a manner that prevents or interferes with an enrollee's choice to receive drugs covered under the 42 U.S.C § 256b agreement.

- **340B Drug Coverage**—MedImpact collaborates with LDH to identify and implement the preferred handling of pharmacy-reported 340B claims for non-covered entities.
- **340B Claims Pricing**—Contracts with 340B covered entities include provisions that require eligible providers to submit their actual invoice (340B) cost on their claims. Claims identified as 340B through one of the methods previously described are processed as 340B for pharmacy reimbursement. While we can support a variety of pricing algorithms, we typically recommend the following:

    - Ingredient cost—Lesser-of pharmacy-submitted ingredient cost (actual 340B acquisition cost) or 340B ceiling price
    - Dispensing fee—Applicable professional dispensing fee in accordance with LDH requirements for channel, pharmacy, drug, etc.

For 340B eligible entities, we can create and maintain a pharmacy panel based upon the HRSA (Health Resources and Services Administration) Office of Pharmacy Affairs MEF (Medicaid Exclusion File) that identifies 340B covered entities opting to carve-in Medicaid customers by dispensing drugs acquired through the program. We collaborate with LDH to develop a process to improve the quality of the MEF data through enhanced matching, along with other LDH-based efforts and initiatives related to 340B claim identification. MedImpact does not discriminate against a 340B entity in a manner that prevents or interferes with an enrollee's choice to receive drugs covered under the 42 U.S.C § 256b agreement. We collaborate with LDH to identify and implement the preferred handling of pharmacy-reported 340B claims for non-covered entities to distinguish between Carve-In Drug Claims, Professional Services Drug Claims and Carve-Out Drug Claims. Contracts with 340B covered entities include provisions that require eligible providers to submit their actual invoice (340B) cost on their claims.

Hepatitis C Direct-Acting Antivirals (SOW 2.1.9.12)

MedImpact is aware and understands LDH's innovative Hepatitis C Elimination Program. We will deny claims at POS for Hepatitis C direct-acting antiviral agents from 340B pharmacies included on the 340B provider list provided by LDH (or through the use of drug claim indicators). Claims for hepatitis C direct-acting antiviral agents 340B pharmacies not included on the list provided by LDH are not subject to this limitation and shall process as usual.

Utilization Management (SOW 2.1.9.13)

As part of the work plan, the requirements-gathering process begins with extraction of all information gleaned from the RFP scope of work, online program documentation, posted drug lists, PA criteria and forms, and any other accessible program data sources. MedImpact will facilitate necessary meetings to review the Implementation Questionnaire (requirements analysis document; RAD) to form the initial draft of our requirements documentation.

This assimilated information is separated into detailed tasks essential to achieving each requirement. **A standards manual is developed to guide all deliverables and to help ensure requirements, including benefit design, PDL, PA, and other utilization edits and audits, are met**. Upon completion of the initial draft, and within two weeks of contract signature, an Implementation Questionnaire session is conducted in collaboration with the LDH Implementation team. This joint collaboration helps to ensure all requirements are gathered, reviewed, and validated with LDH. In addition, **MedImpact will conduct comprehensive testing review sessions to confirm all LDH requirements are administered accurately.**

MedImpact develops and maintains a robust claims adjudication systems to stay compliant with NCPDP and HIPAA standards. Our systems are uniquely designed to provide our customers with best-in-class PBM service. At the direction of LDH and in collaboration with the contracted MCOs, our Account Management and Customer Support teams accurately and efficiently administer the Louisiana Medicaid pharmacy benefit design. **Our configuration system supports more than 1,000 configurable edits and processes that can be constructed to accommodate LDH pharmacy benefit design requirements.** For example, MedImpact can configure the system efficiently to return custom POS messaging that will encourage and redirect pharmacies to utilize preferred agents, in the event of claim rejection due to drug's non-preferred status. This feature is particularly popular within our managed Medicaid customers with a single PDL and is utilized heavily in our Kentucky Managed Medicaid Single PBM program where brand products are preferred over generics. This feature significantly reduces the amount of unnecessary PA requests and call volume, and lessens the provider administration burden without compromising PDL compliance. Furthermore, MedImpact's proprietary PA@POS system (automated/electronic PA) can evaluate drug utilization criteria including diagnosis evaluation (ICD-10) in both medical and pharmacy claims, prior drug history search (step therapy), and step-to-self (grandfathering), which once again reduces provider burden for submitting PA requests. Finally, MedImpact maintains complete documentation of all edits and configuration parameters within our configuration system. This listing is maintained on an ongoing basis in a consumable format and made available to LDH and others, upon LDH request. Our Account Management team, Government Program Services team, and Configuration team are equipped with the necessary knowledge to effectively monitor, identify, and present potential configuration improvement opportunities with LDH on a regular basis and can help LDH select the best configuration edits to meet all benefit design needs.

MedImpact devoted a significant amount of time and resources to become a pioneer in advanced clinical solutions. Our Opioid and DUR council created flexible edits that can support various state and federal regulations for opioids and controlled substances. These ProDUR edits, including cumulative MME (Morphine Miligram Equivalents) edit, will be introduced and explained in Section 2.1.13, Drug Utilization Review.

MedImpact has first-in-the-nation experience in administering a single PBM model with the Commonwealth of Kentucky. We understand provider concerns regarding fair and timely reimbursement. With our successful previous experience, MedImpact is confident in

administering and adjudicating pharmacy claims using pricing rules and algorithms directed by LDH. We can incorporate various price points (e.g., NADAC, MAC, WAC, AWP, ACA FUL, and U&C) into our reimbursement algorithm. Our system can display the price point used to determine final payment amount for each individual claim, as well as return this information to the pharmacy during the claims adjudication process. **This ensures transparency in pharmacy reimbursement and reduces overall provider dissatisfaction in reimbursement related issues**. Should providers have any additional questions about reimbursement, our team is always available to assist and provide guidance.

As the PBM processing and adjudicating pharmacy claims, MedImpact can receive all necessary data (e.g., medical claims, diagnosis, previous claims history, eligibility information) from the MCOs, LDH, or LDH's contractors, and store in our system for potential claim adjudication use, such as PA@POS, step therapy, ProDUR, and SUPPORT Act-related edits. In addition, we can send claims information and other necessary data (PA information, encounter data) to MCOs, as well as LDH at the frequency defined and in the format agreed to by LDH. In addition, MedImpact's system can support lock-in program activities, including receiving lock-in member files with multiple designated prescribers and pharmacies, accommodating LDH approved and directed lock-in program requirements, and allowing MCO authorized users to perform lock-in changes directly within our system, providing timely assistance to locked-in enrollees.

MedImpact's reprocessing application, MedAdjust, automatically processes mass adjustments of claims based upon claims selection using common filters, as well as by using a file of claims generated based upon any required criteria. MedAdjust is equipped to handle a variety of retroactive changes in data used for claim processing, based upon any parameters defined by LDH, including retroactive changes in pricing, eligibility, or benefit structure. MedImpact's Claims Quality team collaborates with LDH to determine what claims must be reprocessed and with what parameters. Procedures are implemented to help ensure all mass adjustment requests are performed at the direction of LDH following a review and approval process defined by LDH and MedImpact.

MedImpact's reprocessing application initially creates all adjustments in an offline environment. The outcome of these adjustments is reviewable in the user interface and additionally through summary and detail extracts, which provide complete information on all financial changes. Adjustments are only inserted into production upon approval of results. During this phase MedAdjust creates a unique claim transaction ID for every adjustment created. The claim also contains a flag indicating that it is an adjustment, along with a reference ID linking to the original claim.

POS Adjudication (SOW 2.1.9.14)

MedImpact provides a proprietary POS adjudication system that supports the critical needs and priorities of the Louisiana Medicaid program.

Enrollee Eligibility

MedImpact's enrollee eligibility file load process accommodates the loading of all enrollee-related data, using the X12N 834 standard and / or MedImpact's proprietary file specification, or a custom format mapped to the latter. Through this load process, we maintain Aid Codes and OHI information, along with scope and term of coverage information and a variety of enrollee attributes that may also determine scope of coverage.

MedImpact can receive and process enrollee eligibility files up to every 15 minutes. For LDH, we implement a daily schedule but can revisit the frequency of submissions at any time to adjust to LDH evolving requirements.

MedImpact configures the LDH hierarchical structures so that all MCOs are associated in our claims processing system for purposes of sharing the State's MAID (Medicaid identification number) to aggregate enrollee history across multiple eligibility spans. Historical and ongoing enrollment / eligibility files do not create separate enrollee profiles across multiple spans. During implementation, MedImpact works with LDH to determine the scope of use of enrollee history to help ensure proper processing (e.g., used for clinical purposes but not for financial/accumulation purposes).

Covered Drugs

MedImpact's claim processing solution utilizes HL7 lab data, ICD10 codes submitted on the prescription claim or retrieved from stored enrollee history, CPT codes, HCPCS codes, and DRG codes when adjudicating a claim to allow processing with minimal provider intervention. MedImpact can configure edits that allow claims to process without intervention and based upon rules and approval by LDH using attributes, such as specific diagnosis codes, diagnosis groupings, reject codes, severity levels, significance, restriction drug tables, and critical diseases.

MedImpact receives and applies all pricing files for claims processing in our DRF (Drug Reference File, or any other ancillary pricing file) tables to determine which of several methods to apply to a specific NDC. Within the DRF tables product codes, classifications and descriptions are updated with record effective dates and date timestamps in the event more than one update occurs on the same day. We update and maintain active and historical pricing files, including price effective dates, for evaluation and selection during claim adjudication. Our system selects and uses the most recent version of the product record, effective on the submitted claim's date-of-service, so the most current price records are used to determine the final price the claim.

Authorized LDH users can view online the rate histories for the current year, plus the previous three years, through the MedAccess application. Older records, up to 10 years, are stored securely on an onsite server, whereby MedImpact can deliver reporting and/or specific data upon request when needed.

MedImpact's adjudication system supports defining, configuring, and use of effective date using the NCPDP standard for multi-ingredient compound claims and encounters. The proposed system automatically selects and applies pricing rules for each compound ingredient to determine pricing and coverage. We provide a variety of options for compound processing, including:

- Coverage determinations
- Labeler validation
- Maximum dollar thresholds
- Pricing determinations

For ingredients not covered, pharmacies may submit Submission Clarification Code 8 and are reimbursed only for covered drugs within the compound. During the Implementation phase, MedImpact collaborates closely with LDH to determine the requirements for multi-ingredient compounds. LDH benefits from MedImpact's unified technology platform, which offers great latitude in creating and configuring pricing structures. A number of fee tables can be created and maintained, including multiple PA and drug product tables.

Prescriber Enrollment

Provider information (prescribers and / or pharmacies) submitted on the claim is first validated against the Medicaid Network (as provided by LDH and the MCO, per Q/A 109) and then checked for the provider enrollment status against our internal reference file (e.g., sanctioned provider). If the provider is not found in the network or not enrolled, we deny the claim. This edit includes customizable messaging options when a response is provided to the pharmacy. The messaging can either be sent on an approved claim or a denied claim.

Claim denials for provider enrollment may be overridden by a PA or SCC (submission clarification codes). PA overrides must be authorized or entered by LDH or authorized MedImpact staff. An SCC may only be submitted by the pharmacy and only if the pharmacy has verified that a provider is enrolled.

MedImpact applies edits to evaluate eligibility based upon the prescriber data. The following summarizes the various prescriber checks that MedImpact administers during the claim adjudication process:

- The pharmacy must submit a value in the prescriber ID qualifier field on the claim.
- The value submitted in the prescriber ID qualifier field must be 01.
- The pharmacy must submit a value in the prescriber ID field on the claim.
- The value submitted by the pharmacy in the prescriber ID field must pass the algorithm check for NPIs.
- The NPI must exist in MedImpact's database.
- The NPI must be the prescriber's individual (Type 1) NPI as opposed to an organization's (Type 2) NPI.

- The prescriber's NPI must be active as of the claim's date of service based upon the latest data from NPPES (National Provider & Plan Enumeration System).
- If MedImpact's data indicates the prescriber is deceased, the prescription written date must be prior to the death date and the claim's date of service must be within one year of the death date.
- The prescriber must not be actively sanctioned as of the claim's date of service, based upon the latest data from the OIG's (Office of Inspector General's) LEIE (List of Excluded Individuals and Entities).

If the claim is for a controlled substance drug (DEA Schedule II-V), MedImpact checks for the following:

- The prescriber's NPI maps to a DEA license.
- The DEA (Drug Enforcement Administration) license is active.
- The controlled substance is consistent with the prescriber's DEA Schedule registration.

Pharmacy Enrollment

MedImpact's provider functionality determines a pharmacy provider's eligibility to perform the services and receive reimbursement for the billed service on the date the service was provided, based upon the pharmacy provider files provided by LDH and the MCO, which is used to create the required network carriers and pharmacy panels required to process pharmacy claims. The following related determinations are made during adjudication:

- **Pharmacy Validation**—Verify the pharmacy is present in the NCPDP file based upon the submitted NPI; reject for non-matched pharmacy.
- **Carrier**—Verify inclusion in the network carrier associated with LDH on the date of service; reject for non-participating pharmacy.
- **Panel**—Determine if the pharmacy exists within a restrictive panel that limits dispensing for certain populations or lists of drugs; reject based upon edit type.
- **Excluded Provider Panel**—Identify if the pharmacy is on our excluded provider list, which incorporates exclusion data from state boards, state Medicaid programs, and the OIG LEIE list of excluded individuals and entities
- **Lock-In / Lock-Out**—Identify if the enrollee has any applicable provider Lock-In or Lock-Out restrictions that require the enrollee use a different pharmacy or prohibit the enrollee from using the pharmacy that is billing for the specific service.
- **PA / Other Overrides**—Identify any applicable PAs or other override types (e.g., enrollee attributes) that would bypass a pharmacy restriction.

Other types of pharmacy provider-related restrictions, such as special claim reviews, payment withholds, including withholds for delinquent taxes, or other limitations as instructed by LDH, can be accommodated through claims adjudication and financial/claim payment mechanisms, as required.

Provider functionality evaluates the claim to determine if the claim should approve or reject based upon the drug and submitted prescribing physician information, such as NPI number, a physician panel, the physician's DEA activity codes, the physician's practitioner type code, or the physician's taxonomy code. Some provider-related rejections can be overridden by the pharmacy by submitting the appropriate SCC, which confirms the pharmacy provider data submitted is active/valid, based upon the data available to them.

POS Drug Claims System Requirements (SOW 2.1.9.15)

As previously stated in our response to section 2.1.9.3, our POS claims systems are available 24 hours per day, seven days per week, 365 days per year, and achieve nearly 100 percent uptime. Our N + 1 strategy helps to ensure greater than 99.9 percent uptime across all application systems, near 100 percent uptime across all POS pharmacy claims payment systems and maintain 100% data center uptimes. As a result of this redundancy strategy, MedImpact maintains a zero scheduled maintenance downtime requirement.

MedImpact implements drug coverage criteria, as directed by LDH, based on rules, including age limits, clinical criteria, medications with maximum duration, quantity limits, and step therapy. Please refer to subsection 2.1.9.16 for detailed descriptions of drug edits. We provide to LDH flexible claims messaging options during POS adjudication. Messaging in the claim response provides the pharmacy with additional information to facilitate the pharmacy-to-enrollee interaction, which can include details regarding potential harm involved with dispensing medications, the rejection, and information on next steps. The majority of our edits return unique messages in the additional message information field in the claim response. Hard messages accompany a rejected claim, while soft messages contain information regarding an approved claim. Custom messaging can be hard or soft at LDH discretion.

Based upon direction from LDH, we adjudicate claims and either approve or deny the claim for specific reasons, such as no pharmacy benefit, drug not covered, unauthorized pharmacy or provider, or invalid NDC or other coverage. Given TPL information, MedImpact sends a response to inform the pharmacy to bill other coverage by sending the other payer's BIN, PCN, group, and cardholder ID in the "Response Coordination of Benefits / Other Payers" segment.

During implementation, MedImpact collaborates closely with LDH to determine the requirements associated with each claim adjudication edit rule and process. **Figure 1.8.8-T** outlines the top 20 high-level categories of edits applied at POS and that result in a claim rejection, along with the percent of total claims that encounter those edits.

Figure 1.8.8-T: 20 High-Level Categories of Edits Applied a POS

Edit Type	% of Claims with errors
Eligibility	3.18%

Edit Type	% of Claims with errors
RTS / Duplicate Claim	3.05%
Product Not Covered	1.88%
Incorrect Format	1.51%
Day Supply Limitation	1.12%
Product Non-Preferred	0.78%
PA Required	0.49%
Quantity Limitation	0.31%
COB Error	0.26%
Pharmacy Validation	0.26%
Billed Amount	0.23%
DUR Rejection	0.19%
Step Therapy	0.18%
Age Restriction	0.12%
Fill Limitation	0.11%
Paid Amount	0.09%
Prescriber Validation	0.07%
Compound Error	0.01%

MedImpact's pharmacy claim pricing capabilities support the complexities inherent in state Medicaid provider reimbursement methodologies, including government pricing procurement. The following government-supplied price indices are loaded to our POS adjudication system:

- NADAC (National Average Drug Acquisition Cost)
- ACA FUL (Affordable Care Act Federal Upper Limit)
- CMS FUL (Centers for Medicare and Medicaid Services Federal Upper Limit)
- ASP (Average Sales Price)
- AMP (Weighted Average of Average Manufacturers Price)

These price indices supplement our existing price types:

- Manufacturer-supplied
  - AWP (Average Wholesale Price)
  - WAC (Wholesale Acquisition Cost)
  - Direct price
- MedImpact and custom customer price points
  - MAC (Maximum Allowable Cost)
  - MAC customer custom
  - Other custom, externally maintained pricing schedules

We can map and load an unlimited number of additional custom MAC lists and price indices through a standard process. This enables us to support states that wish to maintain a regional, survey based AAC (average acquisition cost), state MAC-based reimbursement, or other reimbursement methodology. We can support LDH as its pharmacy reimbursement strategy evolves for local pharmacy providers, which will be reimbursed according to Louisiana R.S. 46:460.36 and the MCO Manual.

MedImpact supports the configuration and processing of complex reimbursement methodologies, referred to as price strategies, which allow for definition of:

- Pricing contexts that define the application of pricing rules based upon claim, drug, and provider attributes
- Multiple pricing sets to be interrogated during adjudication to arrive at a claim price
- Each set can include an unlimited combination of price indices
- Each price index can have a percentage markup / markdown applied
- Each set has a price selection method defined
- Lowest of—Compares all defined price indices to identify the lowest extended price
- Lowest of, including U&C (usual and customary)—Compares the defined price indices and the submitted U&C price
- First found—Calculates extended price for defined price indices in prioritized order, uses first found
- Price as—used when a single price index is applied
- An unlimited number of sets can be chained together, if required
- Alternative set can be used when the prior set yields no price
- Alternative set can be used when a required index is not available for a drug
- Pay-line definition (provider versus payer) to support differential / spread pricing if required
- Complementary structures to define dispense fees

Drug Claim Edits (SOW 2.1.9.16)

MedImpact acknowledges and agrees to adjudicate and report on all claims and pharmacy provider payments, in accordance with LDH-defined program policy, established reimbursement minimum fee schedules, State and federal statutes and regulations, and HIPAA. This includes the ability to establish adjudication rules customized for each LDH program by category codes, eligibility status, enrollee attributes (e.g., age, medical condition), drug or drug class (e.g., brand / generic status, drug coverage status, PDL status), Medicare/Medicaid dual eligible status, and other criteria specified by LDH.

MedImpact's proprietary claims adjudication platform / processing system is fully compliant with the NCPDP D.Ø claims processing standard and supports connectivity with each of the major switches, including RelayHealth, Change Health, and QS1, as well as direct paper claim entry. Adjudication results are controlled by data elements submitted by the provider, along with configurable adjudication rules, protocols, and processes defined during the implementation process.

MedImpact supports more than 1,000 configurable edits and processes that can be applied to administer the LDH pharmacy benefit design consistent with LDH requirements. MedImpact continuously enhances and refreshes these edits to accommodate state and CMS regulatory requirements changes, industry and clinical innovation, and customer requirements. MedImpact maintains complete documentation of the edits and configuration parameters, including which edits can be overridden by PAs, enrollee attributes, and pharmacy submitted overrides. This listing is maintained on an ongoing basis, in a consumable format, and made available to LDH and others upon LDH request.

Our claims engine captures information about how claims adjudicate, including benefit plan details, the edits applied and distinct claim-level adjudication codes, and/or claim attributes. This information is available for reporting purposes and through our MedAccess tool, enabling LDH and MedImpact to monitor and validate claims are adjudicating as expected. For claims that deny, MedImpact also returns and stores the appropriate NCPDP reject code.

MedImpact collaborates with LDH to define requirements for customized rules and thoroughly tests and reviews those rules prior to implementation. A sample of key functionality available for claim edits, validation, and processing is provided in **Table 1.8.8-U**.

Table 1.8.8-U: Sample Claim Edits, Validation, and Processing Functionality

Refill Too Soon	Duplicate Claim Rules
Prescriber Validation	NPI Validation
Pharmacy Provider Eligibility Determination	Authorized Provider Eligibility / Validation
Enrollee Eligibility Determination	Pharmacy Pricing
Cost Sharing Design	PA Rules
Diagnosis Specific Rules	Age Requirements
Product Referencing	PDL
Multi-ingredient Compound Processing	Quantity, Days' Supply, and Frequency of Service Rules
Benefit Restrictions	Medicaid Drug Rebate Program Labeler List Validation
Less-Than-Effective Drugs	CMS-Restricted Drugs
Sanctioned Providers	Unique Claim ID Generation
TPL	COB (Coordination of Benefits)
Dual Eligible Enrollees	Prescription Validity, Expiration, and Refills

Refill-Too-Soon

Claims determined to be filled too soon, based upon the previous dispensed supply of the same medication and LDH refill rules, are denied as a duplicate claim.

- Vacation
- Lost/Stolen/Destroyed
- Increase in Dose
- School Supply
- Others as directed by LDH

Duplicate Claim Rules

By default, our claims adjudication system does not allow duplicate claim approval. MedImpact employs the standard NCPDP best practices methodology for identifying true duplicates based upon a match against:

- Enrollee ID
- Pharmacy NPI
- Prescription Number
- Refill Number
- Date of Service
- Product ID (NDC)

Whenever the system identifies a true duplicate, the MedImpact response includes a D (duplicate) claims status, as well as the response segments and data from the original claim transaction. Duplicates are treated as we would other denials; they are never paid or invoiced. MedImpact commits to developing additional 'Possible Duplicate' edits within 90 days of the program operational start date, based upon requirements gathered from LDH during the implementation.

Enrollee Eligibility Determination

MedImpact configures the LDH hierarchical structures so that all MCOs are associated in our claims processing system for purposes of sharing the State's MAID (Medicaid identification number) to aggregate enrollee history across multiple eligibility spans. Historical and ongoing enrollment / eligibility files do not create separate enrollee profiles across multiple spans. During implementation, MedImpact works with LDH to determine the scope of use of enrollee history to help ensure proper processing (e.g., used for clinical purposes but not for financial/accumulation purposes).

PA Rules

PA rules can be operational / administrative or therapeutic / clinical. Operational PAs are pre-determined by the health plan (e.g., vacation / lost medication), while therapeutic PAs are authorizations that require medical review; such authorizations correlate to the medical necessity of a drug. Our claims adjudication system references all active PAs on the fill date for the drug and makes the appropriate decision to either approve or reject the claim. PAs are enabled for an enrollee and drug through use of the PA screen within MedAccess.

Diagnosis-Specific Rules

MedImpact offers ProDUR edits that allow screening for drug therapy concerns by high-risk diseases, as defined by LDH. For example, the ProDUR drug-disease contraindication edit uses ICD-10 codes submitted on the prescription claim or retrieved from stored enrollee history. Restriction tables (drug lists) can be applied to target screening for high-risk diseases.

We use drug Information vendor criteria to match drug-disease conflicts by severity. The drug-disease contraindication edit offers configuration options for various dispositions, per LDH's requirements. Possible outcomes include:

- Informational alert (message only to pharmacy, does not stop claim)
- Soft reject (denied claim, may be overridden by PPS (prospective payment system) codes)
- Hard reject (denied claim, may be overridden by PA)

In addition to the drug-disease contraindication edit, ICD-10 codes are used in a few other clinical edits specific to high-risk diseases, such as substance use disorders.

Age Requirements

MedImpact has several edits that use a variety of configurable parameters to either qualify the edit or determine the logic used to evaluate the edit for the requested drug. For example, a drug may not be permissible for enrollees of a certain age or a PA may be required if the enrollee is within a specified age range. Compendia dosing limitations based upon enrollee age, as well as our ability to create edits or leverage enrollee date of birth/age for specific customer-defined edits, are also applied.

Product Referencing

MedImpact currently references First Databank and / or Medi-Span product compendia during adjudication. MedImpact uses First Databank for product referencing and collaborates with LDH to determine other reference files, as required.

PDL Requirements

MedImpact currently supports several state Medicaid PDLs. We can consume and configure the State's PDL files, maintain changes, and add utilization management criteria. During adjudication, we reference the PDL and reject the claim for non-preferred products or product classes not covered by LDH's benefit. This edit has configurable message capabilities to return messaging to the pharmacy on the response whenever the claim is rejected. This functionality can also be overridden at LDH discretion.

Multi-ingredient Compound Processing

MedImpact's adjudication system supports the NCPDP standard for multi-ingredient compound claims and processes each ingredient to determine pricing and coverage status. MedImpact provides a variety of options for compound processing, including coverage distinctions based upon route of administration and level of effort, as well as maximum cost thresholds. An optional restriction edit can be used to ensure that only ingredients that are covered outpatient drugs/rebateable drugs are covered. For ingredients not covered, pharmacies may submit submission clarification code 8 and are reimbursed only for covered drugs within the compound. During the implementation phase, MedImpact collaborates closely with LDH to determine specific requirements for multi-ingredient compounds.

Quantity, Days' Supply, and Frequency of Service

MedImpact offers various options to support days' supply, quantity supply, and refill-too-soon limitations during claims adjudication. Because certain edits require claims history information to operate, each edit has historic utilization logic to accumulate and validate information from previous claims. LDH can define the drug history look-back window (e.g., three months, six months, one year) for each product edit situation. Accumulated days' supply can be implemented across multiple opioid prescriptions (short-acting/long-acting), Acetaminophen, and migraine therapy.

Benefit Restrictions

Various edits are available for configuration to set restrictions or allowances (if needed) that may apply to enrollees in hospice or long-term care, who may be at risk of abuse, or where other conditions apply. The following two instances represent examples of benefit restrictions, along with an example of when exceptions are permitted based upon an enrollee's situation.

Lock-In Restrictions

MedImpact can offer POS intervention limits coverage of frequently abused drugs for at-risk enrollees based upon a list of enrollees provided by LDH. The lock-in restriction overrides customer PDL and benefit coverage of addictive drugs by limiting access to specific drugs, amounts, pharmacies, or prescribers. This intervention is custom configured for each enrollee and is only overridable by exception (e.g., enrollee in hospice care).

Morphine Milligram Equivalent Allowance

MedImpact offers several advanced POS interventions to block an incoming claim when an enrollee's morphine milligram equivalent exceeds a configured threshold. Configuration options allow for specification of a hard stop threshold, a soft stop threshold, or both. These programs include:

- Opioid cumulative dosing
- Opioid single claim dosing
- Opioid naïve cumulative dosing

Exemptions to these programs include enrollees who are residents of a long-term care facility, in hospice care, receiving palliative / end-of-life care, or receiving treatment for active cancer-related pain or sickle cell disease. MedImpact collaborates with LDH to help ensure all requirements are met, thoroughly tested, and reviewed prior to implementation.

MDRP (Medicaid Drug Rebate Program) Labeler List Validation

Using an optional restriction edit linked to a MedImpact managed MDRP drug list that is built directly from the CMS quarterly MDRP labeler file, MedImpact validates the Medicaid rebate eligibility of pharmacy drug claims at point-of-sale. If the drug labeler is not listed on the most recent published CMS MDRP list, the claim denies, regardless of PDL status. Standard bypasses are available for vaccines and diabetic supplies. If a plan covers DME (durable medical equipment) supplies, a list of the covered supplies is used to create and apply a custom exclusion from the MDRP requirement. Any additional exceptions, such as over-the-counter drugs, may also be configured at LDH's request. For compound drugs, the program evaluates each ingredient for the MDRP status and deny claims based upon the status of any labeler of a drug in the compound.

MDRP (Medicaid Drug Rebate Program) Federal Financial Participation Validation

This optional restriction edit applies Federal Financial Participation data sourced from drug compendia to determine Medicaid rebate eligibility during the adjudication of claims. If a drug is determined to be ineligible for Medicaid rebates, the claim denies with a 'Drug Not Covered' reject, with additional, configurable pharmacy messaging. If coverage of any rebate-ineligible drugs is required by LDH or an MCO, a custom exclusion list of drugs can be applied. For compound drugs, the program evaluates each ingredient for Medicaid rebate eligibility. Federal Financial Participation data is updated weekly from drug compendia submissions.

Less-Than-Effective Drugs

MedImpact can reject a claim for drugs in the DESI (drug efficacy study implementation) program. The edit allows for configurable DESI indicator codes to be specified. If an NDC has a matching DESI indicator code, the claim is rejected with the appropriate NCPDP reject code to inform the pharmacy that the product or service is not covered, or it is a plan or benefit exclusion. This edit has customizable messaging options whenever a response is provided to the pharmacy. If we reject a claim for the DESI program and LDH wishes to override the denial, we (or LDH) can enter a PA override.

CMS-Restricted Drugs

MedImpact uses PPDL (pre-processing drug lists) to support the proper adjudication and reporting to designate payment for Medicare Part B, Part D, and Medicaid. These drug lists also include CMS restricted / non-covered drugs, which reject the claim at the POS.

Sanctioned Providers

MedImpact rejects claims for all actively excluded providers, where the term "provider" includes both physicians and pharmacies. LDH may override claim rejections for sanctioned providers through either of the following mechanisms:

- Plan sponsors may override the rejection by entering a PA
- If an excluded provider is granted a partial waiver either by the State Medicaid program or by the OIG, LDH may continue to approve claims by adding the provider to an 'override panel' in MedAccess.

Emergency Overrides

Administrative authorizations (overrides) are used to provide emergency supplies of medications. These overrides do not require professional consultation with a prescriber, prescriber office staff, nurse, clinical pharmacist, and other persons authorized to prescribe medications or other health care professionals. These overrides allow a 72-hour supply of medication, while the PA request is addressed.

Unique Claim ID Generation

Our POS claims adjudication system assigns all claims a unique 10-digit, numeric claim identification number. This number is also returned to the pharmacy in the NCPDP claim response status segment in field 503-F3, 'Authorization Number.' Whenever a claim is reversed, our system creates a new claim record with a unique claim identification number and a cross-walk to the original claim. In MedAccess, a user can easily navigate between the two claims by selecting the "reference claim" from the claim record. Additionally, the system stores any adjustments to a claim as unique adjustment claims; these are similarly associated to the original claim record to preserve the auditability of all records.

Prescription Validity, Expiration, and Refills

The system helps to ensure the prescription is not expired and the number of valid refills is not exceeded.

Third Party Liability (SOW 2.1.9.17)

MedImpact provides a TPL solution that is compliant with CMS regulations and that conforms with NCPDP guidance related to cost avoidance processing, including using either OPAP (other payer amount paid) or OPPRA (Other Payer Patient Responsibility Amount) methodology. In addition, we support accepting and comparing OPAP & OPPRA submission, commonly referred to as "Government COB." MedImpact staff are active participants in many NCPDP work groups or task groups, including COB Task Group supporting WG1 (Work Group 1): Telecommunication. Through this participation, we offer our insight and expertise, and benefit from that of others in the work group. We have developed Medicaid-specific COB edits that, when applied and configured for LDH, helps ensure program-specific requirements are met.

While pharmacies generally submit COB claims electronically, MedImpact offers both online and manual paper process options. In some limited cases, pharmacies may be required to submit paper COB claims; however, paper COB claims follow the same logic as online COB claims. We can customize the logic to comply with LDH policy.

For claims submitted to us as a secondary payer, MedImpact's COB processing requires that the number of primary payers match the number of active and effective OHI records on the customer eligibility record so that Medicaid is always the payer of last resort. This logic considers the position of the other payer through the sequencing of TPL records within our database.

MedImpact can configure its COB edits to accept or reject these other coverage codes for processing. We can also set additional customization options at the benefit coverage or group levels, including the following common configurations:

- Overriding COB cost avoidance processing for specified drug, customer, and provider classes (TPL exceptions), and flagging claims for pay-and-chase

- Charging or waiving the customer's copay or reduce it by the other payer paid amount
- Applying a payment limit to the amount that a COB claim covers

Pharmacies may submit other coverage codes on claims; MedImpact accepts them and adjudicates COB claims based upon LDH's preferred configuration. Routinely accepted other coverage codes indicating presence of a primary payer include:

- 02: Other Coverage Exists—Payment is collected
- 03: Other Coverage Exists—This claim is not covered
- 04: Other Coverage Exists—Payment is not collected
- 08: Claim is billing for a Copay—Claim is billing for enrollee financial responsibility only

Our unified technology platform captures the primary payer's TPL information, including co-payments, submitted on claims and apply during the time of claims processing.

For claims submitted for secondary payment, MedImpact's COB processing requires that the number of primary payers matches the number of active and effective OHI records on the customer's eligibility record so that Medicaid is always the payer of last resort. In the absence of any OHI on file, if the claim is submitted appropriately as a secondary claim, MedImpact processes the claim as secondary and capture and stores any and all TPL information submitted in the COB/Other Payers segment. MedImpact supports all three methods of COB claim billing, including OPAP, OPPRA, and government COB, in which both the OPAP and OPPRA dollar amounts must be submitted on the claim, if appropriate. Under the OPPRA COB claim billing method, the pharmacy must submit the claim with another coverage code of 8, to indicate that the pharmacy is billing for the customer's co-payment amount from the primary payer (or last payer prior to LDH). MedImpact uses this dollar amount as the total cost for the claim in determining any customer cost-sharing. MedImpact follows standard NCPDP guidance with respect to submission and processing of COB claims.

MedImpact coordinates with LDH and other stakeholders to share discovered TPL data to include the following:

- Insurance Carrier and Carrier Number (LDH number)
- Policy Number
- BIN and PCN
- Policyholder Name
- Effective date of coverage
- Source of information
- Date of information update

Additionally, MedImpact collaborates with all stakeholders to develop a process for the prompt removal of incorrect TPL information from individual eligibility records and / or from the individual profiles on other TPL systems. This includes working with the responsible party for

the source TPL data, including (but not limited to) contracted TPL identification system(s) and LDH systems.

Cost Avoidance and Pay and Chase

MedImpact's pharmacy POS platform supports the ability to identify, track, and report all cost-avoided amounts due to TPL coverage whenever a claim is denied due to TPL, or whenever a primary insurance payment impacts the Medicaid reimbursement amount. Strategic cost avoidance practices within our unified technology platform bring savings to LDH's program. If an enrollee's eligibility record has an active and effective OHI record, it triggers COB cost avoidance processing. A claim submitted to MedImpact as the primary payer, where enrollee OHI is present, is denied with NCPDP reject code 41 (Submit Bill to Other Processor or Primary Payer). Pharmacy claim responses include all available OHI detail, in accordance with NCDPD standards. This includes the BIN, PCN, group number, cardholder ID, and any other payer-specific data, when available. MedImpact can accept and message OHI data that does not conform to conventional standards for OHI. Providers may also contact our CSC (customer service center) for available member OHI information.

Our unified technology platform captures the primary payer's submitted TPL information, including co-payments or co-insurance, and applies these amounts during the time of claims processing. All coordination of benefit final price determination is calculated and compliant with NCPDP established claim cost balancing rules and guidance.

For claims submitted for secondary payment, MedImpact's COB processing requires that the number of primary payers matches the number of active and effective OHI records on the customer's eligibility record so that Medicaid is always the payer of last resort. In the absence of any OHI on file, if the claim is submitted appropriately as a secondary claim, MedImpact processes the claim as secondary and capture and stores any and all TPL information submitted in the COB/Other Payers segment. MedImpact supports all three methods of COB claim billing, including OPAP, OPPRA, and government COB, in which both the OPAP and OPPRA dollar amounts must be submitted on the claim, if appropriate. Under the OPPRA COB claim billing method, the pharmacy must submit the claim with another coverage code of 8, to indicate that the pharmacy is billing for the customer's co-payment amount from the primary payer (or last payer prior to LDH). MedImpact uses this dollar amount as the total cost for the claim in determining any customer cost-sharing. MedImpact follows standard NCPDP guidance with respect to submission and processing of COB claims.

MedImpact does support automated overrides of cost avoidance for specified drug, enrollee, and provider classes in support of CMS-mandated and LDH-required exceptions, with available claim reporting, in specific, defined "pay and Chase", "wait and see", and other LDH approved exceptional situations. This alternate COB processing may require enrollee-specific identification in enrollment information supplied by LDH.

Post-Payment Recoveries

MedImpact can support provider-related restrictions and payment withholds in a variety of ways. First, a restriction can be placed in our claims adjudication system to deny claims from specific pharmacies for all or some enrollees or drugs. This restriction is entered with additional notes describing required follow-up, for use by Customer Service Center (CSC) staff, and can be accompanied by messaging requesting that the provider call the CSC for additional information related to the restriction. Restrictions can be future effective dated, accompanied by written notification to providers, and removed upon the request of LDH.

MedImpact can create a receivable within ERP (enterprise resource planning) system, Oracle E-Business Suite to offset future claim payments. Our system can manage a variety of payment terms, generate necessary invoicing, and account statements, and calculate interest, if required. Receivables may be satisfied by future claims processed, payments rendered by providers, or adjustments made at the request of LDH. Reporting can be provided to LDH related to receivable balances, payments, and adjustments. If required, inquiry access can be provided to LDH to support inquiry of receivable activity.

At LDHs direction, we initiate receivable activities for providers with outstanding recoveries within 60 calendar days after the end of the month in which the TPL is identified. Recoveries are pursued for 10 months after the date of service of the TPL claim, unless otherwise directed by LDH. Providers have 60 days from the date of any written notification to rectify the outstanding recovery to dispute the claim disposition. MedImpact will comply with any subpoena that requires us to produce documents pertinent to by the return date indicated therein.

Claim restrictions and payment withholds are administered by our pharmacy network or Finance departments, in coordination with the LDH Account team and the contracted MCOs, and only with express written instruction from LDH. We work with LDH to establish processes and procedures for managing all related provider restriction and payment withhold activities.

LDH Right to Conduct Identification and Pursuit of TPL

MedImpact understands that LDH reserves the right to pursue TPL recoveries.

Coordination of Benefits

Our Medicaid COB process is dependent upon maintaining enrollee OHI data. MedImpact maintains this data for enrollees through multiple methods, including:

- In an X12N 834 eligibility File submission
- In a custom or MedImpact proprietary TPL file submission
- Through an inbound message queue via HTML (Hypertext Markup Language) or XML payload
- Manual maintenance via the MedAccess interface

During implementation, we discuss with LDH its desired method(s) and capture the necessary requirements. MedImpact is prepared to implement one or more of our existing methods or develop a new TPL interface to LDH specifications.

MedImpact's claim adjudication system maintains a complete audit trail of processing date / timestamps, submitted claim data, claim response data, and all claim edits applied in the adjudication of a claim. There is full traceability of each claim through the adjudication process, with internal claims auditing processes that meet the requirements of state and federal agencies for completeness and accuracy.

If an enrollee's eligibility record has an active and effective OHI record, it triggers COB cost avoidance processing. A claim submitted to us as the primary payer, where OHI is present, is denied with NCPDP reject code 41 (Submit Bill To Other Processor or Primary Payer). Pharmacy responses include all available OHI, in accordance with NCDPD standards. This includes the BIN, PCN, group number, cardholder ID, and any other payer-specific data, whenever available. MedImpact can accept and message OHI data that does not conform to conventional standards for OHI. Providers may also contact our CCSCSC (customer service center) for applicable OHI information.

For claims submitted to us as a secondary payer, MedImpact's COB processing requires that the number of primary payers matches the number of active and effective OHI records on the enrollee eligibility record so that Medicaid is always the payer of last resort. This logic considers the position of the other payer through the sequencing of TPL records in our database.

In rare instances where there may be state-sponsored coverage that is effectively secondary to Medicaid, a sequence number applied to that record indicates this unique circumstance and ensures that coverage is not included in the primary payer count. This count is used to verify that all primary payers are accounted for in the claims submission before the Medicaid plan makes a secondary or tertiary payment. Whenever the number of primary payers is less than the OHI count, MedImpact denies the claim with NCPDP reject code 41 (Submit Bill To Other Processor or Primary Payer).

Pharmacies may submit other coverage codes on claims; MedImpact accepts them and adjudicates COB claims, based upon LDH preferred configuration. Routinely accepted other coverage codes indicating presence of a primary payer are as follows:

- **02: Other Coverage Exists**—Payment is collected. This indicates the claim is being billed as a secondary claim, and the primary insurer(s) has approved and paid the claim. Whenever the pharmacy submits OCC (other coverage code) 2, it must also submit the amount that the other payer(s) has paid (NCPDP field 431-DV) and the amount of enrollee responsibility (NCPDP field 351-NP).
- **03: Other Coverage Exists**—This claim is not covered. The primary insurer has rejected the claim. When submitting OCC 3, we require the pharmacy to submit the NCPDP

rejection code(s) (472-6E) from the primary claim; we validate this code to determine if it is a valid and LDH allowed reject code.

- **04: Other Coverage Exists**—Payment is not collected. The claim is secondary, and the primary payer has approved the claim and has paid nothing (e.g., the enrollee has a 100% copay benefit or is still in deductible coverage range). Whenever the pharmacy submits OCC 4, it must also submit the amount that the other payer(s) has paid (NCPDP field 431-DV) as 0.
- **08**: **Claim is billing for a copay** – Claim is billing for enrollee financial responsibility only. The claim is secondary, and the primary payer has approved the claim. The submitter is providing only the remaining enrollee responsibility.

MedImpact can configure its COB edits to accept or reject these other coverage codes for processing. We can also set additional customization options at the benefit coverage or group levels, including the following common configurations:

- Overriding COB cost avoidance processing for specified drug, enrollee, and provider classes (TPL exceptions), and flagging claims for pay-and-chase
- Charge or waive the enrollee's copay or reduce it by the other payer paid amount
- Apply a payment limit to the amount that a COB claim covers

Optional overrides of primary insurance requirements are available to LDH, if desired. The following override methods are available:

- Appropriate NCPDP reject codes in pharmacy COB submission as evidence the drug is not covered or that the enrollee is not eligible on the date of service
- PA managed through our Customer Service Center can be created to override a denial if necessary
- Automated overrides for specified drug, enrollee, and provider classes in support of CMS-mandated and LDH-required exceptions

Our acceptance of submitted overrides assumes that pharmacies are acting in good faith to bill primary payers. MedImpact reports identify pharmacy outliers—those with an exceptional number of overrides based upon a configured threshold. Our Claims Review department reviews the reports and potentially refers pharmacies for communication, education, and possible consideration for a pharmacy audit.

MedImpact supports all three methods of COB claim billing, including OPAP, OPPRA, and government COB, in which both the OPAP and OPPRA dollar amounts must be submitted on the claim, if appropriate. Under the OPPRA COB claim billing method, the pharmacy must submit the claim with another coverage code of 8, to indicate that the pharmacy is billing for the customer's co-payment amount from the primary payer (or last payer prior to LDH). MedImpact uses this dollar amount as the total cost for the claim in determining any customer cost-sharing. MedImpact follows standard NCPDP guidance with respect to submission and processing of COB claims.

MedImpact identifies enrollees with Medicare eligibility and maintains a dual status / category to determine how COB processing occurs. For all enrollees with dual eligibility, claims are cost avoided. COB claims are processed through our Medicare Part D drug eligibility logic, which uses validated Part D and Part B drug lists to determine if a drug is covered under Part D, and then assesses drug eligibility for coverage under Part B. The latter sub-process evaluates known enrollee diagnosis (ICD-10), either on file or submitted on a claim. If there is a qualified Part B diagnosis on the date of service for the submitted drug, the claim is processed as Part B. If a drug is found to be covered under Part D but not Part B, the claim is denied with NCPDP reject code 70 (drug not covered) unless otherwise directed by LDH. Part B overrides via manual PA are available in instances where other evidence of Part B eligibility can be provided.

Once a drug is determined to be Part B eligible, MedImpact applies the appropriate Medicare cost-sharing payment method based upon CMS requirements and state options. This can be configured based upon dual category to help ensure payment is made only when required and only up to defined limits. For example, LDH can choose to limit payment based upon the Medicaid rate. Both OPAP (other payer amount paid) and OPPRA are required on these claims. MedImpact reimburses the lesser of the OPPRA or the Medicaid rate minus the Part B rate (OPAP + OPPRA). We reimburse $0 whenever the Medicaid rate is less than the Part B rate. MedImpact's adjudication platform flags all crossover claims to facilitate differentiation from other claims and allow separate reporting of COB and Medicare payment amounts to LDH.

Paper Drug Claims (SOW 2.1.9.18)

Paper claims are mailed to our centralized facility for processing, where they are handled in a secure mail room. MedImpact's media production assistant opens all mail, including paper claims and other sensitive communications, date-stamps, scans, and uploads materials, and routes them for handling within one business day. This is performed to help ensure an official record is stored and retrievable in an electronic format. All document images are inspected to help ensure the quality of the image, as well as the legibility of the image content. Original claim documents are filed securely for potential future reference.

All imaged claims are stored in our IBM Content Foundation (FileNet) system in formats compatible with the most current applicable standards of the AIIM (Association for Information and Image Management). IBM Content Foundation (FileNet) version 5.2.1.6 is fully WCAG 2.0 AA, U.S. Revised Section 508, and European Standard EN 301 549 conformant, and are fully accessible to persons with disabilities. They can be viewed by authorized users, including MedImpact and LDH, in the MedAccess application.

Imaged claims are routed to our paper claims processing unit, where they are reviewed and tracked by the intake coordinator. They are sorted and prioritized, based upon contractual and regulatory turnaround time requirements. MedImpact internal standards are 14 days from receipt to adjudicate enrollee claims and 30 days from receipt to adjudicate pharmacy paper claims; however, we can accommodate service levels of less than 10 days for all claims.

In the event MedImpact receives an incomplete or invalid paper claim request for payment, it typically places up to two outbound telephone calls to the pharmacy to obtain the required information. If we can obtain all required data elements through outreach to the pharmacy, we accept and adjudicate the claim; this step can be bypassed, if desired. In the event we are unable to obtain the necessary information within one business day, we mail a notification to the enrollee or provider, in a format approved by LDH, indicating why the claim is being returned. Our standard notification includes a description of the required information that is missing to enable the enrollee or provider to locate and resubmit a complete request.

MedImpact can accept paper claims in a NCPDP D.Ø UCF (Universal Claim Form), our standard DMR (direct enrollee reimbursement) template, or any other format that LDH requires that meets minimum data requirements. MedImpact adjudicates all claims, including paper claims, through our proprietary claims adjudication system. Every claim must pass system edits, including validation of provider and enrollee eligibility, timely filing validation, refill too soon, and duplicate claim checking. Every paper claim entered is subject to a test adjudication before finalizing the claim. This allows our processor to determine errors the claim may encounter during adjudication and whether the minimum data validity requirements are met.

Because paper claims are subject to the same edits as online claims and follow the same process, unless there are applicable authorizations in place, claims received from enrollees or providers with the same date of service for the same product (generic ingredient, dose, route, strength, and form) as a previously paid claim are denied as 'Refill Too Soon.' If a prescriber or pharmacy is out of network, the claim denies; however, the paper claims system allows for payment of emergency claims.

Drug Claim Audit Logs (SOW 2.1.9.19)

There is full traceability to the specific instance of an edit applied during the adjudication of a claim based on the claim and edit timestamps. All configured edits are recorded with start and end dates, added and updated user IDs, and timestamped to assure a complete audit trail.

All back-end data load activity (for example, CMS rate files; claim files; POS files; Healthcare Common Procedure Coding System; Treasury Bill rates; NCPDP; HCPCS crosswalk; Unit of Measurement conversion; exclusion file; labeler; and provider files are date- and time-stamped. This imported activity data is then stored in the database and can be viewed from the user screens. A notification is also sent to a designated distribution list whenever all back-end processes are completed. The 'Note' field tracks and maintains notification activity within the database.

Information critical to security is collected, correlated, and analyzed by a third party SIEM (Security Information and Event Management) system. This information is reviewed in real-time 24 hours per day, seven days per week at the AT&T SOC (Security Operations Center). Any suspicious activity is reported immediately and tracked to ensure timely remediation. Non-

system related compliance violations are managed by MedImpact's Compliance department and privacy officer.

System Documentation (SOW 2.1.9.20)

MedImpact understands that optimal operation of the pharmacy POS solution for LDH requires the correct functionality of systems. End user system documentation provided to LDH and its stakeholders illustrates top-level system navigation flows, key processes, reporting, and more. User manuals are designed as desktop/online references for onboarding new staff and during the initial period following system production releases.

Among the multiple workshops held following the project kickoff, MedImpact facilitates meetings with LDH subject matter experts to review requirements for user and system documentation from each functional area. These meetings confirm our documentation aligns with project deliverables and provides usable and meaningful information to LDH.

While implementing our baseline project management toolsets prior to the overall solution implementation, we review and fine-tune the system documentation to improve the value delivered to LDH and its stakeholders. During implementation, we incorporate the system documentation with LDH-specific requirements, standards, and business rules to create a comprehensive suite of pharmacy POS solution-specific documentation.

While our extensive library of customizable standard reports, dashboards, and user-friendly ad hoc reporting capabilities provide our customers with extensive access to data, equally important are the online training and support programs and materials we provide. Both self-paced online tutorials and live instructor-led training are available online. These online trainings are completely customizable, and users have the option to record the courses for review after training. Additionally, LDH users can continue to access the trainings and explore applications. Training topics include running, creating, saving, sharing, and scheduling reports and custom queries. All training participants and MedOptimize users receive instructive use manuals, practice exercises, data dictionaries, report catalogs with descriptions and samples, as well as a library of brief targeted video tutorials on specific features and topics.

MedImpact's online pharmacy POS training programs provides the flexibility necessary to log on from multiple devices, affording users the ability to train from nearly anywhere. The MedImpact team is available to field any questions regarding use of our system or regarding any reports. Users also receive certification, assuring they are adequately trained and able to master the skills necessary to support the pharmacy POS program. Our train-the trainer programs enable eventual self-sufficiency for LDH staff. Training is tailored to meet the specific needs of LDH and to help ensure the successfully delivery of program services.

MedImpact assures user and system documentation remains current and available for UAT (User Acceptance Testing) as all upgrades and new release are applied to the pharmacy POS during operations. Our technical writers work with base content for the documentation and

customize it during the early stages of DDI with LDH-specific content. The documentation is then delivered prior to UAT/training activities. As part of its documentation and training materials review and testing processes, MedImpact identifies users to participate in reviews and usability testing of materials. Users are asked to participate and to provide us with specific, actionable feedback on the ways in which we can improve the materials to address any barriers they encounter in using the materials. If the magnitude of the change is significant, users are asked to re-review the materials to verify we made the appropriate corrections.

User and system documentation is provided to LDH through a shared secure repository, SharePoint, available to MedImpact and LDH staff. SharePoint features user-friendly, easy access to LDH's needs for user and system documentation with version control to help ensure security. We collaborate with LDH to determine access levels for certain user rights according to user roles.

Online Help features within our unified technology platform are vital to a well-informed, up-to-date knowledge base for LDH and MedImpact users. Because the portals from which users obtain Help information are online, MedImpact continuously updates any content where applicable for the pharmacy POS program.

LDH users and stakeholders are afforded online access to Online Help, policy and procedure manuals, user manuals, and informing materials, including any recent outbound communication requiring assistance or understanding through our MedAccess and MedOptimize applications. Help screens are menu-driven, with embedded links or hover prompts on the various screens, providing a search function that enables users to quickly locate information and resources on the pharmacy POS system or Intranet.

Defect Management (SOW 2.1.9.21)

Problem-solving for issues that may arise with the pharmacy POS module or within our unified technology platform serves as the basis for continuous improvement and learning among MedImpact team and LDH stakeholders. Our overall procedure for problem resolution and exception handling centers around our implementation manager's monitoring of all relevant tasks and issues, and soliciting progress reports from assigned resources. MedImpact's methodology is characterized by defined lines of communication, roles and responsibilities, and span of control parameters. Within this methodology, issue escalation procedures exist that define the appropriate means for identifying the need for escalation and the procedures for elevating the issue to the next level. Issues at any level can escalate to a risk. Issues escalate to a risk when the timeframe originally identified for issue resolution is exceeded, or when the resolution affected is unsatisfactory. Onsite MedImpact management, as well as executive management, is available to expedite resolution of mission-critical issues. An effective resolution process is necessary to verify issues are resolved in the most expedited manner to minimize the effect on the project. MedImpact's problem resolution process incorporates the following steps:

- Categorize the severity level of the issue and prioritize accordingly
    - Critical–A significant failure of service that caused significant disruption to operations. The customer is notified within one hour of a reported issue and resolution updates are provided hourly.
    - High–A degradation of service that caused moderate disruption to operations. The customer is notified within four hours of reported issue and resolution updates are provided hourly.
    - Medium–A degradation of service that caused partial disruption to operations and has a possible workaround. The customer is notified immediately after issue is reported and resolution updates are provided daily.
    - Low–An isolated incident or issue that does not cause a disruption in service and has little to no impact on operations. The customer is notified immediately after issue is reported and resolution updates are provided as requested.
- Determine the user impact of the issue
    - Complete
    - Widespread
    - Localized
    - Isolated
- Identify and collaborate with appropriate entities to determine optimum resolution
- Define resolution activities
- Select the most appropriate resource to execute resolution activities
- Assign individual responsibility for resolution
- Specify resolution date
- Monitor the resolution process, adjusting resources and timeframes, as needed
- Document the resolution
- Communicate the resolution to concerned parties

As part of the project management plan deliverables, MedImpact provides a sub-plan regarding issue/problem management, which is reviewed and approved by LDH.

Covered Drug List (CDL)/Preferred Drug List (Single PDL) (SOW 2.1.10)

- Covered Drug List (CDL) / Preferred Drug List (Single PDL): Describe in detail how the Proposer will operationalize and maintain compliance with the Single PDL and prior authorization requirements.

In close collaboration with the State, MedImpact maintains the requirements of the LDH Covered Drug List (CDL), which includes all drugs considered medically necessary for enrollees under the age of twenty-one (21). As directed under 42 USC §1396r-8(d), our point-of-sale

system can be setup to exclude drugs, including weight loss; sexual dysfunction; infertility; cosmetic purposes or hair growth; compounds; experimental drugs; drugs included in the reimbursement to an inpatient facility; nonprescription or OTC drugs; and non-rebate-eligible drugs unless otherwise noted in the State of Louisiana Bureau of Health Services Financing Pharmacy Benefits Management Services Manual or as directed by LDH. **Vaccine coverage can be applied with an administration fee, as directed by LDH, to all FFS covered vaccines, such as COVID-19, influenza, and hepatitis A and B. Age limitations can also be applied, as directed.**

As directed by LDH and FDA guidance, MedImpact implements appropriate claim rejects for drugs in the DESI (Drug Efficacy Study Implementation) program. The edit allows for configurable DESI indicator codes to be specified. If an NDC has a matching DESI indicator code, the claim is rejected with the appropriate NCPDP reject code to inform the pharmacy product/service not covered, plan/benefit exclusion. This edit has customizable messaging options whenever a response is provided to the pharmacy. If a claim is rejected for the DESI program and LDH wishes to override the denial, a PA override can be entered.

MedImpact is experienced in the concept of state-managed single PDLs and currently supports several state Medicaid programs that use single PDLs. We can consume and configure states' PDL files, maintain changes, and add utilization management criteria. During adjudication, we reference the PDL and reject the claim for non-preferred products (without an approved PA) or product classes not covered by the LDH benefit. This edit has configurable message capabilities to return messaging to the pharmacy on the response whenever a claim is rejected. The system can be setup to display PDL status at a drug claim and NDC level. The functionalities can also be overridden at LDH discretion.

MedImpact has a wide variety of POS edits that can manage PDL configuration effectively yet flexibly. MedImpact's claims processing system can utilize pharmacy and/or medical claims data such as enrollee health conditions or diagnoses to automate PA decisioning, for PA required medications, during claims adjudication. PA edits provide for optional, configurable POS messaging, with the ability to incorporate the expiration (termination) dates for approved authorizations applied in pharmacy claims adjudication. This messaging can be returned within a configurable period prior to PA expiry to inform/support prospective reauthorization.

MedImpact can customize edits at a MCO level to provide drug coverage for value-added products. Specific formulary edits allow for tier stamping for a list or lists of drugs. Tier values and descriptions are customer-specific and captured on claims for back-end processing. Tier values are used to identify value-added products in support of ICN population on pharmacy claim encounters, and also to support more granular reporting within our MedOptimize reporting system.

We follow LDH and CMS guidance regarding the coverage of self-administered and physician-administered drugs at the POS. Unless otherwise directed by LDH, we cover self-administered drugs at POS using the usual method of administration guidance provided by CMS. Rebate-eligible physician-administered drugs are treated as a pharmacy benefit and reimbursed at the

rate that appears on the LDH fee schedule. In the event the physician-administered drug does not appear on the LDH fee schedule, the appropriate POS payment algorithm applies.

Based upon the recommendations of USPSTF (U.S. Preventative Services Task Force), HRSA (Health Resources and Services Administration), and the CDC/ACIP (Advisory Committee on Immunization Practices), MedImpact has identified medications to be covered under the pharmacy benefit, without copayment, in the following categories:

- Anaphylaxis therapy
- Anticoagulation/antiplatelet
- Asthma/ chronic obstructive pulmonary disease
- Cancer prevention
- Cardiovascular disease/hyperlipidemia/hypertension
- Diabetes
- HIV prophylaxis
- Osteoporosis
- Vitamins (pediatric and adult)
- Selective serotonin reuptake inhibitors
- Blood glucose meters

During our requirements-gathering phase, we ensure that our preventative care/safe harbor initiatives align with LDH, such as applying copay exemptions, and will make any modifications, as directed.

Preferred Drug List

Prior to implementation, our team consults with LDH and gathers business rules and requirements from LDH and the FFS PBM to build the PDL benefits. During maintenance, the pharmacist and / or specialist consults with LDH on any changes to business rules that require system updates. MedImpact will ensure the pharmacy benefit and PDL are set up and maintained uniformly across all MCOs in the POS adjudication system as specified by LDH.

MedImpact uses its PDL management tool to load and maintain the LDH PDL. Our formulary tool integrates directly with our POS claims platform and can accept PDL updates as often as daily. Our claims processing system reads the formulary coding in conjunction with pharmacy benefits. Whenever a claim is submitted, our system uses detail within the formulary tool to apply logic and determine the next action for the claim. MedImpact tags the claims record with any attributes received during adjudication.

The clinical pharmacist assures benefit changes are implemented and active within three business days of receipt or the effective date of the change, whichever is later, unless otherwise approved by LDH. Once changes are identified and evaluated, the pharmacist provides coding directions to the specialist. The pharmacist performs a quality check, approves, and moves the coding edits into the production environment. The complete PDL and any updates or changes

are available to providers and enrollees on MedImpact's website and portals with additional links to the LDH website. If an enrollee requires a printed version of the PDL, MedImpact provides the PDL, upon request, at no charge to the enrollee, in accordance with the guidelines in RFP Section 2.1.27.

PDL Changes

MedImpact collaborates with LDH and designated LDH vendors to participate in and contribute to the bi-annual, on-site P&T (Pharmaceutical and Therapeutics) Committee meetings. The clinical pharmacist and appropriate MedImpact staff will attend the meetings on-site in Baton Rouge. All PDL changes resulting from the P&T meetings will be implemented by January 1 and July 1 of every year, unless otherwise directed by LDH. MedImpact staff will also meet with LDH and other LDH-specific contractors at least quarterly to review new drugs to market and support LDH in implementation of PA criteria, when needed. Prior to implementation, a comprehensive benefit configuration change package, subsequent to P&T meetings and final approval by LDH, will include all of the changes from the meeting and an evaluation of enrollees who may be impacted by the proposed PDL changes. The flexibility of MedImpact's adjudication systems enables us to configure at least a 60-day override for those specific enrollees who may be adversely affected by the proposed PDL changes, when necessary and directed by LDH. P&T changes are entered into the PDL maintenance application for the date of the implementation and a test file is run for that day. The file is then reviewed and approved by LDH.

We provide frequent communication to our customers around industry trends and the clinical pipeline. We use tools such as the MedConnect™ newsletter that provides information on emerging pharmacy trends to assist with proactively managing prescription drug programs, including identification of new drugs entering the market. We offer to all of our customers the comprehensive Clinical Pipeline quarterly report of significant drugs and biologicals in the development pipeline seeking FDA approval within the next 12 to 18 months that are most likely to be of high impact in utilization, cost, and benefit coverage. MedImpact can add new drugs entering the marketplace in PDL therapeutic classes as non-preferred until the P&T Committee reviews the drug, unless otherwise directed by LDH. We can also work in concert with LDH and other LDH-specific contractors to determine if the addition of new therapeutic classes and associated edits are appropriate based on the quarterly report.

MedImpact has a variety of solutions to facilitate preferred brand-over-generic products (such as Adderall XR®). Once LDH notifies MedImpact on the weekly PDL file or through a benefit change request that it prefers to cover a branded drug over its generic equivalent, we can configure our system to not only bypass mandatory generic substitution requirements and pay the claim using the brand reimbursement methodology, but also configure point-of-sale edits (such as returning supplemental messaging) to direct the pharmacy to dispense the preferred brand without requiring the provider to indicate in writing that the branded product is medically necessary.

PDL Compliance

With the current processes and reporting in place, MedImpact is confident in our ability to meet or exceed ninety-two percent (92%) PDL compliance overall, as well as with brand-over-generic processing. The detailed reporting package we offer to LDH includes a monthly Top N Drugs report that provides key statistics on LDH's top utilized drugs by brand / generic name, label name, NDC, drug class, therapeutic class, or manufacturer. The flexibility of the MedOptimize reporting system allows report results to be optionally grouped at the selected plan hierarchy and constrained by prescriber, pharmacy, drugs, and more. Uses for this report include monitoring drug utilization and adherence to PDL; identifying opportunities for intervention programs; and examining your cost and volume outliers. In addition to the Top N Drugs report, a quarterly PDL Compliance Rate Report is provided to LDH to further analyze PDL compliance. Our robust reporting capabilities within MedOptimize enable us to effectively monitor PDL performance and demonstrate to LDH our compliance to the PDL and brand-over-generic list.

Our claims adjudication systems are highly configurable and adaptable which allows configuration to full automate the Transition of Care (TOC) program at point-of-sale. The system can identify enrollees who are new to the MCO and permit continuity of care coverage of NPDL drug for a period of 60 days. To ensure continuity of care, if an enrollee transitions between the MCOs with a currently approved PA, we can also configure our systems to honor the PA throughout the duration of the authorization.

Prior Authorization

MedImpact has reviewed the instructions in the LDH MCO Manual, and we are confident our PA program aligns with LDH requirements. Our PA program is compliant with 42 CFR §438.3(s)(6) and we meet or exceed the PA resolution requirements detailed in Section 1927 of the Social Security Act.

MedImpact's PA program provides a uniform PA process to serve all MCOs equally. Our powerful PA rules engine correctly identifies drugs that require PA and distinguish between non-preferred drugs that require PA and preferred drugs that require a clinical override. The flexibility of our PA rules engine enables us to program unique customer requirements, such as exempting HIV / AIDs drugs from PA, in accordance with La. R.S. 46:153.3(C)(1). MedImpact understands that the application of PA or step therapy criteria may not be more restrictive than FFS PA criteria or disadvantage the selection of preferred agents over other agents within the same therapeutic class. We will ensure our programming is meticulous in the application of LDH requirements.

As required by Louisiana R.S. 46:460.33, providers are required to use the Louisiana Uniform Prescription Drug PA form when submitting a PA for specialty drugs, such as Hepatitis C Direct Acting Antiviral Agents, Spinraza, and Synagis. MedImpact agrees to comply with all federal

laws and regulations and LDH-approved PA criteria, regulations, and policies when reviewing PAs and granting PA decisions. We ensure exemption from PA for dosage changes and approval for PAs for enrollees currently using an NTI (Narrow Therapeutic Index) drug is correctly programmed, at the direction of LDH. While MedImpact monitors the FDA (Food and Drug Administration) MedWatch List-Serve, we do not require or consider a MedWatch form when a provider is requesting a PA for a branded product.

Our PA platform is a real-time, intuitive, web-based PA solution that simplifies and streamlines PA decisions by immediately updating our claims platform to allow real-time claims adjudication. The PA platform is an effective tool to help our team help ensure LDH enrollees receive appropriate access to medications, without raising the costs for Medicaid. The PA platform will be linked to the LDH PDL. Using an automated rules engine, the system automates the PA decision process logic and workflows. Our PA platform manages all aspects of a PA request in real time and archives the PA documentation and result within the claims platform. PA requests are processed through workflow queues within the application. Clinical reviewers work from dedicated queues. Our PA platform enables LDH to:

- Better manage costs
- Promote medication safety through appropriate utilization
- Optimize rebates by improving PDL adherence
- Streamline and simplify the PA process
- Improve care and enrollee experience
- Automate PA workflow management with configurable event timers
- Configure different timers based upon:
    - Standard versus urgent or
    - Unique timers based upon custom PA types
    - Examples include PA type, PDL exception, step therapy review types designed with different timer sets, and customized ability to use or have this feature disabled based upon LDH requirements
- Automatically categorizes PAs by type, such as safety or clinical for automated processing
- Capture ICD-10 and diagnosis related to each request, storing this data as a reference point for future PAs where diagnosis lookup is required
- Store previous PA and claim history with a duplicate check for medical versus pharmacy benefit
- Customize reasons for deferral to clinical pharmacists or physicians; reasons for deferral are reportable to evaluate areas of inefficiencies
- Automate outbound faxes; customize frequency of outbound faxes
- Automated alerts are configurable to provide messaging when certain conditions are met, and the newly added PAs do not result in a paid claim

- Letter preview functionality for all roles: technicians, pharmacists, physicians, and technicians finalizing the request
- Automated, customizable rule sets for consistent PA decisions; clinical PA guidelines dynamically display based upon user's response to guideline questions
- Customize reason codes to assist with frequently used denial and approval text messages
- Configure reason codes to match enrollee's primary language code (for example, Spanish enrollee attribute results in Spanish reason codes)
- Customize letter templates for PA outcome notifications
- Process timers enabling us to manage the request to meet regulatory turn-around time requirements.
- Customize notification letters to enrollee, prescriber, and pharmacy
- Resend letter notification to a new fax or a new mail address
- Document management for retrieval of active and closed PA documents
- Easy-to-use web-based system
- Role-based user access for data security

Our fully integrated PA platform provides to designated LDH and MCO staff unredacted access that allows users to perform queries using multiple fields, including:

- Requesting provider name
- Date and time of the request
- Enrollee identifiers
- Requested drug name, strength, form, and quantity
- Program eligibility of the enrollee at the time of the determination
- Request status (e.g., approved, pended, denied)
- All reasons for denial or exception
- Authorization begin and end dates
- Date and time of action on the request
- Comment or "free-text" functionality

The PA platform allows designated LDH and MCO staff view-only access to PA data. This enables LDH staff to access all the bullet points, as previously noted. This is available in real time, 24 hours per day, seven days per week.

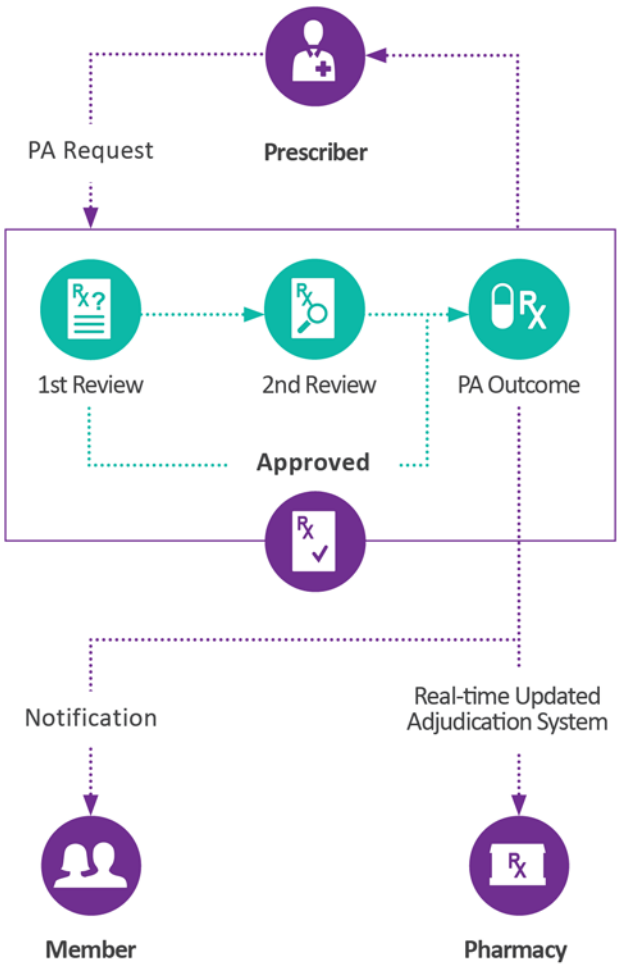
MedImpact currently tracks drug utilization and denied PAs as a component of our clinical services. These metrics are reported in a format and schedule approved by LDH. MedImpact uses our proprietary reporting tool, MedOptimize, for the regular review and analysis of prescription utilization and PA data. Available 24/7, MedOptimize offers predefined, prompt-driven reports, and the ability to create ad hoc queries and custom reports. The tool allows users to sort results, apply filters, and drill down for additional detail. MedImpact's standard clinical services include review and analysis of enrollee and provider usage patterns monthly or as requested by LDH, the MCOs, or the FFS PBM.

MedImpact's comprehensive approach to PA activities affords LDH access to the PA platform to review documentation from a simple Web browser and view:

- The actual image of the medication request form created and submitted by the prescriber
- The guideline used to review the request
- Actual images of the notification letters
- Additional documentation referenced by the reviewer
- All notes created by the reviewer, including the denial or approval reason

Figure 1.8.8-V that follows provides an overview of the manual PA process.

Figure 1.8.8-V: Manual PA Process Flow



MedImpact conducts PA activities in a manner that minimizes disruption to enrollees' access to care and prevents financial or other penalties to providers and enrollees seeking PAs. We have

read the requirements of the RFP and can support all PA activities consistent with the requirements of this RFP, as well as all State and federal requirements, including:

- Transitions of existing PAs and open refill transfers
- Implementation of the operational processes to support drug coverage decisions for all clinical and non-clinical criteria
- Operation of a provider customer service center staffed with appropriate clinical personnel
- Notifications of decisions to providers and enrollees
- Compliance with all LDH PA rules, regulations, and policies
- Administration and support of the grievance and appeal process
- Detailed reporting and analysis on all aspects of the PA program

The PA platform integrates with MedImpact's claim platform to provide users with one information source and to prevent duplication of work. PAs are administered in a real-time online environment. Utilizing the platform's automated workflow process, our authorized personnel:

- Specify the number of refills
- Specify the timeframe for refills
- Specify or limit the PA to a specific pharmacy specific provider
- Specify or limit the PA to a specific physician provider
- Specify or limit to a drug category (e.g., therapeutic class or generic medications)
- Check the enrollee's history of PAs
- Administer step therapy programs

MedImpact is a strong advocate of providing efficient and effective customer service at the point-of-contact. To accomplish this, our customer service center model focuses on the following:

- A highly capable proprietary customer service system/platform used by all CSRs (customer service representatives) and customer service center pharmacists, whether the customer service center is located in Louisiana or in one of MedImpact's current customer service center locations. This helps ensure the same information and criteria are available for any CSRs or MedImpact team members responding to enrollee and/or prescriber/pharmacist requests for information or authorization to issue resolution.
- Access to relevant and timely information through the MedImpact customer service system, which is fully integrated into MedImpact's unified technology platform
- Louisiana specific data and information and training modules for CSRs and customer service center pharmacists customized to LDH requirements
- Louisiana-registered pharmacists available for call escalation and support regarding PA criteria and denials

- Scaling of staff to meet current and future needs, and predicting when overflow is required, are among the key activities of our Customer Service management team. The customer service center is composed of:

  - CSRs supporting technical customer service center functions
  - CPhTs (certified pharmacy technicians) supporting PA intake, evaluation, and approvals
  - Clinical pharmacists providing clinical support to the entire team, review of all PAs evaluated to a denial status, peer-to-peer reviews, and counseling, as needed
  - Clinical and operational management to help ensure proper staffing, access to resources, and oversight of performance and quality of our customer service center operation

PA Submissions

MedImpact approves or denies all PA requests with sufficient information within 24 hours of receipt of the request. PA requests are received by MedImpact by fax, telephone, web-based submission, or electronically utilizing the NCPDP Script standard for ePA. Fax requests are received directly into our PA processing system through an integrated fax manager. At the time of PA intake, the PA platform links the specific PA guideline to the request, as well as a set of LDH-specific parameters that set PA request timer values and attach the appropriate PA notification letter template set. Web-based submissions follow a similar process. Telephone intake is entered directly into the PA platform by the customer service center clinical pharmacists.

Electronically received requests are submitted by prescribers directly from their electronic medical record software. These requests bypass PA intake and are received directly in the PA coordination queue for PA coordinators to evaluate the request. The criteria for the requested drug are broken down into a series of questions for the prescriber to submit. These automated questions follow the PA rules evaluation applied to all other methods (fax, phone, etc.).

MedImpact's Louisiana-registered clinical pharmacist performs first-level clinical review for denied authorization using only LDH-approved criteria. To make sure we prioritize these denials, our pharmacist works from a dedicated work queue in the PA platform. All information from the previous step is available to the pharmacist to utilize, including all fax images, phone logs, enrollee eligibility records, and reviewer notes. If needed, the clinical pharmacist will pursue additional information from the PA requestor to support final PA determination. MedImpact's clinical pharmacist reviews submitted information and LDH criteria to render a final PA decision. Our pharmacist also has access to additional compendia references, such as:

- American Hospital Formulary Service drug information
- Clinical Pharmacology
- MicroMedex
- National Guidelines Clearing House to assist in the review

Accurate, thorough, and consistent PA service from our licensed clinical pharmacists is extremely important to MedImpact. To further ensure quality, accuracy, and consistency across all PA reviews, MedImpact conducts IRR (Inter-rater Reliability) at least twice annually. IRR is a best-practice approach used to measure review consistency, identify any educational gaps, and provide an opportunity for improvements and additional training to confirm our PA staff continues to provide accurate and consistent reviews across all LDH clinical policies. This also assures all enrollees and prescribers are provided appropriate consideration through precise adherence to LDH clinical PA guidelines when requesting a PA for a medication.

Timelines and Adjudication of PAs

MedImpact's PA program satisfies the federal government's specific goals and objectives for pharmaceutical PAs, as described in this section, and in accordance with the requirements specified in Section 1927 of the Social Security Act, and applicable State law and regulations at the direction of LDH. Our PA platform (PA processing system) allows us to customize timers within the system based upon a customer's line of business and PA type within that line of business. This automation allows users to prioritize their work based upon due dates. We generally configure the timers to alert users before the deadline.

MedImpact responds to PA service requests within 24 hours in accordance with Section 1927 of the Social Security Act, and applicable State law and regulations, as directed by LDH. If additional information is needed to make a determination, MedImpact does not deny the request, but suspends the request while the information is gathered.

In addition, **MedImpact holds full URAC PBM accreditation** and is certified in utilization management by NCQA. Our PA program meets all utilization management standards, including:

- Enrollee and prescriber notification of PA denials or approvals
- The specific reason for the denial in language that is easy to understand as required by NCQA and state requirements
- Reference to the benefit provision, guideline, protocol, or similar criterion used to render the decision
- A statement that enrollees can obtain a copy of the actual benefit provision, guideline, protocol, or similar criterion on which the denial decision was based, upon request of notification of enrollee's appeal rights and the appeal process
- None of our PA edits are turned on, turned off, or modified without specific written requests and consent by LDH.
- Configurations, such as ProDUR, pharmacy lock-in, and step therapy comply with CMS guidance and LDH requirements.

MedImpact assures the claims processing system allows pharmacists to execute an emergency override that shall process an emergency 72-hour supply of drugs in normally covered therapeutic categories that are non-preferred or would otherwise require PA. Drugs eligible for

emergency override shall be in a therapeutic class normally covered by LDH for the enrollee's defined benefit.

In addition, our CSRs assist with emergency requests during and after hours. The CSRs enter a five-day override if the pharmacy states that it is for an emergency. If the medication cannot be dispensed with a smaller quantity/day supply based upon the package size, call-center representatives override the amount/day supply as prescribed by the physician.

MedImpact can provide point-of-sale PA approvals through its PA@POS capability. This capability electronically evaluates claims that normally reject at the point-of-sale for a PA or other utilization management edit by leveraging existing data (e.g., medical ICD-10, pharmacy summitted ICD-10, claim history, etc.). This electronic evaluation approves claims instantly, when the existing data indicates all criteria are met, allowing enrollees to receive their medications at the point-of-sale and access their medications quickly and efficiently, rather than waiting for the claim to undergo the entire PA workflow.

PA Denials, Appeals, and Escalations

MedImpact uses the PA platform appeals module to administer and support the grievance and appeal process for LDH. PA Platform Appeals is a comprehensive online appeals management solution that efficiently processes and automates appealed coverage determinations to provide timely access to appeal decisions. This solution works with our PA platform PA system, with real-time updates, including updates in our integrated claims processing system. The PA platform appeals module generates notifications of the appeal decision to the enrollee, prescriber, and pharmacy; serves as a document management system; and stores relevant appeal forms and attachments. Our specially trained CSRs, grievance and appeal coordinators, and clinical coordinator follow documented policies and procedures for identifying, processing grievances and appeals, and providing outcome notification.

MedImpact employs an established system and policies and procedures to support the administration and support of the grievance and appeal process. MedImpact uses a process-centered approach beginning with a set of structured policies and procedures communicated to associates, enrollees, providers, pharmacies, and other relevant stakeholders, explaining the enrollee grievance and appeal process. Our grievance system and protocols are compliant with URAC PBM (Pharmacy Benefit Management) accreditation standards v 2.2.

Using LDH-approved, regulatory-compliant notification letter templates, providers and recipients are notified whenever a PA is denied in compliance with LDH and federal policies and procedures for enrollee appeals. We also include appropriate reports and documents to support MedImpact actions, hearing appearances, peer discussions relating to an appeal and procedures to request an informal reconsideration. We comply with mandates and timelines stipulated by LDH and federal policies for response/resolution.

MedImpact provides enrollees and providers timely and adequate notice of PA approval and an adverse benefit determination, including appeal rights in writing consistent with state and federal law**.** At the request of LDH or the MCO Medical director, the Louisiana-licensed clinical pharmacist and a board-certified medical physician will be available to support peer-to-peer reviews.

Behavioral Health Policies and Procedures (SOW 2.1.11)

- Behavioral Health Policies and Procedures: Describe the proposed approach to meet the requirements in Section 2.1.11.

During the implementation phase, MedImpact collaborates closely with LDH and the contracted MCOs to elicit requirements to support the State's behavioral health policies and procedures. With a keen understanding of the unique needs of this vulnerable population, we ensure our Account Management, as well as Prior Authorization teams provide focused attention on the needs of these enrollees. The teams collaborate with the MCOs to establish an efficient process to coordinate the distribution of information related to enrollees' behavioral health medication coverage, PA exemptions, or PA approvals upon discharge from a mental health or residential substance use facility, and 90 calendar days thereafter.

MedImpact can accept universal PA forms, or an agreed-upon interface or file transfer from the MCOs to facilitate the exchange of enrollee behavioral health information. As part of the information exchange, any instruction regarding medical necessity or potential enrollee harm that is determined by an MCO's psychiatrist, in consultation with the enrollee's care coordinators, is applied to the enrollee's determination of behavioral health medication coverage. PAs can be immediately approved upon notification by the prescriber's office for a dosage change for any medications in LDH-approved behavioral health therapeutic classes and MAT (medication assisted treatment) where a PA has previously been approved if the newly prescribed dose is within established FDA guidelines for that medication, or as defined by LDH. To further support continuation of care, our process will also include the approved continuation for any new enrollee receiving any antidepressant and antipsychotic for at least ninety calendar days after enrollee's enrollment with the MCO. MedImpact's collaborative approach with LDH and the MCOs reinforces a streamlined process to avoid unnecessary barriers and delays in care to ensure enrollees have needed access to behavioral health drug therapies.

Specialty Drugs and Pharmacies (SOW 2.1.12)

- Specialty drugs and pharmacies: Describe the proposed approach to meet the requirements in Section 2.1.12.

MedImpact is keenly aware of the rising cost of specialty drugs. Managing high-cost drugs, complex disease states, drugs that require injection, infusion or close monitoring, drugs with limited availability, and drugs that require special handling are of high importance to all

Medicaid programs. MedImpact shares LDH's concerns on proper management of specialty drugs, while providing enrollees with adequate access and continuity of care.

In alignment with LDH, MedImpact will allow any network pharmacy able to procure specialty drugs, has any one of the nationally recognized accreditations such as NABP (National Association of Boards of Pharmacy) or ASHP (American Society of Health-System Pharmacists), and agrees to the terms of the MedImpact pharmacy network contract to dispense specialty drugs to enrollees. MedImpact agrees LDH retains the right to review and approve all specialty pharmacy contracts and to deny any specialty contracts that include overly demanding terms or conditions.

MedImpact has no vested interest in providing fulfillment services. We operate a conflict free business model (we do not own or operate any pharmacies), effectively making us agnostic to dispensing channels. Accordingly, we will not establish definitions, or require accreditation or licensure, effectively limiting access to prescription drugs, including Specialty Drugs nor participate in any steering of enrollees to one pharmacy or another. In accordance with the RFP, our network manager will forward all Specialty Pharmacy contracts between the MedImpact and a Specialty Pharmacy to LDH for approval thirty (30) Calendar Days prior to enrollment into the network and allowing processing of any Drug Claim for Specialty Drugs by that provider.

Our specialty drug maintenance strategies are built around ongoing review of drug therapeutic effectiveness, cost-benefit analysis, clinical information, and prescribing guidelines. During the requirements-gathering phase, we will collaborate with LDH and the contracted MCOs to review our current specialty drug list and agree upon a final list (meeting LDH definitions of specialty drug provided in the RFP or as otherwise directed). The final list, including any updates and changes, are provided to LDH and the MCOs quarterly for approval, prior to posting on the provider portal and the MedImpact and LDH websites.

As directed by LDH, MedImpact agrees to provide a quarterly list of identified Specialty drugs to LDH and MCOs for posting to the provider portal once approved. The following will not be categorized as specialty drugs:

- Oral medications utilized to treat HIV, Hepatitis B or Hepatitis C.
- Oral medications utilized to treat rheumatoid arthritis, multiple sclerosis, or psoriasis
- Oral medications utilized to treat epilepsy or an immunosuppressant
- Self-administered injectable anticoagulants
- Self-administered injectable human growth hormone (excluding drop-ship items) or self-administered medications for migraine prophylaxis
- Self-administered TNF-alpha blockers, multiple sclerosis agents or psoriatic conditions

DUR (Drug Utilization Review) (SOW 2.1.13)

- Drug Utilization Review (DUR): Describe the operations for the prospective component of DUR including compliance with Federal regulations and coordination with the LDH DUR Board, LDH pharmacy staff and the MCOs.

With decades of experience supporting Medicaid programs, we are familiar with Section 1927(g) of the Support Act, which requires each Medicaid program to develop its own DUR program. MedImpact partners with states to operate their DUR programs, in compliance with section 1927(g)(3)(D) and 42 CFR 456, subpart K. Our expert clinical teams establish reasonable and appropriate utilization management programs that protect enrollees, comply with State drug utilization requirements, attend LDH DUR board meetings, and help to identify and reduce program FWA.

MedImpact's DUR program meets CMS and LDH requirements and offers numerous options to meet or exceed the DUR program SUPPORT Act minimum standards required by the Final Rule. Our program includes a ProDUR (prospective drug utilization review) and RetroDUR (retrospective drug utilization review) process, providing drug information services to the DUR and P&T committees, and responding to drug information requests. Our ProDUR and RetroDUR system provides functionality necessary to meet CMS-required DUR functions and requirements. Our system is broadly customizable and configurable to support Louisiana Medicaid policies, procedures, and benefit designs through a data-driven, parameter-based infrastructure.

Prospective DUR

MedImpact's ProDUR solutions exceed the minimum federal DUR regulations. To help ensure ongoing compliance with regulations, we dedicate a team of Medicaid DUR program subject matter experts to the ongoing review of State and federal regulations. To comply with State and federal requirements, including those identified within the OBRA 1990 and OBRA 1993, our Compliance department monitors regulatory bodies, including legislative, state pharmacy law, the State's Medicaid agency, and the State's P&T or DUR boards for unique State requirements. Members of our Medicaid team also possess in-depth State and clinical knowledge necessary to assist with State requirements. Through these efforts, we respond quickly to new federal or state requirements. If development of enhancements or new edits is required, a project manager coordinates the build and test of the edit, along with all up- and down-stream requirements. We employ user stories and Agile project management techniques to help ensure review of regulatory requirements, with DUR program descriptions updated quarterly. As CMS or LDH define or revise ProDUR criteria, we implement solutions and update internal processes and procedures accordingly.

As defined in the RFP's key personnel requirements, our dedicated POS Programmer Sonya McDuffie serves as an integral part of the Louisiana support team. As the primary point-of-contact for benefit design and DUR configuration, this individual utilizes their extensive

knowledge of MedImpact's POS systems, claim edit functionality, and NCPDP standards to implement POS utilization review edits, at the direction of LDH.

We are committed to providing comprehensive, dedicated participation in the DUR educational program. In concert with LDH, an LDH-identified contractor, and/or the contracted MCOs, ProDUR initiatives are implemented, as directed by LDH, with the production of enrollee profiles as a result of those initiatives in an LDH-approved format.

Prospective DUR System

Our ProDUR system response times meet NCPDP performance standards, and we continue to meet those standards throughout the contract period. To implement ProDUR, the MedImpact Compliance department initiates the process by completing a formal review of the regulatory guidance with all impacted functional areas. During these reviews, our teams:

- Assess existing capabilities
- Identify necessary changes
- Identify actions and develop schedules required to meet regulatory effective dates

MedImpact's ProDUR edits are modular and flexible, enabling efficient changes to edits at no additional cost to LDH. Our modular structure supports fast-cycle customization to meet quick deadlines and to maintain quality through rigorous end-to-end testing in a production environment. We build all edits with adjudication codes or unique identifiers to enable reporting on concurrent edits. MedImpact's ProDUR process allows LDH to monitor prescription drug utilization for enrollees, including:

- Potential adverse effects
- Therapeutic duplication
- Ingredient duplication
- Drug-disease interactions and contraindications
- Incorrect dosage, frequency, or duration of treatment
- Drug allergy
- Early refill
- Clinical misuse or abuse
- Drug-to-drug interactions
- Medication appropriateness (including age and presumed or actual diagnosis)
- Incorrect drug dosage or duration
- Overutilization and underutilization of drug treatment
- Pregnancy precautions
- Potential abuse and / or misuse based upon prior drug claims

Our ProDUR services apply approved edits only to claims, including identified ProDUR alerts between single line-item pharmacy claims and multi-ingredient compounds. These ProDUR edits help to identify potential issues with prescriptions and validate the appropriateness of a

prescribed drug against established clinical criteria. All NCPDP-standard conflict, intervention, and outcome messages are captured and stored for reporting to LDH. MedImpact's ProDUR is coupled with concurrent DUR logic that produces automated ProDUR edits to identify and rectify potential safety issues during the dispensing process. Alerts are based upon algorithms obtained from First Databank, which our system administers as DUR edits. **Table 1.8.8-W** highlights the ProDUR edits commonly sent to pharmacies.

Table 1.8.8-W: Sample Automated ProDUR Edits

ProDUR Edit	Description	Parameters
Drug Allergy Conflict	➢ Uses enrollee-specific allergy information from the enrollee history file to alert pharmacists when newly submitted drug claims contain ingredients with significant potential to cause an allergic reaction	➢ Message, soft and hard denials, targeted drug list
Drug-Disease Contraindication	➢ Screens drug claim and creates warnings with specified medical conditions; uses past and present ICD-10-CM diagnosis codes from drug, medical, and hospital claims	➢ Message, soft and hard denials, targeted drug list
Drug-Drug Interaction	➢ Alerts when another drug in claims history may interact with the drug being filled	➢ Message, soft and hard denials, targeted drug list
Therapeutic Duplication	➢ Alerts when another drug is present in claims history that has the same therapeutic effect	➢ Message, soft and hard denials, lookback, targeted drug/category List
High Dose	➢ Checks the quantity and day supply	➢ Message, soft and hard denials, targeted drug list
Low Dose	➢ Checks the quantity and day supply	➢ Message, soft and hard denials, targeted drug list
Late refill or Underuse	➢ Alerts pharmacy when an enrollee is late in obtaining a refill for maintenance drugs; calculates number of days late	➢ Message, soft and hard denial, targeted drug list Percentage parameter default 20%
Ingredient Duplication	➢ Checks two or more prescriptions containing the same active chemical compound	➢ Message, soft and hard denial, targeted drug list
Drug Age	➢ Checks a prescription drug that should not be dispensed to the recipient because of age precautions specific to the drug, in two age ranges, including pediatric to age 18 and geriatric over age 65	➢ Message, soft and hard denial, targeted drug list

ProDUR Edit	Description	Parameters
Pregnancy	➢ Activated for females by age range; standard age 12-60; alerts from data provided through FDA or First Databank	➢ Age, message, soft and hard denial, targeted drug list
Gender	➢ Alert sent if medication is only intended for use by an enrollee of the opposite gender	➢ Message, soft and hard denial, targeted drug list
Refill too Soon (Early Refill)	➢ RTS (Refill-Too-Soon) edit replaces Early Refill; calculates the number of days between current claim and previous fill date with a hard reject based the percentage, configurable to recognize and accommodate dose changes without manual intervention or PA	➢ Percentage parameter default 75%, custom level for drug categories (e.g., Schedule II drugs)

Once the system establishes the enrollee's eligibility, our ProDUR services apply approved edits to all claims. We use all NCPDP reject codes, where appropriate, to accompany the DUR edits. ProDUR edits use a variety of configurable parameters to either qualify the edit or determine the logic used to evaluate the edit for the requested drug. ProDUR often requires an evaluation of the requested drug with respect to a drug in the enrollee's history. For this analysis, the system evaluates several parameters and variables in both the incoming claim and the history claim. Examples include:

- Full or partial NDC code matching (including multiple NDC codes subject to potential drug/drug interaction:
- Date of service range
- Product strength and quantity
- Days' supply
- Generic product identifiers

MedImpact supports the use of all fields in the NCPDP D.0 Telecommunications Standard within the DUR response segment. The adjudicated claim response can return multiple ProDUR results, up to the NCPDP defined maximum of nine, in a single claim response to the pharmacist to support his or her responsibility to counsel enrollees. For example, if the requested drug is found to have a drug-drug interaction with another drug the enrollee is taking, we return this information to the pharmacist, including information on the interacting drug. **Table 1.8.8-X** illustrates an example of ProDUR information presented to the pharmacist.

Table 1.8.8-X: Sample ProDUR Edit Messages

Field #	NCPDP Field Name	Example
439-E4	Reason for Service Code	DD
528-FS	Clinical Significance Code	1
544-FY	DUR Free Text Message	Ziprasidone HCL

Field #	NCPDP Field Name	Example
57Ø-NS	DUR Additional text	Agents CI with QT agents / QT prolonging agents (Mono deleted)
526-FQ	Additional Message Information	PA required: enrollee taking Carisoprodol and opioid, concurrently

Our system triggers ProDUR edits using predetermined criteria from our drug information vendor, First Databank. Within each edit, various customizable parameters are available, including severity levels and clinical significance. These parameters, along with submitted pharmacy-related therapeutic criteria and pertinent claim history, generate customized POS messages. Situational and even MCO-specific messaging is available on rejected claims to enable pharmacy providers to take appropriate action.

MedImpact's vast library of ProDUR POS edits are a result of systematic drug reviews covering safety, appropriate therapeutic treatment, utilization management, preservation of financial resources, and prevention of FWA. POS prescription claim reviews address the following required pharmacy reviews:

- Drug-drug interaction
- Drug-disease contraindications
- Therapeutic and ingredient duplication
- Generic substitution
- Incorrect drug dosage
- Inappropriate duration of drug treatment
- Clinical abuse/misuse (for example, excessive utilization or age/gender/pregnancy conflicts)

Our system also provides continuous claims monitoring and applied analytics to detect potential FWA. The POS data contained within the encounter files and required for retrospective reviews and reporting is accessible through the MedOptimize reporting tool.

ECS application is also used to support future edit changes. This is accomplished within 24 hours through automated assembly, using system-to-system interfaces or the online portal. Testing is performed in parallel or post-go-live to validate the configuration. The system enables prospective planning of all changes and deployment with future effective dates. All ProDUR edits, including response priority ranking, are configured to meet LDH requirements and moved to production following LDH approval. We can configure DUR messages that convey first-line alternatives to the dispensing pharmacist. If the prescriber deems the originally prescribed drug a more appropriate alternative, the claim is processed, in accordance with LDH-specified rules.

MedImpact processes submitted electronic claims using the NCPDP D.0 Telecommunications Standard, which enables providers to submit NCPDP PPS (professional pharmacy services) codes in response to ProDUR messages, in accordance with LDH-preferred PPS codes. Our DUR

program includes configuration options for NCPDP intervention codes to be used with the ProDUR responses. Our most common programs for Medicaid help to identify enrollees with potential safety concerns and provide proactive information consistent with evidence-based standards of care. ProDUR edits also allow screening for drug therapy concerns by high-risk diseases, as defined by LDH. We support all LDH-required screenings, as shown in **Table 1.8.8-Y.**

Table 1.8.8-Y: MedImpact ProDUR Edits for High-Risk Diseases

High-Risk Disease	MedImpact Supports (Yes or No)
Cardiovascular disease	Yes
Cerebrovascular disease	Yes
Central nervous system disease	Yes
Renal disease	Yes
Endocrine disease	Yes
Chronic pain syndromes	Yes
Substance use disorder	Yes
Gastrointestinal disease	Yes
Psychiatric disease	Yes
Respiratory disease	Yes

Renal disease—End stage renal disease screening for billing of Medicaid instead of Medicare Part B bundled payments; screening for drugs used in immunosuppressive therapy for a kidney transplant and billing to Medicaid instead of Medicare for Medicare Part D covered drugs for non-renal transplant enrollees

Endocrine disease—HER2 or HR positive female screening; MedImpact uses the standard set of NCPDP reject codes, which indicate the reason for claim denial. We can also send specific supplemental messages to the pharmacy through our POS claims platform providing details and instructions. Claim rejections are monitored to identify trends and potential issues in claims processing, allowing us to identify issues and notify pharmacies.

Opioid overutilization and safety controls—We maintain a comprehensive set of edits to help the State combat the opioid epidemic. Our approach strengthens the partnership with prescribers to better address the crisis. To assist with overutilization, we can implement POS edits that alert providers about unusual patterns in prescription drug claims. We can also configure an alert that is triggered by the filling of a prescription reaching the cumulative MME (morphine milligram equivalent) threshold. Similar edits can be applied to other controlled substances or to any drug for which they are needed. Various opioid edits include hard stops that can be overridden by PA or by pharmacy codes for exempted populations (e.g., cancer, hospice, palliative care) at the POS. This helps to ensure unintentional disruption of care for enrollees with specific conditions.

Opioid cumulative dosing at POS—This advanced POS intervention blocks an incoming claim whenever an enrollee's MME dose per day is equal to or exceeds a hard-stop threshold (e.g., ≥

200mg) across a single or multiple opioid-containing claims. Enrollees are prevented from filling their prescription, except through PA or coverage determination. Some PPS codes can also be applied at the pharmacy level to help ensure impacted enrollees battling cancer, in hospice, or sickle cell conditions still receive their prescription without treatment interruption. The intervention also allows a soft stop on incoming claims with cumulative MME dose per day equal to or over a lower threshold (e.g., ≥ 120mg) that can be overridden by PPS (professional pharmacy service) codes at the POS or by PA/coverage determination.

Duplicative long-acting opioid therapy at POS—This edit identifies and denies concurrent or simultaneous claims of long-acting opioids with different claims whenever there is any overlap in days' supply, ensuring enrollees are not unwittingly consuming higher levels of opioids than are necessary. This cannot be overridden except in the case of a PA or PPS code applied at the POS.

Opioid lock-in functionality at POS—This POS intervention limits coverage of frequently abused drugs for at-risk enrollees. The lock-in overrides PDL and benefit coverage of addictive drugs by limiting enrollee access to specific drugs, amounts, pharmacies, and/or prescribers. Intervention is custom-configured for each enrollee and is only overridable by exception (e.g., enrollees in hospice care).

APAP safety controls at POS—This proprietary POS intervention identifies the dispensing of unsafe daily doses of APAP greater than 4gm/day. The intervention automatically calculates doses above 4gm/day across multiple claims containing APAP. Identified claims that meet a threshold deemed unsafe are denied. If the enrollee requires the dosage to combat an illness or injury, the claim can be overridden through a therapeutic PA request following clinical review or through the use of PPS codes at the POS. Participating pharmacies are prompted to submit the applicable override code in the reject message.

MedImpact offers numerous options to meet or exceed the DUR program SUPPORT Act minimum standards required by the Final Rule. Our Account Management teams assist in identifying safety edit/programs appropriate for the Louisiana DUR program. Prior to implementing SUPPORT Act programs, we evaluate the potential enrollee impact based upon claims utilization. The Clinical team uses this information to target provider and enrollee communications, determine PA or customer service staffing needs, and identify enrollees for grandfathering, at the direction of LDH. A high-level crosswalk of Final Rule requirements and our solutions follows.

Opioid naïve cumulative dosing at POS—This advanced POS intervention blocks incoming opioid claim(s) whenever an enrollee's daily morphine milligram equivalent (MME) is greater than or equal to a soft stop threshold (e.g. ≥ 50mg) across a single or multiple opioid-containing claim(s) for the first day of therapy if the enrollee has no opioid history within a specified look back period. The intervention also allows a hard stop on initial opioid claim(s) with daily cumulative MME greater than or equal to a hard threshold (e.g., ≥ 90mg). Exemptions to this program include enrollees who are residents of a long-term care facility, in hospice care,

receiving palliative/end-of-life care, who are in intermediate care facilities for the intellectually disabled, or who are undergoing treatment for active cancer-related pain or sickle cell disease.

Opioid Single Claim Dosing at POS—This advanced POS intervention identifies and denies incoming opioid claims whenever a single claim's daily MME is greater than or equal to a specified hard stop threshold (e.g., ≥ 90 mg). The intervention also allows a soft stop on an incoming opioid claim with an MME greater than or equal to a soft threshold (e.g., ≥ 50mg). Exemptions to this program include enrollees who are in hospice care, receiving palliative/end-of-life care, or who are undergoing treatment for active cancer-related pain or sickle cell disease. To proactively identify enrollees and exempt them from the opioid single claim dosing at POS prior to the implementation date, we use a proactive enrollee attribute. This attribute allows enrollees to bypass this specific opioid program.

Age safety edit—Based upon the enrollee's age, our age safety edit is coded to either enforce a maximum days' supply and/or require a PA for targeted drugs (e.g., short-acting opioids, long-acting opioids, or all opioid analgesics). The age safety edit can be configured to have soft and/or hard denials. A PA is required to override a hard denial; soft denials can be overridden by either DUR/PPS codes or PA.

The ProDUR drug disease contraindication edit uses ICD-10 codes submitted on the prescription claim or retrieved from stored enrollee history, enabling us to identify instances wherein the enrollee is diagnosed with a high-risk disease. We can apply restriction tables (drug lists) to target screening for high-risk diseases. Drug information vendor criteria is used to match drug disease conflicts by severity. The drug-disease contraindication edit offers configuration options for various dispositions, in accordance with LDH requirements. Potential outcomes include:

- Informational alert (message only to pharmacy, does not stop claim)
- Soft reject (denied claim, may be overridden by PPS codes)
- Hard reject (denied claim, may be overridden by PA)
- Some examples of our current screening include:
- Cardiovascular disease—Statin therapy screening for enrollees with cardiovascular disease
- Central nervous system disease—Polypharmacy screening for use of multiple CNS (central nervous system) medications in older adults (Poly-CNS)

The following is used to exempt enrollees from the edit:

- ICD-10 diagnosis codes (e.g., cancer, trauma)
- Provider panel
- Drug history (e.g., opioid, cancer drugs)
- Long-term care enrollee residence codes

At the direction of LDH, MedImpact can customize a program to monitor and/or manage the appropriate use of antipsychotic medications by children.

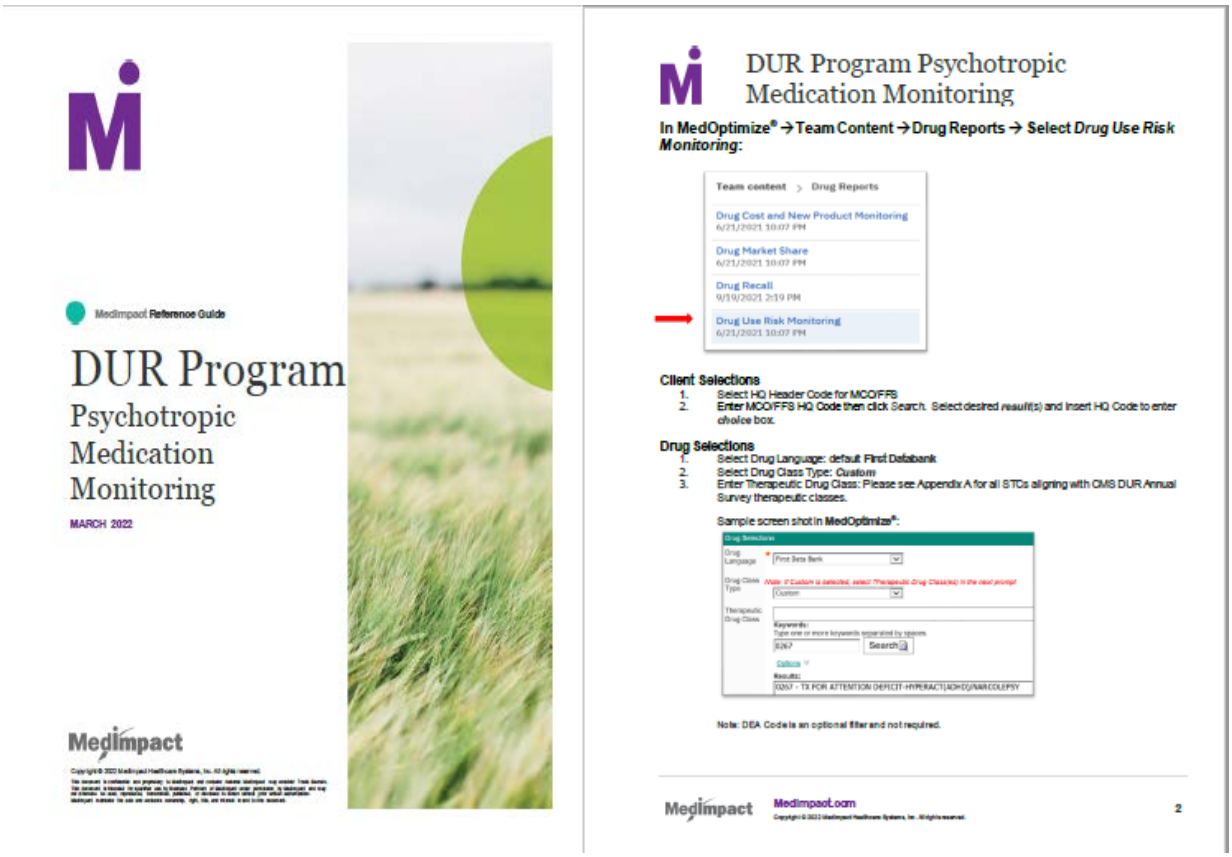
- **Monitor—**A MedOptimize report on managing children with antipsychotics assists in monitoring antipsychotic prescribing for children, in accordance with the SUPPORT Act for Managed Medicaid plans. This report provides details regarding children ages 0 to 18 who receive a fill for an antipsychotic drug within a selected period. The report can be modified by the user to include additional criteria, as needed.
- **Manage—**PAs may be utilized to manage and control utilization of antipsychotics by children.
- **Monitor and Manage—**Medicaid quality program and use of multiple concurrent antipsychotics in children and adolescents (APC-CH)

Use of APC-CH is a component of MedImpact's quality program, which measures and improves Medicaid customers' performance on certain medication-specific measures featured in the CMS core set of adult health care quality measures for Medicaid and the core set of children's health care quality measures for Medicaid and CHIP. The MedImpact Medicaid quality program provides:

- Advanced proprietary analytics and investment in continuous data monitoring
- Actionable recommendations and visualizations of enrollees' medication claims history, clinical practice guidelines, and/or evidence-based quality improvement recommendations, as applicable
- Quarterly Medicaid-specific quality performance dashboard, including a performance breakdown by age, in accordance with the Medicaid core set, and target enrollee data files; timely prescriber-focused interventions powered by advanced analytics includes prescriber letters that identify potential drug-therapy problems, visualize enrollees' drug claims history, and that provide education on clinical practice guidelines and/or evidence-based best practices
- If activated, monthly outreach activity dashboard that tallies communications sent and prescribers contacted; shares faxes / failed faxes; indicates efficiency rating (quarterly) to show consolidated interventions; and that breaks down prescriber specialties by measure

MedImpact's comprehensive DUR program provides a high level of LDH and MCO assistance and experience with the CMS DUR annual report. Our core team specializes in the Medicaid DUR program, the driver for preparation for every CMS report question, data table, and descriptive summary. Our Medicaid DUR program manager manages report deliverables, annual training for Account teams, and educational webinars for customers. A key deliverable for the CMS DUR report is the MedImpact Companion Guide, updated annually, which provides guidance on each question, instructions on how to complete the data tables, resources for non-PBM related questions, and sample descriptive summaries. Due to the high level of customization for each customer, the Account team and respective State specialist meet with the customer to ensure the report accurately reflects the customer's specific DUR program. MedImpact also offers to customers a final review prior to state submittal. At the end of the period, customer surveys are generated and sent to determine how we can improve our services. To-date, survey results show high satisfaction with MedImpact's support.

MedImpact's customers are highly satisfied with the supportive tools and Companion Guide we provide for the CMS annual DUR survey.



MedImpact Reference Guide

DUR Program
Psychotropic
Medication
Monitoring

MARCH 2022

Medimpact

DUR Program Psychotropic Medication Monitoring

In MedOptimize® → Team Content → Drug Reports → Select *Drug Use Risk Monitoring*:

Team content > Drug Reports

Drug Cost and New Product Monitoring
6/21/2021 10:07 PM

Drug Market Share
6/21/2021 10:07 PM

Drug Recall
9/19/2021 2:19 PM

Drug Use Risk Monitoring
6/21/2021 10:07 PM

Client Selections

1. Select HQ Header Code for MCO/FFS
2. Enter MCO/FFS HQ Code then click *Search*. Select desired result(s) and insert HQ Code to enter choice box.

Drug Selections

1. Select Drug Language: default First Databank
2. Select Drug Class Type: *Custom*
3. Enter Therapeutic Drug Class: Please see Appendix A for all STCs aligning with CMS DUR Annual Survey therapeutic classes.

Sample screen shot in **MedOptimize®**:

Drug Selections
Drug Language: First Data Bank
Drug Class Type: Custom
Therapeutic Drug Class:
Keywords:
Type one or more keywords separated by spaces.
Search
Results:
X067 - TX FOR ATTENTION DEFICIT-HYPERACTIVITY DISORDER/NARCOLEPSY

Note: DEA Code is an optional filter and not required.

Medimpact MedimpactCoam 2

Provider and Enrollee Support (SOW 2.1.14 and 2.1.27)

- Provider and Enrollee support: Describe approach to provide appropriate staff for Provider and Enrollee inquiries and compliance with LDH and MCO requirements.

MedImpact brings decades of experience planning, implementing, and effectively managing high-volume call centers to meet and exceed the needs of diverse pharmacy services administration customers. Our current call centers manage calls on behalf of millions of enrollees / authorized representatives, including those enrolled in Medicaid, Medicare, commercial, Exchange managed care plans, and integrated drug discount cards. In addition, MedImpact manages calls from pharmacies, providers, MCOs, and other stakeholders.

MedImpact recognizes the importance of effective call center operations to LDH, as this is often the first line of communication with providers and enrollees. Our model of provider and enrollee support places enrollees' and providers' needs and considerations at the forefront of all we do. This is accomplished by:

- Selecting call center locations to encourage hiring that mirrors demographic characteristics of CSRs (customer service representatives) to our customers, assures CSRs identify with specific market needs and considerations, and provides the broadest hours of availability
- Educating staff through a comprehensive, months-long curriculum of training and mentoring, comprising systems, program understanding, provider needs, enrollee needs, pharmacy knowledge, diversity training, customer service skills, and state-specific training
- Ongoing education and training to ensure staff are fully knowledgeable as plan changes are implemented
- Ensuring compliance
- Maximizing staff availability
- Organizing communications

Providers and enrollees represent the focus of our call center locations, staff education, compliance, staff availability, and the ways in which we organize our communication efforts. CSRs are professional, supportive, and highly knowledgeable of the unique needs of our enrollees and providers, and these representatives facilitate access to services and resources using hands-on, timely support processes specific to the State's program. CSRs are available 24 hours per day, 7 days per week, and 365 days per year for all enrollees, prescribers, and pharmacy network pharmacists. A short IVR with brief menu options quickly transfers calls to the correct CSR to respond to questions or to resolve issues.

As requested by LDH, MedImpact will locate a primary Customer Service Center site within the State of Louisiana. We are in discussions with landlords regarding properties located in Baton Rouge near Cedarcrest Avenue, Sherwood Forest Boulevard or Florida Boulevard. We are prepared to move quickly and execute agreements upon contract execution.

We also maintain a call center in Tempe, Arizona where dedicated staff for the State are available to manage backup fail-safe customer service inquiries, issues, complaints, as well as provide additional provider and enrollee support. MedImpact supplies all required information systems, telecommunications, and dedicated personnel necessary to perform these operations.

Because our business continuity processes include redundancies and enable us to immediately execute backup plans, we have not experienced an unscheduled disruption in CSC systems or services to-date. If we encounter a weather-related emergency or other unexpected occurrence, we will immediately implement our LDH-approved disaster recovery and business continuity procedures.

CSC (Customer Service Center)

MedImpact will staff and manage a Louisiana-based dedicated call center, in compliance with all RFP requirements and performance standards set forth by LDH, as well as any subsequently developed CSC standards and/or requirements established by LDH during the term of the contract. In accordance with LDH requirements, MedImpact will provide the following help lines through a designated telephone number:

- Toll-free POS help line available 24 hours per day, 7 days per week, 365 days per year to respond to inquiries related to coverage, claims processing, enrollee eligibility, and reimbursement
- Toll-free PA help line available 24 hours per day, seven days per week, 365 days per year, with clinical staff available from 7 a.m. to 7 p.m., Central Time, to receive and adjudicate PA requests, as well as appeals and grievances to PA denials and/or processes
- Toll-free enrollee help line available from 7 a.m. to 7 p.m., Central Time, to respond to inquiries from enrollees on general pharmacy coverage, pharmacy provider locations, or other enrollee requests.

In addition, MedImpact agrees to (and currently exceeds for its Medicaid line-of-business) the technical and enrollee help line performance standards that follow:

- Answer all incoming calls, on average, within 30 seconds (to a live agent)
- No more than one percent (1%) of incoming calls receive a busy signal.
- Maintain an average hold time of three (3) minutes or less per call. Hold time, or wait time, includes the measure of time after a caller has requested a live person through the IVR system and before a customer service representative answers the call; plus, the measure of time when a customer service representative places a caller on hold.
- Maintain abandoned call rate of not more than five percent (5%).

We continuously enhance our technology, training, and monitoring processes to fully address the needs of each caller type and to help ensure a consistent and superior customer experience. We invest significant time and resources in the education of our CSC (customer

service center) staff members, offering career paths and ongoing training and support necessary for our team to continuously grow and learn. As a result, our CSC staff are afforded the training, systems, and resources necessary to provide accurate and timely responses to all caller inquiries and requests through MCO PBM staff and / or LDH-approved language translation services, including oral interpretation and the use of auxiliary aids.

MedImpact's CSC staff are trained to handle calls and provide information and assistance to enrollees, providers, LDH representatives, and other interested parties related to:

- Claims processing
- PDL inquiries
- PAs
- Medicaid eligibility
- MCO enrollment status
- Pharmacy provider reimbursement rates
- Pharmacy locations, prescriptions, and refills status
- MedImpact policies and procedures
- Website content and performance inquiries
- Resolution of concerns, questions, and problems
- Filing of grievances and appeals
- Enrollee and provider complaints
- Other FAQs posed by enrollees, provider communities, MCOs, and other stakeholders

Enrollee Assistance

CSC staff assist enrollees with inquiries related to eligibility, benefits / coverage, pharmacy locations, hours of operation, telephone numbers, process for requesting reimbursement, share-of-cost obligations, privacy rights, and more. Our CSC staff direct enrollees to the appropriate site on the pharmacy services portal for additional information and, if requested, send a copy of their rights and responsibilities via email. Enrollees may also use the self-service option on the IVR to request informational materials if they do not require direct contact with CSC staff. These self-service functions are also available through our mobile application.

CSC staff also performs a variety of activities to support enrollees and providers. They perform enrollee and provider data look-ups, assist in gathering information necessary for issue investigation and resolution, and refer enrollees and providers to the appropriate internal subject matter expert or external resource whenever the issue is not within the scope of MedImpact's responsibilities.

CSC staff may assist in preparing and routing claims packages, providing results of a previous inquiry, referring to an internal CSC specialist to assist with a more complex question, escalating an issue to a supervisor, and providing information to contact LDH. For example, CSC staff may refer an enrollee to LDH or a local agency to resolve an eligibility issue, or to their MCO for care

management services, or when they request authorization of a Medicaid benefit/service that is not covered under the Louisiana contract.

Our CSC system tracks and trends questions to identify opportunities for improvement in CSC staff training and performance, portal functionality, processes, workflows, and informational materials, and to periodically update FAQs or tip sheets.

Provider Assistance

CSC staff are well-trained and experienced in assisting prescribers, pharmacies, and billing agents with information and issue resolution. They access and provide information on enrollee eligibility, benefits / coverage, and share-of-cost obligations, as necessary. CSC staff help providers complete and submit pharmacy treatment / service PA requests, check the status of previously submitted requests, and identify missing information or documentation necessary to complete authorization or resolve denied requests. Our CSC staff collaborate with pharmacists who can explain the reason for a denial and help to resolve clinically related issues in the best interest of the enrollee. CSC staff can assist providers with claims inquiries, including how to complete and submit a claim, checking the status of a previously submitted claim, reversing claims, resolving claims denials, and checking the status of reimbursement / payment.

Grievances and Appeals

CSC policies and procedures specify, and CSC staff are trained on, how to accept grievances and appeals, categorize, address, record, and track concerns about eligibility, access to care, covered services, claims status, and other related matters. The Grievances and Appeals staff handles tracking, trending, and reporting on grievances and appeals received through the CSC. They also identify opportunities for improvement in addressing grievances and appeals, reporting metrics, and analysis to the Quality Improvement Committee. This information is made available through online access for unredacted review by LDH and the MCOs, as necessary.

MedImpact continues to make significant investments in its technology capabilities to help ensure we meet the current and future needs of our customers, enrollees, and providers. Call monitoring technology is evaluated every two years, with updates occurring on a routine basis. Our call center operations are both flexible and scalable to meet and exceed the future needs of LDH and MCOs, including the following RFP scope of work requirements:

- An automated call distribution voice-response system with an option to speak to a live representative
- A voice message system to receive calls after business hours
- Capacity to handle all telephone calls at all times, including times of peak call volume, and to meet LDH and MCO needs and performance expectations with acceptable call completion and abandonment rates
- Tracking and reporting capabilities

All CSC staff members, including designated overflow staff, undergo Louisiana-specific training, with access to Louisiana-specific information and scripts based upon each MCO's benefit design and preferences.

MedImpact's overall approach to managing successful call centers encompasses the following key elements:

- **Deep knowledge** of what constitutes high-quality service from the perspective of enrollees, providers, pharmacies, LDH, MCOs, and other stakeholders
- **Well-defined process** for developing effective service-level and performance standards that clearly communicate organizational expectations for performance, including both operations and the quality of individual CSC staff interactions with all customer types
- Rigorous call center **quality management** and **improvement program** that monitors, analyzes, and promptly responds to deficiencies and continuously identifies opportunities for improvement

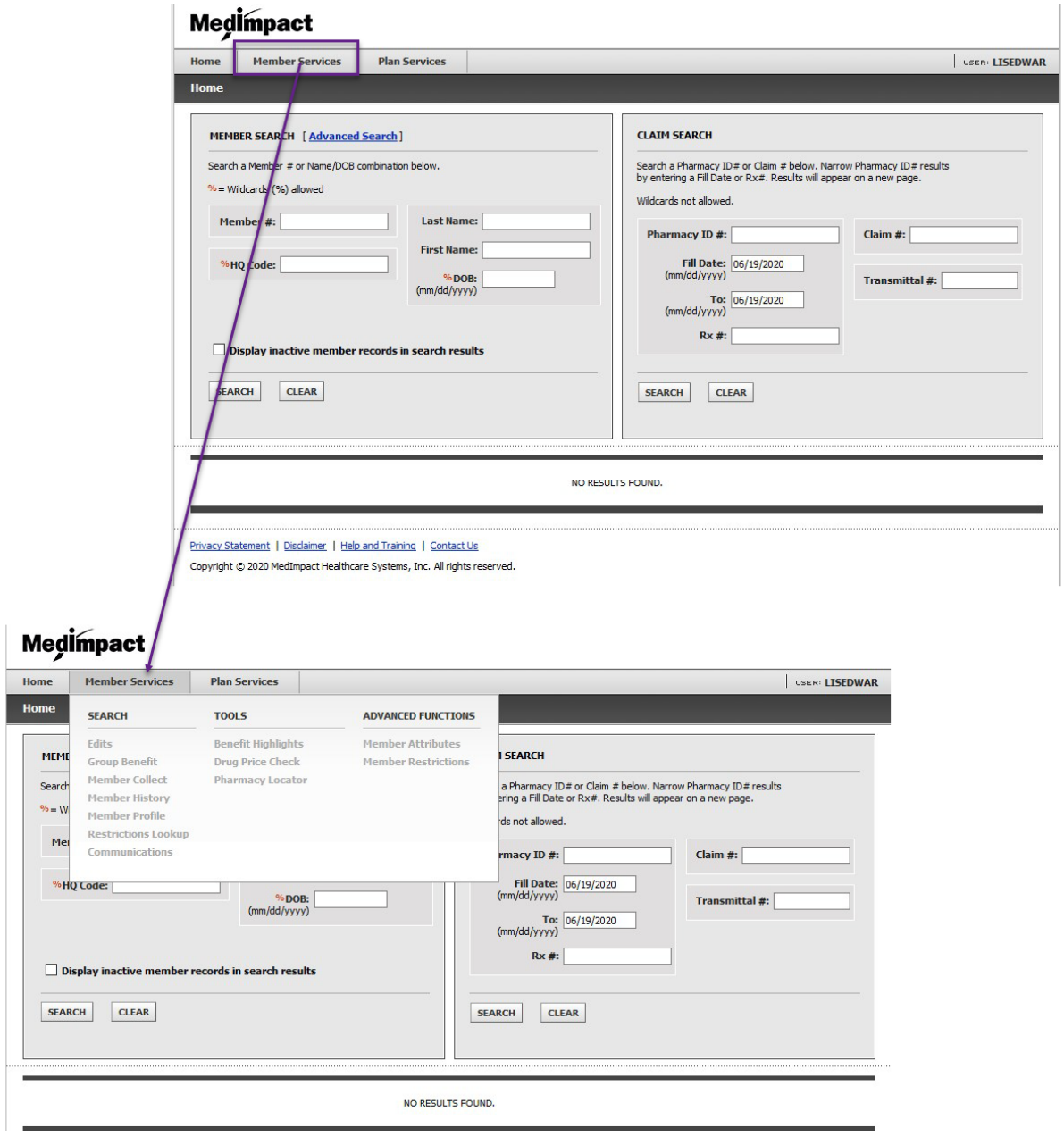
Highly trained CSRs address clinical calls using our comprehensive support and knowledgebase tools and services to provide timely, accurate, and complete responses. MedAccess, our CSC system, includes all required capabilities for CSC staff to answer complex questions from callers and for tracking and reporting customer service information and performance. Enrollee and pharmacy provider inquiries are acknowledged within one business day of receipt.

MedImpact's current CSC systems and operations drive our capability to answer calls in a prompt and professional manner, and route to the appropriate CSC staff. These systems provide data that enable us to track, trend, and help ensure compliance with SLAs (service level agreements). MedImpact's proprietary call center platform, MedAccess, is a real-time online application that maintains a central repository to store all customer communication activity and artifacts. MedAccess provides a single view into the customer record and delivers access to internal documents and resources to support quality reviews and management. We continuously update MedAccess in response to identified needs and opportunities for improvement.

We use MedAccess for the following documentation and data capture procedures:

- Recording the date and time of all inbound and outbound contacts (calls, emails, faxes, and correspondence)
- Identifying the responding call center staff, the workstation where the call was answered
- Identifying information for the caller, including reason for call, disposition, and notations in a free-text field

Figure 1.8.8-Z: MedAccess System Documentation



We can retrieve and audibly review this information to track, index, and report on all call center activity. These capabilities enable managers to identify trends that inform call center staff training, quality improvements in services and products, enrollee education and outreach materials and activities. We also identify trends that inform provider portal updates, education, and training.

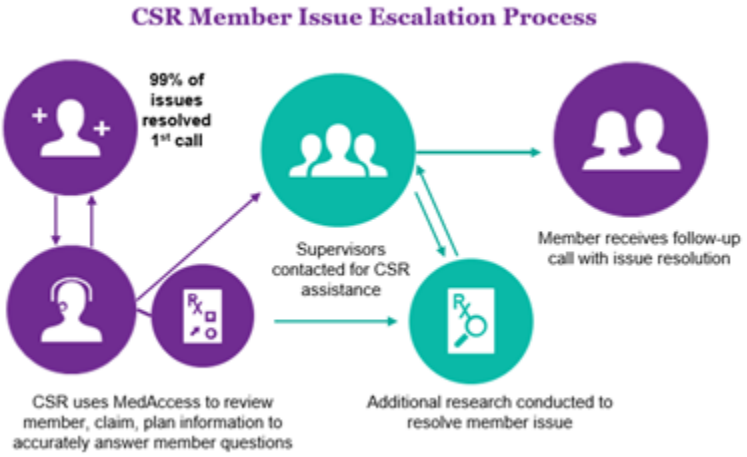
Call center staff receive hard copy enrollee inquiries from multiple sources. When documents arrive through the US Mail or other delivery service, we document the request in the enrollee's

profile to build an entry into MedAccess. We then place an outbound call to the requestor, following call center procedures from that point forward. We scan all hardcopy documents and place them in electronic folders linking to the MedAccess entry for easy access.

MedAccess maintains an indexable and searchable call log of all contacts, capturing the nature of all inquiries or issues, date and type of contact, customer type, status and resolution of each contact, date of resolution, and more. Authorized users can search and report at the individual, group, and aggregate levels.

MedImpact's professional CSRs resolve 99 percent of enrollee issues during the first phone call. In most instances, inquiries and problems are handled while the enrollee is on the phone; however, CSRs escalate calls for resolution or referral, when necessary (**Figure 1.8.8-AA**). The CSR accesses a research screen to transfer the question or concern to a senior representative and to any appropriate departments for research and resolution. If the caller is insistent and does not want to wait, a supervisor can provide immediate assistance.

Figure 1.8.8-AA: CSR Escalation Process to Answer Complex Enrollee Questions



Outbound Campaigns

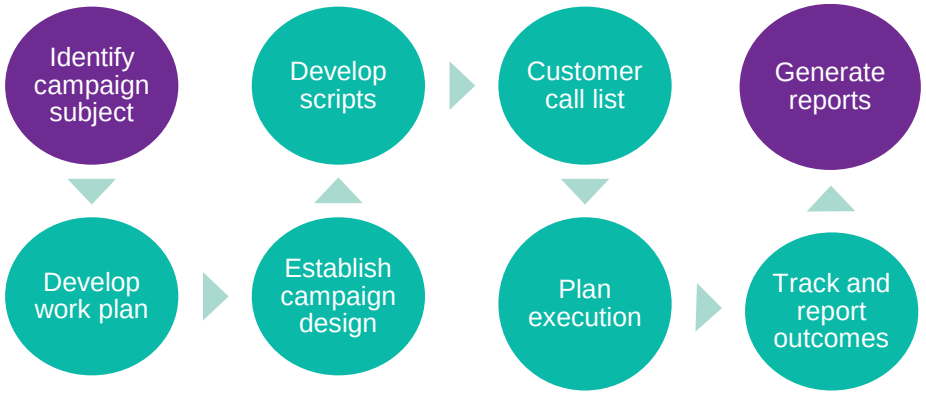
MedImpact uses proven process to support outbound calling campaigns. Depending upon campaign objectives, the work plan, program design and execution plan will determine a timeline for campaign start and the associated data capture and reporting required. A representation of campaign development process is shown in **Figure 1.8.8-BB** that follows.

Prior to start date of a campaign, call center leader and staff training includes review and education on the campaign objectives, proposed design, and call tracking and data capture requirements. Call center staff are further trained on system functionality, scripts related to call campaigns and callbacks, and any special instructions or processes related to the specific outbound call campaign.

Our comprehensive customer service solution includes a broad range of operational and reporting capabilities necessary to support, monitor, and document all communications, including incoming and outgoing calls, outbound call campaigns, e-mails, and text or fax interventions, when appropriate. MedImpact follows federal and state guidelines and requirements related to contact restrictions, including rules related to cellular phones and voicemail or answering machine contact events.

MedImpact, LDH and its MCOs, as appropriate, will work together on any topics selected for outbound campaign focus to review program areas identified by LDH, market best practices, and campaign quality improvement activities. When developing outbound call campaigns to provide education on items such as enrollee targeted initiatives and impactful program changes, to enrollees or providers, MedImpact takes the following steps.

Figure 1.8.8-BB: Development of Outbound Call Campaigns



- **Identify the subject of the campaign**—We collaboratively determine the focus of the outbound messaging campaigns based upon program updates or requirements from LDH and priorities identified by our Call Center or Clinical and Account Management.
- **Develop a written work plan**—Whenever an identified request for an outbound call campaign is initiated, our Account team, Call Center, and Telephony departments collaborate in the development and submission of a written work plan.
- **Establish a campaign design**—Upon work plan approval, our Call Center director, in collaboration with internal stakeholders and LDH resources, designs the outbound call campaign, including the strategy, timing, and data collection and reporting methodology metrics.
- **Develop scripts**—Our Call Center leadership develops, translates, and obtains LDH written approval of telephone scripts and provides final documentation to stakeholders.
- **Create a list of customers to be called**—We will support the identification and list generation of enrollees or providers to call, based upon campaign design, business needs or LDH requirements (e.g., enrollee education, provider education, health and wellness reminders).

- **Execute the plan**—Call center and Telephony staff collaborate on the execution of the outbound call campaign to meet specified timeframes/intervals
- **Track and report outcomes**—All outbound call campaigns are recorded in the MedAccess call log, including the specific campaign and parties contacted. We also document call outcomes according to specific categories designated for the campaign. This includes whether a live person answered, whether the call was picked up a voicemail system, and, if appropriate, a voice mail was left when there was no enrollee or provider answer. We also track calls where there are no answers and no voicemail option, or the number was busy, disconnected, or invalid. Our data capture can track and associate the call log with specific campaigns and called party, allowing our Call Center quality analysts to track and trend results
- **Generate outcome reports**—The Call Center quality team uses data collected in MedAccess and call logs to produce outcome reports based upon requirements described in the written work plan. After compiling, trending, and analyzing the data, the team uses the results to inform future call campaign strategies, workflows, and scripts.

CSC Quality Assurance

MedImpact uses internal review, daily monitoring of key performance indicators, (including those required by LDH), auditing, surveys, and direct observation of CSC staff performance to identify areas that require a re-evaluation of CSC technology, staffing, processes, or procedures. Our Quality Management staff develop auditing plans and conduct audits monthly to monitor and confirm CSC performance meets all contractual requirements. Our URAC-certified CSC meets or exceeds quality assurance standards, as defined by the International Organization for Standardization and also the standards and requirements of URAC and NCQA. To achieve the highest level of caller satisfaction, our call sampling and follow-up focuses on CSR performance. Our performance improvement coordinators and supervisors review and grade performance using a web-based call recording and monitoring system. Issues identified during call monitoring are compiled and used as training opportunities, as well as to measure caller satisfaction. We also conduct mock calls, provide mandatory monthly training, and continuously coach improvement opportunities one-on-one and in staff meetings.

MedImpact understands and agrees that upon termination of the contract, and at the direction of LDH, release to another vendor the toll-free backups and email addresses used during the course of the contract for use during a subsequent contract at no additional cost to LDH or to the subsequent contractor.

MedImpact uses the IEX Workforce Management System to improve its CSC forecasts and to monitor key performance indicators. IEX enables our CSC management team and individual CSC staff to establish and track their schedules and to predict future staffing needs based upon call center utilization data. In addition, we use Calabrio, an application that enables us to review both targeted and random sample calls and documentation to monitor, and analyze calls, and

to make decisions on resource allocation and training needs. Algorithms, reports, direct observation, and performance metrics are used to continuously monitor and adjust staffing in response to seasonal variations, increased call volume, driven by outbound call campaigns, or LDH-directed program changes. MedImpact's integrated IT solution affords CSC staff a single view into all relevant caller information, with easy access to additional resources and reference documents. Our call center system tracks and trends activity from a variety of perspectives, such as call types, customer issues, and performance, providing a continuous source of information used to identify opportunities for improvement.

Call management solutions—MedImpact's CSC uses Cisco's Unified Intelligent Contact Management and Unified Contact Center Enterprise solutions, including:

- ACDs (automatic call distributors)
- IP IVR with Nuance's text-to-speech and voice recognition platform
- Unified Contact Center Enterprise Outbound Option, which supports complex outbound call campaigns
- CTI (computer telephony integration) Desktop
- CUIC (Cisco Unified Intelligence Center) Reporting

Central repository to store all customer communication activity and artifacts—MedImpact's proprietary call center platform, MedAccess, provides a single view into the customer record and access to a range of internal documents and resources. MedAccess is a real-time online application that enables LDH and MedImpact evaluate and manage the effectiveness, quality, and efficiency of our CSC. MedAccess is continuously updated in response to identified needs and opportunities for improvement.

Recorded information—All required voice scripts are approved by LDH and translated and recorded by a certified translation service, as required. Should LDH wish to provide scripts, IVR options, or choices for messages or recordings already in use, MedImpact will accommodate any LDH preferences.

Identifying information—For incoming calls from a known phone number, our system shows the CSR the caller's identifying information and the choices made by the caller in navigating the IVR selections. This information is used to verify the enrollee's identity.

IVR metrics—Cisco's IP IVR system tracks performance metrics (e.g., first call resolution rates, percent calls answered within 30 seconds, capture rate, hold times, call back return rate, and more). We combine this information with call type reports and with monitoring and evaluation reports to analyze performance and to drive improvements in staff training and performance, processes, and technology.

Assisting hearing-impaired callers–MedImpact relies upon our approved translation service agreement to support TTY services. If a caller requires language translation, the CSC staff can access our approved translation service. During onboarding, CSC staff are trained to assist

individuals with disabilities and/or limited English proficiency. MedImpact works to help ensure accurate and timely responses to all caller inquires, regardless of language.

CSC Performance Standards

MedImpact's CSC currently delivers a comprehensive customer service solution that meets all CMS and URAC required operating standards, including monitoring and oversight of security and confidentiality, first-call resolution rate, average speed of answer, abandonment rate, blocked call percentage, accuracy of information provided, and other service levels. These are monitored by our Workforce Management team, 24 hours per day, seven days per week, in real time and on an interval (half-hour) basis, with resources reallocated, as appropriate. MedImpact also employs automated reporting to track in real time what is occurring.

MedImpact maintains a first call resolution rate of 99%.

We ensure key performance indicators meet or exceed LDH contract requirements and ensure data for tracking, trending, reporting, and corrective action is timely, complete, accurate, and actionable. Our CSC implementation work plan addresses security and confidentiality, including telecommunications, Internet infrastructure, call management solutions, and a central repository to store all customer communications activity and artifacts, and all supporting technology, data sources, and system integration strategies.

MedImpact's performance improvement coordinators and supervisors review and grade performance monthly using a web-based call recording and monitoring system. Issues identified during call monitoring are compiled and used as training opportunities, as well as to help ensure enrollee satisfaction. In addition, performance improvement coordinators conduct mock calls, provide mandatory monthly training, and continuously coach CSRs regarding improvement opportunities in both one-on-one sessions and in staff meetings.

Whenever CSC staff members are unable to resolve an issue during initial contact, our call center system and processes enable them to refer calls internally and externally, schedule callbacks, track the progress of issue resolution, and provide that information to the customer. Our integrated IT (information technology) solution helps to ensure CSC staff are afforded a single view into all relevant caller information and enables them to access additional resources and reference documents quickly and easily. Our call center system tracks and trends activity from a variety of perspectives, such as call types, customer issues, and performance, providing a continuous source of information used to identify opportunities for improvement.

Using our CSC logging application with the MedAccess platform, CSRs document, categorize, process, track, monitor, and trend CSC performance and activity across a variety of statistics, such as call volumes, types, number and type of customers, reasons for calls, timeframes for resolution, and more, providing a continuous source of information used to monitor performance and identify opportunities for improvement.

Reporting Data content—Within our reporting tool, CSC data sets are available and organized to simplify the process of access the data we want and need. Data sets cumulatively contain more than **800 data elements** and include CSC-specific data (e.g., number and type of customers, reasons for calls, timeframes for resolution, and other elements identified by LDH). Some views contain summarized data for prompt results of counts and totals, while others provide granular detail for in-depth analysis.

Figure 1.8.8-CC: Call Log Detail Sample Report from MedOptimize

Medimpact MedOptimize®

Call Log Detail

ABC COMPANY - SAMPLE CALL LOG DETAIL
Dates of Service: 01/01/2020 to 03/31/2020

Member ID	Member Full Name	Call Log Date/Time	Carrier HQ	Call Source	Call Reason	Call Sub-Type	Action	Sub-Action	Drug Information
ABCDEFGHI-01	Member 1	################	ABC01	Participant	VR - VERIFICATION REQUESTS	SD - PA STATUS - DENIED	C - CORRECT INFO GIVEN		BUTALBITAL-ACETAMINOPHEN-CAFFE;50-300-40;EACH (TABLETS, KITS, ETC.);
ABCDEFGHI-02	Member 2	################	ABC02	Physician	VR - VERIFICATION REQUESTS	SD - PA STATUS - DENIED	C - CORRECT INFO GIVEN		BUTALB-ACETAMINOPH-CAFF-CODEIN;50-300-30;EACH (TABLETS, KITS, ETC.);
ABCDEFGHI-03	Member 3	################	ABC03	Participant	FB - FORMULARY-BENEFIT INQUIRIES	CQ - FORMULARY LOOK UP - CLAIMS QUOTE	RE - REFERRED CALLER	PH - PHARMACY	BUTALB-ACETAMINOPH-CAFF-CODEIN;50-300-30;EACH (TABLETS, KITS, ETC.);
ABCDEFGHI-04	Member 4	################	ABC04	Participant	FB - FORMULARY-BENEFIT INQUIRIES	CQ - FORMULARY LOOK UP - CLAIMS QUOTE	RE - REFERRED CALLER	SO - PHYSICIANS OFFICE	BUTALB-ACETAMINOPH-CAFF-CODEIN;50-300-30;EACH (TABLETS, KITS, ETC.);
ABCDEFGHI-05	Member 5	################	ABC05	Participant	FB - FORMULARY-BENEFIT INQUIRIES	PX - FORMULARY LOOK UP - PILOT RX			BUTALB-ACETAMINOPH-CAFF-CODEIN;50-300-30;EACH (TABLETS, KITS, ETC.);

CUIC—CUIC, a reporting platform for Cisco CSC products, is a web-based application that provides historical, real-time, and live data reporting and dashboards. CUIC enables us to create custom queries to obtain specific data, customize the visual presentation of the reports, and customize the data that is presented in the reports. CUIC also supports role-based views, allowing different groups of people to view specific data based upon their roles. CUIC includes a scheduling function that runs specific reports at selected intervals.

MedImpact's comprehensive customer service solution enables real-time access to claims, inquiries, and enrollee calls in one place available for LDH and the MCOs.

MedImpact's highly trained CSRs use a comprehensive knowledgebase, support tools, and services to assure accurate and complete responses in a timely manner. MedAccess, our CSC system, includes all required capabilities for our CSRs to keep callers apprised of progress on more complex questions as they are resolved, referring calls to specialists, as designated by LDH, and tracking and reporting customer service information and performance. MedAccess is available to LDH and the MCOs for unredacted online access to claims, inquiries, and communications / contracts tracking.

MedAccess is a real-time online application that enables MedImpact CSRs, LDH, and MCOs to evaluate and manage the effectiveness, quality, and efficiency of the program. We use internal reviews, daily monitoring of key performance indicators, (including those required by LDH), auditing, surveys, and direct observation of CSR performance to identify areas that require re-evaluation of the technology or CSC staffing, processes, or procedures. MedAccess is continuously updated in response to identified needs and opportunities for improvement. This comprehensive customer service solution includes a broad range of operational and reporting capabilities necessary to support, monitor, and document all communications, including incoming and outgoing calls, outbound call campaigns, emails, and IVR requests for informing materials and callbacks.

Recording, tracking, and indexing contacts—MedAccess records the date and time of all inbound and outbound contacts, identifies the responding CSR, the workstation where the call was answered, and identifying information for the caller, including county of residence, reason for call, disposition, and notations in a free-text field. Call types and disposition categories are enhanced to include all categories included in LDH-approved lists. MedAccess can use this information to track, index, and report on all call center activity, enabling managers to identify trends that inform CSR training, enrollee education and outreach materials and activities, and provider portal updates, education, and training.

Managing traffic—MedImpact uses the NICE / IEX Workforce Management System and the Cisco contact management system to manage call center traffic, determine staff resource allocation and projections, and generate call center utilization reports. Along with MedAccess, these integrated solutions provide a comprehensive view of CSC records, ensuring CSC management can make informed decisions regarding CSC operations in real time and in response to identified trends.

Recording and maintaining information—MedAccess records all contacts; captures the nature of all inquiries or issues, date and type of contact, customer type, status and resolution of each contact, and date of resolution; and can report at the individual, group, and aggregate levels. MedAccess also maintains up-to- date enrollee and provider identifying information, including language selection, authorized representative information, and documentation.

Tracking numbers from dropped calls—Our integrated CSC system uses the Cisco Call Manager System to track telephone numbers from callers whose calls are dropped. We document and retain information about telephone numbers that are not unreachable because they are blocked, disconnected, not valid, or result in a busy signal in MedAccess.

Initial training, coupled with routine performance feedback and ongoing training, is critical to the delivery of superior customer service, as well as to ensuring the accuracy of information and efficiency.

MedImpact continuously invests in and enhances its technology, inbound channels, and response capabilities to help ensure optimal service and satisfaction to enrollees, providers,

and other stakeholders by connecting enrollees and by providing multiple forms of interactive communication, including:

- Telephone with voicemail
- Fax
- Web portal
- Mobile application

In addition, we offer a self-service option through our IVR solution.

Written Materials (SOW 2.1.27)

In accordance with 42 CFR §438.10, 42 USC §1396u-2(d)(2)(A)(i), and 42 USC §1396u-2(a)(5), MedImpact will:

- Provide all required enrollee information in a manner and format that may be easily understood and is readily accessible by enrollees and potential enrollees
- Operate a website that provides enrollee information directly and links to our pharmacy services portal
- Operate a website that provides the definitions for managed care terminology identified in 42 CFR §438.10
- Ensure enrollee materials are available to all enrollees at a Flesch–Kincaid weighted score level of 90.0 to 80.0 (sixth grade easy-to-read and conversational English, as a minimum of 12-point font size)

At the direction of LDH, MedImpact will provide electronic enrollee information that:

- Is readily accessible
- Located on the MedImpact and LDH websites in a manner that is prominent and readily accessible
- Is in an electronic form that can be saved and printed
- Compliant with the content and language requirements set forth in 42 CFR §438.10
- Provides the identical electronic information in paper form, without charge, upon request within five business days
- Utilizes an LDH approved translation service agreement to support oral and written translation services to assist enrollees with disabilities and / or limited English proficiency, at no charge to enrollees
- Makes all LDH-approved enrollee written materials available in alternative fonts and languages, upon request, to aid non-English speaking enrollees and enrollees with visual limitations, at no charge to enrollees

MedImpact shares LDH's dedication to enrollee support and distribution of critical information. With LDH guidance and approval, we ensure our marketing materials are of outstanding professional quality. Composition of all written enrollee information display our company's

name, physical location, mailing address, all relevant toll-free numbers, email addresses, and website information. Prior to the distribution of any written enrollee information or co-branded marketing materials, MedImpact consults the MCO Marketing and Enrollee Education Companion Guide and seek the guidance and prior approval from LDH.

Oversight and Monitoring (SOW 2.1.15 and 2.1.16)

- Oversight and monitoring: Describe the proposed approach to meet the requirements in Section 2.1.15.

MedImpact understands this contract provides management of pharmacy benefits for all contracted LDH MCOs. We agree to contract separately with each Louisiana Medicaid contracted MCO and to be paid administrative fees (per claim) by each MCO, in accordance with an LDH-approved administrative payment methodology and memorialized in our proposal and eventually, in our contract with the MCOs.

We understand that for this model to be functional, all stakeholders must collaborate under all conditions, including during times of disputes. We will rely on LDH to ensure collaboration between the MedImpact and the MCOs and to act impartially. MedImpact recognizes a MCO may require a corrective action plan and we will respond accordingly. Our Louisiana-based Compliance Officer, Niejadd Evans, CHC, will coordinate our response and our COO will lead our corrective action steps.

MedImpact's robust reporting solution leverages all types of data to quickly discover emerging trends and identify root causes.

We understand LDH and MCOs will provide oversight and monitoring of the single PBM activities and operations. Furthermore, MedImpact understands performance guarantees are monitored and administered by the MCOs and that any financial assessments may be assessed by the MCOs. We will work diligently during implementation to validate our staffing models, validate the variable/volume related data provided to MedImpact during the procurement, and discuss with each MCO how this data was derived. Our goal is to have a thorough understanding of how the MCOs operated their program prior to the single PBM so that we can make informed decisions and pivot, as necessary, under LDH direction. **MedImpact will employ a seamless implementation, collaborate in a meaningful way with our new partners in Louisiana (MCOs), and meet all LDH expectations.**

To aid the MCOs and LDH in monitoring our activities, our reporting solution provides key performance and operational indicators, trending, and meaningful findings to identify areas where process and capability improvements can be made to enhance performance, as well as areas that require formal corrective action plans**.** MedImpact key business owners and subject matter experts continually review reporting results and findings to help ensure we remain on the appropriate trajectory to achieve all performance objects while meeting all service level contractual agreements, and make extensive use of dashboards, data visualization and

MedOptimize flexible analytics to identify emerging risks, adverse trends, and opportunities for improvement. If an underlying performance issue is discovered, either due to a CAP imposed or during our quality assurance checks, our Louisiana-based COO engages the appropriate multidisciplinary team to perform a root cause and impact analysis. External experts are engaged, as needed, and, depending upon the magnitude of the issue, a formal project is initiated and tracked. Once the root cause(s) of the issue are identified, a requirements and solution analysis is conducted and the appropriate remediation(s) are implemented. Measurable goals and timeframes are established to evaluate the effectiveness of the remediation(s). Once it is verified the remediation(s) are fully resolved, the identified issue in the project is closed. If appropriate, a lessons learned review is performed, which examines all aspects of the issue discovery, causation and remediation(s), and opportunities to enhance existing reporting and/or develop additional reporting to improve future discovery of similar issues.

MedImpact agrees to make all of its premises and facilities supporting the LDH contract, and pertaining to the goods and services furnished under the terms of the agreement, available for monitoring performance and compliance of contractual requirements within the corporate security parameters established by our IT Security team. We also agree that prior to the operational start date, we will provide a written description of the assurances and procedures that will be put in place to prevent enrollee steering, to ensure no conflicts of interest exist, and to ensure the confidentiality of proprietary information.

State and Federal Compliance (SOW 2.1.17)

- State and Federal Compliance: Describe the proposed approach to meet the requirements in Section 2.1.17.

MedImpact understands and agrees to all applicable State and federal laws, rule, regulations, policies, procedures, manuals, and the State plan. Our local Compliance Officer, Niejadd Evans, will ensure compliance with all requirements, working in tandem with the whole Account team. We will provide value to LDH and the MCO through our tracking of pending state and federal regulations by tracking, interpreting, and providing recommendations for compliance. **At the request of LDH, our team of Medicaid experts will assist in any analysis of pending legislation in the State of Louisiana and our data analyst will work to provide any supporting data.**

We comply with all state and federal regulations, continually updating our policies and systems as regulations and legislation change. Our Government Programs Services (GPS) division teams along with our corporate Compliance team, monitor multiple state, federal, and industry websites for new regulations and Medicaid guidance.

Our Louisiana Compliance Office, Niejadd Evans, will partner with the Account Team and LDH and review any new Medicaid regulation, proposed regulation or guidance and recommend a strategy to implement or work with legislators, at the discretion of LDH, to seek further

clarification. Once any new guidance from the State or CMS is identified, the Account team will schedule both external and internal meetings for review, discussion, planning, and deployment of any changes/strategies. MedImpact understands the vital importance of ensuring our solution is compliant with applicable State and federal laws and regulations and adaptable to future changes.

MedImpact complies with relevant standard and operating rule mandates for health care EDI. We employ stringent compliance, internal control, and quality review processes for EDI (Electronic Data Interchange) file exchange to ensure data are loaded timely and accurately. After LDH (or a vendor) uploads an EDI file to our SFTP server, our system executes an automated server scan to retrieve the file from enrollee folders residing on the SFTP server(s). Prior to updating records, our system performs the following validation and load steps as an additional measure of data integrity check.

MedImpact agrees to comply with all current and future HIPAA standard Transactions and Code Sets (TCS) in place or mandated by LDH and CMS. We employ a dedicated HIPAA Compliance team composed of its corporate compliance officer, privacy officer, and security officer. Through the guidance of this team, MedImpact complies with all HIPAA current rules, as evidenced by **Appendix F,** HIPAA Compliance Summary. This document details various HIPAA privacy, security, transaction and code set, and national identifier standard requirements, as well as MedImpact's corresponding compliance efforts.

MedImpact is a 'Business Associate,' as defined by the Health Information Portability and Accountability Act of 1996 (HIPAA), as amended by the Health Information Technology for Economic and Clinical Health Act Section 13402 (HITECH Act) and implementing regulations (collectively referred to as HIPAA regulations). MedImpact serves in a business associate capacity for pharmacy benefit management and third-party administrator services currently provided to MedImpact customers involving customers' Protected Health Information (PHI).

To assure compliance with future rules, MedImpact actively monitors applicable federal and state laws and regulatory agency communications, participates in leading industry organization efforts, and attends various national conferences to maintain its HIPAA compliance program. Our proactive activities include:

- Subscription and monitoring of CMS Listservs
- Subscription services to regulation databases. We pull the data from these weekly and assign a Compliance team member to work on any that may be applicable,
- Active membership in PCMA (Pharmaceutical Care Management Association) that notifies its members of new and proposed regulatory changes
- Building transparent, collaborative, and strong relationships with our customers

MedImpact agrees to comply with all State and federal records management policies and retention schedules. Specifically, we will:

- Capture and maintain data necessary to meet all legal requirements (e.g., State, Federal, administrative)
- Provide LDH-authorized users access to MedImpact facilities for the purposes of audit, review, or physical inspection of system assets and system security, network, and access to any project artifacts, and access to records, including any records that are stored offsite, at no additional cost to LDH or the MCOs
- Retain all records and reports relating to this agreement for a period based on LDH policy. When an audit, litigation, or other action involving or requiring access to records is initiated prior to the end of said period, records will be maintained based upon the LDH policy following resolution of such action, or longer if such action is still ongoing. Records will be in a format admissible into evidence in any court of law.

Audit (SOW 2.1.18 and 2.1.20)

- Audit: Describe approach to provide an audit program (Section 2.1.18).

Pharmacies participating in the MedImpact pharmacy network are equipped with pharmacy manuals, training programs (if requested), webinars, and payer specification sheets, all of which help to prepare them for proper submission of prescription drug claims. These tools are supplemented with POS edits and provider messaging to minimize provider billing errors. To minimize edits and audit findings, LDH claims submission requirements are clearly communicated to providers.

Pharmacies participating in the MedImpact single PBM pharmacy network are subject to audit to verify claims accuracy, promote enrollee safety, and assess compliance with the provider agreement, the provider manual, State regulations, and the Federal Pharmacy Practice Act and any other related legislation. We attest that contracts or agreements with pharmacies for MedImpact's other lines of business or other contracts will not limit its ability or the volume of audits it can perform of that pharmacy or any other pharmacy's drug claims. We comply with this requirement, without any conflicts, in our other single PBM contract.

LDH claims submission requirements are clearly communicated to providers to minimize edits and audit findings. Participating pharmacy providers are subject to audit at different intervals to verify claims accuracy, promote enrollee safety, and assess compliance with the MedImpact provider agreement, the provider manual, State regulations, and the Federal Pharmacy Practice Act and other related legislation.

In our experience with a single Medicaid PBM model, close collaboration and sharing of information about their current network audit efforts is critical to success. If MCOs have been conducting audits and have experienced issues with a particular provider or have become aware of a particular scheme, it is imperative that information is shared with MedImpact during implementation so that we can discuss removal of the particular pharmacy with LDH and the other MCOs and/or be informed of any schemes in advance.

Audit Pharmacist, Michele Turner, PharmD, collaborates with LDH to coordinate all audit activities, including oversight and implementation of all pharmacy audits. The audit pharmacist also coordinates with LDH to develop an annual plan detailing the audit of pharmacy claims, including:

- Audits of at least five percent of active retail pharmacies enrolled in the network
- A strategy for conducting desk audits of pharmacy claims
- Methods for coordinating audit and program integrity efforts with the LDH Program Integrity, Program and Operations, and Quality and Innovations sections
- Compliance audits to determine provider adherence to the program policies, procedures, and limitations outlined in the provider agreement

All audit program policies are submitted to LDH for approval prior to implementing. We anticipate our Audit Pharmacist and FWA Investigator being closely involved with LDH's Program Integrity unit. There is a vested interest in all parties being aware of the others planned activities so there is no duplicative efforts and no 'tipping off' of the provider. It is also important to be aware of providers that have been the subject of LDH PI past scrutiny/efforts so as not to create difficulties for the Department or a potential access issue for enrollees.

In our view, audits are not intended to be punitive; rather, they serve as useful opportunities to identify situations that require education, training, remediation, or modifications to help ensure optimal service to our customers and their enrollees. We utilize information gleaned from network audits as a feedback mechanism to improve our system edits, network educational efforts and call center training.

In the development of our approach, we have reviewed Louisiana RS 22, § 1856.1 and will comply with its regulations to the extent they apply to Medicaid and in consultation with LDH.

Desk Audits

Retrospective desk audits are performed on all paid claims. Suspect claims are identified:

- Through our proprietary algorithms
- As dictated by regulatory requirements or contractual agreements
- As recommended by LDH, the MCOs, and/or MedImpact's Pharmacy Compliance auditing staff, based upon MedImpact's experience, recent trends, enrollee complaints, or past/current on-site audit findings

The algorithm applies the knowledge and expertise gained through years of experience managing pharmacy networks and prescription benefits to identify claims for review, based upon recognized trends and aberrant data. We also utilize guidance from the CMS Prescription Drug Benefit Manual Chapter 9, Medicare Managed Care, and the CMS Chapter 21 and Medicaid and CHIP Managed Care Final Rule (CMS-2390-F), Program Integrity. Our guidelines establish the framework for implementing and monitoring regulatory requirements under 42

C.F.R. for an effective auditing and compliance plan. Any audit which involves clinical judgment will be conducted by or in consultation with our licensed audit pharmacist.

MedImpact's intuitive audit algorithm identifies unusual claims processing patterns and aberrant trends requiring review and potential investigation.

Data review and claims selection is a combination of electronic and manual procedures to identify potential instances of pharmacy error and/or FWA; 100 percent of claims are subject to audit. Claims review may go back up to 18 months; however, we recommend using the range of six to nine months to minimize provider burden. We collaborate with LDH to determine the appropriate review period. Claims for desk audit are selected based upon a combination of flags, including high-dollar, duplicate claims, DAW 1, and comparison with like claims or other providers. Some claims with discrepancies may result in a request for documentation.

Request for documentation is sent to the pharmacy (in a modality approved by LDH); response is typically requested in 14 days. Documentation from the pharmacy may be provided by fax, mail, or email and must include the audit number and auditor's name, as listed on the audit letter. Appropriate documentation includes:

- Legible copy of original prescription (front and back) or:
  - Telephone prescriptions must include all prescription information, including date, drug, strength, quantity, days' supply, directions to the enrollee, enrollee information (date of birth), prescriber information, etc.
  - Scanned copy of original prescription
  - Electronic prescription or electronic medical record with transaction notes, date, and timestamp
  - Prescriber letter, medical record/physician orders, or medical order (prescriber letter must be on letterhead)
- Proof of pick-up or delivery of the prescription (fill or refill)
  - Delivery log with signature or delivery time stamp
  - Signature log

For the following pharmacies, additional prescription information is required:

- Long-term care pharmacies must also provide the medication order sheet from the facility requesting the refill with appropriate date and signature.
- Compounding pharmacies must provide the compound 'recipe; with the NDCs and quantity for each NDC used in the compound, use by date, and storage instructions.
- Home Infusion, intravenous (IV) pharmacies must provide turnaround time when requested by an auditor.

On-site Audits

MedImpact proposes an on-site audit schedule to audit at least five percent of the active retail pharmacies in the Louisiana Single PBM network annually, for approval by LDH. The audit pharmacist coordinates all audit activities. Adherence to the schedule is critical to creating a sentinel effect in the network and so that MedImpact may complete the required number of audits per year.

On-site audits can be precipitated based upon the findings of the desk audits; enrollee complaints; recommendations by LDH or the MCOs; regulatory requirements; contractual agreements; monitoring of pharmacies in regions known to have a high risk of potentially fraudulent activity; and/or as recommended by MedImpact's Pharmacy Compliance department or FWA team. We also utilize data from our EOB claims sampling to inform our desk audit processes.

The audit pharmacist coordinates all on-site audits, in accordance with LDH specifications. Once determined, we collaborate with the MCOs regarding the LDH-approved audit schedule and the providers selected to audit, as well as the universe of claims involved. These coordination efforts are led by the audit pharmacist in close collaboration with LDH. Site selection is based upon stratification findings that identify potential audit targets and presented to LDH for consideration and approval. After audits occur, we collectively present the results to LDH and the MCOs (as appropriate) to coordinate the next steps of action. These next steps may include corrective action plans, recoupment, termination from the provider network, and possible notification of law enforcement and/or regulatory agencies working under the direction of LDH.

The audit pharmacist is also responsible for the oversight and implementation of all pharmacy audits and coordination of such audit activities with LDH, with review and administration of all audits on behalf of or at the request of LDH, in accordance with State laws and guidance. Our LDH on-site audit workflows encompass three phases:

Phase I: Pre-audit

MedImpact identifies potential audit focus and provider candidates and discusses with LDH to gain approval.

- **Case files**—A case file is created for every provider selected and provided to LDH for approval. The file includes the pharmacy name, address, phone number, fax number, provider identification number, the top five drugs dispensed, and any issues identified in claims utilization, and the reason for inclusion in the audit. A provider may only be audited once per calendar year.
- **Provider audit notices**—Once an audit is approved by LDH, the audit pharmacist notifies each provider regarding the upcoming audit and proposed date using LDH-approved notifications. Notices are sent a minimum of 14 days in advance of an audit, which is never scheduled during the first five days of a calendar month.

  - Once initial communications are sent, the audit pharmacist or designee contacts the pharmacy and advises of the audit's scope, timeframe, what to anticipate, and how to prepare. Approval is obtained to proceed with the audit on an agreed-upon date.
  - Unannounced audits will be conducted, at the discretion of LDH, if notifying the provider in advance may hinder the investigation.
- **Review State regulations**—We thoroughly review the State's evolving audit requirements to ensure continued compliance such as RS 22, § 1856.1.
- **Review LDH requirements**—MedImpact's Audit team helps to ensure all elements of its audit meet LDH contract requirements.
- **Follow-up**—We make a reminder call to the provider's office five days in advance of the audit. We also remind pharmacies to have signature logs available for the audit, along with any policies, procedures, or written manuals.
- **List of prescriptions**—We provide a de-identified (no personal identifying or personal health information) list of prescriptions to the pharmacy, which also receives the universe of claims fill dates subject to the audit.

Phase II: Audit

During Phase II, the pharmacy auditor:

- Helps to ensure all necessary electronic or paper copies of required documents for the audit are prepared and taken to the pharmacy
- Conducts introductions with the pharmacist-in-charge, discusses the scope of the audit, and provides copies of documents
- Reviews the pharmacy's physical location and premises, including the enrollee counseling area; any enrollee clinics within the pharmacy; operational practices; any visible physical hazards; required posted documents and posters, including store hours of operation; and written procedures, training manuals, controlled substance logs, and return-to-inventory stock log
- Obtains any information on the results of the most recent Office of Inspector General and General Services Administration employee sanction check to verify the pharmacy did not hire employees on the federal sanctioned listings
- Obtains information, such as the pharmacy's credentialing information, as well as the most recent CMS FWA and general compliance training for new and existing employees, including staff names and the dates of training sessions
- Reviews and scans each selected prescription and verifies the accuracy of the claim submission(s), including original claims, reversals, and rebills
- Records all discrepancies found during the audit in a discrepancy log. Any items not found or located are noted on this list by the auditor.
- Verifies signature logs and other information to confirm receipt of prescriptions
- Conducts an exit interview with the pharmacist in charge or pharmacy manager

- Obtains the appropriate staff signatures from the pharmacy stating the audit was performed and that the results were discussed with the pharmacy
- If discrepancies are found, the auditor documents actionable items on an on-site audit form and discusses all discrepancies with the pharmacy. We allow a timeframe of 10 to 60 days for submission of the missing information to MedImpact.

Phase III: Post-Audit (Desk or On-Site)

- **Post-Audit Documentation**—Within 10 days of the audit, the auditor may contact the prescriber to request verification of any claims and information to be provided within five business days.
- **Preliminary Report**—Is provided within 90 days of audit.
- **Consultation with Louisiana-licensed Audit Pharmacist**—The auditor may consult with the designated LDH pharmacy team on all audit findings and develops a follow-up plan that includes specific dates, resources, and deliverables.
- **Appeal Notice**—The auditor generates an appeal notice, along with a list of discrepancies, and forwards these items to the pharmacy. This communication includes a letter to the pharmacy with instructions on how to submit missing documentation or information (provider has 30 days in which to file additional information).
- **Communication**—Providers receive full documentation on the findings and adjustments identified by the Auditing team within 120 days of filing the preliminary report with provider. The audit pharmacist provides to LDH and MCO clearly written communication on all audit findings.
- **Reporting to external entities**—In situations where the auditor discovers potential FWA, MedImpact notifies the appropriate parties after the on-site audit. Upon approval from LDH, MedImpact provides detailed information on investigations to law enforcement, State insurance, or State Boards of Pharmacy, MEDICs, etc.

Independent SOC 2 Type II System Audit

In addition to its SOC report, MedImpact can accommodate an annual audit by LDH of our security and compliance.

A comprehensive system security plan is maintained for each contract. Additionally, we continually perform risk assessment/analysis as part of our risk management program and provide our customers with a semi-annual Risk Assessment/Analysis Report, as well as complete transparency into key risks, threats, and remediations as they are identified.

With numerous state and private customers across the United States, MedImpact currently mandates the requirement for reporting of effectiveness of internal controls compliant with AICPA (American Institute of Certified Public Accountants) Statement on SSAE No. 18, Reporting on Controls at a SOC 1, SOC 2, and Type 2 Report. Results of these assessments are shared with LDH no later than six months following implementation and annually thereafter.

To enhance our commitment to operational efficiency, MedImpact is actively engaged in obtaining HITRUST certification. The HITRUST Common Security Framework (CSF) is a comprehensive and certifiable security framework used by health care organizations and their business associates to efficiently approach regulatory compliance and risk management. HITRUST unifies recognized standards and regulatory requirements from NIST, HIPAA/HITECH, ISO 27001, PCI DSS, FTC, COBIT, and can be completed according to SOC 2 criteria, making it the most widely-adopted security framework in the U.S. health care industry.

We are currently working with our third-party auditors to complete the certification process by the end of 2022.

Sampling of Paid Drug Claims

In accordance with §433.116(e), MedImpact will send EOB (explanation of benefits) notices to enrollees where we paid claims for covered drugs during the previous month (but had not been part of the sampling pool the previous two quarters). These notices will be sent within 15 days of the end of each month.

Based on two percent of the 19 million claim volume provided in the RFP, we estimate that we will seek verification of approximately 380,000 paid claims annually (32,000 paid claims monthly). We will develop an algorithm that will minimize mailing notices to the same enrollee more than two times per year (if possible).

These enrollees will receive a statement of services notice (e.g., EOB) written in easily readable language (Flesch–Kincaid weighted score level of 90.0 to 80.0 (sixth grade easy-to-read and conversational English, as a minimum of 12-point font size) that requests the enrollee to verify whether services billed by providers were actually received (42 CFR §455.20).

The letters will ask the enrollee to validate the following information:

- Description of the service furnished
- The name of the Provider furnishing the service
- The date on which the service was furnished
- The amount of the payment made for the service

We have developed an innovative and modern way for the enrollee to notify MedImpact if services rendered were received. MedImpact's approach is to provide a QR (quick response) code with a ubiquitous QR code scanner, which can be done with any smartphone, as a means to verify receipt of service(s). Alternatively, enrollees may also call the customer service line and identify a unique code on the letter and a CSR will record the enrollee's response.

Procedure

- On a monthly basis, MedImpact will utilize our proprietary algorithm and claims data to identify enrollees that received services paid by a Medicaid MCO.
- Results will be stratified by provider type to ensure all provider types and all drug claim types are proportionally represented. We will work with LDH to ensure appropriate classifications (for provider type) are mutually agreed-upon.
- Each enrollee will be sent a statement of services (e.g., EOB) in readily readable language which provides the claims we are requesting for verification (from the designated collection period) along with the required information (e.g., description, name of provider, etc.). Whenever possible, we will reach out to the enrollee in their preferred language of communication or direct them to call the Customer Service Center.
- Enrollees will contact MedImpact should they disagree with the information provided or if they have questions about this request. Enrollees may use the unique QR code embedded in the letter or may call MedImpact's customer service center to obtain additional information (education).
- Results will be aggregated and utilized by our FWA investigator for research and inclusion into our pharmacy network, in accordance with our FWA compliance plan, as appropriate. Within three days:

    - The LDH Program Integrity contact will receive data on any reported discrepancies.
    - Final resolution may be affected through enrollee education, provider education, payment recovery, or referral to LDH.
    - Following research and investigation, any services confirmed as not received will be recouped, in accordance with the FWA compliance plan.

MedImpact will provide aggregated data to LDH, including the number of letters sent, total responses, total requests for validation/total validated, number of MedImpact interventions, and number referred to LDH.

As component of quality improvement, MedImpact will utilize the results of the mailings to improve our approach and delivery of this program requirement. For example, if enrollees are not utilizing the QR code to an adequate extent we may explore other methods of outreach in collaboration with LDH.

Process Payment Recoupments

After audits occur, we collectively present the results to LDH and the providers (as appropriate) to coordinate the next steps of action. These next steps include notifying the provider in writing of our intent to recoup any payments; issuing demand letters, when required; establishing corrective action plans, recoupment, monitoring and reporting of recoupment status, termination from the provider network; and possible notification of law enforcement and/or regulatory agencies working under the direction of LDH. Any written provider notifications,

demand letters, or notifications of intent to recoup are subject to LDH review and approval and include, at a minimum:

- The enrollee's name, date of birth, and Medicaid identification number
- The date(s) of health care services rendered
- A complete listing of specific drug claims and amounts subject to the recoupment
- The specific reasons for making the recoupment for each of drug claims subject to the recoupment
- The date the recoupment is proposed to be executed
- The mailing address or electronic mail address where a provider may submit a written response
- When applicable, the date LDH notified MedImpact of the enrollee's disenrollment via the ASC X12N 834 Benefit Enrollment and Maintenance Transaction
- When applicable, the effective date of disenrollment

MedImpact can implement provider-related restrictions and payment withholds in a variety of ways 60 days after the provider is issued a notice of intent to recoup. First, a restriction can be placed in our claims adjudication system to deny claims from specific pharmacies for all or some enrollees or drugs. This restriction is entered with additional notes describing required follow-up for use by Call Center staff, and can be accompanied by messaging requesting the provider call for additional information related to the restriction. Restrictions can be future effective-dated, accompanied by written notification to providers, and removed upon the request of LDH.

Receivables within the ERP (enterprise resource planning) system, Oracle EBusiness Suite, are created to offset future claim payments. Our system manages various payment terms, generates necessary invoicing and account statements, and calculates interest, if required. Receivables may be satisfied by future claims processed, payments rendered by providers, or adjustments made at the request of LDH. Reporting is provided to LDH related to receivable balances, payments, and adjustments. If required, inquiry access is provided to LDH to support inquiry of receivable activity. In any case, claim restrictions and payment withholds are administered by our Pharmacy Network or Finance departments, in coordination with the LDH Account team and contracted MCOs, and only with express written instruction from LDH. We collaborate with LDH to establish processes and procedures for managing all related provider restriction and payment withhold activities.

In the event the audit pharmacist (in collaboration with LDH) determines an audit requires further complex review, we pursue, at the direction of LDH, an investigation for a maximum period of five years prior to the date of service of the claim(s) in question. All complex audit investigations are completed within 300 calendar days of the date the case was opened and follow the provider and customer communications methods established for all other audit findings.

MedImpact understands that all recovery and recoupment activities will not be enforced for claims with a date of service older than one year from commencement of the audit Once an audit is complete, all notices are distributed, and all appeals, if applicable, are exhausted, our Audit and Finance teams will distribute 100 percent of all recoveries, with accompanying reporting, to the appropriate MCO.

Provider Appeals and Processes

Our pharmacy appeals process begins with the MedImpact auditor providing a pharmacy with their list of discrepancies and the notice of provider appeal rights. Providers choosing to appeal the findings have 60 days to do so and to supply the missing information to address the discrepancies. Audit and appeal guidelines are posted on the provider portal.

Once an appeal is received, the auditor reviews the appeal and documentation to determine whether there is any additional missing information. If so, the auditor contacts the pharmacy to request the missing information and is given five business days to respond to this request. Once all documentation pertinent to the appeal is received, our Audit team members review the appeal and determine if the original audit results are appropriate. Within 30 days of receipt of the appeal, we notify the provider in writing of our determination and provide notice to LDH.

If the auditor receives the missing information and it is sufficient, the auditor revises the final audit results letter, send it to the pharmacy, and close the appeal. If we do not receive the requested missing information, or the information is insufficient to justify the pharmacy's appeal request, the auditor reviews the audit case with the account director and clinical pharmacist. Following the team review of the appeal documentation, they prepare a final list of discrepancies and send it with the final audit results letter to the pharmacy, then close the appeal. MedImpact does not reverse claims in bulk in any way that will create a negative cash flow for the pharmacy.

If desired, we can partner with LDH to establish a process for a second-level appeal, in the event a provider is dissatisfied with the first-level appeal decision. The provider may then file a second-level appeal with LDH. Providers are instructed to forward second-level appeals to the LDH address. If we receive any second-level appeals, those are forwarded to LDH on the same day as received. All MedImpact audit records, adverse findings, and documentations in support of this contract are subject to the guidance set forth in La. R.S. 46:460.81 through 460.90 Medicaid managed care independent claims review process.

Security and Privacy (SOW 2.1.23)

- Security and privacy: Describe the proposed approach to meet the requirements in Section 2.1.23.

MedImpact confirms our understanding of and compliance with all requirements in RFP Section 2.1.23, Security and Privacy, and Section 1.47, Security, including the Office of Technology Services' (OTS) Information Security Policy. Louisiana-based Compliance Officer, Niejadd Evans, will serve as the primary point-of-contact with LDH for all compliance issues, including privacy and security.

At an enterprise level, MedImpact maintains a dedicated HIPAA Compliance team composed of its corporate compliance officer, privacy officer, and security officer. Through the guidance of this team, MedImpact complies with all HIPAA current rules, as evidenced by **Appendix F, HIPAA Compliance Summary**. This document details various HIPAA privacy, security, transaction and code set, and national identifier standard requirements, as well as MedImpact's corresponding compliance efforts.

MedImpact's unified technology platform meets all HIPAA/HITECH and CMS requirements, and maintains SSAE SOC 2 certification.

Compliance with all Federal and State Privacy and Data Security Requirements

MedImpact maintains compliance with applicable federal and state privacy and data security requirements, including safeguards of data integrity, confidentiality, and availability.

MedImpact is a 'Business Associate,' as defined by the Health Information Portability and Accountability Act of 1996 (HIPAA), as amended by the Health Information Technology for Economic and Clinical Health Act Section 13402 (HITECH Act) and implementing regulations (collectively referred to as HIPAA Regulations). MedImpact serves in a business associate capacity for pharmacy benefit management and third-party administrator services currently provided to MedImpact customers involving Protected Health Information (PHI).

MedImpact employs robust measures to help ensure all information entrusted to us is protected in accordance with the HIPAA Privacy and Security Rule. MedImpact adheres to its responsibilities outlined in the HIPAA Business Associate Agreement with its covered entities, including required reporting and notifications in the event of a data breach. Our privacy and security standards require comprehensive data protection to safeguard enrollee information. MedImpact employs a layered approach, protecting data at the operating system, application, database, and network levels. Additionally, MedImpact requires annual employee and new-hire compliance trainings, which include ethics, privacy, and security training. The privacy and security trainings outline MedImpact's policies and procedures regarding the 'Minimum

Necessary' rule, required protection of PHI in verbal, electronic, and hard copy mediums, and privacy right request support for covered entity approved requests.

To assure compliance with future rules, MedImpact actively monitors applicable federal and state laws and regulatory agency communications, participates in leading industry organization efforts, and attends various national conferences to maintain its HIPAA compliance program. Our proactive activities include:

- Subscription and monitoring of CMS Listservs
- Subscription services to regulation databases; we pull the data from these weekly and assign a Compliance team member to work on any that may be applicable
- Active membership in PCMA (Pharmaceutical Care Management Association) that notifies its members of new and proposed regulatory changes
- Building transparent, collaborative, and strong relationships with our customers

Our unified technology platform meets all HIPAA / HITECH and CMS security and confidentiality requirements, and maintains SSAE (Standards for Attestation Engagements) SOC (System and Organization Controls) 2 Version independent certification of our system and suitability of the design and operating effectiveness of controls to meet the criteria for security, availability, processing integrity, and confidentiality principles.

Written Policies and Procedures Restricting Use and Disclosure of Louisiana Medicaid Program Data

MedImpact maintains written HIPAA privacy policies and procedures as follows and our Louisiana Compliance Officer, Mr. Evans, will establish Louisiana Medicaid policies specific to applicable requirements that differ from the established processes:

- **Permissible Uses and Disclosures of Enrollee PHI—**The established policy addresses general acceptable use and disclosure of enrollee PHI, as described in the HIPAA Privacy Rule, and references the supporting corporate HIPAA Privacy policies and procedures referenced in this document. Requests for PHI are handled in accordance with applicable corporate policy/procedure and federal or State law. Employees and non-employees are instructed to contact the privacy officer or the privacy officer's designee for further guidance on releasing information to parents of minor children, as those requirements may vary in accordance with state law and contractual arrangements.
- **Protection of Enrollee PHI—**The established process is for communicating enrollee PHI via, fax, email, or other methods in a confidential and secure manner.
- **Internal Reporting of Potential Impermissible Disclosures and/or Breaches of Enrollee PHI [45 CFR §164.504]**—The established process supports the requirement of maintaining confidentiality and privacy of PHI and reporting responsibilities. In the event MedImpact becomes aware of a potential impermissible disclosure and / or a breach of unsecured PHI incident, applicable department management follows the documented internal reporting process and forwards the Internal Reporting Form to the privacy

officer, or designee, for investigation, determination, and applicable reporting requirements.

- **Identity and Authority Confirmation—**The established process outlines appropriate methods for verifying the identity and authority of Individuals contacting MedImpact requesting PHI.
- **Business Associate (BA) Responsibilities—**The established process provides for documentation of contractual relationships with customers and subcontractors.
- **Individual Rights Regarding Protected Health Information—**The established policy addresses an individual's rights to their PHI, as described in the HIPAA Privacy Rule and references the supporting corporate HIPAA Privacy policies and procedures referenced in this document.
- **Notice of Privacy Practices for Enrollee PHI [45 CFR §164.520]**—Covered entities must provide a NPP to enrollees. A NPP offers enrollees certain privacy rights (e.g., requests for privacy protection, requests for access or amendment to enrollee PHI, etc.). Although maintaining and distributing a NPP document is not an applicable requirement for business associates, MedImpact, as a business associate, has the required processes in place to support covered entity customer requests, on behalf of requesting enrollees.
- **Restriction on Use and Disclosure of Enrollee PHI [45 CFR §164.522]—**The established processes are computer-based, which includes request forms with instructions.
- **Rerouting of Confidential Communication [45 CFR §164.522]**—The established processes are computer- based, which includes request forms with instructions.
- **Individual's Right to Access and Amend Enrollee PHI in a Designated Record Set [45 CFR §164.528]**—The established processes are computer-based, which includes request forms with instructions.
- **Individual's Right to an Accounting of Disclosures of Enrollee PHI [45 CFR §164.528]—**A computer-based process is in place, which includes a request for with instructions. A tracking / disclosure report is generated, in accordance with the requirements.
- **Training [45 CFR §164.530]—**The established policy addresses employee and non-employee training on the related policies and procedures regarding enrollee PHI. The training is a web-based approach and may also involve department-specific training.
- **Complaints [45 CFR §164.530]—**The established process allows individuals to make complaints in accordance with the requirements.

Physical, Technical, and Administrative Safeguards to Prevent Unauthorized Access to PHI, PII, and SSI

MedImpact maintains robust physical, technical, and administrative safeguards to prevent unauthorized access to PHI, PII, and SSI. MedImpact implements role-based access and provides terms of service prior to logging into the system and on Privacy Policies. MedImpact follows applicable industry standard practices in accord with its Information Security Program. For details on MedImpact's data security protocols please refer to **Appendix G**, MedImpact Information Security Program.

MedImpact's overarching security framework aligns with the NIST (National Institute of Standards and Technology) CCF (Cyber Security Framework) five functions: **Identify, Protect, Detect, Respond, and Recover**. This framework enables us to implement the security controls identified in NIST 800-53 Security and Privacy Controls for Federal Information Systems and Organizations in a guided and strategic approach across the organization from the executive level to the operations level to identify, assess, and manage cyber risks.

Access Control—MedImpact has successfully created a security minded culture. Every employee knows how critical their actions on the network are to the safety of our customers' data, including PHI, PII, and SSI. Identity management, authentication, and access controls are an additional line of defense. All administrative access is restricted, monitored, and requires two-factor authentication. In addition, all remote users are required to use multi-factor authentication and virtual private networks.

MedImpact maintains a formal, documented role-based access control policy, which persists for the life of the user or network account. Role-based access controls conform to least privileged based upon job functions and are reviewed quarterly and re-certified by the platform owners. We utilize fine-grained access policies based upon functional and data entitlements that can limit application functionality, combined with data restriction based on line of business and customer virtual private database. All of MedImpact's technologies support highly configurable, granular role-based, and row-based-access capabilities. Our flexibility to configure unique user roles affords LDH, MCOs, and LDH-approved stakeholders access to MedImpact systems, providing full transparency, while maintaining HIPAA security and privacy minimum necessary controls. We also continually monitor and alert for anomalous account behavior.

Additionally, because of MedImpact's dual redundant data centers, with co-located services, we maintain access controls during failover and comply with emergency mode operation requirements under HIPAA. MedImpact complies with NIST Special Publication 800-125 Guide to Security for Full Virtualization Technologies.

Awareness and Training—Our protection extends to our employees, who are our most critical line of defense. Security awareness and HIPAA security and privacy training are required for all new hires and all employees annually. Tailored email phishing campaigns are conducted weekly and reviewed monthly. If a user fails an email phishing test, they are automatically assigned to take mandatory remedial training. All network users are required to complete annual security and compliance training to maintain their network credentials.

Data Security

MedImpact's corporate Compliance and Privacy and Security teams are dedicated to securing our customers' information technology assets. We provide sufficient security to protect LDH's data in network, transit, storage, and cache. MedImpact's security services adhere to security controls in compliance with the NIST 800-53 guidance and revisions as they are released for moderate baseline controls. **Our security services comply with all relevant state and local**

security and privacy regulations, as well as federal security and privacy standards adopted by the U.S. Health and Human Services, or CDC.

MedImpact aggressively protects data through effective training, tools, polices, processes and procedures. Along with its Data Security team, MedImpact employs policies, procedures, and guidelines to protect individuals' privacy rights as specified in the HIPAA privacy, NIST, and other state and federal statutes, regulations, and guidelines. Our data protection protocols include encrypting data in transit and data at rest.

Our encryption methods are Federal Information Processing Standard (FIPS) Publication 140-2 (FIPS 140-2) certified or higher, which meet or exceed the requirements for protecting HIPAA data levels 1-4.

MedImpact's holistic use of information encryption across its solution includes:

- **TLS encryption**—Currently, the use of Transport Layer Security (TLS) is considered best practice for Web browser encryption. TLS 1.2 or higher encryption is used on all web-based applications that support external connectivity to MedImpact information technology resources.
- **Secure file transfer using Secure Transport**—MedImpact provides secured file transfer ability through an TLS encrypted website using Secure Transport. Secure Transport is configured via a front-end web server connecting to a back-end file repository. No files are stored on the front-end server.
- **Secure email**—Secure email is required to send any email which contains PHI, PII, or company confidential information to a remote email location which resides outside of the MedImpact domain. Axway Communications Corp. MMS / IME software provides encrypted emails. Any emails flagged by this system get redirected to the IME email encryption service. This service holds the email for pickup, or optionally encrypts the email using S/MIME to send to a remote IME server for site-to-site email encryption.
- **SFTP with PGP**—For large file transfers, MedImpact supports SFTP with PGP which provides encryption of data prior to transferring over the Internet using the secure file transfer protocol.
- **Data in Motion**—MedImpact secures Data-in-Motion with a 256-bit AES encryption algorithm with a 2048 bits or greater encryption key.
- **Data-at-Rest**—MedImpact encrypts all Data-at-Rest with a 256-bit AES encryption algorithm with a 2048 bits or greater encryption key automatically using hardware features.
- **Data in Use**—MedImpact only decrypts data in use to perform a necessary business function

MedImpact's dedicated Data Security team continuously monitors applicable encryption standards and industry best practices for adjustments necessary to our security posture.

MedImpact leverages strong encryption protocols to protect and ensure the integrity of PHI, and has never had a security incidence involving penetration of our secure network.

For data integrity of PHI, MedImpact leverages strong encryption protocols to protect PHI in transit and at rest. This includes Oracle's Transparent Data Encryption (TDE) protections applied to the entire tablespace for data at rest in our databases. Communications containing sensitive information are protected via TLS 1.2, with a strong cipher set when leaving MedImpact. Additional data protections include the use of Microsoft Bitlocker for full disk encryption on MedImpact's endpoints (laptops and desktops). The use of defense in-depth protocols to protect sensitive information include Trend Micro Apex One; EDR components that include data loss prevention (DLP); anti-virus, anti-malware, endpoint firewalls; behavior monitoring and real-time scanning; and automatic component and antivirus updates. Additional protections include next-generation firewalls, intrusion prevention systems, and URL filtering. Events related to security are sent to MedImpact's third party SIEM (Security Information and Event Management) platform, which is monitored by our Security Operations Center in real-time. Events deemed critical in nature are immediately sent to MedImpact's Information Security department for review and mitigation.

For availability, MedImpact maintains two managed, redundant, highly available, TIER 3 data centers located in San Diego, California and Tempe, Arizona. Data replication is used between the two data centers. MedImpact has developed a program of recovery plans that allow for us to be a resilient organization that is capable of quickly restoring services, recovering data, and continuing with operations in a broad spectrum of incident and disaster scenarios. There are various means of recovery for MedImpact. Our IT Disaster Recovery Plan (DRP) outlines roles and responsibilities, communications protocols, event detection and plan execution, recovery activity requirements, and the strategy for activating our secondary data center.

Periodic testing of recovery procedures is important to validate the effectiveness of the backup and recovery procedures. It is expected the system and network environment of MedImpact will routinely change as MedImpact continues to take advantage of information technology advances. Therefore, the DRP is tested regularly to ensure MedImpact critical applications would be available to support business operations in the event of a disaster.

Audit and Accountability—MedImpact maintains an internal audit department that performs HIPAA Risk Assessments and security control testing. MedImpact also maintains a Risk Register to categorize, track, and mitigate risk within our organization and as it relates to the PHI that we protect. Security risk assessments are conducted using the CIS Critical Security Controls. Using this prioritized set of actions, we can continually identify risks and implement risk management strategies. This enables us to focus and prioritize our efforts in a way that is consistent with business needs. This is accomplished through asset management, governance, and risk management. Continuous vulnerabilities assessments and remediation are key to maintaining the security of our infrastructure.

Media Protection—At no time will LDH data be processed, transferred, or stored outside of the contiguous United States. All data is stored in United States-based servers located within data centers. Only properly vetted and authorized United States staff are credentialed to support LDH data. All sensitive data at rest and in transit are encrypted following the FIPS 140-2 standards. All Information Technology Standards set forth in the Louisiana OTS Information Security Policy will be followed by MedImpact throughout the project's entirety. MedImpact encrypts all sensitive data in transit, including PII (personally identifiable information) and PHI (protected health information), by leveraging TLS (Transport Layer Security), SSL (Secure Socket Layer) and SSH (Secure Shell) methods. All software, hardware, and any other technologies used by MedImpact are ensured to be current, uncompromised, and secure, as well as supported by the OEM.

Physical and Environmental Controls—MedImpact focuses on implementing administrative, technical, and physical safeguards to help ensure delivery of critical services. Strict adherence to patch management policies based on regular vulnerability scans allows us to quickly identify and remediate known attack vectors and vulnerabilities. As part of the SDLC (software development life cycle) program, environments for development, test, and production are kept separate and confidential information is anonymized or de-identified in testing.

Personnel Security—MedImpact has physical access controls in place throughout its corporate office. A security key card access system restricts entry from stairwells and offices safeguards our corporate offices and data centers from unauthorized access. All visitors, employees, and contractors must verify their credentials with the receptionist and / or guards before entering the premises. ID badges are mandatory for all persons. All areas are under 24-hour video camera surveillance and security personnel are on-site 24 hours a day, 365 days a year.

Authorized personnel escort terminated employees, contractors, visitors, or any other individuals who no longer require access to a respective area in MedImpact's building or data center to the keycard administrator's desk. At that time, the individual must forfeit the key to the administrator, and we immediately deactivate the security card in the system.

All new hires and employees must pass a background check, which includes:

- Seven years federal criminal
- Seven years state(s) criminal
- OIG (Office of Inspector General) verification
- GAS verification
- Previous employment verification
- Professional reference checks
- Education verification
- All certifications and licensure verification (rechecked annually)

System and Communication Protections—MedImpact has implemented the use of secured and encrypted connections between devices and applications, including email, file transfer, and

secure print services to protect confidential data. We enforce the security policies for corporate mobile devices using Mobile Device Management technology and restrict the use of non-corporate devices to control access to data.

Use and Disclosure of Information

Please refer to **Appendix H**, HIPAA Privacy Policies and Procedures, which can be revised to address Louisiana Medicaid specific requirements, as applicable. MedImpact's Permissible Uses and Disclosures of PHI policy applies to all MedImpact entities and their employees and non-employees (who together constitute the MedImpact entity's workforce, as defined by the HIPAA Regulations). The HIPAA Regulations establish requirements regarding permitted uses or disclosures of PHI. **MedImpact entities maintain appropriate processes to protect and safeguard PHI in accordance with the HIPAA Regulations**. All information contained in policy applies to protecting PHI both on-site and off-site / remotely.

This policy is established for MedImpact entities to incorporate the HIPAA regulations requirements into daily job duties and provides an overview of appropriate processes relating to:

- Permissible uses and disclosures of PHI
- Protection of PHI
- Business associate agreements and business associate subcontractor agreements
- Limited uses and disclosures of PHI to those involved in the individual's care and for certain notification purposes
- Identity and authority confirmation
- Potential impermissible uses, disclosures, and / or breaches
- Deliberate impermissible uses, disclosures and / or breaches
- Individual privacy rights
- Minimum necessary
- A limited data set and de-identification of PHI
- PHI data elements
- Re-identification of individuals
- HIPAA training
- HIPAA regulations resources
- Policy and procedure enforcement

Restricting Distribution of Data Based on LDH-Defined Business Rules

MedImpact will collaborate with LDH on applicable business rule requirements.

Network Connectivity for LDH-Approved Personnel

MedImpact acknowledges and agrees to provide mutually agreed-upon network connectivity in the form of secure Wi-Fi or other LDH-approved method for the LDH-approved personnel at its offices and facilities, at MedImpact's expense.

Reporting and Responding to Privacy and Security Incidents

MedImpact, as a business associate, takes its HIPAA Compliance Program seriously. MedImpact acknowledges and confirms our responsibility to determine, report, and respond to any actual, attempted, or suspected theft of, accidental disclosure of, or inability to account for any PHI, PII, or SSI.

MedImpact has never had a security incident involving the penetration of our secure network or the successful and intentional circumventing of our physical, technical, or administrative safeguards to gain control of systems, processes, or data or the exfiltration of that data for use outside or our organization. Whenever an occasional impermissible disclosure occurs, MedImpact responds by promptly investigating and collaborating with internal subject matter experts on root cause, working with teams and leadership to mitigate the incident to prevent future similar occurrences, performing a risk assessment, and implementing corrective action with training / process review and revision, as needed.

MedImpact notifies its covered entity customers, in accordance with established Business Associate Agreement contractual provisions, and collaborates on any additional follow-up actions required by MedImpact. As a business associate, MedImpact Healthcare Systems, Inc. does not make final determinations as to whether an impermissible disclosure constitutes a breach under federal and / or state law. Rather, these determinations are made by our contracted covered entity customers, which may notify MedImpact whenever such a breach determination is made.

Reporting Process

MedImpact's process for reporting the inappropriate use or disclosure of PHI / PII / SSI comply with applicable federal and state requirements, as fully detailed in **Appendix I**, Internal Reporting and Business Associate Responsibilities. The HIPAA regulations and, as applicable, business associate agreements entered into by MedImpact, establish permitted uses and disclosures of PHI. Any use or disclosure not permitted by the HIPAA Regulations, applicable state law, or business associate agreements, must be reported and handled in accordance with the established written policies and procedures.

To ensure consistency across the organization, MedImpact's Privacy / Compliance contact is responsible for assessing whether a reported Incident is an impermissible use or disclosure, and performing any potential risk assessment, which also considers any state law reporting

requirements. In the case of MedImpact acting in a business associate capacity, the final breach determination is made by the covered entity customer and reported accordingly.

Incident Response

MedImpact acknowledges and agrees to comply with the requirement to report to LDH any security incident wherein MedImpact has knowledge or reasonably shall have knowledge under the circumstances, in accordance with applicable State and federal requirements.

Members of the MedImpact Security Operations team actively monitor the SIEM (Security Information and Event Management) continuously for anomalies and respond to incidents by initiating an incident investigation. Procedures are in place for each category of an alarm. We use the Federal Agency Incident Categories as published by the US-CERT. MedImpact's Computer Security Incident Response Procedures **(Appendix G, Information Security Program)** define security incidents and responses, including communication and coordination, investigations, and forensic analysis, how mitigation activities are performed, documented, and retained, and reviewed for improvements. The procedures are tested on an annual basis.

Cooperation with LDH

MedImpact commits to being an active partner in cooperating with LDH in responding to all HIPAA privacy related requests, including:

- Compliance with all regulatory requirements that would apply to the State when required to carry out an obligation of the State under 45 CFR Part 164, Subpart E
- Cooperation with LDH in responding to all privacy related requests dealing with the rights of the individual under the HIPAA regulations
- Provision to LDH of such information as LDH may require to fulfill its obligations to provide access to or provide a copy of any information or documents with respect to PHI/PII/SSI pursuant to HIPAA and regulations promulgated pursuant thereto, including (but not limited to) 45 CFR §164.524 and §164.528 and any amendments thereof
- Amendment of PHI/PII/SSI as directed, or agreed to, by LDH pursuant to 45 CFR §164.526, or take other steps as necessary to satisfy LDH's obligations thereunder

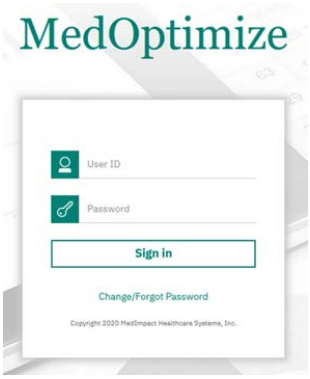
Please refer to **Appendix J**, Individual Privacy Rights and Related Privacy Right Policies and Procedures, for detailed information on MedImpact's established policies and procedures.

Reporting and Quality Assurance (SOW 2.1.24, 2.1.31, and 2.2)

- Reporting and quality assurance: Describe the ability to provide standardized and ad hoc reporting.

MedImpact offers to LDH and the MCOs an **industry-leading, flexible, customizable reporting tool** with decision support designed to provide timely access to accurate data, ongoing program analytics, and predictive modeling activities. We are confident that our tools and approach will meet all current required functionality to produce reports for LDH's current (or future) program categories, other coverage groups or drug claim types.

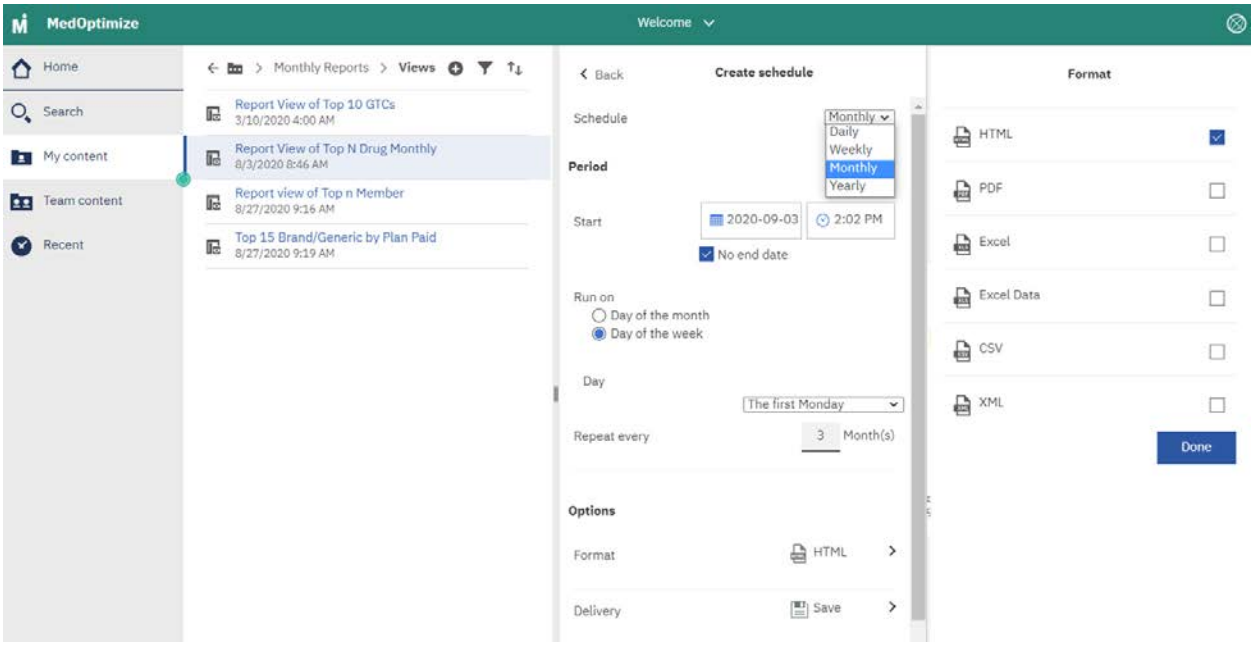
MedOptimize is our secure online reporting tool to customize and produce specific reports, in accordance with LDH-defined business rules, as well as all reports and data extracts necessary to support all LDH,MCO and related business processes. MedOptimize provides powerful standard reporting and ad hoc query capabilities.



MedImpact uses MedOptimize for business intelligence, including dashboard-style reporting. Our reporting engine provides rich graphical capabilities, allowing us to easily identify trends and outliers in Louisiana data at a glance and make informed decisions. With simple prompts, we can customize results for selected periods or specific segments of claims data or component of operations. In addition, users can create customized chart reports to serve as their own personal dashboard. No major software installations are needed or required by LDH personnel to use MedOptimize. The pharmacy claims database is updated every 24 hours to help ensure all MedOptimize reports and analysis are based upon up-to-date information.

Data views—MedOptimize offers hundreds of predefined reports referred to as data views. Data views enable us to look at the data from nearly any aspect, beginning with a high-level summary view and filtering by subsets of data to scrutinize in detail. Our predefined reports offer various ranking, sorting, filtering, printing, exporting, and scheduling options. These data views enable us to isolate information by various levels. High-level summary views include dashboard visualization for business owners. MedOptimize is also available 24 hours per day, seven days per week, allowing reports to be generated at any time or scheduled to run on a predetermined frequency, as depicted in **Figure 1.8.8-DD**.

Figure 1.8.8-DD: Scheduling Reports in MedOptimize



Query Studio—In addition to predefined reports, MedOptimize includes Query Studio, a flexible ad hoc reporting tool. Query Studio affords LDH-authorized personnel the ability to create queries and generate detailed ad hoc reports. With access to the entire claims and various other operational data in a central repository combined with an intuitive user interface, this tool gives us the ability to quickly create whatever we need, whenever we need it, to satisfy LDH reporting requirements. Using point-and-click and drag-and-drop Web interaction, we can choose data elements, apply filters and calculations as needed, format reports in accordance with LDH specifications and definitions, and select outputs.

The MedOptimize reporting engine provides rich graphical capabilities, allowing trends and outliers in the data to be easily identified at a glance, facilitating informed decision-making. With simple prompts, results can be customized for selected periods or specific segments of the program. Users can also establish customized chart reports to serve as their own personal dashboard. MedOptimize is a web-based solution requiring only a browser; no software installations as needed.

MedOptimize access is provided to users based upon the RBAC (role-based access control) model, which combines data and functional entitlement rules. MedImpact users are limited to the data required to perform their job function and we work with LDH to implement MedOptimize user roles appropriate for LDH, contracted MCOs, and other stakeholders to optimize the user experience, while enforcing minimum necessary privacy requirements. Roles are assigned to enforce granular functional access rules. MedImpact collaborates with LDH to

review and refine access requirements, and to create new user roles as required. **The pharmacy reporting claims database is updated nightly to help ensure all MedOptimize reports and analysis are based upon the newest information.** MedOptimize provides the capability to report on each and every aspect of a claim. We work in tandem with our operational functions to generate required reporting timely and accurately. These functions are dependent upon various data flows in and out of our systems. As previously described, some data flows are captured in MedOptimize, while others may be housed in another operational system.

In 2021, MedImpact's decision support and reporting solution experienced a 99% system availability and a 0.051% overall report error rate.

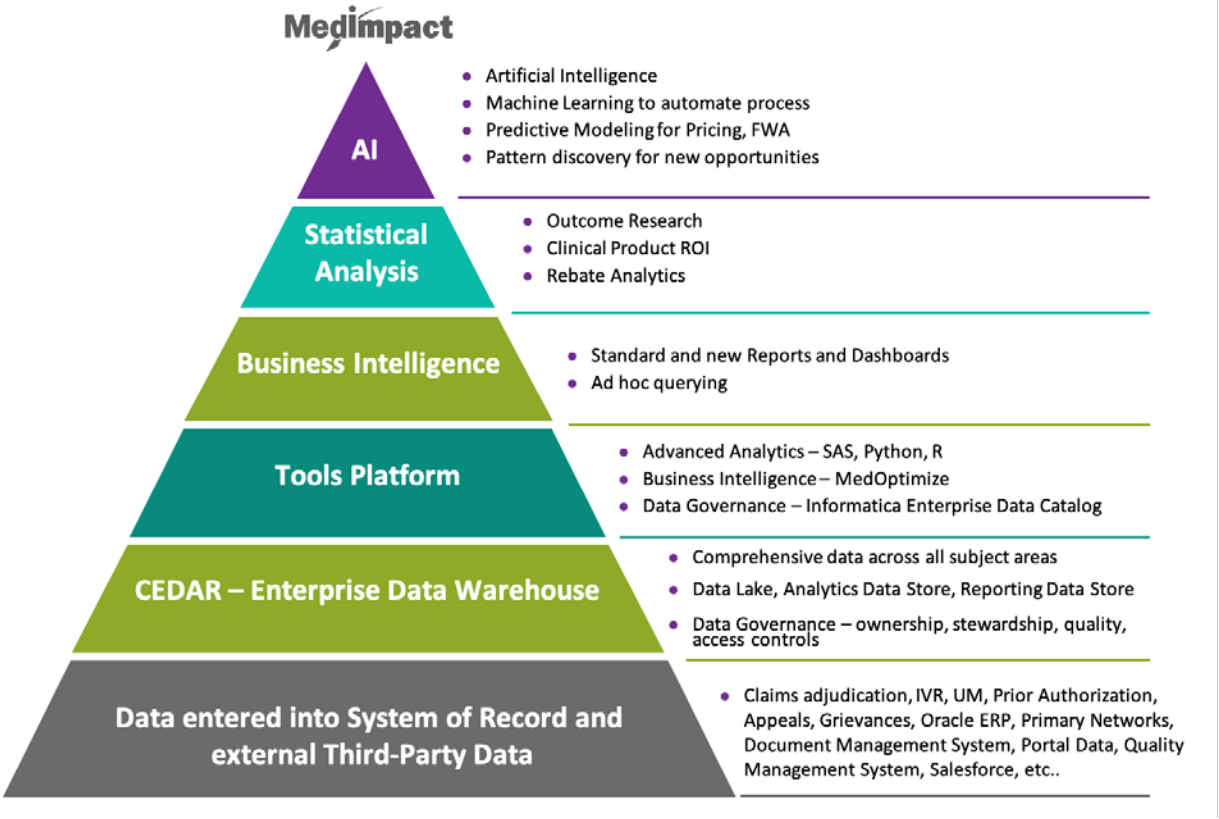
Led by Lead Data Analyst, Diana Ivandic-Hodzic, MedImpact's Account team works to ensure standard and ad hoc reports are accurate, complete, and comply with all requirements. Ms. Ivandic-Hodzic collaborates with LDH to define the requirements and expectations associated with each report request. We first determine if an existing report from MedImpact's library of predefined reports and query packages meets or could be modified to meet the described business need. Matching of LDH report requirements to existing reporting capabilities is supported by our report catalogs and data dictionaries. If it is determined an existing report meets LDH requirements and expectations, MedImpact presents the existing reporting solution to LDH for approval. If it is determined an existing report does not meet all LDH requirements and expectations, Ms. Ivandic-Hodzic will document the detailed requirements needed for the reporting solution to be designed after partnering with LDH staff to efficiently understand and validate requirements through mock-ups, prototypes, written descriptions of business and functional requirements, and any other relevant artifacts. New reports and modifications to existing reports are provided at no additional cost and consistent with all applicable legislative and regulatory requirements.

MedImpact will comply with and support all LDH and MCO data requests and reports, such as, the Annual CMS DUR Report, reports required by the Louisiana legislature, drug rebate processing, retroactive drug utilization reporting, program integrity functions, CMS T-MSIS reporting and other ad hoc reports. MedImpact will produce specific reports as required by applicable State and Federal requirements, including reporting to qualify for the appropriate levels of Federal matching funds. MedImpact understands and agrees with LDH's request to provide sufficient summary and supporting documentation to file the CMS-64 report, and any other State and federal documents that may be required.

Reporting Capabilities

Data provide the foundation of our analysis capabilities, which flow into CEDAR (Centralized Enterprise Data Analytics and Reporting), our enterprise data warehouse. From there, multiple functions, such as statistical analysis, ad hoc querying, and reporting, are performed. **Figure 1.8.8-EE** depicts MedImpact's data analysis approach and systems.

Figure 1.8.8-EE: Data Analysis Approach and Systems



The flows of data to and from various systems are important to our decision-making capabilities. CEDAR is a key component of our decision support capabilities, supplying the various data MedImpact and LDH staff can access through our reporting tool.

Data entered into system of record and external third-party data—All reporting and analytics are based upon our data warehouse, which is hosted and resourced separately from our production environment and is designed to enable multilevel claim analysis. Claims are key to our PBM solutions and associated with other dimensions of data, such as historical eligibility and enrollee demographics, and other data necessary to support the broadest array of reporting needs. Inbound data feeds to the warehouse include:

- Eligibility files
- Medical claims
- Pharmacy claims
- Provider files
- PA files
- Coordination of benefits and third-party liability files
- Enrollee files
- Pricing files

- Drug reference files

Within the data warehouse, claims are linked to eligibility, drug data (including drug groups and classes), pharmacy provider files, outcome codes, reject codes, intervention codes, drug utilization review-tagged claims, and claims with a response message to the pharmacy. In addition, the data warehouse contains data that can be queried to provide support on rebate invoicing. Data feeds include:

- Medical and pharmacy claims
- CMS (product, manufacturer, URA and UROA)
- Provider detail
- Product detail
- CPT and HCPCS codes
- ICD-10 diagnostic codes
- Payment detail
- Audit history

Every version of a claim / transaction (e.g., paid, denied, adjusted, or reversed) submitted to the claims processing system, including historical loads, is captured in the data warehouse to allow querying based upon the claim status. One instance of a claim may also have several transaction iterations. For each claim, the source of payment methodology logic is captured and then carried into the warehouse in the claims processing system's data load file. For each paid claim, data is captured on the price source used to determine the amount allowed. This price source is also stored as a separate data element for each claim.

MedImpact's reporting solution offers over 100 standard reports with countless views and each with the capability for customization.

Our comprehensive data warehouse facilitates the receipt of accessible information at any time through our claims system. **Because we oversee our own data management processes, we can provide a high level of configurability to fit LDH's specific reporting needs**. Our claims processing system stores all transactions, allowing for reporting of the counts for each transaction type. The data warehouse also contains each of these claims and provides a methodology to tie claims together, providing a foundation for in-depth analysis with MedOptimize, our secure online reporting tool.

CEDAR enterprise data warehouse—CEDAR, MedImpact's analytic platform, serves as the source of truth for analytic and reporting data. CEDAR consists of data schemas, tools for analytics, reporting, and data governance, and the underlying technical infrastructure to support reporting and analytic functions. CEDAR resides on Oracle Exadata 7, a best of class analytic hardware solution that combines storage and computer systems into a single machine. Online workflow systems track events through each status / time, in accordance with CMS and State regulations and policies. These data are extracted, transformed, and loaded from the source systems into CEDAR. MedOptimize reports are built to the requirements specified by

LDH to provide detailed, on-demand reporting and dashboards, leveraging the requirements documents and designs obtained during takeover to provide continuity in reporting.

The Oracle Exadata Database Machine is engineered to deliver fast query speed, cost effectiveness, and high availability for Oracle databases. Exadata features a modern cloud-based architecture with scale-out high-performance database servers, scale-out intelligent storage servers with PCI flash and an ultra-fast InfiniBand internal fabric that connects all servers and storage. Unique software algorithms in Exadata implement database intelligence in storage, compute, and InfiniBand networking to deliver higher performance and capacity at lower costs than other platforms. Exadata runs all types of database workloads, including online transaction processing, data warehousing, in-memory analytics, and a consolidation of mixed workloads.

Customized Reporting—MedImpact can customize any of our standard reports to the satisfaction of LDH and contracted MCOs. Our reporting library contains over 100 standard reports. Each report is designed to support customization to meet a broad range of requirements. MedImpact's Lead Data Analyst, supported by our Reporting and Analytics team, collaborates with LDH to customize existing reports and / or develop new reports to meet all LDH requirements. We obtain LDH approval and implement all existing, customized, and new reports used to support the contract within 90 days of the contract effective date.

Our reporting package affords virtually unlimited views of the data through dynamic prompt-driven filtering capabilities to easily target the required data relevant to inquiries. The standard report suite encompasses **more than 100 reports** and countless views of the data when applying the dynamic grouping, ranking, and filtering options available. Features include the ability to:

- Develop queries based upon underlying report variables
- Target results to particular segments of the eligibility/plan hierarchy up to seven different levels, including eligibility category
- Pinpoint listings to targeted therapeutic categories and other drug attributes
- Isolate analyses to particular fulfillment channels

Standard Reporting

MedImpact's standard reporting package includes features to isolate information by various program categories, parish, managed care plans, and other segments, as defined by LDH. This enables us to report at a granular level, including program categories and other coverage groups or claim types, such as programs, batch claim submitter, E-prescriptions, compounds, and home infusion claims. We leverage eligibility data elements, such as enrollee age grouping, eligibility category, and more, for purposes of report development. In addition, our reporting considers State and federal financial requirements, as well as the reporting needs of LDH and State legislature. Other reporting features common within the MedOptimize library of pre-defined content include visually rich dashboard style reports, summarized information,

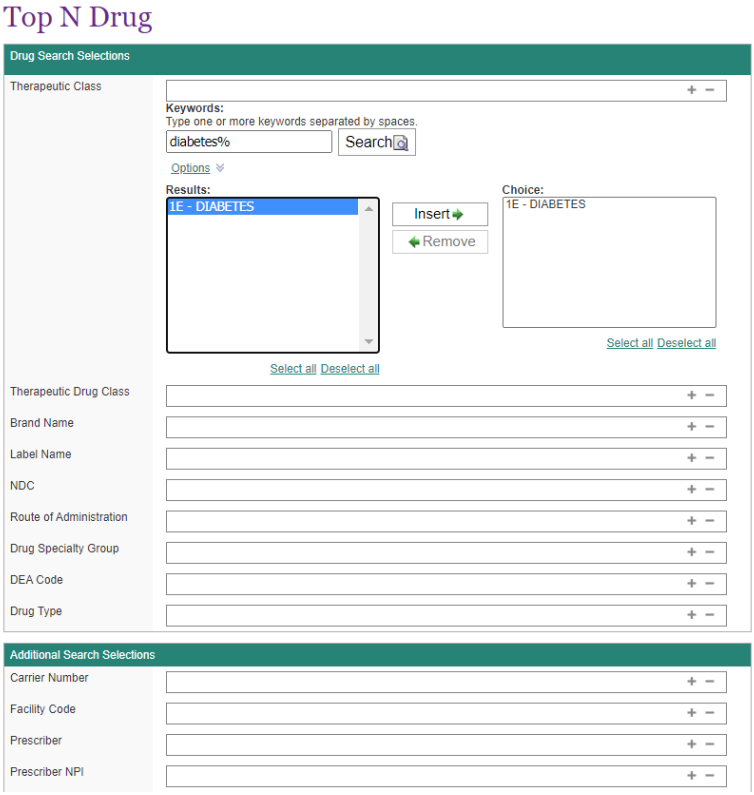
interactivity, including drill-down to detail, and ad hoc ranking and sorting. **Figures 1.8.8-FF** and **1.8.8-GG** illustrate the table of contents for MedOptimize reports and a sample Top N Drug search function.

Figure 1.8.8-FF: MedOptimize Reports Table of Contents

MedOptimize
Reports Catalog

Table of Contents

Figure 1.8.8-GG: Top N Drug Search



2021 Report Run Times

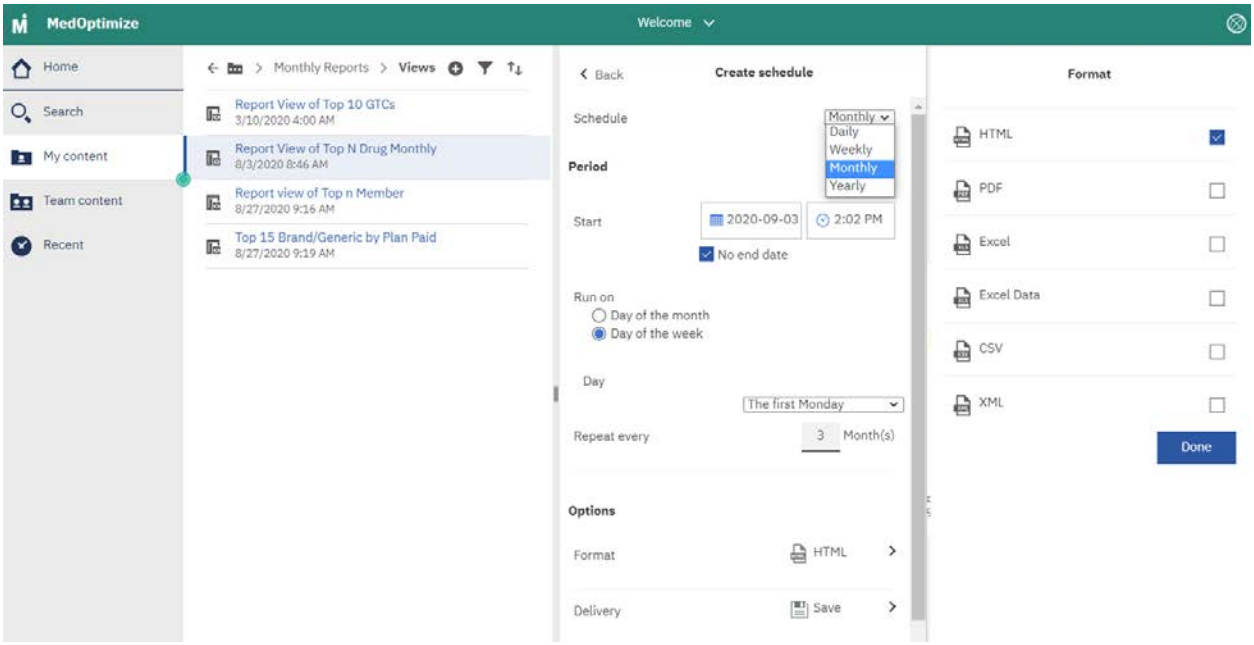
91% of MedOptimize reports required less than one minute to run to completion, with 98% completed in under five minutes.

All reports can be exported to various output formats, including PDF, HTML, Excel, and CSV, for easy viewing, printing, copying, and downloading. Reports can also be run on-demand or scheduled on the frequency of your choice, such as monthly, quarterly, and annually (either based upon a calendar year or fiscal year). Reports are organized within MedOptimize by subject area and allow key word searches to quickly and efficiently locate the content of interest (**Figure 1.8.8-HH**).

MedOptimize's exceptional reporting performance is evidenced by the 2021 statistics that follow:

- 99% decision support system availability, excluding pre-planned maintenance windows
- 0.051% overall report error rate
- 100% on-time report delivery

Figure 1.8.8-HH: MedOptimize On-Demand or Schedule Reporting



Proposed Reports

All LDH reporting deliverables are made available on our secure MedOptimize Web portal. MedImpact reports provide data and analysis related to key performance indicators, utilization, enrollees, drugs, prescribers, and pharmacies. **MedOptimize is available 24 hours per day**, seven days per week, 365 days per year, allowing reports to be generated at any time or scheduled to run on a predetermined frequency of the user's choice. We propose to LDH the following reports of the hundreds of reports available within MedOptimize, detailed in **Table 1.8.8-II**.

Table 1.8.8-II: MedImpact Proposed Reports

Report	Data	Frequency
The Key Performance Indicators (KPIs) report provides common key statistics about your pharmacy benefit utilization and costs. Select one or more items from the list of available KPI's. Each KPI displayed provides data for the current YTD, previous YTD, YTD Variance, YTD % Variance, reporting month / quarter, previous month / quarter, month / quarter variance, and month / quarter % variance. Each KPI can be selected to display a corresponding graph of the performance and trending. Uses	➢ Enrollees ➢ Dependents ➢ Utilizers ➢ Plan paid ➢ Plan paid PEPM ➢ Plan paid PUPM ➢ Plan paid per claim ➢ Claims ➢ Claim per enrollee ➢ Claim per utilizing enrollee ➢ Generic claims ➢ Generic % claims	On-demand; scheduled monthly / quarterly / annually, as desired

Report	Data	Frequency
include analyzing trend in utilization and costs, and quickly identifying shifts in utilization and costs	➢ Generic plan paid ➢ Generic % plan paid ➢ Brand claims ➢ Brand % claims ➢ Brand plan paid ➢ Brand % plan paid ➢ Ingredient cost ➢ Ingredient cost per claim ➢ Dispensing fee ➢ Dispensing fee per claim ➢ Total cost ➢ Total cost per PEPM ➢ Total cost per utilizer ➢ Copay ➢ Copay % ➢ PDL (preferred drug list) compliance %	
The Utilization Summary report provides key utilization data grouped by the selected level of plan hierarchy. LDH can pre-rank its results by number of enrollees, enrollee attribute, utilizers, total cost, total claims, total mail order costs, total mail order claims, mail order cost per claim, generic % total claims, generic cost per claim, brand cost per claim, average cost per claim, average cost PEPM, or average cost PUPM. Within the report, LDH can re-rank your results and drill up or down through your plan hierarchy. Uses include comparing costs and volumes across groups; determining costs; and determining membership and utilization levels.	➢ Enrollees ➢ Utilizing enrollees ➢ Total cost ➢ Total claims ➢ Generic % of total claims ➢ Generic cost per claim ➢ Brand cost per claim ➢ Average cost per claim ➢ Average cost PEPM ➢ Average cost PUPM	On-demand; scheduled monthly / quarterly / annually
The Utilization by Month report provides summary information by month and percent of change, grouped by the plan hierarchy level selected. Included is a graphical view of month over month plan cost. A graphical view of performance month of month. Uses	➢ Enrollee months ➢ Utilizers ➢ Total cost ➢ Total claims ➢ Generic % claims ➢ Generic cost per claim ➢ Brand cost per claim	On-demand; scheduled monthly / quarterly / annually as desired

Report	Data	Frequency
include comparing costs and volumes across months; reviewing amount of change in costs from month to month; and determining membership and utilization levels	➢ Average cost per claim ➢ Average cost PEPM ➢ Average cost PUPM ➢ Total cost % change ➢ Average cost PEPM % change	
The Utilization Summary by Fill / Adjudicated Date report provides utilization information grouped by region codes with subtotals by employer group division, regions, as well as grand totals. Uses include comparing costs and volumes across groups; determining costs; and determining membership and utilization levels	➢ Eligible enrollee months ➢ Utilizing enrollee months ➢ # of Rx's ➢ Generic % ➢ Multisource brand % ➢ PDL % ➢ Ingredient cost ➢ Copay ➢ Fill fee ➢ Amount paid ➢ Ingredient cost per Rx ➢ Amount paid per brand Rx ➢ Amount paid per generic Rx ➢ Rx's PEPM ➢ Copay per Rx ➢ Average cost PEPM	On-demand; scheduled monthly / quarterly / annually as desired
The Utilization Summary Trend report provides summary information by month for up to a 12-month period. Data is summarized by the level selected within your plan hierarchy. Results can be based upon adjudicated date or fill date. This report includes graphical representation of enrollee benefit utilization, ingredient costs with PEPM's, PDL and generic use, and enrollee and plan payment distributions. Uses include comparing costs and volumes across months; determining costs and volumes by month; and monitoring key utilization statistics	➢ Eligible enrollee months ➢ Utilizing enrollee months ➢ % Utilizers ➢ # of Rx's ➢ Generic % ➢ Brand % ➢ Multisource brand % ➢ PDL % ➢ Ingredient cost ➢ Copay amount ➢ Total fill fee ➢ Amount paid ➢ Amount paid per brand Rx ➢ Amount paid per Generic Rx ➢ Amount paid per Rx ➢ Copay per Rx ➢ Enrollee contribution % ➢ Ingredient cost per Rx ➢ Amount paid PEPM	On-demand; scheduled monthly / quarterly / annually as desired

Report	Data	Frequency
	➢ Rx's PEPM	
The PEPM Trend Analysis report compares historical data and provides Per enrollee per month (PEPM) costs and a year-to-date PEPM average by month. This report includes side-by-side graphical representation of PEPM for current year and comparator year. Uses include analyzing spending trends between months and years; and anticipating future spending	➢ Monthly PEPM ➢ YTD PEPM ➢ YTD PEPM difference ➢ YTP PEPM difference %	On-demand; scheduled monthly / quarterly / annually as desired
The Top n Enrollees report provides key statistics on your top utilizing enrollees. You can specify the number of top Enrollees you want displayed and several different ranking methods are available: ➢ % of plan paid ➢ Total claims ➢ % of total claims ➢ Total cost ➢ Plan paid per claim ➢ Total enrollee paid ➢ Plan paid per days' supply ➢ Number of pharmacies ➢ % of plan paid ➢ Number of prescribers ➢ Generic % of total claims The report results can be optionally grouped at the selected plan hierarchy and constrained by prescriber, pharmacy, drugs and more. Uses include identifying potential fraud and abuse; identifying candidates for clinical intervention; and examining cost and volume outliers	➢ Enrollee ID ➢ Enrollee name ➢ Enrollee date of birth ➢ Total cost ➢ Enrollee paid ➢ Plan paid ➢ % of plan paid ➢ Total claims ➢ % of total claims ➢ Generic % of total claims ➢ Plan paid per day (supply) ➢ Plan paid per claim ➢ Number of pharmacies ➢ Number of prescribers	On-demand; scheduled monthly / quarterly / annually as desired
The Enrollee Profile report provides detailed claim information by enrollee. The report can be run for adjudicated and / or fill date ranges and can include approved claims and / or reversed	➢ Enrollee ID ➢ Enrollee name ➢ Enrollee address ➢ Enrollee age ➢ Enrollee date of birth	On-demand

Report	Data	Frequency
claims. Uses include reviewing an enrollee's claims activity and case management	➢ Enrollee sex ➢ Fill date ➢ Prescriber name ➢ Label name ➢ Therapeutic class ➢ Pharmacy ➢ Quantity ➢ Daily dosage ➢ Days' supply ➢ Plan paid ➢ Copayment	
The Top n Drugs report provides key statistics on your top utilized drugs by brand / generic name, label name, NDC, drug class, therapeutic class, or manufacturer. You can specify the number of top drugs you want displayed and several different ranking methods are available: ➢ % of plan paid ➢ PEPM ➢ % of total claims ➢ Total claims ➢ Plan paid per claim ➢ Total cost ➢ Plan paid per days' supply ➢ Total enrollee paid ➢ Generic % of total claims ➢ Total plan paid The report results can be optionally grouped at the selected plan hierarchy and constrained by prescriber, pharmacy, drugs and more. Uses include monitoring drug utilization and adherence to PDL; identifying opportunities for intervention programs; and examining your cost and volume outliers	➢ Drug / category name ➢ Total cost ➢ Enrollee paid ➢ Plan paid ➢ % of plan paid ➢ Generic % of plan paid ➢ Total claims ➢ % of total claims ➢ Generic % of total claims ➢ Plan paid per day (supply) ➢ Plan paid per claim ➢ PEPM	On-demand; scheduled monthly / quarterly / annually as desired
The Drug Market Share report provides plan market share data by cost and volume for selected drug categories (GTC, STC, brand name, label name, NDC, GCN). For each generic name /	➢ Therapeutic category ➢ Therapeutic class ➢ NDC ➢ # of Rx's ➢ Quantity	On-demand; scheduled monthly / quarterly / annually as desired

Report	Data	Frequency
form combination, the report provides costs and quantities per Rx, as well as market share percentages by volume and cost. Uses include monitoring the effectiveness of formularies, preferred product lists, and physician education programs; comparing costs for similar agents within a therapeutic class; and analyzing market share data during P&T committee meetings to guide key PDL decisions	➢ Ingredient cost ➢ Amount paid ➢ Ingredient cost per unit ➢ Ingredient cost per Rx ➢ Quantity per Rx ➢ Volume (%) ➢ Cost (%)	
The Top n Prescribers report provides key statistics on your top prescribing physicians. You can specify the number of top prescribers you want displayed and several different ranking methods are available: ➢ % of plan paid ➢ PEPM ➢ % of total claims ➢ Total claims ➢ Plan paid per claim ➢ Total cost ➢ Plan paid per days' supply ➢ Total enrollee paid ➢ Generic % of plan paid ➢ Total plan The report results can be optionally grouped at the selected plan hierarchy and constrained by disease, prescriber, pharmacy, and / or drug(s). Uses include identifying potential fraud and abuse; identifying opportunities for intervention and outreach; and examining your cost and volume outliers	➢ Prescriber ID ➢ Prescriber name ➢ Prescriber city ➢ Prescriber state ➢ Total cost ➢ Enrollee paid ➢ Plan paid ➢ Generic % of plan paid ➢ Total claims ➢ % of total claims ➢ Generic % of total claims ➢ Plan paid per day ➢ Plan paid per claim ➢ PEPM	On-demand; scheduled monthly / quarterly / annually as desired
The Physician Profile report provides data related to prescriptions written by physicians within a designated specialty. Data includes physician ID, physician name, number of Rx's, amount paid, DAW1 %, average days'	➢ Prescriber ID ➢ Prescriber name ➢ # of Rx's ➢ Amount paid ➢ DAW 1 % ➢ Average days' supply	On-demand; scheduled monthly / quarterly / annually as desired

Report	Data	Frequency
supply written, average amount paid per Rx, number of utilizing enrollees, average number of Rx's per enrollee, average amount paid per enrollee, generic %, brand %, multisource %, and PDL %, for each prescriber. Uses include monitoring prescribing trends within a given specialty and identifying opportunities for physician education.	➢ Average amount paid per Rx ➢ Utilizing enrollees ➢ Average Rx's per enrollee ➢ Average amount paid per enrollee ➢ Amount paid ➢ Generic % ➢ Brand% ➢ Multisource brand ➢ PDL %	
The Prescriber Profile by therapeutic Class report allows you to compare costs associated to a prescriber against all other prescribers, by therapeutic class. The report provides total costs and claims, as well as average costs and claims across all physicians. Comparison totals and averages for the designated physician are provided with a % difference. Uses include monitoring prescribing trends within a given therapeutic class; identifying opportunities for physician education; and comparing costs associated to a given prescriber against benchmark data.	➢ Total prescribers ➢ Total utilizers ➢ Total claims ➢ Total cost ➢ Average cost per claim ➢ Average cost per utilizer ➢ Cost per utilizer % difference ➢ Claims per utilizer % difference	On-demand
The Top n Pharmacies report provides key statistics on your top utilized pharmacies. You can specify the number of top pharmacies you want displayed and several different ranking methods are available: ➢ % of plan paid ➢ PEPM ➢ % of total claims ➢ Total claims ➢ Plan paid per claim ➢ Total cost ➢ Plan paid per days' supply ➢ Total enrollee paid ➢ Generic % of plan paid ➢ Total plan paid	➢ Pharmacy ID ➢ Pharmacy name ➢ Pharmacy city ➢ Pharmacy state ➢ Total cost ➢ Enrollee paid ➢ Plan paid ➢ % of plan paid ➢ Generic % of plan paid ➢ Total claims ➢ % of total claims ➢ Generic % of total claims ➢ Plan paid per day ➢ Plan paid per claim ➢ PEPM	On-demand; scheduled monthly / quarterly / annually as desired

Report	Data	Frequency
➢ Generic % of total claims Additionally, within the report you can re-rank your results, drill up or down through your plan hierarchy, drill into the top enrollees and / or physicians associated with those pharmacies. Uses include identifying potential fraud and abuse; monitoring trends in your network; and examining your cost and volume outliers		
The Top n Chain report provides key statistics on your top utilized pharmacies chains / associations. You can specify the number of top affiliations you want displayed and several different ranking methods are available: ➢ % of plan paid ➢ PEPM ➢ % of total claims ➢ Total claims ➢ Plan paid per claim ➢ Total cost ➢ Plan paid per days' supply ➢ Total enrollee paid ➢ Generic % of plan paid ➢ Total plan paid ➢ Generic % of total claims Additionally, within the report you can re-rank your results, drill up or down through your plan hierarchy, and drill into the top pharmacies within the affiliation. Uses include identifying potential fraud and abuse; monitoring trends in your network; and examining your cost and volume outliers.	➢ Pharmacy ID ➢ Pharmacy name ➢ Pharmacy city ➢ Pharmacy state ➢ Total cost ➢ Enrollee paid ➢ Plan paid ➢ % of plan paid ➢ Generic % of plan paid ➢ Total claims ➢ % of total claims ➢ Generic % of total claims ➢ Plan paid per day ➢ Plan paid per claim ➢ PEPM	On-demand; scheduled monthly / quarterly / annually as desired
The PA Timeliness Medicaid report provides detailed information about completed therapeutic PAs with an assessment of their timeliness based upon whether or not they were completed within the federally required	➢ HQ (MCO) Code ➢ PA # ➢ Drug name ➢ Urgency ➢ Enrollee ID ➢ Enrollee name	On-demand; scheduled monthly / quarterly / annually as desired

Report	Data	Frequency
24-hour period. The report provides multiple options for calculating the turnaround time to support requirements across different states. Uses include tracking PA process duration and timeliness; and identifying PA drugs approved and denied	➢ Receipt date ➢ First outreach (date) ➢ TAT receipt to first outreach (if applicable) ➢ Response received / not r(date) ➢ Final response to physician (date) ➢ Final response to enrollee – oral (date) ➢ Final response to enrollee letter (date) ➢ Completed (date) ➢ PA status ➢ Turnaround time (hh:mm) ➢ Timely (Y / N)	
The Cost Avoidance Detail Report provides detailed information related to claims that are cost-avoided, paid as secondary, and paid with overrides. This report includes coordination of benefits claims net costs, cost avoidance savings, and pharmacy low OPAP indicators. This report is a component of the monthly and/or quarterly management reporting deliverables provided by Account Management teams to state Medicaid agency customers. Used by state Medicaid agency customers to track other payer offsets to drug expenditures, and to identify claims/providers where overrides were used to bypass cost avoidance.	➢ Claim ID ➢ Enrollee ID ➢ Pharmacy NPI ➢ Pharmacy Rx# ➢ Drug name ➢ Other payer reject code(s) ➢ Date of service ➢ Receipt date ➢ Status ➢ Quantity ➢ Total amount Claimed ➢ Program price ➢ Other payer or enrollee responsibility ➢ Total amount paid ➢ Estimated savings ➢ Low OPAP (penny claim) indicator	On-demand; scheduled monthly / quarterly / annually as desired
The Cost Avoidance Summary Report provides summary-level information regarding claims cost-avoided, paid as secondary, paid with overrides, including net costs and savings. This report is a component of the monthly and / or quarterly management reporting deliverables	➢ Cost avoidance category ➢ Cost avoided ➢ paid with overrides ➢ Billed as secondary – OHI on file ➢ Billed as secondary – No OHI on file ➢ # of claims ➢ Total amount Claimed	On-demand; scheduled monthly / quarterly / annually as desired

Report	Data	Frequency
provided by Account Management teams to state Medicaid agency customers. Used by state Medicaid agency customers to track other payer offsets to drug expenditures and the efficacy of their TPL program at an aggregate level.	➢ Other payer or enrollee responsibility ➢ Total amount paid ➢ Estimated savings	
The Cost Avoidance Unknown OHI Detail Report provides enrollee specific OHI data submitted by pharmacy providers and not on file. This report provides state Medicaid agency customers with submitted OHI data when no OHI is found in their TPL data repository. It can be used by state customers to improve the quality of their TPL data and to optimize future cost avoidance measures. Includes enrollee, provider, and other (submitted) payer identifiers.	➢ Enrollee ID ➢ Pharmacy NPI ➢ Receipt date ➢ OHI payer ID qualifier ➢ OHI payer ID ➢ OHI payer date ➢ OHI payer count ➢ # of paid claims ➢ Total amount Claimed ➢ Program price ➢ Other payer or enrollee responsibility ➢ Total amount paid	On-demand; scheduled monthly / quarterly / annually as desired
The high-dollar claim review report examines high-cost Specialty Drugs or other therapies, including Zolgensma® and other high cost, low utilization Drug Claims and gene therapies.	➢ LDH defined criteria for specialty ➢ # of paid claims ➢ # of denied claims ➢ Total amount paid ➢ Estimated savings	Monthly
ProDUR summary report with LDH-approved content.	➢ Reason for service code by severity, count and amount paid ➢ ProDUR related reversals ➢ Associated savings	Monthly

Reporting Innovations

We continue to enhance both the user experience, as well as the capabilities of MedOptimize. Recent reporting innovations include the following.

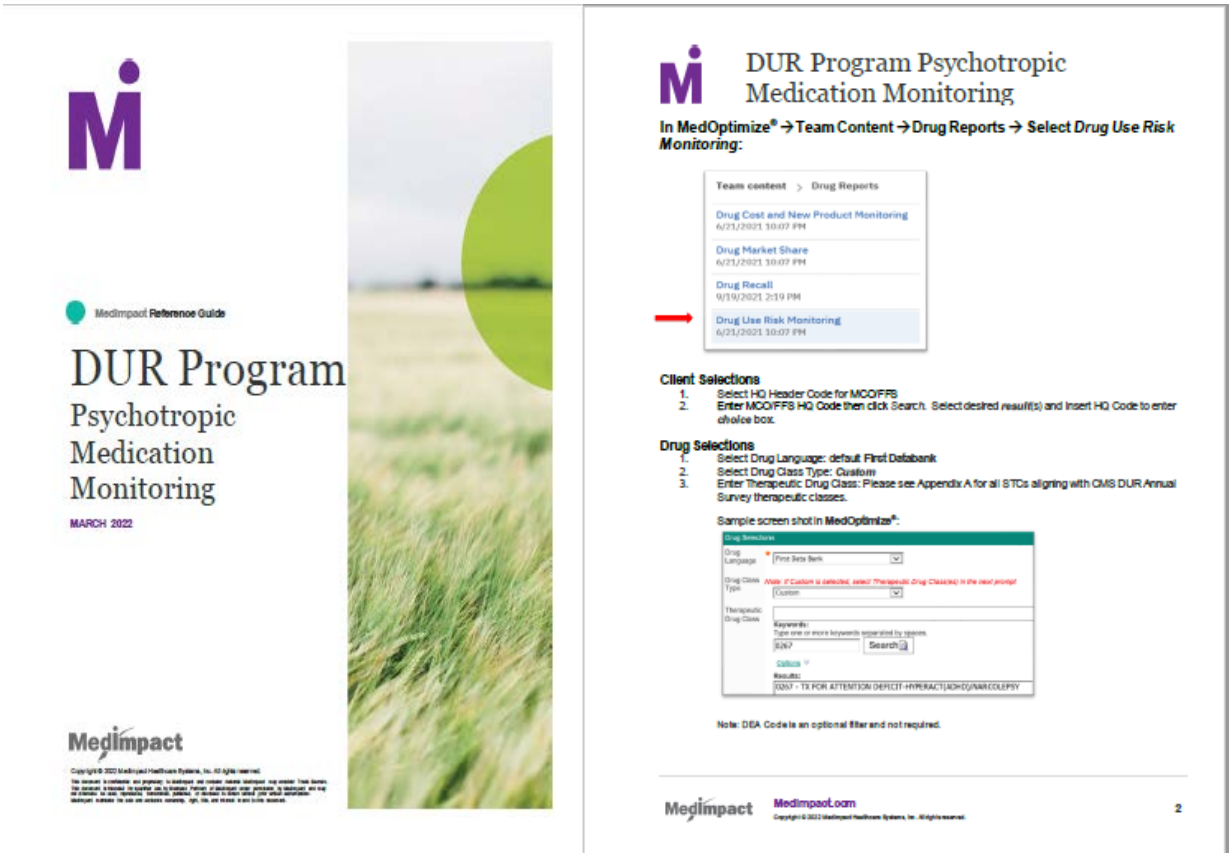
- **Improving search capabilities in the MedOptimize reporting tool**—Fast key word searches across and within report content allows filtering by object type (e.g., report, dashboard, folder, etc.) and enables users to easily save their search parameters

- **Adding a recent items list to the MedOptimize report tool**—Accessible from the user's welcome page and from the menu bar, users can quickly access to content with which they have recently interacted.
- **Implementation of the Medicaid quality program tool**—Assists plans in monitoring Medicaid-specific quality measures, take action, and track progress. The tool targets high-risk enrollees across eight measures include five therapeutic areas: asthma, depression, antipsychotics, opioids, and hypertension. The program assists with identifying at-risk enrollees before they become non-adherent to appropriate therapy. Interventions are issued to proactively address quality issues before they reach critical thresholds. The program engages providers and provides actionable reporting and dashboards.

The clinical management programs collect data that is dependent upon the disease being treated, such as disease prevalence, annual treatment costs. From this data, we can identify key factors driving up costs leading to poor outcomes, develop approaches to improve cost and outcomes and determine how to measure success. MedImpact continuously enhances and adds to the suite of predefined content to help ensure customers have what they require to manage their business performance, monitor operations, and respond to regulatory requirements. **In recent months, we added 11 new standard reports, enhanced 13 others with value-added features and detail, and made an additional 17 data elements available for users' custom queries.**

Report development and enhancement also occurs to support response to the CMS Annual DUR survey, as well as reporting to monitor compliance with federally mandated PA processing within 24 hours. In addition, these developments and enhancements complement POS programs and meet the SUPPORT ACT requirements, including State-defined opioid restrictions; opioid subsequent fill limitations; opioid MME limits for chronic pain, opioid and benzodiazepine concurrent use; opioid, and antipsychotics concurrent use; monitoring use of antipsychotics in children, and fraud and abuse identification, as depicted in **Figure 1.8.8-JJ**.

Figure 1.8.8-JJ: DUR Program Psychotropic Medication Monitoring



Our comprehensive reporting package is supported by its flexible reporting tool to support state Medicaid programs. This tool is built upon the IBM Cognos platform and serves as our secure online reporting tool, with powerful standard reporting and ad hoc query capabilities. It contains all current and historical financial and claims data. Our reporting tool provides data flexibility, accessibility, customization, and user-friendliness.

The database is refreshed in near real-time to help ensure all reports and analyses are based upon the most up-to-date information. LDH staff are afforded real-time access to data through our reporting tool to generate timely and accurate reports. We employ an effective training program and user materials to meet the initial and ongoing needs of designated LDH staff. MedImpact's comprehensive reporting development and delivery processes include the production, review, analysis, and response to all report findings provided to LDH, MCOs, and other stakeholders, as determined by LDH.

A business and quality plan is produced annually, which provides insights, analytics, and solutions to identify new opportunities to improve enrollee health and customer experience. **Our annual plan is created with a cross-functional and collaborative approach.** Prior to publication, our teams meet internally and with LDH to gather areas of focus, review priorities in quality, and work together to create improvement projects. State participation enables us to

help ensure the goals of the states are our priorities. This cross-functional team discusses performance issues, areas in need of improvement, and ways in which we can partner together as a group to tackle issues.

Quality Oversight, Monitoring, and Monthly Reporting

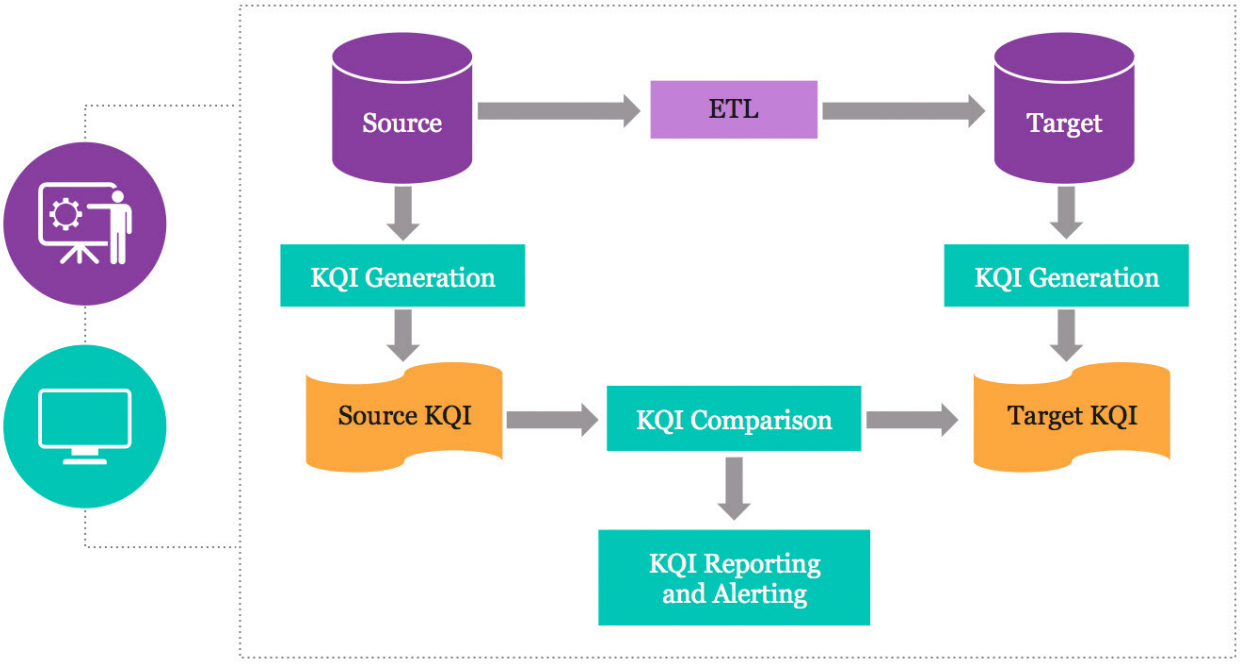
MedImpact reviews all reports for accuracy and completeness prior to making them available to LDH and the contracted MCOs, and performs comparative data analysis, interprets trends, and provides a summary of findings, where appropriate, which are easily interpreted. Report findings are used to drive program improvements and identify corrective actions.

Our Analytics and Reporting staff thoroughly tests and reviews all reports to help ensure accuracy and completeness. Our approach to answering questions with reports, whether predetermined or open-ended, is to view them as an opportunity to tell a story, as opposed to completing a mere compliance exercise. This includes careful consideration of the report's audience(s), using clear language, and avoiding specialized acronyms or terminology.

MedImpact analyzes and explains trends and patterns within the reported data that we may later address via performance management measures. We also compare data to previous reporting periods and specifically address the appropriate program area (e.g., claims administration, complaints and grievances). Many routine and custom reports can be scheduled and delivered in an automated manner, helping to ensure timely availability of reports.

We also employ an established quality program and balance and control process to help ensure data integrity and reporting. Our balance and control process measures and controls the extent to which the target data in our data warehouse syncs with the source systems. A balance and control process (**Figure 1.8.8-KK**) runs following completion of the ETL process and serves as an end-to-end auditing or reconciliation process. The main mechanism for balance and control is to generate and compare KQIs (key quality indicators) for both source and target data. KQIs are established to assure the data warehouse used for reporting has received the data it is supposed to receive. It applies a formula on the received data and compares it with the value of the formula accompanying the source data.

Figure 1.8.8-KK: ETL Process and Balance and Control Process Relationship



Beyond helping to ensure the database used for reporting contains complete and accurate data, as validated through the balance and control process, **MedImpact further validates accuracy of reports provided to LDH and report recipients through a formal quality assurance process.** Whenever the report is first created, it undergoes a design review where subject matter experts from our Reporting team help to ensure the report logic follows established standards for consistency and then built to specifications. Before being made available to end users, it receives a quality review where it is tested for accuracy, completeness, and adherence to established standards.

Comparative Data Analyses, Trends, and Summary Findings

MedImpact leverages our extensive statistical and analytics capabilities and expertise to perform comparative, quantitative and qualitative analyses of data and interpreting trends, and summarizes and interpretation of findings to support program improvement initiatives and respond to special requests from LDH. MedImpact's analytic capabilities are organized into four divisions:

- Clinical Analytics team supports our clinical programs
- Financial Analytics unit supports our financially related reporting
- Rebate Analytics staff supports our rebate reporting
- Enterprise Analytics team provides the overall structure and oversight for all reporting groups

Data scientists and business intelligence analysts perform a variety of tasks in support of our operation, including ad hoc reporting, CEDAR enterprise data warehouse oversight, and data governance activities. MedImpact's Reporting and Analytics team possesses extensive experience in:

- Analytic techniques
- Business requirements analysis
- Software programming and use of reporting tools
- Ability to liaise with business operations regarding reporting needs
- Table structure design
- ETL (extract, transform, and load) program development
- Validity and accuracy testing

Dashboard Reporting

MedOptimize offers interactive dashboards providing appealing data visualization that practically build themselves using artificial intelligence. Features include:

- Understanding the data with compelling, informative, and interactive dynamic visualizations
- Creating visualizations, such as traditional line graphs, bar and pie charts through more modern imagery, such as word clouds, heat maps, and spiral graphs
- Taking advantage of an extensive selection of visualizations, including embedded geospatial mapping and advanced analytics
- Automatically generating insights that detect outliers and patterns from the data

MedOptimize dashboards provide extensive interactivity instantly upon creation, as well as allow precise control to modify and customize as you see fit. Drill up, down, or through your data seamlessly. As you move through, the entire dashboard updates automatically to match the slice of data you are investigating. **Figures 1.8.8-LL through 1.8.8-NN** that follow depict sample dashboard reports.

Figure 1.8.8-LL: Key Indicators and Trends

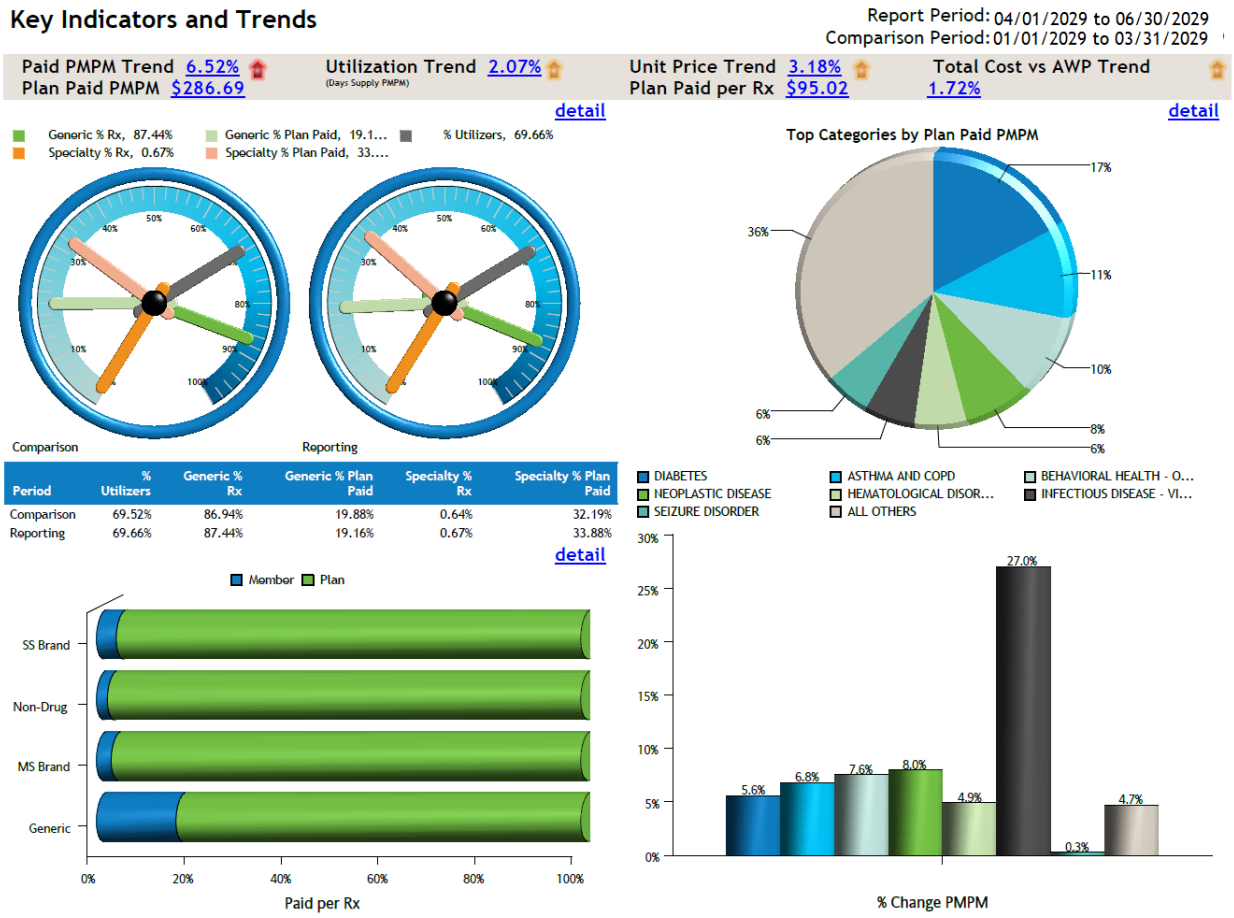


Figure 1.8.8-MM: Key Indicators and Cost Share

Back to dashboard

Key Indicators

	Comparison Period	Reporting Period	% Change	Summary
Paid PMPM	$25.35	$27.82	9.7%	$26.64
Eligible Member Months	244,693	267,024	9.1%	511,717
Paid Amount	$6,202,602	$7,428,198	19.8%	$13,630,799
Total Cost	$6,595,366	$7,878,555	19.5%	$14,473,922
AWP Cost	$28,139,455	$34,258,979	21.7%	$6,119,524
Ingredient Cost per Unit	$0.54	$0.62	14.9%	$0.58
Utilization (DS PMPM)	21.49	20.70	-3.7%	21.08
% Utilizers	19.9%	19.2%	-3.6%	19.6%
# of Rx's	163,755	158,654	-3.1%	322,409
Generic % Rx	81.4%	81.4%	0.0%	81.4%
Generic % Plan Paid	24.9%	25.1%	0.8%	25.0%
Generic PMPM	$6.31	$6.98	10.7%	$6.66
Specialty % Rx	2.6%	2.7%	0.0%	2.6%
Specialty % Plan Paid	43.9%	48.5%	10.4%	46.4%
Specialty PMPM	$11.13	$13.49	21.1%	$12.36

Cost Share

Drug Product Type	Plan Paid per Rx	Total Cost per Rx	Member Paid per Rx
SS Brand	$257.05	$266.19	$9.14
MS Brand	$54.27	$58.67	$4.40
Non-Drug	$30.04	$31.59	$1.55
Generic	$14.44	$16.28	$1.84
Summary	$46.82	$49.66	$2.84

Figure 1.8.8-NN: Sample Reporting by Behavioral Health

Back to dashboard

Report Period: 04/01/2029 to 06/30/2029

GTC: BEHAVIORAL HEALTH - OTHER

Drug Class	Drug Name	Specialty Designation	# of Rx's	% of Total Rx's	% of Rx's in Category	Paid Amount	% PMPM Change	Plan Paid PMPM
ANTIPSYCHOTICS,ATYPICAL,DOPAMINE,& SEROTONIN ANTAG	INVEGA SUSTENNA	SPECIALTY - BEHAVIORAL HEALTH	101	0.1%	0.9%	$242,545	8.5%	$4.50
	LATUDA	NON-SPECIALTY	158	0.1%	1.5%	$223,562	6.6%	$4.15
	RISPERDAL CONSTA	SPECIALTY - BEHAVIORAL HEALTH	128	0.1%	1.2%	$115,067	20.3%	$2.14
	ALL OTHERS		4,078	2.5%	38.3%	$403,296	2.7%	$7.49
ANTIPSYCHOTICS,ATYPICAL,DOPAMINE,& SEROTONIN ANTAG - Summary			4,465	2.7%	41.9%	$984,471	6.8%	$18.28
ANTIPSYCHOTICS, ATYP, D2 PARTIAL AGONIST/5HT MIXED	ABILIFY MAINTENA	SPECIALTY - BEHAVIORAL HEALTH	30	0.0%	0.3%	$73,375	36.8%	$1.36
	REXULTI	NON-SPECIALTY	58	0.0%	0.5%	$73,332	27.7%	$1.36
	ARIPIPRAZOLE	NON-SPECIALTY	810	0.5%	7.6%	$53,148	8.4%	$0.99
	ALL OTHERS		11	0.0%	0.1%	$23,254	-12.8%	$0.43
ANTIPSYCHOTICS, ATYP, D2 PARTIAL AGONIST/5HT MIXED - Summary			909	0.6%	8.5%	$223,109	19.5%	$4.14
ANTI-PSYCHOTICS,PHENOTHIAZINES	CHLORPROMAZINE HCL	NON-SPECIALTY	66	0.0%	0.6%	$25,971	3.7%	$0.48
	FLUPHENAZINE HCL	NON-SPECIALTY	37	0.0%	0.3%	$17,165	47.5%	$0.32
	PERPHENAZINE	NON-SPECIALTY	88	0.1%	0.8%	$9,532	-12.8%	$0.18
	ALL OTHERS		30	0.0%	0.3%	$2,513	-34.2%	$0.05
ANTI-PSYCHOTICS,PHENOTHIAZINES - Summary			221	0.1%	2.1%	$55,181	7.3%	$1.02
ALL OTHERS	ALL OTHERS		5,059	3.1%	47.5%	$229,571	0.9%	$4.26
ALL OTHERS - Summary			5,059	3.1%	47.5%	$229,571	0.9%	$4.26
BEHAVIORAL HEALTH - OTHER - Summary			10,654	6.6%	100.0%	$1,492,333	7.6%	$27.72

GTC: NEOPLASTIC DISEASE

Drug Class	Drug Name	Specialty Designation	# of Rx's	% of Total Rx's	% of Rx's in Category	Paid Amount	% PMPM Change	Plan Paid PMPM
ANTINEOPLASTIC SYSTEMIC ENZYME INHIBITORS	IBRANCE	SPECIALTY - ONCOLOGY	17	0.0%	2.4%	$188,719	46.4%	$3.50
	IMBRUVICA	SPECIALTY - ONCOLOGY	8	0.0%	1.1%	$95,208	-17.8%	$1.77
	NINLARO	SPECIALTY - ONCOLOGY	6	0.0%	0.8%	$56,233	29.9%	$1.04
	ALL OTHERS		25	0.0%	3.5%	$251,181	9.2%	$4.66
ANTINEOPLASTIC SYSTEMIC ENZYME INHIBITORS - Summary			56	0.0%	7.8%	$591,341	14.1%	$10.98
ANTINEOPLASTIC IMMUNOMODULATOR AGENTS	REVLIMID	SPECIALTY - ONCOLOGY	19	0.0%	2.6%	$273,318	6.1%	$5.08
ANTINEOPLASTIC IMMUNOMODULATOR AGENTS - Summary			19	0.0%	2.6%	$273,318	6.1%	$5.08
ANTIANDROGENIC AGENTS	XTANDI	SPECIALTY - ONCOLOGY	12	0.0%	1.7%	$128,838	11.0%	$2.39
	ZYTIGA	SPECIALTY - ONCOLOGY	8	0.0%	1.1%	$80,253	-29.3%	$1.49
	ERLEADA	SPECIALTY - ONCOLOGY	3	0.0%	0.4%	$32,300	8.3%	$0.60
	ALL OTHERS		15	0.0%	2.1%	$614	-82.4%	$0.01
ANTIANDROGENIC AGENTS - Summary			38	0.0%	5.3%	$242,005	-8.0%	$4.49
ALL OTHERS	ALL OTHERS		604	0.4%	84.2%	$153,890	19.7%	$2.86
ALL OTHERS - Summary			604	0.4%	84.2%	$153,890	19.7%	$2.86
NEOPLASTIC DISEASE - Summary			717	0.4%	100.0%	$1,260,553	8.0%	$23.41

Our reporting solution to provide staff and management with KPIs, trending, and meaningful findings to identify areas where process and capability improvements can be made to enhance performance, as well as areas that require formal corrective action plans**.** MedImpact key business owners and subject matter experts continually review reporting results and findings to help ensure we remain on the appropriate trajectory to achieve all performance objects while meeting all service level contractual agreements, and make extensive use of dashboards, data visualization and MedOptimize flexible analytics to identify emerging risks, adverse trends, and opportunities for improvement.

If an underlying performance issue is discovered, MedImpact engages the appropriate multidisciplinary team to perform a root cause and impact analysis. External experts are engaged, as needed, and depending upon the magnitude of the issue, a formal project is initiated and tracked. Once the root cause(s) of the issue are identified, a requirements and solution analysis are conducted, and the appropriate remediation(s) are implemented. Measurable goals and timeframes are set to evaluate the effectiveness of the remediation(s). Once it is verified the remediation(s) are fully resolved, the identified issue the project is closed. If appropriate, a lessons learned review is performed which examines all aspects of the issue

discovery, causation and remediation(s), and opportunities to enhance existing reporting and/or develop additional reporting to improve future discovery of similar issues is explored.

The web-based report repository is supported by the MedOptimize application, which includes standard pre-defined reports and dashboards, as well as the ability perform ad-hoc queries and design custom reporting. Reports can be viewed, printed, copied, or downloaded, based upon role-based access control.

Web-Based Report Repository

MedImpact provides to LDH and MCOs secure access to data within its web-based report repository, **available 24 hours per day, seven days per week, 365 days per year, for efficient and effective analysis of the prescription drug program, enabling informed decisions**. Our web-based report repository can be accessed using a Web browser and requires no customer or plug-in software installation. We leverage MedOptimize's powerful, flexible ad hoc reporting tools to timely and accurate ad hoc reports to respond to LDH and contracted MCO requests.

Ad Hoc Reports

In addition to predefined reports, MedOptimize also includes powerful, flexible ad hoc reporting tools. MedOptimize provides MedImpact's reporting team the ability to quickly create queries and generate detailed ad hoc reports to provide LDH and contracted MCOs with two-day turnaround to their ad hoc requests for information. The ability to evaluate drug usage and physician prescribing patterns to spot clinical and financial trends are just a few examples of ad hoc requests that can be easily and quickly performed using MedOptimize's access to the entire pharmacy claims database and an intuitive user interface. This capability provides users with the means to create whatever is needed when it is needed. Using point-and-click and drag-and-drop Web interaction, data elements can be selected, filters and calculations applied as needed, reports formatted as required, and outputs selected.

Several data sets are available within MedOptimize and organized to make it easy to obtain data. **The data sets cumulatively contain more than 800 commonly used data elements for ad hoc querying, with more than 12,000 data elements available for report development and ad hoc reporting if needed.** Some views contain summarized data for prompt results of counts and totals, while others provide claim-by-claim or enrollee eligibility detail for in-depth analysis.

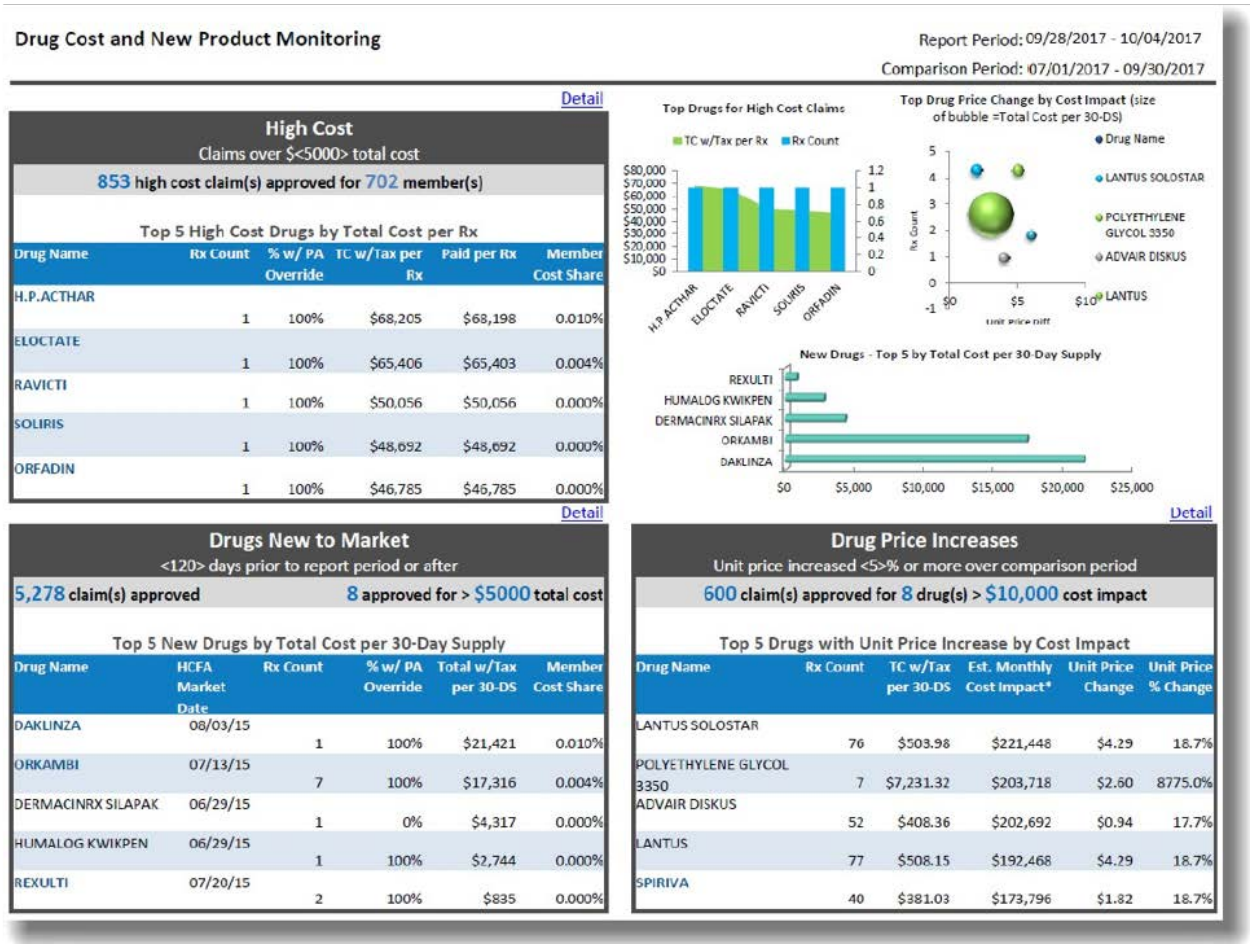
To meet LDH's and the MCO business and clinical needs, MedOptimize:

- Supports Microsoft Excel, CSV, PDF, HTML, or XML report output
- Formats with graphs and crosstabs
- Performs simple or complex calculations
- Applies sorting
- Applies calculations easily
- Add conditional formatting.

- Save queries for use any time.
- Schedules queries on any frequency
- Delivers reports in an electronic format

Figure 1.8.8-OO illustrates sample ad hoc reports.

Figure 1.8.8-OO: Sample Ad Hoc Reports



In the infrequent event the complexity of an ad hoc request requires software programming, the flexible capabilities of our system and the report design experience of our programming team enable us to support virtually any type of report request without an additional cost to LDH or MCO.

All ad hoc reports and parameters can be stored if requested by LDH or contracted MCOs, and re-run or updated using different input data, such as different time periods, different record selection logic, or other input data as specified. In addition, we generate ad hoc reports from our various systems, including our project management system, our phone systems, various operational tracking logs, and our Customer Relationship Management application.

Requests for ad hoc reporting solutions are supported primarily through the MedOptimize tool, where LDH and MCOs can perform ad hoc queries. If LDH prefers or a request necessitates the request of an ad hoc report, LDH provides a written description of the ad hoc request and our Account Management team asks any clarifying questions to help ensure understanding of the request. The request is then recorded in the team's service log for tracking and execution. Once a request is made, MedImpact either confirms the report can be provided within two business days or provides a request for an exception, an estimated delivery date, and a reason for the request for exception.

MedOptimize Training and Support

While our extensive library of customizable standard reports, dashboards, and user-friendly ad hoc reporting capabilities provide LDH and the MCOs with extensive access to data, we recognize that equally important to achieving meaningful actionable information is our customer training and support programs and materials. We will employ our successful model for training, enhanced with lessons learned from a similar implementation to ensure training is timely and meaningful.

MedImpact provides to LDH and MCO staff both initial and ongoing training. A combination of self-paced online tutorials and live instructor-led training is made available. Training topics include running, creating, saving, sharing, and scheduling reports and custom queries. All training participants and MedOptimize users receive instructive user manuals, practice exercises, data dictionaries, report catalogs with descriptions and samples, and a library of brief targeted video tutorials on specific features and topics. Our MedImpact team is available to field questions about a report or about using the system. Refresher training is available at any time.

Our reporting tool training occurs in parallel with MedAccess training, starting approximately 30 days prior to the operational start date. Initially, we ask MCO users to complete self-directed courses prior to training with a live MedImpact trainer. Once complete, MCO users will be trained one-on-one (MCO to MedImpact). These trainings will occur over eight weeks, including post-go live. This is because the MCO will benefit the most once real data is loaded into the system and our trainers will assist in building reports during the session.

Reports and Requests for Information

We recognize the importance of LDH's ability to obtain time-sensitive data/information from MedImpact. Our Account team will be on point to receive the request, prioritize it, and coordinate our response. Our lead data analyst will be the primary person to develop reports for LDH and the MCO, supported in close collaboration by our clinical pharmacy staff and operations team. Any public record's request will be coordinated by our COO. We acknowledge and agree that this data includes clinical systems, authorization systems, claims systems, medical record reviews, quality and network monitoring reviews, network management visits, enrollee interaction, and audits.

We collaborate with LDH to develop performance guarantee and contract compliance reporting that provide to LDH the information and metrics necessary to effectively perform contract oversight. Requests received from LDH, a contracted MCO, or the LDH Provider Relations unit are acknowledged in writing by our COO or compliance officer within one business day and addressed within five business days or the time-period specified in the request. In the event a request for information is received from the Louisiana Office of the Governor, the LDH Office of the Secretary, a Louisiana State legislator, or the LDH Complaints unit, MedImpact addresses the request within 72 hours, unless there is an indication that a response is needed sooner.

In response to FOIA (Free of Information Act) or other public records' requests, MedImpact's COO will forward the request to the LDH Section Chief of Program Operations and Compliance within one business day of receipt and provides all records in its possession to LDH the Department deems relevant to the request in the format and timeframe established by LDH.

Quality Assurance

Medimpact will deliver a quality assurance plan, subject to LDH's approval, within 30 calendar days of the contract effective date. The plan will provide a roadmap on how MedImpact will assure quality oversight and monitoring. COO, Kevin Chang, PharmD, will work with our Government Program Services quality manager to develop the report and update it on at least an annual basis.

This quality assurance plan provides an overview of the steps MedImpact will follow to perform quality oversight of the activities performed during the operations. The focus of the QA Plan includes quality measurement, ongoing monitoring activities, quality improvement approaches, and monthly reporting to LDH to demonstrate MedImpact's compliance with contractual requirements and performance guarantees.

The QA Plan describes:

- The composition of the MedImpact Louisiana Quality Assurance Team responsible for the execution of the plan
- MedImpact's approach to quality assurance, including standard processes and methodologies
- Tracked metrics included in monthly performance guarantees monitoring
- Quality oversight focus, including domain-specific criteria and key performance indicators (KPI), tools, and processes for measuring and reporting on quality related to provision of services under this agreement

- Monthly (or as needed) quality report-out to LDH.
- Proposed processes to ensure continuous quality improvement over the life of the agreement.

Quality Assurance Processes and Methodologies

QA (quality assurance) aims to provide LDH with confidence in the people, processes and technologies used to deliver services; it provides internal and external surveillance mechanisms to ensure that contracted services are meeting contract requirements and accepted performance standards. QA planning is necessary to establish the quality requirements and/or standards that will be measured, and to institutionalize the QA processes in a supportable, repeatable manner. The QA plan also provide the framework to continually improve service delivery through the targeting of key performance metrics, the collaborative identification and exploration of improvement opportunities, and the planning and execution of improvement activities.

In the development and execution of the QA Plan, and in ongoing quality improvement activities the QA Team consistently applies SMART processes to help ensure our actions are:

- **Sustainable**—Replicating the same high levels of performance so MedImpact continuously meets or exceeds customers' expectations
- **Measurable**—Establishing standards for the levels of performance MedImpact provides and quantifying the results MedImpact achieves with customer-driven metrics
- **Accurate**—Helping to ensure the results MedImpact achieves are precisely accurate, so our customers repeatedly receive what they need and want
- **Reliable**—Being trustworthy by delivering to our customers what MedImpact says it will deliver
- **Timely**—Delivering to our customers what MedImpact says it will deliver and by when promised

As part of the QA plan, MedImpact provides a monthly report of QA activities and operational statistics. The report addresses:

- Benefit Administration
- Utilization Management/PA
- Pharmacy Network and Audits
- Payments to Pharmacies/RA
- Provider and Enrollee Support
- Disaster Recovery and Business Continuity.

Monthly and quarterly reporting addresses issues and recommendations regarding current policies, procedures, and focus areas.

All performance guarantee and contract monitoring reporting are included in our quality assurance monitoring, with key performance objectives identified and closely monitored to afford MedImpact the appropriate lead time to implement effective remediations and corrective actions, should a key performance indicator begin to reveal adverse trending. All report specifications are mutually agreed-upon and include data sources, data elements, business rules and timeframes, and a formal requirements analysis process to define full report specification for each report to the satisfaction of LDH. We agree to provide all contractually required information and other information related to MedImpact's performance of contractual responsibilities as requested by LDH or an MCO. We have reviewed all available information regarding reporting found in the RFP and as specified in the MCO Manual and are prepared to provide following requirement session to ensure mutual understanding.

MedImpact tracks all operational statistics and will share this information with LDH and the MCO as applicable. This will include operational areas such as PA, call center, and claims processing. **Figure 1.8.8-PP** represents sample operational, statistical, and aggregate reports.

Figure 1.8.8-PP: Sample Operational, Statistical, and Aggregate Reporting

Medicaid Medication Assisted Treatment - Utilization Summary SAMPLE

Time Period: 7/1 - 10/10

Week	Week #	Buprenorphine	Buprenorphine-naloxone	Lucemyra	Sublocade	Suboxone	Vivitrol	Zubsolv	Total	W/W Δ
Jul 1-3	1	****	****	****	****	****	****	****	****	-
Jul 4-10	2	****	****	****	****	****	****	****	****	#VALUE!
Jul 11-17	3	****	****	****	****	****	****	****	****	#VALUE!
Jul 18-24	4	****	****	****	****	****	****	****	****	#VALUE!
Jul 25-31	5	****	****	****	****	****	****	****	****	#VALUE!
Aug 1-7	6	****	****	****	****	****	****	****	****	#VALUE!
Aug 8 - 14	7	****	****	****	****	****	****	****	****	#VALUE!
Aug 15 - 21	8	****	****	****	****	****	****	****	****	#VALUE!
Aug 23 - 28	9	****	****	****	****	****	****	****	****	#VALUE!
Aug 29 - Sep 4	10	****	****	****	****	****	****	****	****	#VALUE!
Sep 5 - 11	11	****	****	****	****	****	****	****	****	#VALUE!
Sep 12 - 18	12	****	****	****	****	****	****	****	****	#VALUE!
Sep 19 - 25	13	****	****	****	****	****	****	****	****	#VALUE!
Sep 26 - Oct 2	14	****	****	****	****	****	****	****	****	#VALUE!
Oct 3 - Oct 10	15	****	****	****	****	****	****	****	****	#VALUE!

Top Prior Authorization (PA) Denial Report

<ABC HEALTH PLAN>

Time period: 3/1/2022 - 3/21/2022

SAMPLE

Time Period: Week Ending	Rank	Drug	Recent PDL Change	Primary Denial Reasons	# Denials (CURREN	# Denial (PREVIOUS	% Change W/
3/21/2022	2	ALBUTEROL SULFATE HFA	N	no trial/failure of required drug(s)	****	****	-6%
3/21/2022	4	DEXTROAMPHETAMINE-AMPHET ER	N	no trial/failure of required drug(s)	****	****	-26%
3/21/2022	3	HYDROCODONE-ACETAMINOPHEN	N	no trial/failure non-opioid analgesic(s); no dx	****	****	-8%
3/21/2022	6	METHYLPHENIDATE ER	N	no trial/failure of required drug(s); innapropriate dx	****	****	-5%
3/21/2022	1	TRULICITY	P to NP	inappropriate dx; no trial/failure of required drug(s); exceeds max dose	****	****	-28%
3/21/2022	5	OZEMPIC	NP to P	inappropriate dx; no trial/failure of required drug(s); exceeds max dose	****	****	48%
3/21/2022	22	SAXENDA	P to NP	non-covered drug	****	****	-21%
3/21/2022	11	WEGOVY	N	non-covered drug	****	****	3%
3/21/2022	20	RYBELSUS	N	inappropriate dx; no trial/failure of required drug(s)	****	****	9%
3/21/2022	49	VICTOZA (2 and 3-PAKS)	N	inappropriate dx; no trial/failure of required drug(s)	****	****	67%
3/21/2022	157	BYDUREON BCISE	N	no trial/failure of required drug(s)	****	****	-40%

SAMPLE CALL CENTER STATISTICS/TRENDING	3/16/2022	3/17/2022	3/18/2022	3/19/2022	3/20/2022	3/21/2022	3/22/2022	3/23/2022	MTD
Client									
Number of Calls Received	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Number of Calls Answered	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Number of Calls Abandoned	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
% Abandoned Calls	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Average Speed to Answer (minutes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Average Speed to Answer (seconds)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Member									
Number of Calls Received	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Number of Calls Answered	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Number of Calls Abandoned	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
% Abandoned Calls	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Average Speed to Answer (minutes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Average Speed to Answer (seconds)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Pharmacy									
Number of Calls Received	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Number of Calls Answered	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Number of Calls Abandoned	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
% Abandoned Calls	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Average Speed to Answer (minutes)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Average Speed to Answer (seconds)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Physician									
Number of Calls Received	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX

SAMPLE

PA Volume Summary - Completed PAs

Last Process Status Date: XX/01/2022 through XX/07/2022

HQ Header	Carrier HQ	Approved	Denied	Partial Approved	PA Not Required	Other	Total PA Co	Appeal Over	Appeal Uph	Appeal - Oth	Appeal Count
LDH	LA01	XXX%	XXX%	XXX%	XXX%	XXX%	XXX	XXX%	XXX%	XXX%	XX
	LA02	XXX%	XXX%	XXX%	XXX%	XXX%	XXX	XXX%	XXX%	XXX%	XX
	LA03	XXX%	XXX%	XXX%	XXX%	XXX%	XXX	XXX%	XXX%	XXX%	XX
	LA04	XXX%	XXX%	XXX%	XXX%	XXX%	XXX	XXX%	XXX%	XXX%	XX
	LA05	XXX%	XXX%	XXX%	XXX%	XXX%	XXX	XXX%	XXX%	XXX%	XX
	LA06	XXX%	XXX%	XXX%	XXX%	XXX%	XXX	XXX%	XXX%	XXX%	XX
Subtotal		XXX%	XXX%	XXX%	XXX%	XXX%	XXX	XXX%	XXX%	XXX%	XX
Overall - Total		XXX%	XXX%	XXX%	XXX%	XXX%	XXX	XXX%	XXX%	XXX%	XX

Weekly LDH Rejection Report

SAMPLE SAMPLE SAMPLE SAMPLE

Sum of Claim Transaction Count				Carrier HQ Code		
NCPDP Reject C	NCPDP Reject Code Desc 1	MI Reject Code Desc 1	Brand Name	LD-1	LD-2	LD-3
79	REFILL TOO SOON					
75	PRIOR AUTHORIZATION REQUIRED					
76	PLAN LIMITATIONS EXCEEDED					
88	DUR REJECT ERROR					
9G	QUANTITY DISPENSED EXCEEDS MAXIMUM ALLOWED					
70	PRODUCT/SERVICE NOT COVERED. PLAN/BENEFIT EXCLUSION					
65	PATIENT IS NOT COVERED					
889	PRESCRIBER NOT ENROLLED IN STATE MEDICAID PROGRAM					
926	INITIAL FILL DAYS SUPPLY EXCEEDS LIMITS FOR PATIENT AGE					
7X	DAYS SUPPLY EXCEEDS PLAN LIMITATION					
85	CLAIM NOT PROCESSED					
54	NON-MATCHED PRODUCT/SERVICE ID NUMBER					
AJ	GENERIC DRUG REQUIRED					
77	DISCONTINUED PRODUCT/SERVICE ID NUMBER					
TQ	DOSAGE EXCEEDS PRODUCT LABELING LIMIT					
M2	RECIPIENT LOCKED IN					

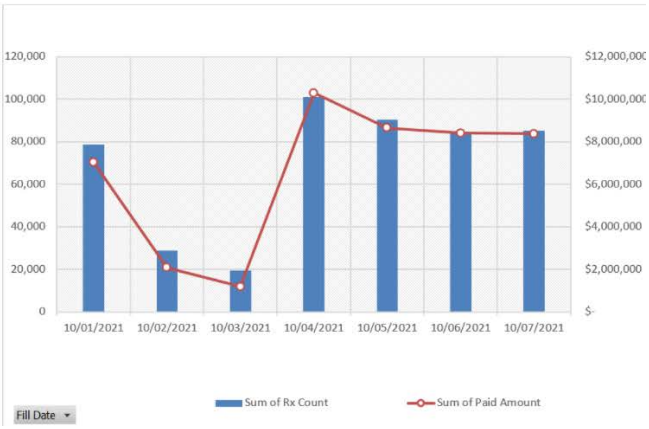
Weekly LDH Utilization Report
Time Period: 10/1 - 10/7

Daily Utilization Summary

Row Labels	Sum of Rx Count	Sum of Paid Amount	Denied Claims
10/01/2021			
10/02/2021			
10/03/2021			
10/04/2021			
10/05/2021			
10/06/2021			
10/07/2021			
Grand Total			

Utilization by MCO

Row Labels	Sum of Rx Count	Sum of Paid Amount	% Total
LD1			
LD2			
LD3			
LD4			
LD5			
LD6			
Grand Total			



Pharmacy services quality program accreditations, such as URAC PBM and NCQA utilization management, demonstrate MedImpact's commitment to high-quality standards across all departments within the organization, including benefit design, claims processing, customer service, PDL design, and utilization management.

Our LDH single PBM COO or designee will provide attestation that they have read all QA reports before they are submitted to LDH to determine if it they are accurate.

Other areas of quality assurance and reporting for LDH include:

- **Clinical Quality Assurance (Single PBM Clinical Pharmacy Director, Travis Ortiz, PharmD)**

  - Recommend changes to LDH to clarify policy, add edits or other claims processing controls as issues are identified through claim review
  - Produce a monthly report detailing morphine milligram equivalents (MME) which reports any enrollees who are potential outliers and exceed the MME recommendations
  - Provide recommendations for drugs and/or drug classes to be added to the automated pharmacy PA tool, and pre-analysis and post-analysis data and ProDUR recommendations
  - Create a PDL Quarterly Operations Report that shall include at a minimum:

    - PA approval and denial statistics related to PDL classes and non-PDL drugs
    - Most common reasons for denial of each class
    - Statistics related to PDL compliance in each class utilization and costs statistics related to the drugs in each PDL class

- **Reporting Quality Assurance (Single PBM Chief Operational Officer, Kevin Chang, PharmD)**

  - Produce all operational reports necessary to facilitate comprehensive oversight by LDH, including summary dashboards that show current and trending activities within the system
  - Present data, including configurable dashboards and key aggregated current and historical operational data for analysis
  - Provide the capability to report unduplicated data, based on LDH-defined criteria
  - Produce a monthly executive level dashboard summary report for claims processed to be delivered to LDH ten business days from the end of the previous month

- **Program Integrity Quality Assurance (Single PBM FWA Investigator, Nigel Browne)**

  - Recommend to LDH changes that can prevent payments to that are inconsistent with Medicaid policies or accepted standards of practice.
  - Provide LDH, on a quarterly basis LDH, a report detailing the results of contacts of network providers where submitted claims appeared questionable.
  - Conduct and report a quarterly systematic review of all paid claims to identify and determine overpayments.
  - Provide the capability to perform or participate in onsite reviews of pharmacies, utilizing a process and timeline mutually agreed upon.

- **Claims Quality Assurance (Account team)**

  - Ensure the claims summary report is timely, accurate, and complete.
  - Develop and maintain, on a quarterly basis, an LDH-approved non-proprietary claim processing and procedure manual to be published on the MedImpact, LDH and MCO's website.
  - Analyze probable erroneous payments/claims processing errors within one business day of being brought to LDH's attention by providers
  - Conduct daily systematic review no later than one business day after adjudication to identify and determine inaccurate claims processing
  - Produce a monthly report for all claims processed under the 340B program to ensure compliance with the LDH 340B policy

- **Compliance (Niejadd Evans, CHC)**

  - Provide reports that include the rates paid for drugs to the pharmacies and confirmation that MedImpact did not receive any rebates or other discounts related to drugs
  - Monthly drug claims payment accuracy percentage report

Deliverables

Following careful review of Attachments VI, Table of Deliverables, MedImpact agrees to meet or exceed LDH expectations for project deliverables, expected outcomes, and required timetables.

Emergencies and Disaster Planning (SOW 2.1.25)

- Emergencies and disaster planning: Describe the proposed approach to meet the requirements in Section 2.1.25.

MedImpact has extensive experience supporting communities dealing with natural disasters and emergency declarations. We partner closely with LDH to support Medicaid enrollees and providers. Our staff actively monitors local conditions across the State; communicates with LDH, pharmacies, and enrollees; provides uninterrupted 24 / 7 access to call center services; provides tools and resources on our website; and implements appropriate benefit configuration modifications, including temporary claim denial override codes for enrollees in affected geographic areas. **Our COO will ensure continuity of operations for our Louisiana-based team, including any impact to our Louisiana-based Customer Service Center.**

MedImpact supported Kentucky MCOs when a violent, long-tracked tornado moved across Western Kentucky, producing severe to catastrophic damage in numerous towns. We worked closely with Kentucky DMS to implement a statewide response that allowed out of state and out-of-network pharmacies to process claims and in-network pharmacies to override edits in emergency situations and waived prior authorizations at DMS direction.

POS Edits Modifications

Our Account team will work with LDH to activate, modify, or suspend appropriate POS edits in the claims adjudication system once notified by LDH of an emergency. We will work with our Customer Service Center to re-route calls and our network team to notify providers. The flexibility of our claims adjudication system enables us to respond to LDH requests to alter or remove POS edits or other pharmacy requirements within the mandatory 24-hour response requirement.

MedImpact can allow overrides or suspension of denials, including refill-too-soon, required PAs, accumulated quantity limit exceeded, copays, lock-in, step therapy, out-of-network provider or other changes LDH deems appropriate, to protect enrollees' health. Special provisions allow supplemental messaging providing instructions to pharmacists for submitting temporary override codes to bypass specific edits, eliminating the need for a phone call to Call Center representatives. However, our Customer Service Center can also submit overrides on behalf of the enrollee or pharmacy, based on LDH direction.

The following is the step-by-step process outlining the necessary tasks to implement emergency functionality:

State of emergency declared after tornadoes slice through New Orleans

On March 22, 2022, a tornado touched down and tore a path of destruction through a New Orleans area neighborhood and MedImpact responded.

Within two hours after a state of emergency was declared and MedImpact was notified, we implemented system edits and call center overrides in support of our customers, pharmacies, and members in Louisiana.

- LDH provides MedImpact with a declaration or statement of emergency.
- MedImpact works with LDH to determine the extent of the emergency (e.g., region, statewide) and the specific response MedImpact will implement (e.g., suspend out-of-network edits or PAs).
- MedImpact configures the necessary changes with a start date and end date, if known).
- Our Account team works with our Call Center Manager to implement emergency overrides for enrollees and providers
- Through follow-up, COO, Kevin Chang, works with our Lead Data Analyst, Diana Ivandic-Hodzic, to document and report on the impact of the disaster overrides (e.g., number of overrides, estimated financial impact) with LDH.
- We send communication via a pharmacy network broadcast to all network pharmacies within the disaster area and contiguous states notifying them that we have activated emergency preparedness edits for LDH to allow use of the emergency preparedness overrides. We also update our website to provide the latest information to enrollees and providers.
- The Account team also informs the MedImpact pharmacy audit team that we activated the emergency edits for LDH. These conditions are considered while reviewing claims data/trends/patterns for FWA. Our Audit team will notate if LDH elects to suspend signature requirements for pick-up or delivery.

MedImpact's capabilities include following:

- NCPDP's Emergency Preparedness Prescription Claims Procesing Guidance to allow the pharmacist the capability to use the SCC (Submission
- Clarification Code) (420-DK) = 13 to indicate Payer-Recognized Emergency/Disaster Assistance Request if a displaced/impacted member presents at the pharmacy for a refill and identifies him/herself as an affected enrollee. This overrides the edits LDH approves to be overridden.
- Detailed information regarding emergencies and disaster planning is provided in response to Continuity of Operations Plan, SOW 2.1.26, which follows.

Continuity of Operations Plan (COOP) (SOW 2.1.26)

- Continuity of Operations Plan (COOP): Describe the proposed approach to meet the requirements in Section 2.1.26.

Since its founding in 1989, MedImpact continuously refines and improves its continuity of operations plans and procedures. Our comprehensive processes incorporate industry best practices and innovations that enable us to reliably serve more than 23 million lives across the nation. **MedImpact's proven experience and capabilities meet and exceed LDH's continuity of operations expectations for the Louisiana Medicaid program.**

MedImpact maintains a COOP that addresses how MedImpact and subcontractors' operations and ongoing provision of services are maintained in the event of a pandemic, natural disaster, or man-made emergency, including localized acts of nature, accidents, and technological and / or attack-related emergencies, or other event leading to a significant disruption in operations due to staff absence and / or loss of utilities impacting the fulfillment of MedImpact's contractual responsibilities.

MedImpact understands and agrees with all requirements in RFP Section 2.1.26. Accordingly, MedImpact will:

- Invoke MedImpact's COOP no later than when the fulfillment of contractual requirements is impacted by an event
- Follow all LDH directives regarding access to care and relaxation of authorization requirements during an emergency, with corresponding system edits for all services implementable at the parish level during an emergency
- Submit the COOP to LDH or its designee for approval as part of Readiness Review and no later than 30 calendar days prior to implementation of changes
- Immediately inform LDH, in writing, when invoking its COOP. If the nature of the triggering event renders written notification impossible, MedImpact shall notify LDH of the invocation of the COOP through the best available means. If the nature of triggering event renders immediate notification impossible, MedImpact will inform LDH of the invocation of the COOP as soon as possible.

Continuity of Operations Approach

Our continuity of operations strategy is documented in our BCP (Business Continuity Plan) and SCP (Systems Contingency Plan), referred to herein as the IT DRP (Information Technology Disaster Recovery Plan). Our BCP defines the organization, roles, responsibilities, communication and notification system, and procedures to efficiently and effectively recover critical business resources in the event of a business disruption or disaster. This living document supports the following objectives:

- Disaster recovery and business continuity plan updates and testing occur at least annually and whenever technology changes mandate
- Three successful disaster recovery tests in 2021; most recent test on November 5, 2021
- Zero downtime for claims adjudication platform in the past two years

- Safeguard employees, protect vital records and resources, and exercise care over resources critical to serving MedImpact's customers
- Comply with federal, state, and local agency regulations
- Meet quality standards set forth by PBM industry accreditation programs
- Recover and restore the core business infrastructure of MedImpact business units in the event of a disaster or disruption
- Enable customers to maintain business continuity and service to their enrollees in the event of a MedImpact business disruption or disaster
- Minimize the time needed to execute the decision-making process if an event occurs

The BCP coordinates and directs emergency preparedness procedures, practices, resources, communications, and facilities needed for business recovery readiness. It also provides a proven structure to recover normal daily operations and establishes business continuity-related education, practices, monitoring, and auditing. This includes availability of adequate workspace and steps to minimize data loss. Further, our BCP includes a description of every resource requiring backup, as well as recovery time objectives. Key subcontractors / vendors are required to have disaster recovery plans and business continuity plans, and, where appropriate, participate in our exercises.

The IT DRP (Systems Contingency Plan) is a subset of business continuity that outlines the process, procedures, and management actions to be taken if a disaster results in an extended service disruption or outage supported by MedImpact's IT infrastructure and / or systems residing in the data center. This plan aligns with the BCP to provide the strategy for recovering applications, data center operations, hardware, networks, and information technology infrastructure following an event. It provides guidance and critical information for MedImpact's trained and experienced staff to recover core IT systems and / or applications impacted by a service disruption or disaster event. Interim measures may include the relocation of processing to IT systems and operations at an alternate site, the recovery of IT functions using alternate equipment, or executing key IT functions using manual methods.

As fully detailed in **Appendix K**, MedImpact's written plans include comprehensive technical controls and redundancy at all levels to provide high availability and a well-maintained, secure operation.

Ensuring Continuity of Critical Services and Functions

Over its history, MedImpact has protected its critical business functions and infrastructure in the face of natural and manmade disasters through a steadfast commitment to readiness planning. At the heart of this planning are the people we serve. All too often, we see individuals and families evacuated from their homes due to fire, floods, hurricanes, and earthquakes. This displacement may last for days, weeks, or months. **Decades of experience affords us with the systems and processes that, in times of disaster or emergency, help to ensure uninterrupted access to pharmacy services for our enrollees and providers.** Our BCP and IT DRP provide the structure, processes, and procedures that, when executed, enable MedImpact to quickly recover to normal daily operations following an event.

MedImpact's **multiple levels of redundancy** for critical systems maintain a high level of continual service to protect our information technology assets. We are not dependent upon a third-party recovery service provider to support or perform any recovery processes because of the following safeguards:

- **Server redundancy**—In case of individual system failure, MedImpact's multiple redundant systems enable claims processing to continue in **fewer than 60 seconds**, with minor interruption, as processing is moved to a hot-standby server. Claims processing systems are on redundant or high-availability hardware.
- **Storage redundancy**—MedImpact's replicated databases on isolated storage frames provide critical protection against storage system failure. We replicate critical data locally and to our secondary data center to protect against a single-site failure.
- **Data center redundancy**—MedImpact's systems and critical data are safeguarded by physical data center isolation and redundancy between data centers located 362 miles apart in San Diego, California and Tempe, Arizona. Our data centers are on different power grids with backup power feeds in each location. Distance helps protect from a single local event failure or disaster and provides continuous availability. We also provide technical support 24 hours a day, 7 days a week, 365 days a year.

Machine failures, storage failures, power failures, and network failures at MedImpact's primary data center would trigger activation of the secondary data center. MedImpact recovers operations from the secondary data center after a disaster is declared. Because our failover POS claims adjudication system resides in both data centers, we can track and store enrollee dispensing data without interruption. This data is not site-dependent, so adjudication and POS for enrollees and reporting tools for customers are not disrupted. Authentication and access controls are also co-located, which eliminates the need to perform a recovery of our data access control platforms and facilitates emergency mode operations during a disaster.

Projected Recovery Times

MedImpact's BCP and IT DRP focus on those functions which are fundamental to our mission of ensuring enrollees have uninterrupted access to their drug therapies: pharmacy claims adjudication services and call center services. We establish tiers of services based on their criticality to customers and enrollees. RTO (recovery time objective)—the projected time required to restore an application to normal operations—is established for each tier, with claims adjudication restored within 15 minutes and call center handling and PA within 30 minutes. The RPO (recovery point objective) is defined as the maximum targeted period in which data might be lost from an IT service due to a major incident. **The RPO for MedImpact's Tier 1 through 3 applications is 15 minutes**. **Table 1.8.8-QQ** shows our critical services tier system with accompanying RTOs for each category.

Table 1.8.8-QQ: Critical Service Functions

Tiers	Service Functions	Time to Recovery
Tier 1	➢ Claims adjudication services ➢ POS ➢ Web services	➢ Within 15 minutes
Tier 2	➢ Call Center Cisco phone services (CUIC, Cisco Supervisor Desktop, Cisco Call Manager) ➢ IVR ➢ MedAccess (claims eligibility and administration) ➢ Claim quote ➢ Drug price check ➢ PA Platform (PA and appeals) ➢ Operational design management system ➢ Verint ➢ Emergency notification systems (emergency situation update hotline, Kronos)	➢ 0-30 minutes ➢ Minimal downtime level for critical production applications
Tier 3	➢ Internet access ➢ VPN ➢ Network / shared drive access ➢ Eligibility file and data exchange delivery systems (MFTP, FTP/sFTP) ➢ File processing and scheduling systems (UC4, Informatica, Ops Scheduler) ➢ ePrescribing applications and systems (MedPrescriptions, RTBC) ➢ RightFax ➢ Esker ➢ Email (MS Outlook Exchange) ➢ Customer portal (Enterprise Portal Platform)	➢ 0.5-4 hours

Tiers	Service Functions	Time to Recovery
Tier 4	➢ Configuration applications and environments (QSP, TAC) ➢ Benefit highlights	➢ 4-8 hours
Tier 5	➢ AP and Filenet (financial processing) ➢ Claim Data Store ➢ CNAT ➢ Confluence ➢ MedHub ➢ Media Production (processing and scanning equipment, including network printers, Neopost software, AIMS) ➢ MedOptimize (reporting) ➢ Virtual inventory (administration and systems) ➢ PDE processing ➢ Direct enrollee reimbursement ➢ Customer portal ➢ Pharmacy locator ➢ PDL management platform (CDL/PDL) ➢ MOR ➢ Drug pricing (FDB / Medi-Span)	➢ 8-24 hours ➢ Moderate downtime level for ancillary or supporting production applications
Tier 6	➢ MAC pricing tool ➢ Testing and validation applications and environments (E2E) ➢ Pharmacy portal ➢ Clinical programs	➢ 24-48 hours ➢ Long downtime level for ancillary or supporting production applications
Tier 7	➢ Rebates processing (claims data extract to Magellan for rebates falls under Tier 3 RTO) ➢ Physician portal	➢ >48 hours ➢ Extended downtime level for ancillary or supporting applications

Essential Operational Functions and Responsible Staff

MedImpact employs a rigorous BCP at the enterprise level and within each department to address essential operational functions and responsible staff. Our BCP pre-assigns and defines recovery responsibilities by team and task to control disruption or disaster response and mitigate disruption to enrollees, providers, and customers. The plan includes comprehensive descriptions of staff responsibilities, actions, and critical information for backup and recovery of all operations. It details emergency response guidelines—clearly defined activities and responsibilities—relative to event identification, notification and communication, threat assessment, event trigger, event evaluation and code declaration, response and recovery, and post-event evaluation.

Each critical business unit maintains a business unit recovery plan to address event tasks specific to that unit. These detailed, strategic recovery plans include critical functional responsibilities, personnel, equipment, processes, and action steps. Business unit emergency response checklists help team members confirm completion of the actions necessary to prepare, respond, and recover from a disaster or disruption event.

MedImpact organizes its BC teams into separate functional teams, structured to assign specifically trained personnel to each critical function / core business process. The MedImpact BC Steering Committee, led by MedImpact's vice president of Operations, is responsible for planning, updating, testing, and execution of the plan. The BC Steering Committee is composed of senior staff members from MedImpact's Business and IT departments, along with Operations, Human Resources, Account Management, IT Infrastructure, IT Security, Compliance, and Accounting.

MedImpact's vice president of Operations serves as a member of the BCDRLT (Business Continuity Disaster Recovery Leadership team), which is authorized to establish emergency communications, alert employees, notify customers, and inform the press. Under its authority, the BCDRLT declares an event and manage damage control, critical functions, and IT disaster recovery teams.

MedImpact's vice president of IT Applications and Infrastructure is responsible for planning, updating, and testing of MedImpact's IT DRP. Overall direction of IT recovery operations in a disaster event is the responsibility of MedImpact's CIO (chief information officer). The vice president of IT Applications and Infrastructure, along with the CIO and other MedImpact IT leaders, comprise the ITDRMT (IT Disaster Recovery Management team). The ITDRMT reviews test plans, ensuring that IT personnel are familiar with the plan and notification procedures. The ITDRMT provides consultative review and approval on changes to MedImpact's IT DRP. In the event of a disaster or disruption event, the ITDRMT assigns the specifically skilled IT professionals to create a command center, perform required damage assessments, alert the secondary data center, and make recommendations to the BCDRLT on the best course of action to provide the most comprehensive recovery in the shortest amount of time.

As described in **Table 1.8.8-RR**, the Business Continuity teams are organized into separate functional teams, each having specific areas of responsibility.

Table 1.8.8-RR: Business Continuity Teams

Team	Responsibilities	Membership
Business Continuity Steering Committee	➢ Creation and annual revisions of the BCP ➢ Assists with identification of potential events	➢ BCP Executive Sponsor: President ➢ BCP Chairperson: Principal, Operations Strategic Initiatives ➢ BCP Co-Chair: SVP, Operations

Team	Responsibilities	Membership
	➢ Administers enterprise communications related to BCP preparedness ➢ Directs communications with senior leaders ➢ Conducts post-event evaluation and identification of improvement actions	➢ BCP Chairperson Back-up: VP, Customer Contact Services ➢ BCP Plan Support: Documentation Specialist, Process Management ➢ Steering Committee members from all critical business units, as listed in the BC team contact information list
Business Continuity and Disaster Recovery Leadership	➢ Invokes event declaration ➢ Provides overall management of the Damage Assessment, Critical Function First Responder, and IT DRP Management teams ➢ Makes policy decisions ➢ Oversees internal and external communications ➢ Acts as the official source of information during the recovery process	➢ President ➢ Chief Information Officer ➢ Chief Financial Officer ➢ Chief Revenue Officer ➢ SVP Chief Human Resources Officer ➢ SVP, Operations ➢ Principal, Operations Strategic Initiatives
Damage Assessment	➢ Interfaces with the BCDRLT, IT DRP Management team, and Critical Function First Responder team to assess damage and evaluate consequences during event identification	➢ IT Personnel ➢ Operations Personnel ➢ Facility & Business Services Personnel ➢ Environmental Health & Safety Manager ➢ Security Manager
Critical Function First Responder	➢ Interfaces with the IT DRP Management team to coordinate recovery efforts ➢ Interfaces with the BCDRLT to obtain necessary authorizations and resources to recover service functions ➢ Directs the overall operation of the Critical Function teams and the eventual restoration process ➢ Executes the BCP	➢ Security Manager ➢ SVP, Operations ➢ VP, Customer Contact Services ➢ Director, Configuration Services ➢ Principal, PA Administration
IT DRP Management	➢ Analyzes damage reports from the Damage Assessment team and makes recommendations to the BCDRLT on the need for disaster declaration ➢ Activates the IT DRP	➢ VP, Chief Information Officer ➢ VP, Technology Services and Operations ➢ Senior Director, Software Engineering ➢ Director, Network Engineering ➢ Director, Finance Applications

Team	Responsibilities	Membership
	➢ Interfaces with the BCDRLT to obtain necessary authorizations and resources ➢ Implements management directives ➢ Directs the overall operation of the IT disaster recovery teams and the eventual IT restoration process ➢ Carries out additional responsibilities as assigned in the IT DRP	➢ Director, IT Database Middleware ➢ Director, System Engineering ➢ Manager, IT Configuration & Release ➢ Manager, Security & Network Operations ➢ Manager, Application Support
Communication and Notifications *	➢ Interfaces with the BCDRLT to obtain current event status ➢ Notifies (via Environmental Health & Safety Manager) employees of current event status and any necessary actions, as well as periodic updates, via: o Employee Situation Update Hotline, MIR3 Notification System o Email distribution list ➢ Notifies (via Account Management with the support of Marketing and the Corporate Communications Partner) customers of operational status and provides periodic updates via: o Salesforce email push; or o Telephonic, if internet is not accessible, by triggering call tree to Account Management teams to initiate phone contact using prepared script o Prepared press releases o Corporate Website o Frequently Asked Questions distribution	➢ SVP, MCO Account Management ➢ VP, Strategic Marketing ➢ Director, Human Resources ➢ VP, Internal Audit ➢ Environmental Health & Safety Manager
Critical Function Team Leaders	➢ Implements management directives ➢ Alerts team members of the situation in the initial assessment phase ➢ Assembles members of their team after declaration is made ➢ Requests additional staff as needed ➢ Directs team members in specific procedures ➢ Reports periodic status to the BCDRLT	➢ Team leaders from critical business units, as necessitated by the nature of the event/ identification of resources required to address

Team	Responsibilities	Membership
	➢ Helps to ensure detailed assessment and recovery procedures are current ➢ Designates back-up individuals capable of functioning as alternate Team Leaders	
Critical Function Team Members	➢ Reports to the alternate work locations as instructed ➢ Executes recovery procedures ➢ Provides support to other team members ➢ Functions as Team Leader when required ➢ Trains newly assigned team members	➢ Team members from critical business units, as necessitated by the nature of the event/ identification of resources required to address

Kevin Chang, our LDH dedicated Louisiana-based chief operational officer, will promptly notify LDH and MCO staff during a declared event and is available 24 hours per day, seven days per week to address immediate needs.

Maintaining Data Security

MedImpact's IT DRP and BCP require that data for critical business processes be backed up and stored offsite, with the ability to retrieve or recreate for the recovery site. We accomplish this through a contract with our secure tape storage vendor, Iron Mountain, which holds encrypted tape backups for archiving and recovery. The IT Technical Recovery team is responsible for contacting the offsite storage vendor to deliver encrypted data backup tapes to the Secondary Data Center, making transportation arrangements if necessary. The Technical Recovery team verifies when the data backup is retrieved. Primary and backup systems can be recovered, regardless of the type of failure.

MedImpact performs daily backups to encrypted tapes, which are sent offsite to Iron Mountain. Iron Mountain is licensed and bonded to handle electronic and hard-copy PHI, PII, and sensitive data. MedImpact sends its paper records and data to storage vaults in conformance with corporate retention policies and best practices. MedImpact also uses data replication between our two managed, secure, highly available TIER 3 data centers located in San Diego, California and Tempe, Arizona.

Our Arizona primary data center is fully owned and operated by the MedImpact IT and Facilities staff. The Tempe facility has numerous carriers built into our redundant 'meet me' rooms and has achieved SOC 2 and AZ Ramp certifications. Our California secondary data center is housed within a Zayo colocation facility. The San Diego Zayo facility is SOC 2 and OIX-2 certified. MedImpact's assets are in a dedicated server room that is fully secured by monitored badge access. IT Infrastructure gear, including servers, IP switches, telephony, and data storage

devices, are biometrically secured in their own cages. MedImpact's data centers maintain direct point-to-point and indirect VPLS WAN connectivity to one another. The point-to-point circuits are commissioned from three distinct carriers and maintain geographically diverse paths into our data centers. We further maintain interstate geographic redundancy by following distinct northern and southern routes between California and Arizona. In the event of a triplicate failure of our point-to-point circuits, our systems dynamically fail all the way back to our VPLS WAN network.

MedImpact's **dual, redundant, highly available, always on data centers** contain duplicate IT security technology at each location to help ensure the exact same protections for ePHI (electronic protected health information) that existed prior to a disaster are in place during a disaster (emergency mode operation) and after a disaster. No separate recovery process or procedure is required to enable MedImpact's ePHI security safeguards in the event of a disaster. In the event of the loss of either data center, MedImpact's ePHI security safeguards are automatically in place and working upon failover.

Internally, all power, cooling, network, and system components are 100 percent redundant within each facility. In the event of a complete data center failure, all applications are dynamically failed over to the active / available facility. Quarterly, we test this failover capability to maintain system and staff readiness. We document all information regarding failover procedures and the results of the quarterly tests in our BCP.

MedImpact's public and customer-facing presence is maintained through a series of Internet and private line circuits. Numerous carrier diverse Internet circuits are dynamically available, and we audit all private line circuits to maintain geographic and Local Exchange Carrier (LEC) redundancy. LDH may choose to communicate with MedImpact over the Internet via SSL-enabled portals, which are TLS 1.2 compliant, or via dedicated and redundant IKEv2 VPN tunnels.

Testing

MedImpact's testing protocols meet and exceed LDH requirements for testing and updating its disaster recovery and business continuity plans. MedImpact's BCP and IT DRP are tested, reviewed, and updated at least annually, with a prompt coordinated response to any detected problems.

MedImpact reports documentation of this testing in a manner determined by LDH. MedImpact understands and agrees that, in the event MedImpact fails to demonstrate through these tests that it can restore systems functions, MedImpact shall be required to submit a Corrective Action Plan to LDH describing how the failure shall be resolved within ten business days of the conclusion of the test.

BCP Review and Testing—MedImpact conducts formal review and comprehensive tests of the BCP twice annually. We also schedule exercises and associated tests of various BCP components

throughout the year, as often as weekly or monthly. For example, we test our reverse 911 system weekly, and test employee remote access monthly. MedImpact's BCP Steering Committee and IT Disaster Recovery teams are responsible for verifying that the testing is completed. MedImpact maintains a test plan and results log to validate tests and results.

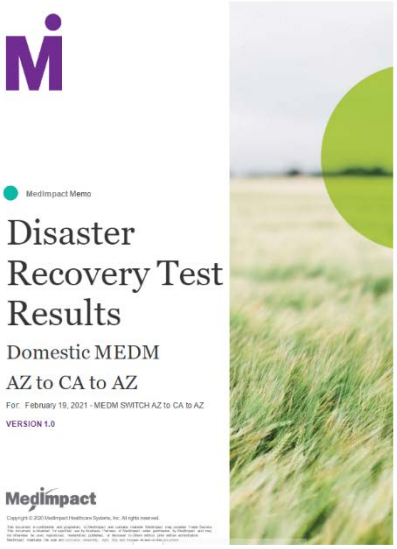
MedImpact was in an active BCP event (Covid-19) for the period of 3/13/2020 – 06/14/2021 and considered the event as a 'live' test of BCP execution. As with every plan, a live event tests an organization's ability to execute and identifies improvement opportunities. Although MedImpact's business continuity plan includes a communication team and had simple communication templates in place, we quickly learned we needed additional communication avenues to reach our customers, vendors, and employees. As a result, the communication committee used a list of FAQs and specific web-based channels to our repertoire, allowing us to communicate effectively both internally and externally.

We also took the following actions in response to the pandemic:

- Developed a specific email box to track all COVID-19 inquiries throughout the organization
- Assigned a point person to monitor the inbox and track all inquiries and assign to the appropriate subject matter expert
- Updated the list of frequently asked questions regularly for distribution to all customer teams
- Created sub-teams to address complex questions impacting multiple departments, including questions on COVID-19 test kits and the possible impact to drug spend and other financial implications
- Developed new COVID-19 reports so that MedImpact clinical program managers could help monitor the impact of COVID-19

IT DRP Testing—MedImpact reviews its disaster recovery procedures annually and performs routine testing to help ensure that the disaster recovery plan is effective. Our most recent test of MedImpact disaster recovery procedures was successfully performed on November 5, 2021, and examined the following items:

- Network connectivity
- Application availability
- Failover from the primary site to the backup processing site for customer connectivity
- Service restoration to primary claims processing site
- Communications procedures
- Security controls testing
- Emergency mode operation testing



MedImpact's chief information officer provides the overall direction of the IT Disaster Recovery Management team and the IT recovery operations. Under this leadership, we conduct disaster recovery testing of Tier 1 systems three times per year and conduct an additional three table-top exercises with various teams. We modify our IT DRP to reflect changes; these may include new data sources, system changes, and any enhancements that may impact our disaster recovery capability. While we coordinate disaster recovery testing schedules with our MCO customers to keep them fully informed, the recovery is completely transparent to our customers.

Supporting Enrollees and Providers During an Event

MedImpact has extensive experience supporting communities dealing with natural disasters and partners closely with LDH to support Medicaid enrollees and providers. Our staff actively monitor local conditions across the State; communicates with LDH, pharmacies, and enrollees; provides uninterrupted 24/7 access to call center services; provides tools and resources on our website; and enables processes, such as early refills and extended days' supply for enrollees in affected geographic areas. MedImpact follows all directives regarding access to care and relaxation of authorization requirements during an emergency, including the implementation of corresponding system edits for all services at the parish level during an emergency.

MedImpact's Operations team monitors local emergency notification systems and news reports, and proactively works with our customers to activate, modify, or suspend appropriate edits in the claims adjudication system and allow overrides at the call center level. As described above, LDH may choose to allow overrides for denials, including refill too soon, PA needed, accumulated quantity limit exceeded, and step therapy and apply either statewide or regional. Special provisions can also allow pharmacists to dispense under their NPI (National Provider Identifier) when physicians cannot be reached.

Our Pharmacy team works closely with retail partners, wholesalers, and manufacturers to continuously monitor marketplace drug availability. This activity coordinates with our clinical teams to identify legitimate drug shortages, duration, and actions so that processing and pricing rules can address any emerging market dynamic and avoid enrollee disruption.

Recent examples of MedImpact's incident responses include the COVID-19 pandemic, wildfires, earthquakes, hurricanes, and power outages. MedImpact displays content on its website, www.medimpact.com, to help enrollees prepare for or recover from a disaster. Web content includes a mobile-friendly Web application that lets enrollees easily retrieve a list of their current medications in a format suitable to give to a doctor or pharmacy if they find themselves in a situation where they need to replace their medications. The application provides all relevant details, including contact information for the prescriber and the last pharmacy to fill, to help ensure that LDH's enrollees have uninterrupted access to services during an emergency or disaster.

Supporting Medicaid Enrollees, Customers, and Providers during the COVID-19 Pandemic

MedImpact's Government Programs and Services Compliance department staff proactively review all COVID-19 related state and federal guidance, including bulletins and notices, daily. They identify and communicate updates to impacted departments, customers, and pharmacies as needed.

Our project and program managers work in concert with our Medicaid customers to implement point-of-sale claims adjudication edits to support COVID-19 regulation changes in a timely manner. For example, state Medicaid approved Section 1135 Waivers have impacted cost-sharing amounts, PA and step therapy requirements, quantity amounts, emergency fill / refill requirements, and provider enrollment enforcement. We also prepared for and released point-of-sale changes for processing COVID-19 tests and vaccine administration at pharmacies.

To address potential FWA issues stemming from COVID-19, we enhanced our reporting suite in MedOptimize, MedImpact's online reporting tool, to identify new start prescriptions (on or after March 1st) for over 35 drugs identified as potential COVID-19 treatments. This report tracks new starts on identified drug treatments; additional drugs associated with the COVID-19 pandemic are added to this report when literature indicates new drugs are being used.

Contingency Plans for Covering Essential Operational Functions

In less than one week following activation of its BCP due to COVID-19, MedImpact reassigned more than 1,000 employees to a work-at-home protocol with no loss in productivity or impact to customer services.

MedImpact's BCP and IT DRP include detailed contingency plans to coordinate and direct the emergency preparedness procedures, practices, resources, communications, and facilities needed for business recovery readiness. If key staff are incapacitated or the primary workplace is unavailable, the plans establish requirements for contingent staffing and backup facilities to temporarily house staff. Our backup facility plans include all hardware, software, computer resources, peripherals, offsite data entry services, and alternate space for MedImpact staff to fully support operations, while helping to ensure our services and access to all backup resources continue uninterrupted.

The BCP designates back-up individuals capable of functioning as alternate Team Leaders. In an emergency event, any member of the Business Continuity and Disaster Recovery Leadership team can initiate the Command Center call. The IT DRP details interim measures, including the relocation of processing to IT systems and operations at an alternate site, the recovery of IT functions using alternate equipment, or executing key IT functions using manual methods. The plans assume use of mobilization teams and contingency plans that expedite the restoration of expected levels of service after an event.

MedImpact maintains **secure, offsite data vault facilities** with Iron Mountain in Gilbert, Arizona and San Diego, California. 'Runbooks,' which provide detailed operational and recovery guidelines for our operating systems, applications, Web services, portals, middleware, and identity access management platform, are stored in our IT document repository, Confluence. This can be accessed from any of the locations. IT personnel required to perform the recovery use the runbooks to perform the correct steps to recover MedImpact's mission-critical functions. MedImpact performs multiple disaster recovery tests per year to reinforce the process and train personnel on the recovery requirements.

Event Declaration and Communication Strategy

MedImpact's BCP communication strategy includes an enterprise-wide employee contact information and notification process, employee hotline for updates, an email distribution list, and email templates. Once we trigger the BCP, our communications include the event declaration, enterprise-wide notifications, and external notifications.

The BCP communication strategy provides parameters for how to communicate with employees, customers, subcontractors, vendors, and suppliers in a timely manner. The BCP Communications and Notifications Team obtains the current event status from the Business Continuity and Disaster Recovery Leadership team. This team oversees all employee (internal) and customer (external) communications and is the official source of information before, during, and following an event. **Table 1.8.8-SS** describes the activities that comprise MedImpact's communication strategy during a declared event.

Table 1.8.8-SS: Communication Strategy

Activity	Description
Event Declaration	Mechanism for declaring an event and triggering the BCP
Establish Communications	The BCDRLT uses the Command Center Hotline to establish and coordinate communications during an event. The SVP of Operations (or any member of the BCP and IT DRP Leadership Team) hosts the conference.
Communication Strategy: Enterprise-Wide	**Emergency Contact Information** • Employee contact numbers are updated and stored in the online Kronos system using Employee Self-Serve. Employees are responsible for entering and updating current phone and emergency contact information in the Kronos system. • Employee contact information is also maintained at the department level along with departmental communication processes (e.g., call trees, etc.). Managers can review and print their employees' phone and emergency contact information from the Kronos Manager Self-Serve module.

Activity	Description
	• Managers for each business unit must keep current employee contact information along with a communication process to make sure each employee receives specific business unit level status notifications. **Notifications via MIR3** • The Environmental Health and Safety Manager triggers the MIR3 status notifications which are sent to each employee using the contact information available. We repeatedly send these notifications until receipt is acknowledged. **Employee Situation Update Hotline** • The Human Resources department or delegate provides recorded messages on the Employee Situation Update Hotline: 858-790-7090. The messages are updated as the situation or events change and include specific information obtained from the BCDRLT. We encourage employees to check the Hotline for information and updates. **Notifications via Business Continuity Notification Distribution Lists** • We maintain current email notification distribution lists; the lists include key contacts for all critical business and support functions. • We prepare and maintain email templates for a variety of scenarios (e.g., preparedness communications, potential events, actual events, training, drills, etc.)
Communication Strategy: External	**Customer Notifications** • Customer communications are the responsibility of the Account Management business unit. Core Account Management team members include all vice presidents, directors, and account executives. • Customer communications are based on event-specific communication templates pre-approved by the chief revenue officer or designate and SVP, Corporate Services and General Counsel, or designee. We review and update these communication templates at least annually and maintain them with the MedImpact BCP and IT DRP. • Based on the situation or event, a written communication to MedImpact customers is approved for customer distribution by the president, SVP of Corporate Services and General Counsel, and the chief revenue officer or designee, with assistance from the VP, Strategic Marketing. • MedImpact uses Salesforce as its CRM application and can mass email customers with consistent and directed messaging to all customers listed in the application. If we choose this method of customer communication, we send the approved message to all selected customers. This process is the responsibility of the Marketing business unit. We review and update this specific process at least annually. **Press Releases** • We prepare and maintain communication templates for a variety of events to facilitate communication with the media and press. All communications to

Activity	Description
	the public, including customers, are pre-approved by the chief revenue officer or designee and SVP, Corporate Services and General Counsel or designee. **Vendor Communications** • Each department maintains a contact list of external subcontractors / vendors / suppliers and is responsible for notifications during or after an event.

Staff Training

MedImpact's BCP and IT DRP are dependent upon the critical requirement that all participants understand their roles and responsibilities, undergo periodic training to foster familiarity with the plans, and can execute the response and recovery activities required to quickly resume normal operations. We train applicable personnel on the documentation, systems, and activities required by the BCP and IT DRP. Each MedImpact critical business unit assumes responsibility for the accuracy and maintenance of its supporting recovery strategy plan, including unit-specific training.

Annually, we train all MedImpact employees on the BCP, emergency response procedures, emergency evacuation procedures, and as applicable, associated BCP documents. All MedImpact employees understand their roles and expected actions in the case of an event. MedImpact non-critical business units follow the emergency response procedures and all specific procedures established by the business unit manager.

Collaborating with LDH and MCOs to Develop Solutions and Mitigate Risks

MedImpact understands and appreciates that a competent approach to preparing, planning, and responding to the natural disasters, pandemics, and acts of violence that plague our society dictates collaboration and cooperation among all stakeholders. With three decades of experience, MedImpact actively collaborates with customers to develop solutions and mitigate risks during emergency / disaster situations**. We are committed to contributing our expertise and spirit of innovation to LDH's mission of serving Louisiana's most vulnerable populations through all challenges that may confront the State**.

MedImpact has partnered with our MCO customers since 1992 in serving state Medicaid programs. Drawing upon that experience, MedImpact commits to collaborating with LDH and the Louisiana Medicaid MCOs to develop solutions and mitigate risks prior to, and during, all emergency / disaster situations.

Supporting Medicaid Enrollees, Providers, and Customers

The West has suffered numerous recent wildfire events, including the 2017 Thomas Fire in Ventura and Santa Barbara Counties, the July 2018 Carr Fire in Shasta County, the 2018 Camp Fire in Butte County, the 2018 Woolsey Fire in Ventura and Los Angeles Counties, and the major fires occurring in 2020 and 2021 in California, Oregon, Washington, and Colorado. In collaboration with its customers, MedImpact assessed each event's effect on enrollees and activated emergency services, allowing appropriate submission of clarification codes to override denials, per National Council for Prescription Drug Program (NCPDP) emergency preparedness information. We communicated with pharmacies, including fax blasts to remote counties, and posted banner ads and notifications on our Web portals.

Today, we collaborate with customers in a variety of ways to help ensure Medicaid **enrollees receive uninterrupted access** to their prescription benefits. For example, for more than a decade, we have given customers the option to allow early refills for their enrollees in geographic areas affected by a natural disaster. Our Operations team monitors news reports about natural disasters, and proactively works with our customers to activate an edit in our adjudication system to support these early refills. Customers can elect to allow overrides for any or all of the following denials: refill too soon, PA required, accumulated quantity limit exceeded, and step therapy. Special provisions also allow a pharmacist to dispense under their NPI (National Provider Identifier) whenever an enrollee's physician cannot be reached.

In consultation with our customers in 2017, we began displaying messaging on our website, www.medimpact.com, with content that can help enrollees prepare for or recover from a disaster. In response to a current emergency situation, MedImpact features a message of support on the site and keeps it in place until the situation is no longer affecting enrollees (this may typically be 30 to 60 days from the last date the enrollee may have had to evacuate, or from when significant damage resulted to homes and businesses). Included in that message is a link to a Web application to help enrollees needing replacement medications.

Using this application, enrollees can easily retrieve a list of their current medications in a format that is suitable to give to a doctor or pharmacy if they find themselves in a situation where they need to replace their medications. All relevant details, including contact information for the prescriber and the last pharmacy to fill, are provided. The application is mobile-friendly (but does not require the installation of a mobile application). If evacuees have nothing but the clothes on their backs and their cell phones, they can retrieve the list on their phones. We make this available to all enrollees served by MedImpact and do not require a portal login account. **Figures 1.8.8-TT** and **1.8.8-UU** provide example screenshots.

Figure 1.8.8-TT: Web Page Screenshot

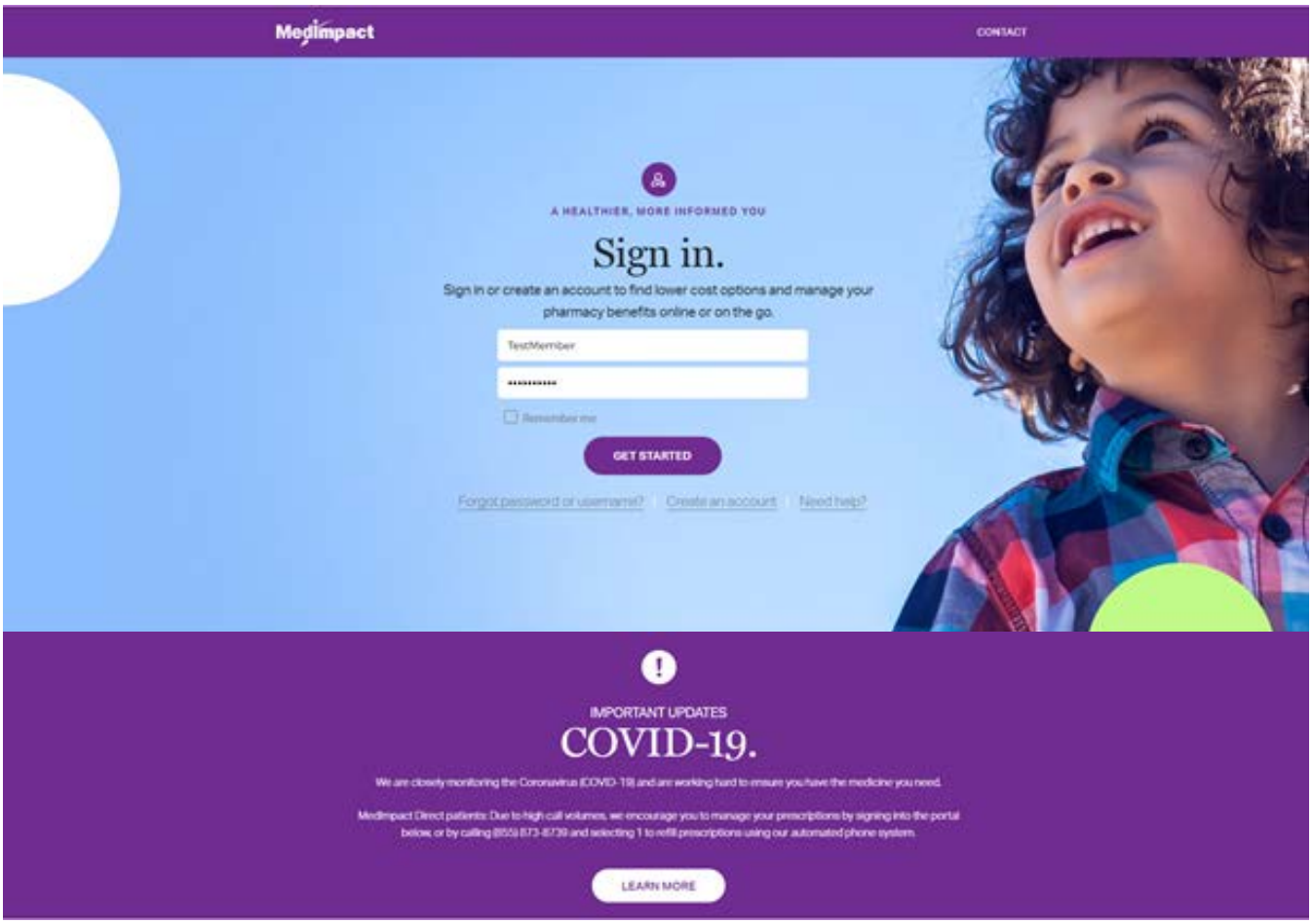
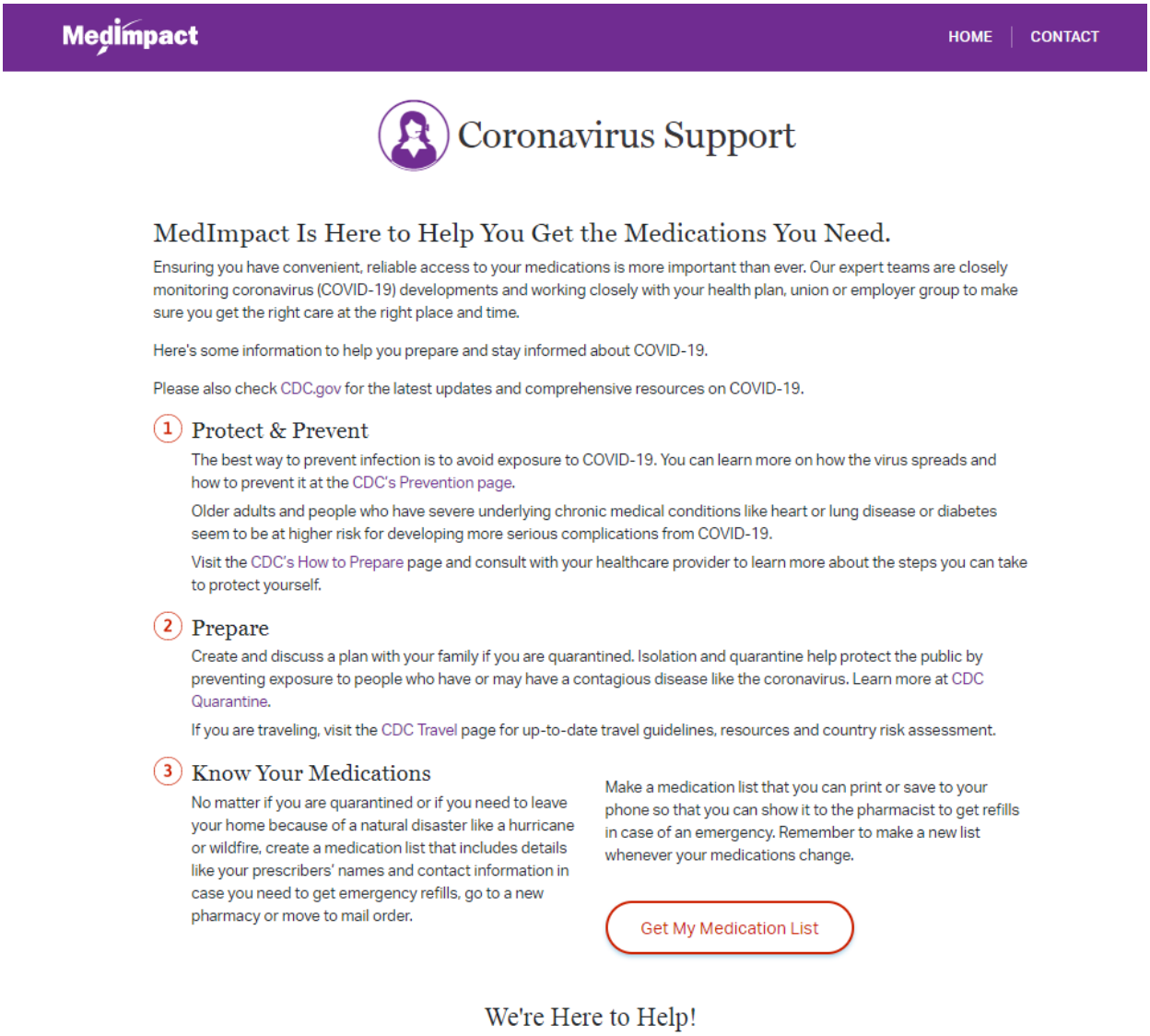


Figure 1.8.8-UU: Web Page Screenshot



Through all types of emergencies and disasters, MedImpact is fully prepared to contribute proactive, comprehensive support and collaboration with LDH and the Louisiana MCOs to develop innovative and imaginative solutions to mitigate risk and maintain uninterrupted access to pharmacy services.

Additional Scope of Work Requirements

The responses that follow address the additional requirements outlined in the Scope of Work, in addition to the requirements contained in this section (Detailed Scope Response).

Subcontractors (SOW 2.1.5)

MedImpact understands and will comply with all requirements in RFP Section 2.1.5. MedImpact acknowledges that it retains total responsibility for oversight of subcontractor operations, including performance of all terms, conditions, and provisions of the contract that are subcontracted or performed by a subcontractor. No delegation of responsibility, whether by subcontract or otherwise, shall terminate or limit in any way the liability of MedImpact to perform the services in the RFP. MedImpact understands and confirms that all subcontractors performing services under the contract are subject to LDH's prior written approval, including subcontracts, amendments, and substitutions.

MedImpact does not delegate core pharmacy benefit management services, including claims processing. To provide superior service to LDH, MedImpact is partnering with the following companies (**Table 1.8.8-VV**) to provide the identified services in support of the contract:

Table 1.8.8-VV: Proposed Subcontractors

Company	Contact	Services to be Provided
HealthTech Solutions, LLC 2030 Hoover Blvd. Frankfort, KY 40601 www.healthtechsolutions.com	Elizabeth Linville Procurement Administrator (859) 248-0627 elizabeth@healthtechsolutions.com	Project management support
Rice Group, LLC 625 Baronne Street New Orleans, LA 70113 www.ricegrpllc.com/	Charles L. Rice, Jr., MBA, JD Principal (504) 909-3404 crice@ricegrpllc.com	Staffing augmentation

HealthTech Solutions, LLC

MedImpact is partnering with HealthTech Solutions, LLC (HealthTech) to provide project management expertise for this project, as well as related Medicaid expertise to support the Louisiana PBM implementation. HealthTech Solutions will serve as a direct extension of the MedImpact team, with HealthTech staff fully integrated with MedImpact and reporting directly to Implementation Manager, Jennifer Lakstins-Alvarez.

HealthTech has an established relationship with MedImpact, having partnered together since 2018. HealthTech assisted MedImpact with design, development, and implementation and

certification activities related to state Medicaid PBM and integration with the overall MMIS ecosystem. Roles and responsibilities were defined, project documentation was created, and certification and MITA 3.0 training was conducted. MedImpact then engaged HealthTech to assist with activities related to Medicaid encounter processing. This included project management activities, developing user stories, producing system wireframes, and developing future state processes.

HealthTech's expertise in Medicaid and recent experience operating in and with the Louisiana Department of Health brings a unique blend of resources to augment and integrate with the MedImpact team. Their staffing approach is based upon a structured methodology for the sourcing and placement of resources on projects. This process begins with understanding the State's needs and ends with an organized and timely engagement process. All proposed project staff are located within the continental United States and will meet the onsite delivery requirements by placing resources as needed on site in Louisiana.

HealthTech has been engaged with LDH in varying capacities providing IT and project management services since 2015. Currently, HealthTech provides Medicaid related consulting services, outreach services, program support, and hosts a statewide application to support the Promoting Interoperability Program. In addition to the work with LDH, HealthTech also has been engaged with the Louisiana Public Health Institute, a supporting non-profit organization of the Greater New Orleans Health Information Exchange, providing outreach services and provider onboarding support across the State.

HealthTech has served as the EPMO (Enterprise Program Management Office) vendor for the Connecticut DSS (Department of Social Services) since 2016 and is also serving as the EPMO vendor in Colorado and Wisconsin. Most recently, HealthTech was awarded the System Integrator contract in Kentucky and is responsible for supporting all Medicaid integration efforts across the enterprise, including both PBM modules to support Kentucky FFS and managed care populations. To-date, HealthTech has been engaged in over 30 states, with the majority of these customers being Medicaid agencies or related health information technology and interoperability initiatives.

Please refer to **Appendix L** for HealthTech's written commitment to provide the described services under the contract.

Rice Group, LLC

Formed in 2005, Rice Group, LLC (Rice Group) provides staff augmentation, strategic consulting, project management, financial management, and technology services to commercial and government organizations. They are a local organization that is a minority owned, federally designated Service-Disabled Veteran Small Business (SDVSB) and HUBZONE business. Rice Group is also MBE-certified, DBE-certified, and part of Louisiana's Hudson Initiative. Rice Group has vast operational and management experience consists of former senior level fortune 500 and government executives.

Rice Group will assist MedImpact primarily with staff augmentation centered around the Louisiana experience by helping us provide qualified local staff and help us become more efficient in recruiting and retaining the right people with the right skills to help us improve performance and efficiency. These qualified local resources will fulfill roles in our call center and PA unit, and Rice Group, LLC will be responsible for recruiting and hiring personnel, including staff in supervisory positions. This will enable MedImpact be nimble and responsive in a local, competive job market so that we are optimally positioned to meet LDH and the MCOs needs and quickly adjust to planned fluctuations in activity/volume.

We anticipate utilizing Rice Group, LLC to provide approximately 25 FTEs or approximately 25% of our workforce for the LDH single PBM. At this time, we are planning for Rice Group, LLC to provide:

- Up to six Louisiana registered pharmacists, Louisiana-based
- Up to nine Louisiana Certified Pharmacist Technicians, Louisiana-based
- Up to 10 customer service representatives, Louisiana-based

Please refer to **Appendix L** for Rice Group's written commitment to provide the described services under the contract.

Monitoring of Subcontractors

For the LDH contract, Dean Beuglass, Chief Executive Officer, and Chief Operational Officer Kevin Chang, will assume full responsibility for hands-on oversight and monitoring of all work performed by subcontractors. Mr. Beuglass and Dr. Chang will be available at all times to address any concerns from LDH.

Drawing upon 30 years of experience in subcontractor management, MedImpact employs a rigorous subcontractor oversight program at the enterprise level and within the dedicated team to ensure contract compliance. Mr. Beuglass will work hand in hand with our corporate Vendor Compliance Team to ensure the quality of services delivered to LDH. Our time-tested policies and procedures include the subcontractor oversight management process described as follows.

Onboarding of Subcontractors

Prior to contracting, all subcontractors are subject to MedImpact's Procurement process. This process is designed to vet prospective subcontractors up-front to ensure they meet the quality and performance standards necessary to perform the services they are contracted to perform. Information gathered includes subcontractor's financial stability, IT security posture, and regulatory compliance.

After a prospective subcontractor completes the onboarding process previously described and is approved as an acceptable subcontractor by the various departments, as applicable, MedImpact's Contract Management team negotiates the contract with that subcontractor and ensures the contract includes the requisite provisions.

Contract Provision Protections

MedImpact's written agreements with subcontractors conform to state and federal laws. They include:

- Specification of responsibilities delegated to the subcontractor
- Requirement that services be performed per MedImpact's requirements and applicable accreditation standards
- Requirement of notification to MedImpact of any material change in the subcontractor's performance of delegated functions
- Requirements for complying with the non-disclosure of confidential information and maintaining adequate IT Security infrastructure and protocols to protect customer data
- Requirements for complying with HIPAA through a Business Associate Subcontractor Agreement
- Requirement that subcontractor must submit periodic reports or other documentation to MedImpact to monitor the performance of its delegated responsibilities
- Specification of recourse including sanctions if the subcontractor does not make corrections to identified problems within a specified period

Continuous Monitoring and Oversight

At the enterprise level, MedImpact's monitoring and oversight mechanisms for delegated functions include a periodic review at least annually of the subcontractor's capacity to perform delegated functions. The review includes the following elements:

- Subcontractor's compliance with contractual requirements
- Subcontractor's Policies and Procedures
- IT Security assessment

Additionally, MedImpact's Corporate Compliance Assurance Team is responsible for auditing the oversight of subcontractors that are involved in the administration or delivery of delegated services on behalf of MedImpact. Subcontractors are required to open their operations to quality audits and oversight by MedImpact's Corporate Compliance department. Equally important to the actual auditing activity, it is also the responsibility of MedImpact's Corporate Compliance department to report all findings to LDH according to the approved reporting schedule and format.

Fraud, Waste, and Abuse (SOW 2.1.19)

MedImpact's claims adjudication system provides built-in algorithms and edits to automatically detect inappropriate pharmacist dispensing or utilization. Upfront edits at the POS assist LDH by stopping inaccurate and fraudulent claims before they process, which requires less time than a pay-and-chase methodology. Our system edits serve as the first line of defense against pharmacy FWA. Designed to address customers' varying business needs, the MedImpact portfolio of system edits can significantly reduce wasteful pharmacy errors at POS, which

results in reduced costs, improved service, and enhanced quality of care. MedImpact's FWA program demonstrates significant savings. For example, **in 2019, the audit team reviewed claims with over $65.8M in paid amount, of which 34.2 percent resulted in savings through recoveries**.

General Provisions

Despite best efforts to detect inappropriate claims at the POS, evolving fraud schemes require a more defensive approach to post-adjudication. Every customer is automatically enrolled in MedImpact's standard FWA program. Criteria is maintained and periodically amended to establish when and how we select a participating pharmacy (excluding customer-contracted participating pharmacies) for audit to determine contract compliance. Reasonable attempts are made to collect any overpayments made to participating pharmacies, as determined through such audits. Desk audits are conducted based upon our established criteria for all participating customers. With on-site audits, MedImpact selects potentially discrepant claims for on-site review, ensuring participating pharmacies maintain compliance with federal and state laws and regulations.

The top three FWA areas in the last year include:

- Expensive drugs, both oral and topical, mailed to out-of-state enrollees who did not request the drugs
- Pharmacies billing medically unnecessary drugs
- Drugs used in foot bath schemes

Once areas of FWA are identified, MedImpact swiftly incorporates the following plan of action to monitor, prevent, and recover any losses associated with potentially inappropriate or fraudulent claims:

- **Analytics**—Provide controls in place to identify future incidences, we update our analytics on an ongoing basis allowing us to identify suspicious activity and flag claims with inappropriate billing through our proprietary algorithm scoring
- **Reporting and Monitoring**—Include reports to monitor claims activity to determine whether appropriate action needs to occur to resolve suspected FWA
- **Investigations and Auditing**—Analyze provider information, communication with providers, various documentation to support the claims, and legitimacy of the documentation
- **Recoupment and Recovery**—Recoup and return discrepant overpayments to customers
- **Reporting and Collaboration**—Share report findings and FWA updates, including appropriate regulatory agencies

MedImpact's FWA programs are compliant with CMS FWA regulations for monitoring enrollees, prescribers, and pharmacies. MedImpact provides MedOptimize FWA reporting for customers that directly correlates with the FWA quarterly newsletter, including:

- CMS high-submission, high-risk pharmacies
- Outlier prescribers of schedule II controlled substances
- Drug trend analysis

MedOptimize reports provide plan-specific data for LDH review of pharmacies, prescribers, and drug utilization to make further determinations about potential FWA.

Prescriber FWA–As part of our standard MedOptimize reporting, we offer several reports that focus on utilization from the prescriber perspective. The following prescriber reports in MedOptimize target the analysis of prescribers, patterns of prescribing, and impact on utilization:

- Top n Prescribers
- Physician Profile
- Audit Investigation Prescriber
- Prescriber Profile by Therapeutic Class.

Pharmacy FWA Programs–The standard FWA program includes retrospective desk audits of pharmacy claims based upon proprietary algorithms and MedImpact-established criteria. We conduct desk audits continuously based upon:

- Outlier claims detected by our proprietary rules and algorithms
- FWA hotline tips
- CMS pharmacy risk assessment data
- Referral obtained by MedImpact's customers
- Internal investigations being conducted by our Provider Audit Department

Desk audit results show a series of flags or alerts that generate a continuous monitoring of the specific pharmacy and an on-site pharmacy audit depending on desk audit results. MedImpact conducts on-site pharmacy audits and reviews and checks claims, prescription logs, and pharmacy compliance with federal and state laws and regulations. Audits can result in the following:

- CAP (corrective action plan) and continuing surveillance
- Referral to law enforcement
- Federal OIG (Office of Inspector General)
- Immediate exclusion from pharmacy network

MedImpact excludes pharmacies identified through the OIG List of Excluded Individuals and Entities or excluded from federal health care programs.

Our FWA program also includes retrospective desk and on-site audits, which are included with our standard pharmacy FWA program, including:

- **Prospective review**—We review claims prior to payment removing the need to pay-and-chase. Auditors review claims using MedImpact's proprietary algorithms and flags claims at risk for potential FWA. Claims potentially billed improperly are then reviewed with the applicable participating pharmacy.
- **Dynamic Refill-Too-Soon POS edit**—The Dynamic Refill-Too-Soon POS edit helps to prevent enrollees from medication stockpiling, waste, abuse, and drug diversion caused by continuous early refills. The edit tracks gradual accumulation of excess supply by enrollee and specific drug. The edit typically requires three or more refills for it to take effect. The Dynamic Refill-Too-Soon POS edit allows some medication accumulation for convenience and adherence factors, and ignores refills for vacation overrides. A therapeutic PA or PPS (profession pharmacy services) code, which a participating pharmacy submits, can override the edit. The edit works by setting the following:

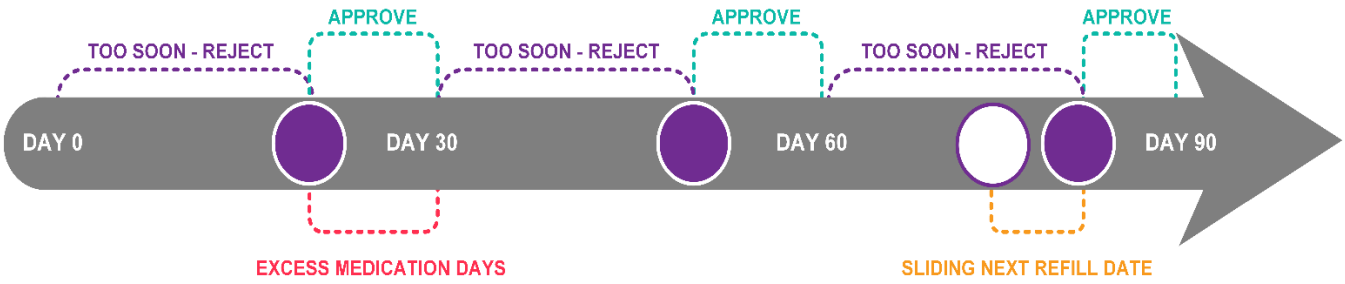
    - Look-back period for calculating the accumulation, such as 180 days
    - Minimum threshold for excess medication days, such as 15 days
    - Maximum threshold for excess medication days, such as 30 days, for the entire look back period

        - The messaging implemented with the edit notifies the pharmacy of the next fill date by calculating enrollee's excess medication days and adjusting based upon minimum threshold

MedImpact maintains criteria, which we may amend from time to time, to establish when and how we select a participating pharmacy for audit to determine compliance with its contract with MedImpact. We make reasonable attempts to collect any overpayments made to participating pharmacies as determined through such audits.

Figure 1.8.8-WW displays how the Dynamic Refill-Too-Soon POS edit adjusts the next refill date based upon medication accumulation of the previous two months.

Figure 1.8.8-WW: Dynamic Refill-Too-Soon POS Edit



FWA Compliance Plan

MedImpact's Compliance department comprises the following areas:

- **Louisiana Compliance**—Primary point-of-contact for all Contractor compliance issues.

- Identify and monitor critical risk areas, initiate risk-mitigation activities and develop action plans.
- Report violations as appropriate or required.
- Identify information protection needs (e.g., HIPAA, privacy regulations).
    - Communicate status regarding a plan of action to respond to identified security weaknesses.
    - Ensure implementation of effective information protection mechanisms (e.g., data masking, de-identification of data released to non-covered entities, obfuscation when used in non-production environments).

- **Corporate Compliance**—General: Responsible for the corporate compliance program, code of conduct, compliance reporting, and training
- **Corporate Compliance**—Regulatory: Responsible for licensing, bill assessments, research, and HIPAA privacy
- **Corporate Compliance**—Assurance: Responsible for compliance monitoring and auditing, and accreditation
- **Corporate Compliance**—Federal/State programs: Responsible for matters related to Medicare Part D, Medicaid, and Health Exchanges
- **External Compliance Support**—Responsible for the management of compliance audits (customer, regulatory, and third party)

Our corporate compliance plan is composed of the seven elements that follow.

Element I: Written policies, procedures and standards of conduct—The Code of Ethics and Business Conduct (Code of Conduct) and the Compliance Policies and Procedures: (i) articulate the MedImpact entities' commitment to comply with federal and state standards; (ii) describe compliance expectations, including assisting in identifying non-compliant or unethical behavior; (iii) implement operation of the compliance program; (iv) provide guidance to employees and others on dealing with compliance issues; (v) identify how to communicate compliance issues to the appropriate compliance personnel; (vi) describe how compliance issues are investigated and resolved; (vii) include a policy of non-intimidation and non-retaliation for good faith participation in the compliance program, including reporting potential issues, investigating issues, conducting self-evaluations, audits, and remedial actions; and (viii) describe compliance training requirements.

Element II: Compliance Officer, Compliance Committee, and high-level oversight—MedImpact, on behalf of itself and its subsidiaries, has appointed a corporate compliance officer whose appointment has been ratified by the MedImpact Board. The compliance officer is, and shall be, a full-time employee of MedImpact who is not responsible for any operational areas of the MedImpact entities' organizations. The compliance officer reports directly to the senior vice president of Corporate Services. Our Louisiana based compliance officer will report to our Corporate Compliance Officer.

Element III: Effective training and education—Participation in compliance training programs is required by all personnel, including Board enrollees, and certain subcontracts (e.g., downstream entities) of the MedImpact entities as determined by the Compliance Committee. Failure to comply with the training requirements may result in disciplinary action, including possible termination. The compliance officer verifies that all personnel and applicable subcontractors attend required training and ensures training records, such as attendance logs, agendas, and copies of distributed materials, are maintained.

Element IV: Effective lines of communication–MedImpact maintains lines of communication, ensuring confidentiality between the compliance officer, enrollees of the Compliance Committee, personnel (including the Board and Senior Leadership team), and all contractors (e.g., downstream entities), which are accessible to all and allow compliance issues to be reported, including a method for anonymous and confidential good faith reporting of potential compliance issues as they are identified.

Element V: Well publicized disciplinary standards—All MedImpact personnel are expected to comply with the compliance program, code of conduct, and compliance policies and procedures, and to adhere to applicable legal requirements during the course of performing their duties on behalf of MedImpact entities. Failure to do so may result in disciplinary action, including oral or written warnings or reprimands, suspensions of pay, and/or terminations. The disciplinary standards are set forth in the code of conduct and are publicized through a variety of means (e.g., compliance training, Intranet website, communications, etc.).

Element VI: Effective system for routine monitoring and identification of compliance risks—Internal monitoring and auditing shall be targeted at detecting and preventing compliance concerns through verification of compliance with contractual agreements, CMS requirements, applicable state and federal requirements, the compliance policies and procedures, and overall corporate compliance program. The compliance officer, in consultation with the Compliance Committee and the Corporate Compliance Assurance team, develops compliance monitoring and auditing work plans. Further, MedImpact entities may be the subject of audits by CMS, other government agencies, or entities with which it contracts, such as sponsors of the Medicare Part D program. These results of these assessments are leveraged by the Corporate Compliance Assurance team and incorporated into compliance monitoring and auditing work plans, as appropriate.

Element VII: Procedures and system for prompt responses to compliance issues—MedImpact employs and maintains procedures and a system for promptly responding to compliance issues as they are raised, investigating potential compliance problems as they are identified in the course of self-evaluations and audits, correcting such problems promptly and thoroughly to reduce the potential for recurrence and ensure ongoing compliance with requirements. Responses to detected offenses vary according to the circumstances and may include: (1) reporting to customers (e.g., plan sponsors); (2) referral to appropriate drug integrity agencies

and/or law enforcement; (3) a corrective action plan; and/or (4) timely reporting and returning overpayments in accordance with applicable laws and regulations.

Our dedicated Compliance department is composed of a corporate compliance officer who reports to MedImpact's SVP of Corporate Services and General Counsel. Reporting to the corporate compliance officer are two compliance assurance managers. As discussed in Element VII, MedImpact has a formal process for corrective action.

We rely upon internal monitoring and auditing to ensure our corporate compliance program functions at an optimal level. We use these methods to detect and prevent compliance concerns, through verification of compliance with contractual agreements, CMS, state, and federal requirements, and compliance policies and procedures. Our compliance officer, in consultation with the compliance committee and a corporate compliance assurance team, develops compliance monitoring and auditing work plans. CMS, other government agencies, or contracted entities may also audit MedImpact. We thoroughly analyze and leverage the results of these assessments to incorporate them into compliance monitoring and auditing work plans.

MedImpact conducts an annual assessment of the effectiveness of the compliance program and makes appropriate modifications, such as enhancing or increasing internal monitoring frequency in areas that have become the subject of increased scrutiny by CMS (through regulation, audit, or guidance) or the Office of the Inspector General. We share the findings of this assessment internally with compliance committees, the senior leadership team, and, in certain instances, MedImpact's board.

Among the indicators of an effective compliance program are:

- Quantitative measurement tools (scorecards, dashboard reports, key performance indicators) to report, track, and compare compliance of key operations over time
- Monitoring to track and review open or closed corrective action plans, subcontractor compliance, notices of noncompliance, warning letters, CMS sanctions, training completion, and pass rates
- Implementation of new or updated regulatory requirements, including quality control measures to confirm appropriate and timely implementation
- Tracking of an increase or decrease in the number of and severity of complaints
- Timely response to reported noncompliance and potential FWA, and effective resolution
- Consistent, timely, and appropriate disciplinary actions
- Detection of noncompliance and FWA through compliance monitoring and auditing

Identification, Investigation, and Referral of Suspected Fraud and Abuse

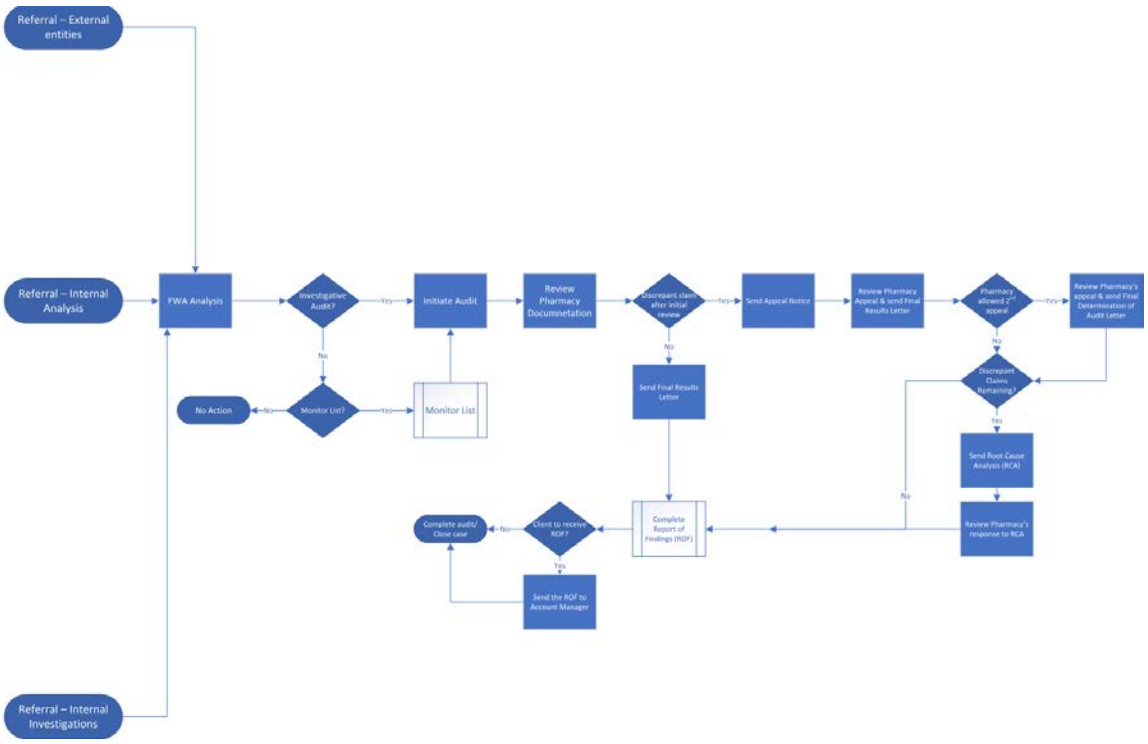
MedImpact employs investigators who operate within our FWA department with respect to the investigation of FWA cases. Investigators follow an investigations guideline regarding the identification and completion of FWA cases that includes data analysis, clinical analysis,

background research, FWA investigative audits, and case reporting. The FWA Investigations team handles cases related to allegations of provider FWA from case initiation to case completion and subsequent case referral/reporting to law enforcement and/or regulatory agencies as necessary.

If MedImpact finds a pharmacy to be committing fraud, we immediately remove the pharmacy from all MedImpact networks and place the pharmacy on the pharmacy exclusion table that causes any claim to reject. The pharmacy network team runs utilization reports and sends the reports to all customers within one business day of notification of fraud and placement on the excluded pharmacy table, so customers can notify affected enrollees to choose a different pharmacy.

MedImpact follows the same process whenever we find a pharmacy on the Office of Inspector General Office's list, state Medicaid exclusion list, or a reputable source discovers a certainty of fraud. In other cases, such as an unproven allegation against a pharmacy or a pharmacy violating the terms of their contract, the MedImpact FWA and Audit teams investigate before we decide to remove the pharmacy. If we find a pharmacy via the investigation to be suspect or to have a high error rate, we present the findings to the MedImpact pharmacy adjudication committee for a decision. The Committee decides to take no action against the pharmacy, place the pharmacy on a corrective action plan, or remove the pharmacy from the network. If the Committee decides to remove the pharmacy from the network, the committee also decides whether to remove the pharmacy immediately or with 30- or 60-days' notice, so enrollees can move their prescriptions before we remove the pharmacy from the network. **Figure 1.8.8-XX** illustrates a process flow diagram.

Figure 1.8.8-XX: Process Flow Diagram



Reporting

MedImpact also provides additional items that LDH can utilize in our standard FWA program:

- **Customer-requested desk audit**—LDH can request specific desk audits, which follow MedImpact's standard process and guidelines, in addition to the Standard Pharmacy FWA services
- **Customer-requested on-site audit**—LDH can request specific on-site audits, which follow MedImpact's standard processes and guidelines, in addition to the Standard Pharmacy FWA services
- **Custom FWA audit reports**—LDH can request custom FWA audit reports in addition to the Standard Pharmacy FWA services

MedImpact recently enhanced our FWA reporting package to include:

- **Prescriber and eligible enrollee FWA reporting**—By leveraging advanced analytics, MedImpact monitors and provides reporting relating to potential prescriber and eligible enrollee FWA. The scope of this reporting package focuses on outlier analysis, anomaly detection, and eligible enrollee and prescriber profiling.

Our standard FWA reporting package is listed in **Table 1.8.8-YY**.

Table 1.8.8-YY: FWA Reports

Report Name	Description	Delivery	Frequency
Explanation of Audit	Claim level report identifying claims reviewed with associated savings	MedOptimize	Monthly
FWA Newsletter and CMS Alerts	Newsletter highlighting FWA trends, CMS suspicious activity alerts, and MedImpact's actions	Emailed by account management	Quarterly
Drug Utilization and Cost Comparison (Drug Trend)	MedOptimize report on drug utilization trends	MedOptimize	On Demand
Prescriber Opioid Scoring	Provides top 10% of outlier prescribers	Emailed by account management	Quarterly
Enrollee Suspicious Activity	MedOptimize reports detailing enrollees obtaining four or more controlled stance prescriptions, which	MedOptimize	Quarterly

Report Name	Description	Delivery	Frequency
	have been filled by four or more pharmacies, or authorized by four or more prescribers		

Prohibited Affiliations (SOW 2.1.21)

MedImpact understands and agrees to comply with all requirements in RFP Section 2.1.21.

MedImpact maintains a robust and classically structured compliance program. We established the compliance program to articulate MedImpact's commitment to compliance with laws and ethical standards and to ensure that we conduct activities in a legal manner in adherence with all applicable federal and state statutory and regulatory requirements. MedImpact has never been subject to a debarment or sanction from a government program. Neither MedImpact nor its officers or directors or any individuals involved in providing services have ever been the subject of any complaint, investigation probe, or formal inquiries or any investigation by a financial institution or government agency during the course of the company's history. We have never been subject to government disciplinary actions such as license revocation, suspension, any criminal, or ethical investigations or convictions. There are no current or pending sanctions from any federal or state regulatory body.

Individuals performing services for MedImpact must reveal to MedImpact any convictions for criminal offenses related to health care or any debarment, exclusion, sanction, or other adverse action taken against the individual by government health care programs or any other federal or state agency. Before employment, Board service, or contractual relationship (e.g., contracting with pharmacies), MedImpact determines whether the prospective employees, non-employees, Boards of Directors (Boards) members, and/or contractors (e.g., pharmacies) appear on the System for Award Management list administered by the General Services Administration or the List of Excluded Individuals and Entities published by the Office of Inspector General for the Department of Health and Human Services. Additionally, MedImpact checks all state Medicaid exclusion lists, in accordance with MedImpact's Background Investigations and Federal and State Employee Sanction Lists Policy.

Current employees, non-employees, and members of the Boards must notify the corporate compliance officer immediately upon receipt of any information indicating that the individual has been charged with a crime relating to health care or is facing a proposed debarment, exclusion, or other adverse action. Failure of the employee, non-employee, or Board member to report pending action or related information may lead to immediate termination of the relationship. If an employee or non-employee receives notification from a contractor (e.g., pharmacy) indicating a crime related to health care or is facing proposed debarment, exclusion, or other adverse action, the employee or non-employee should notify Pharmacy Operations

and the corporate compliance officer. Failure of the contractor to report pending action or related information may lead to immediate termination of the relationship.

MedImpact reviews the List of Excluded Individuals and Entities published by the Office of Inspector General and the System for Award Management administered by the General Services Administration lists of excluded individuals prior to its association with an individual, and also checks those lists at least monthly for the names of current employees, non-employees, Board members, and contractors (e.g., pharmacies). Additionally, on a monthly basis, all states Medicaid exclusion lists will be checked in accordance with MedImpact's Background Investigations and Federal and State Employee Sanction Lists Policy.

MedImpact contractually requires subcontractors to review the Office of Inspector General and GSA (General Services Administration) exclusion lists upon hire of any employee, contractor, or agent that provides services to MedImpact directly or indirectly and periodically thereafter (in all events no less than monthly) to ensure covered individuals or entities have not been excluded from participation in government funded health care programs.

The subcontractor will notify MedImpact immediately upon receipt of any information indicating charges for a subcontractor or covered individual relating to health care or facing a proposed debarment, exclusion, or other adverse action. If this occurs, the subcontractor will immediately remove any such covered individual from direct responsibility for, or involvement in, services provided to MedImpact related to government health care programs and will take appropriate corrective actions.

Program Integrity (SOW 2.1.22)

In the event MedImpact is contacted by any legal authorities regarding a fraud and/or abuse investigation, we notify LDH immediately, as permitted by law. MedImpact and any subcontractors cooperate fully by maintaining case confidentiality, providing the appropriate subject matter experts, and allowing the investigative authorities immediate and direct access to electronic or hard copies of supporting documentation.

We are committed to maintaining transparency and integrity in all contractual activities with LDH. If a provider voluntarily reports it has received an overpayment in excess of $25,000, we notify LDH immediately (in writing), even if no fraudulent activity is suspected. We collaborate with LDH to establish a format to report overpayment recoveries annually as required by 42 CFR §438.608 (d)(3).

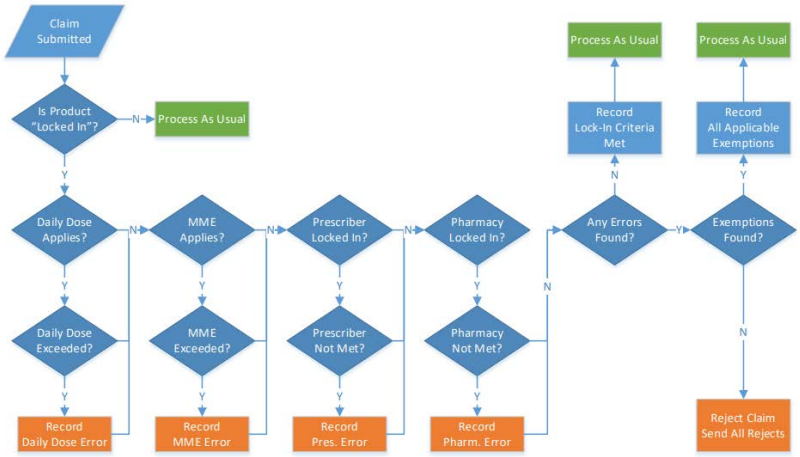
Lock-In Program (SOW 2.1.28)

MedImpact is committed to supporting LDH and the contracted MCOs with enrollee lock-in identification and correct drug claims processing. We coordinate closely with LDH and the MCOs on these initiatives to protect enrollees from harm and ensure adherence to utilizations

guidelines. Together, we review claims data and trends and partner with the MCOs' interdisciplinary care teams to review enrollee-based and prescribing provider-based prescription use patterns. Using this data-driven process, we can consult with and take direction from LDH or the MCOs, with any next steps in controlling medications for enrollees by limiting prescriptions by pharmacy provider and/or prescriber.

During claims adjudication, the system evaluates all applicable restrictions or limitations within the lock-in edit to determine whether the claim meets the parameters of the lockin edit for that enrollee. **Figure 1.8.8-ZZ** depicts a sample adjudication flow that highlights our lock-in capabilities.

Figure 1.8.8-ZZ: Lock-In Edit Sample Adjudication Flow



Drug Claims Processing for Lock-In

Our flexible system enables utilization control to lock in enrollees, drug classes and specific drugs, dosages, prescribing providers, or pharmacy providers, without impacting other enrollee medication prescriptions. We partner closely with LDH to customize specific date-driven edits required to be returned whenever claims are rejected for enrollees, using providers outside of the lock-in provider on file. MedImpact can code specific electronic supplemental messaging in our claim response to pharmacy providers. These messages provide information to the pharmacy denoting the enrollee is locked into a specific prescriber or pharmacy provider. The message can also include information on the LDH grievance procedure.

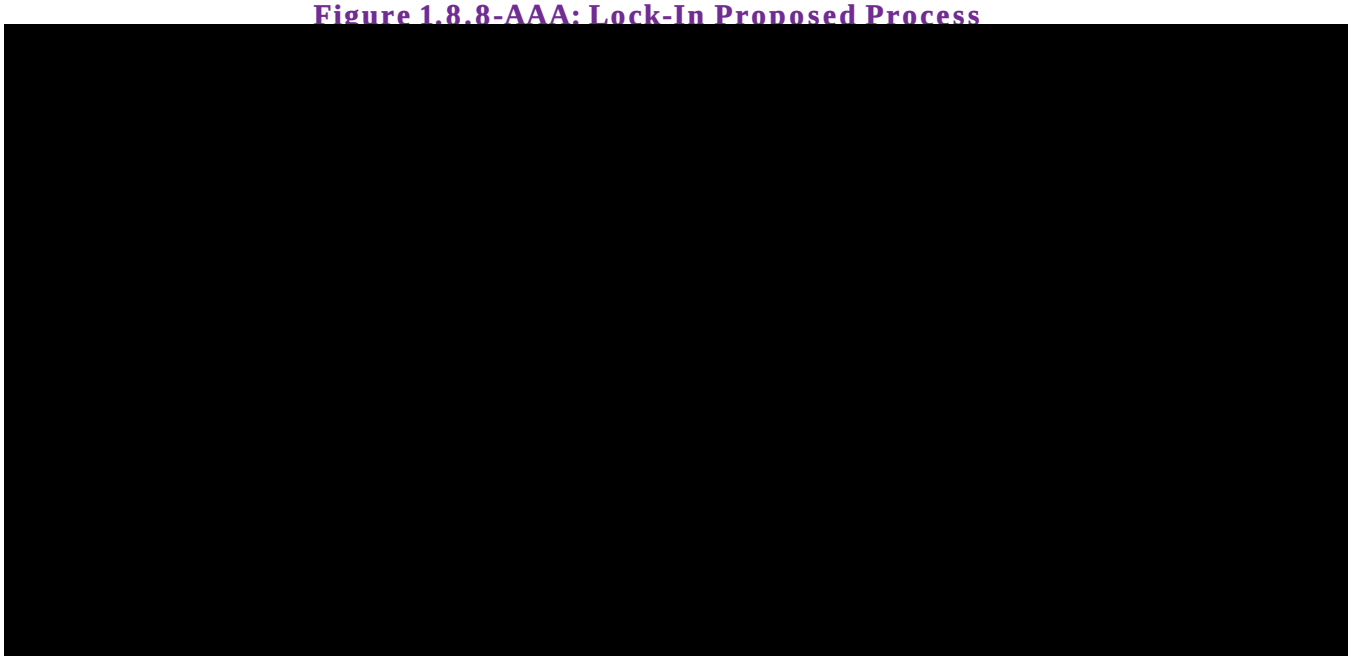
Our lock-in program is highly flexible and supports limits for enrollees taking a specific medication or set limits on an entire drug class or drug DEA schedule. We can also customize the medications outside of these options, as defined and directed by LDH, in support of the lock-in for enrollees. In the event of an emergency, MedImpact's POS system allows for a one-

time emergency supply of medication to be filled by a provider other than the lock-in provider (if permitted).

Our program provides the ability to define access control to manage specific drug classes or individual medications, dosages, or specific morphine equivalents for opioids. If requested by LDH, we can also apply utilization monitoring, regardless of the type of prescribing provider—primary care physician, specialist, hospital, or dentist. Dental providers prescribe a significant number of opioid pain-relieving medications, and we recognize the importance of evaluating these prescriptions for appropriateness regarding quantity and dosage.

Enrollees in need of a lock-in program typically require the lock-in logic added immediately to prevent or minimize harm. Our ECS enables us to provide unique functionality with the immediate configuration of lock-in logic for enrollees, including specific pharmacy supplemental messaging. In addition, we can immediately set limitations efficiently without the need for costly programming. **Figure 1.8.8-AAA** represents a sample workflow outlining a potential process option for file loading of lock-in data, as well as operational process for making immediate updates when urgently required. During the implementation phase, MedImpact collaborates with LDH and the MCOs to create an appropriate interface or file transfer to exchange lock-in information quickly and efficiently.

Figure 1.8.8-AAA: Lock-In Proposed Process



MedImpact collaborates closely with the MCOs to support enrollee and provider notification efforts. We provide to LDH any additional MedImpact-specific information necessary to update the LDH lock-in letter templates. Our network plan is highly comprehensive and includes all major chains an many independent providers, including Louisiana local pharmacies. Upon receipt, all lock-in enrollee information is cross-walked against our provider network files to

ensure the enrollee's placement in the lock-in program does not reasonably limit geographical access to quality services.

Electronic Messaging (SOW 2.1.29)

MedImpact's public and customer-facing presence is maintained through a series of Internet and private line circuits. Numerous carrier diverse Internet circuits are dynamically available, and we audit all private line circuits to maintain geographic and Local Exchange Carrier (LEC) redundancy. Customer may choose to communicate with MedImpact over the Internet via SSL-enabled portals, which are TLS 1.2 compliant, or via dedicated and redundant IKEv2 VPN tunnels.

MedImpact currently utilizes suite of MS (Microsoft) desktop applications/tool, including Outlook 365 (version 2018) as the means to provide a continuously available electronic mail communication link (e-mail system) to facilitate communication with LDH and the MCOs and any stakeholder. MS Outlook 365 is compatible with MS Outlook 2016 and we will remain compatible as LDH upgrades to newer versions. We have 24/7/365 uptime and have full capabilities include the ability to secure e-mail and attach documents/files.

Secure email is required to send any email which contains PHI, PII, or company confidential information to a remote email location which resides outside of the MedImpact domain. **Axway Communications Corp. MMS/IME software provides encrypted emails.** Any emails sent securely by the sender or flagged by this system as containing PHI get redirected to the IME email encryption service, which requires a password to access. This service holds the email for pickup, or optionally encrypts the email using S/MIME to send to a remote IME server for site-to-site email encryption. Upon award, MedImpact will establish connectivity with LDH over a VPN (virtual private network) to ensure secure communications and transfer of information (end to end).

MedImpact currently conducts email blasts for relevant and/or critical updates to our provider network. We leverage this process to meet MedImpact's, LDH, and MCO requirements to communicate in this manner with the network when appropriate. This is our preferred manner in which to communicate with pharmacy providers for mass communication purposes. MedImpact's dedicated Data Security team continuously monitors applicable encryption standards and industry best practices for adjustments necessary to our security posture.

Transition / Turnover Phase (SOW 2.1.30)

MedImpact is committed to collaborating closely with LDH and the successor contractor to help ensure we meet and exceed all turnover activities and requirements. Throughout turnover, we will continue to support and deliver the highest level of service to LDH to help ensure the delivery of a 'no-noise' turnover that minimizes disruption in service to enrollees, providers, MCOs, and LDH. Our CEO and COO will have a project manager assigned to facilitate a seamless transition to a new vendor(s).

General Turnover Requirements

Upon notification of termination of the contract, MedImpact provides to LDH a complete turnover plan for its approval. This plan includes (at a minimum) details on all documentation, claims files, prescription history, and staffing and resources necessary to help ensure the successful transition of the program to the appointed incoming vendor.

MedImpact agrees to comply with all terms and conditions stipulated in the contract, including continuation of PBM covered services to enrollees until the effective date of termination. We also agree to comply with all requirements that survive termination of the contract until the applicable date or at the end of the applicable time period specified in the contract and the MCO Manual.

As required, MedImpact agrees to promptly supply all information necessary for the reimbursement of any outstanding drug claims, and identify and maintain sufficient key personnel and support staff (based in Louisiana) necessary to support all contract functions while any outstanding contract obligations remain.

Approach to Ensuring an Efficient Turnover Plan

In our view, full collaboration and transparency between MedImpact, the incoming vendor, LDH, and other key stakeholders is critical to promoting a smooth turnover. To accomplish this important objective, we facilitate and/or will participate in routine meetings to support the incoming vendor's transition, including onboarding and implementation meetings, and to help ensure we understand the incoming vendor's specific needs and validate agreed-upon timelines. Also during these meetings, we identify any missing materials, reports, and more to assure all necessary information is captured. MedImpact will collaborate closely with LDH and the MCOs to coordinate and meet the new vendor's timelines.

To support all transitions and turnovers, **MedImpact uses a proven project management methodology** to preserve continuity of services for LDH enrollees and to ensure a smooth handoff to new vendors. All turnover activities are validated for accuracy, schedule, and communicated to affected stakeholders.

We use various captured data for transition and turnover of services to a new vendor, including:

- Information technology details, such as data file transfer formats
- Historical data to be transferred and the timeframe for transfers
- PA transfers for continuity of care
- Clinical services and program information

Detailed Work Plan

Using the information collected and documented, which covers all aspects required for successful transition to a new vendor (including the inclusion of new vendor's timeline), a detailed project plan is developed to plan, log, track, manage, and report on each area of the project. This plan includes detailed tasks with corresponding responsible parties, start dates, due dates, completion dates, task dependencies, resource requirements, and work hour estimates. Specific components of the turnover plan include:

- Staffing plan and retention strategies
- Continuity of care
- Enrollee support and communication strategies
- Provider network and access to care standards
- Provider support and communication strategies
- Drug Claims management, including provider payments and recoupments
- Reporting of deliverables due after contract termination
- Monitoring and quality assurance processes
- Comprehensive WBS (work breakdown structure) and schedule of tasks that outlines all identified turnover deliverables and tasks
- Risk management support that identifies major risks to the turnover, analysis of those risks, and contingency or remediation plans, as appropriate, based upon the overall risk impact and probability ratings.
- Issue management of routine project issues and resolution, including escalation, where necessary
- Project turnover meetings (ad hoc and planned)

Following development of the turnover plan, the chief operational officer submits the plan to LDH for its approval. The implementation manager is available to answer any questions and to make changes to the plan necessary to obtain LDH approval.

MedImpact uses the approved turnover workplan to lead project transition and turnover in coordination and collaboration with LDH, the incoming vendor, the provider network, and any enrollee stakeholder groups required by LDH. The turnover work plan specifies our strategy, activities, resources, responsibilities, timing, dependencies, and coordination activities necessary to fully meet all turnover requirements. The turnover work plan specifies MedImpact's strategy, activities, resources, responsibilities, timing, dependencies, and coordination activities necessary to fully meet all LDH turnover requirements.

Support provided for turnover activities is similar to the support provided during contract implementation and encompasses the following MedImpact team members:

- Chief operational officer, who assumes overall accountability for successful completion of the turnover

- Implementation manager, who assumes responsibility for planning, controlling, and managing the turnover project plan on a daily basis and who serves as the primary point-of-contact for the incoming vendor and LDH during turnover
- Support staff, who provide administrative support for the turnover manager
- Configuration manager, who collaborates with the new vendor and LDH to fully understand file transfer requirements and protocol
- Operational department leads from Claims, Customer Service, and PA teams, as well as other department leads as needed, to provide requirements and background information on data and process considerations, and to respond to questions related to turnover
- IT department staff, who address requirements and development necessary for turnover file exchange
- Finance department staff, who reconcile payment transactions and balances during and after turnover
- Corporate Compliance staff, who help ensure conformance with all operational performance standards during turnover and verification of completion of all turnover contract requirements

We collaborate directly with LDH and the incoming vendor to help ensure the following:

- Transfer of all required information to the incoming vendor, including program documents and historical data files. If there are additional files beyond those already provided to LDH through the systems integrator, we coordinate efforts to help ensure their efficient transfer in accordance with LDH protocols.
- Communication with the pharmacy provider network to help ensure smooth transition of claims submissions from MedImpact to the incoming vendor
- Communication with MCOs regarding transition responsibilities and coordination of activities, as well as identification of critical points-of-contact

During the transition period, our turnover manager, chief operational officer, and LDH continue to collaborate on contracted services. The turnover manager maintains the turnover plan throughout the turnover phase, providing LDH a final copy as part of turnover closeout, along with archived program information.

The turnover manager monitors all relevant tasks, solicits progress reports from assigned resources, and updates the turnover plan weekly, and produces and distributes updated tracking and status reporting to LDH and MedImpact leadership. Because the turnover plan is developed and maintained in Microsoft Project, any updates made to the plan daily are directly reflected in any views or reports produced from the tool.

Tracking—The LDH-specific SharePoint site houses risk and issue strategies. We help to ensure risk and issue reporting is incorporated into our weekly progress reporting, with a final copy of the risk and issue report submitted to LDH upon turnover closeout. The turnover manager collaborates with LDH to design and develop a customized version of this tracking tool. The plan

provides detailed instructions for entering, maintaining, and resolving risks and issues. Using Microsoft Project, the WBS defines the project's built-in interdependencies and clear project dependencies critical to meeting each LDH objectives. The WBS breaks down the required project work into granular work increments. This information is then used to assign work packages to project staff, estimate resources, and determine the anticipated duration of performing the work. The process for managing the WBS includes:

- Obtaining routine updates from project team members, including vendors, on their assigned WBS tasks
- Reviewing updates against the official project schedule / work plan
- Assessing the impact of updates to the WBS and facilitating review of these updates at the next status meeting with a list highlighting new, revised, or removed tasks
- Identifying tasks that fall behind schedule to trigger an issue addressed through the project's issue management process

Reporting—We initiate weekly reporting at the outset of contract award, which continues through completion of the turnover phase. These reports are provided in a format approved by LDH. Our reporting process includes:

- Weekly progress reports, with elements defined by LDH
- Weekly progress meetings to support incoming vendor's transition plan
- Weekly WBS dashboard reports that includes a burndown chart, milestones, late tasks, current tasks, upcoming tasks, status of deliverables, resource-leveling, and LDH approvals
- Ad hoc reports, as needed, to answer various questions about the project

Reports update work progress from the previous week and forecast activities to be accomplished during the upcoming weekly period.

Transfer of Data

MedImpact's manager for turnover and the chief operational officer work with LDH to identify all documentation, records, files, methodologies, and data required for transfer to the incoming vendor. This requires information from multiple MedImpact departments, including Information Technology, Configuration, Pharmacy Network Management, Clinical Management, Benefits Management, and Medication Therapy Management to help ensure the identification of all required data. Once identified and collected, formatted in the required file layouts, and encrypted for transport, MedImpact utilizes its secure FTP portal to transfer all electronic data. This includes all critical enrollee records, such as:

- Enrollee history
- Benefit plans
- Ongoing medication
- Items in-process during transition

- Eligibility
- Historical claims

MedImpact collaborates with LDH and the incoming vendor to meet all timeframe requirements, ensuring data is transferred on time, with no disruption in pharmacy benefits for enrollees. We react to and implement contingency and remediation plans if events out of MedImpact's control would cause a disruption to the planned schedule that affect turnover progress.

With LDH approval, MedImpact provides secure file transfer of all LDH enrollee information, utilization management, and historical claims data to the incoming vendor through a TLS (Transport Layer Security) encrypted website using Axway Secure Transport. Axway Secure Transport is configured using a front-end Web server connecting to a back-end file repository; no files are stored on the front-end server.

As part of our design and development approach, we conduct requirements analysis using our file format, file validation approach, transfer protocol method, encryption level, media choice, and testing methods. MedImpact uses the documents developed during requirements analysis, along with changes made throughout the contract term, to identify data needs for turnover activities. This effort is led by our IT department under the direction of the turnover manager.

MedImpact is a NIST-certified medium impact and high impact level compliant organization, with comprehensive security, data management, and retention programs that exceed the requirements of CIA (confidentiality-integrity-availability), and process all data, regardless of media, in a secure, encrypted methodology according to the CIA concepts:

- Confidentiality—Data should not be accessed or read without authorization. It ensures that only authorized parties have access.
- Integrity—Data should not be modified or compromised in anyway. It assumes that data remains in its intended state and can only be edited by authorized parties.
- Availability—Data should be accessible upon legitimate request. It ensures that authorized parties have unimpeded access to data when required.

MedImpact is committed to providing superior service during the contract period, as well as full organizational support through transition and turnover activities that occur at the end of the contract. With in-depth PBM experience, we successfully support Medicaid customers from the takeover phase through the turnover phase. Our objective during the turnover phase is to implement effective planning necessary to support LDH and its enrollees, the new vendor, providers, and other stakeholders, and to help assure the successful transfer of knowledge, continuity of care, and continuous quality of operational services.

As required, all turnover of records and information maintained by MedImpact will be addressed to either LDH or its designee. Included are an itemization of all records, data, and

operational support information (in broad categories) to be transferred, along with a schedule for completion. The proposed transfer schedule is phased and align around the effective date of termination (e.g., 60 calendar days prior; 30 calendar days prior; day of termination; 30 calendar days after; etc.).

Also as required, we provide copies of all relevant enrollee and PBM covered services data, documentation, and other pertinent information necessary (as determined by LDH) for LDH or a subsequent contractor to assume the operational activities successfully. This includes (but is not limited to) correspondence, documentation of ongoing outstanding issues, and other operations support documentation.

MedImpact understands and agrees to comply with LDH requirements to transfer all data regarding the provision of PBM covered services to LDH or its designee, at the sole discretion of LDH and as directed by LDH; all transferred data is HIPAA-compliant. Furthermore, all required transfers of data and information specified in the contract are made available electronically, unless otherwise directed by LDH, and in accordance with the format and schedule approved by LDH.

MedImpact acknowledges that all data received will be verified by LDH or the subsequent contractor. If LDH determines not all of the data regarding the provision of PBM covered services was transferred to LDH or the subsequent contractor, as required, or the data was not transferred in a HIPAA-compliant manner, we understand that LDH reserves the right to hire an independent contractor to assist LDH in obtaining and transferring all the required data and to ensure all data was transferred in a HIPAA-compliant manner. MedImpact understands and agrees to assuming responsibility for payment of all reasonable costs incurred by LDH for any such services provided by an independent contractor.

Post-Turnover Services

MedImpact understands and agrees to comply with all post-turnover services detailed in the RFP scope of work, including:

- Provision of a turnover results report to LDH (30 calendar days following turnover of operations) that documents the completion and results of each step of the turnover plan. MedImpact understands the turnover is not considered complete until this document is approved by LDH.
- Agreement to reimburse LDH for all reasonable costs, including (but not limited to) transportation, lodging, and subsistence for all State and federal representatives, or their agents, to carry out their inspection, audit, review, analysis, reproduction and transfer functions at the location(s) of such records, if MedImpact does not provide the required data and reference tables, documentation, and/or other pertinent information necessary for LDH or the subsequent contractor to successfully assume the operational activities.

- Agreement to pay any and all additional costs incurred by LDH that are the result of MedImpact's failure to provide the required records, data, and/or documentation within the agreed-upon turnover plan timeframes. We acknowledge that LDH may, at its sole discretion, deduct from the withhold of the final payment to satisfy the additional costs incurred.
- Maintenance of all data and records related to enrollees and providers for 10 years after the date of final payment under the contract, or until the resolution of all litigation, drug claims, financial management review, or audit pertaining to the contract, whichever is longer. Under no circumstances will MedImpact or its subcontractors destroy or dispose of any such records, even after the expiration of the mandatory 10-year retention period, without the express prior written permission of LDH.
- Agreement to repay any valid, undisputed audit exceptions taken by LDH in any audit of the contract. We acknowledge that LDH may, at its sole discretion, deduct from the withhold of the final payment for reimbursement of any amounts due related to the audit exception.

Notices (SOW 2.3)

MedImpact has reviewed, understands, and will comply with all requirements in RFP Section 2.3.

1.8.9 Innovative Concepts and Value-Added Services

LDH is interested in exploring value added services the Proposer may offer. The Proposer is encouraged to work with LDH as well as the MCOs to identify and propose value-added services that may apply to MCO-specific populations. LDH may approve the provision of value-added services offered by the Proposer throughout the term of the Contract. The provision of value-added services shall be subject to the explicit written approval of LDH.

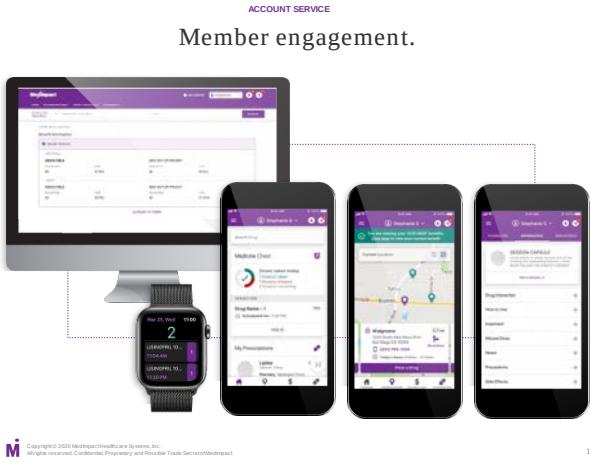
The Proposer may present innovative concepts for consideration. The Proposer may present value-added benefits for LDH approval.

MedImpact is pleased to propose both value-added services and innovative concepts for consideration by LDH and its MCOs. We recognize that any value-add or innovative program/service must receive written approval from LDH prior to implementation. We welcome the opportunity to collaborate with LDH and the MCOs to explore other impactful programs in the future.

Value-Added Services

The following offerings will provide substantial value to LDH and its MCOs at no additional cost:

- **Mobile Application**—As part of our consumer portal, MedImpact provides an enhanced enrollee experience through the use of a mobile application, which represents a key component of our multichannel enrollee engagement strategy to help empower enrollees to take control of their health. All features available on the MedImpact consumer portal are also available on the mobile application, including:



  - Medication history
  - Pharmacy locator
  - Medicine chest (set reminders, tracking)
  - Medication FAQs
  - Prior authorization status
  - Digital enrollee ID

- **Strong Single PBM Expertise**—MedImpact provides unparalleled added value to LDH and the MCOs by leveraging our recent experience implementing and operating a single PBM model. This is a common theme throughout our proposal, which cannot be understated. The breadth and depth of knowledge, understanding, and engagement this direct experience has afforded our teams is both invaluable and unmatched.

  - The MCOs will benefit by having their own colleagues in nearby Kentucky with which to consult as we begin the implementation process (Centene, Anthem, Aetna, Humana).
  - LDH will benefit from the vetted MedImpact strategies, workflows, communication strategies, and layouts produced during our recent implementation.

  Our team of industry experts across the organization, coupled with a core team of seasoned colleagues with nearly 200 collective years of Medicaid experience, affords LDH those tools, systems, and collaboration necessary to help ensure adherence to all regulatory requirements and assures LDH's confidence in us as an engaged partner that clearly understands the State's goals and objectives.

Innovative Concepts

[redacted]

[redacted]

[redacted]

1.8.10 Proposed Staff Qualifications

Proposers should state job responsibilities, workload and lines of supervision for both Key Personnel and General Staff. 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.

MedImpact's Medicaid programs are managed under our (GPS) Government Program Services division, led by De'Lona Davis-Jones, Vice President of GPS. Ms. Davis-Jones joined MedImpact more than 20 years ago and has served in numerous roles throughout her tenure. Her team provides support to customers that offer Medicaid, Medicare, and state and federally facilitated Marketplace (Exchange) plans, such as oversight of individual state and Federal Medicaid policies, relevant documentation and corresponding communications, in-service training, subject matter support, and oversight and direction of operational departments and customer-facing teams.

Dean Beuglass, RPh, Managing Principal, GPS, will serve as the Louisiana single PBM chief executive officer and reports directly to Ms. Davis-Jones. The LDH COO (chief operational officer) will report directly to Mr. Beuglass, who has a direct line of visibility and oversight of the project. Mr. Beuglass serves as our lead Medicaid PBM resource and subject matter expert and is a licensed pharmacist with 30 years of experience in various pharmacy practice settings. Prior to joining MedImpact, Mr. Beuglass served as senior pharmacy policy and data strategist for the Commonwealth of Virginia Medicaid program, supporting the chief medical officer and chief deputy.

A significant barrier to project visibility is a fragmented flow of information caused by too many communication channels and too many layers of management, with no real connection between them. **We believe that every large project is a complicated system of its own—with specific dependencies, requirements, documentation, and approval processes—and one that requires engaged senior leadership.** Our organization streamlines visibility of prioritized projects with the necessary visibility at the senior level to ensure awareness and responsiveness. Our GPS lead, Ms. Davis-Jones, reports to the COO and participates in senior leadership meetings routinely. The LDH single PBM will be afforded significant visibility within our organization and will receive all necessary and prioritized resources.

The organizational charts that follow (**Figure 1.8.10-A and Figure 1.8.10-B**) identify the corporate and single PBM Account team reporting structure (a legend is provided to denote key and general staff). As required, this chart will be updated, as needed, to accurately reflect the current staffing levels and MedImpact staff. We will ensure all staff, including key staff and general staff, attend meetings or events (either in person or virtually), whenever required. We are planning a local presence in or around the Baton Rouge area.

Figure 1.8.10-A: Corporate Organization

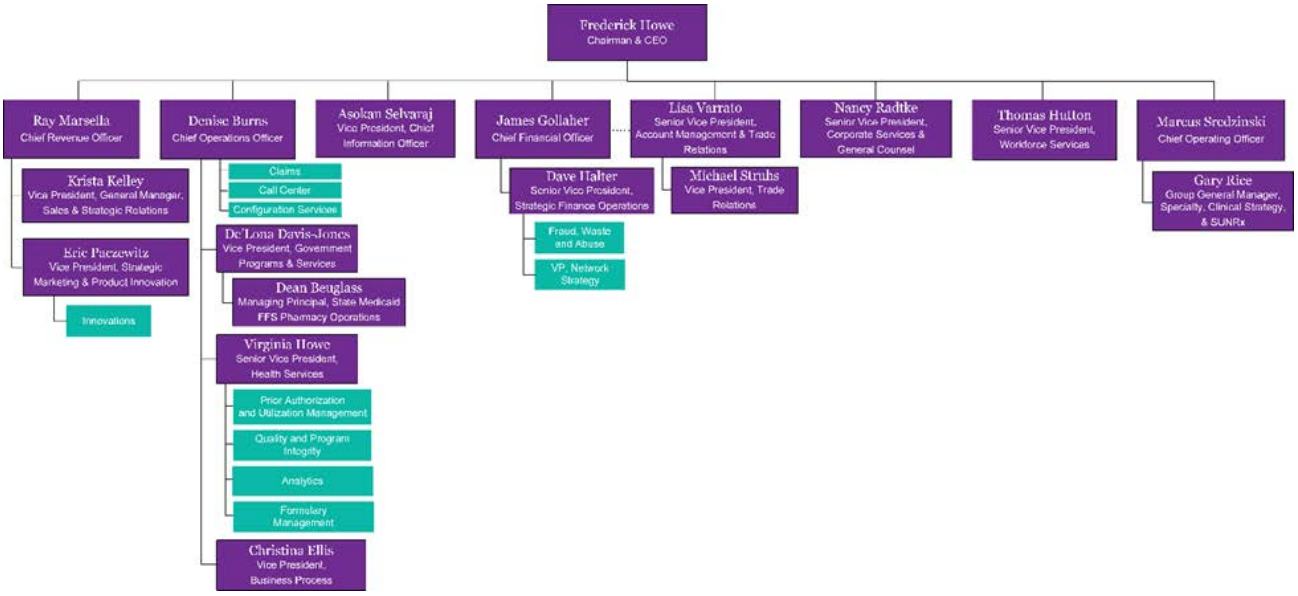
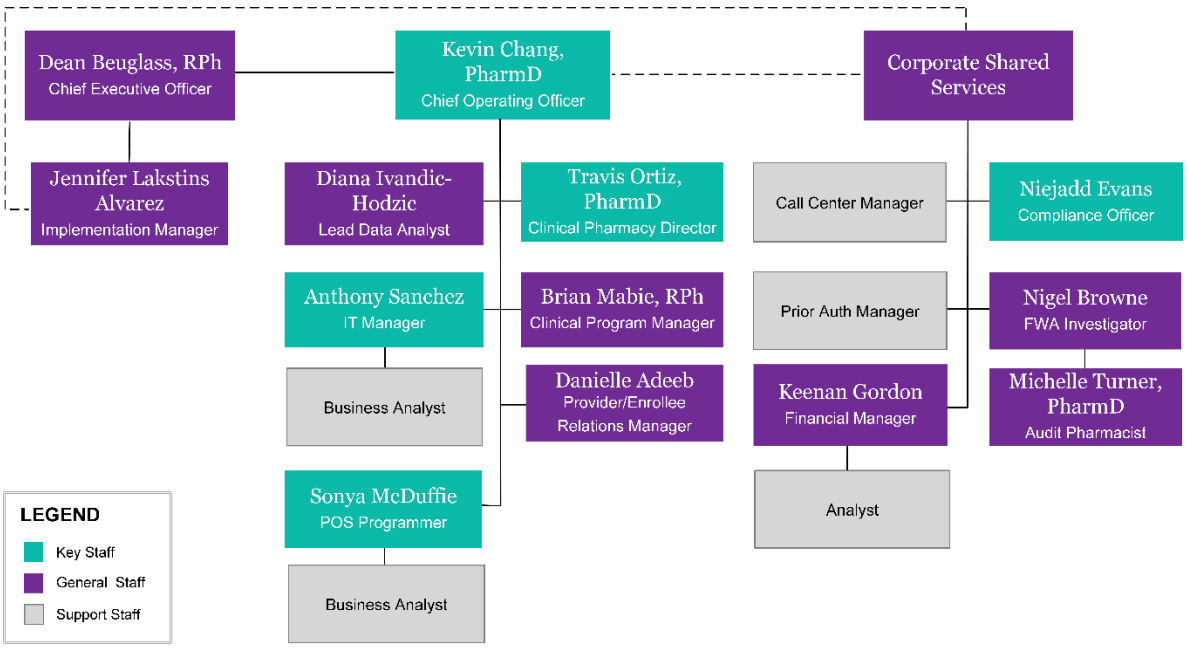


Figure 1.8.10-B: Organizational Chart for PBM Services for Louisiana Medicaid MCOs



To build our Louisiana single PBM Account team, MedImpact began recruiting staff prior to and continuing throughout the solicitation process. We are confident we have found an optimal balance of proven MedImpact staff and new Louisiana-based colleagues that affords LDH the value of our experience, familiarity with our systems, and Louisiana-specific Medicaid knowledge necessary to help ensure a seamless implementation.

Our approach to building the team and acquiring the talent necessary to succeed is based upon a proven approach to recruiting, training, and resource allocation. An opportunity of this magnitude will attract many bidders, thus creating a highly competitive environment for securing qualified staff. No one bidder will attract the most qualified and interested candidates. Some qualified candidates will end up with one bidder, while others will end up with another. Our goal is to provide LDH with the best staffing available, utilizing an undiluted candidate pool. As we search for candidates, MedImpact will utilize proven, internal leaders in key roles until such time as they become permanent members of the team (and relocate to Louisiana, if necessary) or until we replace them through a comprehensive search when all available and serious candidates are once again in the hiring pool.

The delivery of PBM services for Louisiana Medicaid MCOs requires qualified personnel with the requisite qualifications, skills, and experience necessary to successfully implement and operate the program to the satisfaction of LDH, the MCOs, and all other stakeholders. Along with the internal resources that will relocate to Louisiana, and those we have found within the State already (as members of our key and general staff), we have identified a partner, part of the Veteran Initiative, to assist with evolving staffing needs throughout the Implementation and Operational contract phases. We have planned onboarding, LDH-specific training, and have allocated staff according to our proven models (and as indicated in the load chart presented in **Figure 1.8.10-C**).

MedImpact has extensive experience serving managed Medicaid health plans and programs, with a clearly defined staffing model that reflects and adjusts to the ever-changing needs of the Medicaid programs we support. Leveraging these experiences, all project requirements are analyzed to determine the types and numbers of staff required. Hiring and staffing estimates are based upon the volume of anticipated claims, PAs (prior authorizations), and other transaction volumes provided in the RFP (Request for Proposal) documentation. This approach optimizes staffing projections to assure all contract obligations and planned volume fluctuations are met. During implementation, we will work to verify transactional volumes provided as part of this RFP and validate our staffing projections. These steps are critical to mitigate the risk of surprises at go-live (operational start date) that may impact response times in the PA unit or call center.

As part of our planning processes, we have prepared a staffing load chart (**Figure 1.8.10-C**), which details the planned full-time employee allocation and deployment for this project. Our staffing model for implementation includes rapid deployment of all key account management staff to foster continuity and the development of institutional knowledge. Key staff are

onboarded within LDH-required timeframes following contract award/execution and are properly credentialed and trained during the first 30 days of the implementation. The load chart also illustrates our timeline for adding other support, as well as the number of full-time equivalents by job type, and details our forecast of project staffing needs by phase. Our load chart provides a visual representation of estimated effort, measured in working hours, for each staff resource assigned to the project.

Figure 1.8.10-C: Staffing Load Chart for Implementation and Operations

Key Personnel and General Staff Responsibilities

The specific team proposed for this program is composed of seasoned professionals who possess industry and subject matter knowledge and expertise necessary to successfully support the project. Key roles are supported by the appropriate Operations and Program Administration resources (functional, technical, business processes, and people) to accomplish the tasks and activities with optimal effectiveness for LDH and its stakeholders.

With a staffing plan tailored to meet the specific needs of LDH, MedImpact's organizational structure leverages demonstrated experience developing and managing pharmacy systems and services. This highly experienced team receives corporate oversight and support to successfully implement and maintain the proposed program for LDH and to meet its specific needs.

Named key personnel and general staff include Louisiana-licensed and local staff, current MedImpact employees, and other individuals with in-depth experience and expertise. We will ensure that all personnel have appropriate licensure and certifications, and our Human Resources department collects and maintains all staff licensure information. MedImpact requires individual attestation annually and staff must submit updated licenses and certifications upon receipt. In addition, our COO will work to ensure licensure compliance by our subcontractor(s). The contract with our staff augmentation partner will require that they track and produce licensure information for all staff assigned to the single PBM in Louisiana.

We will also ensure compensation to individuals or entities that conduct utilization management activities is not structured to provide incentives for any individual or entity to deny, limit, or discontinue medically necessary PBM covered services to any enrollee. We will include this language and require our staff augmentation partner to comply with this requirement, as well. As part of our subcontractor management plan, the COO (with support from our internal team) will ensure compliance through monitoring and tracking.

Job descriptions, including the percentage of time allocated to the project and the number of personnel should be included indicating 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 Subcontractor.

The Proposer should identify the individuals serving as key personnel, the resources proposed for Key Personnel roles in Section 2.1.4, and the percentage of time directly assigned to the project, should be identified.

Job Descriptions

Tables 1.8.10-D and **1.8.10-E** outline MedImpact's proposed key personnel and general staff, including position and qualifications, brief job descriptions and responsibilities, and time allocation and number of personnel. In the event a key personnel position becomes vacant, we will comply with and follow the requirements detailed in RFP Section 2.1.4.2, Scope of Work. No key personnel or general staff will be filled by a subcontractor.

Table 1.8.10-D: Key Personnel Job Descriptions and Responsibilities

Position and Qualifications	Job Description /Responsibilities	Time Allocation and Number of Personnel
Chief Operational Officer (COO) **Kevin Chang, PharmD** ➢ MBA, MHA, MPA, or other advanced business degree or comparable work experience ➢ Minimum of three (3) years' experience managing PBM program activities for a state Medicaid program with a population equal or greater than Louisiana Medicaid program ➢ Demonstrated experience in PBM system operations and experience developing and managing a pharmacy network	➢ Oversees day-to-day business activities ➢ Serves as the single point-of-contact for LDH and the MCOs ➢ Authorized to escalate and resolve issues to meet contract expectations ➢ Participates in all State, provider, or enrollee meetings, as requested by LDH ➢ Coordinates maintenance activities with LDH and the MCOs, oversees mass claims adjustments ➢ Reports on performance measures, including drug claims processing ➢ Coordinates information for and participate in appeals and grievances meetings and State Fair Hearings ➢ Develops annual work plan, including updates from DUR and P&T Committee meetings and present annual work plan outcomes yearly ➢ Accountable for the incorporation of proper payment rates and updates to drug claim review procedures, including operations manuals or other such documentation and submit to LDH for approval twice yearly	Full-time employee (minimum 40 hours per week) based in Louisiana, dedicated 100% to the single PBM project
Clinical Pharmacy Director **Travis Ortiz, PharmD** ➢ Doctor of Pharmacy ➢ Louisiana-licensed pharmacist in good standing or eligible for licensure in Louisiana ➢ Minimum of five years of experience working in a pharmacy practice setting ➢ Minimum of three years of experience with a government or private sector health care payer, including experience with	➢ Responsible for all MedImpact clinical decisions ➢ Supports the P&T Committee activities ➢ Actively supports prospective and retrospective DUR activities ➢ Responsible for recommending benefit design and utilization management improvements to LDH and the MCOs based upon data analysis and PBM best practices ➢ Primary clinical contact for LDH and MCOs. ➢ Oversees the benefit administration and PDL configuration	Full-time employee (minimum 40 hours per week), based in Louisiana, dedicated 100% to the single PBM project

Position and Qualifications	Job Description /Responsibilities	Time Allocation and Number of Personnel
clinical call centers with a large health care payer		
Information Technology (IT) Manager **Anthony Sanchez** ➢ Bachelor's degree ➢ Three years of experience managing an information technology project of similar or greater scope	➢ Oversees information technology and systems to support MedImpact operations, including submission of accurate and timely drug claims data and business impact analysis of all potential and accepted changes ➢ Serves as the primary point-of-contact for State or MCO technical staff ➢ Coordinates with the MCOs' systems and supports the development of interfaces	Full-time employee (minimum 40 hours per week), based in Louisiana, dedicated 100% to the single PBM project
Point-of-Sale (POS) Programmer **Sonya McDuffie** ➢ Three years of experience POS programming on projects of similar size and complexity	➢ Responsible for POS programming, including, configuring existing benefit design, eligibility, DUR, drug claim edits, and drug pricing functionality, as well as developing enhancements to the POS system, as directed by LDH staff ➢ Serves as primary point-of-contact for POS specifications and edits ➢ Understanding of MCOs' systems necessary to support development of interfaces ➢ Demonstrated knowledge and experience with NCPDP standards, particularly the telecommunication, batch, and post-adjudicated transactions, and developing payer sheets using the NCPDP template ➢ Ability to apply HIPAA requirements in a PBM environment	Full-time employee (minimum 40 hours per week), based in Louisiana, dedicated 100% to the single PBM project
Compliance Officer: **Niejadd Evans, CHC** ➢ Bachelor's degree ➢ Minimum of three years of experience working as a compliance officer for a state Medicaid project of similar or greater scope	➢ Serves as primary point-of-contact for all MedImpact compliance issues ➢ Identifies and monitors critical risk areas, initiates risk-mitigation activities, and develops action plans ➢ Reports violations, as appropriate or required ➢ Identifies information protection needs (e.g., HIPAA, privacy regulations)	Full-time employee (minimum 40 hours per week), based in Louisiana, dedicated 100% to the single PBM project

Position and Qualifications	Job Description /Responsibilities	Time Allocation and Number of Personnel
➢ Certified in health care compliance, health care privacy compliance, health care research compliance, or health care compliance fellowship	➢ Communicates status regarding a plan of action to respond to identified security weaknesses ➢ Ensures implementation of effective information protection mechanisms (e.g., data masking, de-identification of data released to non-covered entities, obfuscation when used in non-production environments)	

Table 1.8.10-E: General Staff Job Descriptions and Responsibilities

Position and Qualifications	Job Description /Responsibilities	Time Allocation and Number of Personnel
Chief Executive Officer (CEO) **Dean Beuglass, RPh** ➢ Bachelor's degree ➢ Minimum of three years of experience managing a program or contract of similar or greater scope with a state Medicaid program	➢ Holds decision-making authority to commit the organization to the services in Section 2, Scope of Work ➢ Provides overall direction for the Contractor ➢ Develops strategies, formulates policies, and oversees operations to ensure goals are met ➢ Available during LDH working hours to fulfill the responsibilities of the position	0.2 FTE, designated to the single PBM project
2nd Clinical Pharmacist **Brian Mabie, RPh** ➢ Louisiana-licensed pharmacist in good standing or eligible for licensure in Louisiana ➢ Minimum of five years of experience working in a pharmacy practice setting ➢ Minimum of three years of experience with a government or private sector health care payer, including experience with clinical call centers with a large health care payer	➢ Supports the P&T Committee activities ➢ Actively supports prospective and retrospective DUR activities ➢ Liaison between PA unit and Account Team ➢ Supports Clinical Pharmacy Director in making recommendations regarding benefit design and utilization management improvements to LDH and the MCOs. ➢ Supports Lead Data Analyst	Full-time employee (minimum 40 hours per week), dedicated 100% to the single PBM project
Audit Pharmacist **Michelle Harris-Turner, PharmD**	➢ Responsible for oversight and implementation of all pharmacy audits and	Full-time employee

Position and Qualifications	Job Description /Responsibilities	Time Allocation and Number of Personnel
➢ Louisiana-licensed pharmacist in good standing or eligible for licensure ➢ Minimum of two years of experience in health care working in fraud, waste, and Abuse (FWA) investigations and audits	coordination of audit activities with LDH and the MCOs ➢ No other client responsibilities outside of the LDH contract ➢ Coordinates drug claim review activities involving provider or enrollee fraud with the Medicaid Fraud Control Unit (MFCU), law enforcement, LDH, and other State and federal authorities, as necessary ➢ Ensures recoupment is collected in a timely accurate manner and in accordance with State and Federal requirements	(minimum 40 hours per week), based in Louisiana, dedicated 100% to the single PBM project
Financial Manager **Keenan Gordon** ➢ Bachelor's degree ➢ Experience in Medicaid-related policy and standards as well as Drug Claims processing operations.	➢ Responsible for accuracy, timeliness, and transparency of provider payments, remittance advices, and financial reports	0.2 FTE, designated to the single PBM project
Provider/Enrollee Relations Manager **Danielle Adeeb, CPhT** ➢ Experience in Medicaid-related policy and standards ➢ Experience in drug claims processing operations	➢ Responsible for all provider and enrollee functions including Call Center ➢ Trains help desk staff to ensure drug claim, PA, and encounter inquiries are effectively researched and resolved ➢ Escalates matters to LDH, when warranted	Full-time employee (minimum 40 hours per week), based in Louisiana, dedicated 100% to the single PBM project
Lead Data Analyst **Diana Ivandic-Hodzic** ➢ Pharmacy data analytics professional ➢ Minimum of three years of work experience in data-	➢ Responsible for coordinating the design and ongoing management of reporting with all stakeholders ➢ Responsible for creating meaningful data presentations ➢ Performs predictive modeling and develop trending reports	Full-time employee (minimum 40 hours per week), dedicated 100%

Position and Qualifications	Job Description /Responsibilities	Time Allocation and Number of Personnel
mining and health care analytics	➢ Responsible for the quality of all data within the system ➢ Coordinates with LDH in the planning and execution of data quality initiatives, reporting, and analytics support ➢ Creates dashboards and reports as requested by LDH ➢ Ability to travel to Baton Rouge, Louisiana occasionally, upon Department request	to the single PBM project Will travel to Baton Rouge, LA upon request
Fraud, Waste, and Abuse Investigator **Nigel Browne** ➢ Bachelor's degree, with minimum of two years of experience in the health care field working in FWA investigations and audits (preferred) ➢ Associate degree, with a minimum of four years of experience working in health care FWA investigations and audits ➢ Demonstrated proficiency in understanding and analyzing drug claims and coding ➢ Demonstrated knowledge of provider investigations related to pharmacy ➢ Experience working with program integrity programs	➢ Responsible for all FWA activities for MedImpact pursuant to the terms of the contract ➢ Works to detect and prevent FWA and investigate such incidences ➢ Coordinates activities with audit pharmacist and MFCU, law enforcement, LDH, and other State and Federal authorities, as necessary	Full-time employee (minimum 40 hours per week), based in Louisiana, dedicated 100% to the single PBM project
Implementation Manager **Jennifer Lakstins-Alvarez, PMP, CSM**	➢ Responsible for overseeing the implementation of the contract requirements during the implementation phase ➢ Knowledge of state Medicaid programs, particularly with Medicaid pharmacy benefits, with relevant experience navigating similar complex projects	1.0 FTE during Implementation 0.25 during operations, during first year Will travel to Louisiana, as necessary, for

Position and Qualifications	Job Description /Responsibilities	Time Allocation and Number of Personnel
		scheduled meetings and at LDH request
Project Manager/Coordination Kevin Martin, PMP	➢ Support Implementation Manager to meet workplan deliverables and documentation. ➢ Coordinate implementation activities with MedImpact implementation manager, LDH and MCOs ➢ Knowledge of state Medicaid programs, particularly with Medicaid pharmacy benefits, with relevant experience navigating similar complex projects	0.5 FTE during implementation phase Will travel to Baton Rouge, LA upon request

Include full resumes of all proposed key personnel identified for key roles. Each person identified for a role above should be included in the resume section. Each resume should demonstrate the qualifications and experience relevant to the position proposed. Each resume should include work history, the specific functions performed, and how the experience relates to the assigned role. Résumés of all known personnel working or overseeing the LDH Pharmacy Program should be included. Résumés 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.

Provide three (3) references for each proposed Key Personnel candidate demonstrating experience in a similar role on one or more projects similar to Section 2. Scope of Work requirements. Each reference should include:

- Name of the person to be contacted.
- Contact phone number.
- Client name and address.
- Brief description of work.
- Dates (month and year) of employment.

These references should be able to attest to the candidate's specific qualifications.

Key Personnel

The individuals identified in **Table 1.8.10-F** will serve as key personnel for this project, along with their references. These individuals will be available during LDH business hours and available to meet in person at LDH headquarters in Baton Rouge, whenever required.

Table 1.8.10-F: Key Personnel References

Key Staff Member	References
Chief Operational Officer (COO) **Kevin Chang, PharmD**	[redacted]

Key Staff Member	References
	[redacted]
Clinical Pharmacy Director **Travis Ortiz, PharmD**	[redacted]

Key Staff Member	References
	[redacted]
Information Technology (IT) Manager **Anthony Sanchez**	[redacted]

Key Staff Member	References
	[redacted]

Key Staff Member	References
	[redacted]
Point-of-Sale (POS) Programmer **Sonya McDuffie**	[redacted]

Key Staff Member	References
	[redacted]
Compliance Officer **Niejadd Evans**	[redacted]

Key Staff Member	References
	[redacted]

Key Staff Member	References
	[redacted]

Resumes of all key personnel are included as **Appendix M, Key Personnel Resumes**.

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, if requested by LDH.

If any of the Proposer's named personnel is a current or former Louisiana State employee, indicate the Agency where employed, position, title, termination date, and (in the redacted proposal ONLY) the last four digits of the State issued Personnel number.

Subcontractors

None of MedImpact's named personnel (key or general) are a current or former Louisiana State employee. The subcontractors with which MedImpact is partnering on this project include HealthTech Solutions and Rice Group, LLC.

HealthTech Solutions

HealthTech Solutions, a Medicaid-oriented company that will provide project management support during the implementation phase. The individual supporting this effort will be Kevin Martin. He is a Senior Consultant with over 32 years of Information Technology (IT) experience

in the public and private sectors. He is a results-oriented project manager with a proven record of accomplishment stewarding complex application development projects. Mr. Martin is a skilled communicator able to relate functional business requirements to complex technical designs. He is proficient in leading large-scale software projects following full application development lifecycles on time and under budget using Oracle and SQL Server databases. He successfully manages development projects with both waterfall and Agile/Scrum software development methodologies.

He has served as a key team leader to define development standards and quality process improvement activities to streamline software engineering processes for two different organizations. Mr. Martin supported Colorado's Medicaid Management Information System (MMIS) replacement initiative, serving as the Change Management Project Manager in the Enterprise Project Management Office (EPMO). Mr. Martin is an effective mentor with experience directing large staffs and is a certified Project Management Professional.

Rice Group, LLC

Rice Group, LLC, is a is a minority owned, federally designated Service-Disabled Veteran Small Business (SDVSB) and HUBZONE business and MBE certified, DBE certified, and part of Louisiana's Veteran and Hudson Initiatives. Rice Group will provide staff augmentation services in support of our Customer Service Center. They will provide additional staffing solutions to support our Louisiana-based prior authorization unit and call center.

These individuals have not yet been recruited. Once recruited and hired, these individuals will be co-located with MedImpact staff, trained by MedImpact, and managed by our call center supervisors and managers. Rice Group will provide an invaluable resource of local staff to assist MedImpact in filling vacancies quickly and meeting planned volume fluctuations throughout the life of the contract.

Sufficient Staff Resources for Drug Claim Administration, Utilization Management, and Prior Authorization

MedImpact ensures the provision of sufficient staff necessary to successfully implement all aspects of the PDL into our drug claims processing system. We have utilized the data provided during the solicitation process to develop our load chart and staffing model. We utilize these models to ensure we provide sufficient resources to implement all aspects of the PDL (preferred/non-preferred status, PA requirements, utilization management, DUR edits) including prior authorization, system coding and testing. Our staff models are designed to flex during anticipated peaks and when implementing new edits or PDL changes. In addition, we have included additional customer service representatives and PA staff during the first operational months to cover unanticipated surges.

As required, staff members responsible for applying authorization criteria and making appropriate determinations utilize clinical algorithms within our workflow based, PA platform. This is a proven approach to ensuring staff make consistent decisions. We utilize monitoring and quality review processes to ensure quality in the call center including inter-rater reliability testing. Any PA staff performing below acceptable thresholds on inter-rater reliability tests are not permitted to make independent authorization determinations until such time that the staff member can be retrained, monitored, and demonstrate performance that meets or exceeds the acceptable threshold.

MedImpact ensures any staff member who is involved in utilization management activities does not receive compensation or incentives to deny, limit, or discontinue medically necessary PBM covered services to any enrollee. This is a direct violation of MedImpact's code of conduct and grounds for immediate termination. MedImpact will also ensure any staff members making determinations will have no history of disciplinary action or sanctions, including loss of staff privileges or participation restrictions, that have been taken or are pending by any hospital, governmental agency or unit, or regulatory body that raise a substantial question as to the clinical peer reviewer's physical, mental, or professional or moral character.

Clinical Pharmacy and Other Operational Staff

MedImpact is a clinically driven company and to that end, we support the LDH single PBM project with pharmacists in many key and general staff positions (CEO, COO, Audit Pharmacist, Clinical Pharmacy Director) and we have augmented these required positions with an additional clinical pharmacist based on our proven single PBM experience.

Our Clinical Pharmacy Director, Travis Ortiz, PharmD, is the primary person responsible for overseeing the benefit administration and PDL configuration in the drug claims processing system. Dr. Ortiz will be supported by the other clinicians on the Account team, as well as those in the PA unit. Our second clinical pharmacist, Brian Mabie, RPh, will be responsible for coordinating with our data analyst in conducting research and providing accurately, timely and comprehensive analysis as well as the primary liaison with the PA unit. In addition, Mr. Mabie will serve as the primary resource assisting the PA team with interpreting and applying PA criteria, as well as any algorithm clarifications or application of LDH updates or guidance. Collectively, Dr. Ortiz and Mr. Mabie will be responsive to questions about how edits are implemented, enforced, and adjudicated by the MedImpact PA unit and inquiries or reviews requested by LDH or its MCOs.

As required, our clinical staff review and approve PA requests whenever LDH criteria is met. Our pharmacists further review recommended denial decisions on PA requests and any resulting appeals or grievances to render the final decision. Pharmacists review, collaborate, and integrate any additional information received when reviewing appeals and grievances so the most complete and accurate information is evaluated in these decisions.

MedImpact employs a systematic solution to review and manage any mass adjustments to claims payment history. Our solution, originally developed to support Medicare PPE (prescription drug event) claim adjustment and processing, allows our clinical and operational staff to manage claim selection, review interim results, and apply adjustments when necessary. In support of any identified necessary mass adjustments to pharmacy claims, MedImpact agrees to provide the necessary staff, process management, and needed resources to perform mass adjustments. This process is managed and overseen by the COO Kevin Chang, in collaboration with POS Programmer, Sonya McDuffie, to ensure any adjustments, subject to LDH approval, to provider drug claims payment history resulting from retroactive rate changes, policy changes, system adjudication errors, or other situations, as requested by LDH or the MCOs, is affected in the most efficient and accurate manner.

1.8.11 Veteran and Hudson Initiative Programs Participation

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.louisianaeconomicdevelopment.com.

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.

In RFPs requiring the compliance of a good faith subcontracting plan, the State may require Proposers to submit information on their business relationships and arrangements with certified LaVet or Hudson Initiative Subcontractors at the time of proposal review. Agreements between a Proposer and a certified LaVet or Hudson Initiative Subcontractor in which the certified LaVet or Hudson Initiative Subcontractor promises not to provide subcontracting quotations to other Proposers shall be prohibited.

If performing its evaluation of proposals, the State reserves the right to require a non-certified Proposer to provide documentation and information supporting a good faith subcontracting plan. Such proof may include contracts between Proposer and certified Veteran Initiative and/or Hudson Initiative Subcontractor(s).

If a contract is awarded to a Proposer who proposed a good faith subcontracting plan, the using agency, the Louisiana Department of Economic Development (LED), or the Office of State Procurement (OSP) may audit Contractor to determine whether Contractor has complied in good faith with its subcontracting plan. The Contractor must be able to provide supporting documentation (i.e., phone logs, fax transmittals, letter, e-mails) to demonstrate its good faith

subcontracting plan was followed. If it is determined at any time by the using agency, LED, or the OSP Director that the Contractor did not in fact perform in good faith its subcontracting plan, the contract award or the existing contract may be terminated.

The statutes (La. R.S. 39:2171 et. seq.) concerning the Veteran Initiative may be viewed at:

http://www.legis.la.gov/Legis/Law.aspx?d=671504.

The statutes (La. R.S. 39:2001 et. seq.) concerning the Hudson Initiative may be viewed at: http://www.legis.la.gov/Legis/Law.aspx?d=96265.

The rules for the Veteran Initiative (LAC 19:VII. Chapters 11 and 15) and for the Hudson Initiative (LAC 19:VIII Chapters 11 and 13) may be viewed at:

https://www.doa.la.gov/doa/osp/vendor-resources/hudson-se-veteran-initiatives/.

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.louisianaeconomicdevelopment.com

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.

This may be accessed from the State of Louisiana Procurement and Contract (LaPAC) Network:

https://wwwcfprd.doa.louisiana.gov/OSP/LaPAC/vendor/VndPubMain.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.

3.3 Veteran-Owned and Service-Connected Disabled Veteran-Owned Small Entrepreneurships (Veteran Initiative) and Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) participation

a. Twelve percent (12%) of the total evaluation points in this RFP are reserved for Proposers who are certified small entrepreneurships, or who will engage the participation

of one or more certified small entrepreneurships as Subcontractors. Reserved points shall be added to the applicable Proposers' evaluation score as follows:

b. Proposer Status and Allotment of Reserved Points
i. If the Proposer is a certified Veterans Initiative small entrepreneurship, the Proposer shall receive points equal to twelve percent (12%) of the total evaluation points in this RFP.
ii. If the Proposer is a certified Hudson Initiative small entrepreneurship, the Proposer shall receive points equal to ten percent (10%) of the total evaluation points in this RFP.
iii. If the Proposer demonstrates its intent to use certified small entrepreneurship(s) in the performance of contract work resulting from this solicitation, the Proposer shall receive points equal to the net percentage of contract work which is projected to be performed by or through certified small entrepreneurship Subcontractors, multiplied by the appropriate number of evaluation points. For purposes of this Hudson/Veterans calculation only, the estimated value of the contract to be awarded is seven (7) billion dollars.
iv. The total number of points awarded pursuant to this Section shall not exceed twelve percent (12%) of the total number of evaluation points in this RFP.

c. If the Proposer is a certified Veterans Initiative or Hudson Initiative small entrepreneurship, the Proposer must note this in its proposal in order to receive the full amount of applicable reserved points.

d. If the Proposer is not a certified small entrepreneurship, but has engaged one (1) or more Veterans Initiative or Hudson Initiative certified small entrepreneurship(s) to participate as Subcontractors, the Proposer shall provide the following information for each certified small entrepreneurship Subcontractor in order to obtain any applicable Veterans Initiative or Hudson Initiative points:

i. Subcontractor's name.
ii. Subcontractor's Veterans Initiative and/or the Hudson Initiative certification.
iii. A detailed description of the work to be performed.
iv. The anticipated dollar value of the subcontract for the three-year contract term.

Note – It is not mandatory to have a Veterans Initiative or Hudson Initiative certified small entrepreneurship Subcontractor. However, it is mandatory to include this information in order to receive any allotted points when applicable.

e. If multiple Veterans Initiative or Hudson Initiative Subcontractors will be used, the above required information should be listed for each Subcontractor. The Proposer should provide a sufficiently detailed description of each Subcontractor's work so the Department is able to

determine if there is duplication or overlap, or if the Subcontractor's services constitute a distinct scope of work from each other Subcontractor(s).

MedImpact is not a certified small entrepreneurship, as described in RFP Section 1.8.11.

Across our organization, we build and foster strong relationships within the small business community, utilizing minority-owned, women-owned, veteran-owned, LGBT-owned, service-disabled veteran owned, historically underutilized, and Small Business Administration approved entities, as appropriate, to supplement services provided. In fact, MedImpact is a minority business enterprise, certified by an affiliate of the National Minority Supplier Development Council, Inc.

We have evaluated our ability to utilize certified small entrepreneurship(s) in the performance of this contract and have selected Rice Group, LLC (a dual-certified small entrepreneurship) as our partner in fulfilling our obligations under this contract. MedImpact will report on our veteran-owned and Hudson Initiative small entrepreneurship subcontractor participation and the dollar amount paid (for the reporting period).

As in all dealings with the Department, MedImpact agrees to be transparent with our subcontracting agreement with our Veteran Initiative partner and will comply with State requests to submit information on our business relationships and arrangements with Rice Group, LLC at the time of proposal review.

Subcontractor's Name

Rice Group, LLC

Subcontractor's Veterans Initiative and/or the Hudson Initiative Certification

Veteran Initiative Certification: Certification No. 17410

Hudson Initiative Certification: Certification No. 17410

Detailed Description of Work to be Performed

The Rice Group will assist MedImpact primarily through staff augmentation. Rice Group, LLC will provide qualified local resources to fulfill roles in our call center and prior authorization unit. Rice Group, LLC will be responsible for recruiting and hiring the personnel, including staff in supervisory positions. This will enable MedImpact to remain nimble and responsive in a local, competitive job market so that we are optimally positioned to meet LDH and MCO needs and quickly adjust to planned fluctuations in activity / volume.

We anticipate utilizing Rice Group, LLC to provide approximately 25 FTEs or approximately 25 percent of our workforce for the LDH single PBM. At this time, we are planning for Rice Group, LLC to provide:

- Up to six Louisiana registered pharmacists based in Louisiana
- Up to nine Louisiana certified pharmacist technicians based in Louisiana
- Up to 10 customer service representatives based in Louisiana

Anticipated Dollar Value of the Subcontract for the Three-Year Contract Term

The anticipated dollar value of the subcontract for the three-year contract term is $7,500,000.00.

1.8.11-A: Rice Group, LLC Veterans Initiative Certification

LED LOUISIANA ECONOMIC DEVELOPMENT

DIVISION OF SMALL BUSINESS SERVICES

This certification acknowledges that

Rice Group LLC

is Certified-Active as a Small Entrepreneurship with Louisiana Economic Development's Veteran Initiative.

This certification is valid from 12/28/2020 to 12/28/2021 .

Certification No. 17410

Stephanie Hartman,
Director, Entrepreneurial Services

Figure 1.8.11-B: Rice Group, LLC Veterans Initiative Certification

LED LOUISIANA ECONOMIC DEVELOPMENT

DIVISION OF SMALL BUSINESS SERVICES

This certification acknowledges that

Rice Group LLC

is Certified-Active as a Small Entrepreneurship with
Louisiana Economic Development's Hudson Initiative.

This certification is valid from 12/28/2020 to 12/28/2021 .

Certification No. 17410

Stephanie Hartman,
Director, Entrepreneurial Services

Veteran and Hudson Initiative Response Template

Subcontractor Information			
Subcontractor Name	**Hudson/Veteran**	**Description of Work**	**Subcontract Value**
Rice Group, LLC	Veteran	Staff augmentation, certified pharmacist technicians, customer service representatives, and pharmacists	$2,500,000

1.8.12 Additional Information

As an appendix, Proposers should include a copy of the Continuity of Operations Plan.

Please refer to **Appendix K** for MedImpact's Continuity of Operations Plan, including our Business Continuity Plan and IT Disaster Recovery Plan.

1.8.13 Cost Proposal

Proposers shall complete a cost proposal in format of the cost template form (See Attachment III) for each year of the contract to demonstrate how cost was determined. Proposers must complete a cost proposal to be considered for award. Failure to complete will result in the disqualification of the proposal.

Please refer to the separate **Cost Proposal**, which includes RFP Attachment III, as required.

1.8.14 CERTIFICATION STATEMENT

The Proposer must submit a Certification Statement (See Attachment I) signed by the company official or agent duly authorized to sign proposals or contracts on behalf of the organization. A certified copy of a board resolution granting such authority shall be submitted with the Certification Statement if the Proposer is a corporation. The Proposer represents and agrees that in reviewing and completing this response it has accurately disclosed - and in the future will accurately disclose – all interests of Proposer. Proposer also represents and agrees that it has disclosed - and will disclose - any activity, policy, or practice of which Proposer is aware that presents a conflict of interest with the performance of its obligations hereunder.

As required, MedImpact submits to LDH a signed certification statement (RFP Attachment I), along with a certified copy of a board resolution granting such authority.

MedImpact represents and agrees that in reviewing and completing this response, it has accurately disclosed (and in the future will accurately disclose) all interests of MedImpact. Furthermore, MedImpact also represents and agrees that it has disclosed (and will disclose in the future) any activity, policy, or practice of which MedImpact is aware that presents a conflict of interest with the performance of its obligations hereunder.

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	March 17, 2022
Official Contact Name	Robert Coppola
Email Address	Robert.Coppola@MedImpact.com
Fax Number with Area Code	858.621.5147
Telephone Number	339.210.3884
Street Address	10181 Scripps Gateway Ct.
City, State, and Zip	San Diego, California 92131

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 ninety (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 thirty (30) Calendar Days from the date of delivery of initial contract in which to complete contract negotiations, if any, and fourteen (14) Calendar Days to 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 twenty-five thousand dollars ($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 45 CFR Part 75, Subpart

F. (A list of parties who have been suspended or debarred can be viewed via the internet at https://www.sam.gov).

7. Proposer understands that, if selected as a contractor, the Louisiana Department of Revenue must determine that it is current in the filing of all applicable tax returns and reports and in payment of all taxes, interest, penalties, and fees owed to the State and collected by the LDR. Proposer shall comply with La. R.S. 39:1624(A)(10) by providing its seven-digit LDR account number in order for tax payment compliance status to be verified.
8. Proposer further acknowledges its understanding that issuance of a tax clearance certificate by LDR is a necessary precondition to the approval of any contract by the Office of State Procurement. The contracting agency reserves the right to withdraw its consent to any contract without penalty and proceed with alternate arrangements, should a prospective contractor fail to resolve any identified outstanding tax compliance discrepancies with the LDR within seven (7) Calendar Days of such notification.
9. In preparing its response, the Proposer has considered all proposals submitted from qualified, potential Subcontractors and suppliers, and has not, in the solicitation, selection, or commercial treatment of any Subcontractor or supplier, refused to transact or terminate business activities, or take any other action intended to limit commercial relations, with a person or entity that is engaging in commercial transactions in Israel or Israeli-controlled territories, with the specific intent to accomplish a boycott or divestment of Israel. Proposer also has not retaliated against any person or other entity for reporting such refusal, termination, or commercially limiting action. The State reserves the right to reject the response of the Proposer if this certification is subsequently determined to be false, and to terminate any contract awarded based on such a false response.
10. **Proposer certifies that the cost submitted was independently arrived at without collusion.**

Authorized Signature: Denise Burns

Date: 3-17-22

Print Name: Denise Burns

Title: Chief Operations Officer, MedImpact Healthcare Systems, Inc.

MEDIMPACT HEALTHCARE SYSTEMS, INC.

OFFICER'S CERTIFICATE

I, Jim Gollaher, do hereby certify for and on behalf of MedImpact Healthcare Systems, Inc., a California corporation (the "Company"), and not in my individual capacity, that:

1. I am the duly elected and currently acting Chief Financial Officer and Secretary of the Company.

2. Attached hereto as Exhibit A is a true and correct copy of the resolutions of the board of directors of the Company effective as of February 18, 2022, which resolutions have not been amended, modified or revoked and continue to remain in full force and effect.

IN WITNESS WHEREOF, I have hereunto signed my name as of February 18, 2022.

James Gollaher

Jim Gollaher

Exhibit A

MEDIMPACT HEALTHCARE SYSTEMS, INC.

UNANIMOUS WRITTEN CONSENT IN LIEU OF MEETING

OF THE BOARD OF DIRECTORS

The undersigned, being all of the directors of MedImpact Healthcare Systems, Inc., a California corporation (the "Company"), in lieu of holding a meeting, hereby take the following action and adopt the following resolution by unanimous written consent, to be effective as of February 18, 2022.

WHEREAS the Company is responding to an RFP to service the Louisiana Dept. of Health PBM Services for Medicaid Fee for Service business (the "RFP");

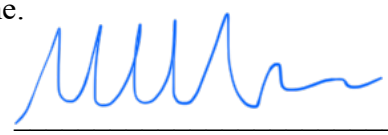
WHEREAS the RFP requires that a signed Certification Statement be included with Company's response to the RFP, together with a certified copy of the corporate resolutions of the board of directors of the Company;

THEREFORE, RESOLVED, that Frederick Howe, James Gollaher, Ray Marsella and Denise Burns are authorized and directed to take sign and deliver the Certification Statement and such other contracts and documents and to take such other actions as February be necessary in connection with the RFP;

FURTHER RESOLVED, that Mr. Gollaher is authorized and directed to sign and deliver a certified copy of these resolutions to evidence the board of directors' approval thereof.

IN WITNESS WHEREOF, each of the undersigned directors has executed this Consent as of the date set forth opposite such director's name.

Date: February 18, 2022



Frederick Howe

Date: February __, 2022

_____

George Goldstein

Date: February __, 2022

_____

Jim Gollaher

Date: February __, 2022

_____

Virginia McFerran

Date: February __, 2022

_____

Scott Schnuckle

MEDIMPACT HEALTHCARE SYSTEMS, INC.

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Date: February __, 2022

Frederick Howe

Date: February 18 2022

George Goldstein

Date: February __, 2022

Jim Gollaher

Date: February __, 2022

Virginia McFerran

Date: February __, 2022

Scott Schnuckle

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George Goldstein

Date: February 18, 2022

James Gollaher
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Jim Gollaher

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Virginia McFerran

Date: February __, 2022

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Jim Gollaher

Date: February __, 2022

_____
Virginia McFerran

Date: February 18, 2022

_____
Scott Schnuckle

APPENDIX

Appendix A: Proposed Modifications to Contract Terms

Appendix B: Audited Financial Statements

Appendix C: Certificate of Good Standing

Appendix D: Terminated Contracts

Appendix E: Proposed Project Work Plan

Appendix F: HIPAA Compliance Summary

Appendix G: Information Security Program

Appendix H: HIPAA Privacy Policies and Procedures

Appendix I: Internal Reporting and Business Associate Responsibilities

Appendix J: Individual Privacy Rights and Related Privacy Right Policies

Appendix K: Business Continuity Plan and IT Disaster Recovery Plan

Appendix L: Subcontractor Letters of Commitment

Appendix M: Key Personnel Resumes

APPENDIX A: PROPOSED MODIFICATIONS TO CONTRACT TERMS

CONTRACT BETWEEN STATE OF LOUISIANA
LOUISIANA DEPARTMENT OF HEALTH

LaGov #

AGENCY NAME

Agency # Select from List

AND

FOR

Personal Service Professional Service Consulting Services Social Services Governmental (State/Agency) Governmental (Local)

RFP NUMBER (if applicable) Emergency Sole Source

1) **Contractor (Registered Legal Name)**

5) **Vendor Supplier #** 5a) **State LDR Account #(if applicable)**

2) **Street Address**

6) **Parish(es) Served**
(List all that apply)

City State **Zip Code**

7) **License or Certification #**

3) **Telephone Number**

8) **Contractor Status**

Subrecipient: Yes No

Corporation: Yes No

4) **Mailing Address (if different)**

For Profit: Yes No

Publicly Traded: Yes No

City State **Zip Code**

8a) **CFDA#(Federal Grant#)**

9) **Brief Description Of Services To Be Provided:**

10) **Effective Date**

11) **Termination Date**

12) **Maximum Contract Amount**

13) **Estimated Amounts by Fiscal Year**

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.

14a) **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):

List all required Attachments **List all required Exhibits**

Types of Attachments and Exhibits

ATTACHMENTS

- **Statement of work**
- **Fee Schedule/Budget**
- **Special Provisions**
- **Standard Provisions**

EXHIBITS

- **Board Resolution/Signature of Authority**
- **Disclosure of Ownership**
- **Certificate of Authority**
- **Multi Year Letter**

- **Late Letter**
- **Out of State Justification Letter**
- **Resume**
- **License**

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

1. **Discrimination Clause:** Contractor hereby agrees to abide by the requirements of the following, as applicable: Section 1557 of the Patient Protection and Affordable Care Act (42 U.S.C. §18116); Title VI of the Civil Rights Act of 1964 (42 U.S.C. §2000d, et seq.); Title VII of the Civil Rights Act of 1964 (42 U.S.C. §2000e, et seq.); Title IX of the Education Amendments of 1972 (20 U.S.C. §1681, et seq.); the Age Discrimination Act of 1975 (42 U.S.C. §6101, et seq.); Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. §794); Section 508 of the Rehabilitation Act of 1973 (29 U.S.C. §794d); the Americans with Disabilities Act of 1990 (42 U.S.C. §12101, et seq.); the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. §4212); the Fair Housing Act of 1968 (42 U.S.C. §3601, et seq.); and Federal Executive Order 11246; 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, sexual orientation, age, national origin, disability, political affiliation, veteran status, or any other non-merit factor. 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.

2. **Confidentiality:** Contractor shall abide by the laws and regulations concerning confidentially which safeguard information and patient/client confidentiality. Information obtained under this Contract shall not be used in any manner except as necessary for the proper discharge of Contractor's obligations. (Contractor shall establish, subject to review and approval of the Department, confidentiality rules and facility access procedures.)

   The confidentiality obligation set forth above shall not apply to information or material which (i) at the time disclosed to, or obtained by, Contractor is in the public domain; (ii) becomes part of the public domain through no fault of Contractor; (iii) is communicated to Contractor by a third party who is not, to Contractor's knowledge, subject to any confidentiality obligations with respect thereto, (iv) is independently developed by Contractor, or (v) is required to be disclosed by Contractor pursuant to any statute, regulation, order, subpoena, document discovery request or other legal process.

2. **Right to Audit:** The Louisiana 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 period of five (5) years following final payment. Contractor grants to the State of Louisiana, through the Office of the Louisiana Legislative Auditor, Louisiana Department of Health, and State 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, and as agreed to by the parties. Records will be made available during normal working hours.

3. Contractor shall comply with federal and state laws and/or Department policy requiring an audit of 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 term of this contract, for any period, four (4) copies of the audit report shall be sent to the Louisiana Department of Health, 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 office within the Department.

4. **Record Retention:** Contractor agrees to retain all books, records, and other documents, as required by law and relevant to the Contract and funds expended thereunder for at least four (4) years after final payment or as prescribed in 45 CFR 75.361, 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 Contractor's site, without expense to the Department.

5. **Record Ownership:** All records, reports, documents, and other material delivered or transmitted to Contractor by the Department shall remain the property of the Department, and shall be returned by Contractor to the Department, at Contractor's expense, at termination or expiration of this contract. All records, reports, documents, or other material related created to as part of this Contract and/or obtained or prepared by Contractor in connection with the performance of the services contracted for herein, and not offered by Contractor generally to its book of business clients, shall become the property of the Department, and shall, upon request, be returned by Contractor to the Department, at Contractor's expense, at termination or expiration of this contract. Contractor retains ownership of its confidential and proprietary information, including its operational data.

6. **Nonassignability:** 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, which consent will not be unreasonably withheld or delayed. 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 State Procurement.

7. **Taxes:** Contractor hereby agrees that the responsibility for payment of taxes from the funds received under this Contract shall be Contractor's. Contractor assumes responsibility for its personnel providing services hereunder and shall make all deductions for withholding taxes, and contributions for unemployment compensation funds.

8. **Insurance:** Contractor shall obtain and maintain during the term of this Contract all necessary insurance including automobile insurance, workers' compensation insurance, and general liability insurance. The required insurances shall protect Contractor, the Louisiana Department of Health, and the State of Louisiana from all claims related to Contractor's performance of this contract. Certificates of Insurance shall be filed with the Department for approval. Said policies shall not be canceled, permitted to expire, or be changed without thirty (30) days advance written notice to the Department. Commercial General Liability Insurance shall provide protection during the performance of work covered by the Contract from claims or damages for personal injury, including accidental death, as well as claims for property damages, with combined single limits prescribed by the Department.

9. **Travel:** 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 that shall be inclusive of all charges including fees and travel expenses.

10. **Political Activities:** No funds provided herein shall be used to urge any elector to vote for or against any candidate or proposition on an election ballot nor shall such funds be used to lobby for or against any proposition or matter having the effect of law being considered by the Legislature or any local governing authority. This provision shall not prevent the normal dissemination of factual information relative to a proposition or any election ballot or a proposition or matter having the effect of law being considered by the Legislature or any local governing authority. Contracts with individuals shall be exempt from this provision.

11. **State Employment:** Should Contractor become an employee of the classified or unclassified service of the State of Louisiana during the term of the contract, Contractor must notify his/her appointing authority of any existing Contract with the State of Louisiana and notify the contracting office with the Department of any additional State employment. This is applicable only to contracts with individuals.

12. **Ownership of Proprietary Data:** All non-third party software and source code, records, reports, documents, and other material delivered or transmitted to Contractor by the State shall remain the property of the State, and shall be returned by Contractor to the 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~~ prepared exclusively by Contractor for this Contract and~~/or~~ obtained or prepared by Contractor in connection with the performance of the services contracted and paid for by the Department for herein shall become the property of the State, and shall be returned by Contractor to the State, at Contractor's expense, at termination or expiration of this contract. Notwithstanding anything to the contrary in this Section, Contractor does not waive any legal rights it may have in any confidential and/or trade secret information that may be contained in records or other information created pursuant to the Contract and Contractor may require any third-party recipients of such information to execute Contractor's standard form of confidentiality agreement prior to receipt of such information.

13. **Subcontracting:** 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 the same conditions and provisions as ~~the Department may deem necessary:~~ Contractor; however, that notwithstanding the foregoing, unless otherwise provided in this contract, such prior written approval shall not be required for the purchase by Contractor of items and services that are incidental but necessary for the performance of the work required under this contract.

    No subcontract shall relieve Contractor of the responsibility for the performance of contractual obligations described herein.

14. **Conflict of Interest:** Contractor acknowledges that the Code of Governmental Ethics, La. R.S. 42:1101, et seq., applies ~~.~~ to Contractor in the performance of services under this contract. Contractor warrants that 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 La. R.S. 42:1113. Contractor agrees to immediately notify the Department if potential violations of the Code of Governmental Ethics arise at any time during the term of the contract.

15. **Unauthorized Services:** 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~~ parties determine~~s~~ that certain costs that have been reimbursed to Contractor pursuant to this or previous contracts are not allowable, the Department shall have the right to offset and withhold said undisputed ~~.~~ amounts from any amount due to Contractor under this Contract for costs that are allowable.

    Commented [LN1]: To the extent MedImpact executes a zero dollar contract with LDH, we would like to discuss the applicability of unauthorized services.

16. **Fiscal Funding:** 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 $2,000, the Division of Administration, Office of State Procurement.

    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. **State and Federal Funding Requirements:** Contractor shall comply with all applicable requirements of state or federal laws or regulations relating to Contractor's receipt of state or federal funds under this contract.

    Commented [LN2]: MedImpact does not believe it is considered a sub-recipient for this contact and in accordance with 2 CFR Part 200. MedImpact would like to discuss this with LDH.

    ~~If Contractor is a "subrecipient" of federal funds under this contract, as defined in 2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards), Contractor shall comply with all applicable requirements of 2 CFR Part 200, including but not limited to the following:~~

    ~~Contractor must disclose any potential conflict of interest to the Department and the federal awarding agency as required by 2 CFR §200.112.~~

    ~~Contractor must disclose to the Department and the federal awarding agency, timely and in writing, all violations of federal criminal laws that may affect the federal award, as required by 2 CFR §200.113.~~

    ~~Contractor must safeguard protected personally identifiable information and other sensitive information, as required by 2 CFR §200.303.~~

    ~~Contractor must have and follow written procurement standards and procedures in compliance with federally approved methods of procurement, as required by 2 CFR §§200.317 - 200.326.~~

    ~~Contractor must comply with the audit requirements set forth in 2 CFR §§200.501 - 200.521, as applicable, including but not limited to: Electronic submission of data and reports to the Federal Audit Clearinghouse (FAC) (2 CFR §200.512(d)).~~

    ~~Ensuring that reports do not include protected personally identifiable information (2 CFR §200.512(a)(2)).~~

    Notwithstanding the provisions of paragraph 3 (Auditors) of these Terms and Conditions, copies of audit reports for audits conducted pursuant to 2 CFR Part 200 shall not be required to be sent to the Department.

18. **Amendments:** 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 the Contract exceeds $5,000, by the Division of Administration, Office of State Procurement. 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.

19. **Non-Infringement:** 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 the Department, the Department shall promptly notify Contractor in writing and Contractor shall defend such claim in the Department's name, but at Contractor's expense and shall indemnify and hold the Department harmless 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. **Purchased Equipment:** Any equipment purchased under this Contract remains the property of Contractor for the period this Contract and future continuing contracts for the provision of the same services. Contractor must submit a vendor invoice with the 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 one thousand dollars ($1,000.00) or more. Contractor has the responsibility to submit to the Contract Monitor an inventory list of 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 the contracted services, the equipment purchased under this Contract reverts to the Department. Contractor agrees to deliver any such equipment to the Department within thirty (30) days of termination of services.

21. **Indemnity:** Contractor agrees to protect, indemnify, and hold harmless the State of Louisiana and the Department from all third parties, claims for damages, costs, expenses, and attorney fees arising in Contract or tort from this Contract ~~or~~ from any negligent acts or omissions of Contractor's agents, subcontractors, employees, officers, or clients, including, but not limited to, premises liability and any claim based on any theory of strict liability. Provided however, that the contractor shall not indemnify for that portion of any claim, loss or damage arising due to the negligent act or failure to act by the Department. This provision does not apply to actions or omissions for which La. R.S. 40:1237.1, *et seq.* provides malpractice coverage to Contractor, nor claims related to treatment and performance of evaluations of persons when such persons cause harm to third parties (La. 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 the Department.
    The Contractor will have no liability under this Contract for any consequential, special, indirect, incidental or punitive damages, even if they are aware of the possibility of the loss or damages. Contractor will not be responsible for any claims, losses, or damages sustained

as a result of the actions, or failure(s) to act, by any Retail Pharmacy, drug manufacturer or other pharmaceutical providers or other third party not under control of Contractor pursuant to this Contract.

22. **Severability**: 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 or federal law, or applicable state or federal regulations.

23. **Entire Agreement**: 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 this contract.

24. **E-Verify**: Contractor acknowledges and agrees to comply with the provision of La. R.S. 38:2212.10 and federal law pertaining to E-Verify in the performance of services under this contract.

25. **Remedies for Default**: Any claim or controversy arising out of this Contract shall be resolved by the provisions of La. R.S. 39:1672.2-1672.4.
Other Remedies: If the Contractor fails to perform in accordance with the terms and conditions of this Contract as agreed to by the parties, or if any lien or claim for damages, penalties, cost and the like is asserted by or against the State, then, upon notice to the Contractor, the State may pursue all remedies available to it at law or equity, including retaining monies from amounts due the Contractor and proceeding against any surety of the Contractor.

26. **Governing Law**: This Contract shall be governed by and interpreted in accordance with the laws of the State of Louisiana, including but not limited to La. R.S. 39:1551-1736; rules and regulations; executive orders; standard terms and conditions, and specifications listed in the Request for Proposals (RFP), subject to any exceptions submitted by Contractor and accepted by the if Department, if applicable; and this contract.

27. **Contractor's Cooperation**: Contractor has the duty to fully cooperate with the State and provide any and all requested information, documentation related to services performed under the contract, etc. to the State, when requested. This applies even if this Contract is terminated and/or a lawsuit is filed. Specifically, Contractor shall not limit or impede the State's right to audit or shall not withhold State-owned documents.

28. **Continuing Obligation**: Contractor has a continuing obligation to disclose to the Department any suspension or debarment by any government entity, including, but not limited to, the General Services Administration (GSA). Failure to disclose may constitute grounds for suspension and/or termination of the Contract and debarment from future contracts.

29. **Eligibility Status**: Contractor and each tier of subcontractors, shall certify that it is not excluded, disqualified, disbarred, or suspended from contracting with or receiving Federal funds or grants from the Federal Government. Contractor and each tier of subcontractors shall certify that it is not on the List of Parties Excluded from Federal Procurement and Nonprocurement Programs promulgated in accordance with Executive Orders 12549 and 12689, and "NonProcurement Debarment and Suspension" set forth at 2 CFR Part 376.

30. **Act 211 Taxes Clause**: In accordance with La. R.S. 39:1624(A)(10), the Louisiana Department of Revenue must determine that Contractor is current in the filing of all applicable tax returns and reports and in payment of all taxes, interest, penalties, and fees owed to the State and collected by the Louisiana Department of Revenue prior to the approval of this Contract by the Office of State Procurement. Contractor hereby attests to its current and/or prospective compliance, and agrees to provide its seven-digit LDR Account Number to the Department so that Contractor's tax payment compliance status may be verified. Contractor further acknowledges understanding that issuance of a tax clearance certificate by the Louisiana Department of Revenue is a necessary precondition to the approval and effectiveness of this Contract by the Office of State Procurement. The Department reserves the right to withdraw its consent to this Contract without penalty and proceed with alternate arrangements should Contractor fail to resolve any identified apparent outstanding tax compliance discrepancies with the Louisiana Department of Revenue within seven (7) business days of such notification.

31. **Termination for Cause:** The Department 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 Department shall give Contractor written notice specifying Contractor's failure. If within thirty (30) days after receipt of such notice, 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 Department may, at its option, place Contractor in default and the Contract shall terminate on the date specified in such notice. Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the Department to comply with the terms and conditions of this contract; provided that Contractor shall give the Department written notice specifying the Department's failure and a reasonable opportunity for the State to cure the defect.

32. **Termination for Convenience**: The Department may terminate this Contract at any time by giving thirty (30) days written notice to Contractor. Contractor shall be entitled to payment for deliverables completed in and in progress, to the extent work has been performed satisfactorily. pursuant to the Contract requirements.

33. **Confidentiality:** Contractor shall protect from unauthorized use and disclosure all information relating to the State's operations and data (e.g. financial, statistical, personal, technical, etc.) that becomes available to the Contractor in carrying out this Contract. Contractor shall use protecting measures that are the same or more effective than those used by the State. Contractor is not required to protect information or data that is publicly available outside the scope of this Contract; already rightfully in the Contractor's possession; independently developed by the Contractor outside the scope of this Contract; or rightfully obtained from third parties. Under no circumstance shall the Contractor discuss and/or release information to the media concerning this project without prior express written approval of the State.

34. **Prohibition of Discriminatory Boycotts of Israel:** In accordance with La. R.S. 39:1602.1, any Contract for $100,000 or more and for any contractor with five (5) or more employees, Contractor, and any subcontractor, shall certify it is not engaging in a boycott of Israel, and shall, for the duration of this Contract, refrain from a boycott of Israel. The State reserves the right to terminate this Contract if Contractor, or any subcontractor, engages in a boycott of Israel during the term of the contract.

35. **Cybersecurity Training:** In accordance with La. R.S. 42: 1267 (B)(3) and the State of Louisiana's Information Security Policy, if the Contractor, any of its employees, agents, or subcontractors will have access to State government information technology assets, the Contractor's employees, agents, or subcontractors with such access must complete cybersecurity training annually, and the Contractor must present evidence of such compliance annually and upon request. The Contractor may use the cybersecurity training course offered by the Louisiana Department of State Civil Service without additional cost.

    For purposes of this Section, "access to State government information technology assets" means the possession of credentials, equipment, or authorization to access the internal workings of State information technology systems or networks. Examples would include but not be limited to State-issued laptops, VPN credentials to credentials to access the State network, badging to access the State's telecommunications closets or systems, or permissions to maintain or modify IT systems used by the State. Final determination of scope inclusions or exclusions relative to access to State government information technology assets will be made by the Office of Technology Services.

36. Code of Ethics: 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.

37. Countersignature: This Contract may be executed in two or more counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same instrument.

38. No Employment Relationship: Nothing in this Contract shall be construed to create an employment or agency relationship, partnership, or joint venture between the employees, agents, or subcontractors of Contractor and the State of Louisiana.

39. Venue: Venue for any action brought with regard to this Contract shall be in the Nineteenth Judicial District Court, Parish of East Baton Rouge, State of Louisiana.

40. Commissioner's Statements: Statements, acts, and omissions made by or on behalf of the Commissioner of Administration regarding the RFP or RFP process, this contract, Contractor, and/or any subcontractor of Contractor shall not be deemed a conflict of interest when the Commissioner is discharging his duties and responsibilities under law, including, but not limited, to the Commissioner of Administration's authority in procurement matters.

41. **Order of Precedence Clause**: In the event of any inconsistent or incompatible provisions in a Contract which resulted from an RFP, this signed Contract (excluding the RFP and Contractor's proposal) shall take precedence, followed by the provisions of the RFP, and then by the terms of Contractor's proposal. *This Order of Precedence Clause applies only to contracts that resulted from an RFP.*

42. Contractor must comply with the Office of Technology Services (OTS) Information Security Policy, https://www.doa.la.gov/Pages/ots/InformationSecurity.aspx.

a. Contractor must report to the State any known breach of security no later than forty-eight (48) hours after confirmation of the event. Notify the Information Security Team ("IST") by calling the Information Security Hotline at 1-844-692-8019 and emailing the security team at infosecteam@la.gov.

b. Contractor must follow OTS Information Security Policy for Data Sanitization requirements for any equipment replaced during the Contract and at the end of the contract, for all equipment which house confidential/restricted data provided by the State.

c. Contractor must ensure appropriate protections of data is in accordance with HIPAA Rules and HITECH Acts.

d. If Contractor will have access to data originating from the Centers for Medicare and Medicaid Services (CMS), then Contractor must ensure their computer system is in compliance with CMS latest version of the Minimum Acceptable Risk Standards for Exchanges (MARS-E) Document Suite, currently MARS-E 2.0. The CMS MARS-E 2.0 requirements include but are not limited to the below listed requirements:

- Multi-factor authentication is a CMS requirement for all remote users, privileged accounts and non-privileged accounts. In this context, a "remote user" is referencing staff accessing the network from offsite, normally with a client virtual private network with the ability to access CMS data.

- Perform criminal history check for all staff prior to granting access to CMS data. All employees and contractors requiring access to Patient Protection and Affordable Care Act (PL 111-148) sensitive information must meet personnel suitability standards. These suitability standards are based on a valid need-to-know, which cannot be assumed from position or title, and favorable results from a background check. The background checks for prospective and existing employees (if not previously completed) should include, at a minimum, contacting references provided by the employee as well as the local law enforcement agency or agencies.

43. HIPAA Business Associate Provisions

If Contractor is a Business Associate of the Department, as that term is defined herein, because Contractor either: (a) creates, receives, maintains, or transmits protected health information (PHI) for or on behalf of the Department; or (b) provides legal, actuarial, accounting, consulting, data aggregation, management, administrative, accreditation, or financial services for the Department involving the disclosure of PHI, the following provisions will apply:

a. Definitions: As used in these provisions -

i. The term "HIPAA Rules" refers to the federal regulations known as the HIPAA Privacy, Security, Enforcement, and Breach Notification Rules, found at 45 CFR 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.

ii. 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 CFR §160.103.

iii. The term "security incident" has the same meaning as set forth in 45 CFR §164.304.

iv. The terms "breach" and "unsecured protected health information" ("unsecured PHI") have the same meaning as set forth in 45 CFR §164.402.

b. 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 as required by the HIPAA Rules and by this Contract.

c. Contractor shall use or disclose PHI solely: (a) for meeting its obligations under the contract; or (b) as required by law, rule, regulation (including the HIPAA Rules), or as otherwise required or permitted by this Contract.

d. Contractor shall implement and utilize all reasonable and appropriate safeguards to prevent any use or disclosure of PHI not required or permitted by this Contract, 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 the Department.

e. In accordance with 45 CFR §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.

f. Contractor shall, within ~~three (3)~~ ten (10) business days of becoming aware of any use or disclosure of PHI, other than as permitted by this Contract, report such disclosure in writing to the person(s) named in Terms of Payment on page 1 of this document. Disclosures which must be reported by Contractor include, but are not limited to, any successful 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 the Department, any harm or damage resulting from any verifiable use or disclosure of protected health information which violates this Contract shall be mitigated, to the extent practicable, either: (a) by Contractor at its own expense; or (b) by the Department, in which case Contractor shall reimburse the Department for all expenses that the Department is required to incur in undertaking such mitigation activities.

Commented [SM3]: The timeframes are also not required by HIPAA. HIPAA only requires reporting breaches within the timeframe specified in 45 CFR 164.410, which is "without unreasonable delay and no later than sixty days after discovery."

g. To the extent that Contractor is to carry out one or more of the Department's obligations under 45 CFR Part 164, Subpart E, Contractor shall comply with the requirements of Subpart E that apply to the Department in the performance of such obligation(s).

h. Contractor shall make available such information in its possession which is required for the Department 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 the Department 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, unless otherwise provided under HIPAA Regulations.

Commented [SM4]: All that is required for the BAA is to include language that the BA will: Make available the information required to provide an accounting of disclosures in accordance with §164.528

i. Contractor shall make PHI available to the Department upon request in accordance with 45 CFR §164.524.

j. Contractor shall make PHI available to the Department upon request for amendment and shall incorporate any amendments to PHI in accordance with 45 CFR §164.526.

k. 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 the Department available to the Secretary of the DHHS for purposes of determining the Department's compliance with the HIPAA Rules.

~~l. Contractor shall indemnify and hold the Department harmless from and against any and all liabilities, claims for damages, costs, expenses and attorneys' fees resulting from any violation of this provision 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.~~

Commented [SM5]: HIPAA does not require this clause and indemnification is covered in another section of the Contract.

~~m.~~l. The parties agree that the legal relationship between the Department and Contractor is strictly an independent contractor relationship. Nothing in this Contract shall be deemed to create a joint venture, agency, partnership, or employer- employee relationship between the Department and Contractor.

~~n. Notwithstanding any other provision of the contract, the Department shall have the right to terminate the Contract immediately if the Department determines that Contractor has violated any provision of the HIPAA Rules or any material term of this contract.~~

Commented [SM6]: HIPAA does not require this clause and termination is covered in another section of the Contract.

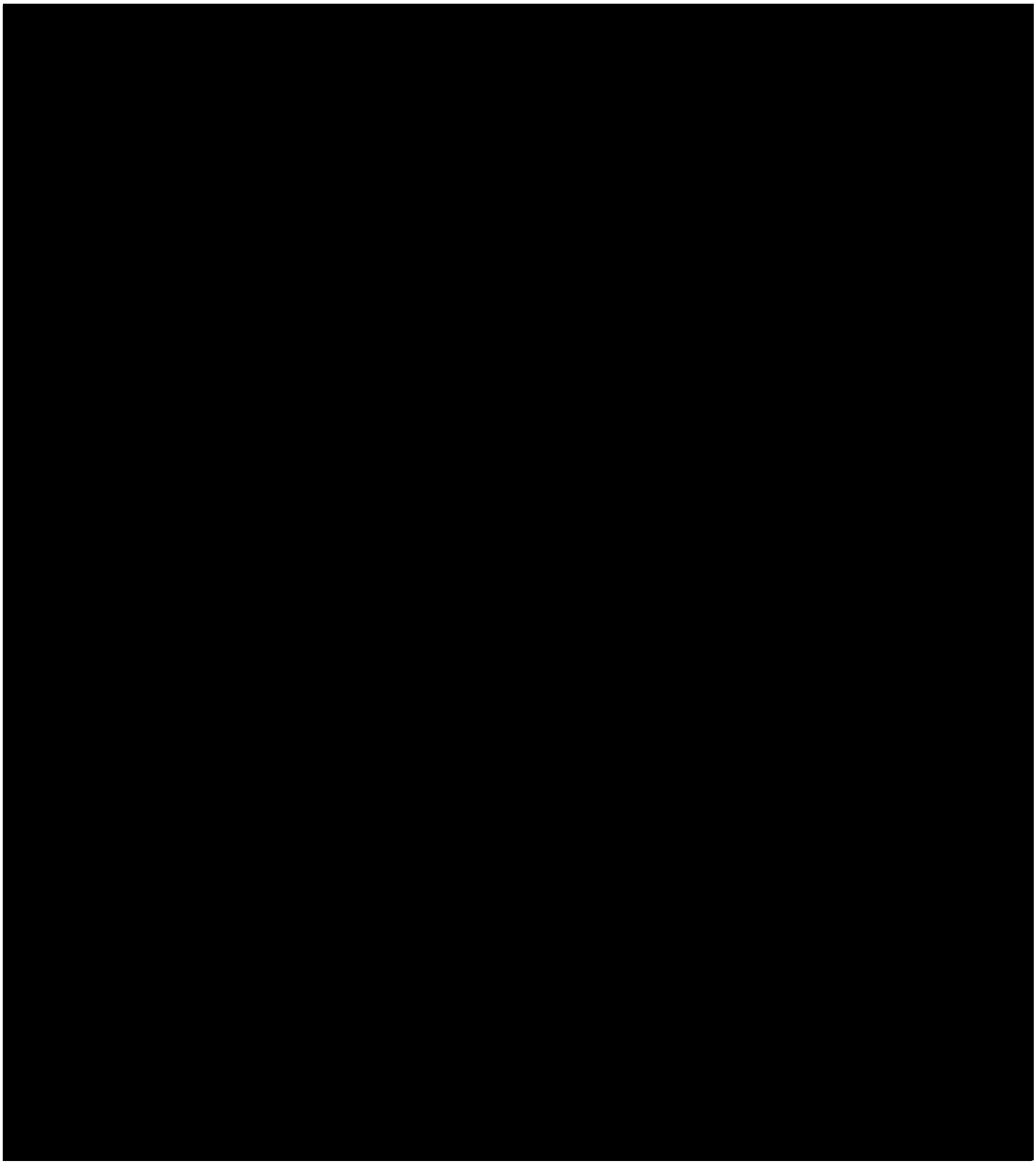
~~o.~~m. At the termination of the contract, or upon request of the Department, whichever occurs first, Contractor shall return or destroy (at the option of the Department) all PHI received or created by Contractor that Contractor still maintains in any form and retain no copies of such information; 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.

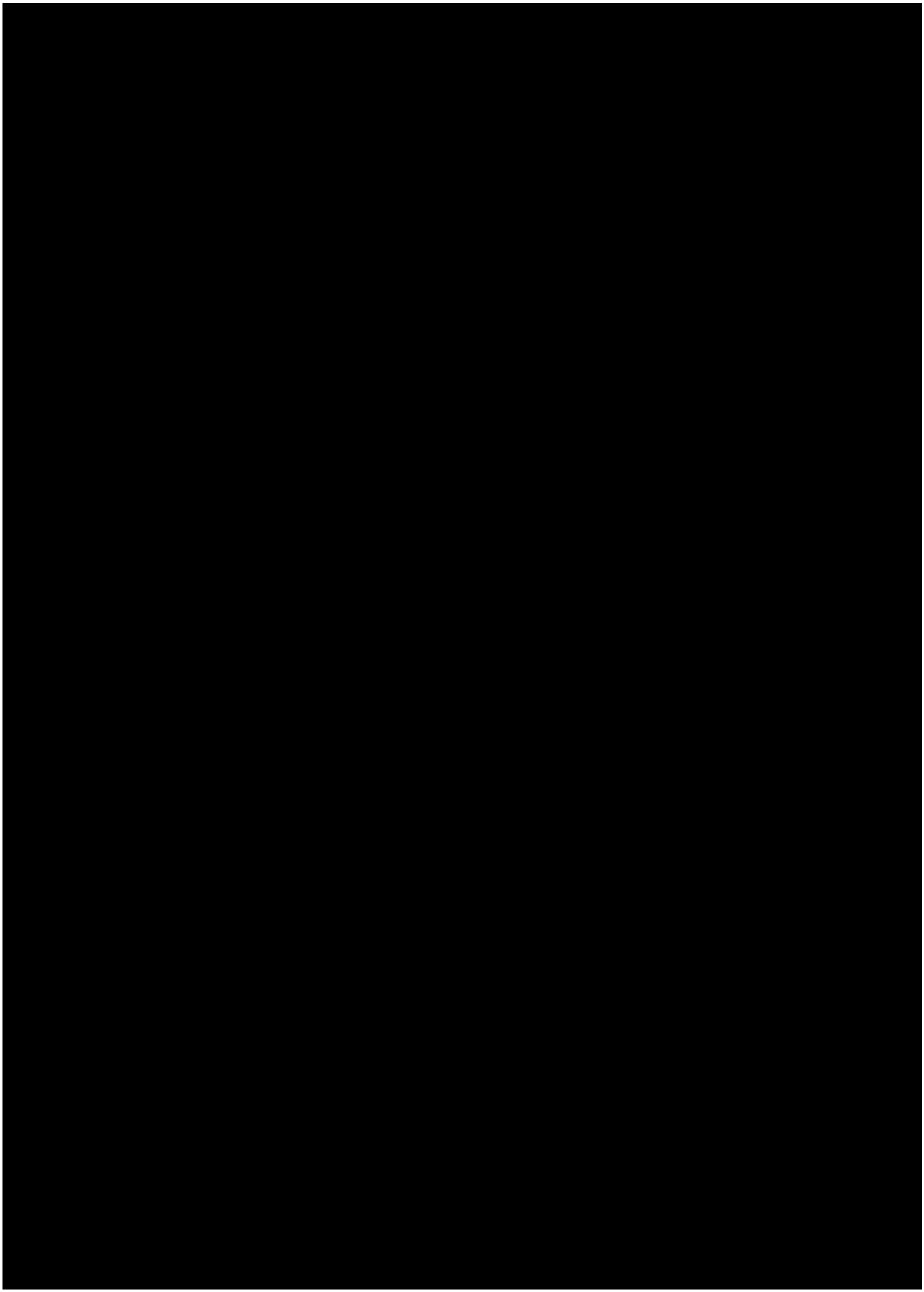
SIGNATURES TO FOLLOW ON THE NEXTPAGE

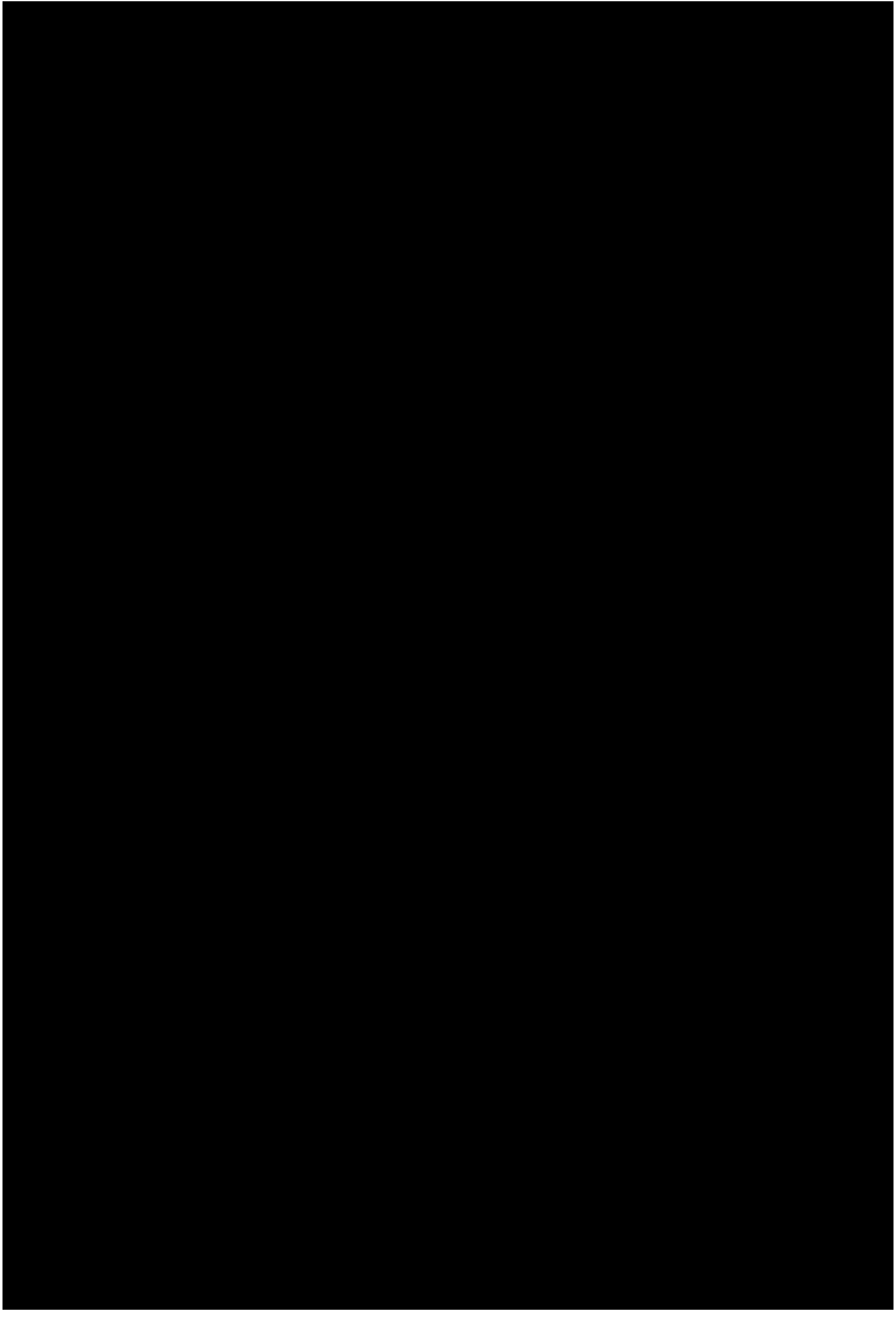
THIS CONTRACT CONTAINS OR HAS ATTACHED HERETO ALL THE TERMS AND CONDITIONS AGREED UPON BY THE CONTRACTING PARTIES. IN WITNESS THEREOF, THIS CONTRACT IS SIGNED ON THE DATE INDICATED BELOW.

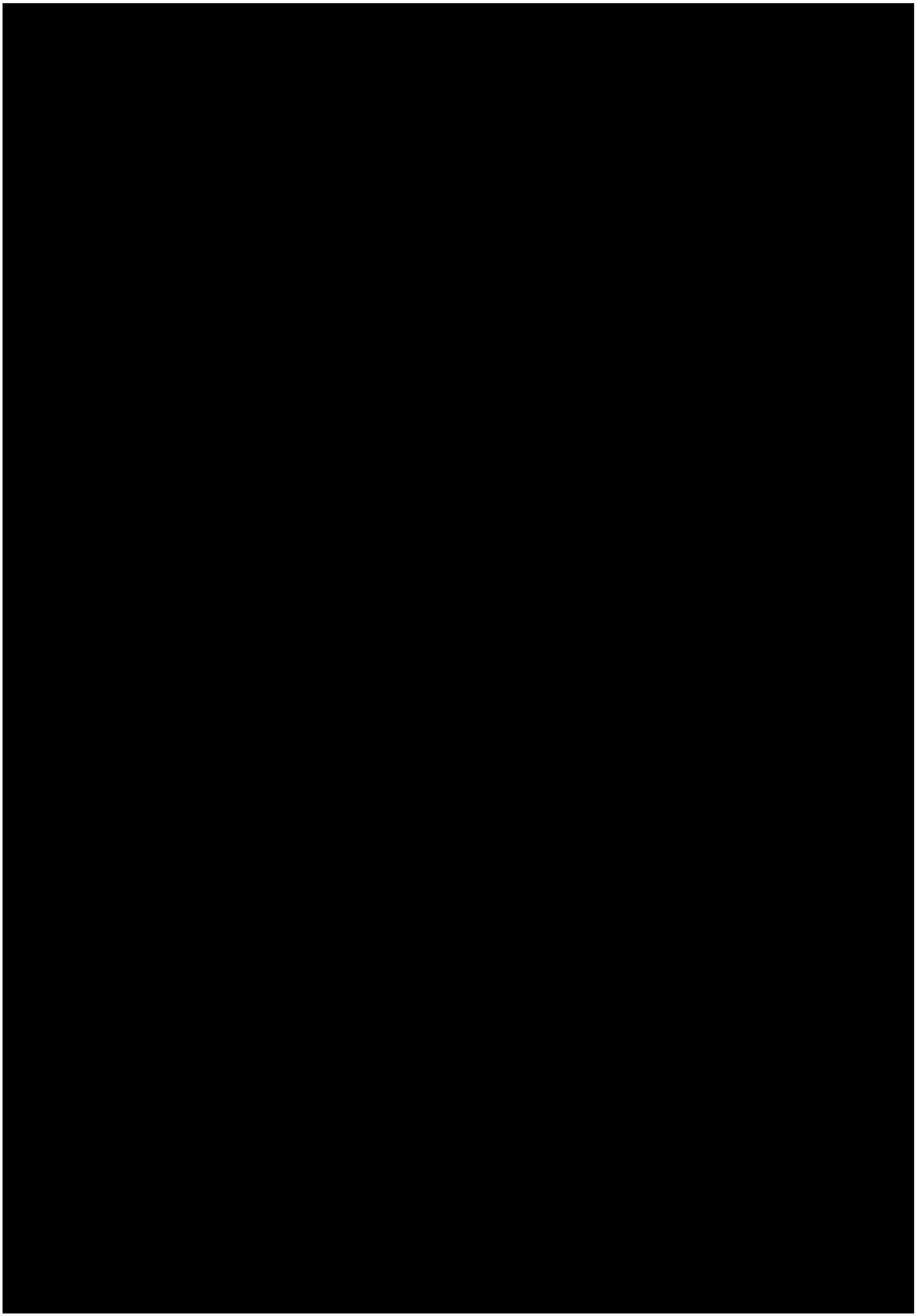
CONTRACTOR	STATE OF LOUISIANA, LOUISIANA DEPARTMENT OF HEALTH
SIGNATURE / DATE	SIGNATURE / DATE
NAME	NAME
TITLE	TITLE: Secretary, Louisiana Department of Health or Designee
SIGNATURE / DATE	SIGNATURE / DATE
NAME	NAME
TITLE	TITLE

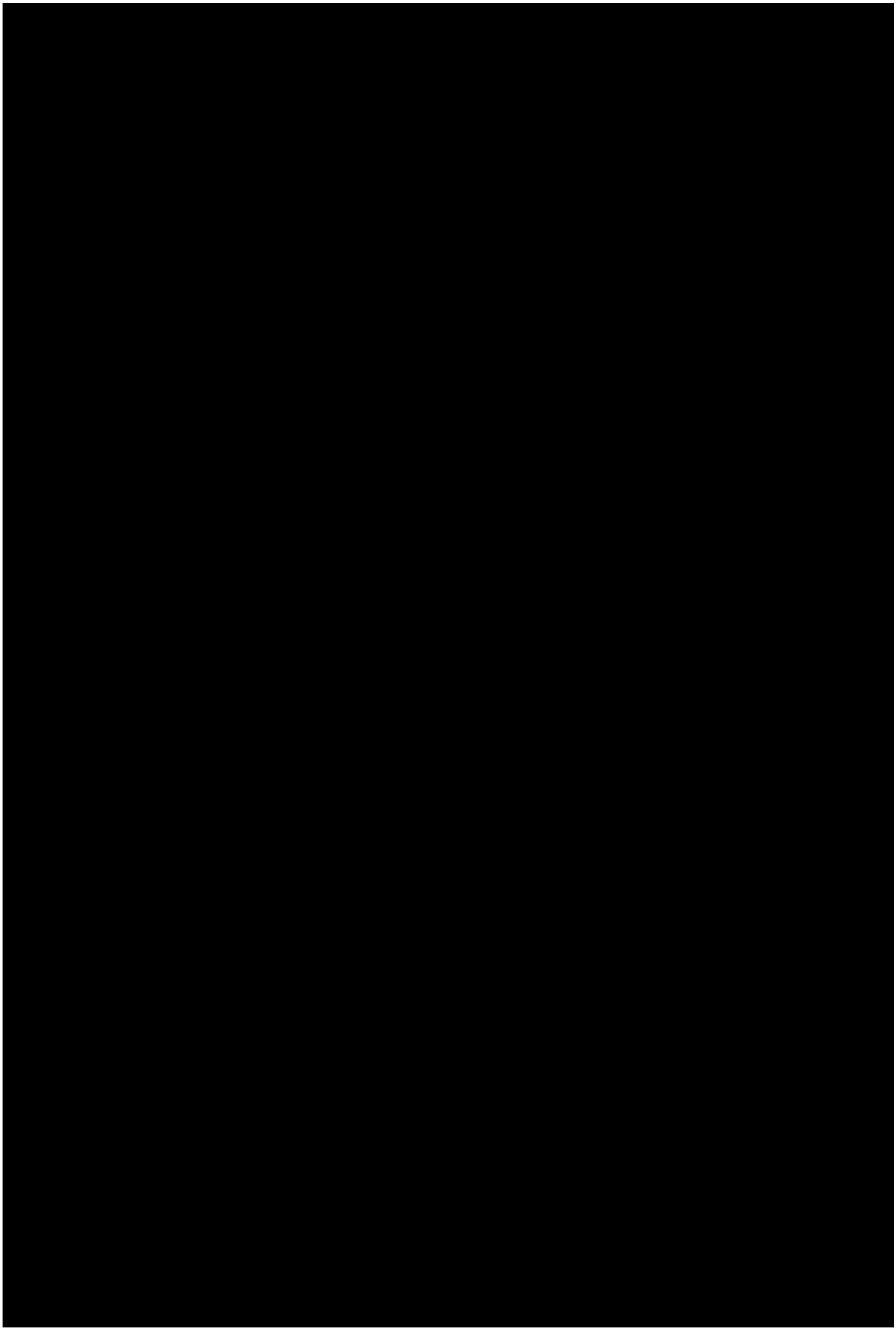
APPENDIX B: AUDITED FINANCIAL STATEMENTS

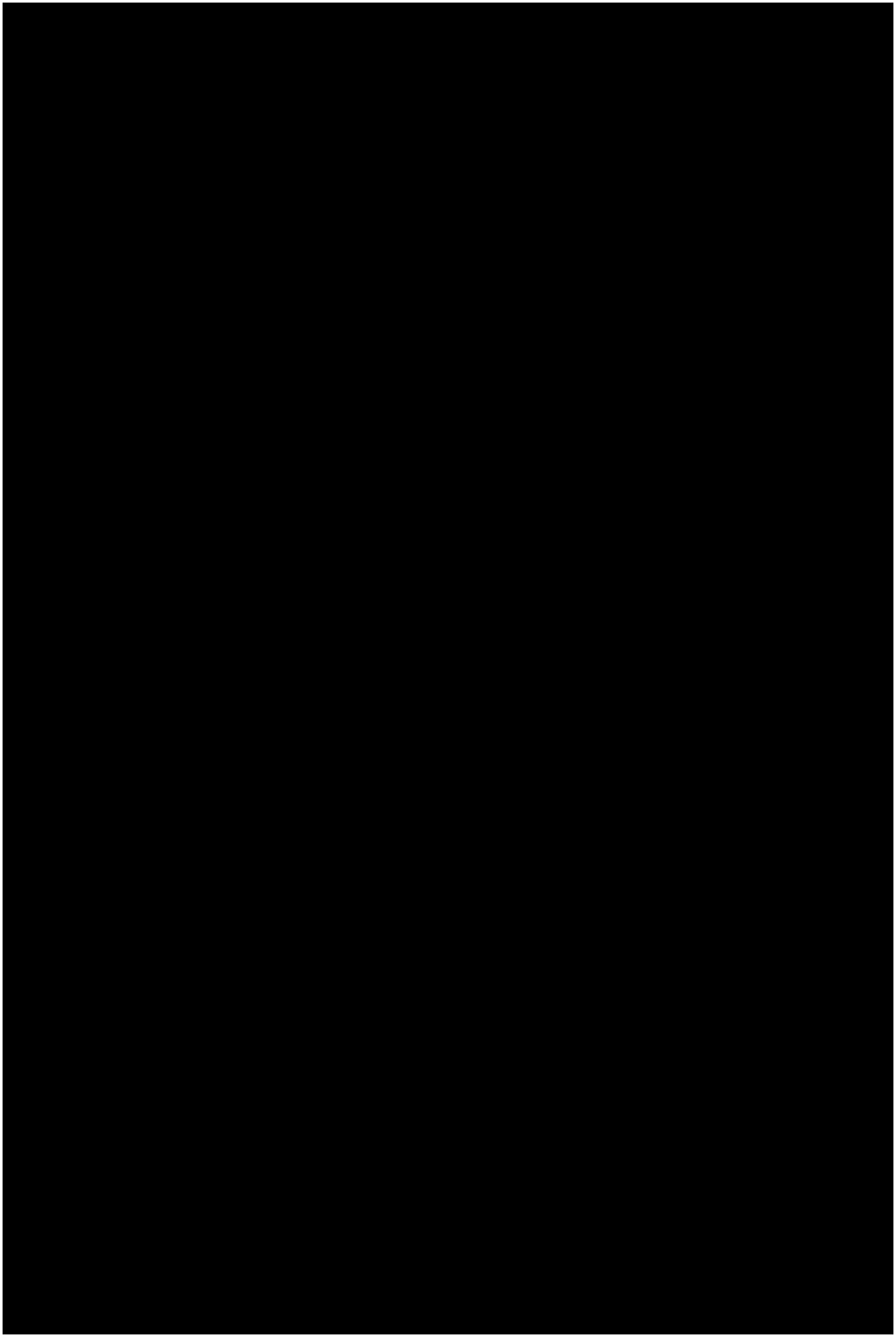


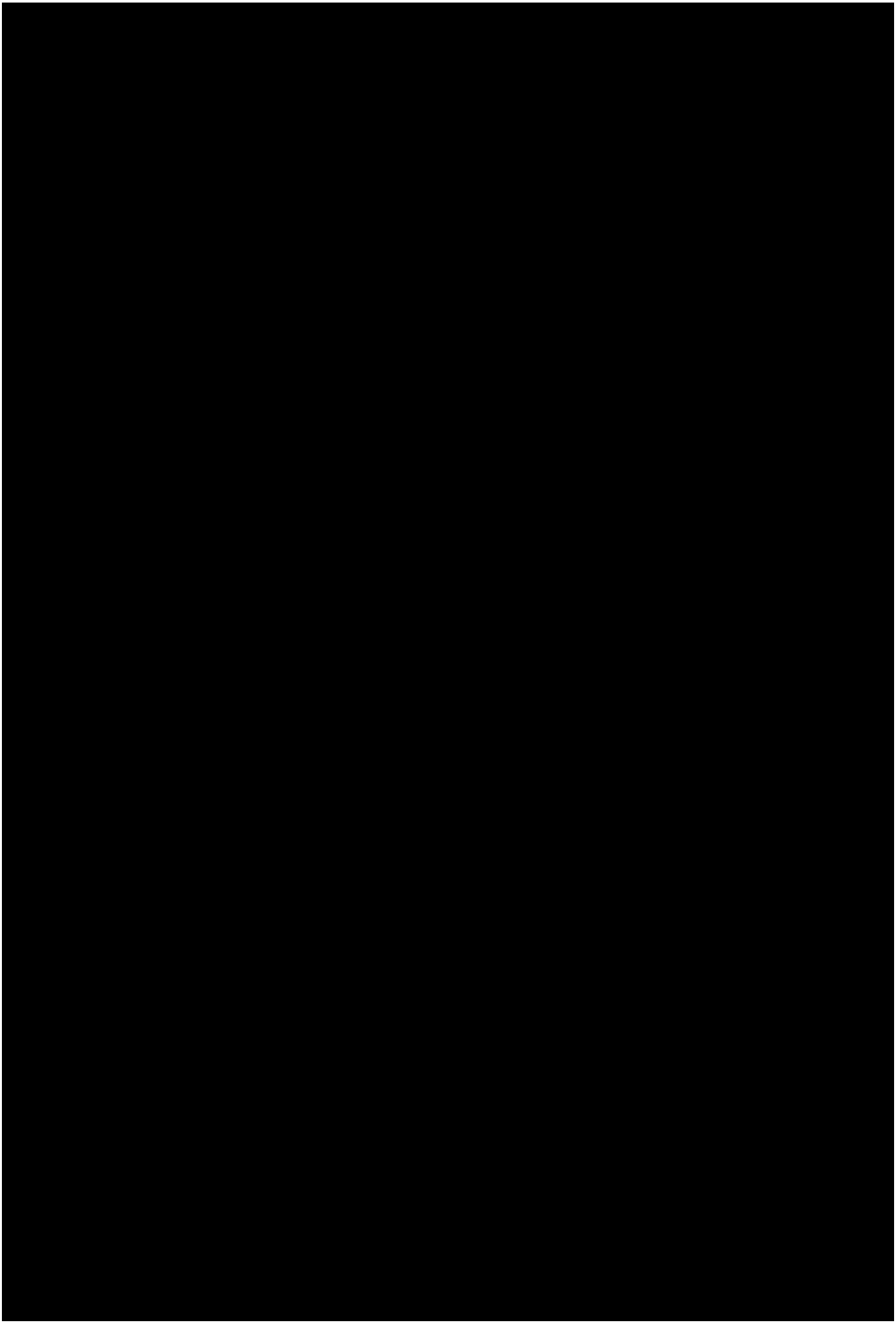


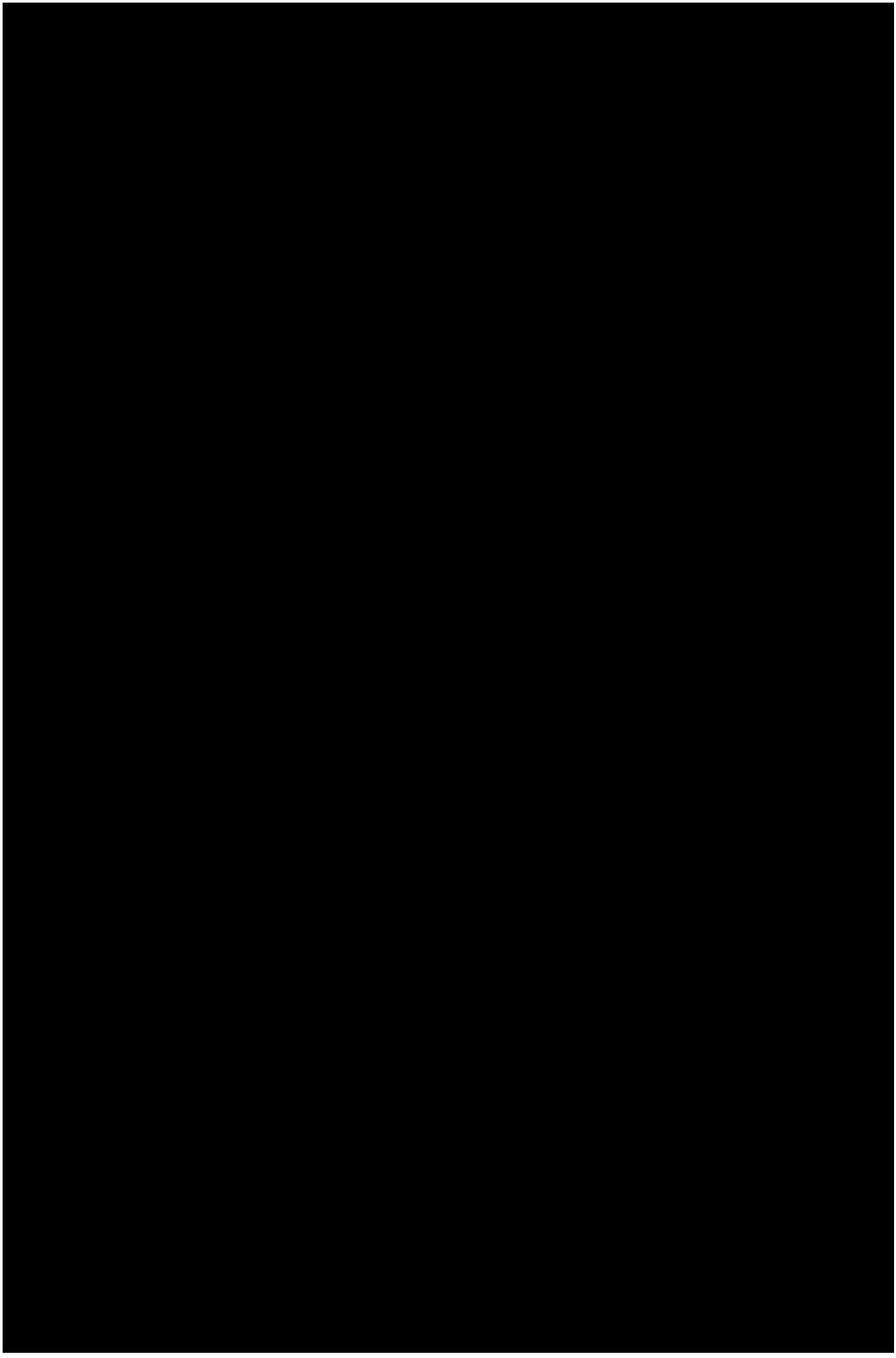


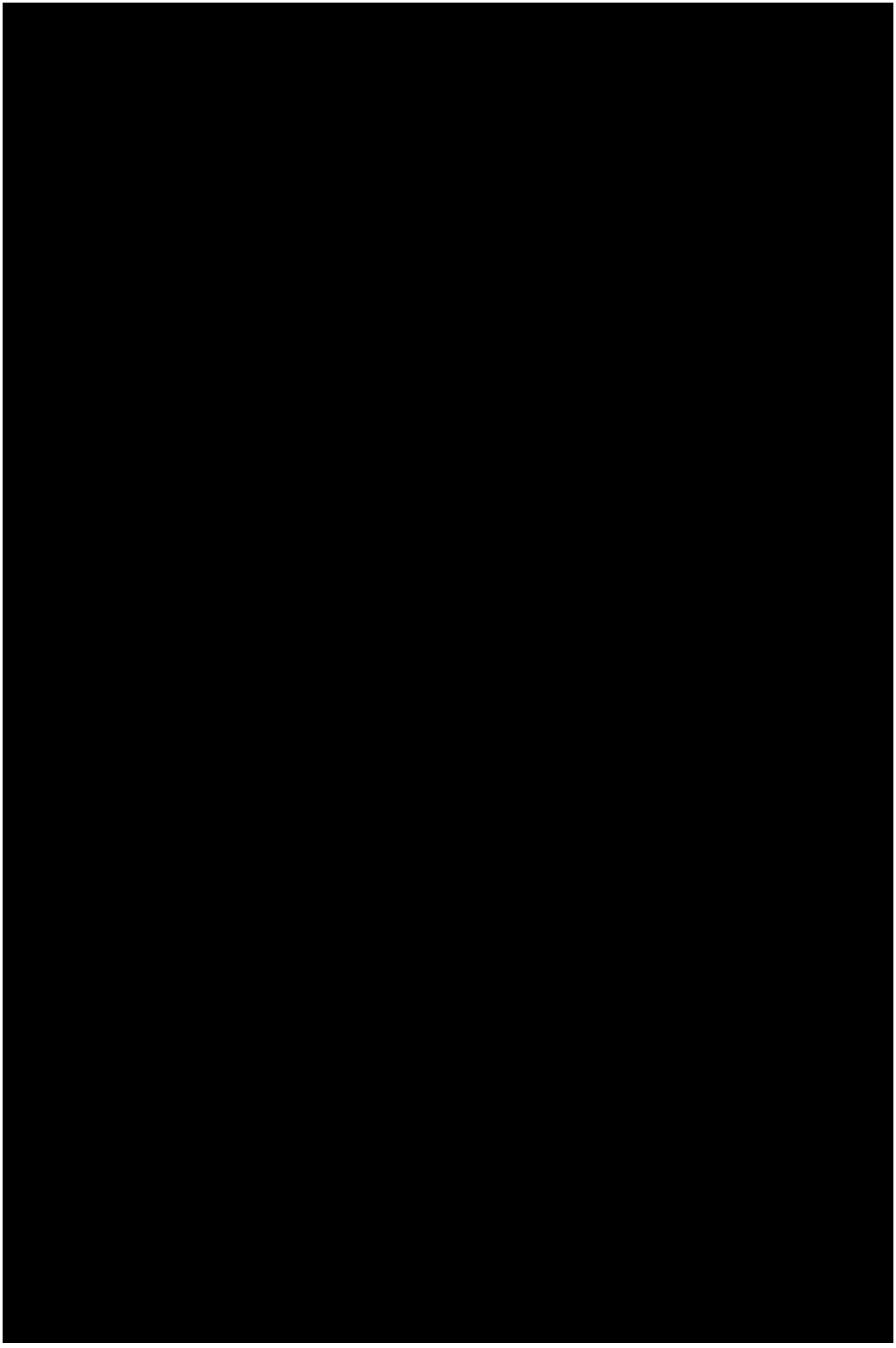


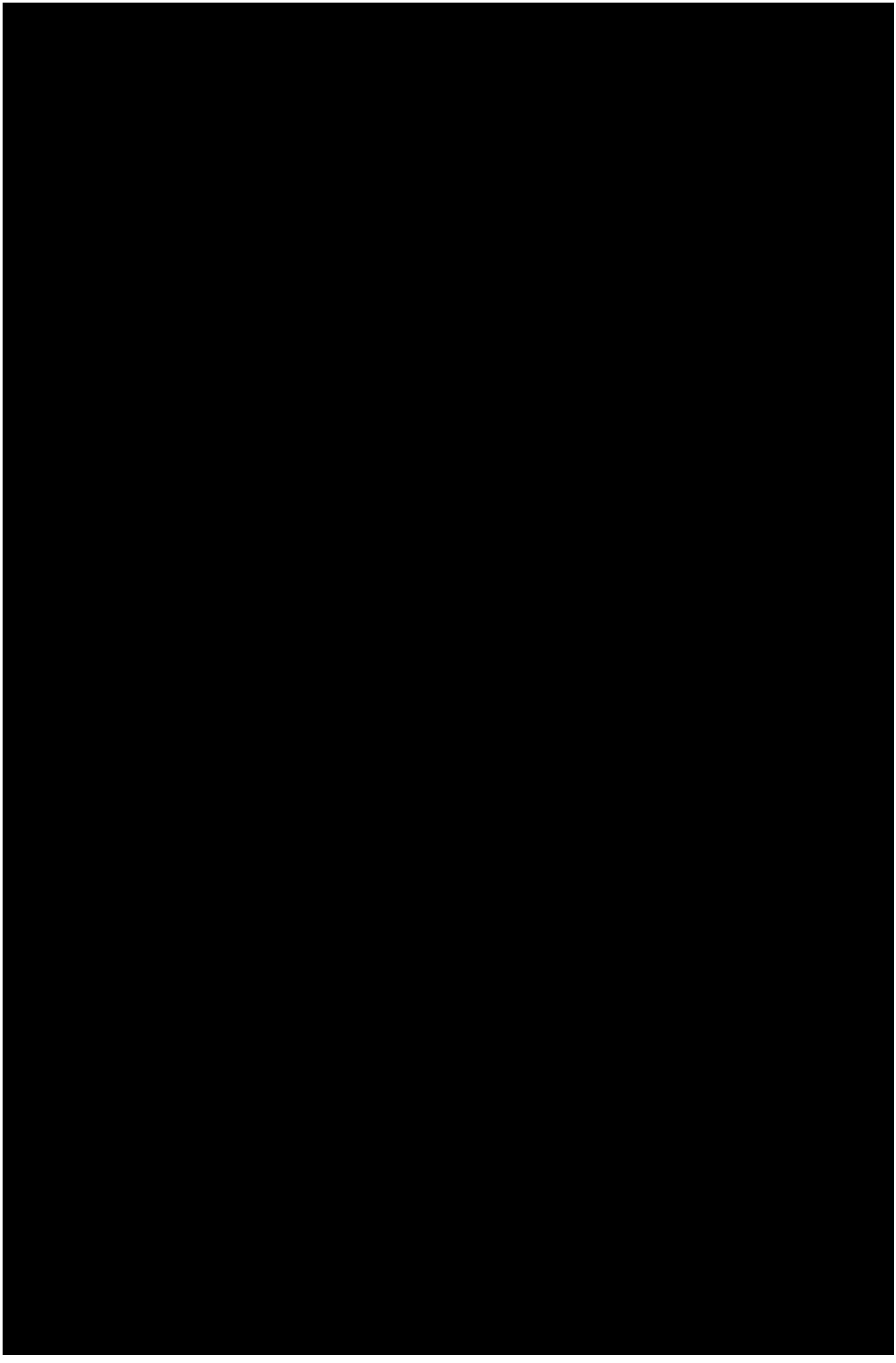


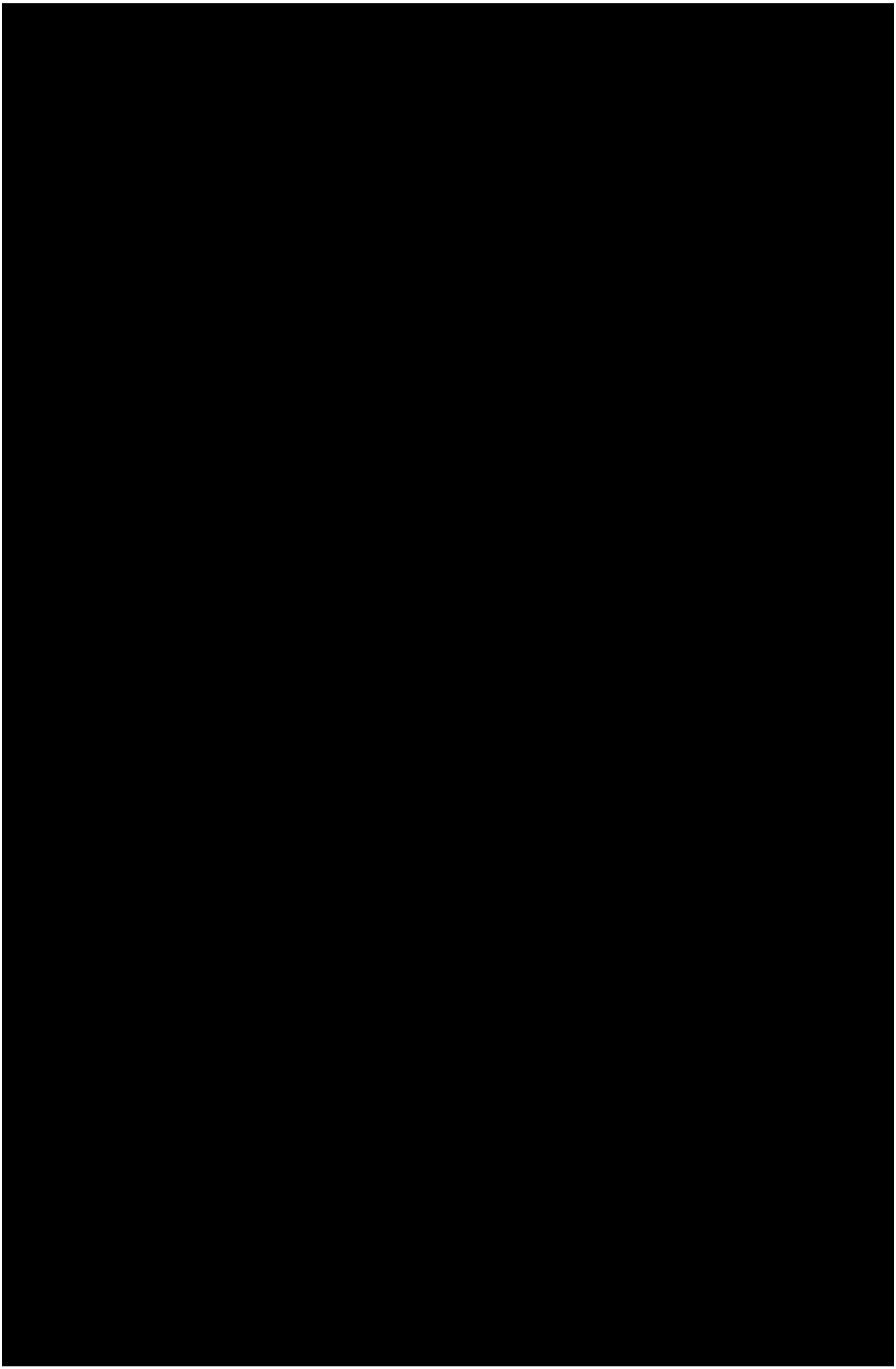


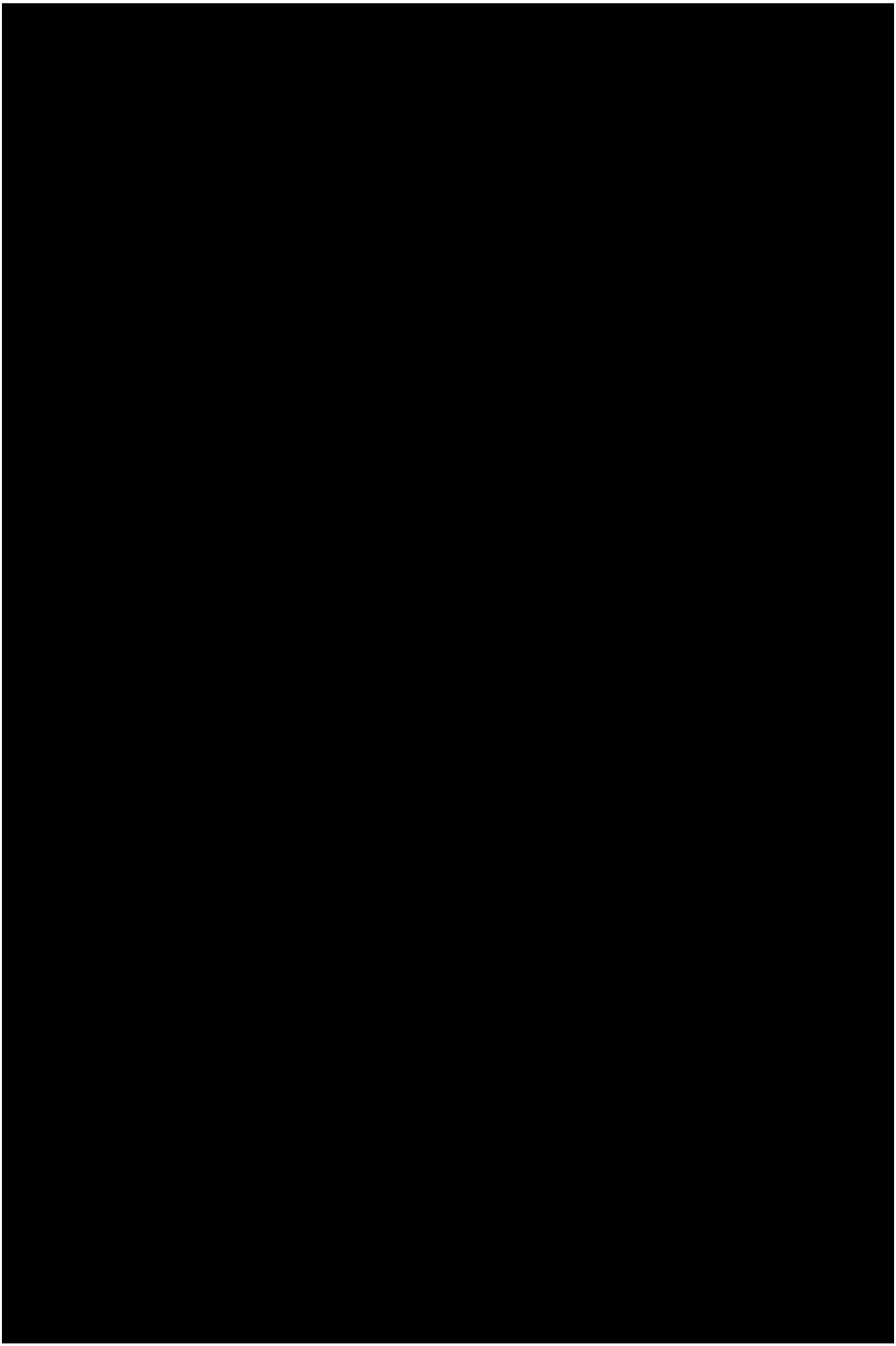


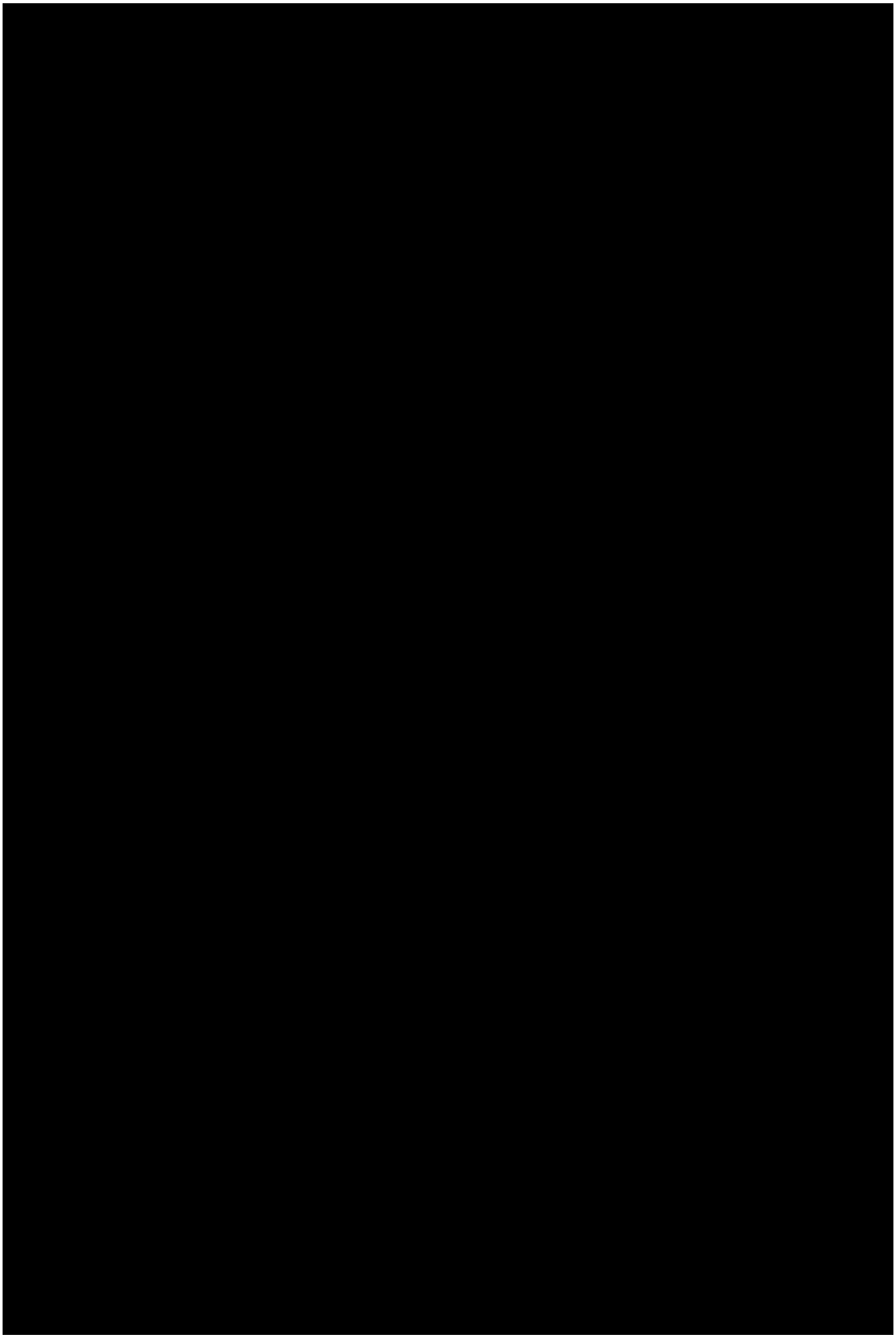


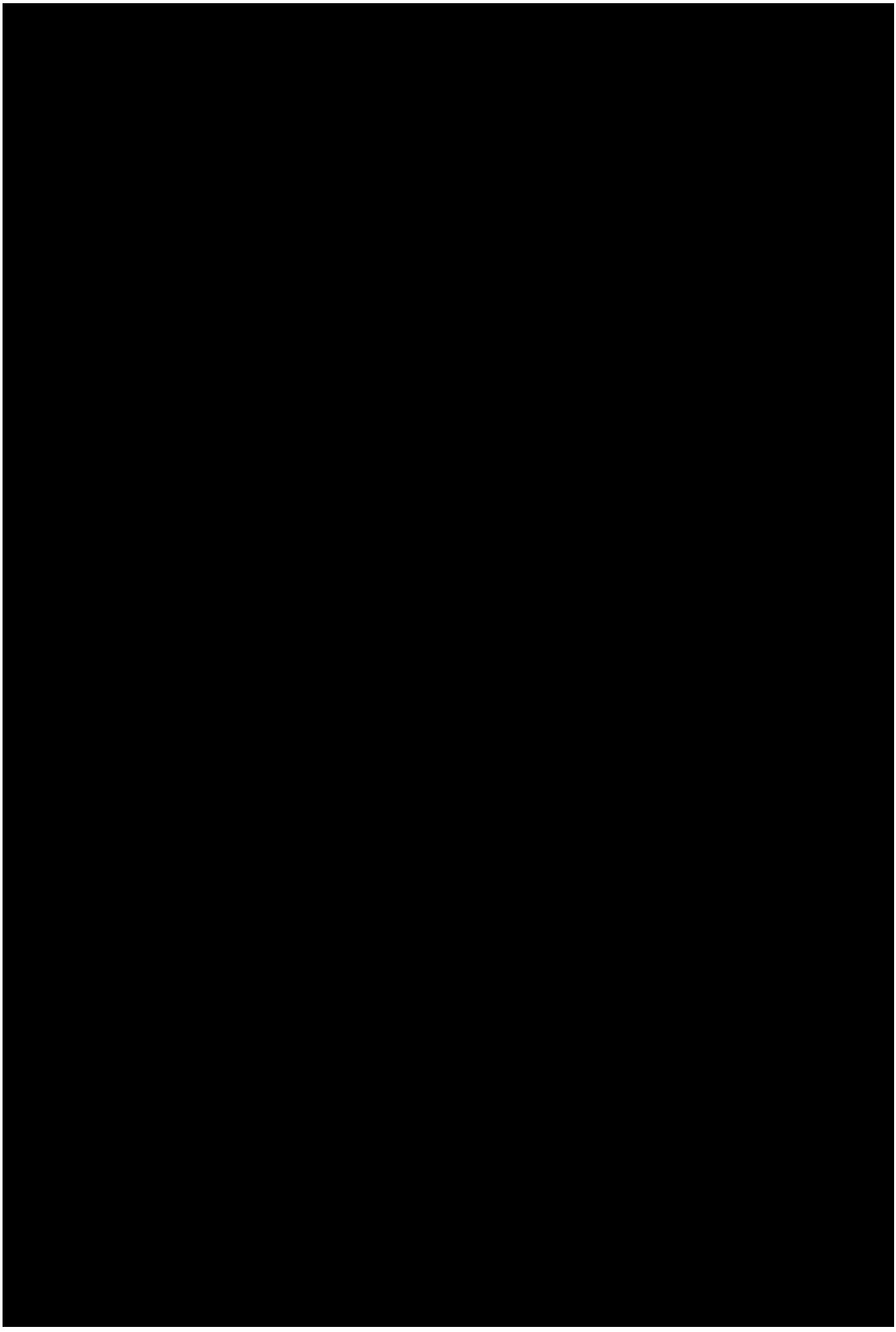


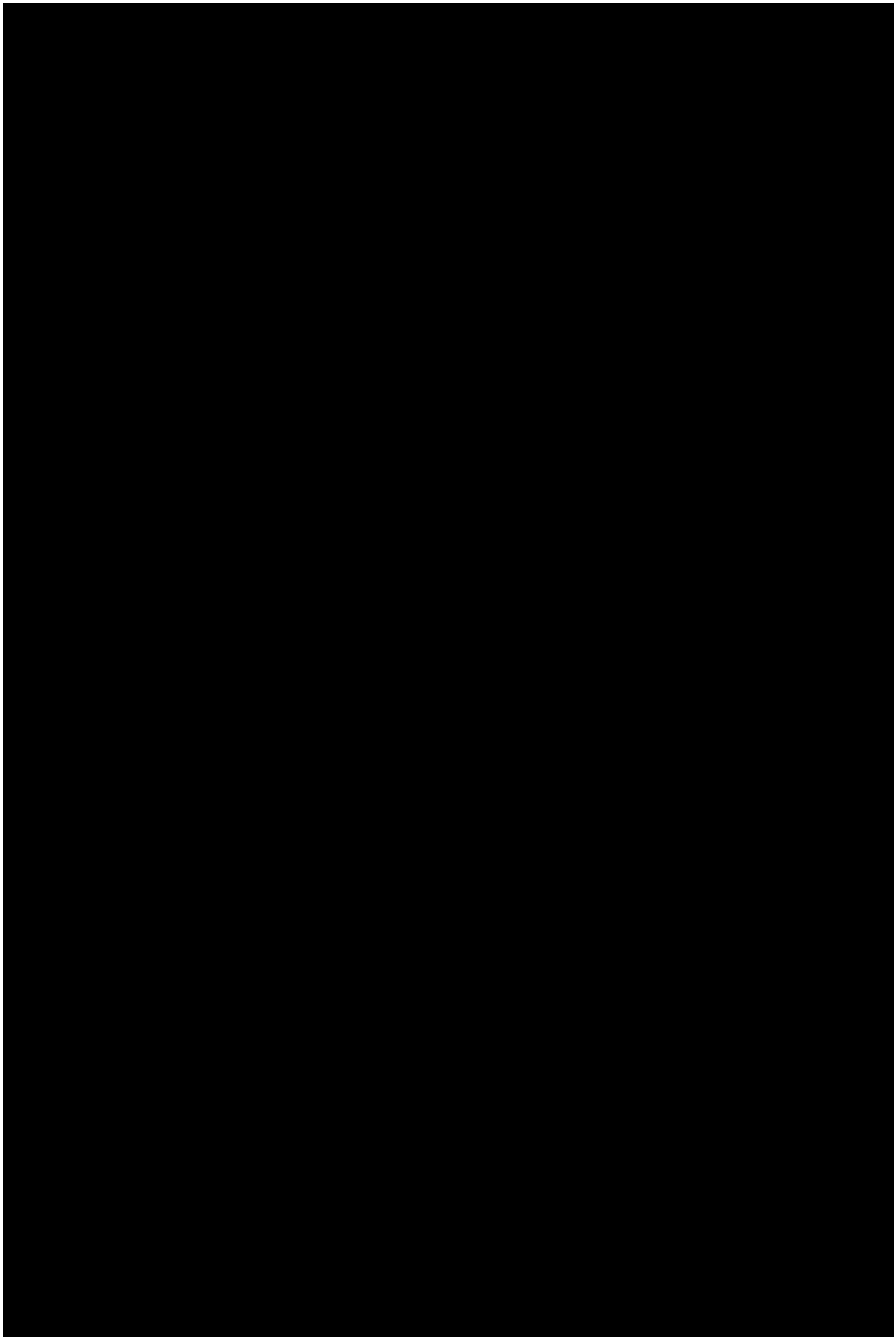


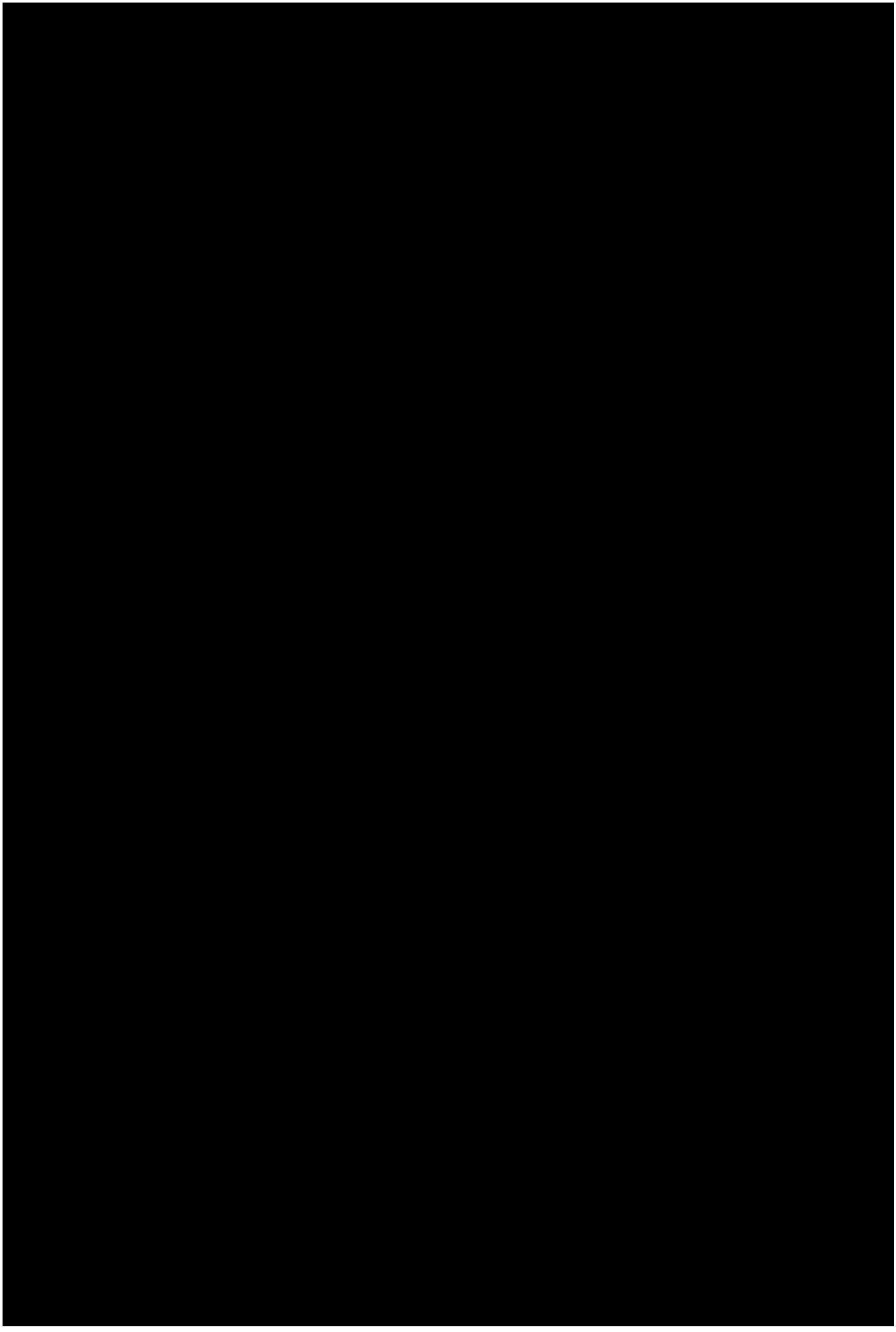


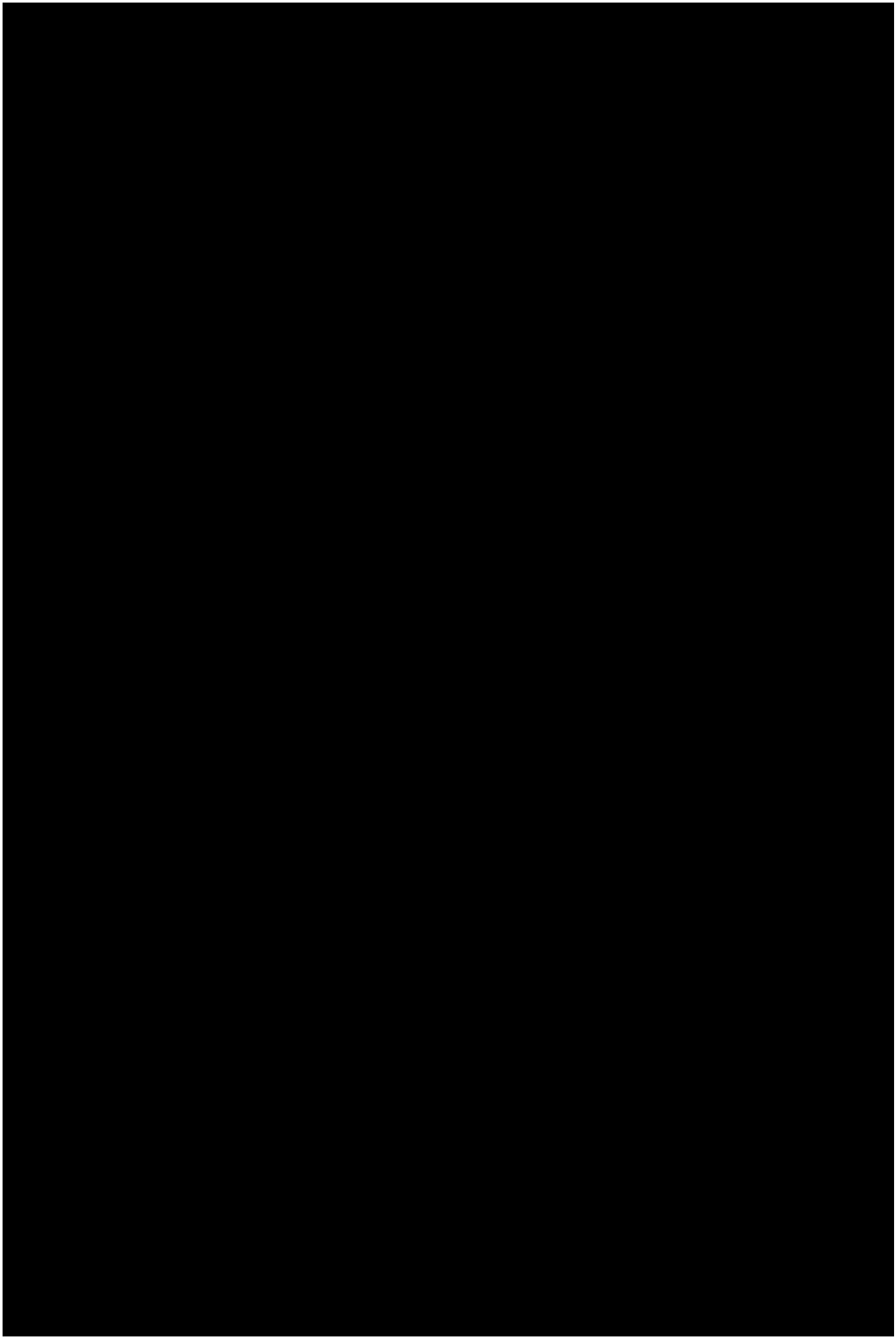


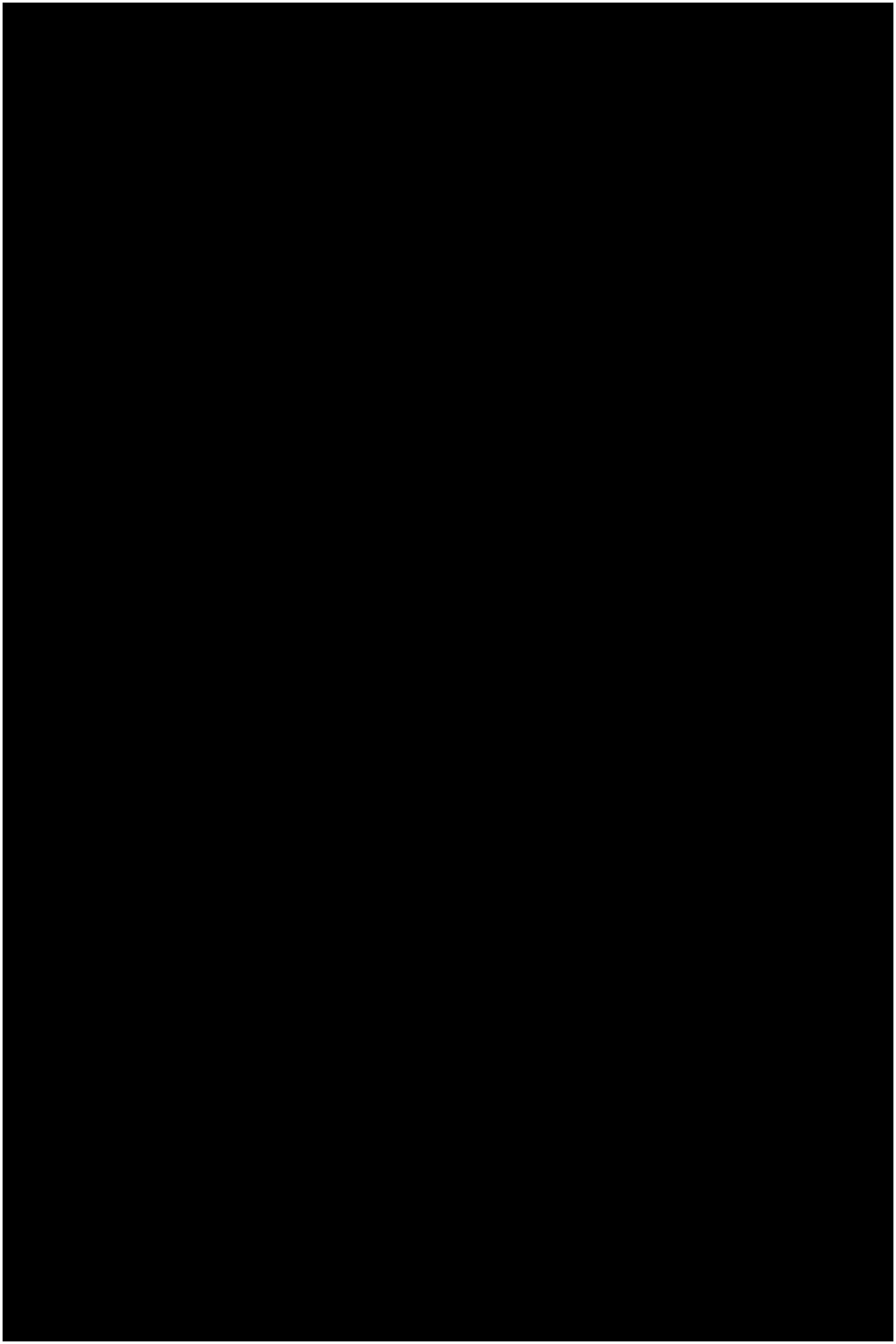


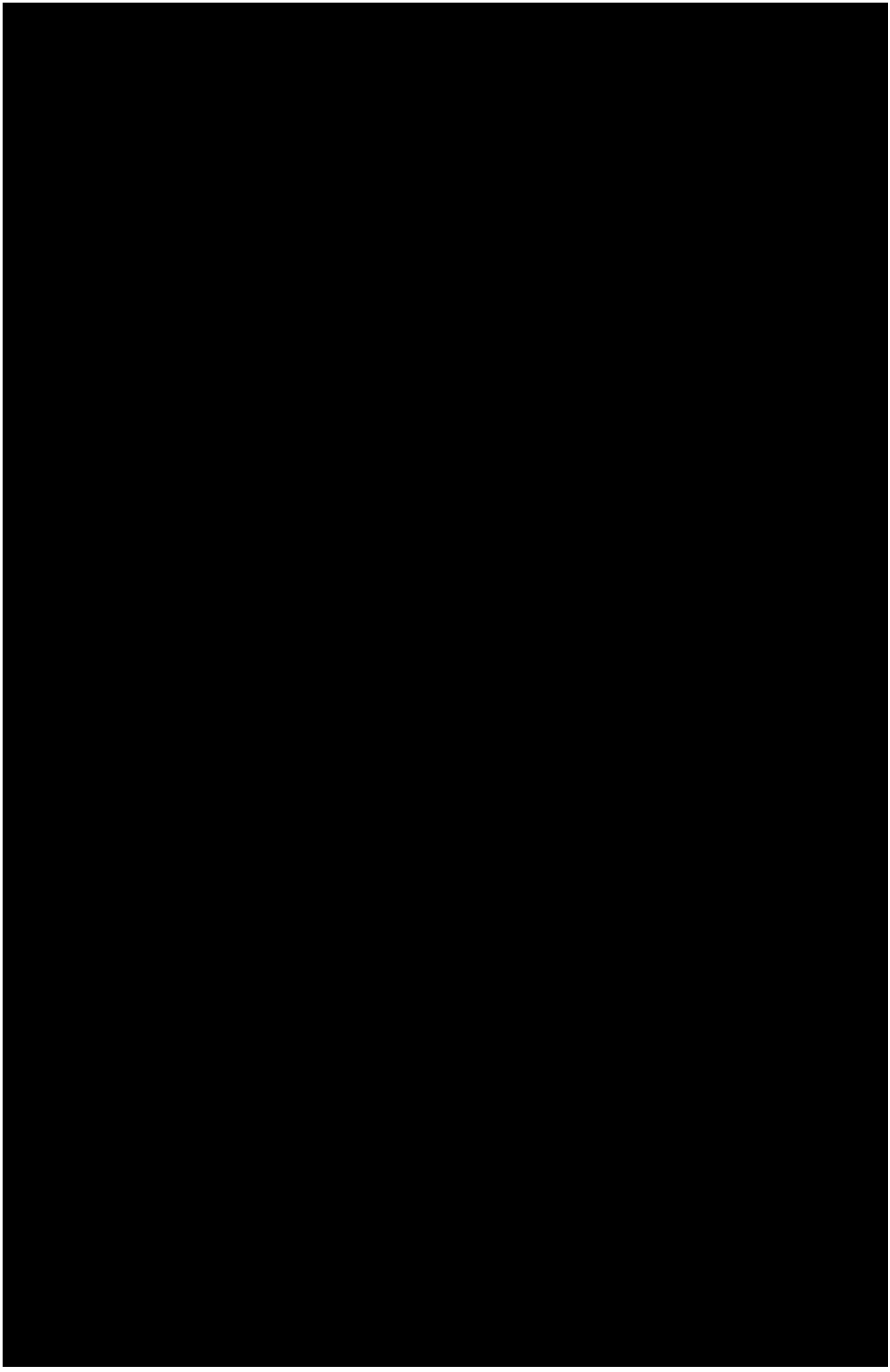


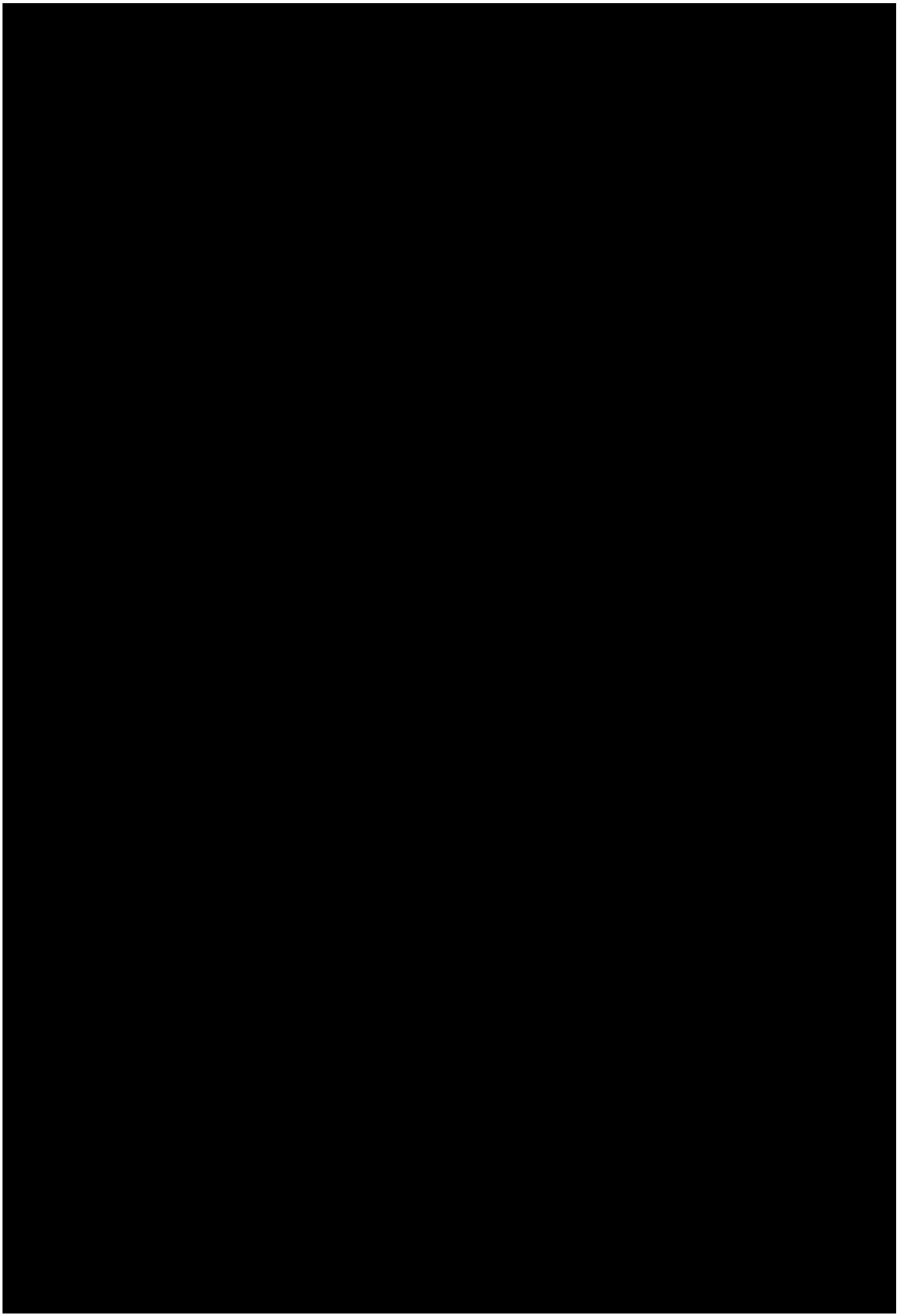


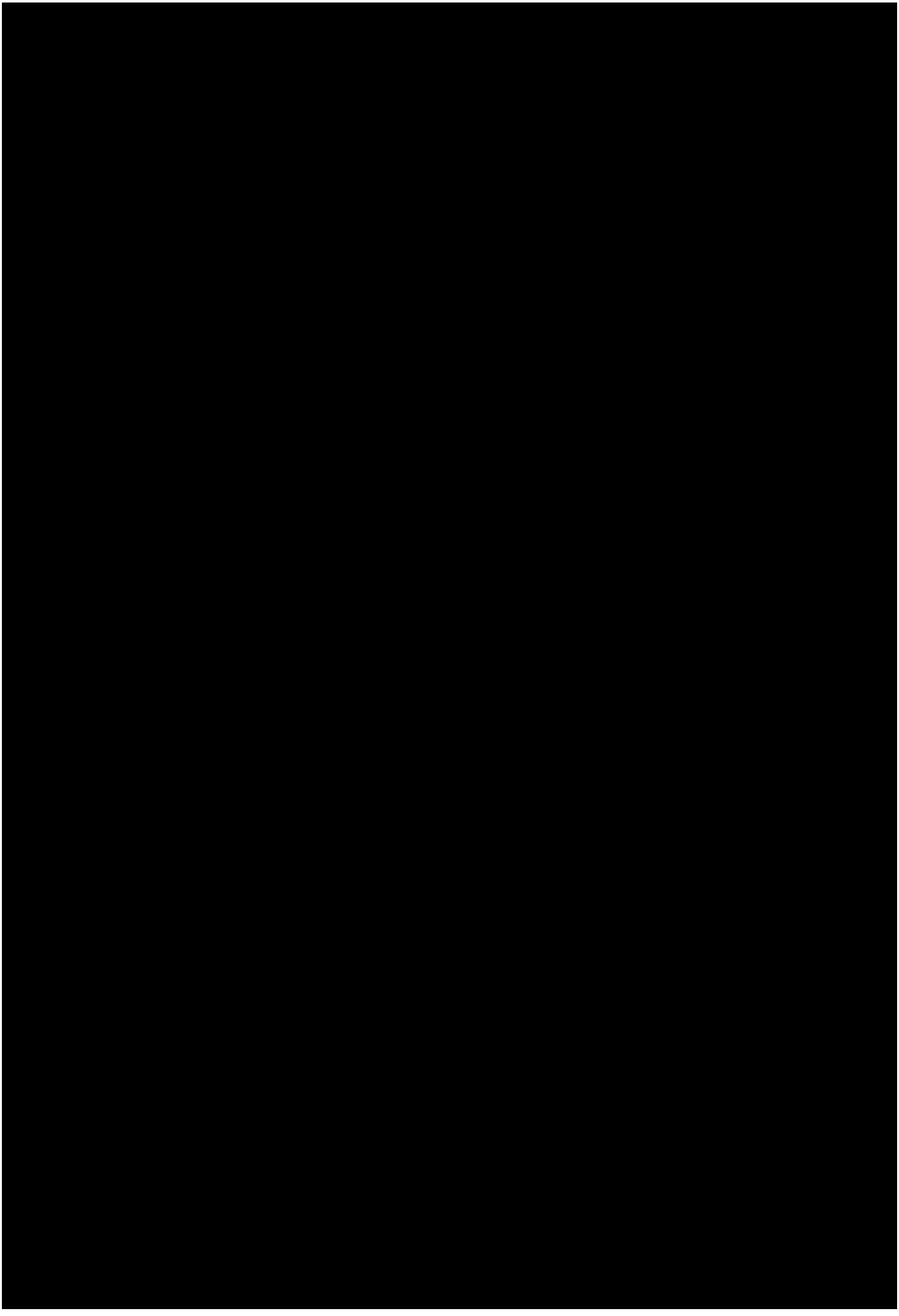


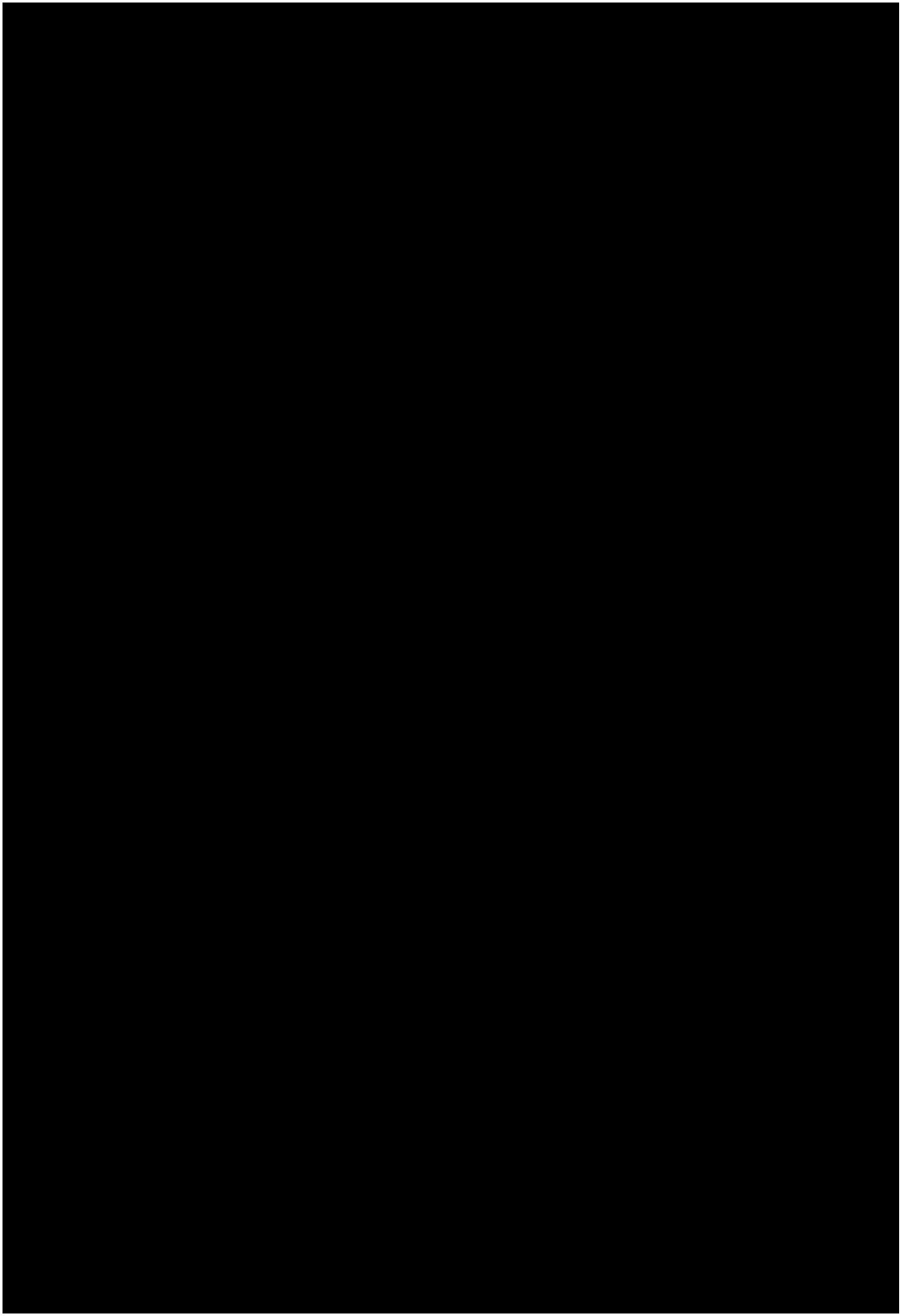


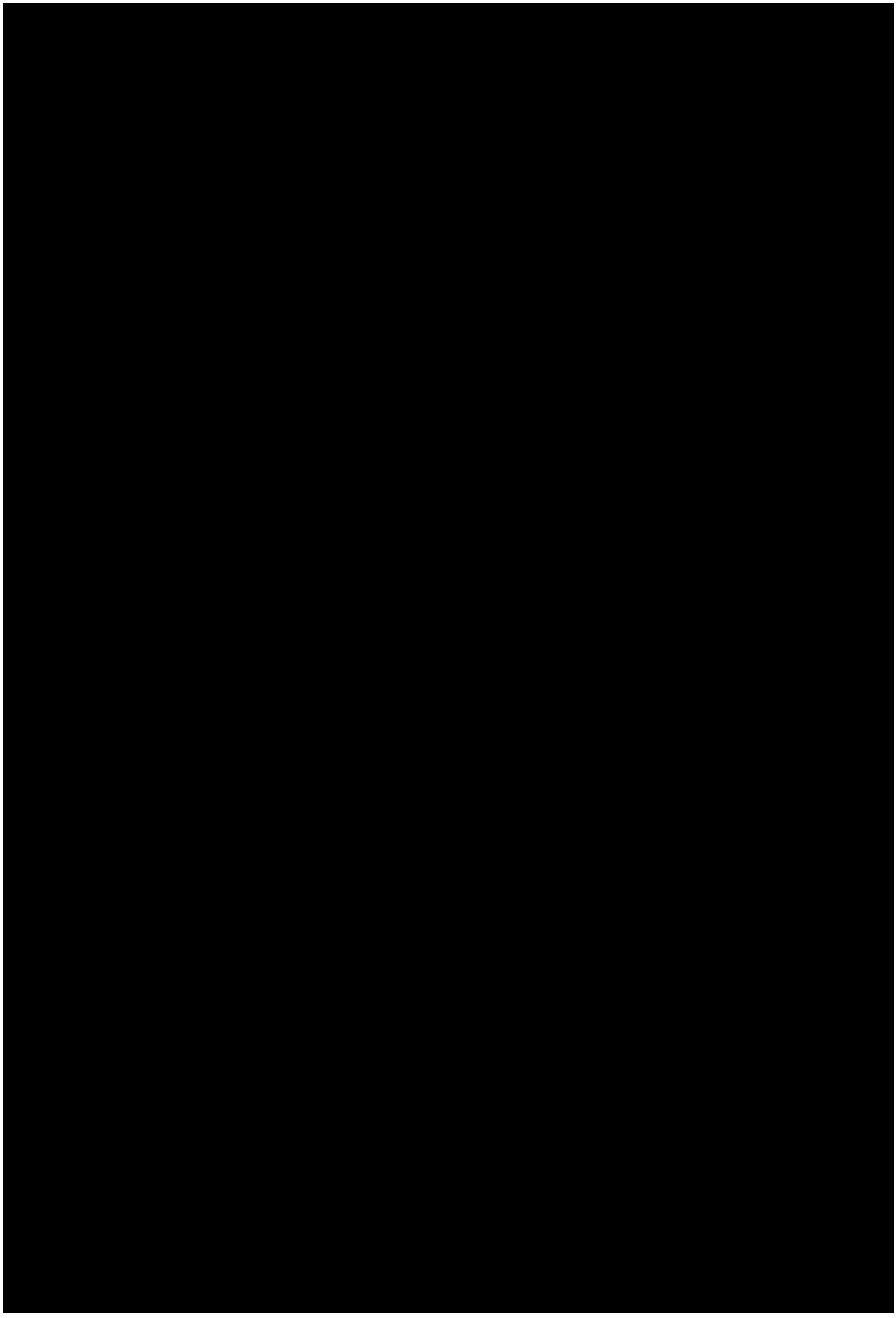


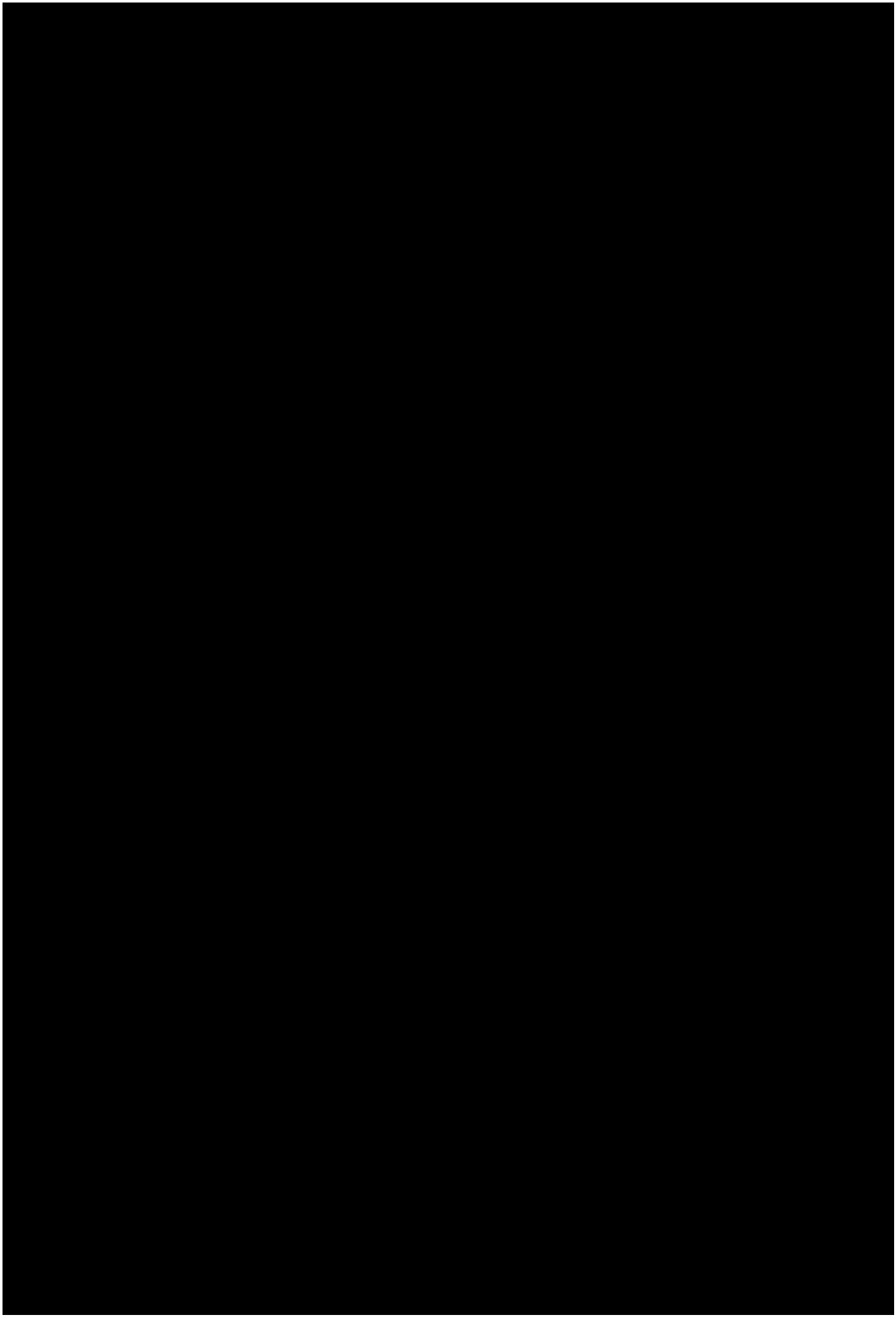


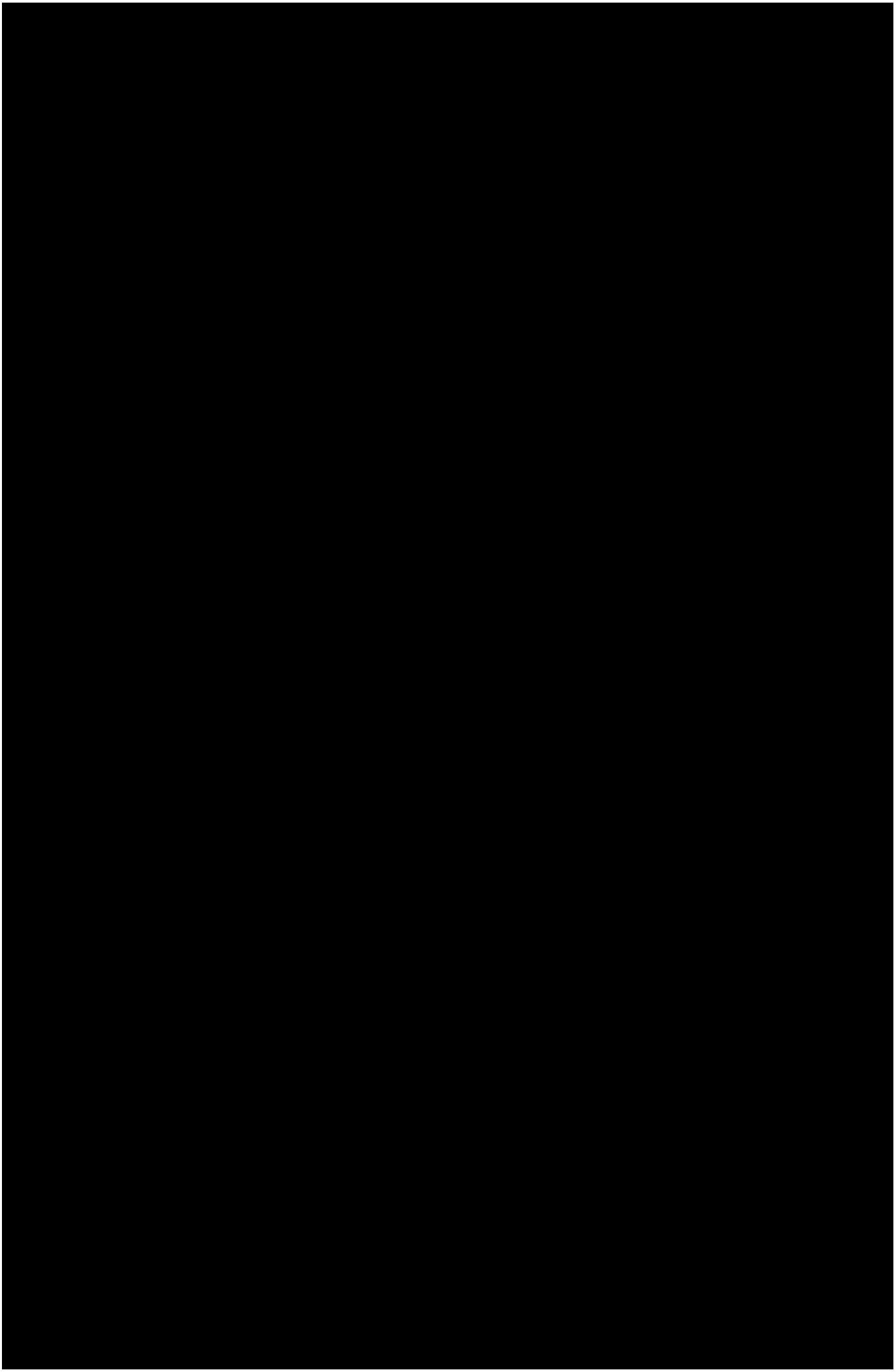


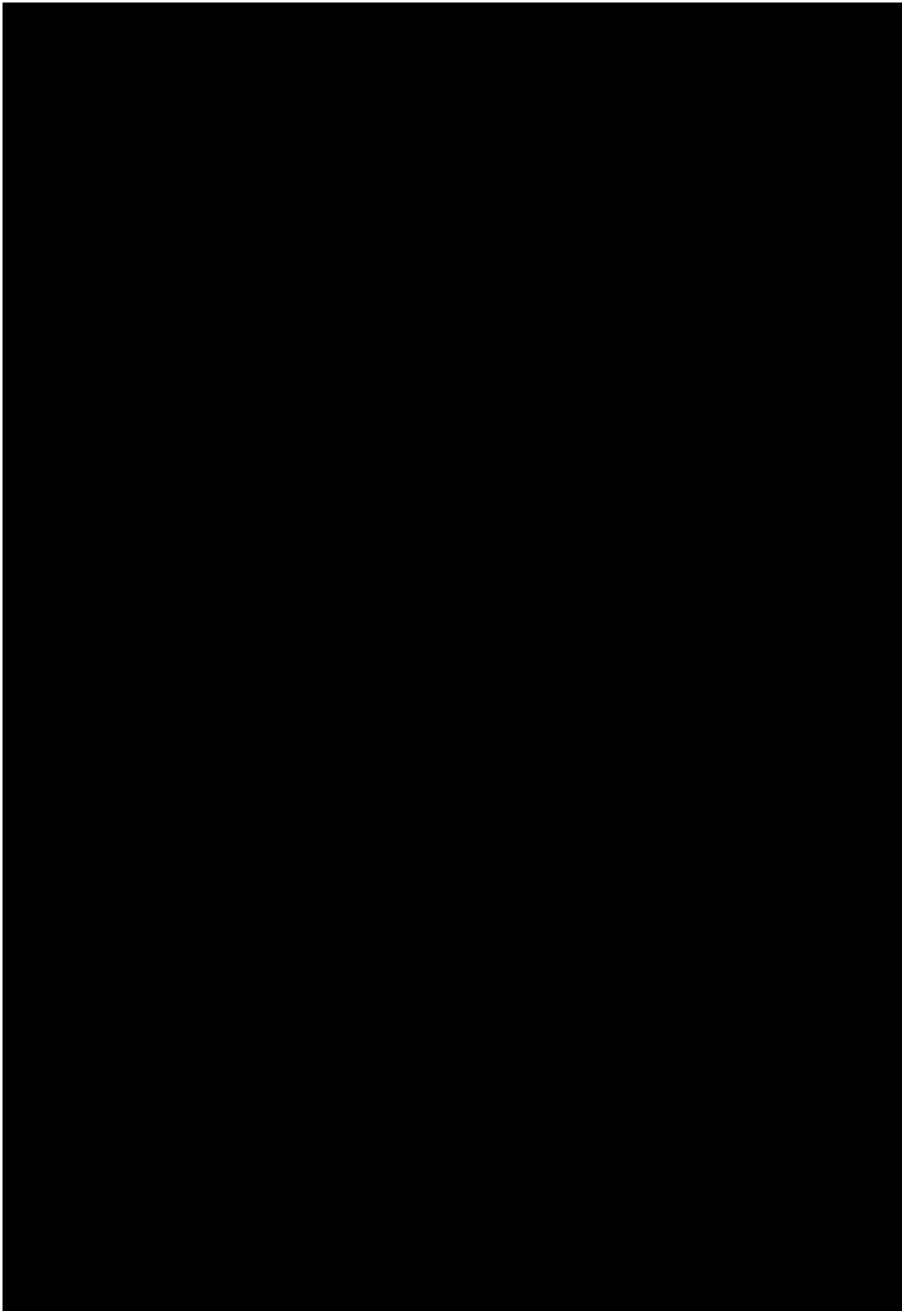


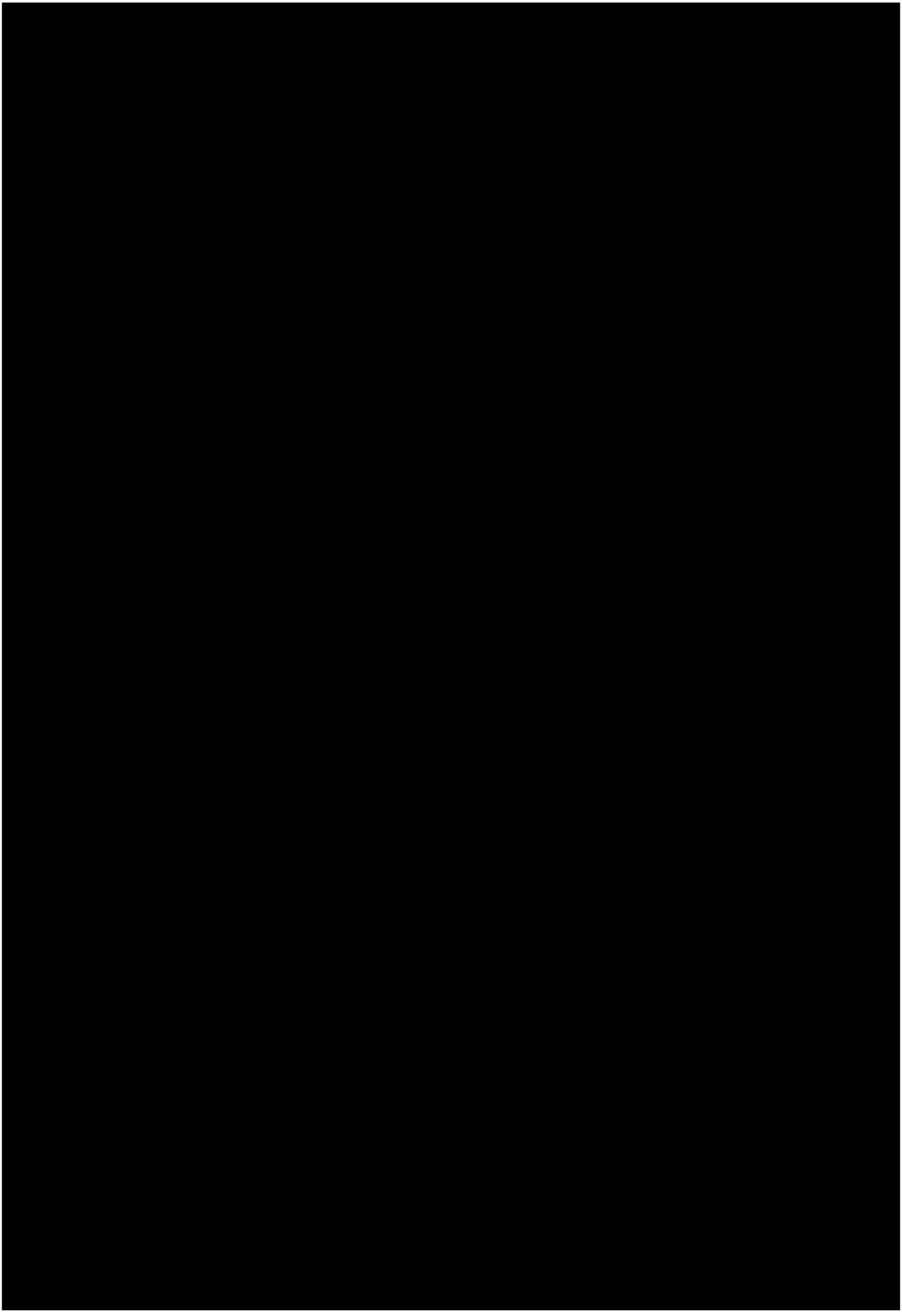


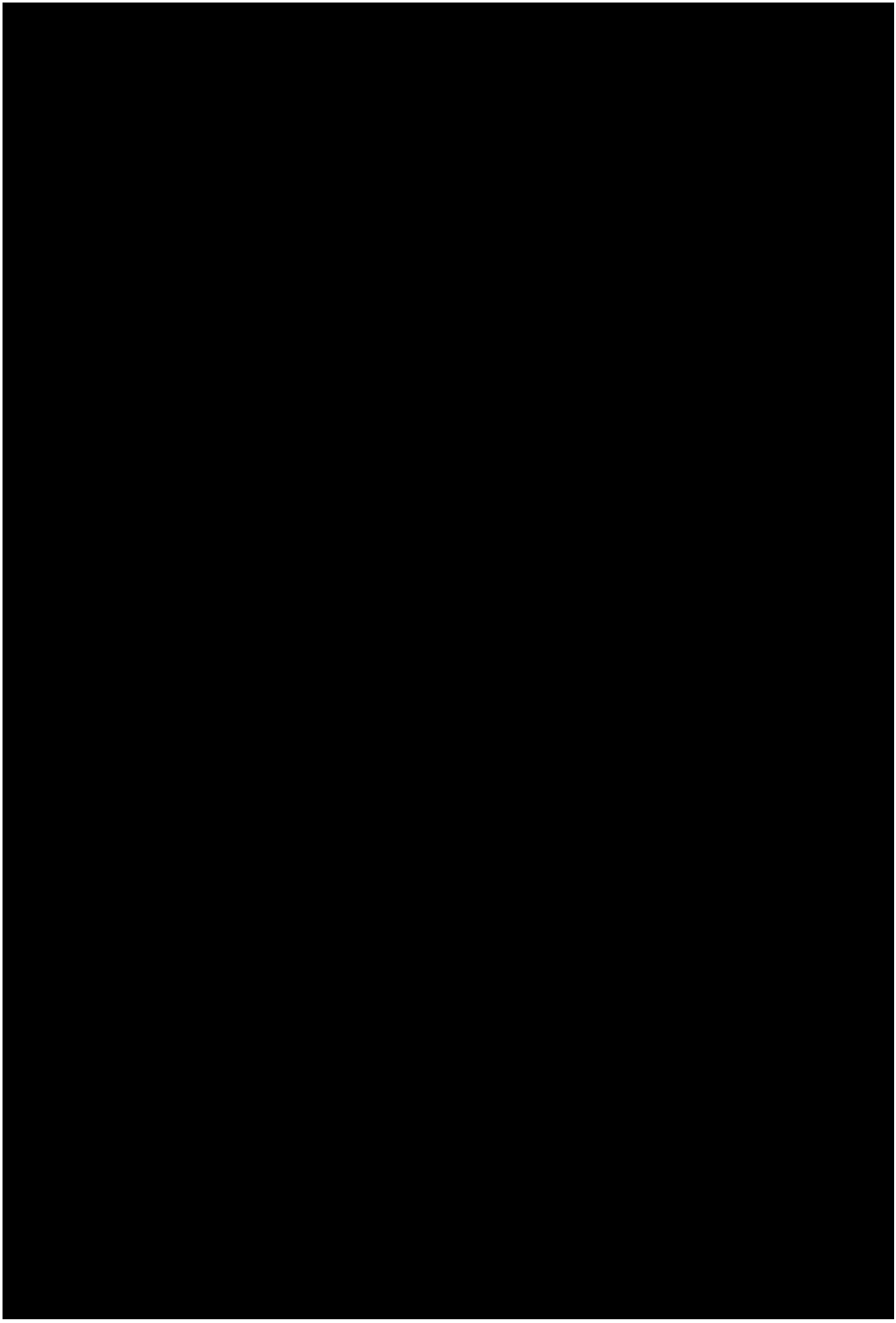


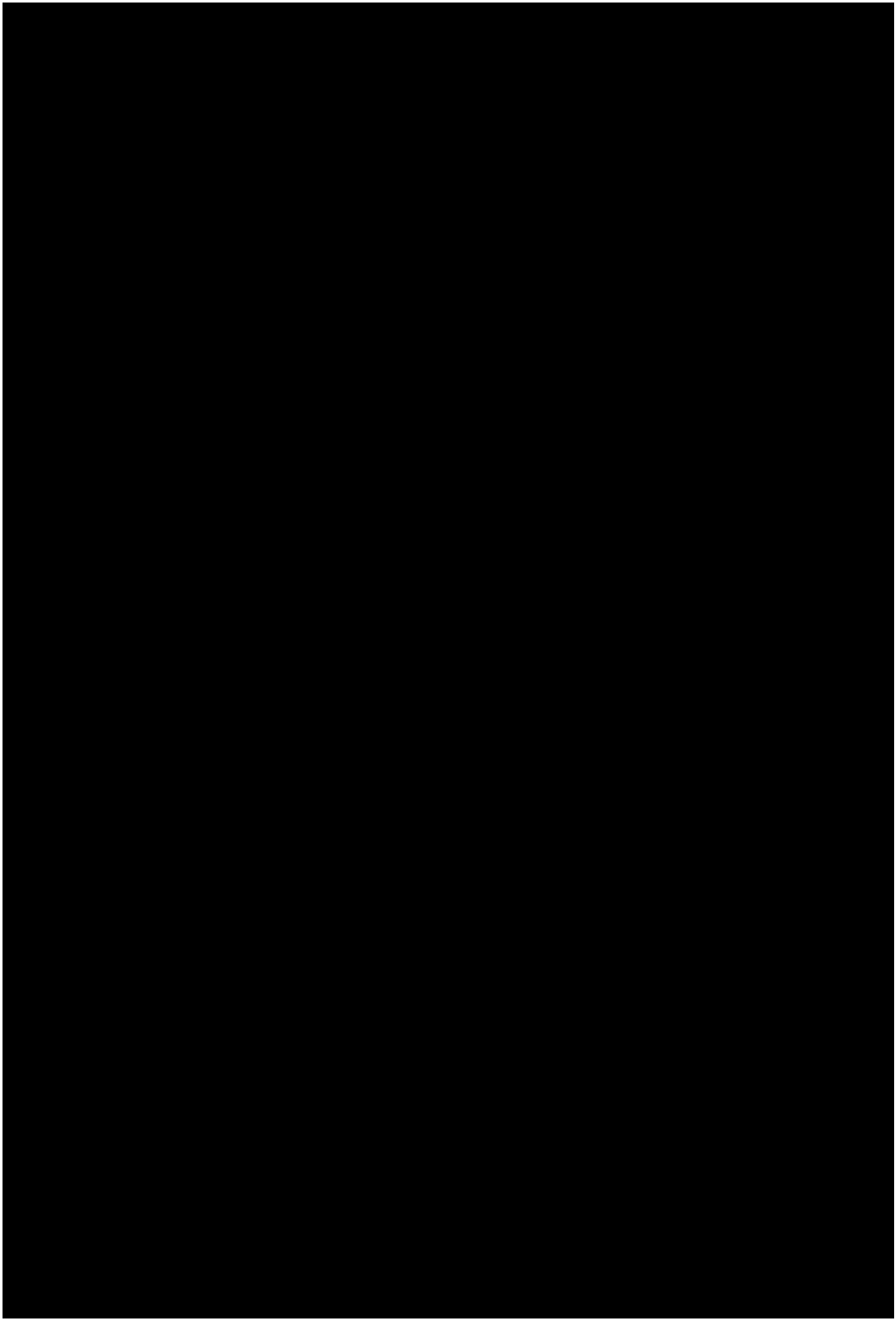


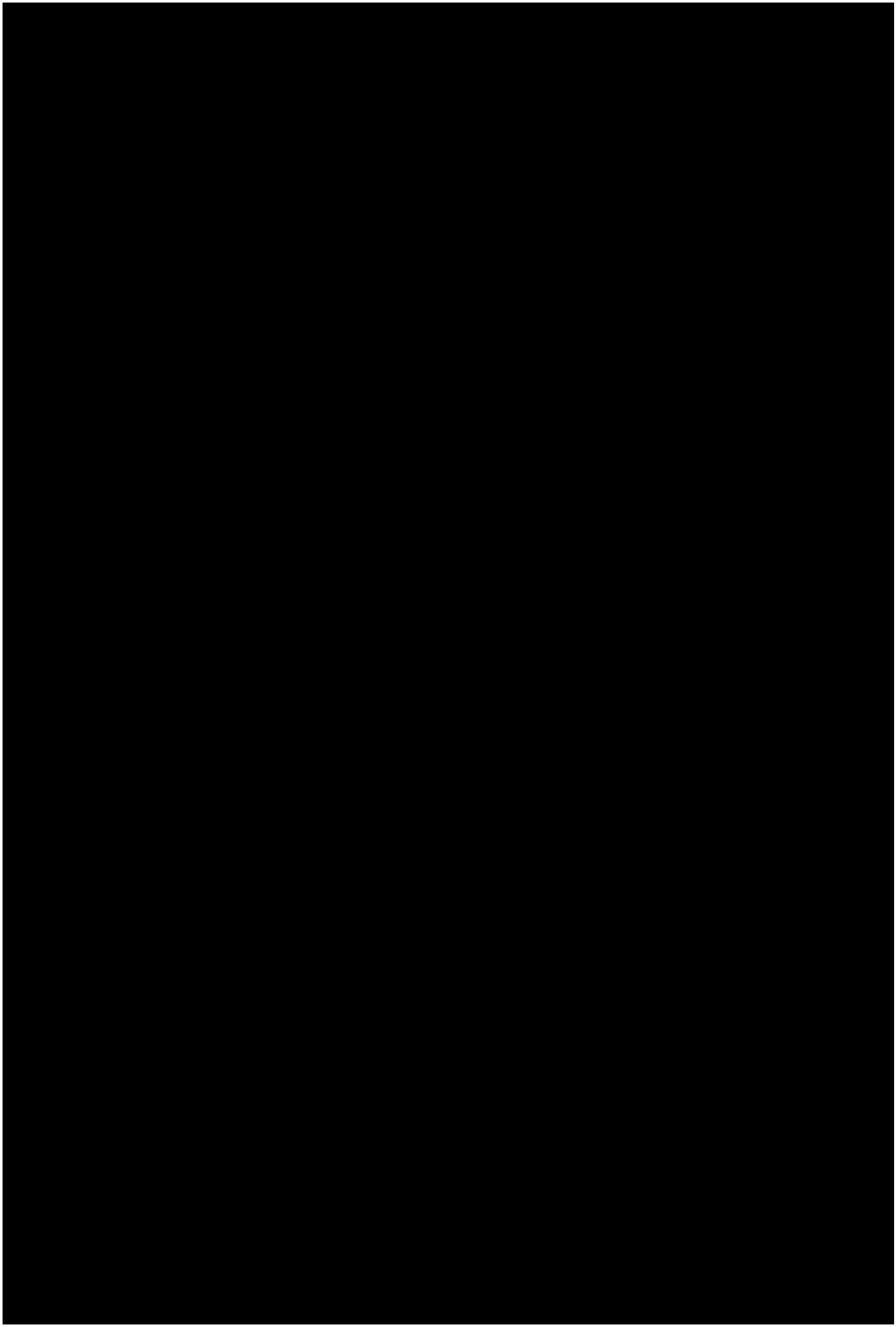


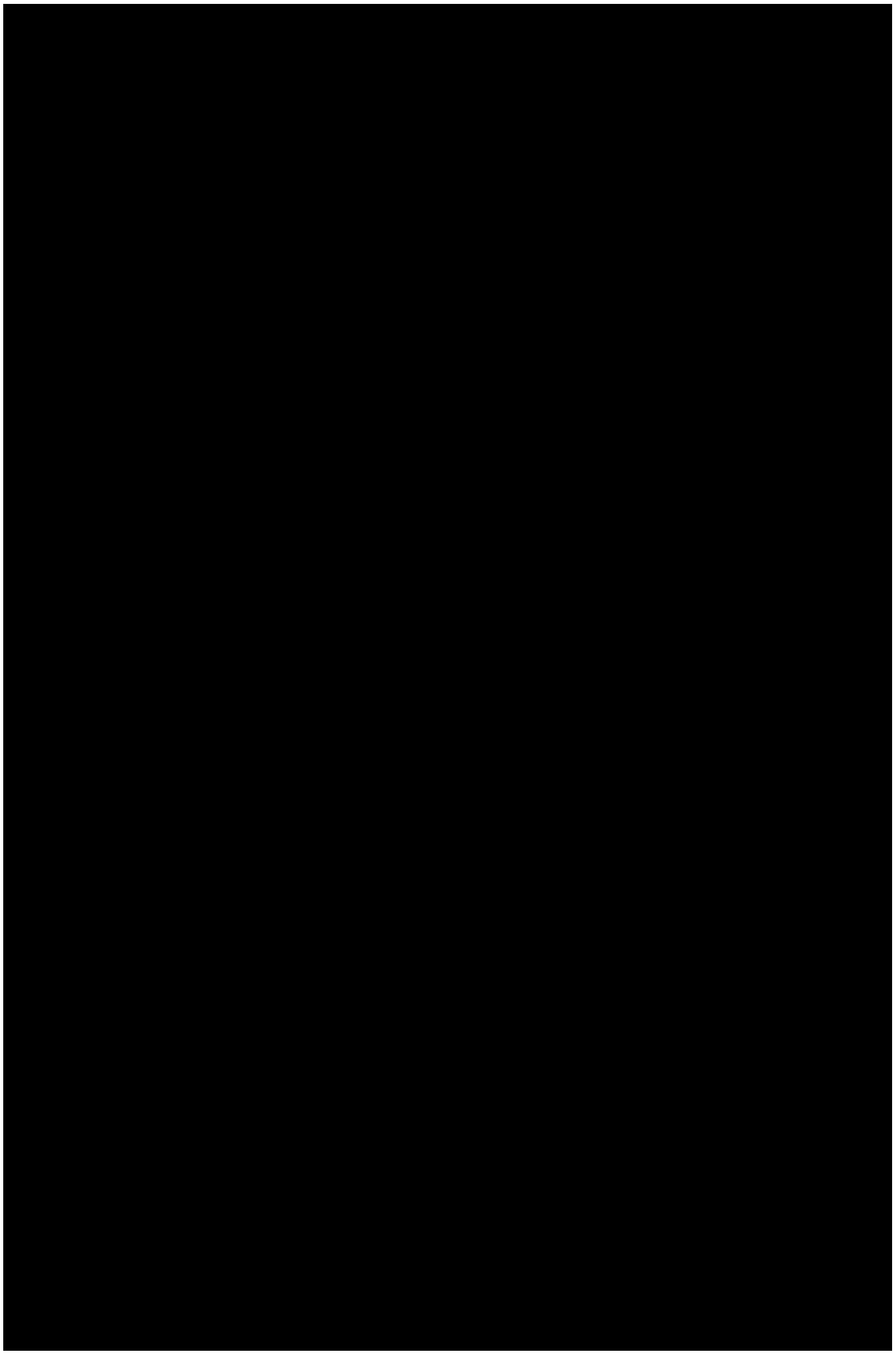


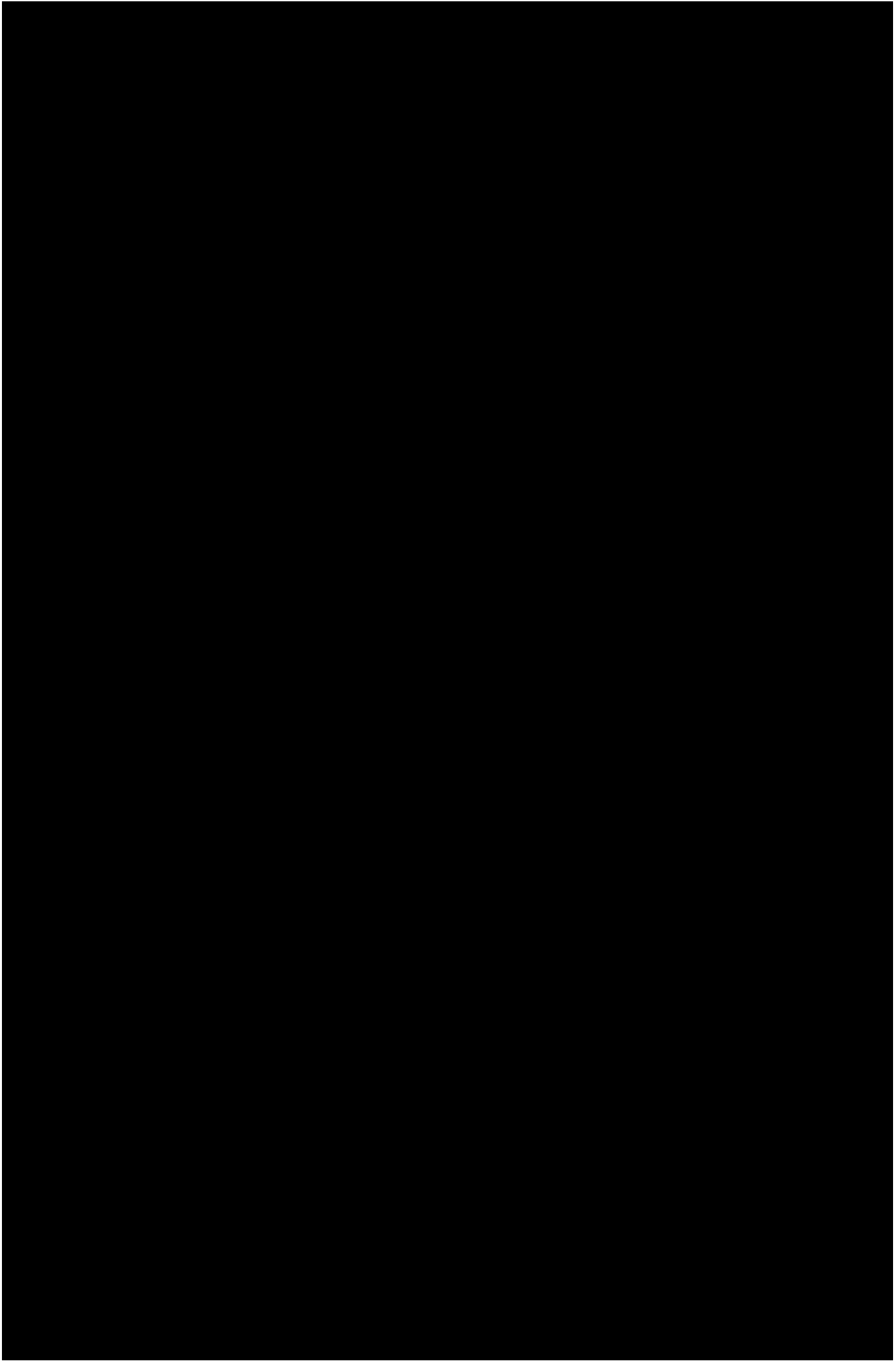


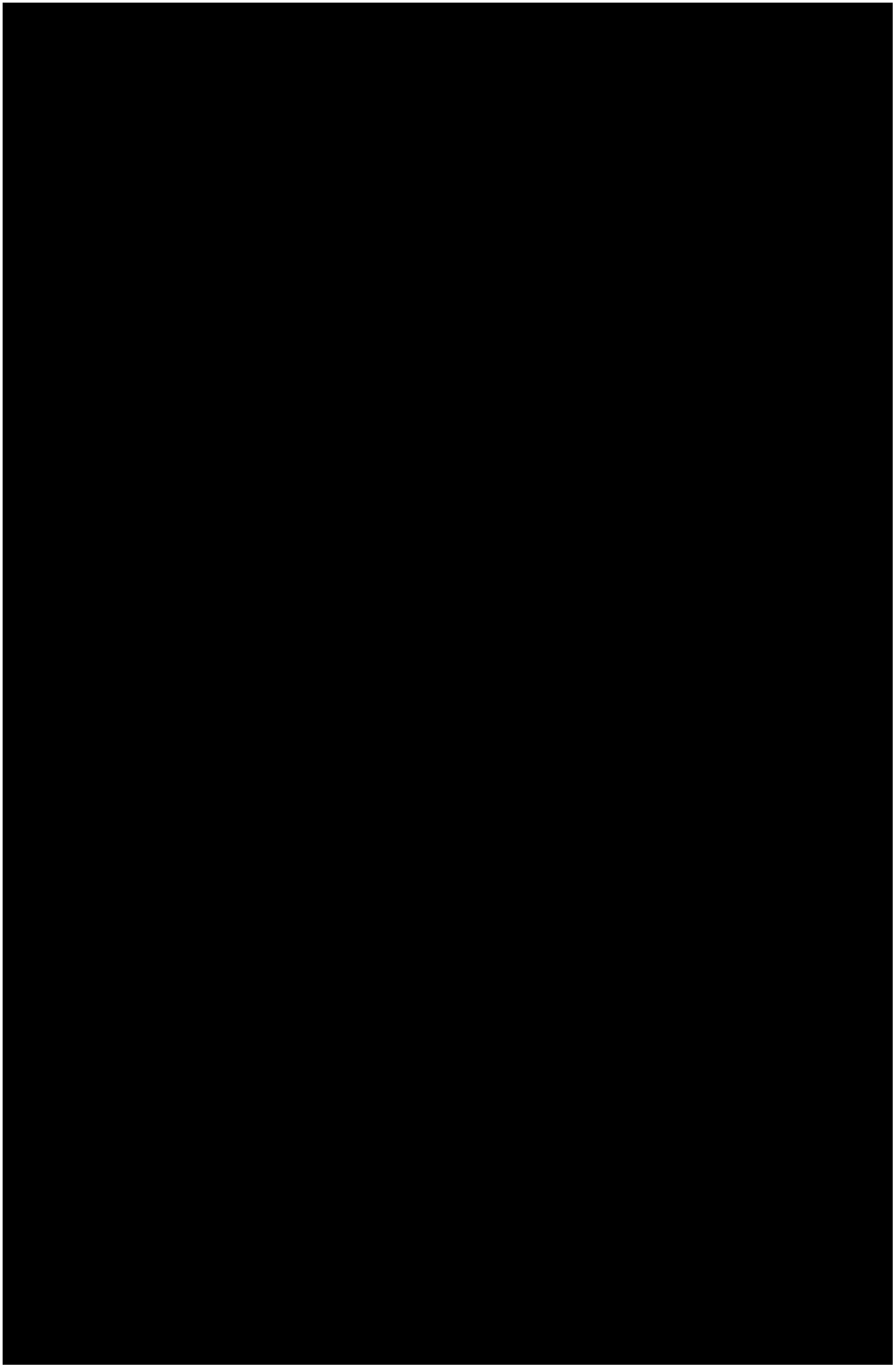


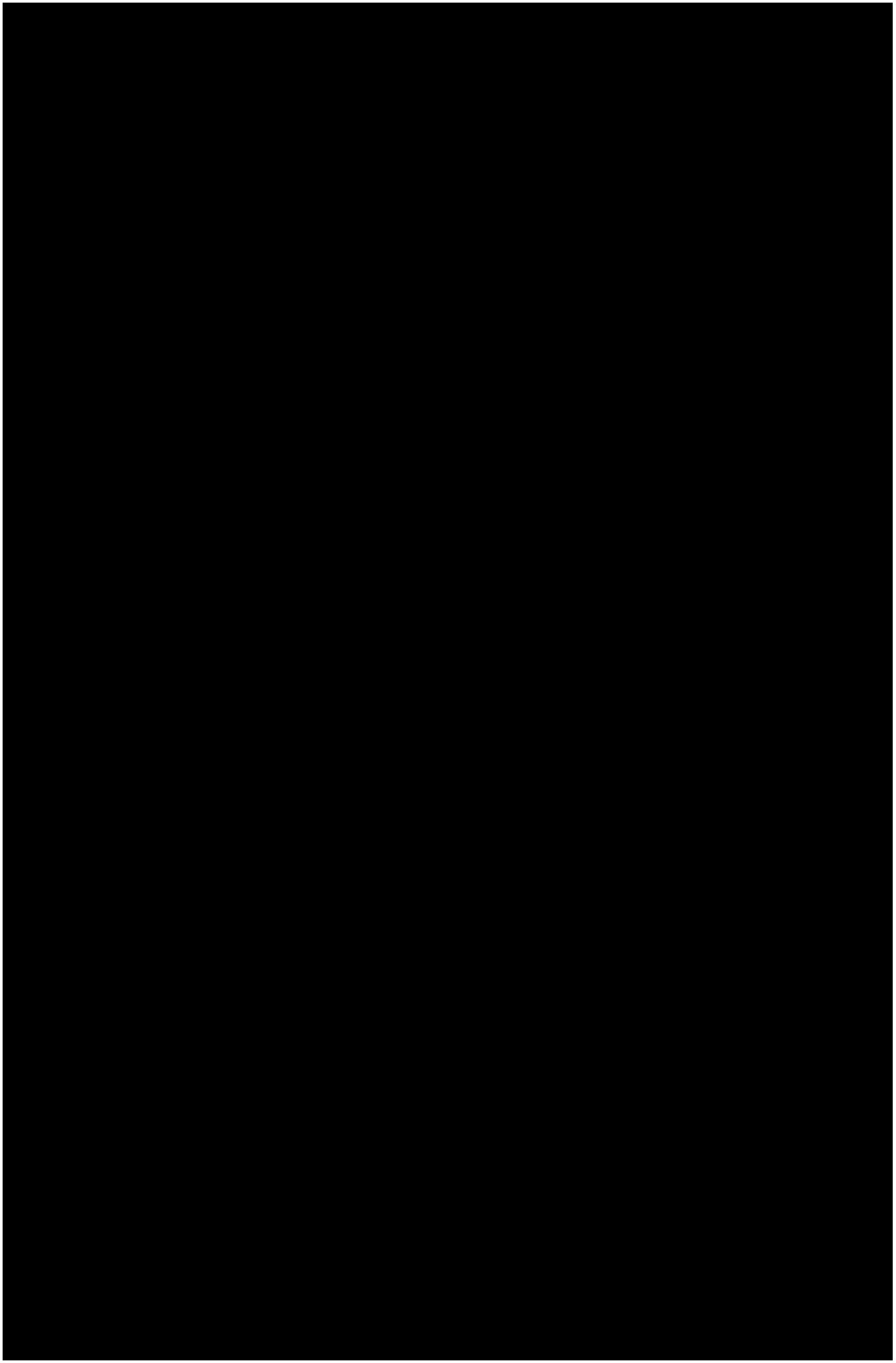


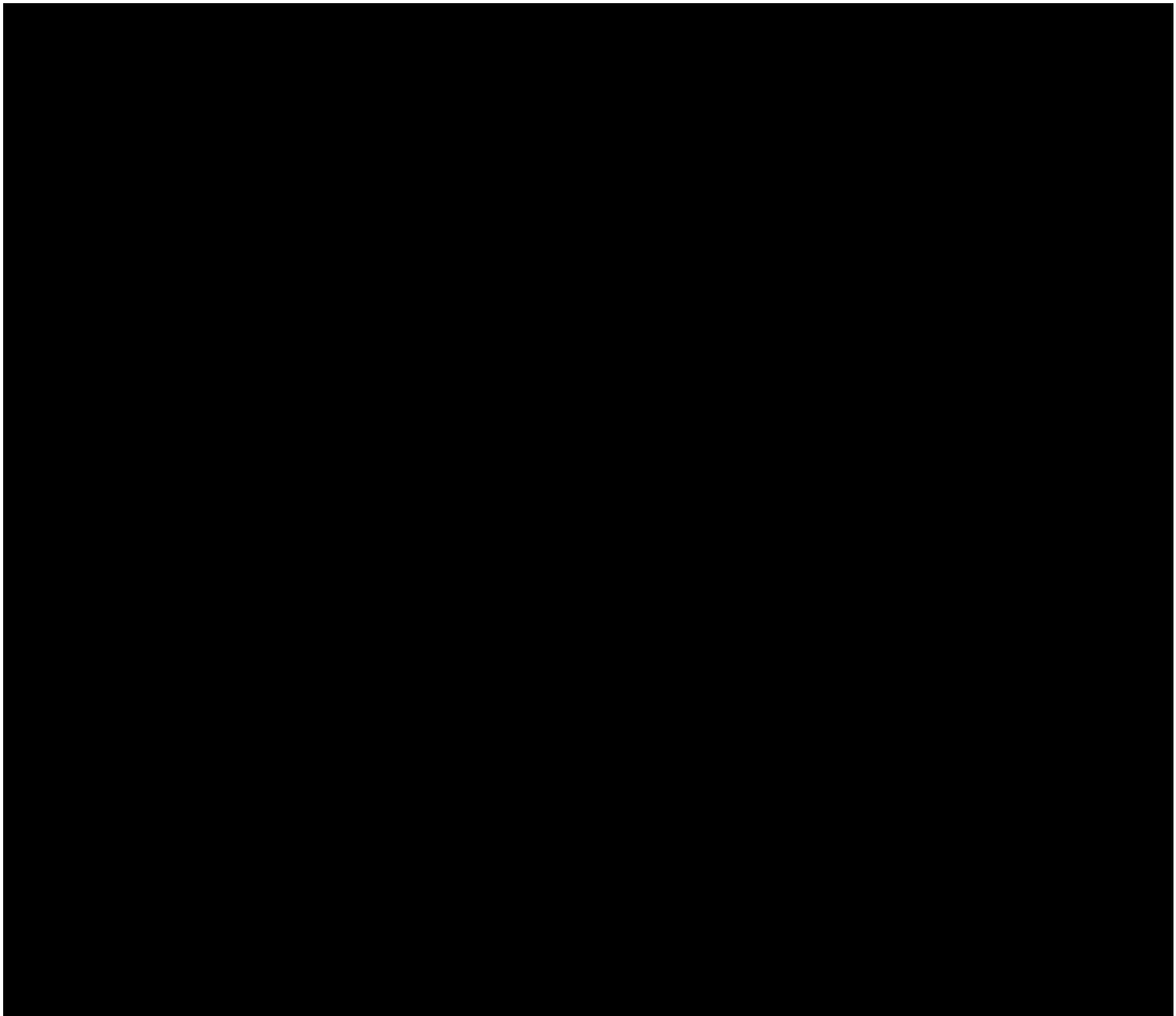


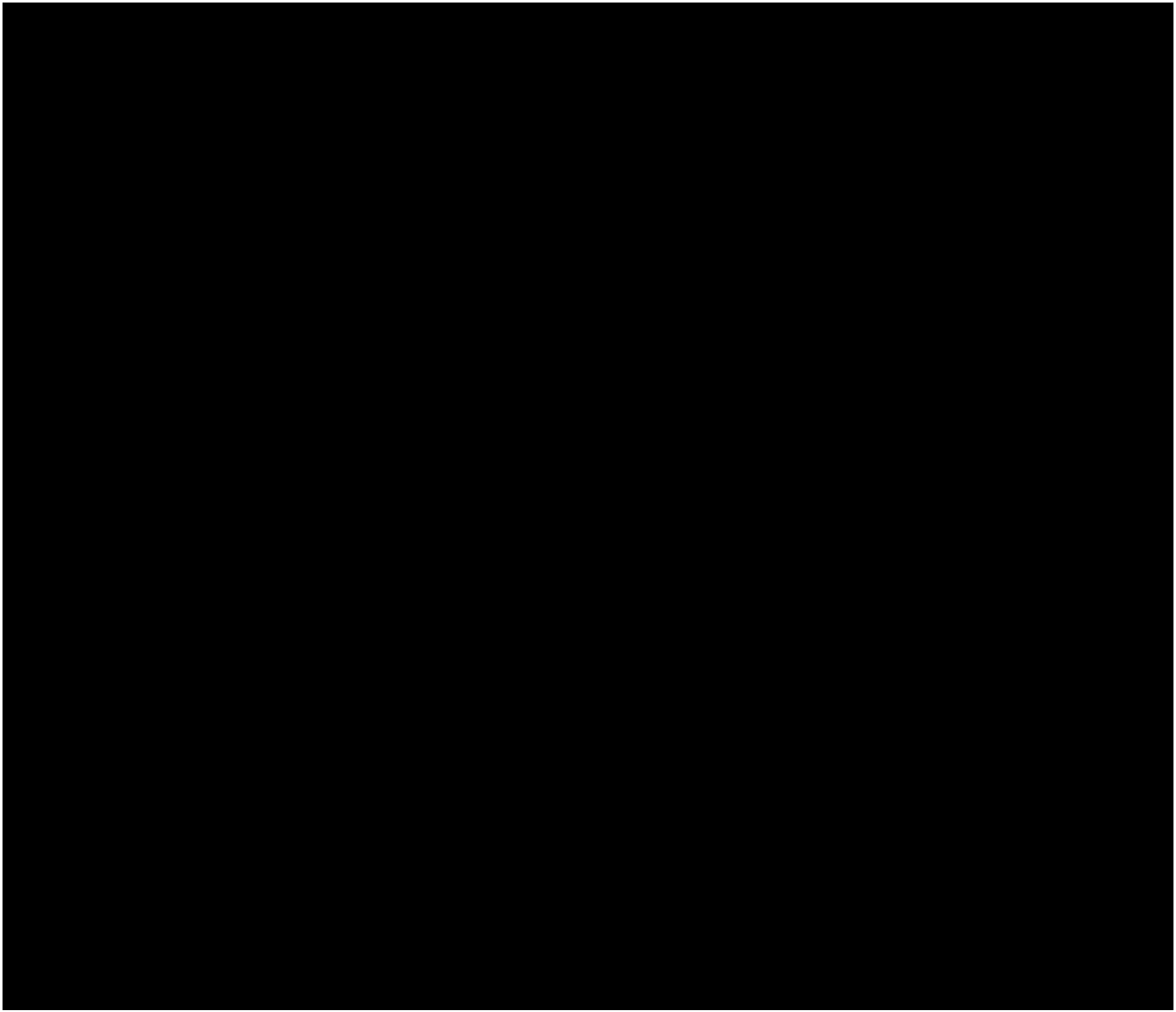


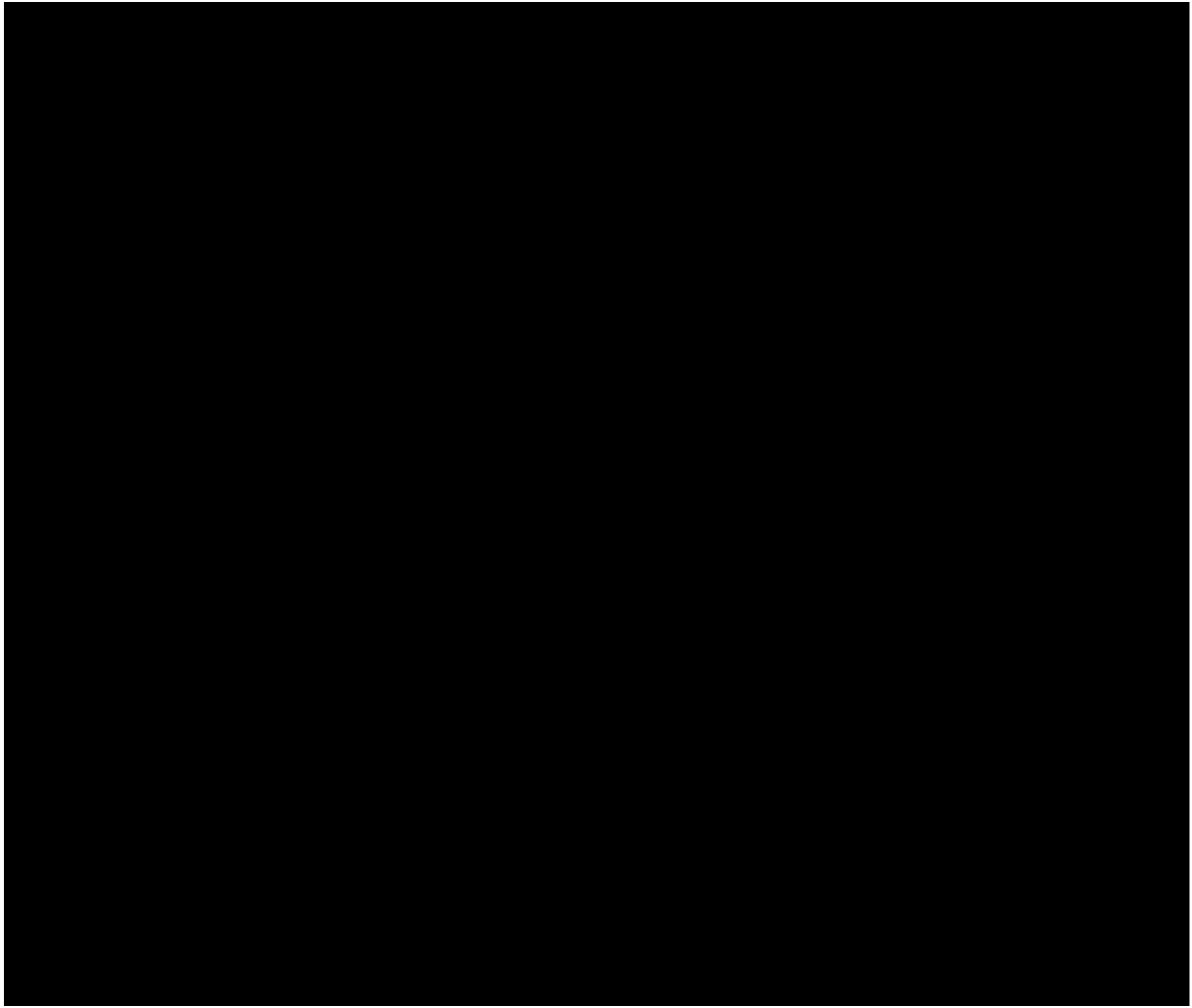


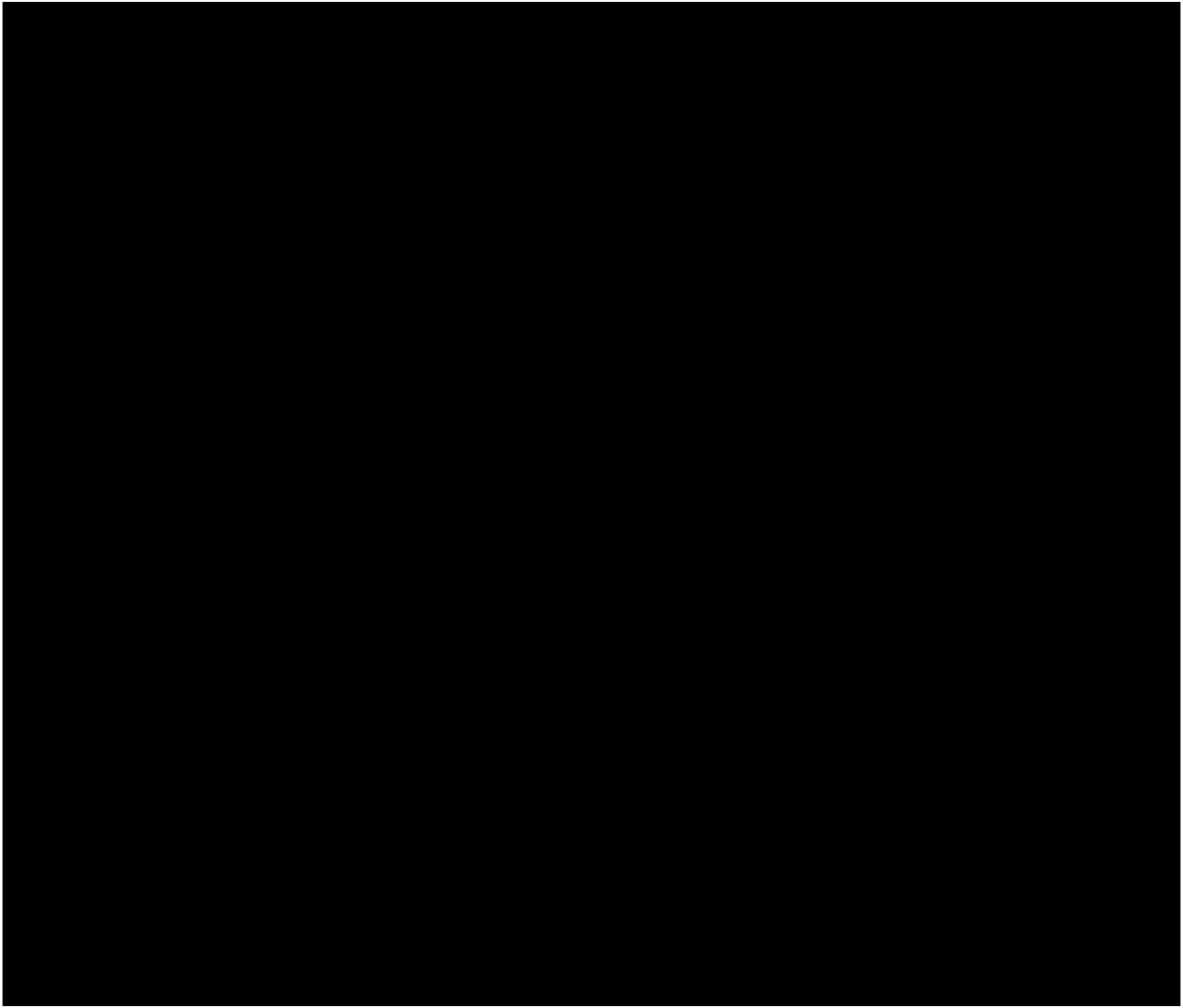


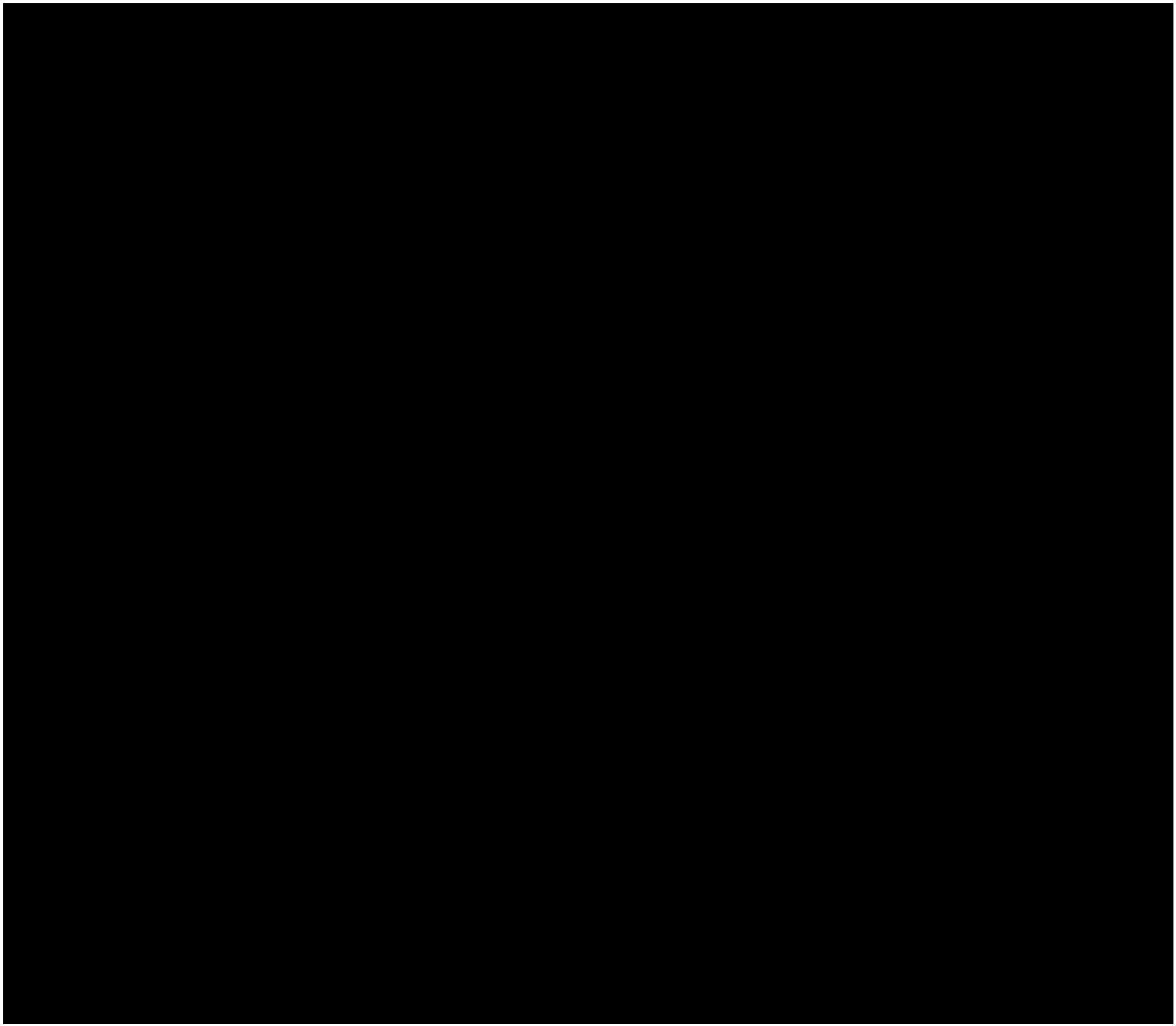


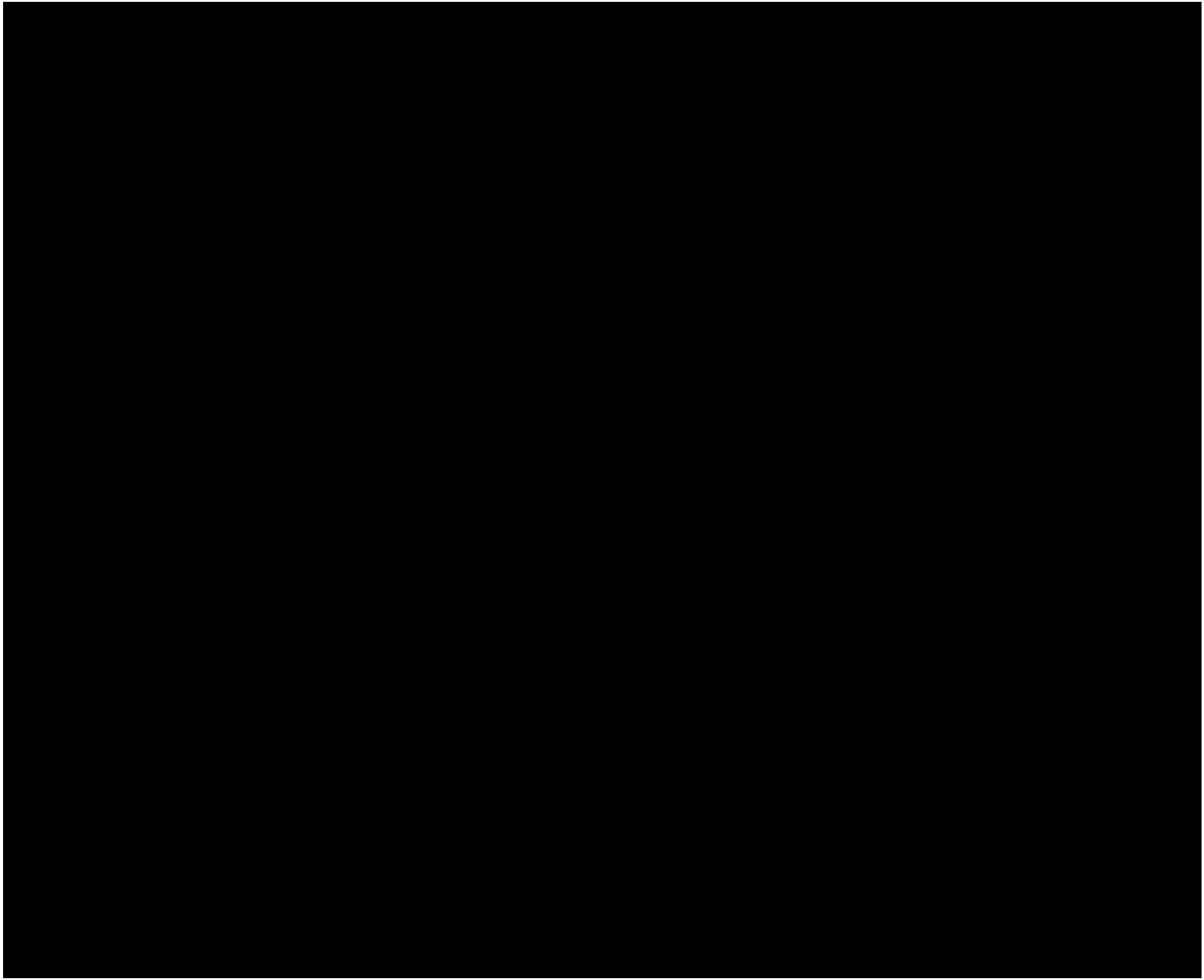


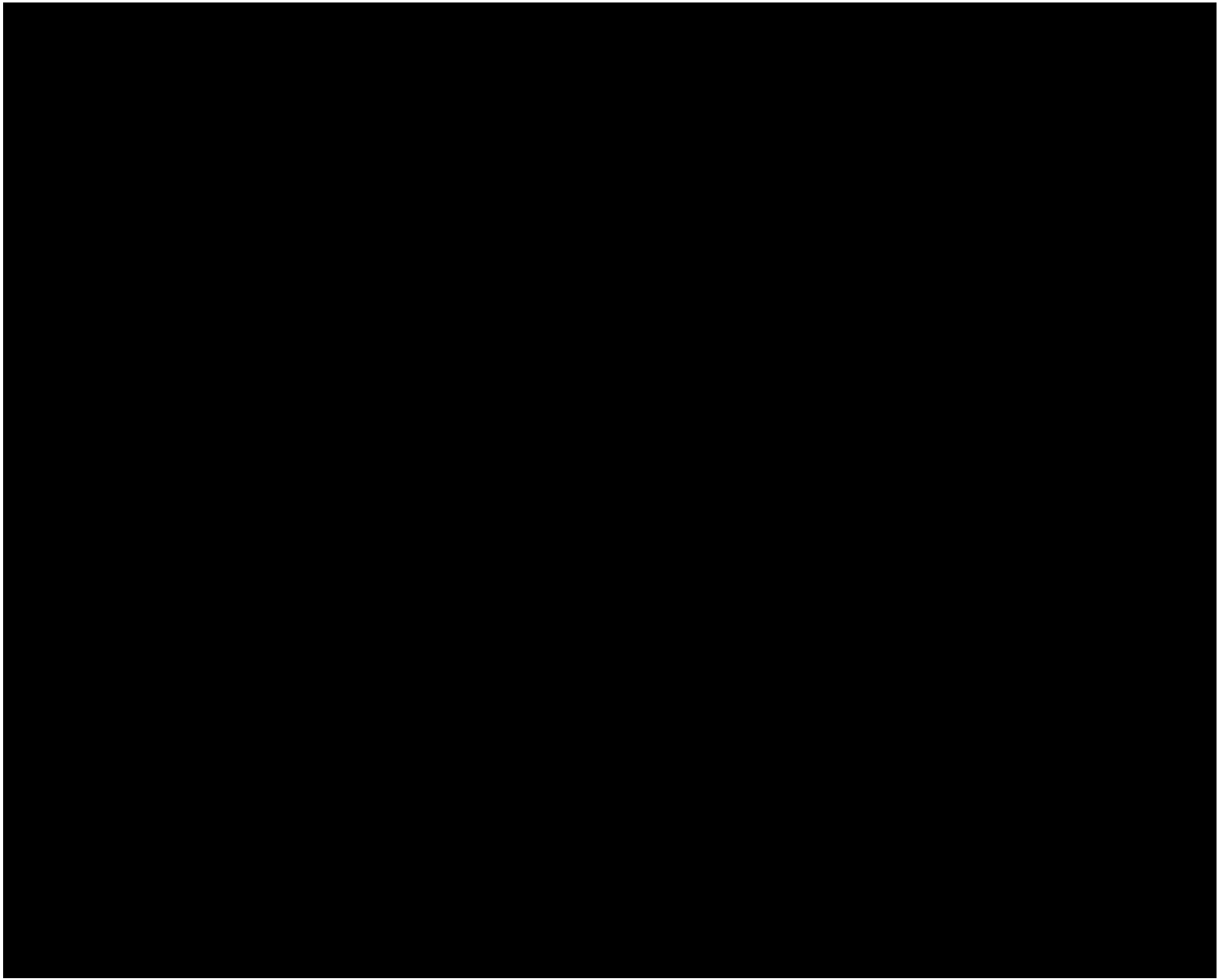


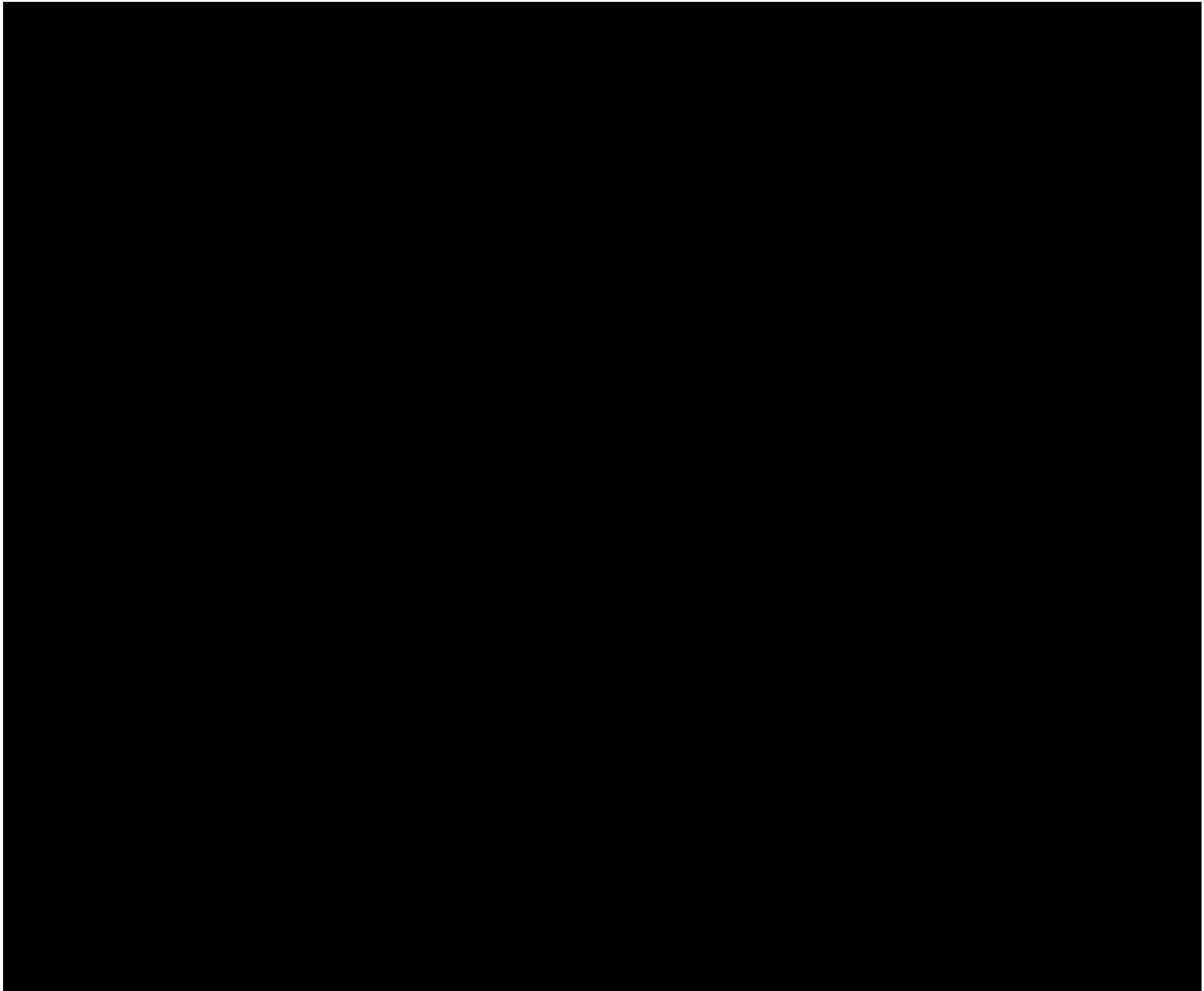


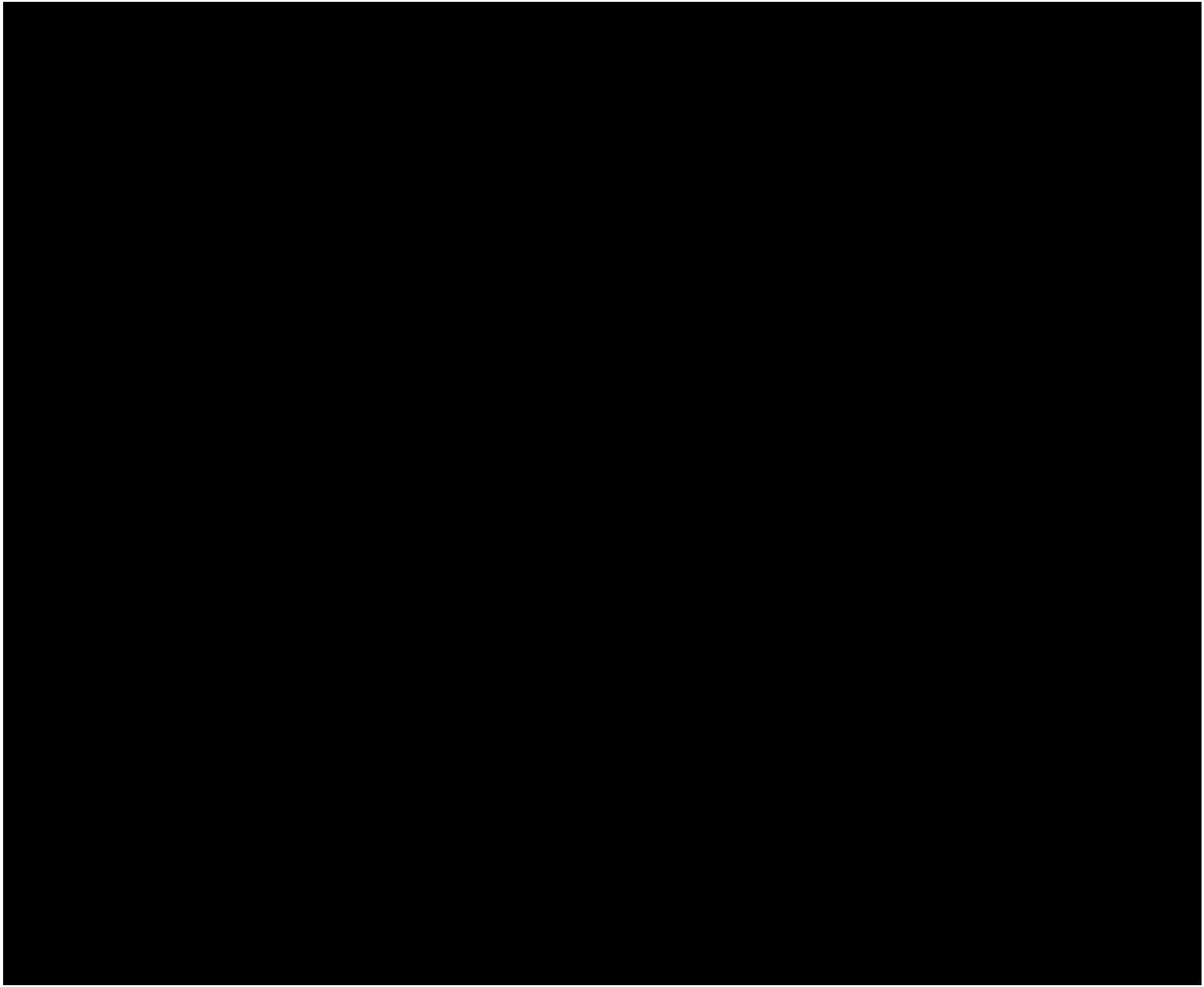


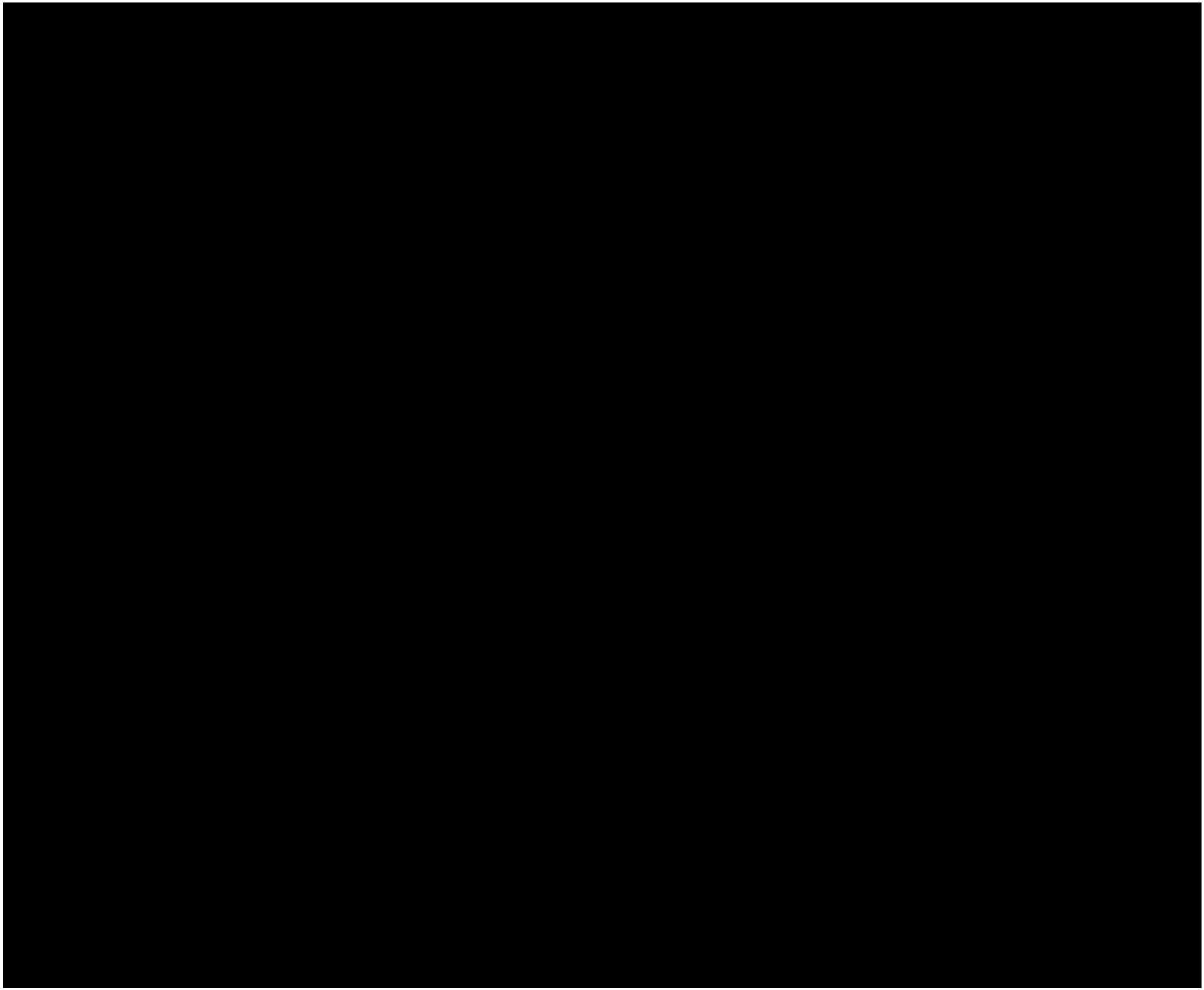


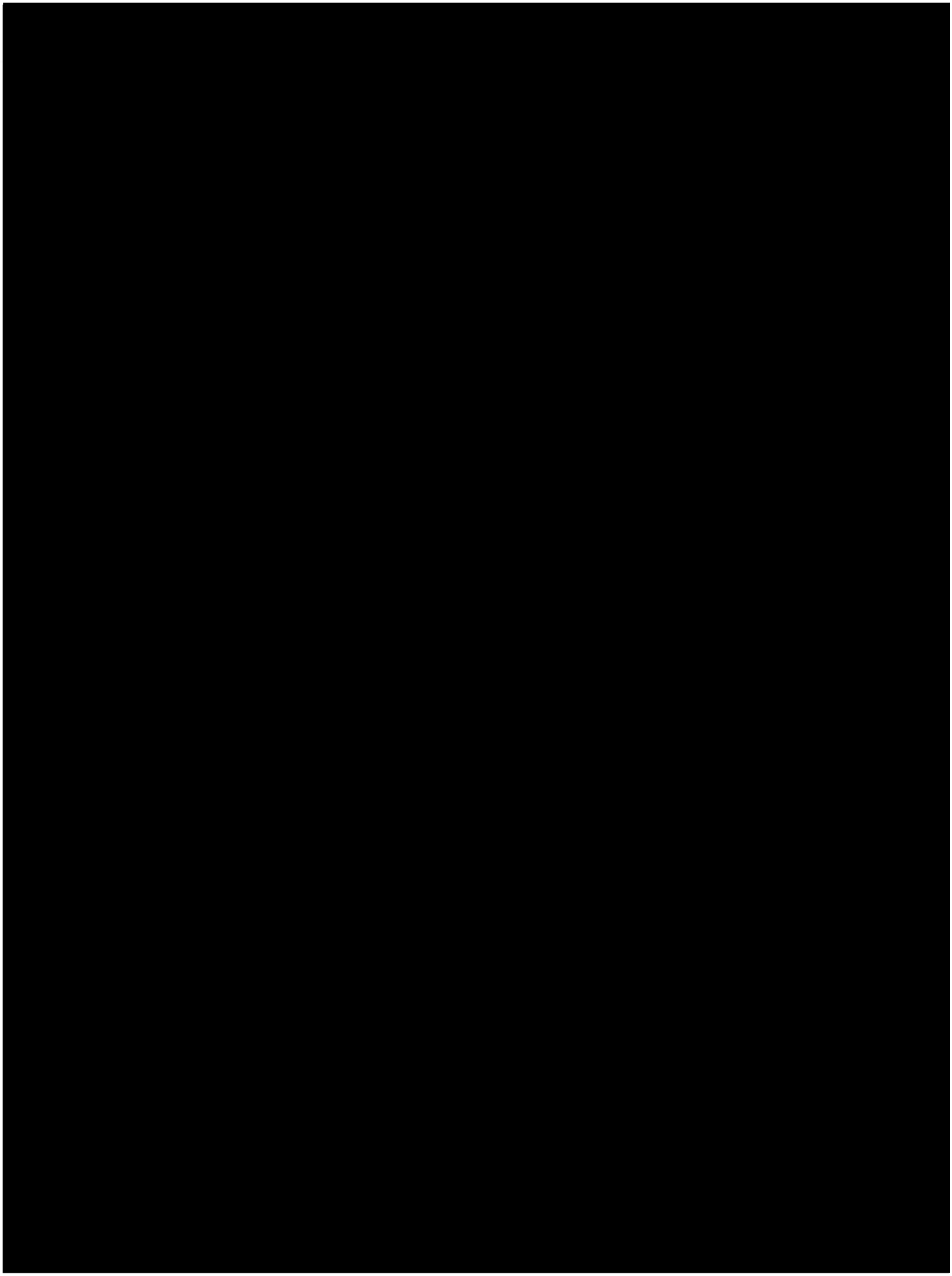


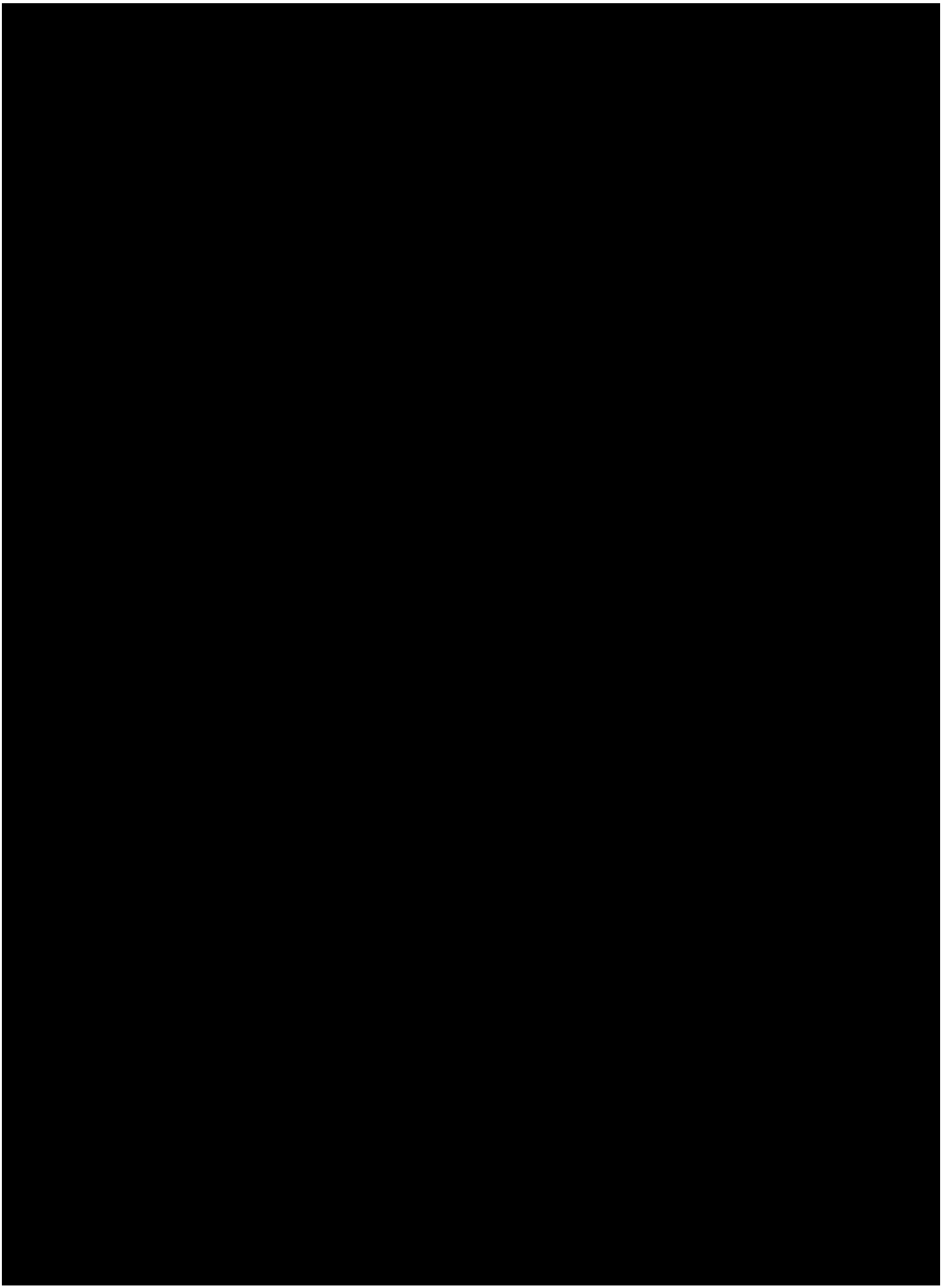


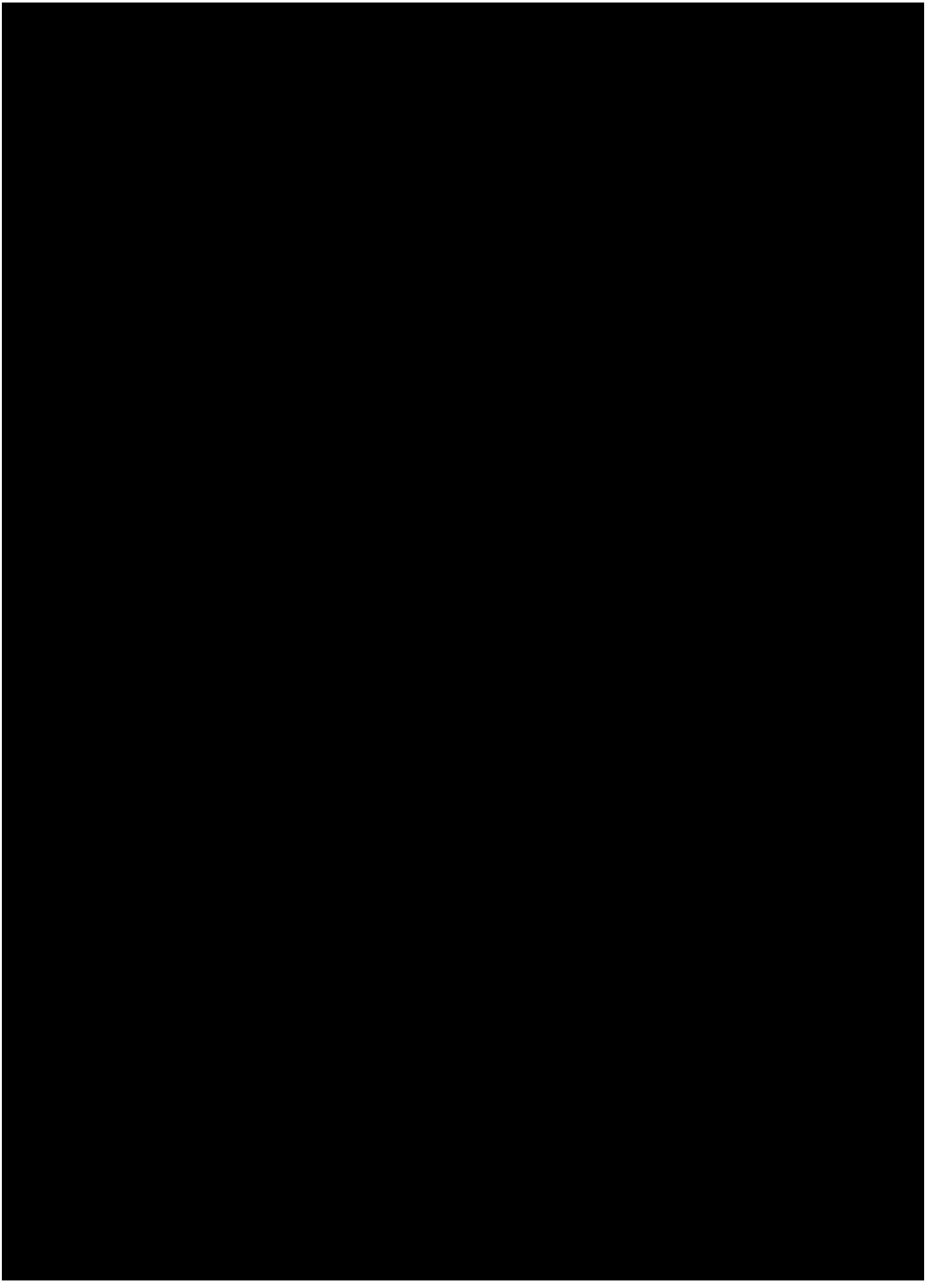


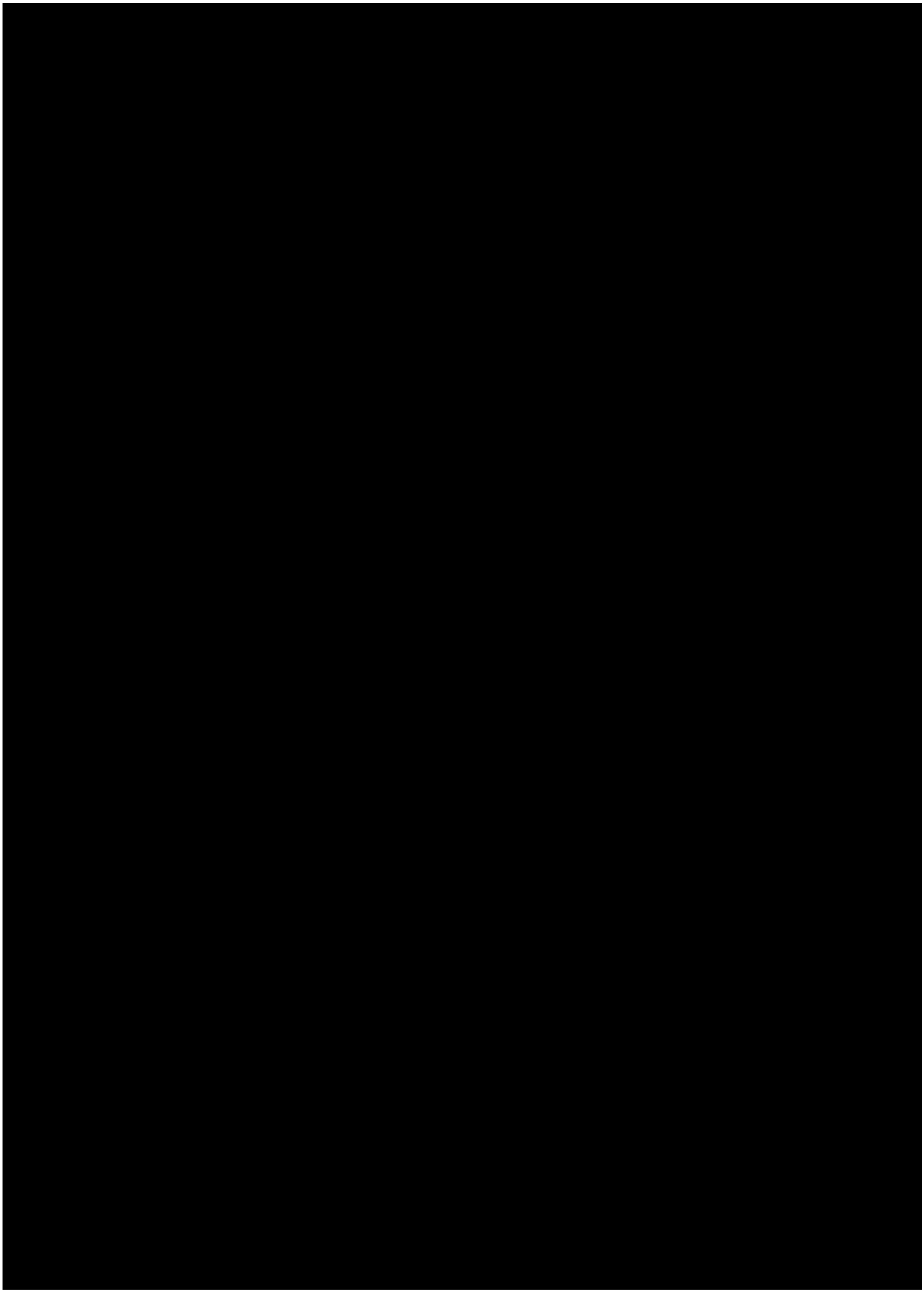


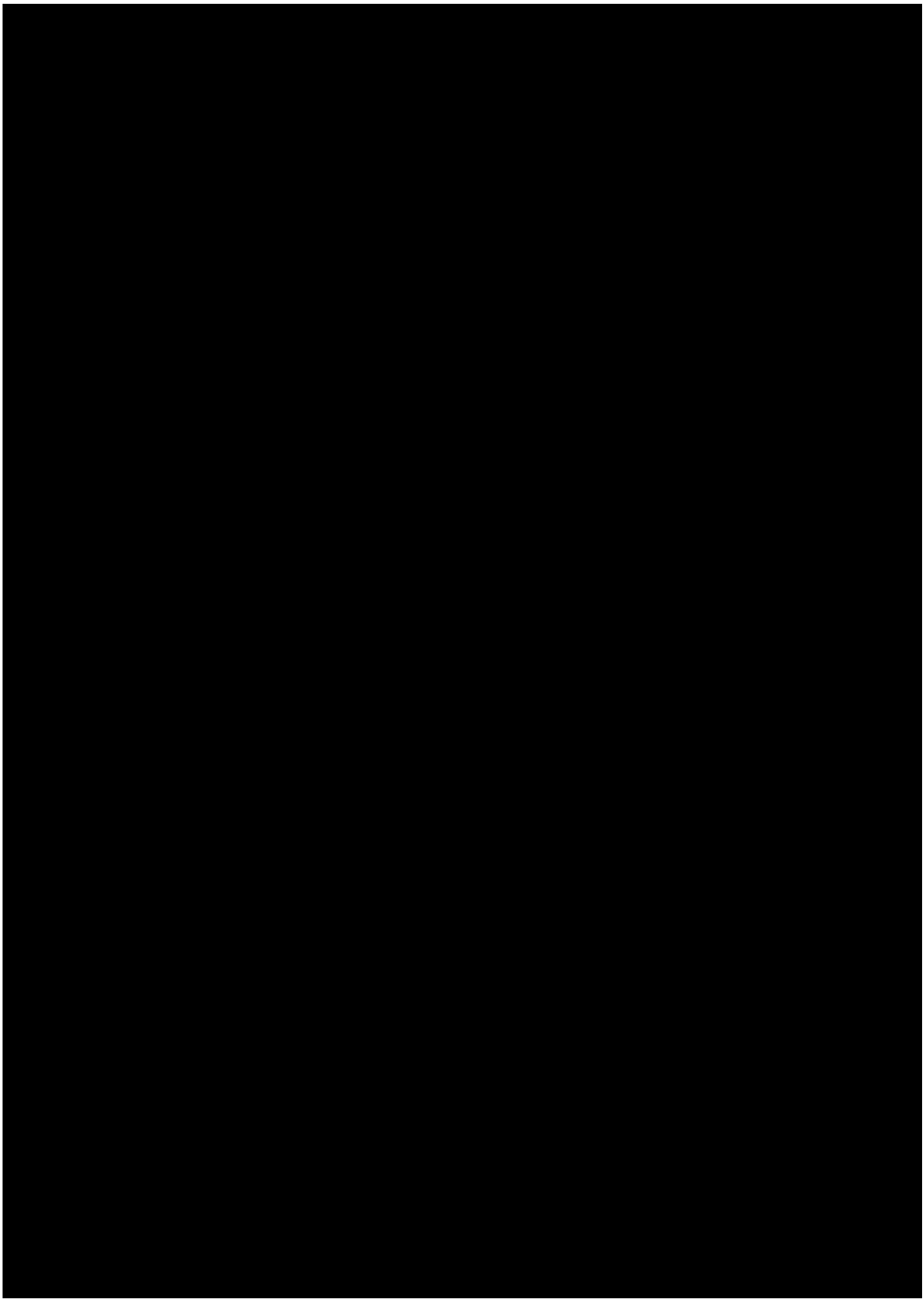


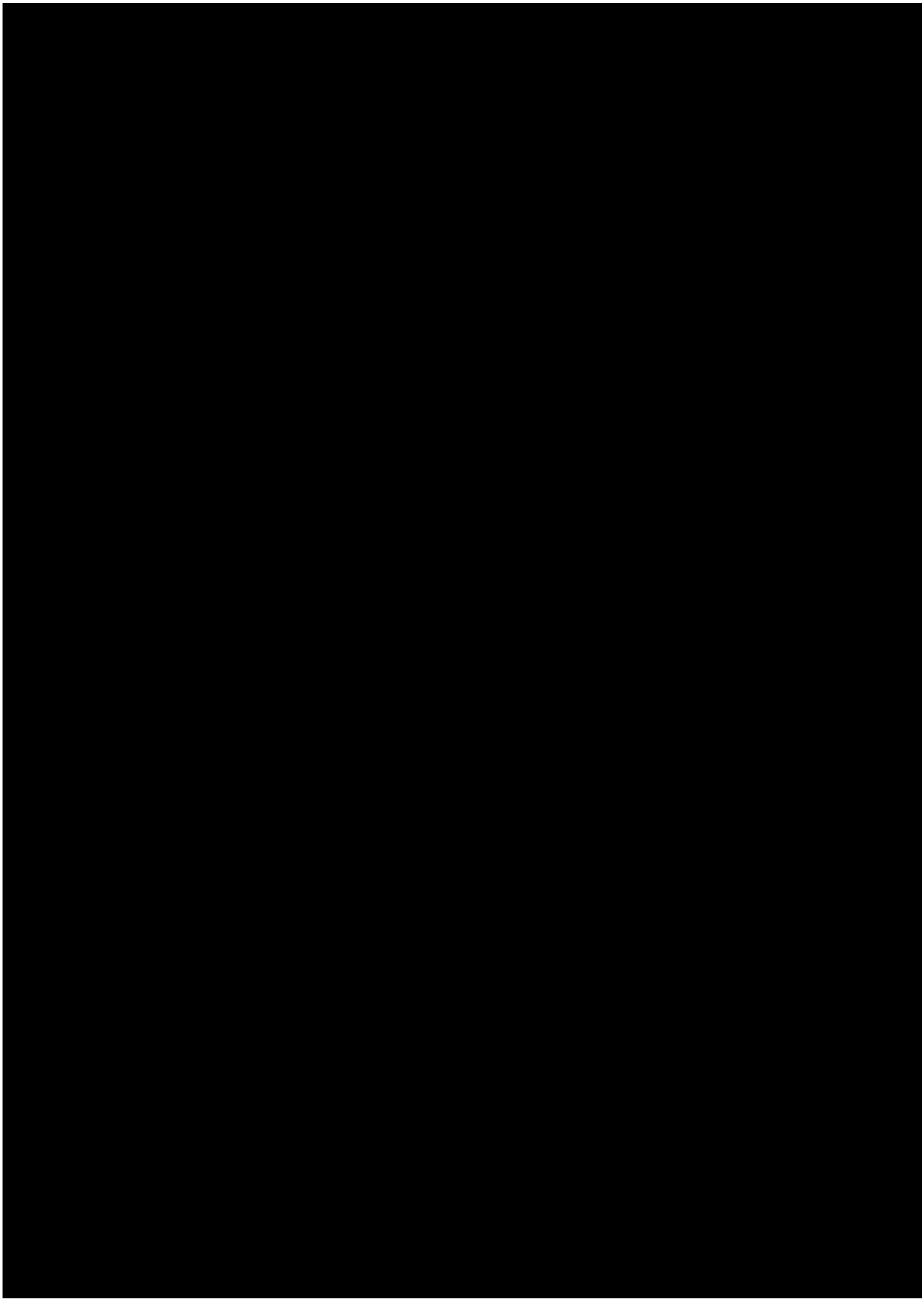


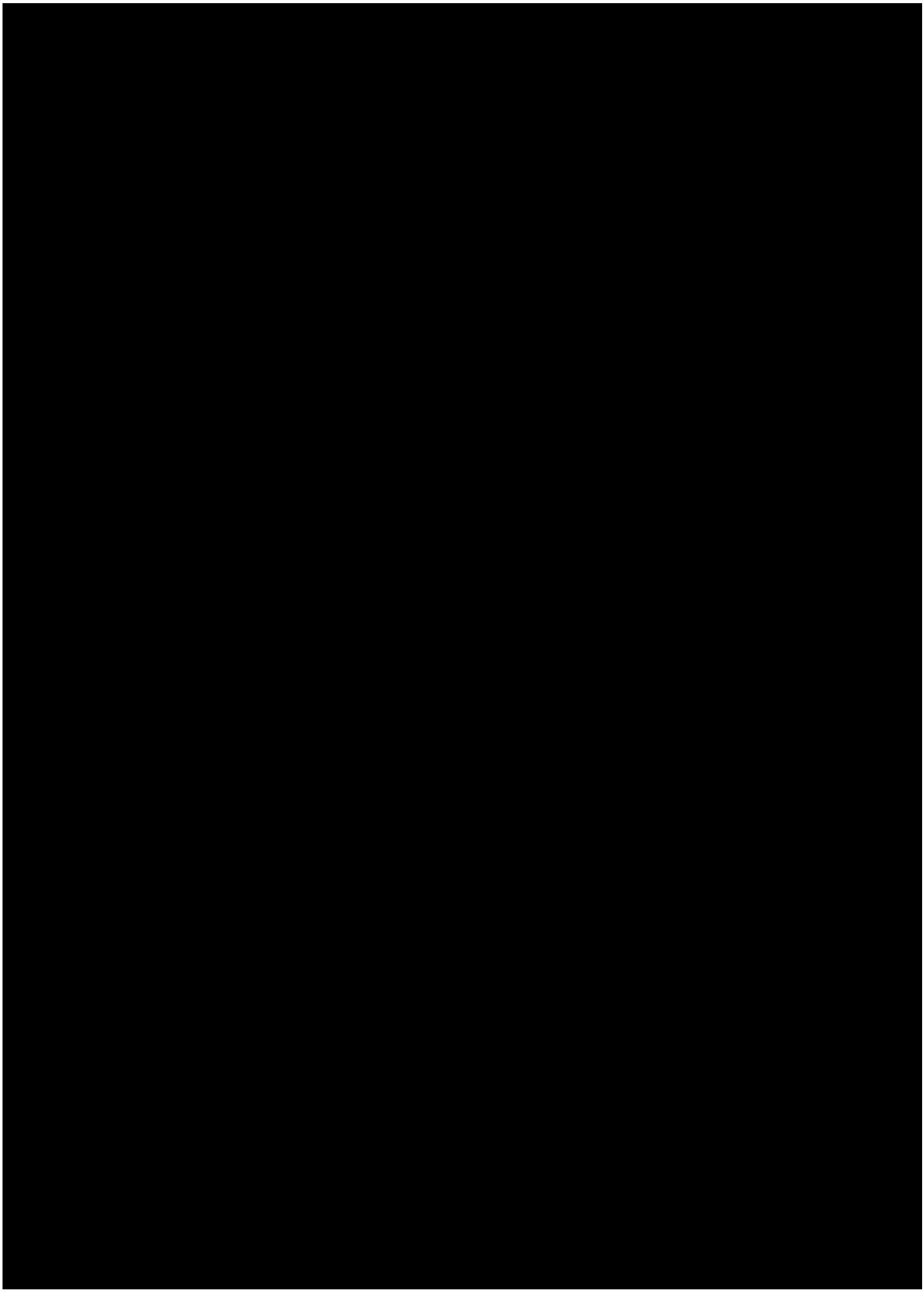


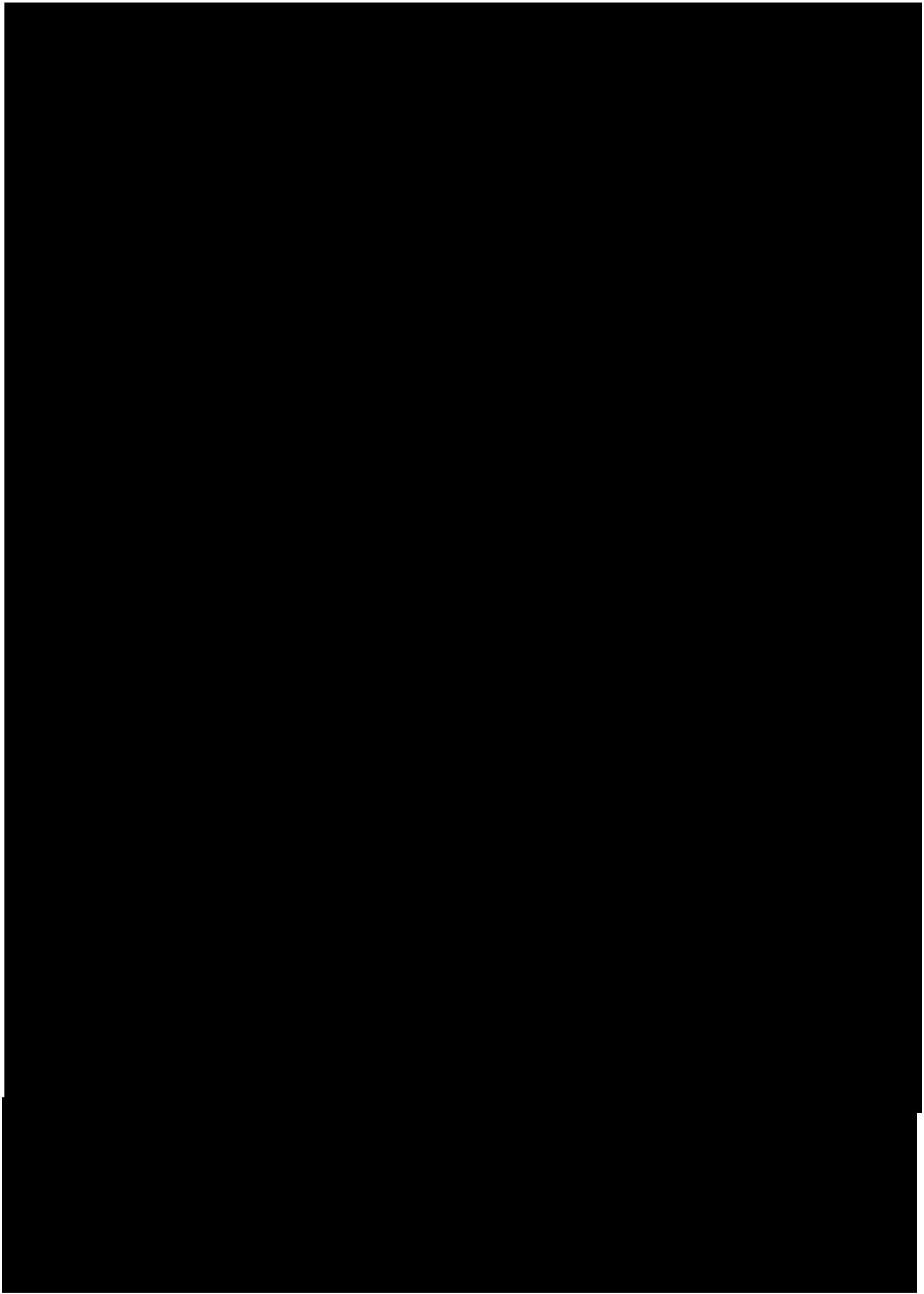


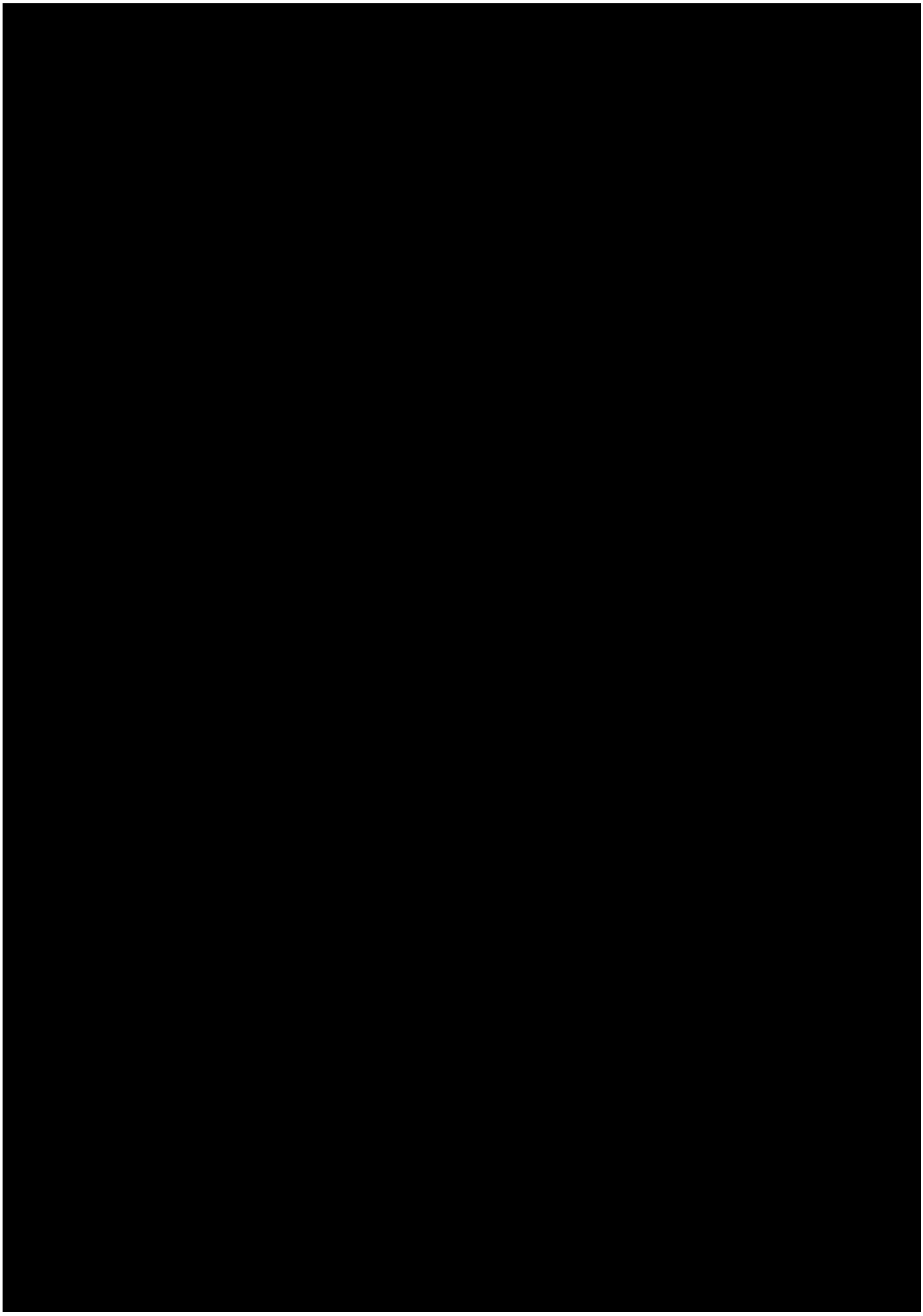


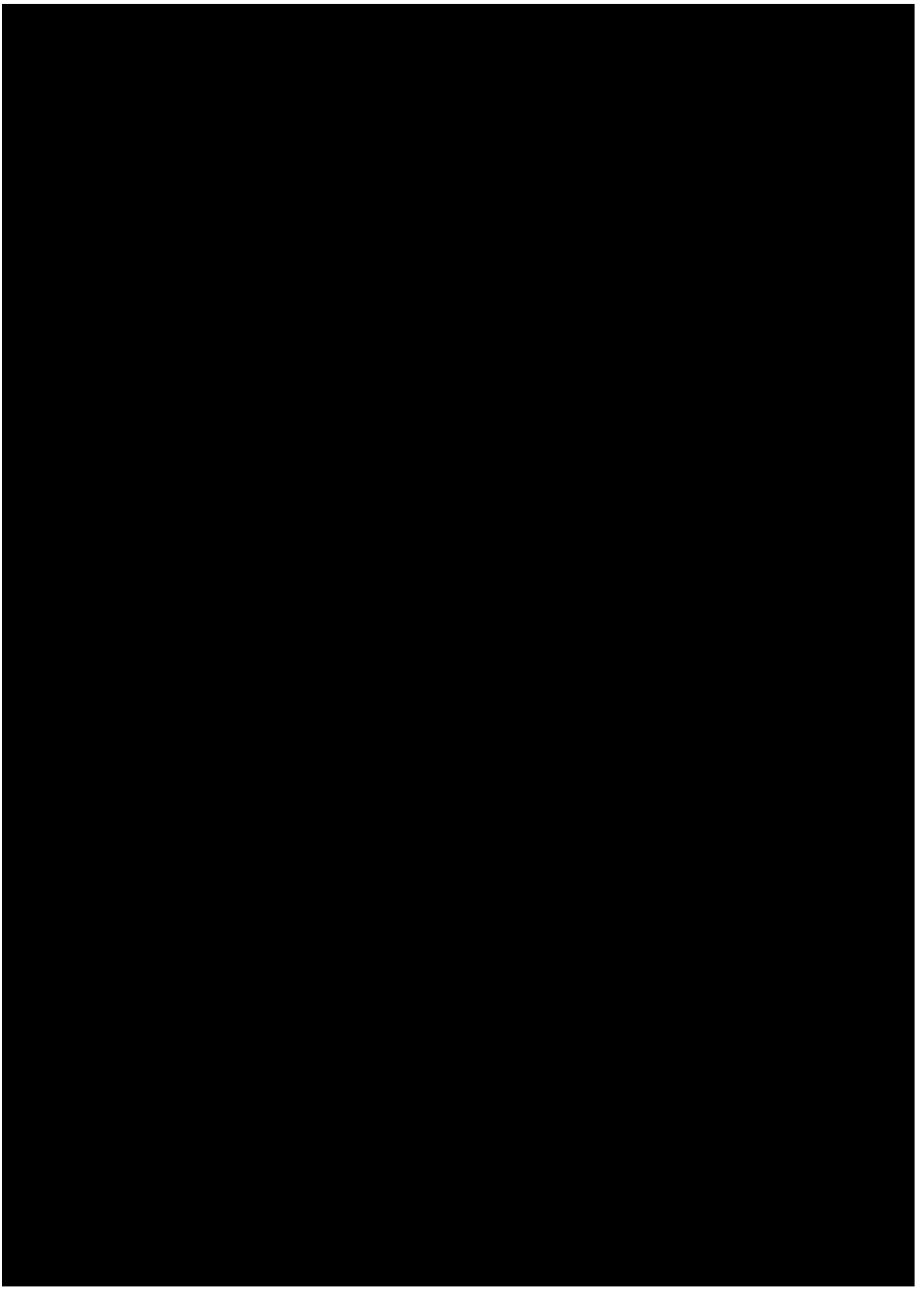


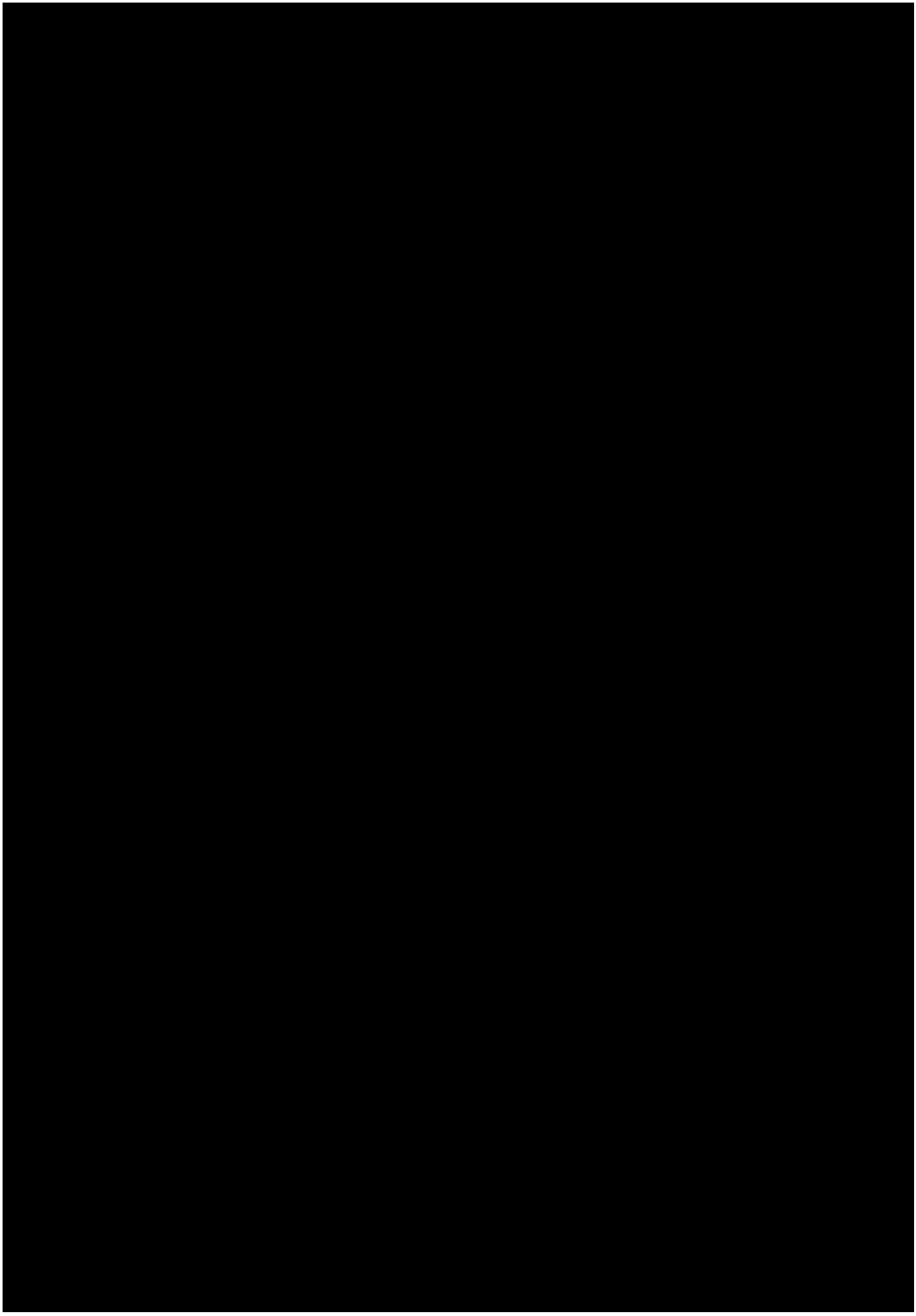


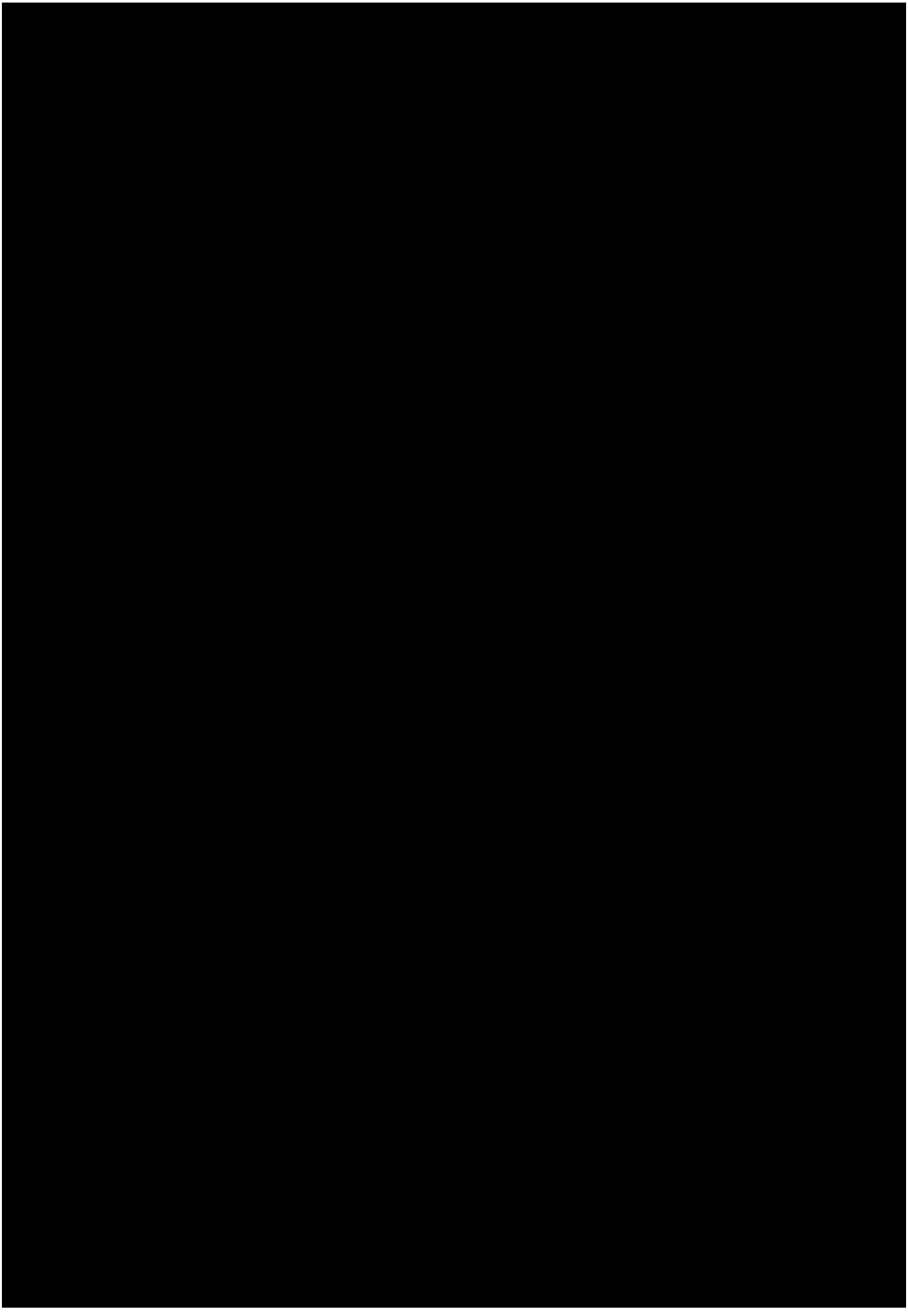


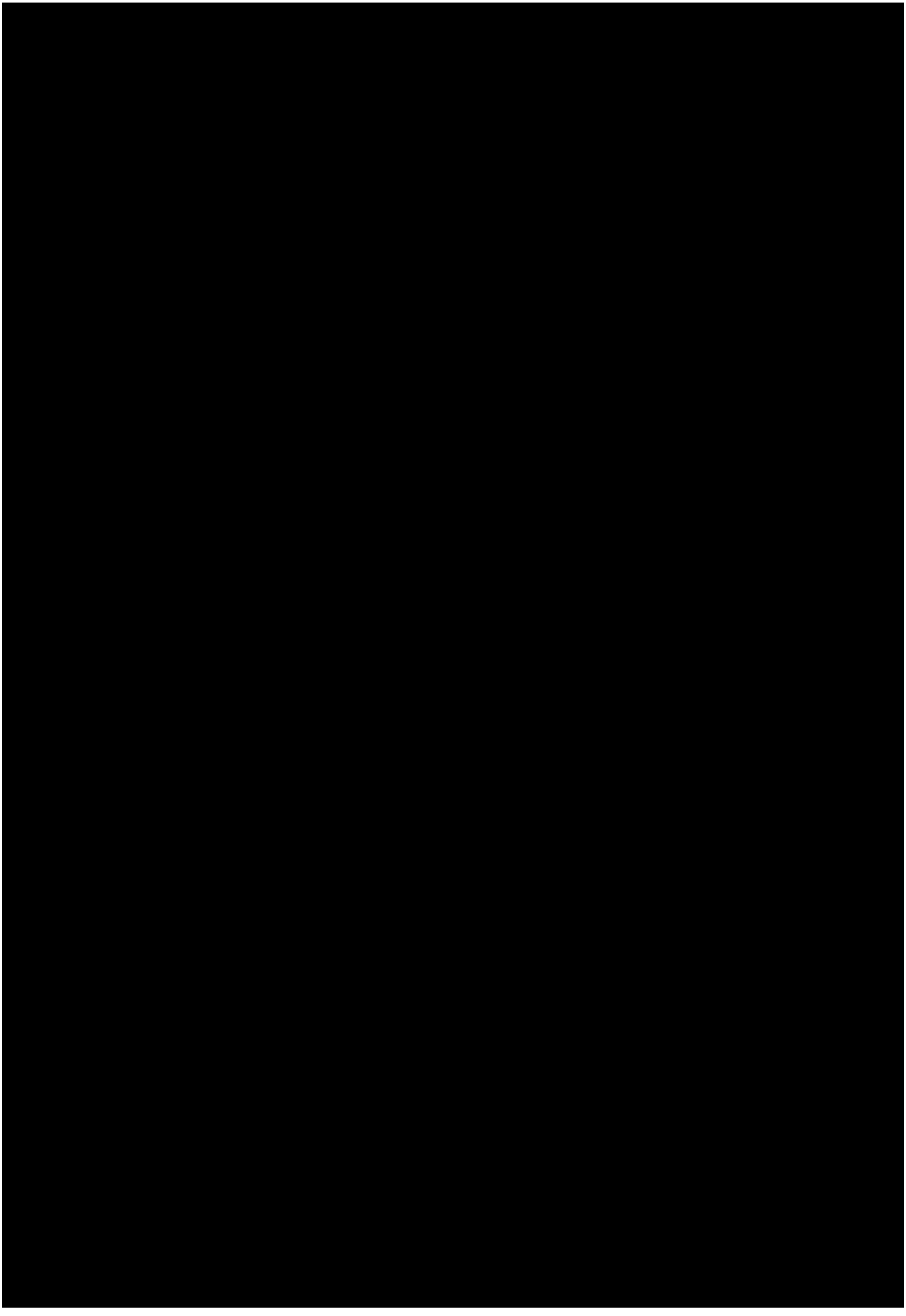


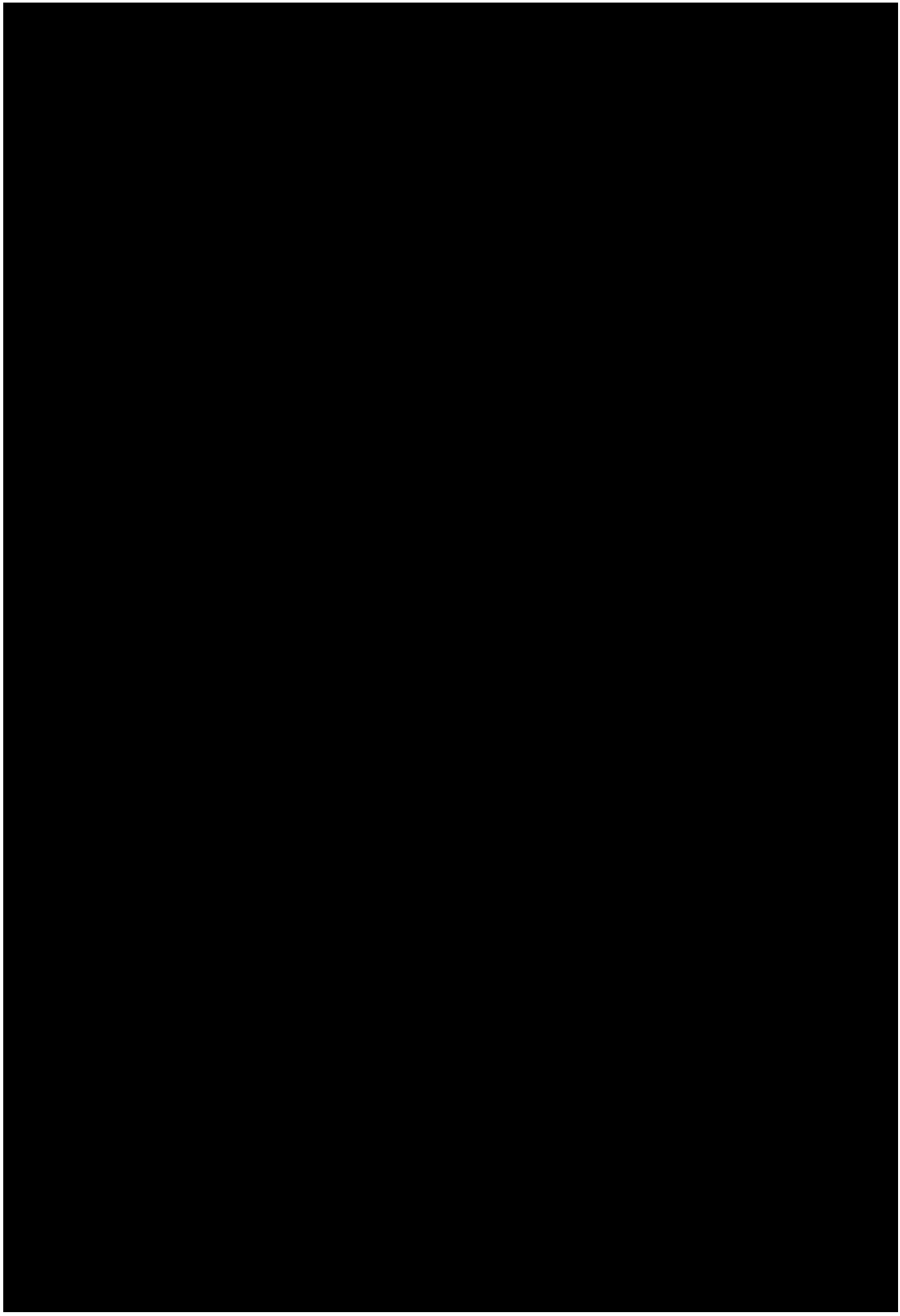


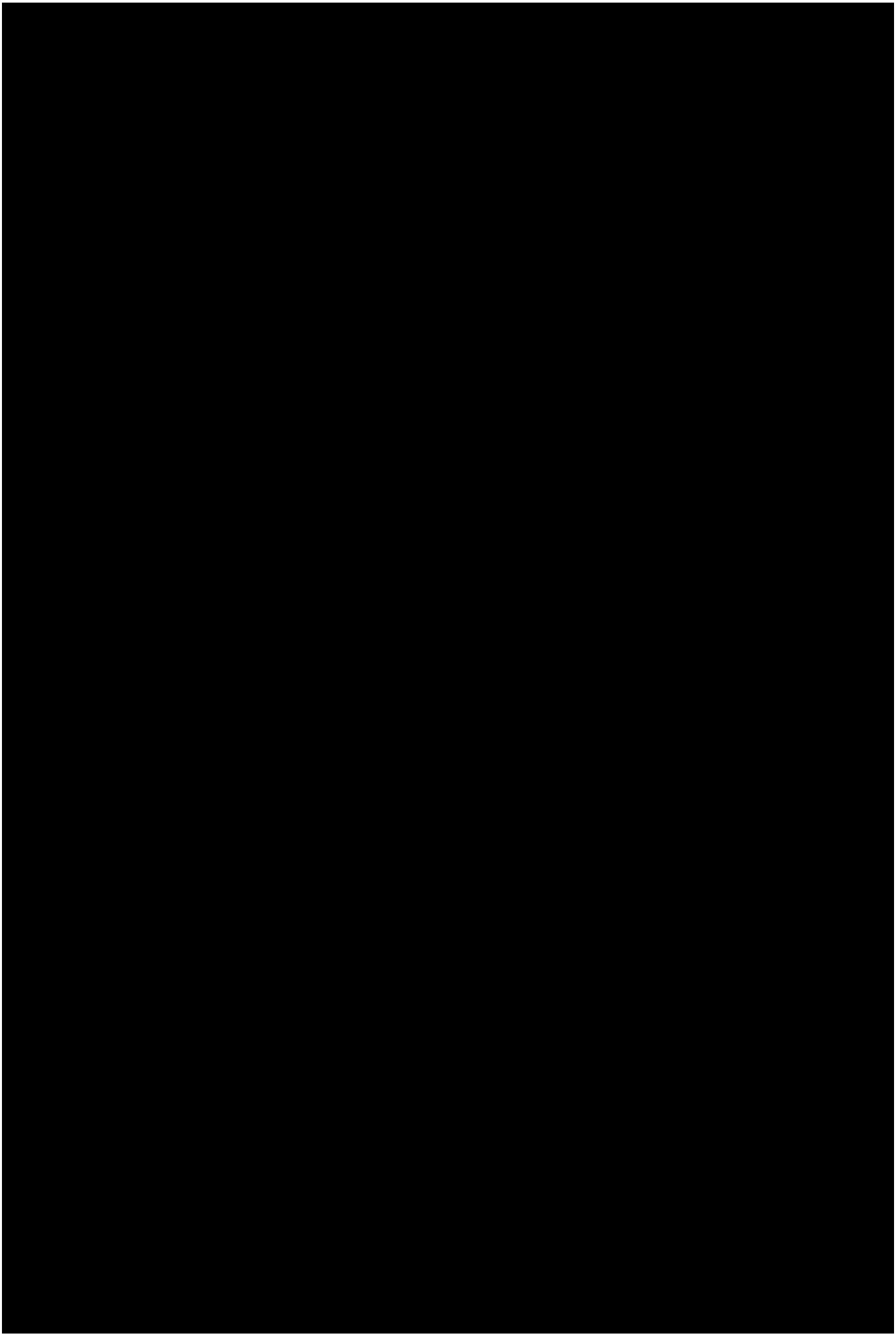


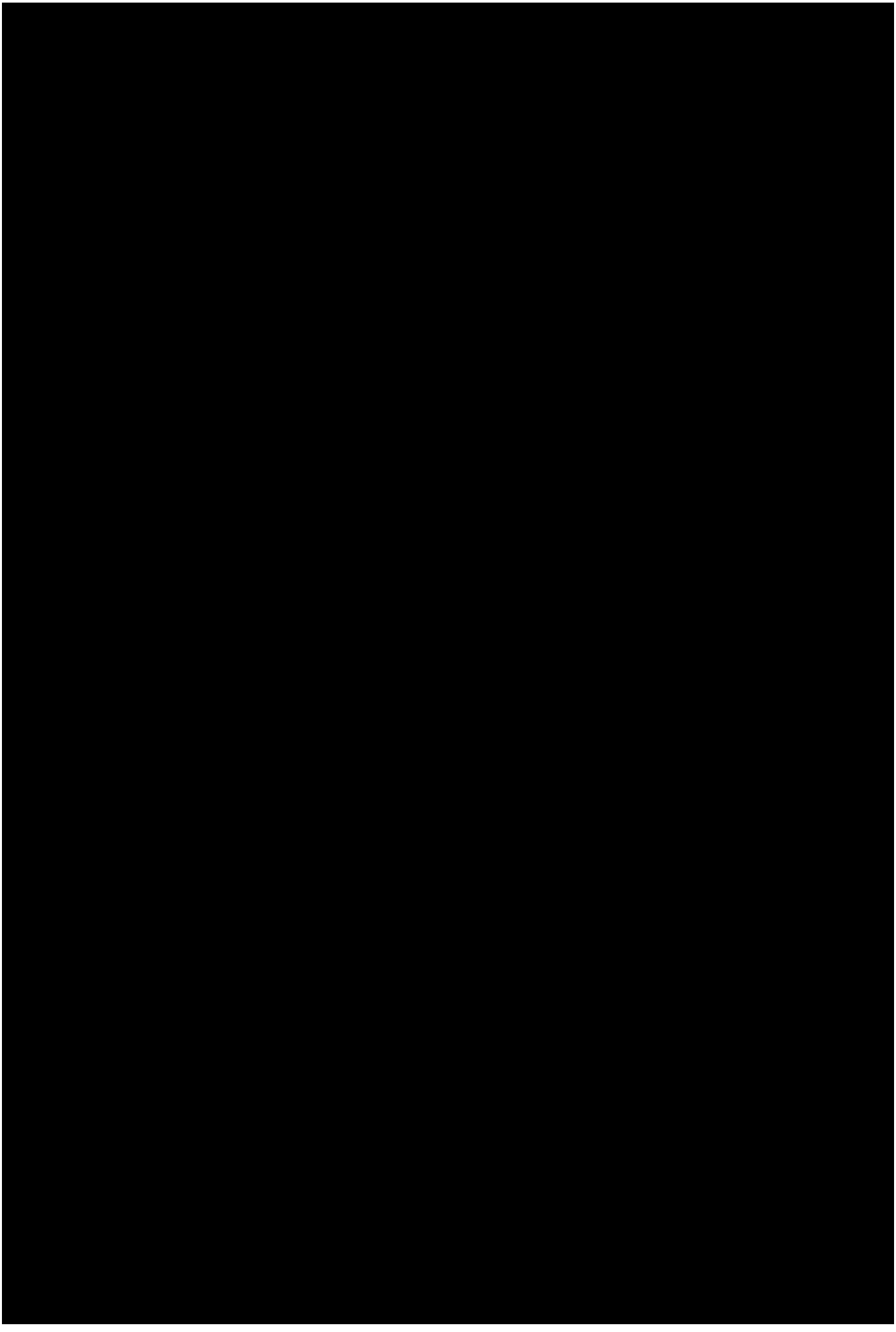


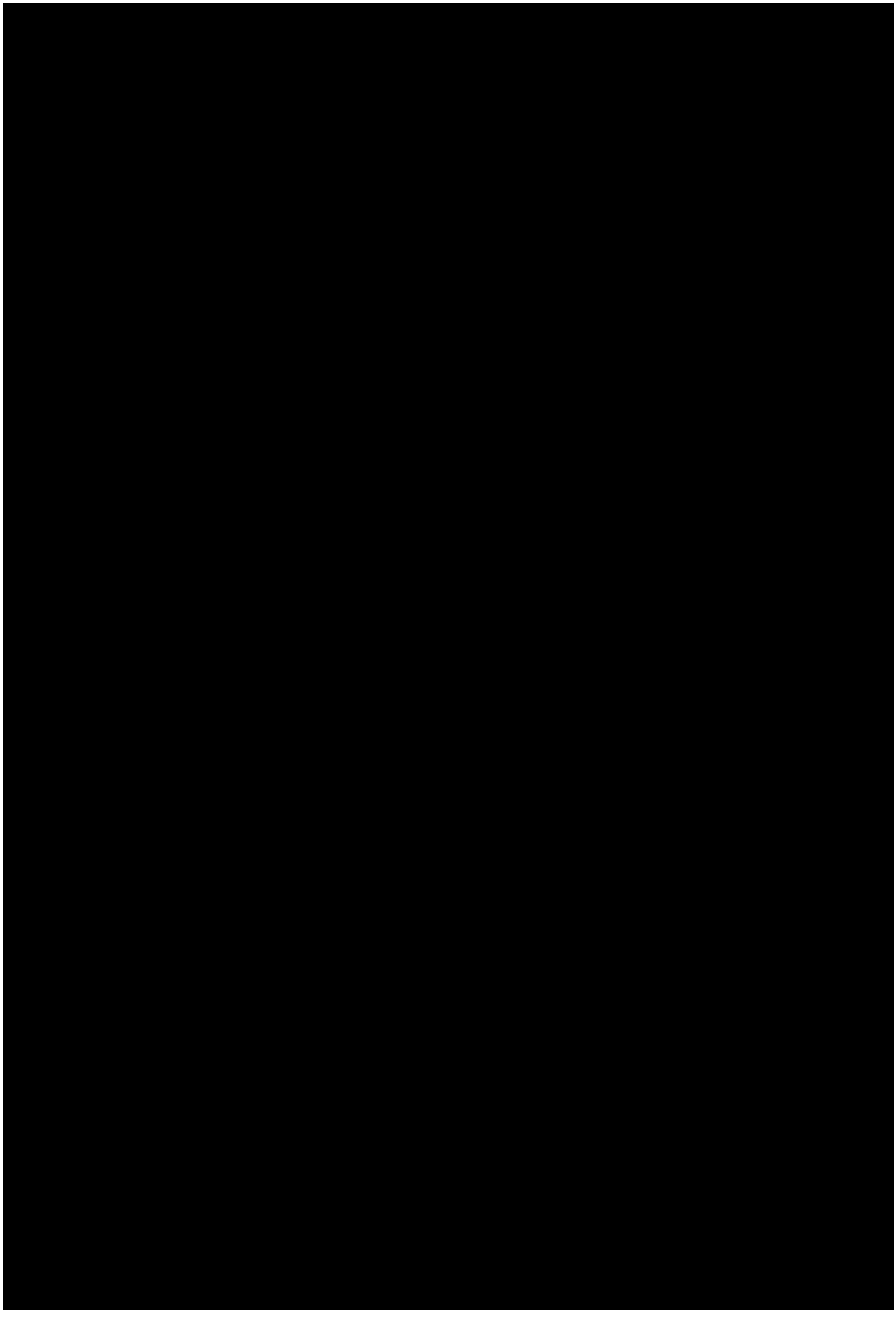


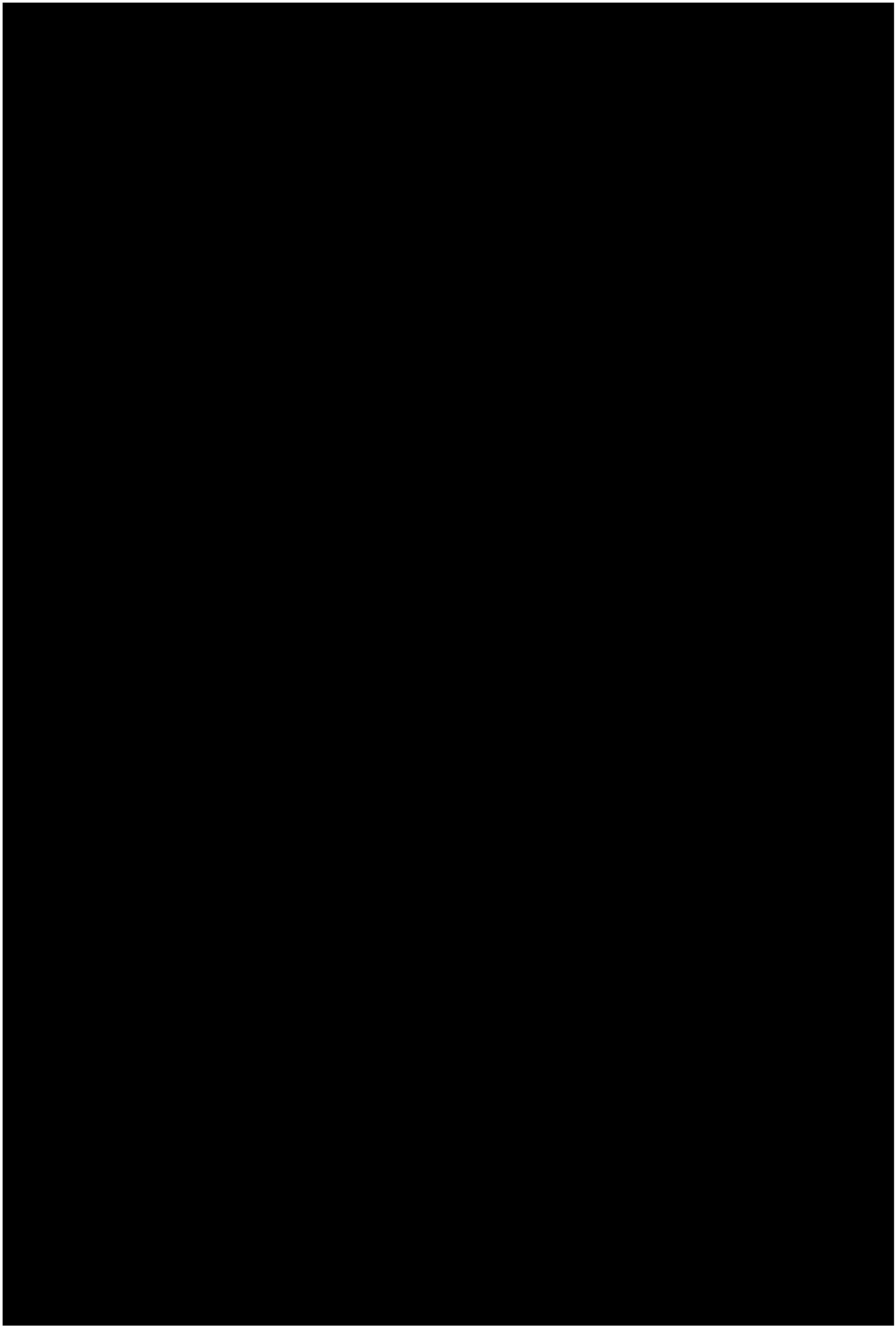


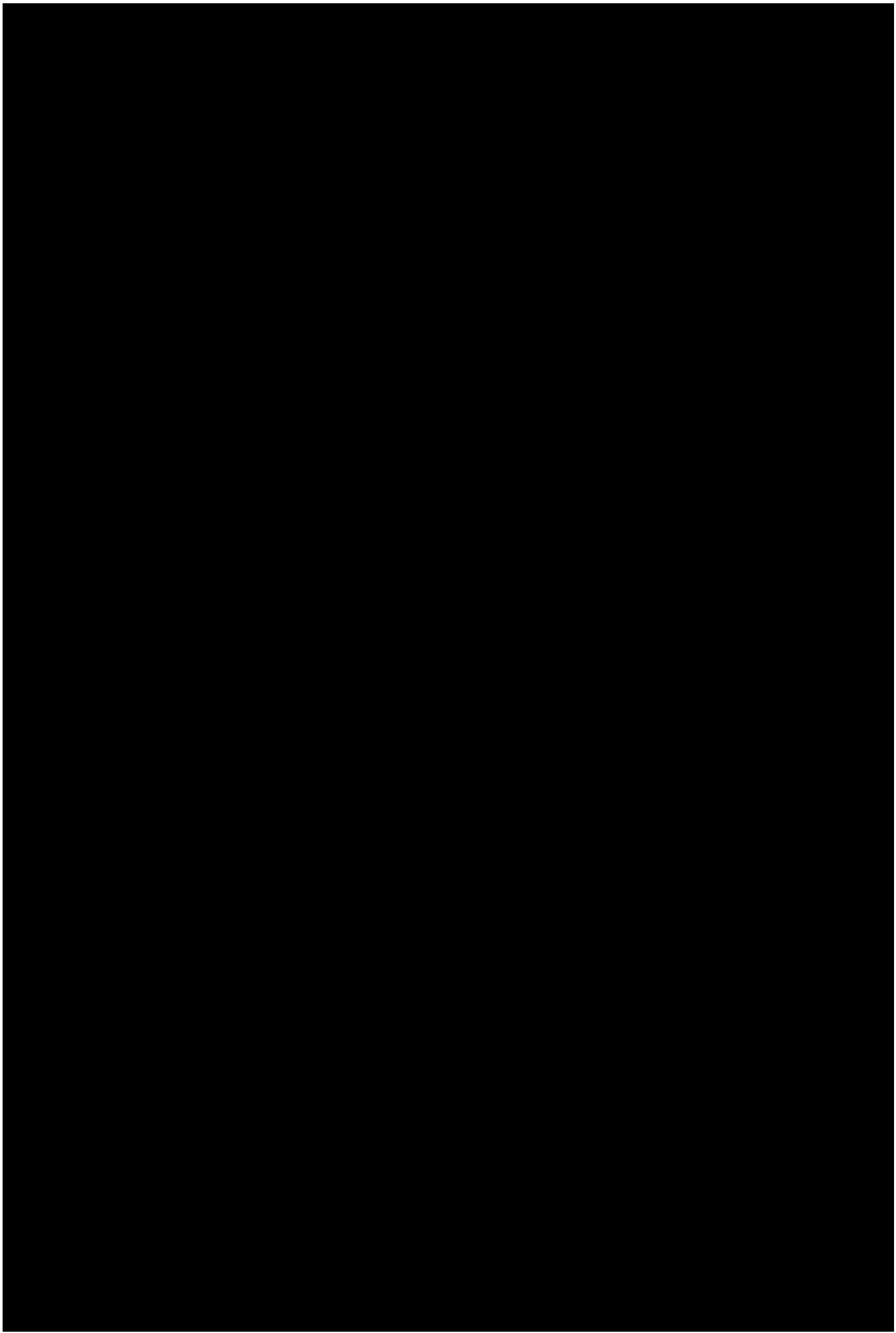


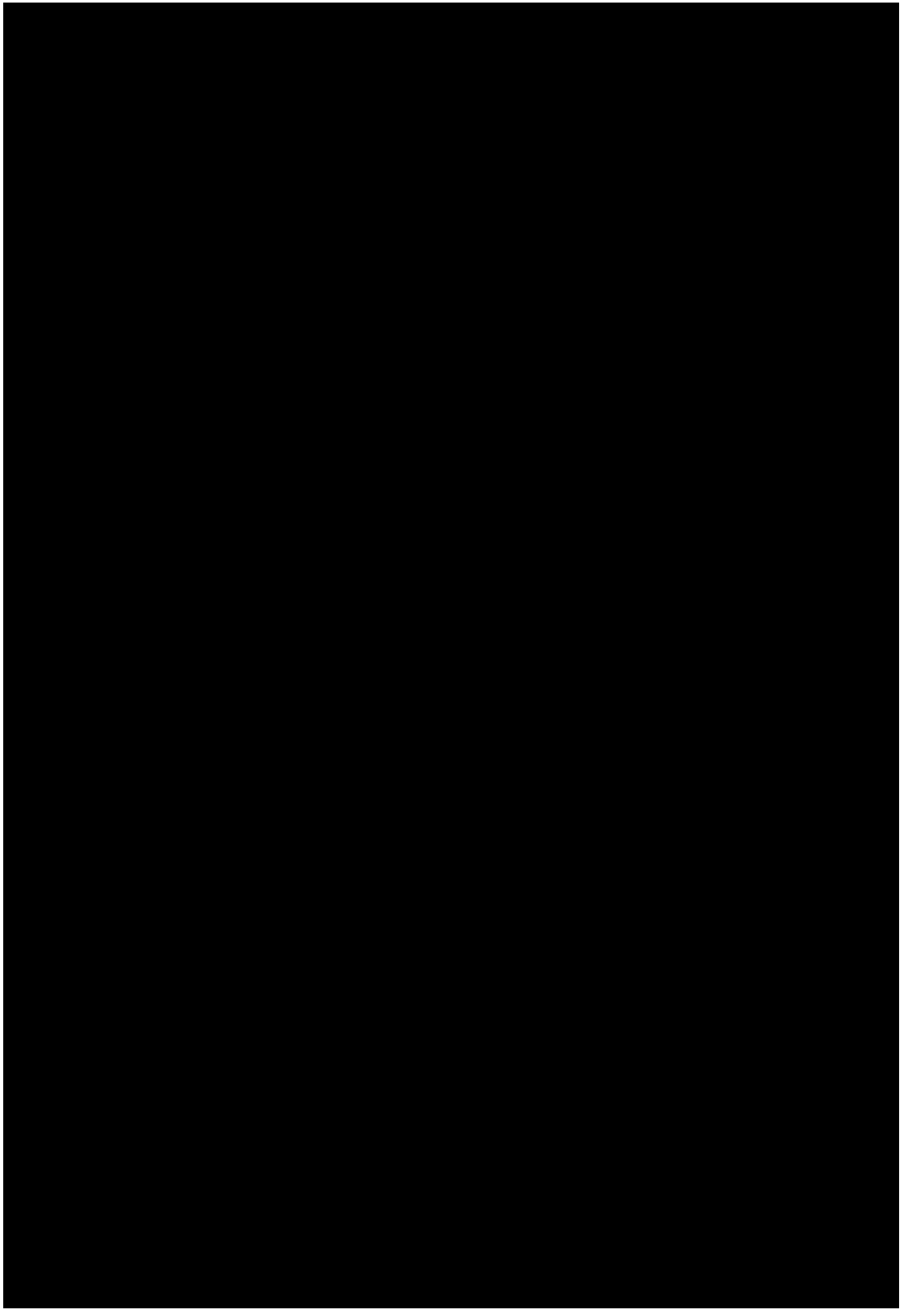


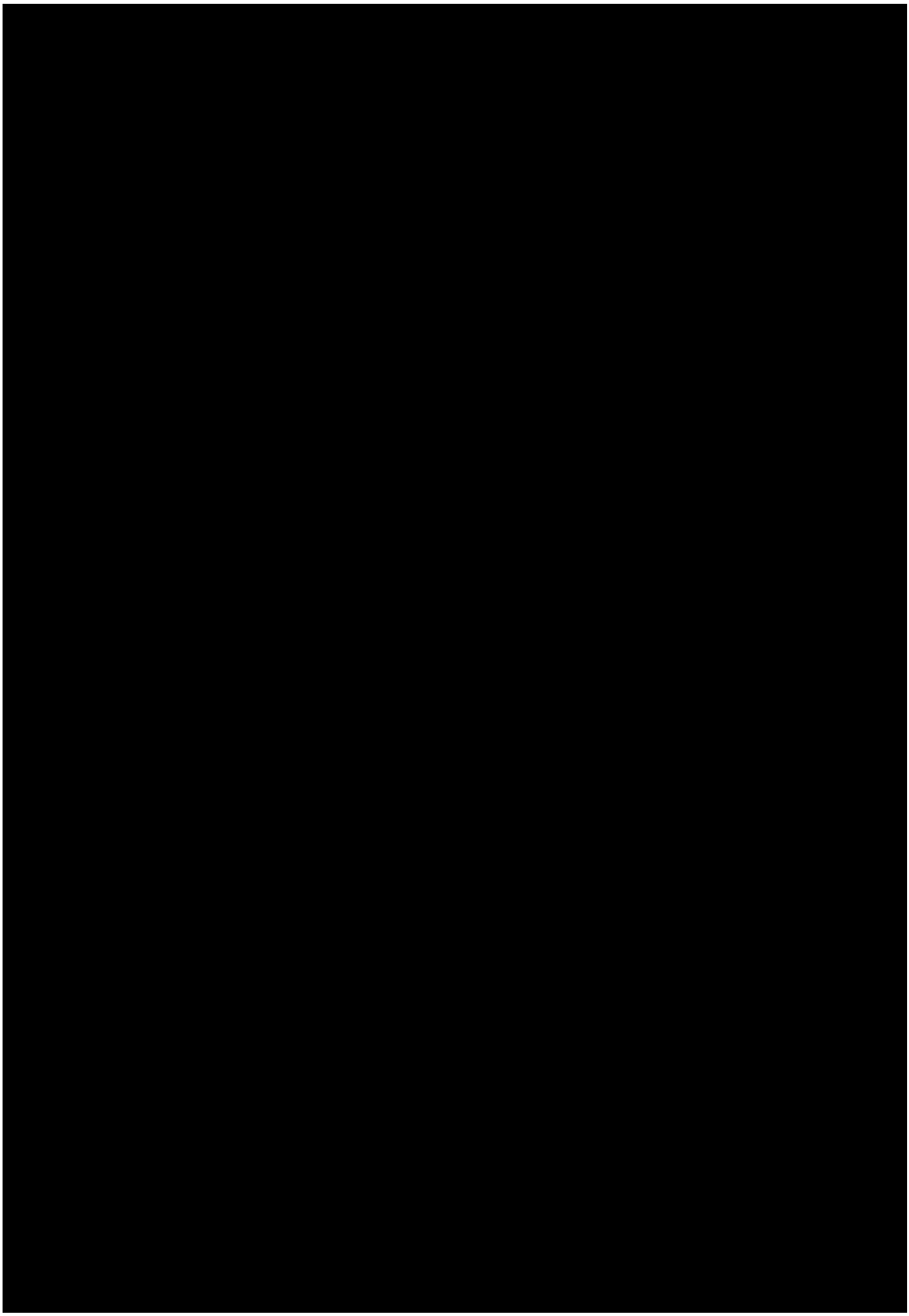


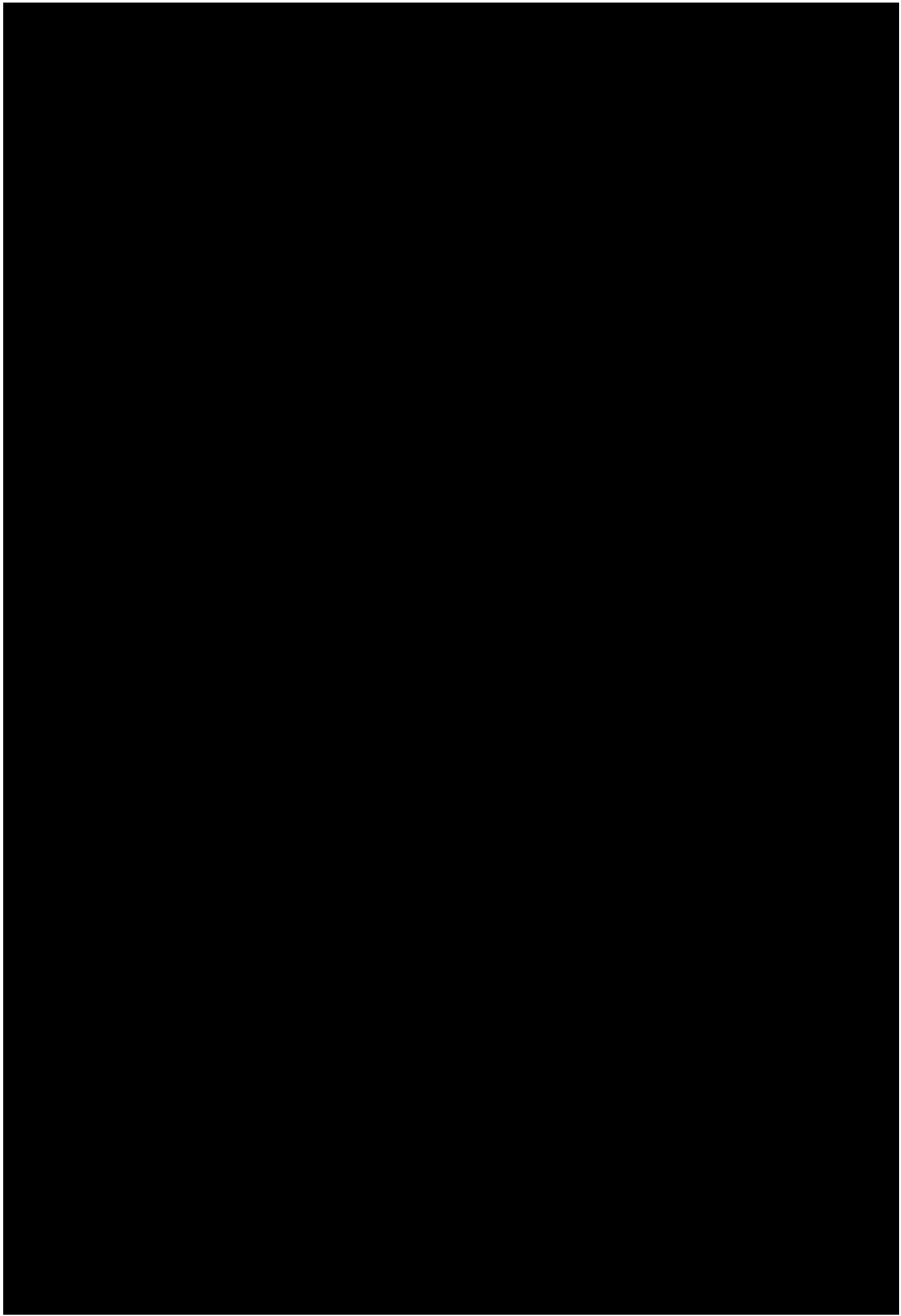


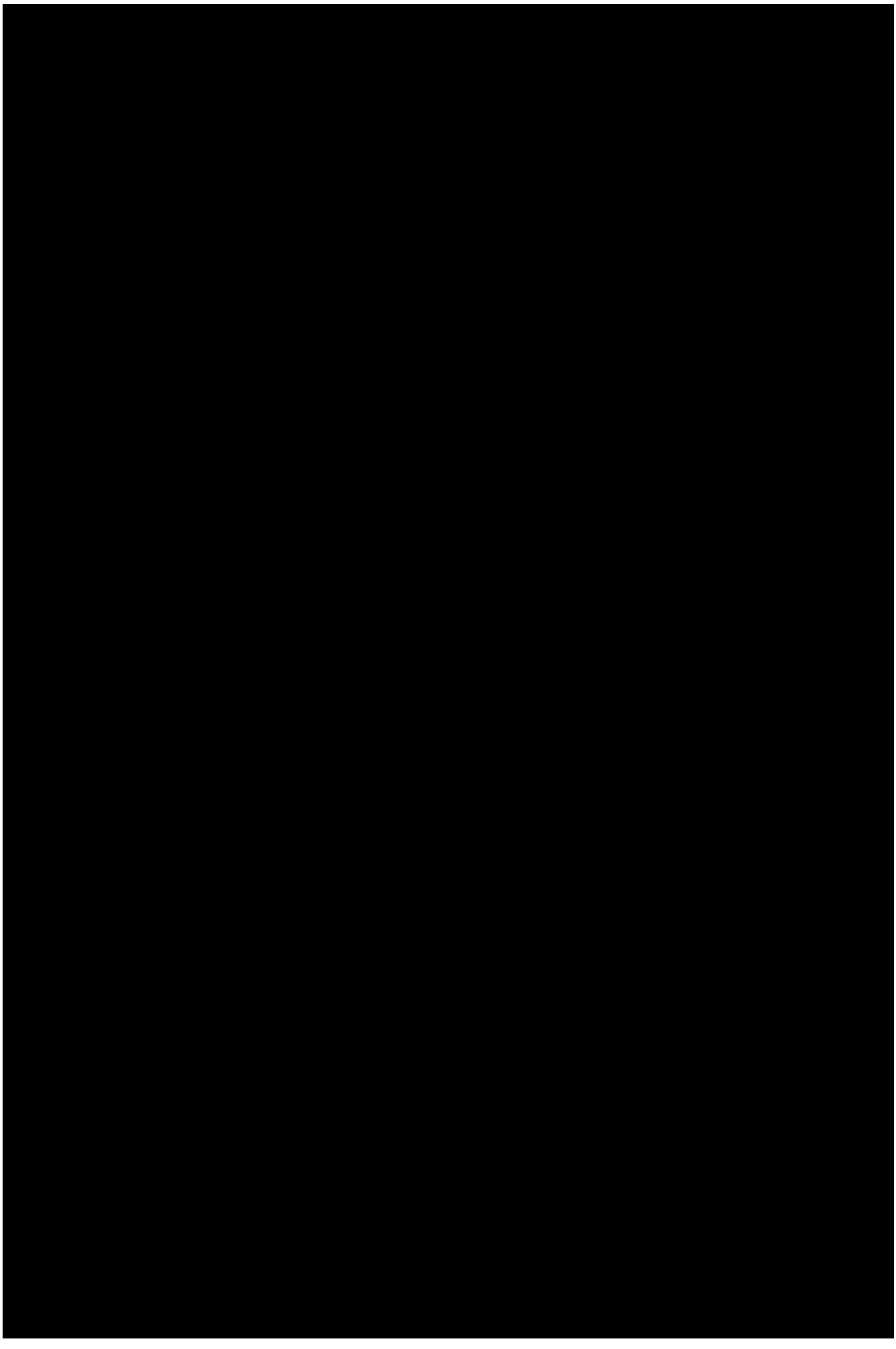


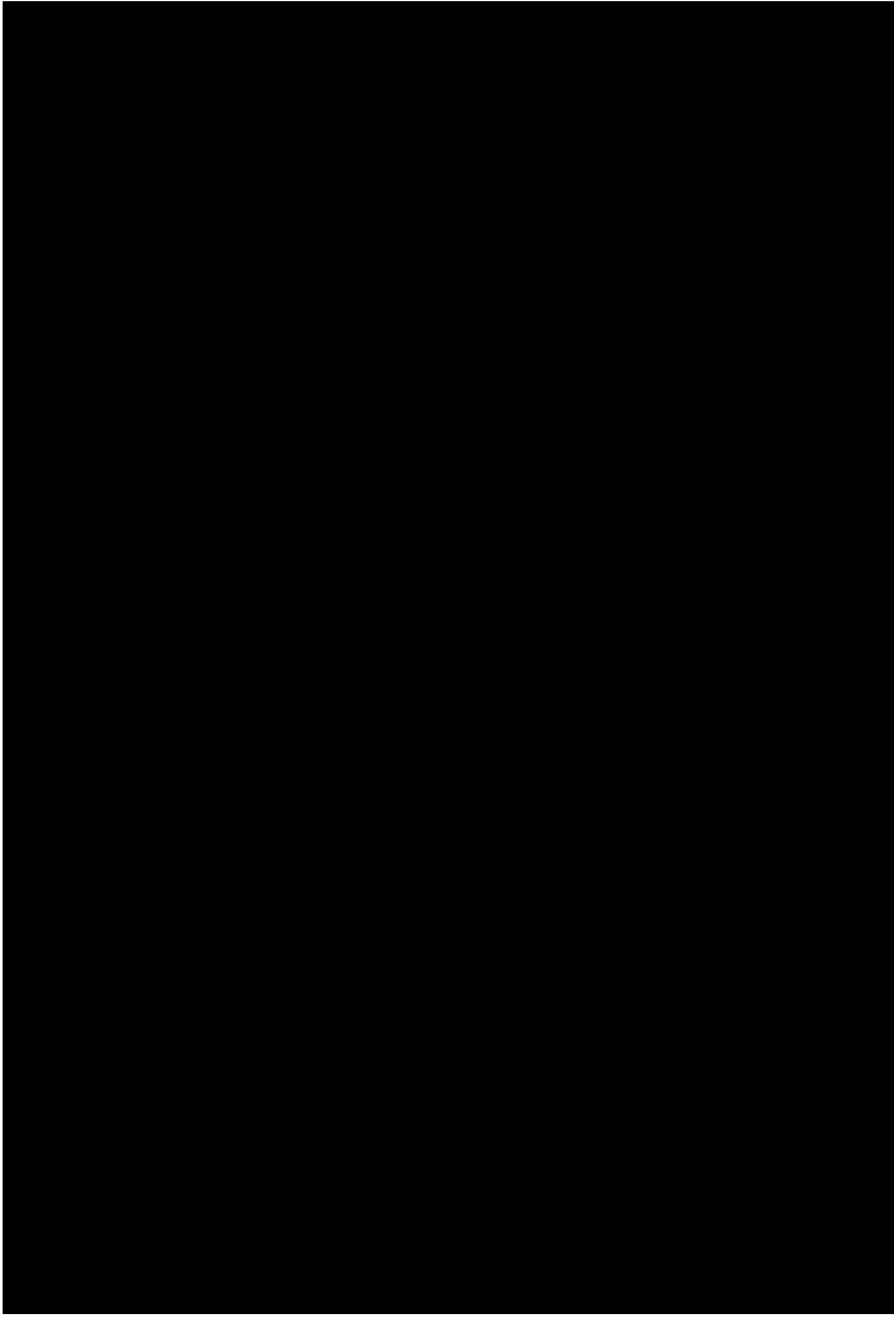


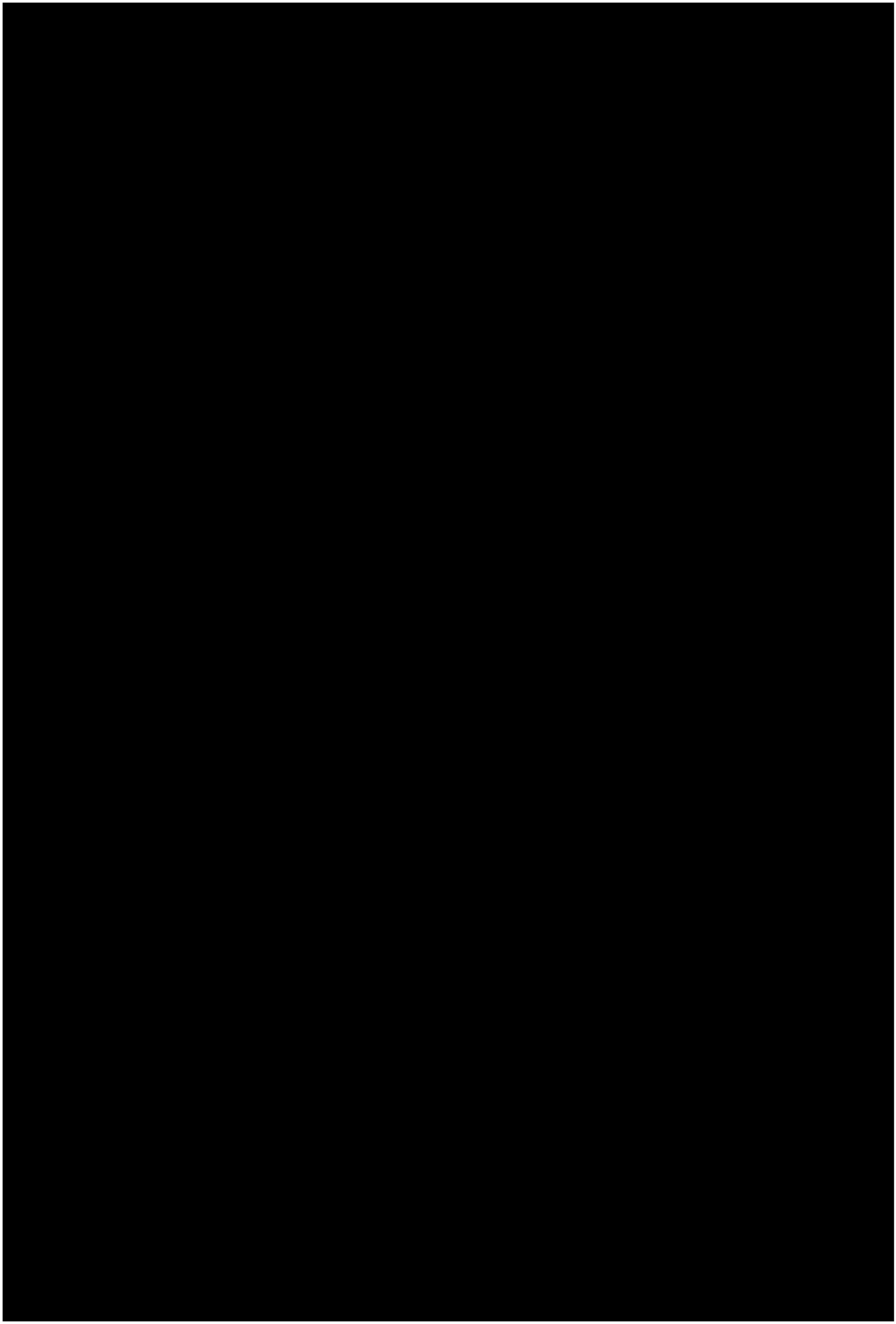


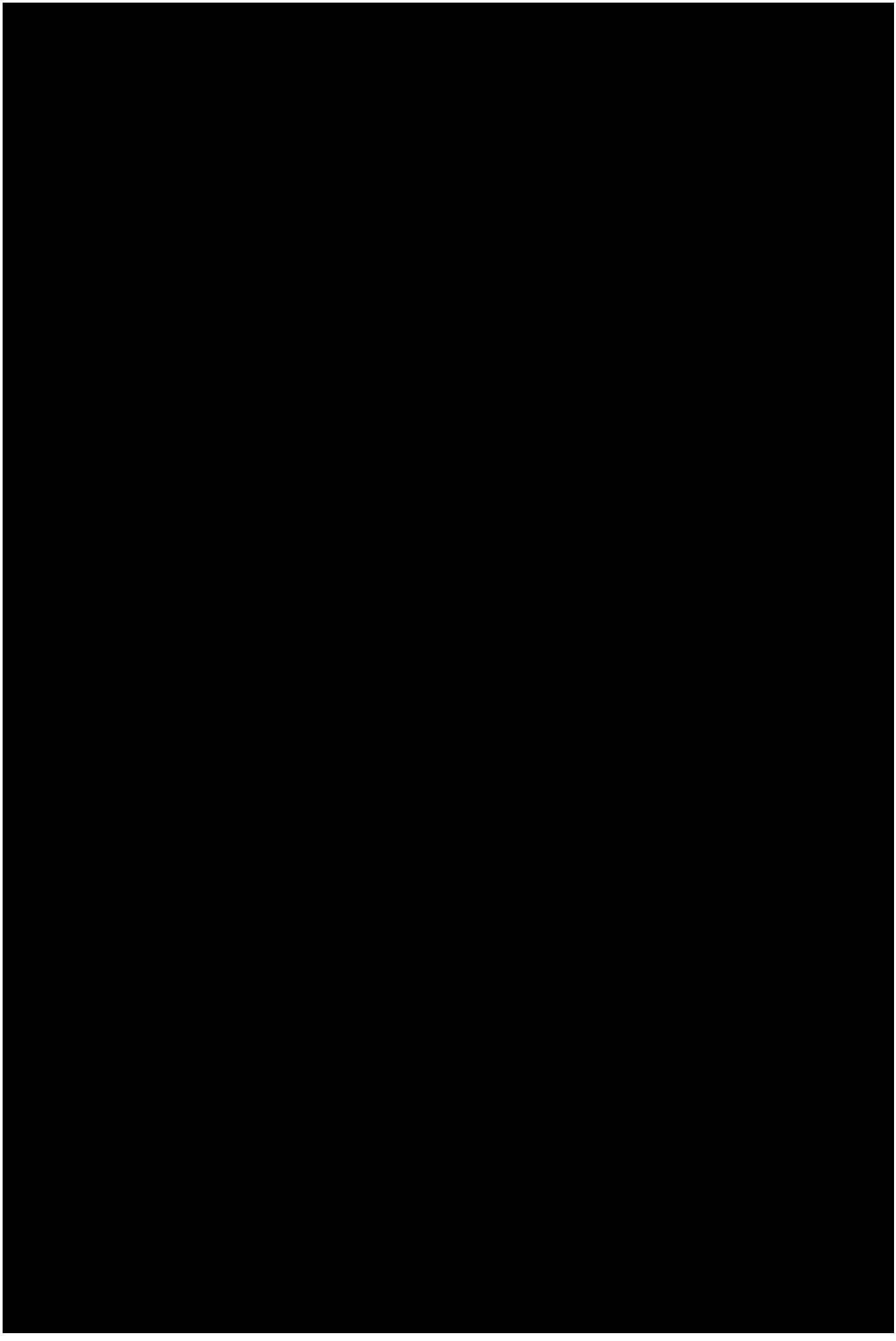


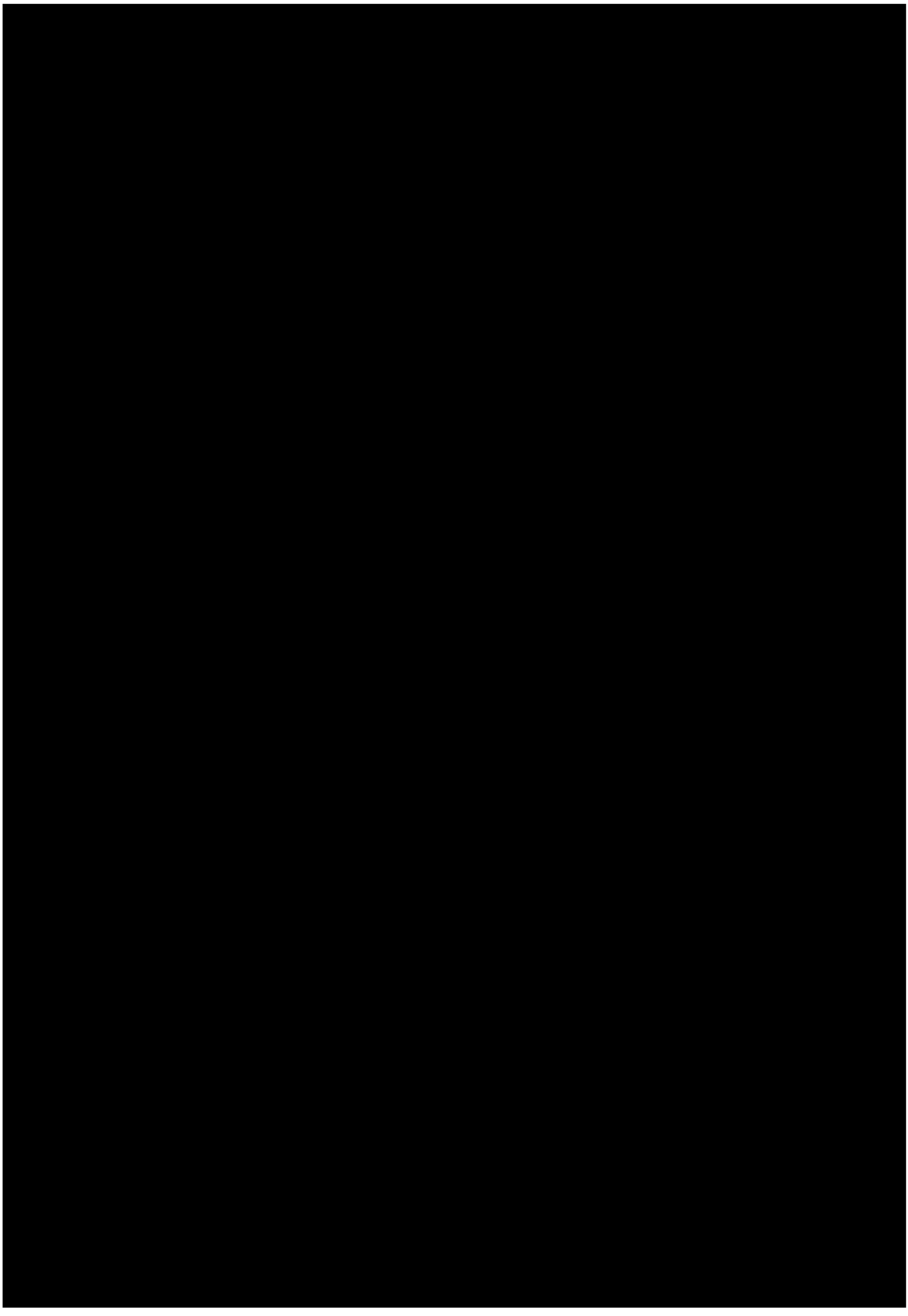


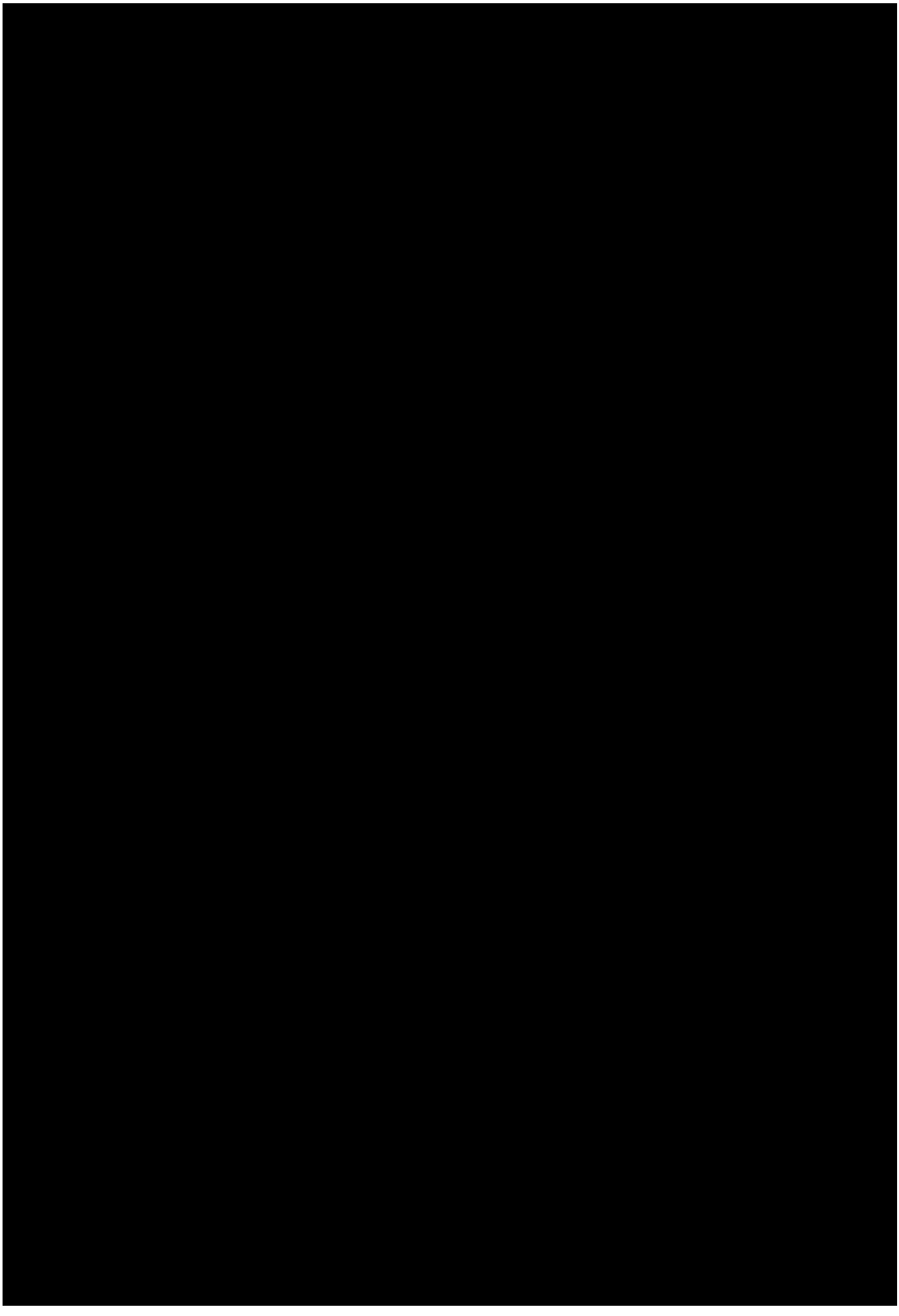


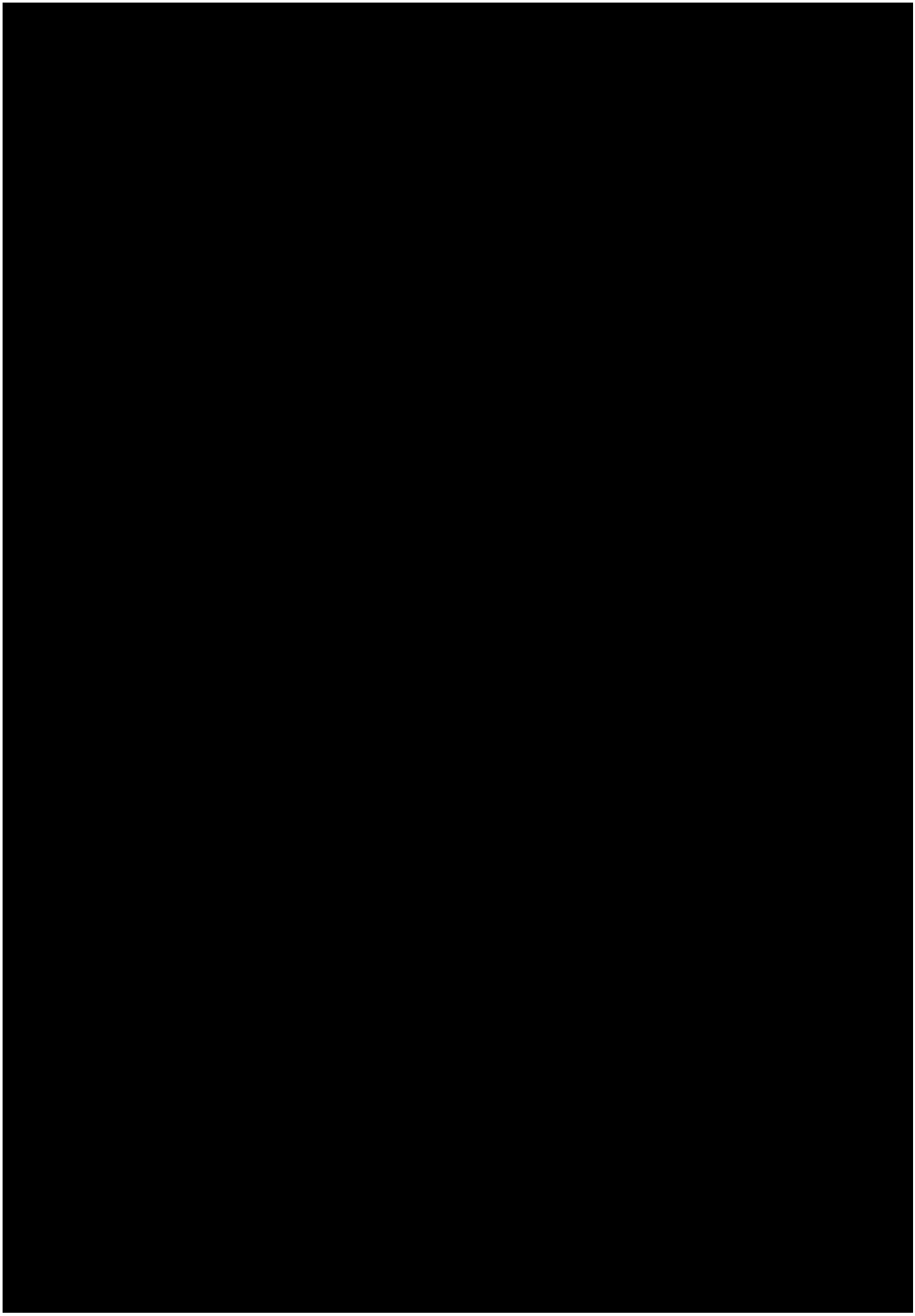


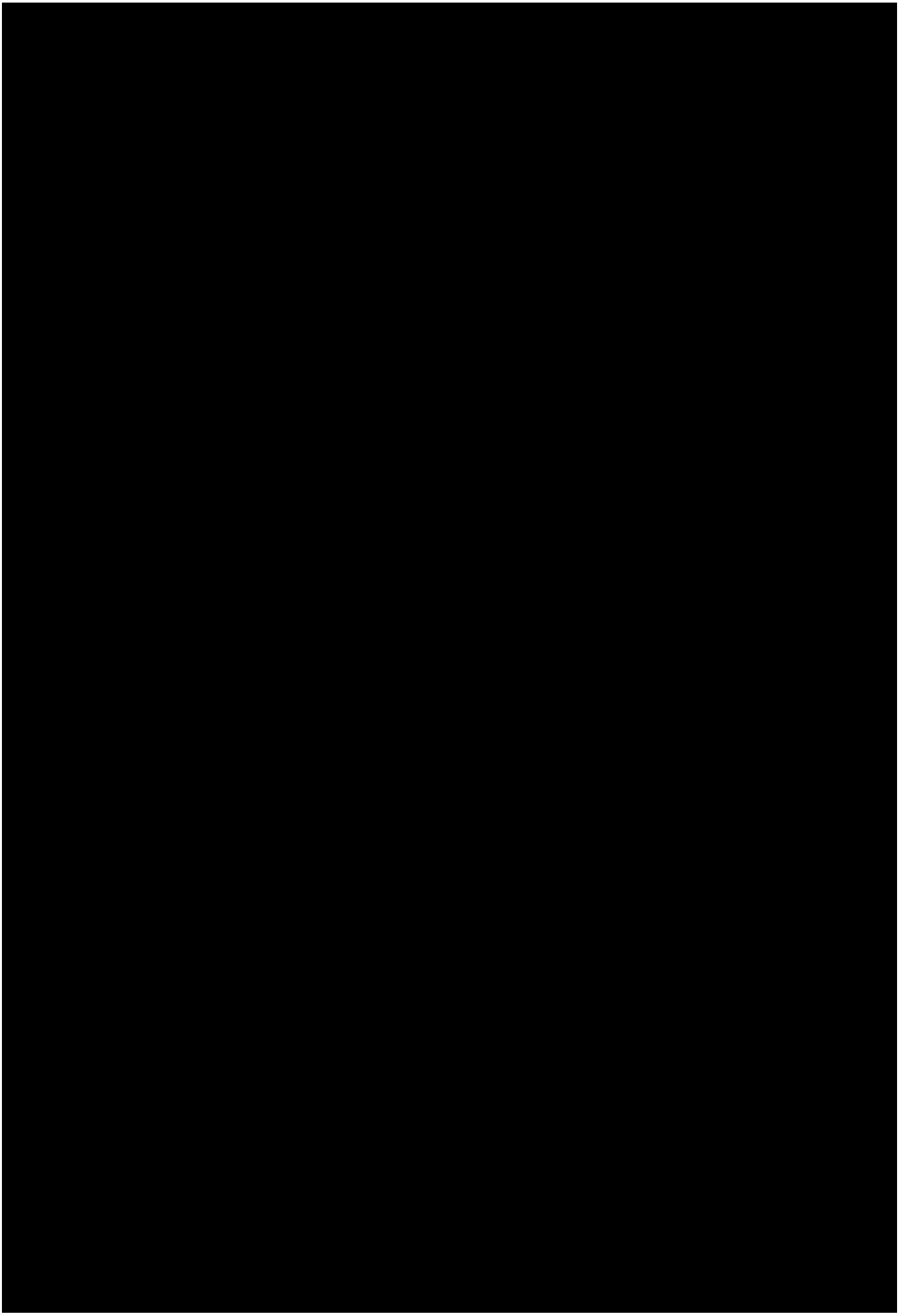


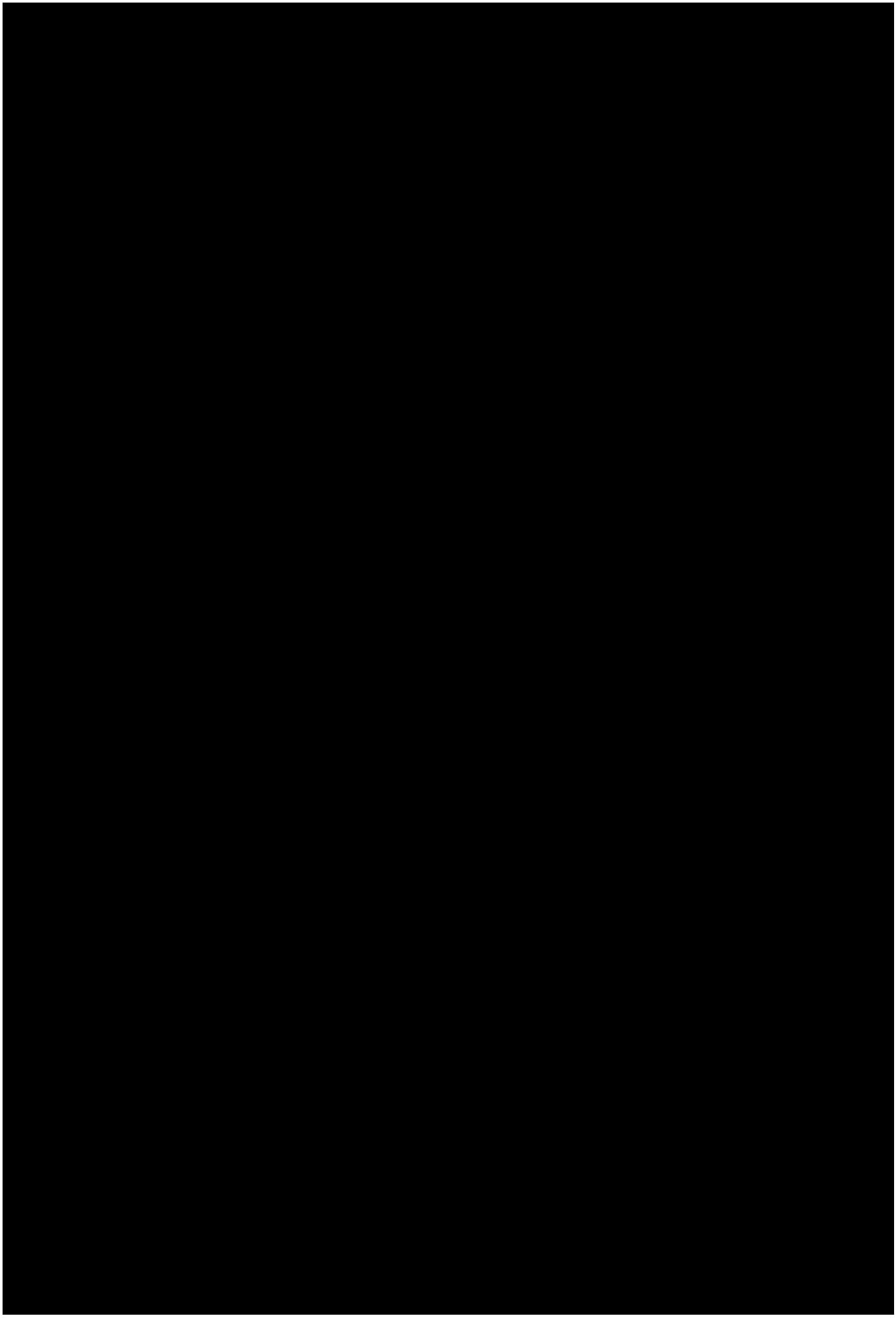


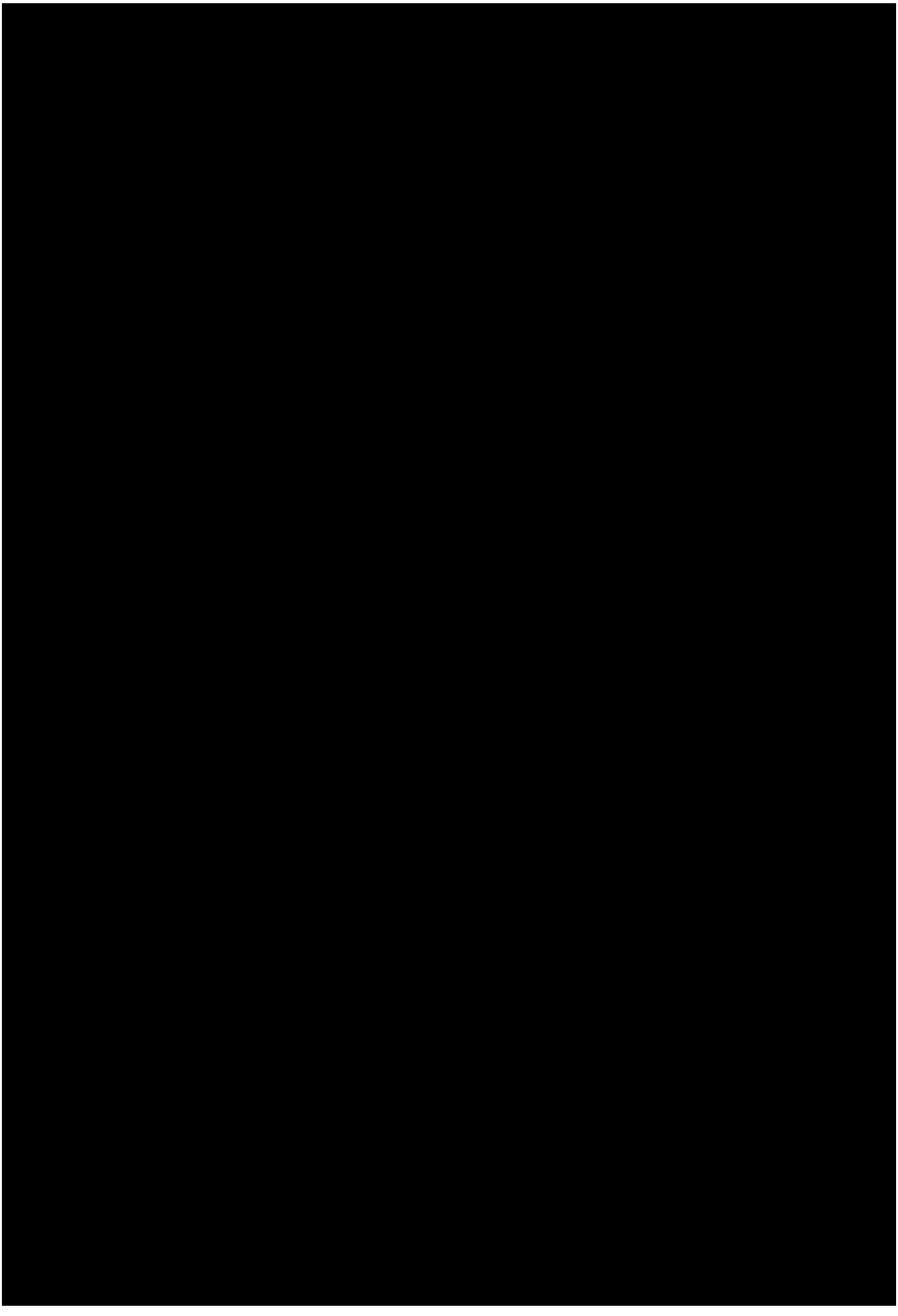


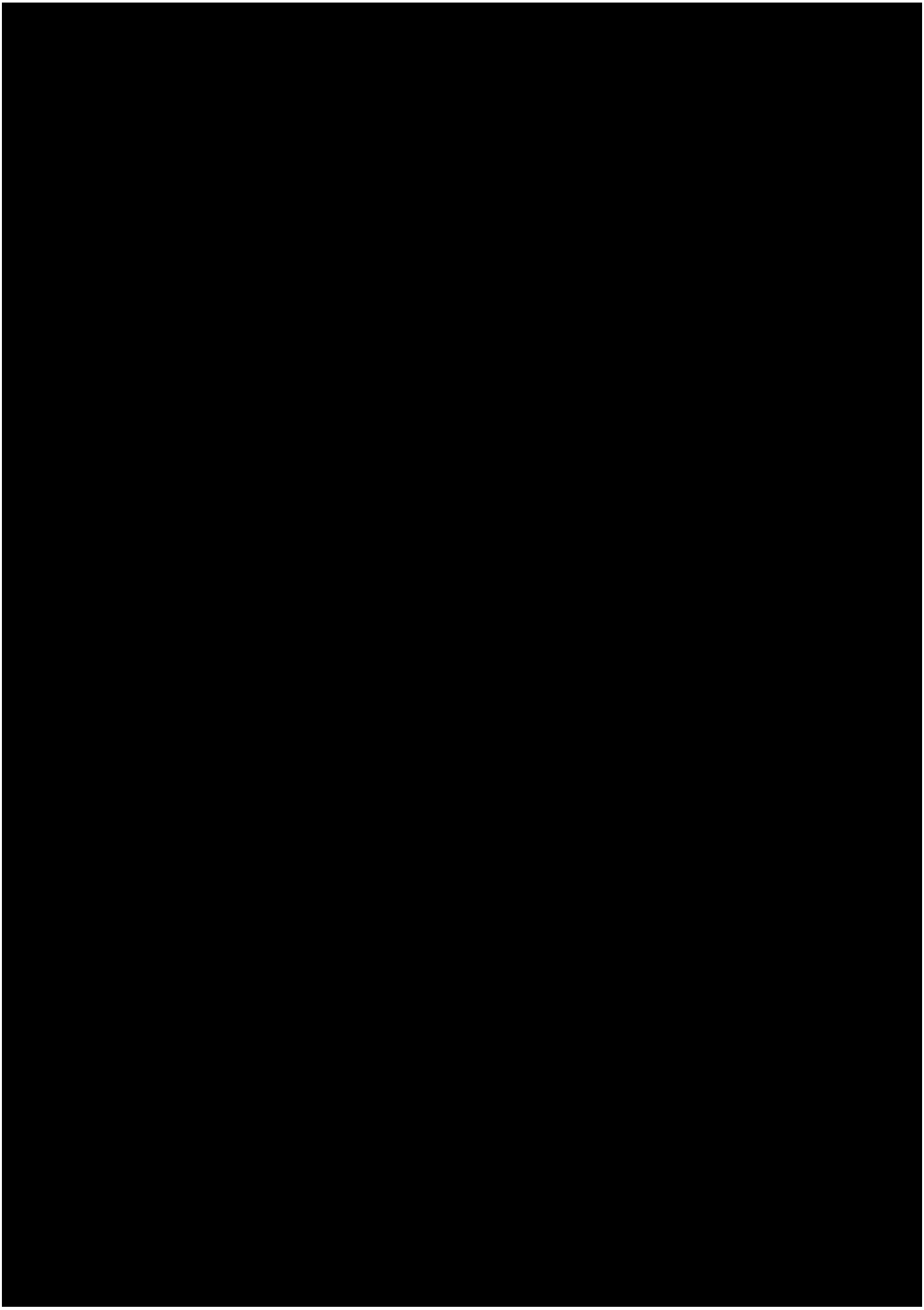


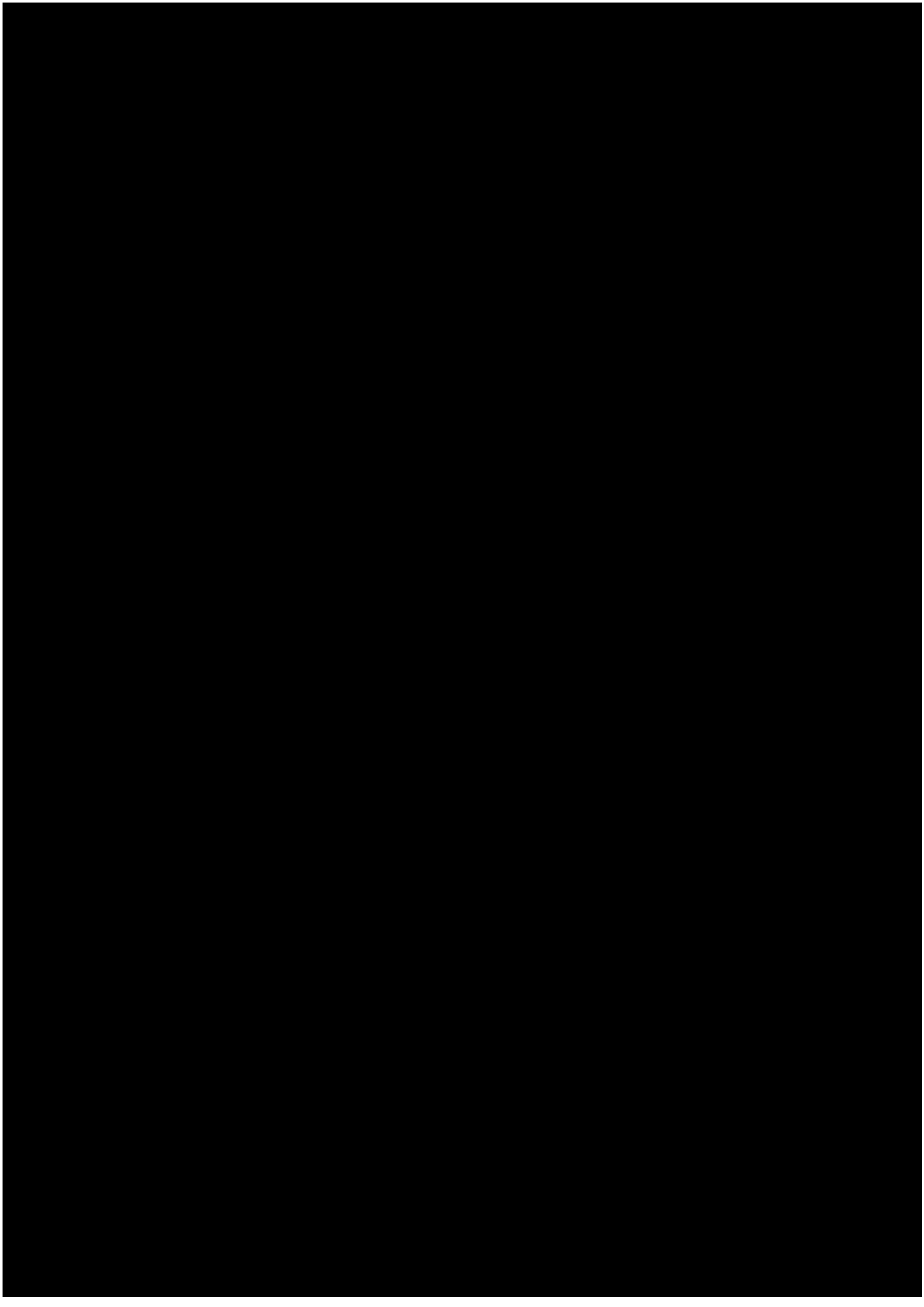


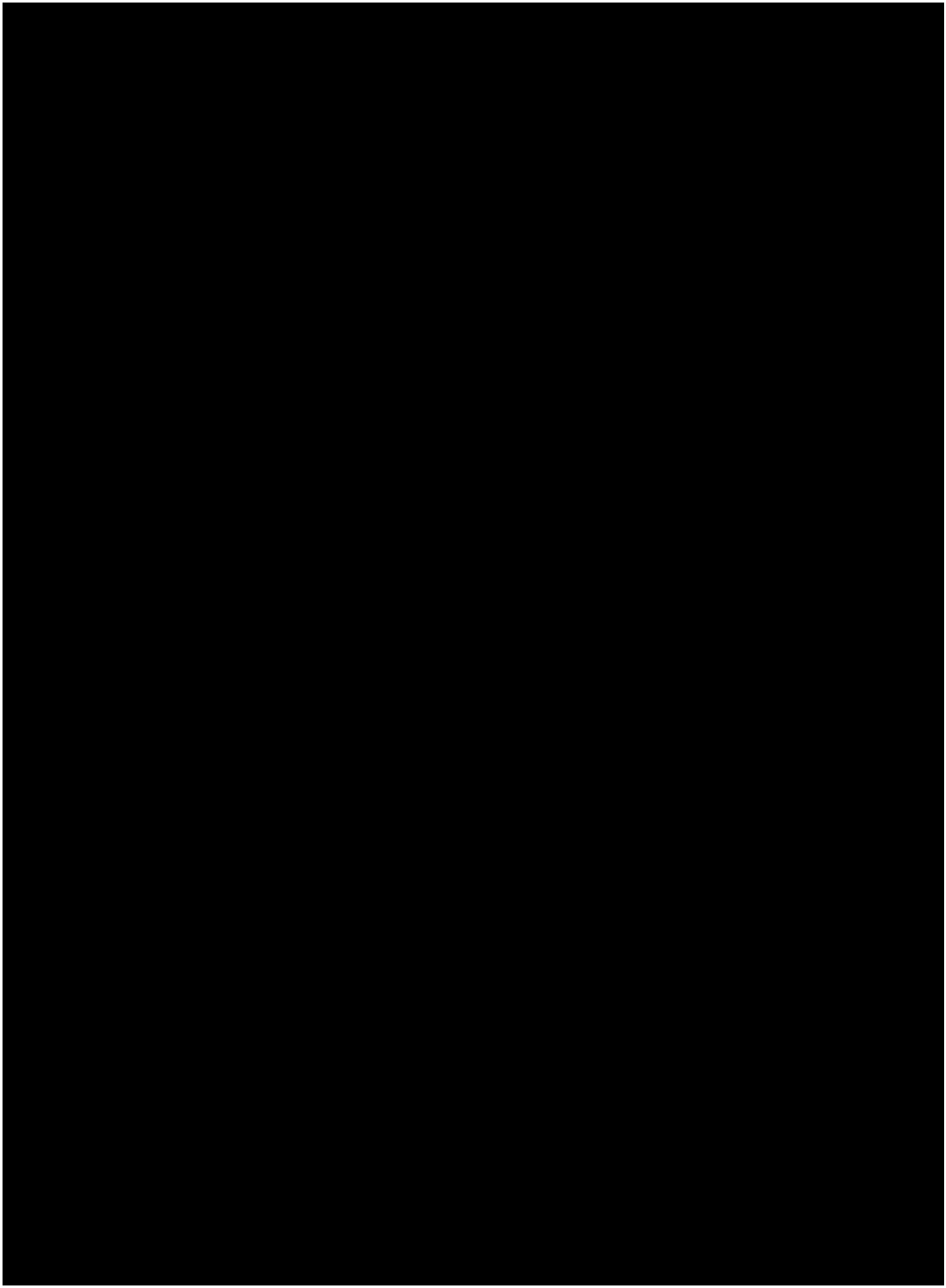


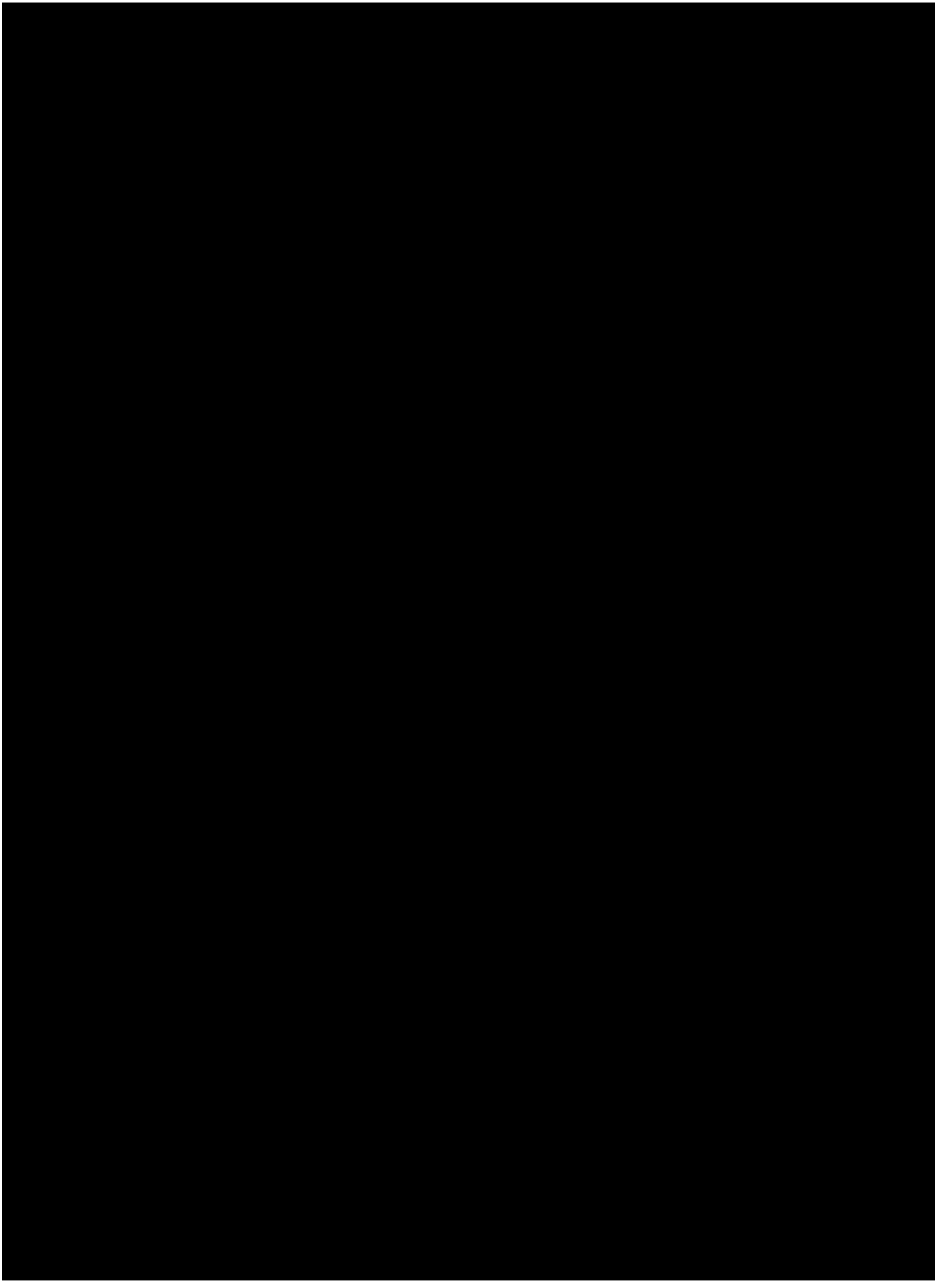


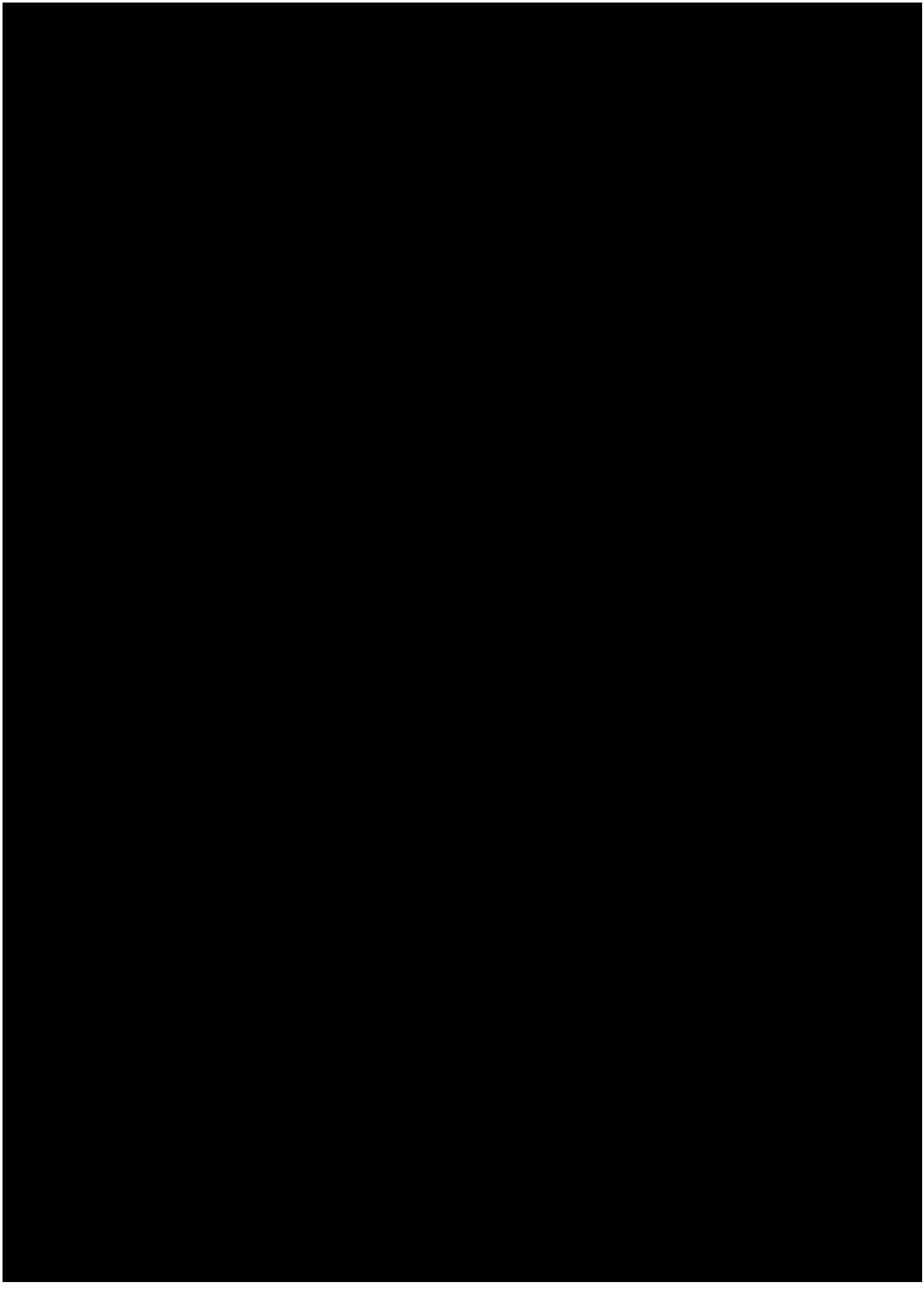


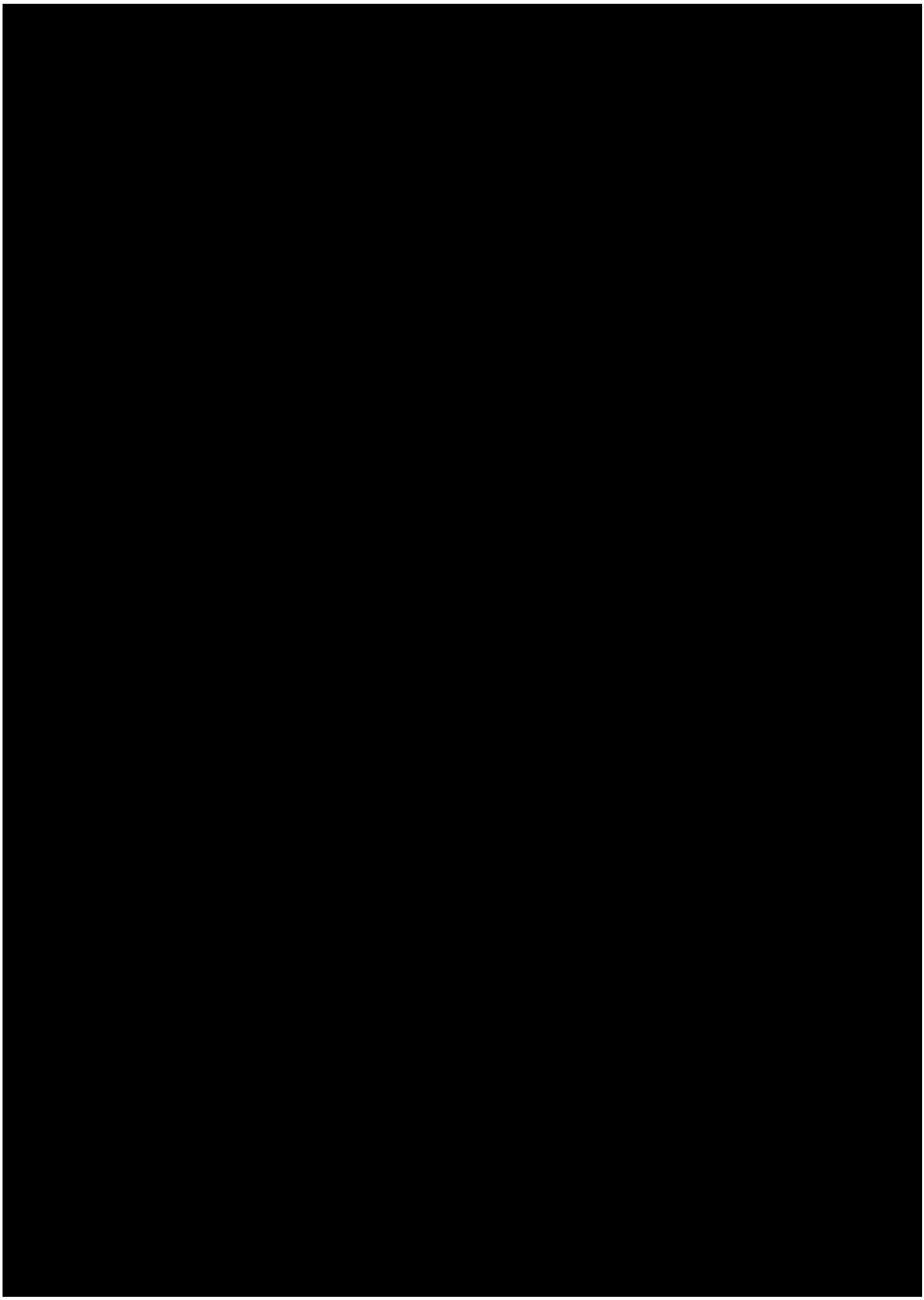


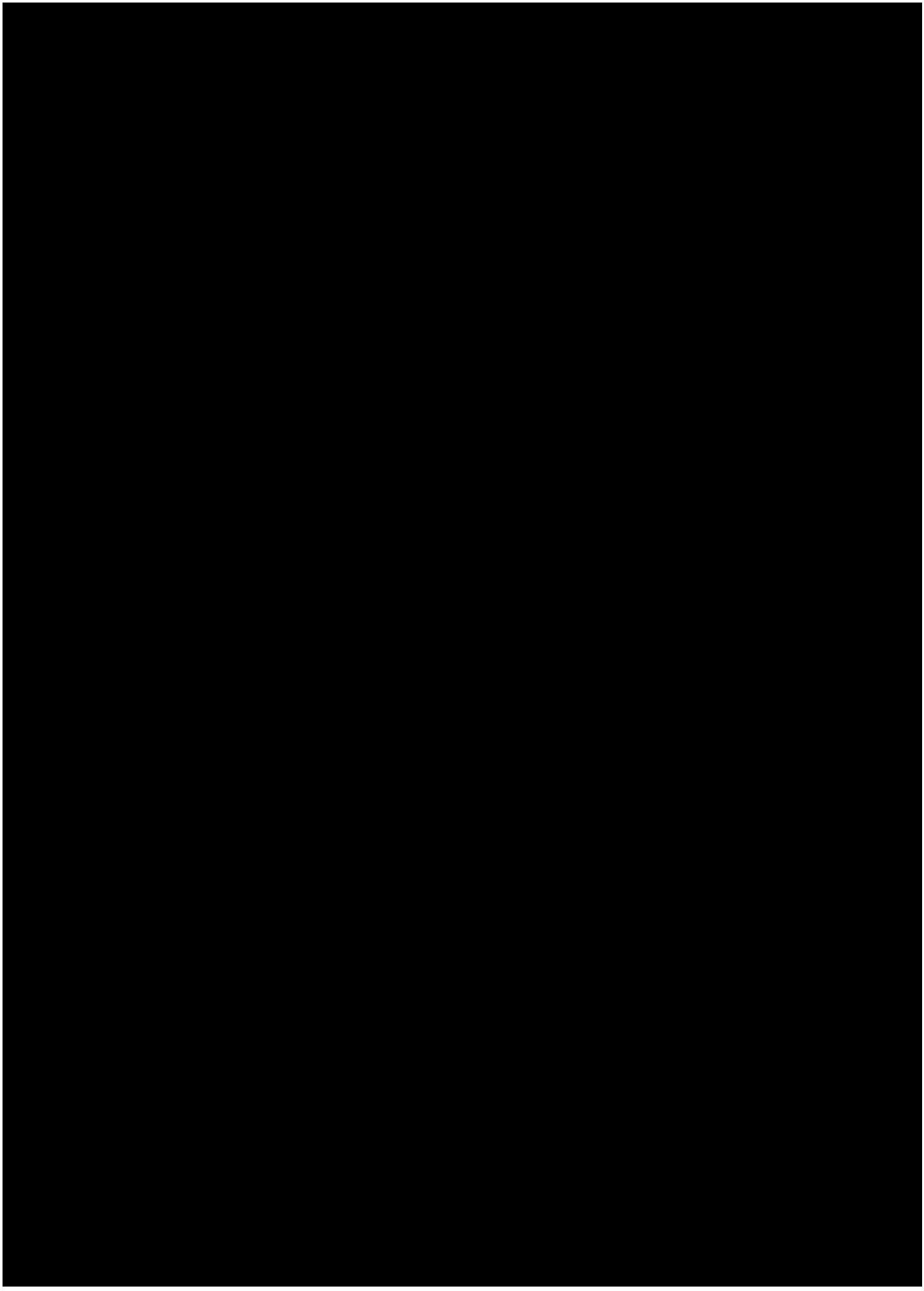












APPENDIX C: CERTIFICATE OF GOOD STANDING

STATE OF CALIFORNIA
FRANCHISE TAX BOARD
PO BOX 942857
SACRAMENTO CA 94257-0540

Entity Status Letter

Date: 3/20/2022

ESL ID: 1791223322

Why You Received This Letter

According to our records, the following entity information is true and accurate as of the date of this letter.

Entity ID: 1725824

Entity Name: MEDIMPACT HEALTHCARE SYSTEMS, INC.

☒ 1. The entity is in good standing with the Franchise Tax Board.

☐ 2. The entity is **not** in good standing with the Franchise Tax Board.

☐ 3. The entity is currently exempt from tax under Revenue and Taxation Code (R&TC) Section 23701 .

☐ 4. We do not have current information about the entity.

☐ 5. The entity was administratively dissolved/cancelled on through the Franchise Tax Board Administrative Dissolution process.

Important Information

- This information does not necessarily reflect the entity's current legal or administrative status with any other agency of the state of California or other governmental agency or body.
- If the entity's powers, rights, and privileges were suspended or forfeited at any time in the past, or if the entity did business in California at a time when it was not qualified or not registered to do business in California, this information does not reflect the status or voidability of contracts made by the entity in California during the period the entity was suspended or forfeited (R&TC Sections 23304.1, 23304.5, 23305a, 23305.1).
- The entity certificate of revivor may have a time limitation or may limit the functions the revived entity can perform, or both (R&TC Section 23305b).

Connect With Us

Web: **ftb.ca.gov**
Phone: 800.852.5711 from 7 a.m. to 5 p.m. weekdays, except state holidays
916.845.6500 from outside the United States
TTY/TDD: 800.822.6268 for persons with hearing or speech impairments

Secretary of State
Certificate of Status

I, SHIRLEY N. WEBER, Ph.D., Secretary of State of the State of California, hereby certify:

Entity Name:	MEDIMPACT HEALTHCARE SYSTEMS, INC.
File Number:	C1725824
Registration Date:	06/01/1993
Entity Type:	DOMESTIC STOCK CORPORATION
Jurisdiction:	CALIFORNIA
Status:	ACTIVE (GOOD STANDING)

As of February 9, 2022 (Certification Date), the entity is authorized to exercise all of its powers, rights and privileges in California.

This certificate relates to the status of the entity on the Secretary of State's records as of the Certification Date and does not reflect documents that are pending review or other events that may affect status.

No information is available from this office regarding the financial condition, status of licenses, if any, business activities or practices of the entity.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of February 10, 2022.

SHIRLEY N. WEBER, Ph.D.
Secretary of State

Certificate Verification Number: YWDVVWZ

To verify the issuance of this Certificate, use the Certificate Verification Number above with the Secretary of State Certification Verification Search available at *bebizfile.sos.ca.gov/certification/index*.

UNITED STATES OF AMERICA

State of Louisiana

R. Kyle Ardoin

SECRETARY OF STATE

As Secretary of State of the State of Louisiana, I do hereby Certify that

MEDIMPACT HEALTHCARE SYSTEMS, INC.

A corporation domiciled in SAN DIEGO, CALIFORNIA,

Filed charter and qualified to do business in this State on April 22, 2002,

I further certify that the records of this Office indicate the corporation has paid all fees due the Secretary of State, and so far as the Office of the Secretary of State is concerned is in good standing and is authorized to do business in this State.

I further certify that this Certificate is not intended to reflect the financial condition of this corporation since this information is not available from the records of this Office.

In testimony whereof, I have hereunto set my hand and caused the Seal of my Office to be affixed at the City of Baton Rouge on,

February 16, 2022

Secretary of State

Web 35256315F

Certificate ID: 11527510#3PK73

To validate this certificate, visit the following web site, go to Business Services, Search for Louisiana Business Filings, Validate a Certificate, then follow the instructions displayed.
www.sos.la.gov

APPENDIX D: TERMINATED CONTRACTS

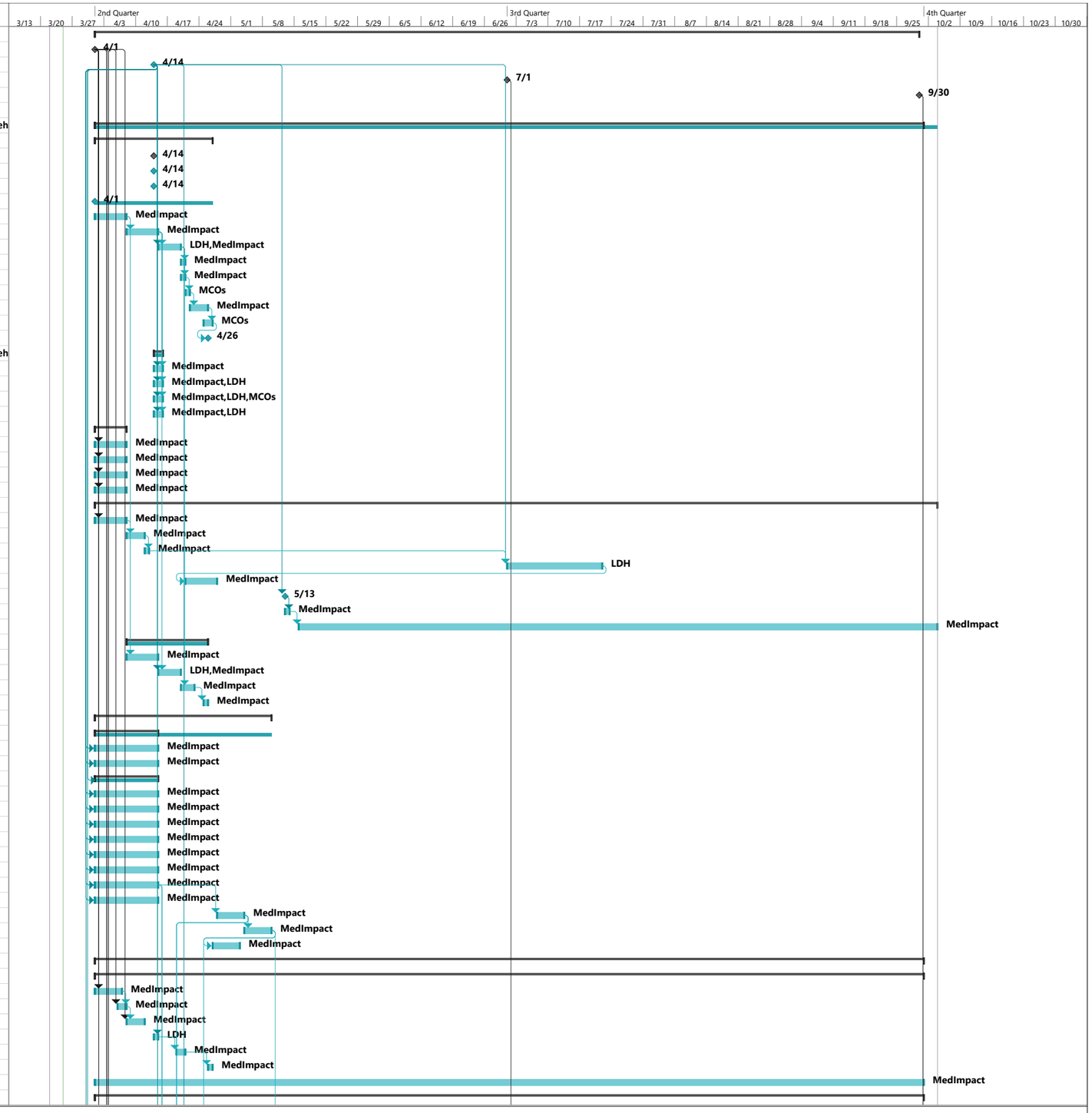
Contracts Terminated on a Voluntary Basis Prior to Contract End Date:
Prior Ten Years

Terminated Client	Year	Date	Reason	Lead Program Manager / Contracting Entity*
Wilamette Valley Community Health 2995 Ryan Drive SE Suite 200 Salem, OR 97301	2019	12/31/2019	CCO status not renewed	Amber Barton, Medical Management (503) 587-5123
Hospice Meds Plus PO Box 1956 Oxford, NC 27565	2014	12/31/2014	Inactive / out of business / no claims processed / terminated by MedImpact	Not available
Physicians United Plan (PUP) 8427 South Park Circle Suite 500 Orlando, FL 32819	2014	6/6/2014	Plan liquidated by State of Florida	Not available
Satellite Healthplan 300 Santana Row, Suite 300 San Jose, CA 95128	2014	12/31/2014	Plan discontinued	Audrey Speed, VP Clinical Operations (650) 404-3600
St. Charles Health System (SharedCare) (f/k/a HealthMatters of Central Oregon) 2525 NE Twin Knolls Drive, Suite 7 Bend, OR 97701	2014	12/31/2014	Plan discontinued	Alisha Fehrenbacher, MHA, MGH (541) 647-1765
Healthy San Francisco - Chinese Community Health Plan 845 Jackson Street San Francisco, CA 94133	2014	10/31/2014	Plan discontinued	Albert Sandoval, Provider Relations Representative (415) 955-8800 x 3221
Methodist Alliance Hospice 6400 Shelby View drive Memphis, TN 38134	2014	12/31/2014	Inactive / no claims processed / terminated by MedImpact	Helen Schlessinger (901) 516-1600
Washington University Contraceptive Choice Program 4533 Clayton Avenue St. Louis, MO 63110	2013	11/30/2013	Program discontinued	Kay Kerwin (314) 747-6426
Carilion Clinic Medicare Part D 213 South Jefferson St. Suite 101 Roanoke, VA 24011	2013	12/31/2013	Medicare Advantage Plan terminated by clinic	Bryan Hyler (540) 224-5928
Benefit Captive Re/NSCA (MAHCP Healthcare Coalition) 4212 R57 Hwy Norwalk, IA 50211	2012	6/19/2012	Captive dissolved	Paul Bogumill (406) 447-3310
Access Benefits 2967 Bud Diamond Road Jay, FL 32565	2011	10/21/2011	Account inactive due to client merger	Alex Wood (610) 254-8732 (850) 675-6111

* Active contacts in MedImpact's system at time of termination

APPENDIX E: PROPOSED PROJECT WORK PLAN

ID	WBS	Task Name	Duration	Start	Finish	Predecessors	Resource Names
1	**1**	**Implementation Overview**	**130 days**	**Fri 4/1/22**	**Fri 9/30/22**		**LDH,MCOs,MedImpact**
2	1.1	MCO Pharmacy Benefit Management Implementation Project Start	0 days	Fri 4/1/22	Fri 4/1/22		LDH,MedImpact
3	1.2	MCO Pharmacy Benefit Management Implementation Contract Start Date	0 days	Thu 4/14/22	Thu 4/14/22		LDH,MedImpact
4	1.3	MCO Pharmacy Benefit Management Operational Go-Live	0 days	Fri 7/1/22	Fri 7/1/22		LDH,MedImpact
5	1.4	MCO Pharmacy Benefit Management Implementation Project End	0 days	Fri 9/30/22	Fri 9/30/22		LDH,MedImpact
6							
7	**2**	**Project Initiation and Controls**	**131 days**	**Fri 4/1/22**	Fri 9/30/22		**LDH,MedImpact,MCO,Stakeh**
8	**2.1**	**Contracting**	**18 days**	**Fri 4/1/22**	**Tue 4/26/22**		**LDH,MedImpact,MCO**
9	**2.1.1**	**LDH Contract**	**0 days**	**Thu 4/14/22**	**Thu 4/14/22**		**LDH,MedImpact**
10	2.1.1.1	Contract Approval and Execution	0 days	Thu 4/14/22	Thu 4/14/22		LDH,MedImpact
11	2.1.1.2	Contract Start Date	0 days	Thu 4/14/22	Thu 4/14/22		LDH,MedImpact
12	**2.1.2**	**MCO Contracting**	**0 days**	**Fri 4/1/22**	**Fri 4/1/22**		**LDH,MedImpact,MCO**
13	2.1.2.1	Develop Draft Contract	5 days	Fri 4/1/22	Thu 4/7/22		MedImpact
14	2.1.2.2	Internal Review and Finalization of MCO Contract	5 days	Fri 4/8/22	Thu 4/14/22	13	MedImpact
15	2.1.2.3	Review MCO Contract External with LDH	3 days	Fri 4/15/22	Tue 4/19/22	14,3	LDH,MedImpact
16	2.1.2.4	Make Updates to MCO Contract	1 day	Wed 4/20/22	Wed 4/20/22	15	MedImpact
17	2.1.2.5	Set Deadline for MCO Contract Effective Date	1 day	Wed 4/20/22	Wed 4/20/22	15	MedImpact
18	2.1.2.6	MCO Review	1 day	Thu 4/21/22	Thu 4/21/22	17	MCOs
19	2.1.2.7	Make required updates	2 days	Fri 4/22/22	Mon 4/25/22	18	MedImpact
20	2.1.2.8	Send back to MCO for finalization and execution	2 days	Mon 4/25/22	Tue 4/26/22	19	MCOs
21	2.1.2.9	Contract Executed	0 days	Tue 4/26/22	Tue 4/26/22	20	MedImpact,LDH,MCOs
22	**2.2**	**Identify Project Stakeholders**	**2 days**	Thu 4/14/22	**Fri 4/15/22**		**LDH,MedImpact,MCO,Stakeh**
23	2.2.1	MedImpact Stakeholders	2 days	Thu 4/14/22	Fri 4/15/22	14,3	MedImpact
24	2.2.2	LDH Stakeholders	2 days	Thu 4/14/22	Fri 4/15/22	14,3	MedImpact,LDH
25	2.2.3	MCO Stakeholders	2 days	Thu 4/14/22	Fri 4/15/22	14,3	MedImpact,LDH,MCOs
26	2.2.4	LDH Vendor Stakeholders	2 days	Thu 4/14/22	Fri 4/15/22	14,3	MedImpact,LDH
27	**2.3**	**Develop Implementation Project Charter**	**5 days**	**Fri 4/1/22**	**Thu 4/7/22**		**MedImpact**
28	2.3.1	Scope Definition	5 days	Fri 4/1/22	Thu 4/7/22	2	MedImpact
29	2.3.2	Risks, Assumptions, Dependencies	5 days	Fri 4/1/22	Thu 4/7/22	2	MedImpact
30	2.3.3	High-Level Timeline	5 days	Fri 4/1/22	Thu 4/7/22	2	MedImpact
31	2.3.4	Roles and Responsibilities	5 days	Fri 4/1/22	Thu 4/7/22	2	MedImpact
32	**2.4**	**Work Plan and Schedule**	**132 days**	**Fri 4/1/22**	**Mon 10/3/22**		**MedImpact**
33	2.4.1	Develop Draft Work Plan	5 days	Fri 4/1/22	Thu 4/7/22	2	MedImpact
34	2.4.2	Internal Review of Work Plan (Internal Kick-off)	2 days	Fri 4/8/22	Mon 4/11/22	33	MedImpact
35	2.4.3	Revisions	1 day	Tue 4/12/22	Tue 4/12/22	34	MedImpact
36	2.4.4	External Review of Work Plan (Kick-off)	15 days	Fri 7/1/22	Thu 7/21/22	35,3	LDH
37	2.4.5	Revisions	5 days	Thu 4/21/22	Wed 4/27/22	36	MedImpact
38	2.4.6	Finalize Baseline Work Plan and Schedule	0 days	Fri 5/13/22	Fri 5/13/22	3	MedImpact
39	2.4.7	Schedule Ongoing Work Plan Updates	1 day	Fri 5/13/22	Fri 5/13/22	38	MedImpact
40	2.4.8	Revisions as Required	101 days	Mon 5/16/22	Mon 10/3/22	39	MedImpact
41	**2.5**	**Change Management Plan**	12 days	Fri 4/8/22	Mon 4/25/22		MedImpact,LDH
42	2.5.1	Draft Change Management Plan	5 days	Fri 4/8/22	Thu 4/14/22	13	MedImpact
43	2.5.2	Review Change Management Plan	3 days	Fri 4/15/22	Tue 4/19/22	14,3	LDH,MedImpact
44	2.5.3	Revise Change Management Plan	3 days	Wed 4/20/22	Fri 4/22/22	15	MedImpact
45	2.5.4	Finalize Change Management Plan	1 day	Mon 4/25/22	Mon 4/25/22	44	MedImpact
46	**2.6**	**Communication Plan**	**27 days**	**Fri 4/1/22**	**Mon 5/9/22**		**MedImpact**
47	**2.6.1**	**Draft**	**10 days**	**Fri 4/1/22**	**Thu 4/14/22**		**MedImpact**
48	2.6.1.1	Define Communication Needs	10 days	Fri 4/1/22	Thu 4/14/22	3	MedImpact
49	2.6.1.2	Identify Stakeholders / Roles	10 days	Fri 4/1/22	Thu 4/14/22	3	MedImpact
50	**2.6.1.3**	**Identify Communication Channels and Frequencies**	**10 days**	**Fri 4/1/22**	**Thu 4/14/22**	**3**	**MedImpact**
51	2.6.1.3.1	SharePoint	10 days	Fri 4/1/22	Thu 4/14/22	3	MedImpact
52	2.6.1.3.2	Status Reporting	10 days	Fri 4/1/22	Thu 4/14/22	3	MedImpact
53	2.6.1.3.3	Dashboards	10 days	Fri 4/1/22	Thu 4/14/22	3	MedImpact
54	2.6.1.3.4	Issue Trackers	10 days	Fri 4/1/22	Thu 4/14/22	3	MedImpact
55	2.6.1.3.5	Meetings	10 days	Fri 4/1/22	Thu 4/14/22	3	MedImpact
56	2.6.1.3.6	Check-Ins	10 days	Fri 4/1/22	Thu 4/14/22	3	MedImpact
57	2.6.1.3.7	Etc.	10 days	Fri 4/1/22	Thu 4/14/22	3	MedImpact
58	2.6.1.4	Draft Communications Plan	10 days	Fri 4/1/22	Thu 4/14/22	3	MedImpact
59	2.6.1.5	Review Communications Plan	4 days	Thu 4/28/22	Tue 5/3/22	57	MedImpact
60	2.6.1.6	Revise Communication Plan	4 days	Wed 5/4/22	Mon 5/9/22	59	MedImpact
61	2.6.1.7	Finalize Communication Plan	4 days	Wed 4/27/22	Mon 5/2/22	60	MedImpact
62	**2.7**	**Implement Project Management Tools**	**131 days**	**Fri 4/1/22**	**Fri 9/30/22**		**MedImpact**
63	**2.7.1**	**Project Control and Reporting**	**131 days**	**Fri 4/1/22**	**Fri 9/30/22**		**MedImpact**
64	2.7.1.1	Draft Project Reporting Template	4 days	Fri 4/1/22	Wed 4/6/22	2	MedImpact
65	2.7.1.2	Review Project Reporting Template Internally	2 days	Wed 4/6/22	Thu 4/7/22	2,64	MedImpact
66	2.7.1.3	Revise Project Reporting Template	2 days	Fri 4/8/22	Mon 4/11/22	2,65	MedImpact
67	2.7.1.4	Review Project Reporting Template externally	1 day	Thu 4/14/22	Thu 4/14/22	3	LDH
68	2.7.1.5	Revise Project Reporting Template	2 days	Tue 4/19/22	Wed 4/20/22	67	MedImpact
69	2.7.1.6	Finalize Project Reporting Template	1 day	Tue 4/26/22	Tue 4/26/22	68	MedImpact
70	2.7.1.7	Track and Report through Implementation Close	131 days	Fri 4/1/22	Fri 9/30/22		MedImpact
71	**2.7.2**	**Implementation Log**	**131 days**	**Fri 4/1/22**	**Fri 9/30/22**		**MedImpact**



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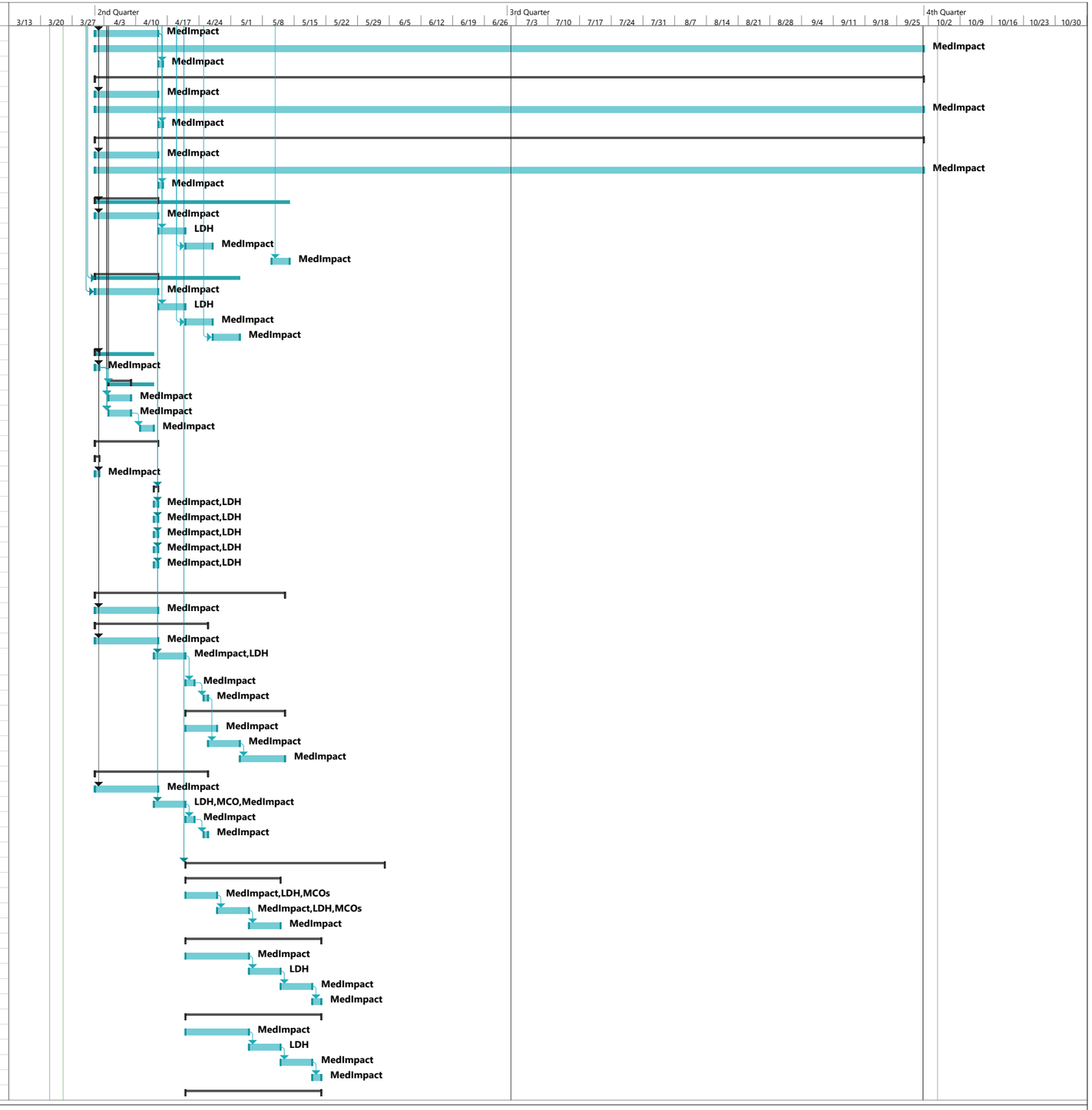
Task · Split · Milestone · Summary · Project Summary · Inactive Task · Inactive Milestone · Inactive Summary · Manual Task · Duration-only · Manual Summary Rollup · Manual Summary · Start-only · Finish-only · External Tasks · External Milestone · Deadline · Progress · Manual Progress

ID	WBS	Task Name	Duration	Start	Finish	Predecessors	Resource Names
72	2.7.2.1	Set-up and share location with team	10 days	Fri 4/1/22	Thu 4/14/22	2	MedImpact
73	2.7.2.2	Track all questions, deliverables, issues and action items	131 days	Fri 4/1/22	Fri 9/30/22		MedImpact
74	2.7.2.3	Share location and purpose with client	1 day	Fri 4/15/22	Fri 4/15/22	72	MedImpact
75	**2.7.3**	**Risk, Assumptions, Issues and Dependencies (RAID) Log**	**131 days**	**Fri 4/1/22**	**Fri 9/30/22**		**MedImpact**
76	2.7.3.1	Set-up and share location with team	10 days	Fri 4/1/22	Thu 4/14/22	2	MedImpact
77	2.7.3.2	Track all Risks through Implementation Close	131 days	Fri 4/1/22	Fri 9/30/22		MedImpact
78	2.7.3.3	Share location and purpose with client	1 day	Fri 4/15/22	Fri 4/15/22	72	MedImpact
79	**2.7.4**	**Lessons Learned**	**131 days**	**Fri 4/1/22**	**Fri 9/30/22**		**MedImpact**
80	2.7.4.1	Set-up and share location with team	10 days	Fri 4/1/22	Thu 4/14/22	2	MedImpact
81	2.7.4.2	Track all Lessons Learned through Implementation Close	131 days	Fri 4/1/22	Fri 9/30/22		MedImpact
82	2.7.4.3	Share location and purpose with client	1 day	Fri 4/15/22	Fri 4/15/22	72	MedImpact
83	**2.8**	**Staffing Plan**	10 days	Fri 4/1/22	Thu 4/14/22	2	**MedImpact**
84	2.8.1	Draft Staffing Plan	10 days	Fri 4/1/22	Thu 4/14/22	2	MedImpact
85	2.8.2	Review Staffing Plan	4 days	Fri 4/15/22	Wed 4/20/22	57	LDH
86	2.8.3	Revise Staffing Plan	4 days	Thu 4/21/22	Tue 4/26/22	59	MedImpact
87	2.8.4	Finalize Staffing Plan	4 days	Tue 5/10/22	Fri 5/13/22	60	MedImpact
88	**2.9**	**Training Plan**	10 days	Fri 4/1/22	Thu 4/14/22	3	**MedImpact**
89	2.9.1	Draft Training Plan	10 days	Fri 4/1/22	Thu 4/14/22	3	MedImpact
90	2.9.2	Review Training Plan	4 days	Fri 4/15/22	Wed 4/20/22	57	LDH
91	2.9.3	Revise Training Plan	4 days	Thu 4/21/22	Tue 4/26/22	59	MedImpact
92	2.9.4	Finalize Training Plan	4 days	Wed 4/27/22	Mon 5/2/22	60	MedImpact
93	**2.10**	**Internal Kick-off**	**1 day**	**Fri 4/1/22**	**Fri 4/1/22**	**2**	**MedImpact**
94	2.10.1	Schedule Internal Kick-Off	1 day	Fri 4/1/22	Fri 4/1/22	2	MedImpact
95	**2.10.2**	**Hold Internal Kick-Off**	**5 days**	**Mon 4/4/22**	**Fri 4/8/22**	**94,2**	**MedImpact**
96	2.10.2.1	Review and Discuss Project Charter	5 days	Mon 4/4/22	Fri 4/8/22	94,2	MedImpact
97	2.10.2.2	Review and Discuss Work Plan and Schedule (WBS)	5 days	Mon 4/4/22	Fri 4/8/22	94,2	MedImpact
98	2.10.2.3	Document Revision as Required	3 days	Mon 4/11/22	Wed 4/13/22	97	MedImpact
99	**2.11**	**Contract Start Date**	**10 days**	**Fri 4/1/22**	**Thu 4/14/22**		**MedImpact**
100	**2.11.1**	**Client Kick-off**	**1 day**	**Fri 4/1/22**	**Fri 4/1/22**		**MedImpact**
101	2.11.1.1	Schedule Client Kick-off	1 day	Fri 4/1/22	Fri 4/1/22	2	MedImpact
102	**2.11.2**	**Hold Client Kick-off**	**1 day**	**Thu 4/14/22**	**Thu 4/14/22**	**3**	**MedImpact,LDH**
103	2.11.2.1	Review Project Charter	1 day	Thu 4/14/22	Thu 4/14/22	3	MedImpact,LDH
104	2.11.2.2	Review work plan and Schedule (WBS)	1 day	Thu 4/14/22	Thu 4/14/22	3	MedImpact,LDH
105	2.11.2.3	Review Communication Plan	1 day	Thu 4/14/22	Thu 4/14/22	3	MedImpact,LDH
106	2.11.2.4	Review Project Control Documents	1 day	Thu 4/14/22	Thu 4/14/22	3	MedImpact,LDH
107	2.11.2.5	Document Revisions as Required	1 day	Thu 4/14/22	Thu 4/14/22	3	MedImpact,LDH
108							
109	**3**	**Requirement Definition**	**30 days**	**Fri 4/1/22**	**Thu 5/12/22**		**LDH,MCOs,MedImpact**
110	3.1	Draft Requirements Traceability Matrix	10 days	Fri 4/1/22	Thu 4/14/22	2	MedImpact
111	**3.2**	**Configuration Specifications / Implementation Questionnaire (IQ)**	**17 days**	**Fri 4/1/22**	**Mon 4/25/22**		**MedImpact**
112	3.2.1	Draft Implementation Questionnaire (IQ)	10 days	Fri 4/1/22	Thu 4/14/22	2	MedImpact
113	3.2.2	Review Implementation Questionnaire (IQ) / Confirm Specifications (LDH and MCO JAD Sessions)	5 days	Thu 4/14/22	Wed 4/20/22	3	MedImpact,LDH
114	3.2.3	Revisions to the Implementation Questionnaire (IQ)	2 days	Thu 4/21/22	Fri 4/22/22	113	MedImpact
115	3.2.4	Finalize IQ	1 day	Mon 4/25/22	Mon 4/25/22	114	MedImpact
116	**3.3**	**Gaps Definition and Planning**	**16 days**	**Thu 4/21/22**	**Thu 5/12/22**		**MedImpact**
117	3.3.1	Review existing functionality for each workstream	5 days	Thu 4/21/22	Wed 4/27/22		MedImpact
118	3.3.2	Update Requirement Traceability Matrix	5 days	Tue 4/26/22	Mon 5/2/22	115	MedImpact
119	3.3.3	Identify Gaps and Create Enhancement Requests	8 days	Tue 5/3/22	Thu 5/12/22	118	MedImpact
120	**3.4**	**Functional Requirements Documentation**	**17 days**	**Fri 4/1/22**	**Mon 4/25/22**		**MedImpact**
121	3.4.1	Draft Functional Requirements	10 days	Fri 4/1/22	Thu 4/14/22	2	MedImpact
122	3.4.2	Review Functional Requirements (LDS and MCO JAD Sessions)	5 days	Thu 4/14/22	Wed 4/20/22	3	LDH,MCO,MedImpact
123	3.4.3	Revise Functional Requirements	2 days	Thu 4/21/22	Fri 4/22/22	122	MedImpact
124	3.4.4	Finalize Functional Requirements	1 day	Mon 4/25/22	Mon 4/25/22	123	MedImpact
125							
126	**4**	**Analysis and Design**	**32 days**	**Thu 4/21/22**	**Fri 6/3/22**	**3**	**LDH,MCOs,MedImpact**
127	**4.1**	**Data Integration**	**15 days**	**Thu 4/21/22**	**Wed 5/11/22**		**MedImpact**
128	4.1.1	Exchange Interface Specifications and Samples	5 days	Thu 4/21/22	Wed 4/27/22		MedImpact,LDH,MCOs
129	4.1.2	Meet with Trading Partners	5 days	Thu 4/28/22	Wed 5/4/22	128	MedImpact,LDH,MCOs
130	4.1.3	Finalize Data Integration Specifications	5 days	Thu 5/5/22	Wed 5/11/22	129	MedImpact
131	**4.2**	**Data Conversion Plan (Claims, Prior Authorizations, Medical Claims)**	**22 days**	**Thu 4/21/22**	**Fri 5/20/22**		MedImpact,LDH
132	4.2.1	Draft Data Conversion Plan	10 days	Thu 4/21/22	Wed 5/4/22		MedImpact
133	4.2.2	Review Data Conversion Plan	5 days	Thu 5/5/22	Wed 5/11/22	132	LDH
134	4.2.3	Revise Data Conversion Plan	5 days	Thu 5/12/22	Wed 5/18/22	133	MedImpact
135	4.2.4	Finalize Data Conversion Plan	2 days	Thu 5/19/22	Fri 5/20/22	134	MedImpact
136	**4.3**	**Software Release Plan**	**22 days**	**Thu 4/21/22**	**Fri 5/20/22**		MedImpact,LDH
137	4.3.1	Draft Software Release Plan	10 days	Thu 4/21/22	Wed 5/4/22		MedImpact
138	4.3.2	Review Software Release Plan	5 days	Thu 5/5/22	Wed 5/11/22	137	LDH
139	4.3.3	Revise Software Release Plan	5 days	Thu 5/12/22	Wed 5/18/22	138	MedImpact
140	4.3.4	Finalize Software Release Plan	2 days	Thu 5/19/22	Fri 5/20/22	139	MedImpact
141	**4.4**	**Configuration Design**	**22 days**	**Thu 4/21/22**	**Fri 5/20/22**		MedImpact,LDH



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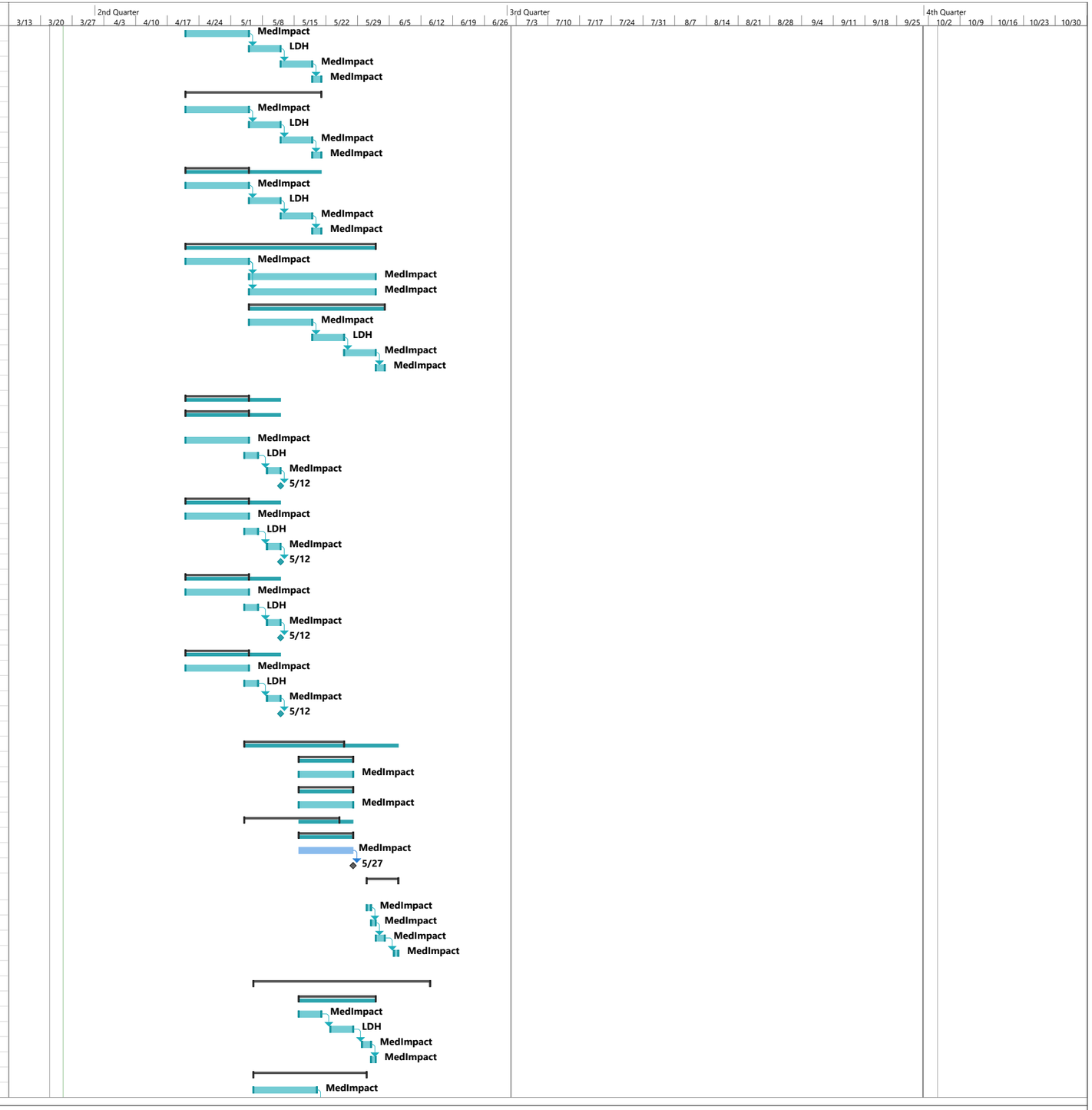
Task | Milestone | Project Summary | Inactive Milestone | Manual Task | Manual Summary Rollup | Start-only | External Tasks | Deadline | Manual Progress
Split | Summary | Inactive Task | Inactive Summary | Duration-only | Manual Summary | Finish-only | External Milestone | Progress

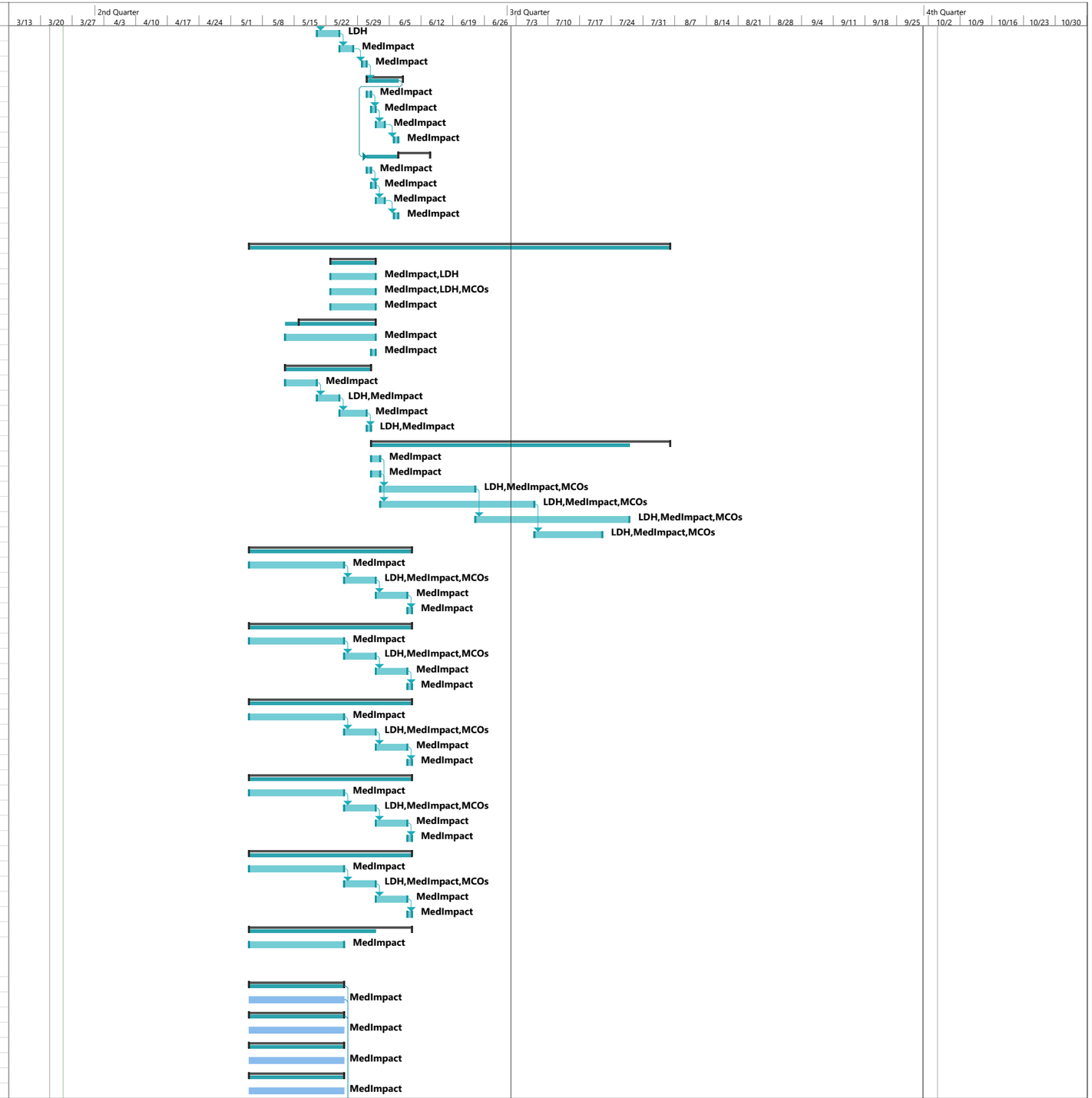
ID	WBS	Task Name	Duration	Start	Finish	Predecessors	Resource Names
142	4.4.1	Draft Configuration Design	10 days	Thu 4/21/22	Wed 5/4/22		MedImpact
143	4.4.2	Review Configuration Design	5 days	Thu 5/5/22	Wed 5/11/22	142	LDH
144	4.4.3	Revise Configuration Design	5 days	Thu 5/12/22	Wed 5/18/22	143	MedImpact
145	4.4.4	Finalize Configuration Design	2 days	Thu 5/19/22	Fri 5/20/22	144	MedImpact
146	**4.5**	**Print Material Design**	**22 days**	**Thu 4/21/22**	**Fri 5/20/22**		MedImpact,LDH
147	4.5.1	Draft Print Material Design	10 days	Thu 4/21/22	Wed 5/4/22		MedImpact
148	4.5.2	Review Print Material Design	5 days	Thu 5/5/22	Wed 5/11/22	147	LDH
149	4.5.3	Revise Print Material Design	5 days	Thu 5/12/22	Wed 5/18/22	148	MedImpact
150	4.5.4	Finalize Print Material Design	2 days	Thu 5/19/22	Fri 5/20/22	149	MedImpact
151	**4.6**	**Infrastructure Design**	**10 days**	**Thu 4/21/22**	**Wed 5/4/22**		**MedImpact**
152	4.6.1	Draft Infrastructure Design	10 days	Thu 4/21/22	Wed 5/4/22		MedImpact
153	4.6.2	Review Infrastructure Design	5 days	Thu 5/5/22	Wed 5/11/22	152	LDH
154	4.6.3	Revise Infrastructure Design	5 days	Thu 5/12/22	Wed 5/18/22	153	MedImpact
155	4.6.4	Finalize Infrastructure Design	2 days	Thu 5/19/22	Fri 5/20/22	154	MedImpact
156	**4.7**	**Provider Network (requirements, design, contracting, etc)**	**30 days**	**Thu 4/21/22**	**Wed 6/1/22**		MedImpact
157	4.7.1	Design Provider Network	10 days	Thu 4/21/22	Wed 5/4/22		MedImpact
158	4.7.2	Execute Contracting with Provider Network	20 days	Thu 5/5/22	Wed 6/1/22	157	MedImpact
159	4.7.3	Establish Provider Network in System	20 days	Thu 5/5/22	Wed 6/1/22	157	MedImpact
160	**4.8**	**Call Center Operations Procedures**	**22 days**	**Thu 5/5/22**	**Fri 6/3/22**		**MedImpact,LDH**
161	4.8.1	Draft Call Center Operations Procedures	10 days	Thu 5/5/22	Wed 5/18/22		MedImpact
162	4.8.2	Review Call Center Operations Procedures	5 days	Thu 5/19/22	Wed 5/25/22	161	LDH
163	4.8.3	Revise Call Center Operations Procedures	5 days	Thu 5/26/22	Wed 6/1/22	162	MedImpact
164	4.8.4	Finalize Call Center Operations Procedures	2 days	Thu 6/2/22	Fri 6/3/22	163	MedImpact
165							
166	**5**	**Technical Design**	**10 days**	**Thu 4/21/22**	**Wed 5/4/22**		**MedImpact**
167	**5.1**	**Inbound Data Interface Design (Eligibility, TPL, PDL, Provider, Medical Claim, Other)**	**10 days**	**Thu 4/21/22**	**Wed 5/4/22**		**MedImpact**
168	5.1.1	Draft Inbound Data Interface Design	10 days	Thu 4/21/22	Wed 5/4/22		MedImpact
169	5.1.2	Review Inbound Data Interface Design	3 days	Wed 5/4/22	Fri 5/6/22		LDH
170	5.1.3	Revise Inbound Data Interface Design	3 days	Mon 5/9/22	Wed 5/11/22	169	MedImpact
171	5.1.4	Finalize Inbound Data Interface Design	0 days	Thu 5/12/22	Thu 5/12/22	170	MedImpact
172	**5.2**	**Outbound Data Interface (Claims, Encounter, Other)**	**10 days**	**Thu 4/21/22**	**Wed 5/4/22**		**MedImpact**
173	5.2.1	Draft Outbound Data Interface Design	10 days	Thu 4/21/22	Wed 5/4/22		MedImpact
174	5.2.2	Review Outbound Data Interface Design	3 days	Wed 5/4/22	Fri 5/6/22		LDH
175	5.2.3	Revise Outbound Data Interface Design	3 days	Mon 5/9/22	Wed 5/11/22	174	MedImpact
176	5.2.4	Finalize Outbound Data Interface Design	0 days	Thu 5/12/22	Thu 5/12/22	175	MedImpact
177	**5.3**	**Functional Enhancements Technical Design**	**10 days**	**Thu 4/21/22**	**Wed 5/4/22**		**MedImpact**
178	5.3.1	Draft Functional Enhancements Technical Design	10 days	Thu 4/21/22	Wed 5/4/22		MedImpact
179	5.3.2	Review Functional Enhancements Technical Design	3 days	Wed 5/4/22	Fri 5/6/22		LDH
180	5.3.3	Revise Functional Enhancements Technical Design	3 days	Mon 5/9/22	Wed 5/11/22	179	MedImpact
181	5.3.4	Finalize Functional Enhancements Technical Design	0 days	Thu 5/12/22	Thu 5/12/22	180	MedImpact
182	**5.4**	**Unit Testing Plan (Interfaces, data conversion, enhancements)**	**10 days**	**Thu 4/21/22**	**Wed 5/4/22**		**MedImpact**
183	5.4.1	Draft Unit Testing Plan	10 days	Thu 4/21/22	Wed 5/4/22		MedImpact
184	5.4.2	Review Unit Testing Plan	3 days	Wed 5/4/22	Fri 5/6/22		LDH
185	5.4.3	Revise Unit Testing Plan	3 days	Mon 5/9/22	Wed 5/11/22	184	MedImpact
186	5.4.4	Finalize Unit Testing Plan	0 days	Thu 5/12/22	Thu 5/12/22	185	MedImpact
187							
188	**6**	**Development / Execution**	**16 days**	Wed 5/4/22	**Wed 5/25/22**		MedImpact
189	**6.1**	**File Conversion**	**10 days**	**Mon 5/16/22**	**Fri 5/27/22**		**MedImpact**
190	6.1.1	Execute data conversions tasks	10 days	Mon 5/16/22	Fri 5/27/22		MedImpact
191	**6.2**	**Configuration**	**10 days**	**Mon 5/16/22**	**Fri 5/27/22**		**MedImpact**
192	6.2.1	Execute configuration tasks	10 days	Mon 5/16/22	Fri 5/27/22		MedImpact
193	**6.3**	**System Finalization**	**15 days**	**Wed 5/4/22**	**Tue 5/24/22**		**MedImpact**
194	**6.3.1**	**Software Enhancements**	**10 days**	**Mon 5/16/22**	**Fri 5/27/22**		**MedImpact**
195	6.3.1.1	Finalize software enhancements	10 days	Mon 5/16/22	Fri 5/27/22		MedImpact
196	6.3.1.2	Deploy software enhancements	0 days	Fri 5/27/22	Fri 5/27/22	195	MedImpact
197	**6.4**	**Unit Testing and Remediation (Interfaces, data conversion, enhancements)**	**5 days**	**Tue 5/31/22**	**Mon 6/6/22**		
198	6.4.1	Deploy Unit Testing	1 day	Tue 5/31/22	Tue 5/31/22		MedImpact
199	6.4.2	Testing Analysis for Unit Testing	1 day	Wed 6/1/22	Wed 6/1/22	198	MedImpact
200	6.4.3	Testing Remediation for Unit Testing	2 days	Thu 6/2/22	Fri 6/3/22	199	MedImpact
201	6.4.4	Deploy Final Unit Testing	1 day	Mon 6/6/22	Mon 6/6/22	200	MedImpact
202							
203	**7**	**Testing**	**27 days**	**Fri 5/6/22**	**Mon 6/13/22**		**LDH,MCOs,MedImpact**
204	**7.1**	**Create Master Test Plan**	13 days	Mon 5/16/22	Wed 6/1/22		**LDH,MedImpact**
205	7.1.1	Draft Master Test Plan	5 days	Mon 5/16/22	Fri 5/20/22		MedImpact
206	7.1.2	Review Master Test Plan	5 days	Mon 5/23/22	Fri 5/27/22	205	LDH
207	7.1.3	Revise Master Test Plan	2 days	Mon 5/30/22	Tue 5/31/22	206	MedImpact
208	7.1.4	Finalize Master Test Plan	1 day	Wed 6/1/22	Wed 6/1/22	207	MedImpact
209	**7.2**	**Build Test Scenarios, Test Cases, Test Scripts**	**17 days**	**Fri 5/6/22**	**Mon 5/30/22**		**LDH,MedImpact**
210	7.2.1	Draft Test Scenarios, Test Cases and Test Scripts	10 days	Fri 5/6/22	Thu 5/19/22		MedImpact



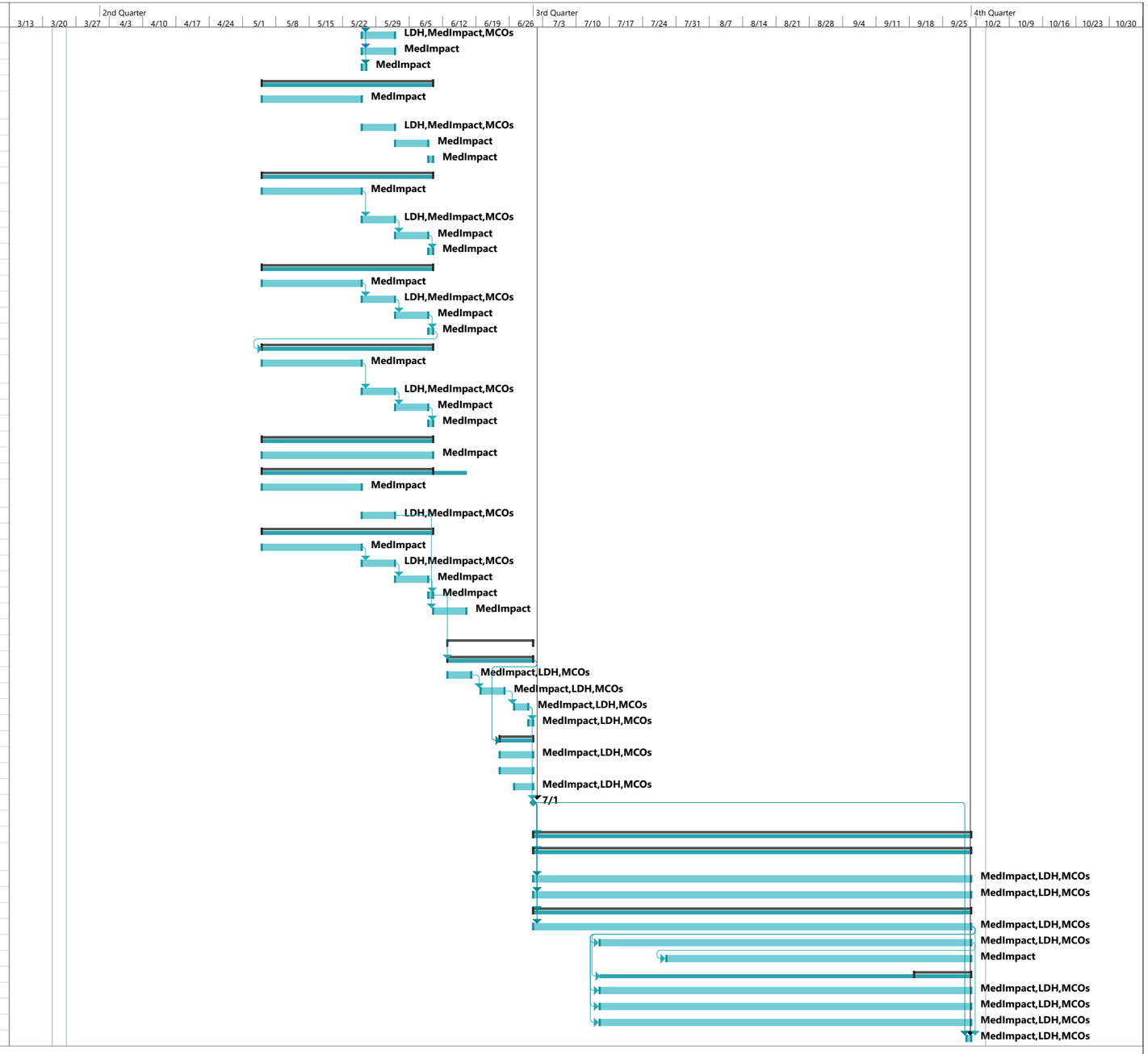
Project: 7780400-01 LDH WBS
Date: Fri 3/25/22

Task | Milestone | Project Summary | Inactive Milestone | Manual Task | Manual Summary Rollup | Start-only | External Tasks | Deadline | Manual Progress
Split | Summary | Inactive Task | Inactive Summary | Duration-only | Manual Summary | Finish-only | External Milestone | Progress

ID	WBS	Task Name	Duration	Start	Finish	Predecessors	Resource Names
211	7.2.2	Review Test Scenarios, Test Cases and Test Scripts	3 days	Fri 5/20/22	Tue 5/24/22	210	LDH
212	7.2.3	Revise Test Scenarios, Test Cases and Test Scripts	3 days	Wed 5/25/22	Fri 5/27/22	211	MedImpact
213	7.2.4	Finalize Test Scenarios, Test Cases and Test Scripts	1 day	Mon 5/30/22	Mon 5/30/22	212	MedImpact
214	**7.3**	**Integration Testing**	**6 days**	**Tue 5/31/22**	**Tue 6/7/22**	**213**	**MedImpact**
215	7.3.1	Deploy Integration Testing	1 day	Tue 5/31/22	Tue 5/31/22		MedImpact
216	7.3.2	Testing Analysis for Testing Integration Results	1 day	Wed 6/1/22	Wed 6/1/22	215	MedImpact
217	7.3.3	Testing Remediation for Integration Testing	2 days	Thu 6/2/22	Fri 6/3/22	216	MedImpact
218	7.3.4	Deploy Final Integration Testing	1 day	Mon 6/6/22	Mon 6/6/22	217	MedImpact
219	**7.4**	**User Acceptance Testing**	**5 days**	**Tue 6/7/22**	**Mon 6/13/22**	**214**	**MedImpact**
220	7.4.1	Deploy User Acceptance Testing	1 day	Tue 5/31/22	Tue 5/31/22		MedImpact
221	7.4.2	Testing Analysis for User Acceptance Testing	1 day	Wed 6/1/22	Wed 6/1/22	220	MedImpact
222	7.4.3	Testing Remediation for User Acceptance Testing	2 days	Thu 6/2/22	Fri 6/3/22	221	MedImpact
223	7.4.4	Deploy Final User Acceptance Testing	1 day	Mon 6/6/22	Mon 6/6/22	222	MedImpact
224							
225	**8**	**Operational Readiness**	**67 days**	**Thu 5/5/22**	**Fri 8/5/22**		**LDH,MedImpact,MCOs**
226	**8.1**	**Provision User Accounts**	**8 days**	**Mon 5/23/22**	**Wed 6/1/22**		**MedImpact**
227	8.1.1	Provision LDH User Accounts	8 days	Mon 5/23/22	Wed 6/1/22		MedImpact,LDH
228	8.1.2	Provision MCO User Accounts	8 days	Mon 5/23/22	Wed 6/1/22		MedImpact,LDH,MCOs
229	8.1.3	Provision New MedImpact Team Member Accounts	8 days	Mon 5/23/22	Wed 6/1/22		MedImpact
230	**8.2**	**Staffing Plan Execution**	**13 days**	**Mon 5/16/22**	**Wed 6/1/22**		**MedImpact**
231	8.2.1	Execute Operations Staffing Plan	14 days	Fri 5/13/22	Wed 6/1/22		MedImpact
232	8.2.2	Staffing Complete	1 day	Wed 6/1/22	Wed 6/1/22		MedImpact
233	**8.3**	**Training Material Development**	**13 days**	**Fri 5/13/22**	**Tue 5/31/22**		**LDH,MedImpact**
234	8.3.1	Draft Training Materials	5 days	Fri 5/13/22	Thu 5/19/22		MedImpact
235	8.3.2	Review Training Materials	3 days	Fri 5/20/22	Tue 5/24/22	234	LDH,MedImpact
236	8.3.3	Revise Training Materials	4 days	Wed 5/25/22	Mon 5/30/22	235	MedImpact
237	8.3.4	Finalize Training Materials	1 day	Tue 5/31/22	Tue 5/31/22	236	LDH,MedImpact
238	**8.4**	**Training Execution**	**48 days**	**Wed 6/1/22**	Fri 8/5/22		**LDH,MedImpact,MCOs**
239	8.4.1	Schedule MedAccess Training Sessions	2 days	Wed 6/1/22	Thu 6/2/22		MedImpact
240	8.4.2	Schedule MedOptimize Training Sessions	2 days	Wed 6/1/22	Thu 6/2/22		MedImpact
241	8.4.3	Hold MedAccess Trainings	15 days	Fri 6/3/22	Thu 6/23/22	239	LDH,MedImpact,MCOs
242	8.4.4	Hold MedOptimize Trainings	24 days	Fri 6/3/22	Wed 7/6/22	240	LDH,MedImpact,MCOs
243	8.4.5	Hold Additional MedAccess Training Session	24 days	Fri 6/24/22	Wed 7/27/22	241	LDH,MedImpact,MCOs
244	8.4.6	Hold Additional MedOptimize Training Session	11 days	Thu 7/7/22	Thu 7/21/22	242	LDH,MedImpact,MCOs
245	**8.5**	**VPN Security Verification**	**26 days**	**Thu 5/5/22**	**Thu 6/9/22**		**LDH,MedImpact,MCOs**
246	8.5.1	Provide Draft VPN Security Verification	15 days	**Thu 5/5/22**	Wed 5/25/22		MedImpact
247	8.5.2	Review VPN Security Verification	5 days	Thu 5/26/22	Wed 6/1/22	246	**LDH,MedImpact,MCOs**
248	8.5.3	Revise VPN Security Verification	5 days	Thu 6/2/22	Wed 6/8/22	247	MedImpact
249	8.5.4	Finalize VPN Security Verification	1 day	Thu 6/9/22	Thu 6/9/22	248	MedImpact
250	**8.6**	**Security Risk Assessment**	**26 days**	**Thu 5/5/22**	**Thu 6/9/22**		**LDH,MedImpact,MCOs**
251	8.6.1	Provide Draft Security Risk Assessment	15 days	Thu 5/5/22	Wed 5/25/22		MedImpact
252	8.6.2	Review Security Risk Assessment	5 days	Thu 5/26/22	Wed 6/1/22	251	**LDH,MedImpact,MCOs**
253	8.6.3	Revise Security Risk Assessment	5 days	Thu 6/2/22	Wed 6/8/22	252	MedImpact
254	8.6.4	Finalize Security Risk Assessment	1 day	Thu 6/9/22	Thu 6/9/22	253	MedImpact
255	**8.7**	**System Documentation**	**26 days**	**Thu 5/5/22**	**Thu 6/9/22**		**LDH,MedImpact,MCOs**
256	8.7.1	Provide Draft of System Documentation	15 days	Thu 5/5/22	Wed 5/25/22		MedImpact
257	8.7.2	Review System Documentation	5 days	Thu 5/26/22	Wed 6/1/22	256	**LDH,MedImpact,MCOs**
258	8.7.3	Revise System Documentation	5 days	Thu 6/2/22	Wed 6/8/22	257	MedImpact
259	8.7.4	Finalize System Documentation	1 day	Thu 6/9/22	Thu 6/9/22	258	MedImpact
260	**8.8**	**System Refresh Plan**	**26 days**	**Thu 5/5/22**	**Thu 6/9/22**		**LDH,MedImpact,MCOs**
261	8.8.1	Provide Draft of System Refresh Plan	15 days	Thu 5/5/22	Wed 5/25/22		MedImpact
262	8.8.2	Review System Refresh Plan	5 days	Thu 5/26/22	Wed 6/1/22	261	**LDH,MedImpact,MCOs**
263	8.8.3	Revise System Refresh Plan	5 days	Thu 6/2/22	Wed 6/8/22	262	MedImpact
264	8.8.4	Finalize System Refresh Plan	1 day	Thu 6/9/22	Thu 6/9/22	263	MedImpact
265	**8.9**	**FWA Compliance Plan**	**26 days**	**Thu 5/5/22**	**Thu 6/9/22**		**LDH,MedImpact,MCOs**
266	8.9.1	Provide Draft of FWA Compliance Plan	15 days	Thu 5/5/22	Wed 5/25/22		MedImpact
267	8.9.2	Review FWA Compliance Plan	5 days	Thu 5/26/22	Wed 6/1/22	266	**LDH,MedImpact,MCOs**
268	8.9.3	Revise FWA Compliance Plan	5 days	Thu 6/2/22	Wed 6/8/22	267	MedImpact
269	8.9.4	Finalize FWA Compliance Plan	1 day	Thu 6/9/22	Thu 6/9/22	268	MedImpact
270	**8.10**	**Continuity of Operations Plan**	**26 days**	**Thu 5/5/22**	**Thu 6/9/22**		**LDH,MedImpact,MCOs**
271	8.10.1	Provide Draft of Continuity of Operations Plan (includes Business Continuity, Back Up and Recovery, Final Disaster Recovery and Security Plans)	15 days	**Thu 5/5/22**	Wed 5/25/22		MedImpact
272	**8.10.2**	**Business Continuity and Contingency Plan**	**15 days**	**Thu 5/5/22**	**Wed 5/25/22**		**MedImpact**
273	8.10.2.1	Provide LDH with MedImpact's BCC Plan	15 days	Thu 5/5/22	Wed 5/25/22		MedImpact
274	**8.10.2.2**	**Back Up and Recovery Plans**	**15 days**	**Thu 5/5/22**	**Wed 5/25/22**		**MedImpact**
275	8.10.2.2.	Provide Back Up and Recovery Plans	15 days	Thu 5/5/22	Wed 5/25/22		MedImpact
276	**8.10.2.3**	**Final Disaster Recovery Plans**	**15 days**	**Thu 5/5/22**	**Wed 5/25/22**		**MedImpact**
277	8.10.2.3.	Provide Disaster Recovery Plans	15 days	Thu 5/5/22	Wed 5/25/22		MedImpact
278	**8.10.2.4**	**Information Security Plans**	**15 days**	**Thu 5/5/22**	**Wed 5/25/22**		**MedImpact**
279	8.10.2.4.	Provide Information Security Plans	15 days	Thu 5/5/22	Wed 5/25/22		MedImpact



ID	WBS	Task Name	Duration	Start	Finish	Predecessors	Resource Names
280	8.10.3	Review Continuity of Operations Plan	5 days	Thu 5/26/22	Wed 6/1/22	272	**LDH,MedImpact,MCOs**
281	8.10.4	Revise Continuity of Operations Plan	5 days	Thu 5/26/22	Wed 6/1/22	273	MedImpact
282	8.10.5	Finalize Continuity of Operations Plan	1 day	Thu 5/26/22	Thu 5/26/22	274	MedImpact
283	**8.11**	**Customer Service Center Quality Assurance Plan**	**26 days**	**Thu 5/5/22**	**Thu 6/9/22**		**LDH,MedImpact,MCOs**
284	8.11.1	Provide Draft of Customer Service Center Quality Assurance Plan	15 days	**Thu 5/5/22**	Wed 5/25/22		MedImpact
285	8.11.2	Review Customer Services Center Quality Assurance Plan	5 days	Thu 5/26/22	Wed 6/1/22		**LDH,MedImpact,MCOs**
286	8.11.3	Revise Customer Services Center Quality Assurance Plan	5 days	Thu 6/2/22	Wed 6/8/22		MedImpact
287	8.11.4	Finalize Customer Service Center Quality Assurance Plan	1 day	Thu 6/9/22	Thu 6/9/22		MedImpact
288	**8.12**	**PBM Quality Management Monitoring and Audit Plan**	**26 days**	**Thu 5/5/22**	**Thu 6/9/22**		**LDH,MedImpact,MCOs**
289	8.12.1	Provide Draft PBM Quality Management Monitoring and Audit Plan	15 days	**Thu 5/5/22**	Wed 5/25/22		MedImpact
290	8.12.2	Review PBM Quality Management Monitoring and Audit Plan	5 days	Thu 5/26/22	Wed 6/1/22	289	**LDH,MedImpact,MCOs**
291	8.12.3	Revise PBM Quality Management Monitoring and Audit Plan	5 days	Thu 6/2/22	Wed 6/8/22	290	MedImpact
292	8.12.4	Finalize PBM Quality Management Monitoring and Audit Plan	1 day	Thu 6/9/22	Thu 6/9/22	291	MedImpact
293	**8.13**	**Program Quality Assurance Plan**	**26 days**	**Thu 5/5/22**	**Thu 6/9/22**		**LDH,MedImpact,MCOs**
294	8.13.1	Provide Draft of Program Quality Assurance Plan	15 days	**Thu 5/5/22**	Wed 5/25/22		MedImpact
295	8.13.2	Review Program Quality Assurance Plan	5 days	Thu 5/26/22	Wed 6/1/22	294	**LDH,MedImpact,MCOs**
296	8.13.3	Revise Program Quality Assurance Plan	5 days	Thu 6/2/22	Wed 6/8/22	295	MedImpact
297	8.13.4	Finalize Program Quality Assurance Plan	1 day	Thu 6/9/22	Thu 6/9/22	296	MedImpact
298	**8.14**	**Pharmacy Claim Processes and Procedure Manual**	**26 days**	**Thu 5/5/22**	**Thu 6/9/22**	297	**LDH,MedImpact,MCOs**
299	8.14.1	Provide Draft the Pharmacy Claim Processes and Procedure Manual	15 days	**Thu 5/5/22**	Wed 5/25/22		MedImpact
300	8.14.2	Review Pharmacy Claim Processes and Procedure Manual	5 days	Thu 5/26/22	Wed 6/1/22	299	**LDH,MedImpact,MCOs**
301	8.14.3	Revise Pharmacy Claim Processes and Procedure Manual	5 days	Thu 6/2/22	Wed 6/8/22	300	MedImpact
302	8.14.4	Finalize Pharmacy Claim Processes and Procedures Manual	1 day	Thu 6/9/22	Thu 6/9/22	301	MedImpact
303	**8.15**	**Contractor's Point of Contact for Handling Public Records Requests**	**26 days**	**Thu 5/5/22**	**Thu 6/9/22**		**LDH,MedImpact,MCOs**
304	8.15.1	Provide Point of Contract for Handling all Publica Records	**26 days**	**Thu 5/5/22**	**Thu 6/9/22**		MedImpact
305	**8.16**	**Readiness Review**	**26 days**	**Thu 5/5/22**	**Thu 6/9/22**		**LDH,MedImpact,MCOs**
306	8.16.1	Schedule meeting for Readiness Review to Assess the Ability and Capacity of Single PBM	15 days	**Thu 5/5/22**	Wed 5/25/22		MedImpact
307	8.16.2	Hold Meeting for Readiness Review Assessment	5 days	Thu 5/26/22	Wed 6/1/22		**LDH,MedImpact,MCOs**
308	**8.16.3**	**Review Readiness Checklist**	**26 days**	**Thu 5/5/22**	**Thu 6/9/22**		**LDH,MedImpact,MCOs**
309	8.16.3.1	Review Draft of the Review Readiness Checklist	15 days	**Thu 5/5/22**	Wed 5/25/22		MedImpact
310	8.16.3.2	Review Readiness Review Checklist	5 days	Thu 5/26/22	Wed 6/1/22	309	**LDH,MedImpact,MCOs**
311	8.16.3.3	Revise Readiness Review Checklist	5 days	Thu 6/2/22	Wed 6/8/22	310	MedImpact
312	8.16.3.4	Finalize Readiness Review Checklist	1 day	Thu 6/9/22	Thu 6/9/22	311	MedImpact
313	8.16.4	Finalize all action items from Readiness Review Assessment	5 days	Fri 6/10/22	Thu 6/16/22	307	MedImpact
314							
315	**9**	**Readiness Review**	**14 days**	**Mon 6/13/22**	**Fri 7/1/22**		**MedImpact,LDH,MCOs**
316	**9.1**	**Complete Readiness Checklist**	**14 days**	**Mon 6/13/22**	**Thu 6/30/22**	**312**	**MedImpact,LDH,MCOs**
317	9.1.1	Checklist completion	5 days	Mon 6/13/22	Fri 6/17/22		MedImpact,LDH,MCOs
318	9.1.2	Finish all action items from Checklist completion	5 days	Mon 6/20/22	Fri 6/24/22	317	MedImpact,LDH,MCOs
319	9.1.3	Finish Checklist	3 days	Mon 6/27/22	Wed 6/29/22	318	MedImpact,LDH,MCOs
320	9.1.4	Obtain Permission for Operational Go-Live	1 day	Thu 6/30/22	Thu 6/30/22	319	MedImpact,LDH,MCOs
321	**9.2**	**Final Conversion**	**5 days**	**Fri 6/24/22**	**Thu 6/30/22**	**316**	**MedImpact,LDH,MCOs**
322	9.2.1	Receive Final Historical Conversion Files	5 days	Fri 6/24/22	Thu 6/30/22		MedImpact,LDH,MCOs
323	9.2.2	Convert Final Historical Conversion Files	5 days	Fri 6/24/22	Thu 6/30/22		
324	9.2.3	Load Final Files	4 days	Mon 6/27/22	Thu 6/30/22		MedImpact,LDH,MCOs
325	**9.3**	**Operational Go-Live**	**0 days**	**Fri 7/1/22**	**Fri 7/1/22**	**319,4**	**LDH,MedImpact,MCOs**
326							
327	**10**	**Project Closeout**	**66 days**	**Fri 7/1/22**	**Fri 9/30/22**	**325**	MedImpact
328	**10.1**	**Post Operational Go-Live Implementation Project Team Support / Monitoring**	**66 days**	**Fri 7/1/22**	**Fri 9/30/22**	**325**	MedImpact
329	10.1.1	Post Operational Go-Live Monitoring of Operations	**66 days**	**Fri 7/1/22**	**Fri 9/30/22**	**325**	**MedImpact,LDH,MCOs**
330	10.1.2	Issue Identification and Resolution	**66 days**	**Fri 7/1/22**	**Fri 9/30/22**	**325**	**MedImpact,LDH,MCOs**
331	**10.2**	**Formal Closeout**	**66 days**	**Fri 7/1/22**	**Fri 9/30/22**	**325**	**MedImpact**
332	10.2.1	Client Sign-Off of Transition to Operations	**66 days**	**Fri 7/1/22**	**Fri 9/30/22**	**325**	**MedImpact,LDH,MCOs**
333	10.2.2	Transition Outstanding Issues for Operations Tracking	**56 days**	**Fri 7/15/22**	**Fri 9/30/22**	**332**	**MedImpact,LDH,MCOs**
334	10.2.3	Formal Hand-Off to Operations Team	46 days	**Fri 7/29/22**	Fri 9/30/22	333	MedImpact
335	**10.3**	**Administrative Closeout**	**10 days**	**Mon 9/19/22**	**Fri 9/30/22**	**332**	**MedImpact,LDH,MCOs**
336	10.3.1	Finalize Project Documentation	**56 days**	**Fri 7/15/22**	**Fri 9/30/22**	**332**	**MedImpact,LDH,MCOs**
337	10.3.2	Complete Lessons Learned	**56 days**	**Fri 7/15/22**	**Fri 9/30/22**	**332**	**MedImpact,LDH,MCOs**
338	10.3.3	Release Implementation Team	**56 days**	**Fri 7/15/22**	**Fri 9/30/22**	**332**	**MedImpact,LDH,MCOs**
339	10.4	Implementation Project Complete	**1 day**	**Fri 9/30/22**	**Fri 9/30/22**	**325,5,332**	**MedImpact,LDH,MCOs**



Project: 7780400-01 LDH WBS
Date: Fri 3/25/22

Task | Split | Milestone | Summary | Project Summary | Inactive Task | Inactive Milestone | Inactive Summary | Manual Task | Duration-only | Manual Summary Rollup | Manual Summary | Start-only | Finish-only | External Tasks | External Milestone | Deadline | Progress | Manual Progress

APPENDIX F: HIPAA COMPLIANCE SUMMARY

Corporate Compliance – MedImpact Healthcare Systems, Inc., a Business Associate under HIPAA

A. Introduction

This document outlines various HIPAA privacy, security, transaction and code set, and national identifier standard requirements, as well as, MedImpact Healthcare Systems, Inc. "MedImpact's" corresponding compliance efforts. MedImpact is a "Business Associate" (BA), as defined by the Health Information Portability and Accountability Act of 1996 (HIPAA), as amended by the Health Information Technology for Economic and Clinical Health Act Section 13402 (HITECH Act) and implementing regulations (collectively referred to as "HIPAA Regulations"). MedImpact serves in a BA capacity for the pharmacy benefit management and third-party administrator services, currently provided to MedImpact Clients involving the Clients' Member Protected Health Information (PHI). MedImpact actively monitors applicable Federal and State laws and regulatory agency communications, participates in leading industry organization efforts, and attends various national conferences to maintain MedImpact's HIPAA Compliance Program.

B. Corporate Compliance, Privacy and Security Officers

1. **Corporate Compliance Officer:**

   Debra Harper
   Vice President, Corporate Compliance Officer
   (858) 790-6340
   Debra.Harper@MedImpact.com

2. **Privacy Officer:**

   Jennifer Johnson, CHPC
   Vice President, Corporate Privacy Officer & Licensure
   (858) 790-7091
   Jennifer.Johnson@medimpact.com

3. **Security Officer:**

   Frank Bunton
   VP, Chief Information Security Officer
   (858) 790-6266
   Frank.Bunton@medimpact.com

C. Privacy Standards: 45 CFR Part 164; Subparts A, D & E

MedImpact maintains HIPAA Privacy policies and procedures and coordinates with Clients regarding necessary procedures to maintain compliance with the Privacy Rule.

MedImpact Corporate HIPAA Privacy Policies and Procedures + Supporting Information
1. **Permissible Uses and Disclosures of Member PHI:** The established policy addresses general acceptable Use and Disclosure of Member PHI, as described in the HIPAA Privacy Rule and references the supporting corporate HIPAA Privacy policies and procedures referenced in this document. Requests for PHI are handled in accordance with its applicable corporate policy/procedure and Federal or State law. Employees and non-employees are instructed to contact the Privacy Officer, or the Privacy Officer's designee for further guidance on releasing information to parents of minor children, as those requirements may vary in accordance with state law and contractual arrangements. *(Policy document available)*
2. **Protection of Member PHI:** The established process is for communicating Member PHI via, fax, email or other methods in a confidential and secure manner. *(Process document available)*
3. **Internal Reporting of Potential Impermissible Disclosures and/or Breaches of Member PHI** [45 CFR §164.504]: The established process supports the requirement of maintaining confidentiality and privacy of PHI and reporting responsibilities. In the event MedImpact becomes aware of a Potential Impermissible Disclosures (PID) and/or a Breach of Unsecured PHI incident, applicable department management follows the documented internal reporting process and forwards the Internal Reporting Form to the Privacy Officer, or designee, for investigation, determination and applicable reporting requirements. *(Process document available)*
4. **Identity and Authority Confirmation**: The established process outlines appropriate methods for verifying the identity and authority of Individuals contacting MedImpact requesting PHI. *(Process document available)*
5. **Business Associate (BA) Responsibilities:** The established process provides for documentation of contractual relationships with Clients and Subcontractors. *(Policy document available)*
Business Associate Responsibilities Supporting Information:
• **Business Associate Agreements (BAA)**: MedImpact may either request Clients to sign MedImpact's BAA or agree to sign a Client's BAA. MedImpact communicates all required reports (e.g., Impermissible Disclosures of PHI, Breach of Unsecured PHI, Member privacy rights provided in a Notice of Privacy Practices, etc.) directly to Clients, and Clients are responsible for communicating applicable reporting information directly to Members, as well as Federal and State agencies, as required by law. MedImpact maintains policies and procedures to support the privacy rights of Individuals and coordinates with Clients regarding appropriate implementation of those policies and procedures.
• **Business Associate Subcontractor Agreements (BASA)**: In situations where MedImpact outsources work containing client Member PHI, MedImpact requires a subcontractor/vendor agreement to address applicable Member PHI privacy and security requirements. MedImpact enters into a Business Associate Subcontractor Agreement for such relationships.

NPP Related Policies & Procedures:
6. **Individual Rights Regarding Protected Health Information**: The established policy addresses an Individual's rights to their PHI, as described in the HIPAA Privacy Rule and references the supporting corporate HIPAA Privacy policies and procedures referenced in this document. *(See Individual Rights Regarding Protected Health Information Policy document)*
7. **Notice of Privacy Practices for Member PHI** [45 CFR §164.520]: Covered Entities must provide a NPP to Members. A NPP offers Members certain privacy rights (e.g., requests for privacy protection, requests for access or amendment to Member PHI, etc.). Although maintaining and distributing a NPP document is not an applicable requirement for BA's, MedImpact, as a BA, has the required processes in place to support Covered Entity Client requests, on behalf of requesting Members.
8. **Restriction on Use and Disclosure of Member PHI** [45 CFR §164.522]: The established processes computer-based, which includes request forms with instructions. *(Process document available)*
9. **Rerouting of Confidential Communication** [45 CFR §164.522]: The established processes computer-based, which includes request forms with instructions. *(Process document available)*
10. **Individual's Right to Access and Amend Member PHI in a Designated Record Set** [45 CFR §164.528]: The established processes computer-based, which includes request forms with instructions. *(Process document available)*
11. **Individual's Right to an Accounting of Disclosures of Member PHI** [45 CFR §164.528]: A computer-based process is in place, which includes a request for with instructions. A tracking/Disclosure report is generated in accordance with the requirements. *(Process document available)*
Member Privacy Right Supporting Information:
MEMBER REQUESTS: If a MedImpact Entity in a BA capacity receives a Member request to exercise a HIPAA Privacy right directly from the Member, then the MedImpact Entity directs the Member to the Health Plan that provided the NPP to the Member.
12. **Training** [45 CFR §164.530]: The established policy addresses employee and non-employee training on the related policies and procedures regarding Member PHI. The training is a web-based approach and may also involve department-specific training. *(Process document available)*
13. **Complaints** [45 CFR §164.530]: The established process allows Individuals to make complaints in accordance with the requirements. *(Process document available)*
Other Supporting HIPAA Privacy Information:
ASSOCIATED FEES: MedImpact may charge a reasonable fee, as specifically permitted by the Privacy Rule or state law, for administration of certain privacy rights.
PRIVACY SANCTION POLICY: The established policy addresses compliance with all company policies and procedures, and discipline for non-compliance with corporate policies and procedures incudes possible termination.

D. HIPAA Security Standards: §45 CFR Part 164; Subpart C

HIPAA Security Final Rule: The following table summarizes the requirements and implementation activity regarding transmitting and processing member PHI, in accord with applicable HIPAA Security Standards.

Reference	Description	Implementation Specifications **LEGEND:** **(R) = Required** **(A) = Addressable** **(M) = Implemented by MedImpact – P&Ps available**
45 CFR §164.308(a)(1)	HIPAA Security Final Rule: Security Management Process	Risk Analysis (R), (M) Risk Management (R), (M) Sanction Policy (R), (M) Information System Activity Review (R), (M)
45 CFR §164.308(a)(2)	HIPAA Security Final Rule: Assigned Security Responsibility	(R), (M)
45 CFR §164.308(a)(3)	HIPAA Security Final Rule: Workforce Security	Authorization (R), (M) Workforce Clearance (A), (M) Termination Procedures (A), (M)
45 CFR §164.308(a)(4)	HIPAA Security Final Rule: Information Access Management	Isolating Healthcare Clearinghouse Functions (R) – not applicable to MedImpact. Access Authorization (A), (M) Access Establishment and Modification (A), (M)
45 CFR §164.308(a)(5)	HIPAA Security Final Rule: Security Awareness & Training	Security Reminders (A), (M) Protection from Malicious Software (A), (M) Log-in Monitoring (A), (M) Password Management (A), (M)
45 CFR §164.308(a)(6)	HIPAA Security Final Rule: Security Incident Procedures	Response & Reporting (R), (M)
45 CFR §164.308(a)(7)	HIPAA Security Final Rule: Contingency Planning)	Data Backup Plan (R), (M) Disaster Recovery Plan (R), (M) Emergency Mode Operation Plan (R), (M) Testing & Revision Procedure (A), (M) Applications and Data Criticality Analysis (A), (M)
45 CFR §164.308(a)(8)	HIPAA Security Final Rule: Evaluation	(R), (M)
45 CFR §164.308(b)(1)	HIPAA Security Final Rule: Business Associate Contracts (BAC) and other Arrangements/Written Contracts	Written Contract or Other Arrangement (R), (M)

45 CFR §164.310(a)(1)	HIPAA Security Final Rule: Facility Access Controls	Contingency Operations (A), (M) Facility Security Plan (A), (M) Access Control & Validation Procedures (A), (M) Maintenance Records (A), (M)
45 CFR §164.310(b)	HIPAA Security Final Rule: Workstation Use	(R), (M)
45 CFR §164.310(c)	HIPAA Security Final Rule: Workstation Security	(R), (M)
45 CFR §164.310(d)(1)	HIPAA Security Final Rule: Device and Media Controls	Disposal (R), (M) Media Re-use (R), (M) Accountability (A), (M) Data Backup and Storage (A), (M)
45 CFR §164.312(a)(1)	HIPAA Security Final Rule: Access Control	Unique User Id (R), (M) Emergency Access Procedure (R), (M) Automatic Logoff (A), (M) Encryption and Decryption (A), (M)
45 CFR §164.312(b)	HIPAA Security Final Rule: Audit Controls	(R), (M)
45 CFR §164.312(c)(1)	HIPAA Security Final Rule: Integrity	Mechanism to Authenticate Electronic PHI (A), (M)
45 CFR §164.312(d)	HIPAA Security Final Rule: Person or Entity Authentication	(R), (M)
45 CFR §164.312(e)(1)	HIPAA Security Final Rule: Transmission Security	Integrity Controls (A), (M) Encryption (A), (M)
NOTE: MedImpact evaluates and where applicable implements and maintains future modifications as necessary to comply with the Security Standards as applicable to a Business Associate.		

E. HIPAA Standard Transactions and Code Sets: 45 CFR Part 162

MedImpact has implemented the applicable HIPAA Standard Transactions and Code Sets in compliance with: i) the National Council for Prescription Drug Programs (NCPDP) transaction formats; ii) the Accredited Standards Committee (ASC X12); and iii) Client data exchange requirements. MedImpact works with Clients to find the best mutually acceptable method of Electronic Data Interchanged (EDI). EDI transactions are self-implemented and are not subcontracted to outside vendors.

To stay current with the latest HIPAA standard transaction developments, MedImpact adopts the standards set by the various Standards Development Organizations (SDOs), HIPAA organizations and work groups such as the Healthcare Information and Management Systems Society (HIMMS) and the Association for Electronic Health Care Transactions (AFECHT), Designated Standard Maintenance Organization (HIPAA-DSMO), HIPAA Conformance Certification Organization (HCCO), the International Organization for Standardization (ISO17799), NCPDP, National Committee on Vital and Health Statistics (NCVHS), National Institute of Standards and Technology (NIST), URAC (accrediting body), and

ASC X12. We monitor the progress of the health IT advisor to the Department of Health and Human Services (WEDI)/Strategic National Implementation Processes (SNIP) and, where applicable, adopt and use their industry white papers. Many commercial products assist with the HIPAA transaction and identifier standards. Products and services include: BridgeGate Health for HIPAA Translator assistance in our American National Standards Institute (ANSI) ASC X12N Projects, and HCTI for ongoing corporate HIPAA electronic training.

Through our participation with the NCPDP, ASC X12 standards organizations, and the EDI Workgroups, MedImpact continues to align its systems to meet various regulatory and Client needs. We follow the NCPDP External Code List (ECL) update schedule in order to provide industry agreed upon changes via new field codes and values as of set dates. Notices are provided to partners regarding the upcoming changes so they can have systems ready to use interpret and use the changed code values.

Please reference the Standard Transaction and Code Set Details table below and on the following pages for additional information.

HIPAA Standard Transaction and Code Set Details §45 CFR part 162; Subparts I-S		
Requirement	**Requirement Status**	**Comment**
Support Medical and Non-Medical Data Sets	Not Applicable	Not required for MedImpact processing. MedImpact does not process medical claims at this time.
Support ANSI X12 5010	Satisfied/Fully Implemented/ In Production	ASC X12 5010 implementation.
Support ICD 10	Satisfied/Fully Implemented/ In Production	MedImpact has the ability to read and store ICD-10 codes received on claims and, when configured, can use those codes in a limited way during claim adjudication. MedImpact realizes that due to patient privacy concerns, most prescriptions do not come to a retail pharmacy with a Diagnosis, as requiring a Diagnosis would affect member access to prescribed medication(s). Prior Authorizations are used to identify claims that should be overridden for processing.
Support NCPDP v D.0	Satisfied/Fully Implemented/ In Production	NCPDP D.0 implemented.
Ability to receive ANSI X12 837 (Claim Encounter)	Not Applicable	MedImpact does not currently support this transaction because MedImpact does not process medical claims at this time.
Ability to receive ANSI X12 270 (Eligibility Inquiry)	Satisfied/Fully Implemented/ In Production	ASC X12 5010 implemented.

Ability to receive ANSI X12 278 (Certification Request)	Not Applicable	MedImpact does not currently support this transaction as typically this is a Prior Authorization request from a hospital for a covered procedure which MedImpact does not provide. If the hospital wants to know whether a drug will be covered under the prescription processing side, the hospital needs to submit a D.0 claim and MedImpact will make the determination.
Ability to receive ANSI X12 276 (Claims Status Request)	Not Applicable	MedImpact does not currently support this transaction because it processes claims in real time. With real time adjudication which MedImpact supports using the NCPDP transaction, there is no need for a provider to request a 'STATUS' since they receive the status at the time of processing the claim.
Ability to receive ANSI X12 834 (Health Plan Enrollment)	Satisfied/Fully Implemented/ In Production	ASC X12 5010 implemented.
Ability to receive ANSI X12 820 (Health Plan Premium Payment-Group)	Not Applicable	MedImpact does not currently support this transaction as the 820 transaction allows Plan sponsors to transmit information on premium payments to Health Plans and MedImpact does not process premiums.
Ability to receive Batch Standard Medicaid Subrogation remittance for pharmacy claims (NCPDP code set)	Satisfied/Fully Implemented/ In Production	NCPDP D.0 implemented.
Ability to support ANSI X12 835 (Claim Payment/Response)	Satisfied/Fully Implemented/ In Production	ASC X12 5010 implemented.
Ability to support ANSI X12 271 (Eligibility Response)	Satisfied/Fully Implemented/ In Production	ASC X12 5010 implemented.
Ability to support ANSI X12 277 (Claim Status Response)	Not Applicable	MedImpact does not currently support this transaction. Similar to ANSI X12 276 (Claims Status Request), MedImpact does not support this transaction because it processes claims in real time. With real time adjudication which MedImpact supports using the NCPDP transaction, there is no need for a provider to request a 'STATUS' since they receive the status at the time of processing the claim.

Support for CORE Phase I Operating Rule 150/151-Acknowledgement	Satisfied/Fully Implemented/ In Production	Implemented.
Support for CORE Phase I Operating Rule 152-Companion Guide	Satisfied/Fully Implemented/ In Production	Implemented.
Support for CORE Phase I Operating Rule 153-Connnectivity	Satisfied/Fully Implemented/ In Production	Implemented.
Support for CORE Phase I Operating Rule 154-270/271 Data Content	Satisfied/Fully Implemented/ In Production	Implemented.
Support for CORE Phase I Operating Rule 155/156-Response Time	Satisfied/Fully Implemented/ In Production	Implemented.
Support for CORE Phase I Operating Rule 157-System Availability	Satisfied/Fully Implemented/ In Production	Implemented.
Support for CORE Phase II Operating Rule 250-Claims Status	Not Applicable	ASC X12 5010 276/277 (Health Care Claims status) pertains primarily to batch claims that are processed outside of real time, unlike electronic retail pharmacy claims which are processed real time at the point of service, implementing ASC X12 5010 276/277 (Health Care Claims status) is essentially N/A to electronic retail pharmacy claims. MedImpact, implemented NCPDP D.0 which includes standards that DHHS acknowledged "provide enough detail and clarity to operationalize the standards to the point where no gaps exist that operating rules would need to fill and no further infrastructure or data content rules need to be adopted" (Federal Register / Vol. 76, No. 131: Administrative Simplification: Adoption of Operating Rules for Eligibility for a Health Plan and Health Care Claim Status Transactions).
Support for CORE Phase II Operating Rule 258-Name Normalization	Not Applicable	Same comment as noted in *"Support for CORE Phase II Operating Rule 250-Claims Status"* above.
Support for CORE Phase II Operating Rule 259-Error Reporting	Not Applicable	Same comment as noted in *"Support for CORE Phase II Operating Rule 250-Claims Status"* above.

Support for CORE Phase II Operating Rule 260-Data Content	Not Applicable	Same comment as noted in *"Support for CORE Phase II Operating Rule 250-Claims Status"* above.
Support for CORE Phase II Operating Rule 270-Data Connectivity	Not Applicable	Same comment as noted in *"Support for CORE Phase II Operating Rule 250-Claims Status"* above.
Support for CORE Phase II Operating Rule 380/382-EFT and ERA Enrollment	Satisfied/Fully Implemented/ In Production	MedImpact successfully implemented the Centers for Medicare and Medicaid Services' (CMS) final rule adopting Operating Rules for the Electronic Funds Transfer (EFT) and Electronic Remittance Advice (ERA) which took effect on January 1, 2014.
Support for CORE Phase II Operating Rule 360-CARC/RARC in 835	Satisfied/Fully Implemented/ In Production	MedImpact uses a regular set of code combinations to convey details of claim denials or claim payments.
Support for CORE Phase II Operating Rule 370-EFT/ERA Re-association Trace CCD+/835	Satisfied/Fully Implemented/ In Production	MedImpact provides the CCD+ addendum in financial ACH files to facilitate re-association with the 835 transaction. We monitor the elapsed time between receipt of the EFT and ERA transactions to ensure the deliveries are within a three-day window. MedImpact also uses prescribed standard data elements for both EFT and ERA Enrollment Data Rules.
Support for CORE Phase II Operating Rule 350-835 Infrastructure	Satisfied/Fully Implemented/ In Production	MedImpact provides 835 Companion Guides to our pharmacies and provides dual delivery of remits through our pharmacy portal or via an 835 transaction via File Transfer Protocol (FTP) servers until provider's transition to all electronic remits.

Standard Identifier Standards (Electronic Transactions)

Standard National Provider Identifier (NPI): §45 CFR Part 164; Subpart D

MedImpact incorporated the National Provider Identifier (NPI) where applicable into: i) claims processing; ii) respective HIPAA-mandated EDI transactions; iii) standards programs; and iv) custom programs, upon Client request. MedImpact continues to evaluate and, where applicable, implement and maintain future modifications as necessary to comply with the NPI Standard, in accord with client specifications. MedImpact monitors the Centers for Medicare and Medicaid Services (CMS) Contingency Plan guidance and data dissemination sources and actively works with Clients pharmacies toward successful implementations, without interruption to our service, Clients, Members or providers.

Standard Unique Health Plan Identifier (UHPI) and Other Entity Identifier (OEID): §45 CFR Part 162; Subpart E

MedImpact monitors UHPI/OEID requirements, as well as industry efforts, relating to the implementation of the applicable identifiers in the forthcoming compliance dates.

Standard Unique Employer Identifier: §45 CHR Part 162; Subpart F

MedImpact has not identified a need around a Unique Employer ID. MedImpact does not presently process Worker's Compensation claims where this might be necessary.

APPENDIX G: INFORMATION SECURITY PROGRAM

DOCUMENT TITLE	Information Security Program				
DOCUMENT #	210-PL-1007	**VERSION**	10.0	**SUPERSEDES**	9.0
PROCESS OWNER	Frank Bunton, VP, Chief Information Security Officer			**EFFECTIVE DATE:**	**01/04/2021**
EXTERNAL SHARING	YES ☒	NO ☐		**PRINTING ALLOWED**	Yes
SHARE WITH	Regulatory Agencies ☒ Clients ☒ Other ☐				

SUPPORTING DOCUMENTATION	
Document #	**Document Title**
210-PL-1009	Information Security Policy
210-PL-1063	Security Incident Management Policy
210-PL-1064	IT Security Vendor Management Policy
230-PD-1012	Account Creation, Modification, and Termination
210-FM-1060	MedImpact Security Audit Questionnaire
(GD)Guide=Overview | (PL)Policy=Rule | (PD)Procedure=Action | (FD)Flow Diagram=Visual (WI)Work Instruction=Details | (FM)Form=Predefined | (RD)Reference Document=Supporting	

REQUIRED APPROVALS

Approvers' Signature and Approval are recorded electronically and stored via Compliance 360 (C360).

Approvers	**Title**
Frank Bunton	VP, Chief Information Security Officer
Asokan Selvaraj	VP, Chief Information Officer

**C360 Approval Audit Record:* Initial Audit Record inserted by Process Management before document is finalized and published. If document renewal, additional annual audit records included on the last page.

Approver Name	Job Title	Approval Date	Process Document Number	MedImpactVersionNumber	EffectiveDate
Bunton, Frank	VP Chief Information Security Officer	2/12/2021 3:54 PM	210-PL-1007	10.0	1/4/2021
Selvaraj, Asokan	VP Chief Information Officer	2/16/2021 8:45 AM	210-PL-1007	10.0	1/4/2021

DOCUMENT DEFINITIONS (When using definition in document Capitalize First Word)	
Word/Term	**Definition**
	See Appendix A for Glossary

For the latest version **ALWAYS** check the Process Library

PURPOSE	This document defines the technical security expectations of the MedImpact IT Department. This document provides consistency of Information security requirements across a heterogeneous IT infrastructure. It describes the people, processes, and tools for IT to align with regulatory expectations of the Pharmacy Benefits Management business.

Contents

1. Security Principles, Automation, and Orchestration

The following principles are an important part of the MedImpact corporate security strategy. As such they are stated up front to allow the individual reviewing this document to better understand the philosophy behind our strategic security planning.

1.1. Principle of Least Privilege

1.1.1 The principle that a security architecture should be designed so that each entity is granted the minimum system resources and authorizations that the entity needs to perform its function.

1.2. Principle of the Layered Approach to Security

1.2.1 A principle also known as layered defense, describes the practice of combining multiple independent mitigating security controls to protect resources and data.

1.3. Principle of Segregation of Duties

1.3.1 The concept of having more than one person required to complete a task. In business the separation by sharing of more than one individual in one single task is an internal control intended to prevent fraud and error.

1.4. Principle of Zero Trust (The Zero Trust Initiative)

1.4.1 The term “Zero Trust” refers to security concepts and principles that no longer assume that actors, systems, or services operating from within the security perimeter should be automatically trusted

1.5. Security Automation

1.5.1 The term “Security Automation” refers to the design and implementation of security operational concepts and principles that allow security related appliances, devices, and processes to operate independently, without requiring human intervention, to remediate security related issues. This reduces the time and overhead required to remediate security threats and provides the capability to eliminate these threats, before they can do damage to a secure environment, such as a data center.

1.6. Security Orchestration

1.6.1 The term “Security Orchestration” refers to the development of the interprocess communcations between independent security related appliances, devices, and processes required to support the cooperation between these devices needed to identify and eliminate security related threats.

2. Technical Risk Assessment

2.1. Technical Risk Assessment

2.1.1 A Technical Risk Assessment is a formal review of all technical controls that are available within an application and the determination of the applicability of controls against business, regulatory, and budgetary priorities. A uniform risk assessment template must be implemented to provide consistency on whether to resolve, defer, or accept risk. All decisions regarding each risk issue must be documented and recorded for review by the application owner.

2.1.2 To resolve a risk issue, a formal corrective action plan that provides specific dates of implementation must be provided. However, if the risk issue exceeds 90 days to resolve, it must by default be deferred until a formal plan can be developed.

2.1.3 To accept risk, a clearly demonstrated plan with resources, estimated budget, and timeframes must be supplied, indicating that the return on investment of implementing the risk control is cost-prohibitive, i.e., the cost associated with a security incident due to accepting the risk is less than the cost of the risk control implementation and maintenance. Costs associated with a security incident due to acceptance of risk include: cost of data loss, cost of system downtime, cost of business restoration, damage to corporate brand, etc.

2.1.4 The final disposition of the risk assessment will require the approval of the risk owner and the Chief Information Security Officer (CISO).

2.1.5 The term “approved by the security department” applies only to those instances in which a formal Salesforce case has been created by the risk owner and approved by a member of the security administrative team.

2.1.6 The term “approved by the CISO” applies only to those instances in which a formal Salesforce case has been created by the risk owner and approved by the CISO.

3. Technical Process Steps

3.1. Audit Trails

3.1.1 IT Systems handling valuable or critical MedImpact information must securely log all significant security relevant events. These systems include but are not limited to: Firewalls, Domain Controllers, Intrusion Prevention Systems, Advanced Persistent Threat Detection systems, Web Monitoring and Filtering, and Endpoint Security management solutions.

3.1.2 Network Logs – All changes to firewall configuration parameters, enabled services, and permitted connectivity paths must be logged. All suspicious activity that might be an indication of either unauthorized usage or an attempt to compromise security measures also must be logged.

3.1.3 Logs for Externally Connected Systems – All MedImpact computers and networks that interface to external networks must keep system logs that indicate the identity and activity performed by each user who accesses these systems. These logs must indicate: the reporting information system component, the date and time of the log event, the type of event, the User/Subject ID employed, any privileges utilized, and the outcome (success/failure) of the event.

3.1.4 System administrators must employ automated intrusion prevention systems approved by the Information Security department to immediately inform them of suspicious activity.

3.1.5 Archive & Review – Records reflecting security relevant events must be reviewed on a quarterly basis by computer operations staff, Information Security staff, or systems administration staff. Quarterly reviews of security logs are not required in the event that a SIEM (Security Information and Event Management) system is deployed to monitor security events and notify security personnel of potential incidents in real-time. These logs must be maintained for a period of three (3) years for subsequent review.

3.1.6 User Notification – Users should be informed of the specific acts that constitute computer and network security violations as part of the security training process. At the same time, users are expected to apply common sense efforts to their actions. Staff must also be informed that such violations will be logged and that this information can be used for corrective action or sanction plans if required.

3.2. Encryption

3.2.1 MedImpact electronic communications systems are not encrypted by default. Protected Health Information must use an encryption process approved by the Information Security department (See Section 3: External Connections Procedures). Payment cardholder information must be safeguarded using strong cryptography or secure protocols across open or public networks.

3.2.2 Encryption must be implemented in any of the following instances: (i) any computers, devices or media (e.g., laptop computers, phones/PDAs, USB drives, back-up tapes) containing CONFIDENTIAL or INTERNAL USE ONLY Data must be encrypted at rest; (ii) transferring CONFIDENTIAL or INTERNAL USE ONLY Data over public networks (such as the Internet).

3.2.3 Encryption keys used for MedImpact information are always classified as CONFIDENTIAL information. Encryption keys must adhere to cryptographic and hashing algorithm types, strength, and key management processes that are consistent with industry best practices and have been approved by the CISO. Access to such keys is limited only to individuals approved by the Chief Information Security Officer.

3.2.4 Outsourcing of encryption keys is prohibited.

3.2.5 For more information please refer to the following website: https://csrc.nist.gov/csrc/media/publications/fips/140/2/final/documents/fips1402annexa.pdf

3.3. Identity & Authentication

3.3.1 The addition, modification, or deletion of MedImpact user accounts may only be performed by systems administration personnel or individuals approved by the MedImpact Security department.

3.3.2 User's identity will be verified prior to modifying any authentication credentials.

3.3.3 Unique User IDs– Each user must be assigned their own unique user ID. This user ID must be used when logging into the MedImpact corporate network. This user ID follows an individual as they move through the organization. Accordingly, a user ID must be permanently decommissioned when a user departs MedImpact. The following requirements for unique user IDs must be observed:

a Re-use of user IDs is not permitted.

b Every MedImpact user ID and related password is intended for the exclusive use of a unique employee.

c Passwords must never be shared with anyone.

d User IDs are linked to specific people, and are not associated with computer terminals, departments, or job titles.

e Anonymous and guest user IDs are not permitted unless approved in advance by the Information Security department.

3.4. User Authentication

3.4.1 All production information system user IDs must have a linked password to ensure that only the authorized user is able to use the user ID. Staff is responsible for all activity that takes place with their user ID and password.

3.4.2 Staff must change their password immediately if they suspect that it has been discovered or used by another person and notify the Information Security Department.

3.4.3 Password Construction– Users must choose strong passwords that adhere to the following password policy:

Passwords must be at least eight (8) characters in length

Passwords must be complex: Mixed case, Alpha Numeric, and at least one special character

3.4.4 Changing Passwords – Passwords are required to change every 90 days and passwords must also be changed the first time they are used.

3.4.5 Password Reuse – Passwords may not be reused for ten (10) rotations.

3.4.6 Password Lockout – Users will be allowed a maximum of five (5) access attempts prior to their account being locked.

3.4.7 Inactivity Timeout – User sessions on all IT systems are de-activated after more than 15 minutes of inactivity requiring resubmission of a password to re-gain entry.

3.4.8 Dormant User IDs – MedImpact employee user accounts that have not been used for more than 90 days will be suspended/disabled by the IT Help Desk. Exceptions will be processed by the IT Helpdesk.

3.4.9 Credential modification – User identity must be verified prior to the modification of any authentication credentials.

3.5. Account Creation, Modification, and Termination

3.5.1 New Hire Request

3.5.2 Once a new employee has been hired whether, if the employee is a transfer, new hire, temporary, contractor, or consultant an Account Request Form (ARF) must be submitted for the new employee. This form must be completed and submitted at least five (5) business days prior to the start date. Managers are responsible for ensuring that appropriate access is granted to employees or contingent workers, that employees or contingent workers are terminated immediately, and that access to systems or drives is updated/removed when an employee transfers. Managers are fully responsible for proper onboarding and offboarding of their resources.Transferring Employee

An employee transferring from department to department or from MedImpact to a MedImpact subsidiary, an Account Request Form (ARF) must be submitted. Along with completing the ARF, the Transferring Employees section is required to complete the process. All current employee access will be removed on the date indicated in the Transfer Date field. In the event that a transition date is specified, a transition end date must also be specified. All access to previous roles will be removed on the date indicated in the Transition End Date field. Managers are responsible for ensuring that appropriate access is granted to employees or contingent workers, that employees or contingent workers are terminated immediately, and that access to systems or drives is updated/removed when an employee transfers. Managers are fully responsible for proper onboarding and offboarding of their resources.

3.5.3 Termination Request

3.5.4 A notification from HR or Kronos must be sent to the MyITHelp mailbox when an employee is terminating from MedImpact Healthcare Systems, Inc. or its subsidiaries. This notification will initiate the termination process for the IT Support department. Any special requests for access termination (i.e., Access to voicemail, C: Drive, mailbox, etc.) requires an account Termination Request Form to be completed and submitted to Product Support. Managers are responsible for ensuring that appropriate access is granted to employees or contingent workers, that employees or contingent workers are terminated immediately, and that access to systems or drives is updated/removed when an employee transfers. Managers are fully responsible for proper onboarding and offboarding of their resources.Procedural Document

Please refer to document 230-PD-1012 Account Creation, Modification, and Termination.

3.6. Third-Party Service Providers To MedImpact

3.6.1 Third-party service providers are vendors that MedImpact may utilize to perform certain services.

3.6.2 Third-party service providers to MedImpact are required to be consistent with MedImpact's Information security policies and must complete and pass a vendor assessment by the MedImpact Security and Compliance departments. Service providers must either provide a SSAE SOC 1 or 2, HITRUST or other general controls type assessment and must successfully complete a MedImpact vendor security posture assessment.

3.6.3 Both the MedImpact implementation team that has requested access on behalf of the third party and the Information Security Department must agree in writing to such access before it is granted. The decision-making process for granting such access may include, but is not limited to, the following contingencies:

a The consideration of the controls on the systems to be connected.

b The security policies and posture of the Third Party.

c Whether a NDA (non-disclosure agreement) has been signed.

d System privileges of third parties must be strictly limited to the system facilities and information needed to achieve a set of predefined business objectives. These access privileges must be reviewed on an annual basis by the originator of the business relationship.

e User accounts that are created for third parties or vendors shall only be enabled during the time period required and must be disabled when no longer in use. Any equipment made available to the third-party must be returned at this time.

f Third party or vendor user accounts are subject to monitoring and auditing and can be modified or removed if deemed out-of-compliance or a security risk by the security department.

3.7. Third-Party Service Provider's Contractual Requirements

3.7.1 At a minimum, contracts between MedImpact and third-party service providers must contain the following requirements:

Provision specifying the start and end date of the relationship as well as provisions for renewal. Dates should be applied to IT System related requests and reviewed 90 days prior to termination date.

Provision specifying that a third party will align to MedImpact's Information Security policies. Adherence to the policies can be measured through the annual submission of the Third Party's risk assessments, HIPAA, PCI, SSAE, or MedImpact's Security Audit Questionnaire (MedImpact Security Audit Questionnaire, 210-FM-1060).

Provision specifying that third party will abide by MedImpact's necessary HIPAA pass-through requirements for Business Associate Subcontractor Agreements.

Security Incident Notification: In the event of a security incident within the Third Party's infrastructure, the Third Party is obligated to provide timely notification to MedImpact IT Security when the impact involves MedImpact clients.

Non-Disclosure Agreement: Specifies the requirements of the Third Party provider to protect MedImpact data from unauthorized disclosure.

3.8. Subsidiary Policy Review

3.8.1 An annual meeting will be held that includes a representative from the Information Technology, Information Security, and Compliance departments to review MedImpact's subsidiaries adherence to MedImpact's corporate security and compliance policies.

3.9. Vulnerability Management and Penetration Testing

3.9.1 MedImpact requires quarterly internal system vulnerability scans to be conducted on business critical servers. Quarterly external operating system vulnerability scans are required on Internet facing servers. Vulnerability assessments are intended to discover and mitigate technical vulnerabilities that could be exploited by a malicious user.

3.9.2 Pre-Implementation Vulnerability Scans: Vulnerability scans are also required prior to the production implementation of servers.

3.9.3 Application Vulnerability scans must be conducted on strategic business projects that involve Web Services. Application Vulnerability scans are designed to uncover code related vulnerabilities that can be exploited through unexpected or malicious application input or exploitable programming code.

3.9.4 Vulnerability assessments are coordinated by the Information Security department. Vulnerabilities discovered by the scans will require remediation that follows the scan schedules and commensurate with the risk level.

3.9.5 Exceptions to vulnerability scans and remediation will only been granted when there is a valid Business requirement which overrides the scan results. All exceptions must be fully documented and stored for future reference.

3.9.6 MedImpact requires annual external 3rd party vulnerability and penetration testing be conducted on those critical applications and servers defined as being in scope for the procedure. These tests will be designed to minimize the possibility of impact to the availability of those servers defined as being in scope. This would not be limited to applications hosted within MedImpact's data centers but those that may be hosted in the cloud or mobile applications provided by MedImpact.

3.10. Vulnerability Classification

3.10.1 Technical vulnerabilities are defined as "A weakness in the computational logic found in software and hardware components which when exploited result in an impact to confidentiality, integrity, or availability". Vulnerabilities can be categorized within four risk categories: high, medium, low, informational. Vulnerability classification is determined by the Information Security department.

High risk – High risk vulnerabilities allowing an attacker to gain unimpeded remote access to a machine are unacceptable. These vulnerabilities are extremely severe and tools to exploit them are publicly available. There is reasonable likelihood that protected health information (PHI) may be compromised in the event there is an exploitation of a vulnerability at this level of risk. Therefore, immediate measures must be taken to mitigate high risk vulnerabilities as soon as possible.

Medium risk – Medium risk vulnerabilities may be acceptable. These are vulnerabilities that allow attackers to alter system or application behavior but do not impact sensitive information such as PHI. Tools to exploit this type of vulnerability are generally not available to the public, however, they should be remediated as part of disciplined configuration management practice.

Low risk – Low vulnerabilities allow an attacker to read files containing public information, or a vulnerability that gives an attacker minimal access to a remote system. Low Risk vulnerabilities are generally considered acceptable, however, they should be remediated as part of disciplined configuration management practice.

Informational – This is a vulnerability that gives unnecessary information or is a feature or function that should not exist within a device. Typically, these items do not pose a direct threat, however, they should be remediated as part of disciplined configuration management practice.

3.11. Vulnerability Remediation

3.11.1 Information security vulnerabilities are required to be mitigated within a time period that is set according to the vulnerability severity.

The following vulnerability mitigation turn-around times are required:

Informational: Variable

Low Risk: 5 business weeks

Medium Risk: 4 business weeks

High Risk: Within 24 hours, depending on availability of vendor patch or workaround

3.12. External Firewall Vulnerability Assessment

3.12.1 Because firewalls provide such an important control measure for MedImpact networks, their strength and proper configuration must be tested on a regular basis.

3.12.2 This testing process must include consideration of defined configuration parameters, enabled services, permitted connectivity paths, current administrative practices, and adequacy of the deployed security measures.

3.12.3 These tests must include the regular execution of vulnerability identification software and the regular performance of penetration tests.

3.13. Firewalls

3.13.1 Firewalls are an essential, comprehensive component of the MedImpact network security infrastructure. Firewalls are defined as security systems that control and restrict network connectivity and network services.

3.13.2 Firewalls establish a control point where access controls may be enforced. Connectivity defines which computer systems are permitted to exchange information. A service is sometimes called an application, and it refers to the way for information to flow through a firewall.

3.13.3 Examples of services include file transfer protocol (FTP) and web browsing hypertext transfer protocol (HTTP). This policy defines the essential rules regarding the management and maintenance of firewalls at MedImpact and it applies to all firewalls owned, leased, or otherwise controlled by MedImpact staff.

3.14. Firewall Deployment

3.14.1 Prior to the deployment of a MedImpact firewall, a diagram of permissible paths with a justification for each, and a description of permissible services accompanied by a justification for each must be prepared.

3.14.2 Permission to enable such paths and services will be granted by the Information Security Department only when these paths or services are necessary for important business reasons; at that time, sufficient security measures will be consistently employed.

3.14.3 The conformance of actual firewall deployments to the documentation provided will be periodically reviewed by the Information Security department.

3.14.4 Any firewall modifications which are designed to support protocols or encryption standards which have been deemed to be insecure must be documented and reviewed by the IT Security Department.

3.15. Firewall Change Control

3.15.1 Because they support critical MedImpact Healthcare Systems information systems activities, firewalls are considered to be production systems. The Information Security Department must approve all changes to the software provided by vendors, excluding vendor-provided upgrades and patches, in advance. The same documentation that is required for changes on production systems must also be prepared for firewall changes.

3.16. Firewall Default Denial

3.16.1 Every connectivity path and service that is not specifically permitted by this policy and supporting documents issued by Information Security Department must be blocked by MedImpact firewalls. An inventory of all access paths into and out of MedImpact internal networks must be maintained by IT Systems. IT Security Department will review changes to this list periodically to provide assurance to policy objectives.

3.17. Firewalls and Servers in Demilitarized Zones

3.17.1 All Internet servers including database servers and web servers must be protected by firewalls. Servers must be located within a demilitarized zone (DMZ) (a subnet that is protected from the Internet by one or more firewalls) or an internal network, such as an intranet, which is also protected from the DMZ subnet by one or more firewalls. All new applications or servers placed in a DMZ require a security notification and approval and must be subjected to a quarterly vulnerability assessment.

3.18. Firewall Audits

3.18.1 Firewall configuration and settings will be audited on an semi-annual basis.

3.19. External Connections

3.19.1 No MedImpact computer system may be attached to the Internet unless it is protected by a firewall. The following requirements for external connections must be observed:

All in-bound real-time Internet connections to MedImpact internal networks or multi-user computer systems must pass through a firewall.

Computer systems requiring firewall protection include web servers, electronic commerce servers, and mail servers.

3.20. Remote Access Requirements

3.20.1 Multi-factor authentication is required for remote access.

3.20.2 Dual homed client configurations are not permitted at any time.

3.20.3 Non-standard Remote Access solutions to the MedImpact production network for non-employees such as contractors or vendor support personnel require prior approval from the Information Security Department.

3.20.4 Non-Company issued PCs required by consultants to perform application or system specific contractual duties will not be allowed to connect to the MedImpact network without confirming the installation of appropriate anti-virus and up-to-date operating system patches.

3.20.5 Remote access tokens that are dormant for one year will be disabled.

3.20.6 Remote access must be strictly controlled using encryption (ex. VPN's) and strong passwords.

3.20.7 Authorized users will ensure that a remote host computer is not connected to any other network while remotely connected to the MedImpact corporate network with the exception of personal networks that are under the complete control of the authorized user.

3.20.8 The authentication database source for remote access must be Active Directory or LDAP.

3.21. Wireless Security

3.21.1 Private use of wireless networks within MedImpact Healthcare facilities is prohibited. Only MedImpact approved secure wireless technology is permitted.

3.21.2 All wireless infrastructure and devices maintained at a MedImpact site and connected to a MedImpact network, or providing access to information classified as company PHI, PII, or CONFIDENTIAL must:

a. Abide by the wireless communication standards specified below.

b. Be installed and maintained by MedImpact's systems and networking teams.

c. Use corporate approved authentication protocols.

d. Use corporate approved and supported encryption protocols.

e. Maintain a hardware MAC address that can be registered and tracked.

f. Not interfere with wireless access deployments maintained by other support organizations.

3.21.3 Isolated Wireless Device Requirements(Lab and Guest Network) - All lab wireless infrastructure devices that provide access to MedImpact PHI, PII, or company confidential information must:

a. Be isolated from the corporate network (must not provide corporate connectivity).

b. Not interfere with wireless access deployments from other support organizations.

c. Abide by the wireless communication standards specified below.

3.21.4 All wireless infrastructure devices that connect to a MedImpact network or provide access to MedImpact Confidential information including PHI and PII must use WPA2 AES-256 encryption.

3.21.5 Support for BYOD connectivity/communications is not provided for at MedImpact Healthcare. Enforcement - An employee found to have violated this policy may be subject to disciplinary action, up to and including termination of employment. A violation of this policy by a temporary worker, contractor or vendor may result in the termination of their contract or assignment with MedImpact.

3.21.6 Enforcement - An employee found to have violated this policy may be subject to disciplinary action, up to and including termination of employment. A violation of this policy by a temporary worker, contractor or vendor may result in the termination of their contract or assignment with MedImpact.

3.22. Intrusion Prevention Systems (IPS)

3.22.1 Intrusion Prevention Systems will be installed to monitor all network access points on network perimeters and monitor all network access points at all of MedImpact's data center facilities.

3.22.2 Intrusion Prevention Systems must automatically log any system issues to a centralized syslog system.

3.22.3 Intrusion Prevention Systems must automatically notify the Information Security Department of any security related notifications. IPS security related notifications must also be routed to the SIEM for correlation and analysis. IPS high and critical priority alerts must be continuously monitored and responded to as soon as reasonably possible

3.22.4 All IPS logs must be maintained for a minimum of 30 days.

3.22.5 Intrusion Prevention Systems should be configured to block malicious traffic by default.

3.23. SIEM (Security Information and Event Management) System

3.23.1 All security related log information must be redirected to the SIEM system for correlation and analysis.

3.23.2 The primary purpose of the SIEM system will be to identify, document, and escalate potential security incidents.

3.23.3 The SIEM system must have the ability to generate security alerts based upon potential incidents.

3.23.4 The SIEM system must have the ability to prioritize alerts based upon business impact and assign alerts an incident severity level.

3.23.5 The SIEM system must have the ability to track alerts until they are closed.

3.23.6 SIEM high and critical priority alerts must be continuously monitored and responded to as soon as reasonably possible.

3.24. EndPoint Security Protection Suite

Desktop and Laptop PC's must be protected by the following suite of security tools:

3.24.1 Device Control

3.24.2 Behavior Monitoring

3.24.3 Predictive Machine Learning

3.24.4 Smart Scan and Protection Services

3.24.5 Real-Time Scanning of Shared Network Storage

3.24.6 Suspicious Malware Control

3.24.7 Web Access and Reputation Control

3.24.8 Data Loss Prevention and Firewall

Note: Endpoint Security Protection Suite modules must be maintained by security administrative personnel. Endpoint Security Protection Suite modules may only be disabled by security administrative personnel and only in the event said module is disruptive to the operation of an individual endpoint. Endpoints must be patched on a monthly basis and these patches must be tested prior to deployment unless the patches are being deployed in response to a zero-day threat in which case they may be tested and deployed immediately.

3.25. Anti-Virus Software

3.25.1 Anti-virus software and virtual anti-virus security systems approved by the Information Security department must be in place on all desktop computers with operating systems susceptible to viruses, on all firewalls with external network connections, and on all electronic mail servers.

3.25.2 All files coming from external sources must be checked before execution or usage. If encryption or data compression has been used, these processes must be reversed before the virus-checking process takes place.

3.25.3 Where technically feasible, anti-virus software must be configured to prohibit staff from disabling, modifying, or removing anti-virus software.

3.25.4 Anti-Virus software will be configured as follows:

Perform automatic updates

Perform continuous scanning in background mode

Automatically alert upon any findings in real-time

Automatically attempt to remove and eliminate any finding in real time

Automatically perform weekly full computer scans

Generate audit logs

3.26. Definition of IT Operating Environments

3.26.1 Production –A production system is a system that is regularly used to process information critical to the MedImpact business. Although a production system may be physically located anywhere, the production system designation is assigned by the IT Systems Director.

3.26.2 Development – A development system is an environment designed for the development of software code. Development systems require sufficient safeguards to allow testing of code without the risk of errant code impacting production systems. A development environment must utilize de-identified data.

3.26.3 QA and Test – A QA/test environment is a non-critical environment used for proving the feasibility of a technical solution and is frequently rebuilt and re-purposed. There is no guarantee of service. A QA/test environment must utilize de-identified data.

3.27. Strategic Business Projects

3.27.1 For strategic business projects, the following requirements must be observed:

There must be a separation between the production, development, and test environments.

Where these distinctions have been established, development and test staff must develop and test on the systems dedicated for their use.

All software testing must proceed with information where CONFIDENTIAL information is re-arranged (anonymized) or de-identified to protect the information.

All security fixes provided by software vendors must go through the systems development methodology testing process, and must be promptly installed.

A formal and documented change control process must be used to restrict and approve changes to production systems.

Production changes must be approved by the appropriate system owners and such changes must not be made by developers.

All application program-based access paths other than the approved user access paths must be deleted or disabled before software is moved into production.

3.28. Physical Computer Security

3.28.1 All computer servers, workstations and equipment are to be kept in secure areas not accessible to the general public. Any system containing CONFIDENTIAL or INTERNAL USE ONLY data will be secured by means of a second layer of security preventing the unauthorized removal from the premises. Examples of such are cable locks for laptop computers and placing servers in locked, secure rooms accessible only to specifically authorized personnel.

3.28.2 Physical computer security is enhanced through asset management. IT shall conduct an annual asset management survey to validate staff and the computer assets under their possession.

3.28.3 All MedImpact firewalls must be located in a physically locked, access controlled and entry logged data center accessible only to those who perform authorized firewall management and maintenance tasks approved by the Information Technology department management.

3.28.4 The Front Reception Desk at the Watermark facilities (WM1 and WM2), are staffed by security personnel 7/24, STP from 6am to 6pm, and security patrols the local grounds at the Watermark, SRO and GLO facilities. During standard visiting hours (8 am through 5 pm Monday through Friday) all visitors are required to check-in and register with the Receptionist and sign a Visitor Log Book. Access to the interior of the Corporate Building is restricted and controlled by security access cards. Visitors must be escorted within the facility. The building entrances are open during normal business hours and lock automatically after hours and on weekends. CCTV cameras are strategically placed throughout the Watermark buildings and parking structures to provide 7/24 continuous recorded surveillance.

3.28.5 Physical access must be monitored, recorded and controlled with physical access rights reviewed at minimum annually. Physical access logs detailing access must be stored for a period of one (1) year unless prohibited by local law.

3.29. Backup & Recovery

3.29.1 All sensitive, valuable, or critical information residing on MedImpact corporate desktop and laptop systems must be placed on the network drives. Network drives are automatically backed-up.

3.29.2 Where there is a demonstrated business need for a local client back-up system, IT Systems will deploy the backup hardware while the Information Security Department is responsible to secure the device with encryption and password protection software.

3.29.3 Backup or storage to websites (the cloud), proprietary or confidential company information may only be stored on secure websites which are owned and operated by MedImpact Healthcare Systems or external websites which are secure, company authorized, audited and approved.

External websites which host employee personal accounts may not be used to store company confidential information.

3.29.4 Remote off-site backup vaulting – Backups which are stored at an offsite storage vault must be encrypted to a standard consistent with industry practice. Off-site media storage must have a media check-in/check-out process with locked storage for transportation. Back-up information must be given the same level of physical and environmental protection as the level of control applied at the main site. All data regardless of media type and replicated copies of data must remain in the United States.

3.30. Disposal of Electronic Media

3.30.1 When hardware fails or is being considered for disposal, hard drives must be removed.

3.31. Disposal Conditions

3.31.1 System is identified as no longer supported due to inadequate CPU speed.

3.31.2 System needs extensive repairs not covered by warranty.

3.31.3 System needs extensive repairs and is out of warranty.

3.31.4 Systems may also be repaired and returned to service.

3.32. Repairing or Decommissioning a System

3.32.1 Receive notification that a system is being replaced, repaired, or removed.

3.32.2 Determine if the system contains confidential information or protected health information.

3.32.3 Backup the information, if necessary, prior to moving the system.

3.32.4 Remove and secure the hard disk.

3.32.5 Hard disks are not returned to service.

3.33. Physical System Movement

3.33.1 When a system is being moved for repair or decommissioning, a record of possession is maintained to ensure that any confidential or protected health information on the system remains secure during transport.

3.34. Secure Media Destruction

3.34.1 ShredIT media bins are available to destroy sensitive information on magnetic storage except for hard drives. Hard drives must be secured.

3.35. Equipment Disposal or Servicing

3.35.1 Before computer or communications equipment is sent to a vendor for trade, servicing, or disposal, all MedImpact Healthcare Systems must have the hard drives removed.

3.36. Web / URL Filtering

3.36.1 Web / URL filtering controls must be deployed by security administrative personnel and must include the ability to block access to malevolent URL's and websites based upon the site category, content, or reputation. Any attempt to subvert or bypass corporate web filtering controls must be performed by security administrative staff and may result in corrective action up to and including employee termination.

3.37. Data Loss Prevention (DLP)

3.37.1 Appropriate data loss prevention (DLP) controls must be deployed including disabling of USB ports, use of managed, password protected, encrypted USB storage devices, deployment of DLP software, and URL/Web filtering to detect and prevent unauthorized exfiltration of data from Supplier Information Systems. Any attempt to subvert or bypass corporate DLP controls must be performed by security administrative staff and may result in corrective action up to and including employee termination.

3.38. Cloud Access Security Broker (CASB)

3.38.1 A Cloud Access Security Broker (CASB) provides insight and analytics into Cloud Application usage. Some features of a CASB include data loss prevention (DLP), malware identification and analysis, data content analysis, user and service risk analysis, and Cloud application usage. The CASB will be configured to monitor the following cloud services at MedImpact Healthcare: Box File Sharing, Microsoft O365 (Sharepoint, OneDrive, Exchange), and Salesforce Cloud Applications.

3.39. HoneyPots

3.39.1 A honeypot is a network-attached system setup as a decoy to lure cyberattackers into the network and to detect, deflect, or study hacking attempts. The information gained from this study can then be used to prevent unauthorized access to legitimate information systems. Honeypots will be deployed into the corporate network on a strategic basis to study our adversaries and increase our overall network security.

3.40. Cipher Management

3.40.1 MedImpact will perform monthly scans of external URLs that transmit or allow access to sensitive information, including PHI. These scans will be performed to determine that the cipher strength is in accordance with regulatory requirements for the protection of those datasets.

3.40.2 External URLs found to have a lower cipher strength than required will be upgraded to the appropriate cipher strength within 30 days of discovery. These upgrades in cipher strength will be coordinated with various IT and business resources to provide minimal downtime and impact to external users of these resources. URL scans will be performed upon completion of the upgrades to validate that the appropriate cipher strengths are in place.

3.41. Security Awareness Training (Phishing)

3.41.1 Security Awareness Training (Phishing) is conducted on a weekly basis by the Information Security Department for groups of approximately 50 – 100 employees working in various departments within MedImpact Entities.

3.41.2 Individual phishing training campaigns focus on various types of email security related issues including: Spear Phishing (Email Phishing directed towards a specifc targeted account), Whaling (Email phishing targeting specifc groups, Email Spoofing (Name impersonation), Mass Targeting (Brand Impersonation), URL Phishing (Using URL links to infect the target), etc. Upon clicking the baited portion of the phishing training email, the user is provided an “Alert Notification Event” followed by a message informing the user that additional mandatory training is required and has been automatically assigned to their account.

3.41.3 The required email phishing security training is automatically assigned to the user and follow-up reminders are issued until the user completes the mandatory training required.

3.41.4 Security Awareness Training (Phishing) is reviewed on a monthly basis by the Information Security Department for each group of employees given the training. Scores are compiled and compared over time to ensure that employees recognize the risk associated with Email phishing, and adapt to reduce and eliminate the risk.

3.42. Endpoint Detection and Response (EDR) – Upgraded to XDR

3.42.1 Endpoint Extended Detection and Response (XDR) is part of our continuing efforts to maintain diligence in the area of threat analytics and will be included in our endpoint and network security deployment strategy. XDR provides enhanced detailed insight into IOC's (Indicator of Compromise) attacks. XDR also provides threat analytics including a sequence of events leading to the IOC event and a root cause analysis.

3.43. Web Portal Services Version Management

3.43.1 Information Security conducts a quarterly review of our Web Portal Services Version. During the review process, the security team evaluates the latest standardized version of the web service application for vulnerabilities. In the event that an upgrade is deemed necessary, the security team works with the systems, change management and portal teams to implement the latest standardized version of web service application.

3.43.2 This implementation process will begin in our development environment. Once functionality testing has been completed, Information Security will conduct a scan of our development environment to ensure it is secure prior to deployment to QA and production.

3.43.3 Once deployment in the QA and production environments is completed, Information Security will conduct a scan of each environment to ensure the security of our Web Portal sites.

4. External Connection Procedures

4.1. Secure Shell (SSH)

4.1.1 SSH is a network protocol that gives users, particularly system administrators, a secure way to access a computer over an unsecured network. SSH also refers to the suite of utilities that implement the SSH protocol. Secure Shell provides strong authentication and encrypted data communications between two computers connecting over an open network such as the internet. SSH is widely used by network administrators for remote management of systems and applications.

4.2. Encrypted Connections

4.2.1 The following transmission require encryption when protected health information is included:

- File transfer protocol (FTP)
- E-mail
- Web browser
- Wireless (LAN, WLAN)
- Application Programming Interfaces (API's)

4.3. Secure Connectivity Options

4.3.1 Dedicated Connection –A dedicated line can be established between the client site and MedImpact's site so that traffic does not pass over the Public Internet. If the customer would like more security, they may use secure protocols such as SSH and FTP with PGP encryption to communicate over the dedicated line.

4.3.2 Site-to-site Virtual Private Network (VPN)–Proven, standard algorithms should be used as the basis for technologies. Symmetric cryptosystem key lengths must be at least 128 bits. Asymmetric crypto-system keys lengths must be of a minimum of 2048 bits. Since encryption methodologies and the ability to compromise those methodologies change over time, MedImpact's encryption strength and key length requirements will be reviewed annually and upgraded as technology allows.

4.3.3 Client-to-site VPN through Cisco Secure Client with RSA token authentication –Secure Client and token authentication can be used by MedImpact employees, temporary employees and contractors to access MedImpact Information Technology resources from remote locations. This service requires that the secure client software be installed on the computer that will remotely access MedImpact information technology resources.

4.3.4 TLS encryption–Currently, the use of Transport Layer Security (TLS) is considered best practice for Web browser encryption. It is used on all web based applications that support external connectivity to MedImpact information technology resources.

4.3.5 Secure File Transfer using Secure Transport–MedImpact provides secured file transfer ability through a TLS encrypted website using Secure Transport. Secure Transport is configured via a front-end web server connecting to a back-end file repository. Clients are able to put and get files using either a standard web browser, or by using a windows-based or java-based client. No files are stored on the front-end server.

4.3.6 Secure email is required to send any email which contains PHI, PII, or company confidential information to a remote email location which resides outside of the MedImpact domain. Secure Email using Axway Secure Email–MedImpact utilizes the Axway Information Technology Company. MMS/IME software to provide encrypted emails. Any emails flagged by this system get redirected to the IME email encryption service. This service holds the email for pickup, or optionally encrypts the email using S/MIME to send to a remote IME server for site-to-site email encryption. Clients are able to retrieve their emails using a standard web browser to connect to a TLS-encrypted web site front-end. No email is stored on the front-end server.

4.3.7 SFTP with PGP –For large file transfers, MedImpact supports SFTP with PGP which provides encryption of data at rest prior to transferring over the Internet using the secure file transfer protocol.

4.3.8 Secure printing is required to print any document which contains PHI, PII, or company confidential information. Secure printing requires an individual to specify the “Secure Print” option and provide a secure PIN during the printer properties specification. This PIN is then entered at the designated printer to allow an individual to supervise the printing operation.

4.4. Unencrypted Connections

4.4.1 The following list of connections do not require encryption:

- Company-internal network
- LAN connections
- Dial-direct networks (DDNs) or ISDNs
- Integrated Services Digital Networks (ISDNs)
- Lease lines
- Frame relay connections

4.5. PDA/Smart Phone

4.5.1 Personal digital assistants (PDAs), and smart phones using wireless communication services must be encrypted while data is in transit and at rest. In the event of a device loss, these devices will be remotely wiped to protect information residing in the device. All corporate mobile phones (and iPads) must be managed and secured using MedImpact’s Mobile Device Management Platform. All corporate mobile phones must use the iOS operating system standard.

4.6. Removable Media and Storage Devices

4.6.1 MedImpact employees are not permitted to remove and/or download PHI or PII data from the workplace via hardcopy printout or via electronic storage devices such as external hard drives, PDAs, flash drives, laptops, USB devices, etc.

4.6.2 MedImpact employees may not use removable storage on their work computers without explicit permission of the Information Security department. Removable storage devices must be encrypted and approved by Information Security. Removable storage includes, but is not limited to, USB storage devices (thumb drives), USB Hard Drives, CD/DVD Rom/Writers, or SD Cards (camera cards).

4.6.3 MedImpact employees are to use company approved methods for the transfer and sharing of data which include G Drive storage, H Drive storage, email, and Box (file sharing).

4.6.4 Exceptions to this policy may be requested on a case-by-case basis by submitting a Salesforce request to Information Security for the Use-Case exception. If an exception is granted, a MedImpact approved encrypted device will be provided to the employee and is the only Removable Storage device that is allowed access to the employee's desktop or laptop in accordance with the section entitled "*External Connection Procedures´*in this policy..

4.7. Mobile Device Management (Wireless)

4.7.1 All corporate mobile devices using wireless communication services will maintain a six (6) digit PIN number at all times.

4.7.2 All corporate mobile devices must use a corporate supported version of the operating system.

4.7.3 All corporate mobile devices must have the password lock enabled with a timeout set to no longer than five (5) minutes.

4.7.4 All corporate mobile devices must be encrypted.

4.7.5 Corporate mobile devices are not allowed to be connected directly to the internal corporate network unless approved by Information Security.

4.7.6 Users should only load data onto corporate mobile devices that is essential to their role.

4.7.7 Users must report all lost or stolen devices to MedImpact Information Security, Help Desk immediately.

4.7.8 If a user suspects that an unauthorized access to company data has taken place via a mobile device, that user must report the incident to Information Security, Help Desk immediately.

4.7.9 Corporate mobile devices must never be jailbroken.

4.7.10 Corporate mobile devices must never have any software/firmware installed which is designed to gain access to functionality not intended to be exposed to the user.

4.7.11 Users must not load pirated software or illegal content onto corporate mobile devices.

4.7.12 Applications must be installed from official platform owned approved sources. Installation from unknown or untrusted sources is prohibited.

4.7.13 Devices must be kept up-to-date with manufacturer or network provided patches.

4.7.14 Users must be aware of the potential to merge personal and work email and text information. Users must take care to ensure that company data is sent in the appropriate manner. If a user suspects that company information may have been inappropriately transmitted and/or exposed in some manner, they must notify MedImpact Information Security, Help Desk departments immediately.

4.7.15 Corporate mobile devices must allow administrative personnel the ability to remote wipe the device in the event that it has been deemed to be stolen or compromised in some manner.

4.7.16 Corporate mobile devices must be registered in the corporate mobile device management system.

4.8. Mapped Network Drives

3.8.1 Employees should not place confidential information, PHI or PII on the T: drive.

3.8.2 Employees must not create mapped shared drives on company computers to share information without the written approval of the Information Security Department.

4.9. Cameras (Internal and External)

4.9.1 Cameras will remain disabled on all corporate laptop computers. Any use of camera based operations or communications on corporate computers must be approved by the CISO (Chief Information Security Officer)

4.10. Non-Corporate Devices

4.10.1 Non-corporate devices consist of any device including computers, laptops, phones, tablets, etc. that are not fully owned, operated, managed, and secured by MedImpact Healthcare Systems.

4.10.2 Non-corporate devices are not allowed access to the corporate network unless this access has been approved by the CISO. This approval MUST be documented in a Salesforce case.

4.10.3 Non-corporate devices are allowed access to the guest wireless network providing that these devices are within the walls of the corporate building containing the access points to the guest wireless network.

4.10.4 Individuals operating non-corporate devices on the MedImpact guest wireless network should have no expectations of privacy.

4.10.5 Individuals operating non-corporate devices on the MedImpact guest wireless network should never exchange any form of confidential information including PHI (Protected Health Information) while connected to the guest wireless network.

5. Computer Security Incident Response Procedures

5.1. Security Incidents

Security Incidents are defined as events that could cause the unauthorized disclosure, modification or destruction of MedImpact's information assets or loss or destruction of the physical equipment associated with the computer systems, its peripherals, or network infrastructure components. A security incident also includes witnessing someone committing a violation of security policies or procedures. The following are examples of reportable security incidents:

5.1.1 Passwords being compromised, either individual or system.

5.1.2 Disclosure of information to unauthorized individuals.

5.1.3 Unauthorized modification or destruction of information.

5.1.4 Computer viruses.

5.1.5 Secured areas containing critical IT resources, including but not limited to, electrical closets, data closets, and computer rooms, being left unlocked or unattended.

5.1.6 Theft of IT equipment, services, or information classified as CONFIDENTIAL.

5.1.7 Destruction or modification of any Information security mechanism such as locks, cameras, or logical controls on applications or data.

5.1.8 All information security incidents, or suspected incidents, must be reported as soon as possible. All security incidents identified above must be reported to the Chief Information Security Officer. If the person is unsure whether the event is a reportable security incident, the event should be reported. All security incidents will be reported and documented from the time the incident is reported, through final disposition of the event. All phases of the incident will be documented, and evidence collected will be maintained in accordance with the rules of evidence. The specifics of security incidents must not be discussed widely but should instead by shared on a need-to-know basis only.

5.1.9 Individuals reporting a systems/data security incident should contact the Chief Information Security Officer (CISO). If the CISO is not available, the person should report the incident to a member of the Security Department.

5.1.10 Security Incidents must be logged and reviewed on a periodic basis and maintained for a period of one-year.

5.1.11 The Chief Information Security Officer will log the incident as to the date and time reported; and creates a security incident report. If a supervisor or manager is the first to be notified of the incident, that person will initiate the log, and document the incident then pass the information to the Chief Information Security Officer as soon as possible. After reviewing the nature of the incident, the Chief Information Security Officer may contact any or all of the following individuals to assist in the security incident investigation, as appropriate:

Legal Department: The Legal Department should be contacted where legal issues or potential legal issues either have come to light or may become an issue as a result of the incident. This would also include seeking counsel on what types of surveillance or other activity can or should be attempted while conducting the incident investigation.

Compliance: The Compliance Department must be notified if the security incident involves access to protected health information (PHI) or patient identifiable information (PII).

Human Resources: Human Resources shall be contacted whenever any MedImpact employee, temporary employee, vendors, contractor, etc. is under investigation concerning a security incident or where corrective action, up to and including termination is being considered. Human Resources, along with Legal will be contacted whenever performing any type of surveillance activity. The placement of an employee on administrative leave during an investigation must also involve Human Resources.

Loss Prevention: The Chief Information Security Officer should contact MedImpact's Legal Staff to obtain expert investigators to assist or lead the investigation of the security incident. This would be essential in security incidents not involving electronic access to protected resources. Legal should also provide counsel as to the rules of evidence and how to maintain proper security of the evidence to prevent tampering with, or disclosure of the evidence.

Marketing Communication: Depending on the incident, and whether or not the incident is reported or could be reported in the media, Marketing Communications should be involved from the beginning to ensure there are no media incidents that could put MedImpact in a negative light in the press. All corporate communication procedures for dealing with the media will be followed. No one associated with or involved in the investigation will speak with the press. Any inquiries by the press must be referred to Marketing Communications for resolution.

Local Management: Local management or supervision must cooperate with investigators and make available space, records, potential witnesses, etc. to the investigation team.

6. Web Applications

6.1. Criteria for Web Application Security Assessments

6.1.1. Quarterly – will be subject to a full assessment

6.1.2. New or Major Application Release – will be subject to a full assessment

6.1.3. Third Party or Acquired Web Application – will be subject to a full assessment

6.1.4. Patch Releases – will be subject to an appropriate assessment level

6.1.5. Emergency Releases – will be allowed to forgo security assessments

6.2. Criteria for Issue remediation

6.2.1. High – Any high-risk issue must be fixed immediately or other mitigation strategies must be put in place to limit exposure before deployment.

6.2.2. Medium – Medium risk issues should be reviewed to determine what is required to mitigate and scheduled accordingly. Applications with medium risk issues may be taken off-line or denied release into the live environment based on the number of issues and if multiple issues increase the risk to an unacceptable level. Issues should be fixed in a patch/point release unless other mitigation strategies will limit exposure

6.2.3. Low – Issues should be reviewed to determine what is required to correct the issue and scheduled accordingly

6.3. Secure Coding Practices and Techniques

6.3.1. Secure coding practices and techniques will be followed throughout the software development life cycle.

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7. Security Policy Compliance

7.1. Compliance Measurement

7.1.1. The Information Security team will verify compliance to this policy through various methods, including but not limited to, security monitoring systems, business tool reports, audits, and feedback to the policy owner.

7.2. Exceptions

7.2.1. Any exceptions to this policy document must be approved by the Information Security Department.

7.3. Non-Compliance

7.3.1. Any employee found to have violated this policy may be subject to disciplinary action, up to and including termination of employment.

8. Appendix A. Definitions/Glossary

Term	Description
Access Control Lists	Lists kept by routers to control access to or from the router for a number of services (for example, to prevent packets with a certain IP address from leaving a particular interface on the router).
AES	Advanced Encryption System
Application Account Administration	Any account that is for the administration of an application (e.g., database administrator, systems administrator).
Application Service Provider	A third-party organization that provides IT services for use by MedImpact employees or associates.
Approved Electronic Mail	Includes all mail systems supported by the MedImpact IT Support Team. These include, but are not necessarily limited to, Microsoft Exchange/Outlook. Approved email delivered outside firewall will contain appropriate confidentiality warning.
Approved Encrypted email and files	PGP use within MedImpact is done via a license. Please contact the appropriate support organization if you require a license.
APT	Advanced Persistent Threat
Cable Modem	Cable companies provide Internet access over Cable TV coaxial cable. A cable modem accepts this coaxial cable and can receive data from the Internet. . Cable is currently available only in certain communities.
Cloud Computing	Cloud computing is the delivery of computing as a service rather than a product whereby shared resources, software, and information are provided to computers and other devices as a utility (like the electricity grid) over a network (typically the Internet).
Corporate Connectivity	A Connection that provides access to a MedImpact Network.
Digital Certificates	A certificate which uses a digital signature to bind together a public key with an identity — information such as the name of a person or an organization, their address, and so forth. The certificate can be used to verify that a public key belongs to an individual.
DMZ	A “demilitarized zone” or perimeter network is a network area (sub-network) that sits between an organization’s internal network and an external network, usually the Internet. Connections from the internal and the external network to the DMZ are permitted; however, connections from the DMZ are only permitted to the external network. Hosts inside the DMZ may not connect to the internal network.

Term	Description
Dual Homing	Having concurrent connectivity to more than one network from a computer or network device. Examples include: Being logged into the Corporate network via a local Ethernet connection, and dialing into AOL or other Internet service provider (ISP).
Employee	Any full or part time individual employed directly by MedImpact, either at a remote location or on-site at MedImpact's primary office.
Encryption	Software or hardware solutions that make sensitive information unreadable except to the intended recipient of the information.
HIPAA	Health Insurance Portability and Accountability Act of 1996. The Federal Law to standardize and protect individually identifiable health information.
Information Assets	Information that is collected or produced and the underlying hardware, software, services, systems, and technology that is necessary for obtaining, storing, using, and securing that information which is recognized as important and valuable to an organization.
IPS	Intrusion Prevention System
IT Resources	Any technical asset under the control or direction of MedImpact's IT department. Examples of IT resources include: servers, laptops, routers and firewalls.
Jailbroken Device	To jailbreak a mobile device is to remove the limitations imposed by the manufacturer. This provides access to the operating system, thereby unlocking all its features and enabling the installation of unauthorized software.
MAC address	The MAC address is a hardware number that uniquely identifies each node on a network and is required for every port or device that connects to the network.
MDM	Mobile Device Management
MedImpact	MedImpact Healthcare Systems, Inc. – A Pharmacy Benefits Management (PBM) company performing certain services, including but not limited to, claims processing, prior authorizations, rebates and network administration, on behalf of Plans.
MedImpact Entity (ies)	MedImpact Holdings, Inc. and its direct and indirect subsidiaries that create, receive, maintain, or transmit PHI, and the MedImpact Healthcare Systems, Inc. Health and Welfare Benefits Plan.
MedImpact network	A wired or wireless network including indoor, outdoor, and networks that provide connectivity to corporate services.

Term	Description
Non-Employee	Any individual not employed directly by MedImpact including contractors, volunteers, and temps who perform services on behalf of MedImpact through a separately contracted entity.
PHI	Protected Health Information
PII	Patient Identifiable Information
Production System Information	A production system is a system that is regularly used to process information critical to the MedImpact business. Although a production system may be physically located anywhere, the production system designation is assigned by the IT Systems Director.
Remote Access	Any access to MedImpact's corporate network through a non-MedImpact controlled network, device, or medium.
Service Set Identifier	A set of characters that give a unique name to a wireless local area network.
SLA	Service Level Agreement
Split Tunneling	Simultaneous direct access to a non-MedImpact network (such as the Internet, or a home network) from a remote device (PC, PDA, WAP phone, etc.) while connected into MedImpact's corporate network via a VPN tunnel.
UUCP	Unix to Unix Copy. Typically a suite of computer programs and protocols allowing remote execution of commands and transfer of files, email and Netnews between computers.
De-identified Data	Health information that does not identify an individual and with respect to which there is no reasonable basis to believe that the information can be used to identify an individual.

BUSINESS UNIT LEADER	Asokan Selvaraj, VP, Chief Information Officer
PROCESS OWNER	Frank Bunton, VP, Chief Information Security Officer
Add'l Responsible Party	Larry Biggs, Information Security Engineer

RELATED EXTERNAL REFERENCES (Use of Links to external references requires additional maintenance of document to ensure accuracy – Use this sparingly)	
Name	**Link**

CHANGE HISTORY / VERSION CONTROL	
Version	**Comments**
5.0	Updated to V6 Template (Andy Kim, 4/28/2010)
6.0	Scheduled Revision (Frank Bunton, 3/1/2012)
No Changes	Review Form signed 8/23/2013
No Changes	Review and Approval Form signed 11/5/2014
7.0	Updated to new template, Scheduled Revision (Frank Bunton 2/1/2016)
8.0	Scheduled Revision (Frank Bunton & M. Andrews 1/2018)
9.0	Scheduled Revision (Frank Bunton & Larry Biggs 9/2019)
10.0	Scheduled Revision (Frank Bunton & Michael Andrews 1/2021)

* *Annual Review Approval Audit Records – no document content updates made*: Audit Record inserted by Process Management before document is finalized and published.

APPENDIX H: HIPAA PRIVACY POLICIES AND PROCEDURES

DOCUMENT TITLE	**Protection of PHI**				
DOCUMENT #	560-PD-1018	**VERSION**	16.0	**SUPERSEDES**	15.0
PROCESS OWNER	Jennifer Johnson, VP, Corporate Privacy Officer			**EFFECTIVE DATE:**	January 1, 2022
EXTERNAL SHARING	YES ☒	NO ☐		**PRINTING ALLOWED**	Yes
SHARE WITH	Regulatory Agencies ☒ Clients ☒ Other ☐				

SUPPORTING DOCUMENTATION	
Document #	**Document Title**
560-PL-1013	Permissible Uses and Disclosures of PHI
560-PD-1021	Identity and Authority Confirmation
560-RD-1057	High Quality PHI Safeguard Standards
210-PL-1007	Information Security Program
210-PL-1085	Compliance and Enforcement Language Policy
560-PL-1089	Sanctions Policy for Violations of Privacy or Security Policies and Procedures
(GD)Guide=Overview | (PL)Policy=Rule | (PD)Procedure=Action | (FD)Flow Diagram=Visual (WI)Work Instruction=Details | (FM)Form=Predefined | (RD)Reference Document=Supporting	

REQUIRED APPROVALS

Approvers' Signature and Approval are recorded electronically and stored via Compliance 360 (C360).

Approvers	**Title**
Debra Harper	VP, Corporate Compliance Officer
Jennifer Johnson	VP, Corporate Privacy Officer
Frank Bunton	VP, Chief Information Security Officer

Approvals: Time-stamped approvals are recorded electronically and stored via Compliance 360 (C360). Process Management inserts the Approval Audit Record into document before it is finalized and published. Annual Review Approval Audit Records to indicate no process changes of current version were necessary are inserted on last page.

Approver Name	Job Title	Approval Date	Process Document Number	MedImpactVersionNumber	EffectiveDate
Johnson, Jennifer	VP, Corporate Privacy Officer & Licensure	12/17/2021 4:55 PM	560-PD-1018	16.0	1/1/2022
Harper, Debra	VP, Corporate Compliance Officer	12/20/2021 6:45 AM	560-PD-1018	16.0	1/1/2022
Bunton, Frank	VP Chief Information Security Officer	12/27/2021 2:51 PM	560-PD-1018	16.0	1/1/2022

DOCUMENT DEFINITIONS	
Word/Term	**Definition**
Business Associate (BA)	A business associate (BA) is any person or entity that performs services (directly or on behalf of another BA) for a CE that involve the use or disclosure of PHI. A BA does not include a person who performs services as a member of the Workforce of an entity or a health care provider that receives PHI for treatment purposes. A Subcontractor is a type of BA.
Covered Entity (CE)	Health plans, health care clearinghouses, and health care providers who electronically transmit any health information in connection with transactions for which HHS has adopted standards.
De-identified Data	Information that does not identify an individual and with respect to which there is no reasonable basis to believe that the information can be used alone or in combination with other reasonably available information to identify an individual. De-identified Data is not PHI. For further information on how PHI may be de-identified, see *Permissible Uses and Disclosures of Member PHI* policy [560-PL-1013]
Disclosure	The release, transfer, provision of access to, or divulging in any manner of information outside the entity holding the information.
Employee	Any individual employed on a full-time or part-time basis by a MedImpact Entity
HIPAA Regulations	The regulations at 45 CFR Parts 160 and 164 implementing the privacy and security requirements of the Health Insurance Portability and Accountability Act ("HIPAA").
Individual	The natural person who is the subject of PHI. May also be referred to as "Member" when the PHI relates to a member of a Plan.
Individually Identifiable Health Information (IIHI)	Information that is a subset of health information, including demographic information collected from an individual, and is (i) created or received by a health care provider, health plan, employer, or health care clearinghouse; and (ii) relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; and (a) that identifies the individual; or (b) with respect to which there is reasonable basis to believe the information can be used to identify the individual.
Management	Employee or Non-Employee's Department Manager or above (e.g., Director, Vice President, Senior Vice President, etc.).
MedImpact CE	A MedImpact Entity that is a CE and acting in a CE capacity.

MedImpact Entity(ies)	MedImpact Holdings, Inc. and its direct and indirect subsidiaries that create, receive, maintain, or transmit PHI, and the MedImpact Healthcare Systems, Inc. Health and Welfare Benefits Plan.
Members/Patients	The natural person who is the subject of PHI. May also be referred to as "Member" when the PHI relates to a member of a Plan.
Minimum Necessary	When using or disclosing protected health information or when requesting protected health information from another covered entity or business associate, a CE or business associate must make reasonable efforts to limit protected health information to the minimum necessary to accomplish the intended purpose of the use, disclosure, or request. This does not apply to certain uses and disclosures, such as for treatment purposes or disclosures made to the individual.
Non-Employee	Any individual not employed by a MedImpact Entity but who performs services for a MedImpact Entity under the direct control of that entity. This definition includes, but may not be limited to, contractors and temporary employees.
Permissible Use or Disclosure	Use or Disclosure of PHI that is permitted by the HIPAA Regulations, applicable state privacy laws and the applicable BAA.
Protected Health Information (PHI)	IIHI that is (i) transmitted by electronic media; (ii) maintained in any medium such as magnetic tape, disc, optical file; or (iii) transmitted or maintained in any other form or medium (including but not necessarily limited to paper, voice, Internet, or facsimile). *See Permissible Uses and Disclosures Member PHI #560-PL-1013* for a complete list of all data elements that are considered to be PHI. PHI excludes Individually Identifiable Health Information: (i) in education records covered by the Family Educational Rights and Privacy Act, as amended; (ii) in certain student records as described at 20 U.S.C. 1232g(a)(4)(B)(iv); (iii) in employment records held by a covered entity in its role as employer; and (iv) regarding a person who has been deceased for more than 50 years.
Required by Law	A mandate contained in law that compels an entity to make a use or disclosure of protected health information and that is enforceable in a court of law. *Required by law* includes, but is not limited to, court orders and court-ordered warrants; subpoenas or summons issued by a court, grand jury, a governmental or tribal inspector general, or an administrative body authorized to require the production of information; a civil or an authorized investigative demand; Medicare conditions of participation with respect to health care providers participating in the program; and statutes or regulations that require the production of information, including statutes or regulations that require such information if payment is sought under a government program providing public benefits.
Unsecured Protected Health Information (PHI)	PHI that is not rendered unusable, unreadable, or indecipherable to unauthorized persons through the use of a technology or methodology specified by HHS in the guidance issued under section 13402(h)(2) of Public Law 111-5.

Use	The sharing, employment, application, utilization, examination, or analysis of information within an entity that maintains such information.
Workforce	As defined in the HIPAA Regulations at 45 CFR 160.103, "workforce" means employees, volunteers, trainees, and other persons whose conduct, in the performance of work for a Covered Entity or Business Associate, is under the direct control of that Covered Entity or Business Associate, whether or not they are paid by the Covered Entity or Business Associate.

PURPOSE	The purpose of this procedure is to outline the standard internal and external processes implemented by the MedImpact Entities to protect Protected Health Information ("PHI"), in accord with the HIPAA Regulations and applicable state laws and regulations.

TABLE OF CONTENTS

1. Scope and Process Overview

This policy applies to all MedImpact Entities and their Employees and Non-Employees (who together constitute the MedImpact Entity's Workforce, as defined by the HIPAA Regulations).

The HIPAA Regulations establish requirements regarding permitted uses or disclosures of PHI. MedImpact Entities maintain appropriate processes to protect and safeguard PHI in accordance with the HIPAA Regulations. The protection of PHI required by law extends to any access, use, transmission or disclosure involving PHI, including but not limited to, email, fax, oral, paper, visual, electronic communications, social media and texting. All processes contained in this document apply to protecting PHI both on-site and off-site/remotely.

For more information on permissible uses and disclosures of PHI, please see the *Policy on Permissible Uses and Disclosures of PHI* on the MedImpact Entities' Corporate Compliance/HIPAA Compliance Program intranet site.

General Requirements for all PHI Access, Transmission, Use, or Disclosure
The following expectations apply to any Employee/Non-Employee accessing, using, or disclosing PHI:

- **PHI Data Elements** as outlined in the Permissible Uses and Disclosures of PHI 560-PL-1013:

- **High Quality PHI Safeguard Standards:** Employees and Non-Employees are required to protect PHI in accordance with the High Quality PHI Safeguard Standards located on the MedImpact Entities' HIPAA Compliance Program intranet site (see *Protection of Member PHI Procedure* intranet section) and other applicable policies and procedures, such as *210-PL-1007, Information Security Policy*. The HIPAA Regulations impose significant penalties on Covered Entities and their Business Associates for misuse of, or failing to safeguard, PHI.
- **Confidentiality Agreements** – Employees and Non-Employees are required to sign a Confidentiality Agreement upon hire, which includes maintaining confidentiality and protection of PHI.
- **Potential Impermissible Disclosure of PHI:** In the event PHI is sent to an incorrect recipient, Employees and Non-Employees are required to ***take Immediate Actions*** as noted in the MedImpact Entities' Privacy and Security Policies and Procedures, available on the above intranet site (see the *Internal Reporting – Potential Impermissible Use or Disclosure, and/or Breach of Member PHI* section and the corresponding *Immediate Actions when PHI Received by Incorrect/Unauthorized Recipient* intranet sections). In the event a MedImpact Entity is the incorrect recipient of PHI from a third party, the MedImpact Entity will make reasonable efforts to notify the sending party and will return or destroy the PHI without further using or disclosing it.
- **PHI for Business Use Only:** Employees and Non-Employees shall not access, download, use or disclose any PHI in any format (e.g., electronic, photo, social media, texting, or otherwise) out of curiosity or for other non-business purposes, and as provided in *Social Media Policy 500-PL-1001*.
- **MedImpact Entity as an Incorrect Recipient:** In the event a MedImpact Entity receives PHI as an incorrect recipient, the MedImpact Employee or Non-employee shall make reasonable efforts to contact and notify the sender of the incorrectly sent PHI.
- **MedImpact Entities' Owned and Issued Secure and Encrypted Devices:** Employees and Non-Employees may only access and transmit PHI, including email and email attachments containing PHI, from the MedImpact Entity's owned and issued secure and encrypted devices and secure encryption methods (e.g., laptop or mobile phone), which have been approved for use by Information Security. Such devices must remain in secure and locked locations and protected from view. In the event a MedImpact Entity-issued device is lost or stolen, Employees and Non-Employees must file a police report, notify MyITHelp and Information Security immediately, and complete any required compliance documentation.

- **Social Security Numbers (SSN) in *Ad hoc* Reports:** When a customer requests SSN as

part of any *ad hoc* report, Employees and Non-Employees must request that an alternate identifier be used.

- When the customer *requires* a SSN in *ad hoc* reports, then Employees and Non-Employees must request that a truncated version of SSN be used (e.g., last 4 digits).

- When a customer *requires the full SSN*, then Employees and Non-Employees must notify the MedImpact Entity's Privacy/Compliance contact and require that the customer obtain its Privacy/Compliance Officer's written approval for full SSN in the *ad hoc* reports.
- **NOTE:** The customer's Compliance Officer written approval must be received by the Privacy and Security Offices before transmitting the *ad hoc* report with the full SSN.

- **Test Data:** Test/De-identified data is used for general training, documents, or reports pertaining to the MedImpact Entity's service offerings, including but not limited to, MedAccess and MedResponse by MedImpact, unless a customer's contract or other written documentation requires and authorizes the use of PHI. Test Data example: Test Member 1, ABC Health Plan, 123 Anywhere Street, CA 55555.

    - The Minimum Necessary rule must be applied in all training involving actual PHI, including ensuring only the minimum amount of PHI is used or disclosed, and those Employees and Non-Employees present for training have the authorization to access and use such data.

    - Any internal or external procedure, policy, guideline, work instruction, reference documents of any kind must only use test/de-identified data.

- **Working on PHI and Other MedImpact Confidential Information from Remote/Off-Site Locations, including Working from Home:**

    - All Remote workers are required to adhere to Company policy, procedures, and guidelines in performance of their job responsibilities, including the requirement to maintain the confidentiality of company data. This includes Information Security Policies, Corporate Compliance Programs, and HIPAA Privacy and Security policies and procedures. Please refer to the Corporate Compliance/HIPAA Compliance Program page on the intranet for additional policies and procedures regarding protection of company confidentiality information and protected health information (PHI).

    - Management approval is required for Employees and Non-Employees, (including but not limited to, temporary employees and contractors, etc.) to work off-site/remotely on any projects that may involve accessing PHI.

    - Employees and Non-Employees must use a secure encrypted MedImpact Entity-owned and issued device to transmit PHI that has been approved by the Information Security department.

- Two-factor authentication is required for remote access to a MedImpact Entity's internal network.

- Off-site/remote printing of PHI is not permitted without express management approval.

- If a role requires printing PHI, Employees and Non-Employees must follow applicable processes outlined in this document to protect it from unauthorized disclosure, including not working in an area or space where conversations can be overheard by others or the documents or work station screen seen by others, not leaving documents containing PHI unattended or unsecured, and shredding any hard copy PHI and confidential information when no longer needed.

- Employee-Non-Employees working remotely are required to connect to company systems only through approved methods to perform their work, including Virtual Desktop applications or via a laptop, with RSA token for secure encrypted VPN connection. Remote workers may be provided a company-issued laptop computer and RSA token and possibly other company IT assets so they can perform work securely. These items may be used for business purposes only and must be returned immediately upon request by the company or upon termination of employment/engagement.

- **Salesforce:**

  - Salesforce cases should only contain the minimum amount of PHI necessary to address the issue.

  - Documents and attachments maintained via the secure FTP application on a MedImpact Entity server.

- **Disclaimers:** Use appropriate disclaimers when transmitting PHI, to include email, fax, letters, and other documents. MedImpact Entity disclaimers are located on the MedImpact Entities' intranet under the MedReference section.

- **Employees and Non-Employees shall not exchange PHI via Compact Disc (CD), Digital Versatile Disc (DVD), or Thumb Drive (flash drive).** Contact Information Security for alternative methods to secure (encrypt) and transmit PHI, or for approval to transmit PHI via CD, DVD or flash drive if alternatives are not possible.

- **Cloud Storage:** Contact Information Security for assistance with any cloud storage requests.

2. Additional Process Details

The following sections outline additional detailed processes required to protect PHI involving email, fax, electronic media, electronic transfer, telephone and other oral communications,

documents, and visual PHI. All Section 2 information applies to the methodologies noted below, including the *560-RD-1057 High Quality PHI Safeguard Standards* document located on the Corporate Compliance/HIPAA Compliance Program intranet site. See also 210-PL-1007.

3a. E-mail

Microsoft Outlook and Office 365 e-mail are methods for Employees and Non-Employees to send and receive communications internally and externally.

1. Required E-mail Protections for Emails Containing PHI

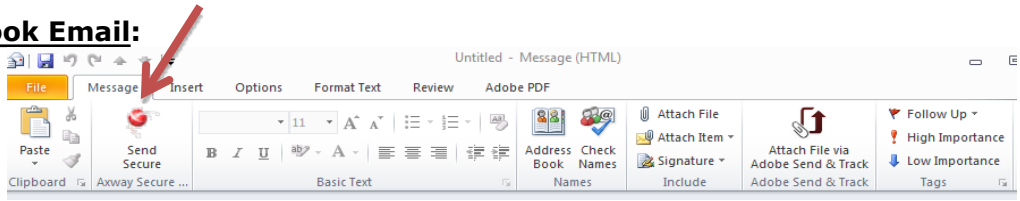
- Ensure the Minimum Necessary amount of PHI is used
- Avoid sending PHI to email groups/queues with multiple recipients
- Ensure the email contains correct email recipients and is sent to only the minimum number of correct recipients
- Do not include PHI in the subject-line of an e-mail
- Permanently delete e-mails and attachments containing PHI when no longer needed
- Send all external emails containing PHI in a secure and encrypted manner as outlined below

2. E-mail Encryption – Send Secure

- E-mails and e-mail attachments containing PHI must be transmitted in a secure encrypted format, in accordance with the Department of Health and Human Services (DHHS) guidelines. Contact Information Security for detailed information about encryption options.

- Emails containing PHI are encrypted by using the Send Secure Outlook option from the company issued laptop/desktop, or by sending the email directly from an Employee/Non-Employee encrypted email account, as shown below:

Outlook Email:



- If the Send Secure Outlook button is not available, type the word "(secure)", including the parenthesis, into the subject line to activate encryption. Please contact Information Security to install the Send Secure Outlook button immediately.
    - **Special Note For Company Issued Phones:** If a laptop or desktop will not be available, users must include "(secure)" in the subject line of all external e-mails containing PHI.

Secure Encrypted Email Account:

Employees and Non-Employees, and Plans, can send, receive, and recall secure emails directly from their encrypted email accounts (contact Information Security with any questions). Instructions for how to recall an email from the Send Secure encrypted account are located on the Corporate Compliance/HIPAA Compliance Program intranet site.

Bookmark encrypted email accounts in Outlook Favorites by using the following link: https://sc.medmailvault.com/enduser

3b. Fax

- Any MedImpact Entity template fax cover page for a document containing PHI must display the appropriate disclaimer if PHI is included, see MedImpact Entities' intranet – MedReference section.
- Do not include PHI in the subject line or on the fax cover page (except for Medication Request Forms). A claim number, prior authorization number, or medication name may be used alone in the subject line or on the fax cover page.
- Refer to department processes for confirming fax numbers, as applicable.
- Review the transmission report to confirm that the transmission was successful and, when possible, contact the intended recipient to confirm receipt.
- Faxing PHI from public fax machines is not permitted.
- Monitor, empty, and deliver fax machine incoming trays and deliver to intended internal recipients in regular intervals.
- Remind frequent recipients of faxes containing PHI to notify the MedImpact Entity of fax number changes.
- Place fax machines in locations that are not out in the open or in a public area with high-traffic or easy access and visibility.
- For fax and scanner systems, including RightFax, where "copies" containing PHI can be stored, the computer system/server and phone directory database where the software/database resides is secured by the Information Technology Systems Administrator.

3c. Electronic Transfer

MedImpact Entities' make available the following secure and encrypted electronic transfer options:

- Secure encrypted email (see Section 3a).
- Dedicated Line – Secure dedicated circuits established between the client and the MedImpact Entity's site, so data is not transmitted over the Public Internet.
- Site to Site VPN (Internet) – A secure site to site VPN that can be configured to use several encryption methods, including Advanced Encryption Standard (AES).
- HTTPS – A secure file transfer through a TLS - encrypted website.
- SFTP (Secure File Transfer Protocol) – For large file transfers, MedImpact Entities' support SFTP, which provides encryption of data while transferring over the Internet using an SSH based file transfer protocol. Contact Information Security to discuss alternative methods to secure (encrypt) and transmit PHI.
- In some cases, alternate solutions are offered through vendors. Contact Information Security for more information.

3d. Telephone, Texting, WebEx, and Other Oral Communication

- **Confirm Individual Identity Before Releasing PHI**: Employees and Non-Employees must follow the process for oral communication as described in this document.
  - Confirm the identity of the Individual or the authority of someone other than the Individual. Refer to *560-PD-1021 Identity and Authority Confirmation* procedure located on MedImpact Entities' Corporate Compliance/HIPAA Compliance Program intranet site.
  - Ensure all outbound call scripts that involve contacting Individuals are reviewed and approved by the MedImpact Entity Privacy contact.
  - All communications with and about Individuals are limited to business purposes only.
- **Texting PHI Prohibited:** Texting PHI is not permitted from any device as the transmission may not be encrypted, even on an encrypted device, except as specifically permitted by the *Documentation of Equivalent Alternative Measures to Encryption for Certain Transmissions of PHI* Procedure (in which case the MedImpact Entity Privacy/Compliance/Security contacts must first approve the text in question).
- **WebEx:** WebEx sessions should not include PHI where possible. If PHI is required, Employees and Non-Employees must ensure the following before presenting PHI during a WebEx: (i) only the minimum necessary amount of PHI is used for the intended purpose;(ii) the WebEx session is not recorded; and (iii) confirm all participants are authorized to review the PHI. When a MedImpact Entity acts as a BA and is asked to share PHI with members of the Workforce of a client to train them on the MedImpact Entity's software, such as MedAccess or MedOptimize, make sure that an authorized representative

of the client signs a form or otherwise authorizes the MedImpact Entity to use client PHI for such training purposes, such as the MedImpact Form entitled "Client Authorization for Use of Member Data (for Training Purposes Only)."

- **Conversations:** Employees and Non-Employees should be aware of the potential for unintentional oral disclosure of PHI during conversations. In work environments structured with open office environments (cubicles), uses or disclosures that are incidental to otherwise permitted uses or disclosures could occur. Employees and Non-Employees must use reasonable safeguards and comply with Minimum Necessary requirements. Employees and Non-Employees should be aware of areas most appropriate to orally discuss information including PHI and the levels of potential for unintentional disclosures.

  Levels of Risk When discussing PHI in different environments:
  - Low: Enclosed offices and conference rooms.
  - Medium: Work areas, telephone and individual cubicles.
  - High: Public areas, reception areas, shared cubicles, elevators, and restrooms or where clients may be present.

3e. Letters/Mailed Communication

- Compare the address on the envelope and confirm that enclosures are for the intended recipient.
- Make sure the envelope is appropriately sealed before mailing.
- Mailed communications must display the appropriate disclaimer if PHI is included, see MedImpact Entities intranet – MedReference section.
- The address of the intended recipient must appear clearly in the window of the envelope. Other PHI elements must not be visible in the envelope window (e.g., Individuals date of birth, or any Plan identification number).

3f. Hard Copy Documents and Visual

1. General

- All PHI is stored in lockable desks, file rooms, and open area storage systems should be utilized to protect files and documents containing PHI and locked when the authorized Employee or Non-Employee is not present.
- Contact Facilities for desk keys

- In the event that desks, file rooms, or open area storage systems do not have the ability to be locked, reasonable efforts to safeguard PHI should be implemented.
- Observable files and documents containing PHI must be adequately shielded from impermissible disclosures and never left unattended. Never leave documentation containing PHI unattended on photocopiers and printers.

2. Printed Documents & Secure Print

- Any documents containing PHI must be sent to printers using the Secure Print function, when available. Contact MyITHelp for instructions.
- Printed PHI must not be left on printers or in the printer holding bins and must be transported in a confidential manner (e.g., in a file folder or similar envelope).

3. Document Destruction

- Storage/File rooms that house documents or files containing PHI awaiting disposal should be locked after business hours or when authorized staff are not present.
- Documents or files containing PHI that are no longer needed should be shredded immediately. Shred bins are located in designated areas on each floor and should be used for disposal of paper documents and electronic media containing PHI.
- Do not place PHI or other company confidential/proprietary information in recycling or trash bins.

4. Inter-Office Mail

Documents containing PHI must be placed in closed inter-office envelopes or hand delivered to the recipient.

5. Device Screens

MedImpact Entity-owned and issued devices (e.g., laptops, phones, computer monitors) must be positioned to limit visibility to PHI by unauthorized individuals. Methods for limiting visibility include, but are not limited to, the following:

- Use monitor screen shields
- Information should be cleared from the monitor/device screen when not actively in use.
- Use password protected screen savers, turn off or lock the device, or log out of the network when away from devices.

3g. Virtual Desktop Infrastructure (VDI)

Virtual Desktop Infrastructure is a technology that supports secure access for remote Employees and Non-Employees. VDI technology hosts a desktop operating system on a centralized server in a secure data center. VDI's are deployed locally within a data center operated by MedImpact and are configured to limit remote users to the minimum set of access required to meet their needs.

Remote users access the VDI from their remote laptop/desktop using a secure encrypted client application installed on their remote computer.

1. Required VDI Protections

- Eliminates screen scraping of PHI.
- Eliminates copying of PHI outside of the data center.

4. HIPAA Regulations Resources

Policies and procedures and standard definitions relating to specific HIPAA Regulations and related requirements are available on the company Corporate Compliance/HIPAA Compliance Program intranet site. The Privacy/Compliance contact for each MedImpact Entity is available to answer questions or provide additional information regarding applicable requirements or policies and procedures.

5. Documentation and Policy and Procedure Enforcement

Any required documentation of protections for PHI is retained for a period of at least six (6) years from the date the documentation was created or was last in effect, whichever is later, as required by 45 CFR 164.530(j).

It is the responsibility of all Employees and Non-Employees to adhere to the MedImpact Entities' policies and procedures. If an Employee or Non-Employee's actions are determined to be outside the scope or in violation of these policies and procedures, the specific issue will be addressed with the Employee or Non-Employee's direct supervisor, and / or with representatives from the Human Resources Department and the MedImpact Entity Privacy/Compliance contact in accordance with the *Sanctions Policy for Violations of Privacy or Security Policies and Procedures* and must be promptly reported to Privacy.SecurityTeam@medimpact.com.

RELATED EXTERNAL REFERENCES	
Name	**Link**
45 CFR 160	http://www.ecfr.gov/cgi-bin/text-idx?SID=5814b94aaac03eba6d3b328750194158&mc=true&node=pt45.1.160&rgn=div5
45 CFR 164	http://www.ecfr.gov/cgi-bin/text-idx?SID=5814b94aaac03eba6d3b328750194158&mc=true&node=pt45.1.164&rgn=div5
DHHS 13402: The	http://www.healthit.gov/policy-researchers-implementers/health-it-legislation

HITECH Act	

CHANGE HISTORY / VERSION CONTROL	
Version	**Comments**
10.0	Prior Versions 6.0 – 10.0 retained in C360 Process Library
11.0	Updated version, effective date, and Approver section. Adjustment of Effective Date to precede required annual employee HIPAA training (J. Johnson 1/2019)
12.0	Updated Effective Date, definitions, scope, and to reflect operational changes (J. Johnson 7/2019)
13.0	Updated Effective date, version and certain content to reflect operational changes (J. Johnson 12/2019)
14.0	Added Confidentiality Agreement and list of PHI Data elements, updated Effective date and version (8/2020).
15.0	Updated Effective Date, version and certain content to reflect operational changes (J. Johnson 12/2020)
16.0	Effective Date Changes and minor content (J. Johnson 12/2021)

* *Annual Review Approval Audit Records – no document content/process updates made*: Audit Record inserted by Process Management before document is finalized and published.

DOCUMENT TITLE	**Permissible Uses and Disclosures of PHI**				
DOCUMENT #	560-PL-1013	**VERSION**	15.0	**SUPERSEDES**	14.0
PROCESS OWNER	Jennifer Johnson, VP, Corporate Privacy Officer			**EFFECTIVE DATE:**	January 1, 2022
EXTERNAL SHARING	YES ☒	NO ☐		**PRINTING ALLOWED**	Yes
SHARE WITH	Regulatory Agencies ☒ Clients ☒ Other ☐				

SUPPORTING DOCUMENTATION	
Document #	**Document Title**
560-PD-1018	Procedure: Protection of PHI
560-PL-1017	Policy: Business Associate Responsibilities
560-PD-1019	Procedure: Internal Reporting – Potential Impermissible Uses or Disclosures and/or Breach of PHI
560-PL-1021	Policy: Identity and Authority Confirmation
560-PL-1020	Policy: HIPAA Training
560-PL-1089	Sanctions Policy for Violations of Privacy or Security Policies and Procedures
560-PL-1092	Policy: Individual Rights Regarding Protected Health Information
210-PL-1085	Compliance and Enforcement Language Policy
(GD)Guide=Overview | (PL)Policy=Rule | (PD)Procedure=Action | (FD)Flow Diagram=Visual (WI)Work Instruction=Details | (FM)Form=Predefined | (RD)Reference Document=Supporting	

REQUIRED APPROVALS

Approvers' Signature and Approval are recorded electronically and stored via Compliance 360 (C360).

Approvers	**Title**
Debra Harper	VP, Corporate Compliance Officer
Jennifer Johnson	VP, Corporate Privacy Officer
Frank Bunton	VP, Chief Information Security Officer

Approvals: Time-stamped approvals are recorded electronically and stored via Compliance 360 (C360). Process Management inserts the Approval Audit Record into document before it is finalized and published. Annual Review Approval Audit Records to indicate no process changes of current version were necessary are inserted on last page.

Approver Name	Job Title	Approval Date	Process Document Number	Version Number	EffectiveDate
Johnson, Jennifer	VP, Corporate Privacy Officer & Licensure	12/17/2021 4:55 PM	560-PL-1013	15.0	1/1/2022
Harper, Debra	VP, Corporate Compliance Officer	12/20/2021 6:46 AM	560-PL-1013	15.0	1/1/2022
Bunton, Frank	VP Chief Information Security Officer	12/27/2021 2:52 PM	560-PL-1013	15.0	1/1/2022

DOCUMENT DEFINITIONS	
Word/Term	**Definition**
Authorization	An Individual's permission to use or disclose their PHI that meets the requirements of 45 CFR 164.508.
Breach	An impermissible use or disclosure under the Privacy Rule that compromises the security or privacy of the protected health information.
Business Associate (BA)	A business associate (BA) is any person or entity that performs services (directly or on behalf of another BA) for a CE that involve the use or disclosure of PHI. A BA does not include a person who performs services as a member of the Workforce of an entity or a health care provider that receives PHI for treatment purposes. A Subcontractor is a type of BA.
Business Associate Agreement (BAA)	An agreement between a CE and a BA that describes the permitted uses and disclosures of the CE's PHI and other responsibilities of the BA with respect to PHI (e.g., reporting impermissible uses and disclosures of PHI and responding to Individual requests related to their PHI).
Business Associate Subcontractor Agreement (BASA)	An agreement between a BA and a Subcontractor (such as a vendor) that describes the permitted uses and disclosures of PHI and other responsibilities of the Subcontractor with respect to PHI received from the BA (e.g., reporting impermissible uses and disclosures and responding to Individual requests related to their PHI).
Client	A CE or BA of a CE for which a MedImpact Entity is the BA or Subcontractor, respectively.
Covered Entity (CE)	Health plans, health care clearinghouses, and health care providers who electronically transmit any health information in connection with transactions for which HHS has adopted standards.
De-identified Data	Information that does not identify an individual and with respect to which there is no reasonable basis to believe that the information can be used alone or in combination with other reasonably available information to identify an individual. De-identified Data is not PHI. For further information on how PHI may be de-identified, see *Permissible Uses and Disclosures of Member PHI* policy [560-PL-1013]
Deliberate Impermissible Use or Disclosure	An Impermissible Use or Disclosure of PHI that is intentional. A Deliberate Impermissible Use or Disclosure PHI is non-compliant with the MedImpact Entity's Corporate Compliance Program, any applicable BAA, and federal and state law.
Designated Record Set (DRS)	Designated Record Set - A group of records maintained by or for a CE, that is: (1) The medical records and billing records about Individuals maintained by or for a covered healthcare provider; (2) The enrollment, payment, claims adjudication, and case or medical management record systems maintained by or for a health plan; or (3) used, in whole or in part, by or for the CE to make decisions about Individuals.
Disclosure	The release, transfer, provision of access to, or divulging in any manner of information outside the entity holding the information.

Employee	Any individual employed on a full-time or part-time basis by a MedImpact Entity
Health Care Operations	Activities conducted by or on behalf of a CE related to its operations/functions as a health plan or Health Care Provider. Examples include business management, administrative duties, quality assurance, quality improvement, case management, population-based activities to improve health or reduce health costs, training programs, licensing, credentialing, certification, accreditation, compliance programs, fraud and abuse detection, customer service, audits and de-identifying PHI and creating a Limited Data Set.
Health Care Provider	A provider of services, a provider of medical or health services, and any other person who furnishes, bills, or is paid for health care in the normal course of business.
HHS	The Department of Health and Human Services or the Secretary of the Department of Health and Human Services
HIPAA Regulations	The regulations at 45 CFR Parts 160 and 164 implementing the privacy and security requirements of the Health Insurance Portability and Accountability Act ("HIPAA").
Impermissible Use or Disclosure	The unauthorized (i) use by an Employee or Non-Employee of PHI; or (ii) release, transfer, provision of, access to, or divulging in any other manner of PHI outside the MedImpact Entity to an unauthorized or unintended recipient, as determined by the MedImpact Entity's Privacy/Compliance contact, in accordance with federal and state law. An Impermissible Use or Disclosure may or may not be a Breach. This determination is made by the MedImpact Entity's Privacy/Compliance contact.
Incident	A potential suspected or actual Impermissible Use or Disclosure of PHI, whether deliberate or not, and including but not limited to a Breach.
Individual	The natural person who is the subject of PHI. May also be referred to as "Member" when the PHI relates to a member of a Plan.
Individually Identifiable Health Information (IIHI)	Information that is a subset of health information, including demographic information collected from an individual, and is (i) created or received by a health care provider, health plan, employer, or health care clearinghouse; and (ii) relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; and (a) that identifies the individual; or (b) with respect to which there is reasonable basis to believe the information can be used to identify the individual.
Limited Data Set (LDS)	A Limited Data Set is PHI from which certain specified direct identifiers of Individuals and their relatives, household members, and employers have been removed. A LDS set may be used and disclosed for research, health care operations, and public health purposes, provided the recipient enters into a data use agreement that includes certain specified terms, including to safeguard the LDS.
Management	Employee or Non-Employee's Department Manager or above (e.g., Director, Vice President, Senior Vice President, etc.).
MedImpact CE	A MedImpact Entity that is a CE and acting in a CE capacity.

MedImpact Entity(ies)	MedImpact Holdings, Inc. and its direct and indirect subsidiaries that create, receive, maintain, or transmit PHI, and the MedImpact Healthcare Systems, Inc. Health and Welfare Benefits Plan.
Minimum Necessary	When using or disclosing protected health information or when requesting protected health information from another covered entity or business associate, a CE or business associate must make reasonable efforts to limit protected health information to the minimum necessary to accomplish the intended purpose of the use, disclosure, or request. This does not apply to certain uses and disclosures, such as for treatment purposes or disclosures made to the individual.
Non-Employee	Any individual not employed by a MedImpact Entity but who performs services for a MedImpact Entity under the direct control of that entity. This definition includes, but may not be limited to, contractors and temporary employees.
Office for Civil Rights (OCR)	The Office of Civil Rights is an operating division of the U.S. Department of Health and Human Services that is responsible for enforcing the HIPAA regulations.
Payment	Activities for or on behalf of a health Plan to obtain premiums, determine or fulfill responsibilities for coverage and provision of benefits, and furnish or obtain reimbursement for health care delivered to an Individual and activities for or on behalf of a Health Care Provider to obtain payment or be reimbursed for the provision of health care to an Individual. It includes eligibility determinations, coverage determinations, utilization review activities and reporting certain PHI to consumer reporting agencies.
Permissible Use or Disclosure	Use or Disclosure of PHI that is permitted by the HIPAA Regulations, applicable state privacy laws and the applicable BAA.
Personal Representative	A person authorized under applicable law to make health decisions on behalf of the Individual. Personal Representatives are permitted to exercise all the rights of the Individual with respect to that Individual's PHI. A CE or BA is permitted to not share PHI with a Personal Representative when the CE or BA has a reasonable belief that the Personal Representative may be abusing or neglecting the Individual, or that treating the person as the Personal Representative could otherwise endanger the Individual.
Plan	A health plan that is a Client of a MedImpact Entity. A health plan includes a health insurance company such as a Managed Care Organization (MCO), Health Maintenance Organization (HMO), Preferred Provider Organization (PPO), Medicare Prescription Drug Plan (PDP) or Medicare Advantage-Prescription Drug Plan (MA-PD), an employer sponsored group health plan such as an employer group, or any other entity defined as a health plan in the Privacy Rule. All health plans are Covered Entities.
Privacy Rule	The Standards for the Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164.
Protected Health Information (PHI)	IIHI that is (i) transmitted by electronic media; (ii) maintained in any medium such as magnetic tape, disc, optical file; or (iii) transmitted or maintained in any other form or medium (including but not necessarily limited to paper, voice, Internet, or facsimile). *See Permissible Uses and*

	Disclosures Member PHI #560-PL-1013 for a complete list of all data elements that are considered to be PHI. PHI excludes Individually Identifiable Health Information: (i) in education records covered by the Family Educational Rights and Privacy Act, as amended; (ii) in certain student records as described at 20 U.S.C. 1232g(a)(4)(B)(iv); (iii) in employment records held by a covered entity in its role as employer; and (iv) regarding a person who has been deceased for more than 50 years.
Qualified Protective Order	A qualified protective order is an order of a court or administrative tribunal or a stipulation by the parties that prohibits the parties from using or disclosing the PHI for any purpose other than the litigation or proceeding for which such information was requested; and requires the return or destruction of the PHI (including any copies) at the end of the litigation or proceeding.
Required by Law	A mandate contained in law that compels an entity to make a use or disclosure of protected health information and that is enforceable in a court of law. *Required by law* includes, but is not limited to, court orders and court-ordered warrants; subpoenas or summons issued by a court, grand jury, a governmental or tribal inspector general, or an administrative body authorized to require the production of information; a civil or an authorized investigative demand; Medicare conditions of participation with respect to health care providers participating in the program; and statutes or regulations that require the production of information, including statutes or regulations that require such information if payment is sought under a government program providing public benefits.
Research	A systematic investigation, including research development, testing, and evaluation, designed to develop or contribute to generalizable knowledge.
Service Agreement (SA)	An agreement that outlines the services and other contractual terms between a MedImpact Entity and a client.
Subcontractor	A person to whom a BA delegates a function, activity, or service for a CE, other than in the capacity of a member of the Workforce of such BA. A Subcontractor is also a type of BA under the HIPAA Regulations. A MedImpact Entity may be considered a Subcontractor to a Client that is a BA of a CE.
Treatment	The provision, coordination, or management of health care and related services by one or more health care providers, including the coordination or management of health care by a health care provider with a third party; consultation between health care providers relating to an Individual; or the referral of an Individual for health care from one health care provider to another. Examples including dispensing drugs or patient counseling by a pharmacy.
Unsecured Protected Health Information (PHI)	PHI that is not rendered unusable, unreadable, or indecipherable to unauthorized persons through the use of a technology or methodology specified by HHS in the guidance issued under section 13402(h)(2) of Public Law 111-5.
Use	The sharing, employment, application, utilization, examination, or analysis of information within an entity that maintains such information.

Workforce	As defined in the HIPAA Regulations at 45 CFR 160.103, "workforce" means employees, volunteers, trainees, and other persons whose conduct, in the performance of work for a Covered Entity or Business Associate, is under the direct control of that Covered Entity or Business Associate, whether or not they are paid by the Covered Entity or Business Associate.

PURPOSE	The purpose of this policy is to define the MedImpact Entities' policy relating to uses and disclosures of Protected Health Information (PHI) in accordance with the HIPAA Regulations.

TABLE OF CONTENTS

1. Scope and Policy Overview

This policy applies to all MedImpact Entities and their Employees and Non-Employees (who together constitute the MedImpact Entity's Workforce, as defined by the HIPAA Regulations).

The HIPAA Regulations establish requirements regarding permitted uses or disclosures of PHI. MedImpact Entities maintain appropriate processes to protect and safeguard PHI in accordance with the HIPAA Regulations. All information contained in this document applies to protecting PHI both on-site and off-site/remotely.

This policy has been established for MedImpact Entities to incorporate the HIPAA Regulations requirements into daily job duties and provide an overview of appropriate processes relating to:

- Permissible Uses and Disclosures of PHI;
- Protection of PHI;
- Business Associate Agreements (BAA) and Business Associate Subcontractor Agreements (BASA);
- Limited Uses and Disclosures of PHI to Those Involved in the Individual's Care and for Certain Notification Purposes;
- Identity and Authority Confirmation;
- Potential Impermissible Uses, Disclosures and/or Breaches;
- Deliberate Impermissible Uses, Disclosures and/or Breaches;
- Individual Privacy Rights;
- Minimum Necessary;
- A Limited Data Set and De-identification of PHI;
    - PHI Data Elements
- Re-identification of Individuals;
- HIPAA Training;
- HIPAA Regulations Resources; and
- Policy and Procedure Enforcement.

2. Required or Permissible Uses and Disclosures of PHI

A. MedImpact Entities that are Acting in a BA capacity

MedImpact Entities that are acting in a BA capacity may use and disclose PHI as follows:

- As permitted by the terms of the Service Agreement (SA), BAA or BASA respectively **and** provided that the use or disclosure also:

    a) falls within a required or permitted use or disclosure described in Section B below;
    b) is for the MedImpact Entity's proper management or administration or to carry out its legal responsibilities and, for disclosures not Required by Law, the MedImpact Entity obtains reasonable assurances that the PHI will be used and disclosed only for the purposes provided or as Required by Law and that the recipient will notify the MedImpact Entity in the event the confidentiality of the information is breached; or
    c) is to provide data aggregation services related to the Health Care Operations of one or more CEs. Contact the MedImpact Entity's Privacy Officer for such uses.

B. MedImpact Entities that are Covered Entities (CE)
MedImpact Entities that are CEs may make the uses and disclosures of PHI as described below, subject to stricter provisions of state law privacy laws and, where applicable, the minimum necessary standard.

Required Disclosures

MedImpact Entities must disclose PHI:

a. to Individuals or their Personal Representatives when they request access to, or an accounting of disclosures of, their PHI; and

b. to OCR upon its request, such as when it is undertaking a compliance investigation or review or enforcement action.

c. When Required by Law, such as by a court order or a federal or state law or regulation, provided that only the PHI that is required to be disclosed is disclosed.

Permitted Uses and Disclosures

A MedImpact Entity is permitted, but not required, to use and disclose PHI, without an Individual's Authorization, for the following purposes or situations:

a. To the Individual. MedImpact Entities may disclose PHI to the Individual who is the subject of the information or to the Individual's Personal Representative. See *Policy on Identity and Authority Confirmation.*

b. Treatment, Payment, Health Care Operations (TPO). MedImpact Entities that are CEs may use and disclose PHI for their own treatment, payment and health care operations activities. They may also disclose PHI for the treatment activities of any health care provider, the payment activities of another CE or any health care provider, or the health care operations of another CE involving either quality assurance, health improvement activities or fraud and abuse detection and compliance activities or other activities falling within the first two paragraphs of the definition of "health care operations" in 45 CFR 164.501, if both the MedImpact Entity and the other CE have or had a relationship with the Individual and the PHI pertains to the relationship.

   Any use or disclosure of PHI for purposes other than to the Individual or for TPO purposes must be approved by the MedImpact Entity Privacy/Compliance contact since specific conditions must be met before uses and disclosures for these purposes may be made.

c. Uses and Disclosures for Involvement with an Individual's Care and Certain Notification Purposes. MedImpact Entities may use and disclose PHI without the Individual's Authorization in the situations below:
   i. When the Individual is present and does not object, the MedImpact Entity may rely on an Individual's informal permission to disclose PHI to the Individual's family, relatives, or friends, or to other persons whom the Individual identifies, if the PHI is directly relevant to that person's involvement in the Individual's care or payment for care.

ii. When the Individual is not present, a MedImpact Entity may use or disclose PHI for the purpose of notifying (including identifying or locating) family members, Personal Representatives, or others responsible for the Individual's care of the Individual's location, general condition, or death. This may include, but is not limited to, emergency situations or where the Individual is incapacitated so long as the MedImpact Entity exercises professional judgment and determines that the use or disclosure would be in the best interests of the Individual.

iii. A MedImpact Entity may disclose an Individual's PHI for notification purposes to public or private entities authorized by law or charter to assist in disaster relief efforts. *See Section 5 below for additional details.*

d. Incidental Use and Disclosure. A MedImpact Entity may make a use or disclosure of PHI that occurs as a result of, or incident to an otherwise permitted use or disclosure so long as the MedImpact Entity has implemented reasonable safeguards to limit these types of uses and disclosures, which may include, but are not limited to, vetting of third party sources of contact information (e.g., sources for prescriber contact information) for reliability, and the PHI being shared for the primary purposes is limited, as appropriate, to the minimum necessary. Incidental uses and disclosures include, for example, situations where one Call Center representative may overhear the conversation of another Call Center representative that includes PHI, as long as reasonable steps are taken to limit what can be overheard.

e. Public Health Activities. A MedImpact Entity may disclose PHI to:

i. public health authorities authorized by law to collect or receive such information for preventing or controlling disease, injury, or disability and to public health or other government authorities authorized to receive reports of child abuse and neglect;

ii. entities subject to FDA regulation regarding FDA regulated products or activities for purposes such as adverse event reporting, tracking of products, product recalls, and post-marketing surveillance;

iii. Individuals who may have contracted or been exposed to a communicable disease when notification is authorized by law; and

iv. employers, regarding employees, when requested by employers, for information concerning a work-related illness or injury or workplace related medical surveillance, because such information is needed by the employer to comply with the Occupational Safety and Health Administration (OHSA), the Mine Safety and Health Administration (MHSA), or similar state law.

f. Victims of Abuse, Neglect or Domestic Violence. A MedImpact Entity may disclose PHI about an Individual whom it reasonably believes to be a victim of abuse, neglect, or domestic violence to a government authority, including a social service or protective services agency, authorized by law to receive reports of such abuse, neglect, or domestic violence provided that:

i. the disclosure is Required by Law;

ii. the Individual agrees to the disclosure; or

iii. the disclosure is expressly authorized by statute or regulation and: (A) MedImpact Entity in the exercise of professional judgment, believes the disclosure is necessary

to prevent serious harm to the Individual or other potential victims; or (B) If the Individual is unable to agree because of incapacity, a law enforcement or other public official authorized to receive the report represents that the PHI is not intended to be used against the Individual and that an immediate enforcement activity that depends upon the disclosure would be materially and adversely affected by waiting until the Individual is able to agree to the disclosure.

If a MedImpact Entity makes a disclosure under this Section it will promptly inform the Individual that it has done so unless (i) the MedImpact Entity believes, in the exercise of professional judgment, that informing the Individual would place the Individual at risk of serious harm; or (ii) if the MedImpact Entity would be informing a Personal Representative, the MedImpact Entity reasonably believes the Personal Representative is responsible for the abuse, neglect, or other injury, and in the exercise of its professional judgment, believes that informing the Personal Representative would not be in the best interests of the Individual.

g. Health Oversight Activities. A MedImpact Entities may disclose PHI to health oversight agencies for purposes of legally authorized health oversight activities, such as audits and investigations, inspections; licensure or disciplinary actions; civil, administrative, or criminal proceedings or actions; or other activities necessary for appropriate oversight of the health care system, government benefit programs, entities subject to government regulatory programs or entities subject to civil rights laws. It is not considered health care oversight if the Individual is the subject of the investigation and it is not directly related to the receipt of health care or a claim for public benefits related to health or qualification for a public benefit related to the Individual's health.

h. Judicial and Administrative Proceedings. A MedImpact Entity may disclose PHI in a judicial or administrative proceeding as follows:

- if the request for the information is through an order from a court or administrative tribunal.
- If a MedImpact Entity in its capacity as a CE is a party to the legal proceedings (e.g. as plaintiff or defendant), since this falls under its health care operations. Any PHI disclosed must be limited to the Minimum Necessary.
- A MedImpact Entity in its capacity as a BA is a party to the legal proceedings (e.g. as a plaintiff or defendant), as long as the BAA allows disclosure of PHI for the MedImpact Entity's own proper management and administration or to comply with its legal responsibilities and the conditions specified in the BAA are met (generally this requires, in the case of disclosures not Required By Law, that the MedImpact Entity disclose only the Minimum Necessary PHI and receive reasonable assurances from the recipient that the PHI will be used only for the purpose provided or as Required By Law and that the recipient will notify the MedImpact Entity if the confidentiality of the PHI is breached).
- In response to a subpoena, discovery request, or other lawful process, that is not accompanied by a court order, provided that the MedImpact Entity:

a) Receives a written statement and accompanying documentation from the party seeking the information that reasonable efforts have been made either:
    a) to ensure that the Individual(s) who are the subject of the PHI have been notified of the request, or
    b) to secure a Qualified Protective Order for the information;

or

b) Itself makes reasonable efforts either:

a) to provide notice to the individual(s), or

b) to seek a Qualified Protective Order.

The requirement to make reasonable efforts to notify the Individual is met when a party provides a written statement and accompanying documentation that demonstrates: (a) that a good faith attempt was made to notify the Individual (or if the individual's location is unknown, to mail a notice to the individual's last known address); (b) the notice included sufficient detail to permit the Individual to raise an objection with the court or administrative tribunal; and (c) the time for the Individual to raise objections under the rules of the court or tribunal has lapsed and no objections were filed or all objections filed by the Individual have been resolved by the court and the disclosures being sought are consistent with the resolution.

The requirement to make reasonable efforts to obtain a Qualified Protective Order is met when a party provides a written statement and accompanying documentation demonstrating that: (a) the parties to the dispute giving rise to the request for information have agreed to a Qualified Protective Order and have presented it to the court or administrative tribunal with jurisdiction over the dispute; or (b) the party seeking the PHI has requested a Qualified Protective Order from such court or administrative tribunal.

i. Law Enforcement Purposes. A MedImpact Entity may disclose PHI to law enforcement officials as permitted under other sections of this document (e.g. under Sections f. or h). In addition, it may disclose PHI to law enforcement officials under the following circumstances:
- To respond to an administrative request, such as an administrative subpoena or investigative demand or other written request from a law enforcement official that is not accompanied by a court order or court-ordered warrant or grand jury subpoena. In this case the demand or request must be accompanied by a written statement that the information requested is relevant and material, specific and limited in scope, and that de-identified information cannot be used.
- To respond to a request for PHI for purposes of identifying or locating a suspect, fugitive, material witness or missing person. The PHI disclosed must be limited to name and address, date and place of birth, social security number, ABO blood type

and rh factor, type of injury, date and time of treatment, date and time of death, and a description of distinguishing physical characteristics.

- To identify or apprehend an individual who has admitted participation in a violent crime that the MedImpact Entity reasonably believes may have caused serious physical harm to a victim and provided that the admission was not made in the course of or based on the individual's request for therapy, counseling, or treatment related to the propensity to commit this type of violent act. The PHI must be limited to the statement of admission by the individual and the information listed in the previous bullet.
- To respond to a request for PHI about a victim of a crime, and the victim agrees. If, because of an emergency or the person's incapacity, the individual cannot agree, the MedImpact Entity may disclose the PHI if law enforcement officials represent that the PHI is not intended to be used against the victim, is needed to determine whether another person broke the law, the investigation would be materially and adversely affected by waiting until the victim could agree, and the MedImpact Entity believes in its professional judgment that doing so is in the best interests of the individual whose information is requested.
- To report PHI to law enforcement when required by law to do so, such as in accordance with state laws requiring health care providers to report incidents of gunshot or stab wounds, or other violent injuries.
- To alert law enforcement to the death of the individual, when there is a suspicion that death resulted from criminal conduct.
- To report PHI that the MedImpact Entity in good faith believes to be evidence of a crime that occurred on the MedImpact Entity's premises.
- When responding to an off-site medical emergency, as necessary to alert law enforcement about criminal activity, specifically, the commission and nature of the crime, the location of the crime or any victims, and the identity, description, and location of the perpetrator of the crime (other than when the MedImpact Entity believes the crime is related to abuse or neglect, which is instead handled under that section above).

j. Decedents. A MedImpact Entity may disclose PHI to funeral directors as needed, and to coroners or medical examiners to identify a deceased person, determine the cause of death, and perform other functions authorized by law.

k. Cadaveric Organ, Eye, or Tissue Donation. A MedImpact Entity may use or disclose PHI to facilitate the donation and transplantation of cadaveric organs, eyes, and tissue.

l. Research. MedImpact Entity may use and disclose PHI for Research purposes without an Individual's Authorization, provided the MedImpact Entity obtains either:

i. documentation that a Privacy Board or Institutional Review Board has approved the use or disclosure of the PHI for research purposes;
ii. representations from the researcher that the use or disclosure of the PHI is solely to prepare a research protocol or for similar purpose preparatory to research, that

the researcher will not remove, retain or copy any PHI accessed from MedImpact Entity, and that PHI for which access is sought is necessary for the research; or

iii. representations from the researcher that the use or disclosure sought is solely for research on the PHI of decedents, that the PHI sought is necessary for the research, and, at the request of MedImpact Entity, documentation of the death of the Individuals about whom information is sought is provided.

A MedImpact Entity may also use or disclose, without an Individuals' Authorization, a Limited Data Set for research purposes provided the recipient of the Limited Data Set signs a data use agreement (see below).

Note: Contact the Legal Department and the MedImpact Entity's Privacy Officer for additional requirements related to Research.

m. Serious Threat to Health or Safety. A MedImpact Entity may disclose PHI it believes is necessary to prevent or lessen a serious and imminent threat to a person or the public, when the disclosure is made to someone the MedImpact Entity believes can prevent or lessen the threat (including the target of the threat).

n. Essential Government Functions. A MedImpact Entity may use or disclose PHI for certain essential government functions. Such functions include: assuring proper execution of a military mission, conducting intelligence and national security activities that are authorized by law, providing protective services to the President, making medical suitability determinations for U.S. State Department employees, protecting the health and safety of inmates or employees in a correctional institution, and determining eligibility for or conducting enrollment in certain government benefit programs.

o. Workers' Compensation. A MedImpact Entity may disclose PHI as authorized by, and to comply with, workers' compensation laws and other similar programs providing benefits for work-related injuries or illnesses.

p. Marketing. A MedImpact Entity may use and disclose PHI for the following marketing purposes without the Individual's written Authorization:

- face-to-face marketing communications to an Individual, and
- for the provision of promotional gifts of nominal value.

Certain other communications that would otherwise qualify as marketing because they encourage recipients to purchase or use the product or service are excepted from the definition of marketing under HIPAA Regulation and therefore may be made without the Individual's written Authorization. The following communications are permitted without authorizations as long as no financial remuneration is received for making the communication:

i. For treatment by a health care provider, including refill reminders, care coordination, case management, recommending alternative treatments, therapies, health care providers or settings of care to the individual;

ii. To describe a health-related product or service (or payment for such product or service) that is provided by a CE, including communications about network providers or Plan enhancements;
iii. To describe health-related products or services available only to a Health Plan enrollee that add value to, but are not part of, the Plan ("value-added items or services" or "VAIS");
iv. For health care operations that involve case management or care coordination, contacting of individuals with information about treatment alternatives, and related functions to the extent these activities do not fall within the definition of treatment.

If financial remuneration is received, as long as the remuneration received is no more than the direct and indirect costs of making the communication (or in the case of a communication by a Business Associate, no more than the fair market value of the Business Associate's services), PHI may be used or disclosed without authorizations to provide refill reminders or otherwise communicate about a drug or biologic that is currently being prescribed for the Individual. Financial remuneration for this purpose means direct or indirect payment from or on behalf of a third party whose product or service is being described. Direct or indirect payment does not include any payment for treatment of an Individual or "in-kind" payments.

q. Uses and Disclosures Pursuant to an Authorization. A MedImpact Entity may use and disclose PHI as permitted by an Individual's Authorization that has not expired or been revoked.

3. Protection of Member PHI

MedImpact Entities maintain established appropriate and secure processes that safeguard PHI as described in the *Protection of PHI* procedure document.

560-PD-1018	Procedure Title: Protection of PHI

4. Business Associate Agreements (BAAs) and Business Associate Subcontractor Agreements (BASAs)

The HIPAA Regulations establish requirements regarding the use and disclosures of PHI by Business Associates (BAs), including Subcontractors. BAs are directly liable under the HIPAA Regulations for compliance with those HIPAA Regulation requirements that apply to them. The execution of a Service Agreement (SA), Business Associate Agreement (BAA) or Business Associate Subcontractor Agreement (BASA), is dependent upon the service(s) performed by a MedImpact Entity or a service provider/vendor on its behalf, and whether access to PHI is needed to perform those services. If the MedImpact Entity determines that the other entity is a BA, the other entity is required to enter into a written BAA satisfactory to the MedImpact Entity as required by the HIPAA Regulations (and specifically, 45 CFR 164.504(e) and 45 CFR 164.314(a)).

560-PL-1017	Policy Title: Business Associate Responsibilities

5. Limited Uses and Disclosures to Those Involved in the Individual's Care and for Certain Notification Purposes

Limited Uses and Disclosures 45 CFR §164.510(b)(3)

In limited circumstances, a MedImpact Entity may disclose to a family member, other relative, or friend of the Individual, or any other person identified by the Individual, the PHI directly relevant to such person's involvement with the Individual's care or payment related to the Individual's health care when the Individual is present and does not object or is not present. If the Individual is not present, or the opportunity to agree or object to the use or disclosure cannot practicably be provided because of the Individual's incapacity or an emergency circumstance, a MedImpact Entity may, in the exercise of professional judgment, determine whether the disclosure is in the best interest of the Individual and disclose only the PHI that is directly relevant to the person's involvement with the Individual's health care. A MedImpact Entity may use professional judgment and its experience with common practice to make reasonable inferences of the Individual's best interest in allowing a person to act on behalf of the Individual to access PHI. This includes allowing a family member to call and obtain information about an Individual's account, such as the status of an order if the MedImpact Entity has sufficient information to infer that they are involved in the Individual's care.

Uses and Disclosures for Disaster Relief Purposes 45 CFR §164.510(b)(4)

A MedImpact Entity may use or disclose PHI to a public or private entity authorized by law or by its charter to assist in disaster relief efforts, for the purpose of coordinating care of the Individual, or notifying family, a Personal Representative or others responsible for the care of the Individual of the Individual's location, general condition, or death. The MedImpact Entity will give the Individual the opportunity to object if present or make reasonable inferences that the Individual does not object to the extent that the MedImpact Entity, in the exercise of professional judgment, determines that the requirements do not interfere with the ability to respond to the emergency circumstances.

Uses and Disclosures when the Individual is Deceased 45 CFR §164.510(b)(5)

If the Individual is deceased, a MedImpact Entity may disclose to a family member, Personal Representative or other persons involved in the Individual's care or payment for health care prior to the Individual's death, PHI of the Individual that is relevant to such person's involvement, unless doing so is inconsistent with any prior expressed preference of the Individual that is known to the MedImpact Entity.

6. Identity and Authority Confirmation

MedImpact verifies the identity and authority of entities and Individuals that contact MedImpact to request uses or disclosures of PHI, as described in the *Identity and Authority Confirmation* procedure.

560-PD-1021	Procedure Title: Identity and Authority Confirmation

7. Reporting Potential Impermissible Uses or Disclosures and/or Breaches of Individual PHI

Impermissible Uses or Disclosures are uses or disclosures of PHI which are not permitted under the HIPAA Regulations, including those that are not permitted under a BAA or BASA, as applicable.

MedImpact Entities maintain an internal reporting process for Employees and Non-Employees to report potential Impermissible Uses or Disclosures and/or Breaches of Individual PHI to the Privacy and/or Security Office upon becoming aware of such incidents. Additionally, MedImpact Entities that are acting in a BA capacity will report applicable incidents to the Client on whose behalf the PHI is held within the required timeframes specified in the BAA or BASA.

560-PD-1019	Procedure Title: Internal Reporting – Potential Impermissible Uses or Disclosures and/or Breach of Individual PHI

8. Reporting Deliberate Impermissible Uses, Disclosures and/or Breaches

Deliberate impermissible Uses, Disclosures, and Breaches of PHI are *never tolerated* and are considered blatant and intentional behavior that is non-compliant with the MedImpact Entities' Corporate HIPAA Compliance Program and Privacy Policies and Procedures. Any such improper conduct is addressed in accordance with the *Sanctions Policy for Violations of Privacy or Security Policies and Procedures* and the Policy and Procedure Enforcement section of this policy. MedImpact Entities maintain an internal reporting process to report Deliberate Impermissible Uses or Disclosures and Breaches to their Privacy/Compliance contact. Information on how to recognize and report a potential corporate non-compliance incident is available on the MedImpact Entities' Intranet under Corporate Compliance.

MedImpact Entities' Intranet – Corporate HIPAA Compliance Page	Code of Ethics and Business Conduct
MedImpact Entities Procedure 560-PD-1005	Reporting Known and Suspected Compliance Violations
MedImpact Entities' Intranet – Corporate HIPAA Compliance Page	Corporate Compliance Reporting form
MedImpact Entities' Intranet – Corporate HIPAA Compliance Page	Corporate Compliance Program Manual

9. Individual Privacy Rights

MedImpact Entities are required to implement processes for responding to and allowing Individuals to exercise the following Individual rights with respect to their PHI, whether the MedImpact Entity is acting as a CE or as a BA, as applicable:

- Right to Request Privacy Protections (i.e. restrictions and confidential communication requests) for PHI
- Right to Access PHI in a Designated Record Set
- Right to Amend PHI in a Designated Record Set
- Right to Receive an Accounting of PHI

An Individual is informed of his/her privacy rights in the CE's Notice of Privacy Practices.

MedImpact Entities acting in a BA capacity generally refers privacy right requests received directly from an Individual to the Individual's CE that provided the Notice of Privacy Practices to the Individual unless the BAA or BASA provides otherwise. Each of the Individual privacy rights is described below. Contact the MedImpact Entity's Privacy/Compliance contact for further information on the MedImpact Entities' processes for responding to Individual requests to exercise their privacy rights.

9.1 Right to Request Privacy Protection for PHI

An Individual has the right to request privacy protection for his/her PHI, specifically the right to request restriction(s) on the use(s) and / or disclosure(s) of PHI and to receive confidential communications of PHI by alternative means or at alternative locations.

9.2 Right to Request Access to or Amendment of PHI Maintained in a DRS

An Individual has the right to request access to or amendment of their PHI contained within a DRS, for as long as the PHI is maintained in the DRS by or on behalf of a CE, except for: i) psychotherapy notes; ii) information compiled in reasonable anticipation of, or for use in, a civil, criminal, or administrative action or proceeding; and iii) PHI not maintained by the MedImpact Entity.

9.3 Right to Request an Accounting of Disclosures of PHI

An Individual has the right to request an accounting of Disclosures of PHI made by or on behalf of a CE in the six (6) years prior to the date on while the accounting is requested.

560-PL-1092	Policy: Individual Rights Regarding Protected Health Information

10. Minimum Necessary

MedImpact Entities make reasonable efforts to use, disclose, and request only the minimum amount of PHI needed to accomplish the intended purpose of the use, disclosure, or request. Where practicable, they use or disclose only a Limited Data Set. MedImpact Entities have developed procedures to reasonably limit uses and disclosures to the minimum necessary. When the minimum necessary standard applies to a use or disclosure, a MedImpact Entity will not use, disclose, or request the entire medical/pharmacy/claims record for a particular purpose, unless it can specifically justify the whole record as the amount reasonably needed for the purpose.

The minimum necessary requirement does not apply in any of the following circumstances: (a) disclosure to or a request by a health care provider for treatment; (b) disclosure to the Individual who is the subject of the information, or the Individual's Personal Representative; (c) use or disclosure made pursuant to an Authorization; (d) disclosure to HHS for complaint investigation, compliance review or enforcement; (e) use or disclosure that is Required by Law; or (f) use or disclosure required for compliance with the HIPAA Transactions Rule (45 CFR Part 162) or other HIPAA Regulations.

Refer to the MedImpact Entities' Information Security policies and procedures for additional protocols, to include Employee/Non-Employee and BA and/or Subcontractor access controls, as applicable.

Limitations on Uses and Disclosures of Individual PHI

Access. The MedImpact Entities have developed and implemented a process for restricting access to PHI based on the specific roles of their Employees and Non-Employees. This process identifies the Employees and Non-Employees, or classes of Employees and Non-employees who need access to PHI to carry out their duties, and any conditions under which they need the information to do their jobs. The process also provides for modification or termination of access when an Employee or Non-Employee's job functions change, and for the removal of access on termination of the Employee or Non-Employee's services.

Disclosures and Requests for Disclosures. MedImpact Entities have established guidelines for routine, recurring disclosures, or requests for disclosures, that limits the PHI disclosed to that which is the minimum amount reasonably necessary to achieve the purpose of the disclosure. For non-routine, non-recurring disclosures, or requests for disclosures that it makes, each MedImpact Entity has developed criteria designed to limit disclosures to the information reasonably necessary to accomplish the purpose of the disclosure. Each non-routine request is reviewed individually by management in accordance with the established criteria.

Reasonable Reliance. If a CE makes a request for PHI, a MedImpact Entity may rely, if reasonable under the circumstances, on the request as complying with this minimum necessary standard. It may also rely upon requests as being the minimum necessary PHI from: (a) a public official, (b) a professional (such as an attorney or accountant) who is its BA (or Subcontractor, as applicable), seeking the information to provide services to or for the MedImpact Entity; or (c) a researcher who provides the documentation or representation required by the Privacy Rule for research.

Additional Requirements: Below are examples of the application of the minimum necessary requirement that all MedImpact Entities' Employees and Non-Employees must follow:

- A pharmacy contacts a MedImpact Entity and requests a specific claim's status for payment. The response to the pharmacy should strictly address the claim payment status for that specific claim, and not reference other claims for that Individual. The Individual may not always use that pharmacy for all prescription fills.
- All responses to any inquiry that contains PHI should be sent ONLY to those persons, including Employees and Non-Employees, who need to know the information in order to successfully perform a business function. Avoid copying extra recipients on emails.
- In response to a request for PHI, include only the minimum necessary information in a spreadsheet or other attachment. Make certain there are no extra spreadsheets/documents included or embedded in the spreadsheet that contains unnecessary data.
- Use as few PHI identifiers as possible and carefully consider whether all addressees must be included in an email response before sending.
- A MedImpact Entity Employee or Non-Employee performing services on behalf of another MedImpact Entity will access the other MedImpact Entity's PHI only as required to perform the Employee or Non-Employee member's job duties in performing services for the other MedImpact Entity.
- When a MedImpact Entity acting as a BA is asked to share PHI with members of the Workforce of a Client to train them on the MedImpact Entity's software, such as MedAccess or MedOptimize, make sure that an authorized representative of the Client signs a form allowing the MedImpact Entity to use Client PHI for such training purposes, such as the MedImpact Form entitled "Client Authorization for Us of Member Data (for Training Purposes Only)."

11. PHI Data Elements, A Limited Data Set and De-Identification of PHI

Whenever practicable, a MedImpact Entity will use a Limited Data Set (LDS) or De-identified, Data instead of PHI. In addition, MedImpact Entities use PHI to create De-Identified Data as permitted by law and, for PHI held in a BA capacity, any applicable SA, BAA or BASA requirements. Additionally, the Office for Civil Rights provides additional de-identification guidance on its website www.ocr.gov.

A. PHI Data Elements

• Name • Address • Account Number • Full Facial Photos • Beneficiary ID Numbers: Member ID, Health Plan ID, HICN ID • Other Unique ID Numbers	• Phone Number • Fax Number • Email, IP and URL Addresses • Social Security Number (SSN) • Device and Biometric Identifiers • Medical Record Numbers: Prior Authorization Number, Prescription Number, Claims ID • Certificate and License Number

B. Limited Data Set (LDS)

1. A MedImpact Entity may use PHI to create a LDS or provide PHI to a BA to create a LDS and may disclose the LDS only if:

- the LDS will be used only for Research, public health or Health Care Operations; and
- the recipient enters into a written data use agreement (DUA) that meets the requirements specified below; and
- in the case of a MedImpact Entity that is holding PHI in a BA capacity, the BAA or BASA, as applicable, allows the creation, use and disclosure of a LDS as permitted by the HIPAA Regulations.

2. A LDS is PHI that excludes the following direct identifiers of the Individual or of relatives, employers, or household members of the Individual:

(i) Names;
(ii) Postal address information, other than town or city, State, and zip code;
(iii) Telephone numbers;
(iv) Fax numbers;
(v) Electronic mail addresses;
(vi) Social security numbers;
(vii) Medical record numbers; including Prior Authorization (PA)#, Prescription (Rx)#, and Claim ID #
(viii) Health Plan beneficiary numbers;
(ix) Account numbers;
(x) Certificate/license numbers;
(xi) Vehicle identifiers and serial numbers, including license plate numbers;
(xii) Device identifiers and serial numbers;
(xiii) Web Universal Resource Locators (URLs);
(xiv) Internet Protocol (IP) address numbers;
(xv) Biometric identifiers, including finger and voice prints; and
(xvi) Full face photographic images and any comparable images.

3. The DUA with the recipient of the LDS must:

i. Establish the permitted uses and disclosures of the LDS by the LDS recipient, which must be limited to Research, public health or Health Care Operations. The DUA may not authorize the LDS recipient to use or further disclose the information in a manner that would violate the Privacy Rule if done by a CE;

ii. Establish who is permitted to use or receive the LDS; and

iii. Provide that the LDS recipient will:

- Not use or further disclose the information other than as permitted by the DUA or as otherwise Required by Law;
- Use appropriate safeguards to prevent use or disclosure of the information other than as provided for by the DUA;
- Report to the MedImpact Entity any use or disclosure of the information not provided for by its DUA of which it becomes aware;

- Ensure that any agents to whom it provides the LDS agree to the same restrictions and conditions that apply to the LDS recipient with respect to such information; and
- Not identify the information or contact the Individuals who are the subject of the LDS.

4. A MedImpact Entity will take reasonable steps to cure a breach or violation of the DUA if the MedImpact Entity knows of a pattern of activity or practice of the LDS recipient that constitutes a material breach or violation of the DUA and, if such steps are unsuccessful, will:
(1) Discontinue disclosure of the LDS to the recipient; and
(2) Report the problem to the Secretary.

II. De-identification of PHI

PHI may be de-identified using either the expert method or the safe harbor method as outlined below.

A. Expert Method

A person with appropriate knowledge of and experience with generally accepted statistical and scientific principles and methods for rendering information as not Individually identifiable:

- Applying such principles and methods, determines that the risk is very small that the information could be used, alone or in combination with other reasonably available information, by an anticipated recipient to identify the subject of the information; and
- The person provides documentation of the methods and results of the analysis that justify such determination;

OR

B. Safe Harbor Method

All data elements specified in the list of data elements below must be removed. This includes even derivatives of a particular data element. For example, since an individual's name must be removed (the first data element listed below), this means that any data element derived from an individual's name, such as first and last initials only or any combination of the letters of the individual's name must also be removed. Similarly, since prescription number must be removed, this means that any truncated version of this data element (such as the last four digits) must be removed for the data to be viewed as de-identified. For example, a data field containing only the last four digits of a prescription number would still be PHI, as would a data field with just the first and last initial of a patient or member.

The following identifiers of the Individual or relatives, employers or household members of the Individual are removed:

- **Name.** This includes first name and/or last name and any abbreviations. For example, it is not permissible to retain XSmith or even XS or X or S for an individual named XYZ Smith.
- **Address.** This includes, street address, city, county, precinct, zip code, except that if the geographic area encompasses by the first three digits of a zip code contains more than 20,000 people, it is permissible to retain the first three numbers of the zip code. Otherwise the zip code must be changed to 0 and the smallest geographic area that may be shown is a state.
- **All dates (except year) directly related to an individual**. This includes date of birth, date of death and all service dates such as date of fill or date of approval of a prior authorization (PA). It is permissible to retain the year only, as well as an individual's age except that for individuals over the age of 89, the age must be aggregated to the decade (i.e. "90 or older"). So, for example, it is not permissible to include the month and year the prescription was dispensed. In addition, if the dispense date can easily be ascertained from the ship date in the case of the mail pharmacy (e.g. if items are routinely shipped on the same day as, or the day after the medication is dispensed, then the ship date also may not be retained.
- **Phone number(s), including cell phone numbers**.
- **Fax numbers.**
- **Email address(es).**
- **Social security number.**
- **Medical record numbers**. This includes a prescription number, claim ID number, or a prior authorization number.
- **Health Plan beneficiary numbers.** This includes the Medicare Beneficiary Identifier (MBI) and its predecessor, the Medicare HICN. This includes a health plan member ID.
- **Account numbers**. This includes a credit card number or a pharmacy account number.
- **Certificate/license numbers.**
- **Vehicle identifiers and serial numbers including license plate numbers.**
- **Device identifiers and serial numbers.**
- **URLS (Universal Resource Locators).**
- **IP (Internet Protocol) address information.**
- **Biometric identifiers, including finger or voice prints.** This includes genetic information to the extent it could identify a unique individual (e.g. a DNA tissue specimen).
- **Full face photographic images and any comparable images.**

- **Any other unique identifying number** characteristic, or code except for a re-identification code as long as it (i) is not derived from PHI (e.g. uses some portion of the individual's name or Plan ID or date of birth); and (2) the code isn't used for any other purpose and is not disclosed to anyone outside the entity. A shipping tracking number for a package may be such a unique number if it can be linked to a specific patient or member. For example, if a mail-order pharmacy sends a package to a patient and can look up or obtain the name or address of the patient to whom the package was sent by using the shipping tracking number, then this would be a unique identifying number that must be removed for the data to be de-identified.

AND

ii. The MedImpact Entity does not have actual knowledge that the information could be used alone or in combination with other information to identify an Individual who is a subject of the information.

iii. Contact the Legal Department and the MedImpact Entity's Privacy Officer for additional requirements related to de-identified data.

Re-Identification of Individuals

A MedImpact Entity may assign a code or other means of record identification to allow De-Identified information to be re-identified by the MedImpact Entity provided that:

- Derivation: The code or other means of record identification is not derived from or related to information about the Individual and is not otherwise capable of being translated so as to identify the Individual; and
- Security: The MedImpact Entity does not use or disclose the code or other means of record identification for any other purpose and does not disclose the mechanism for re-identification.

12. HIPAA Training

The MedImpact Entities require training on the HIPAA Regulations for new and existing Employees and Non-Employees. Employees and Non-Employees in specific functional areas may receive additional training on topics concerning the uses and disclosures of PHI as necessary to effectively carry out their function within their roles and responsibilities. The HIPAA training includes a general overview of applicable provisions of the HIPAA Regulations and the MedImpact privacy and security policies and procedures.

560-PL-1020	Policy Title: HIPAA Training

13. Documentation

MedImpact Entities will maintain documentation required by the HIPAA Regulations as follows:

(a) All HIPAA policies and procedures, whether in electronic or non-electronic form;
(b) All communications required by the HIPAA policies and procedures to be in writing, whether in electronic or non-electronic form;
(c) If an action, activity, or designation is required by the HIPAA Regulations to be documented, maintain a written or electronic record of such action, activity, or designation.
(d) In the event of an Impermissible Use or Disclosure of PHI, sufficient documentation to meet the burden of proof that all required notifications were made to the CE in the case of PHI held in a BA capacity and in the case of PHI held in a CE capacity, if the use or disclosure was determined to be a "breach" under 45 CFR 164.402 or otherwise that the use or disclosure did not constitute a breach.

MedImpact Entities will retain the required documentation for six years from the date of its creation or the date when it last was in effect, whichever is later. Upon the expiration of the required retention period, any documentation containing PHI will be destroyed in accordance with the MedImpact Entities' Policy and Procedure on Record Retention.

14. HIPAA Regulations Resources

Policies and procedures and standard definitions relating to specific HIPAA Regulations and related requirements are available on the company Corporate Compliance/HIPAA Compliance Program intranet site. The Privacy/Compliance contact for each MedImpact Entity is available to answer questions or provide additional information regarding applicable requirements or policies and procedures.

15. Policy and Procedure Enforcement

It is the responsibility of all Employees and Non-Employees to adhere to the MedImpact Entities' policies and procedures. If an Employee or Non-Employee's actions are determined to be outside the scope or in violation of these policies and procedures, the specific issue will be addressed with the Employee or Non-Employee's direct supervisor, and / or with representatives from the Human Resources Department and MedImpact Entity Privacy/Compliance contact in accordance with the *Sanctions Policy for Violations of Privacy or Security Policies and Procedures* and must be promptly reported to Privacy.SecurityTeam@medimpact.com.

RELATED EXTERNAL REFERENCES	
Name	**Link**
45 CFR 160	http://www.ecfr.gov/cgi-bin/text-idx?SID=5814b94aaac03eba6d3b328750194158&mc=true&node=pt45.1.160&rgn=div5
45 CFR 164	http://www.ecfr.gov/cgi-bin/text-idx?SID=5814b94aaac03eba6d3b328750194158&mc=true&node=pt45.1.164&rgn=div6
45 CFR 510	http://www.gpo.gov/fdsys/granule/CFR-2011-title45-vol1/CFR-2011-title45-vol1-sec164-510

CHANGE HISTORY / VERSION CONTROL	
Version	**Comments**
7.0	Updating of previous policy and procedure numbers and process.
8.0	Updated process (J. Johnson 9/2016)
9.0	Adjustment of Effective Date to precede required annual employee HIPAA training and minor edits (J. Johnson 3/2017)
10.0	Adjustment of Effective Date to precede required annual employee HIPAA training (J. Johnson 11/2017)
11.0	Updated version, effective date, and Approver box; Adjustment of Effective Date to precede required annual employee HIPAA training and minor edits (J. Johnson 1/2019)
12.0	Updated Effective Date, definitions, scope, and expanded content (J. Johnson 7/2019).
13.0	Updated Effective Date and made minor edits (J. Johnson 12/2019)
14.0	Content and Effective Date Changes (J. Johnson 12/2020)
15.0	Effective Date Changes and minor updates (J. Johnson 12/2021)

* *Annual Review Approval Audit Records – no document content/process updates made*: Audit Record inserted by Process Management before document is finalized and published.

DOCUMENT TITLE	**Authorization for Use and Disclosure of PHI**				
DOCUMENT #	560-PL-1091	**VERSION**	4.0	**SUPERSEDES**	3.0
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SUPPORTING DOCUMENTATION	
Document #	**Document Title**
560-PL-1013	Permissible Uses and Disclosures of PHI
560-PL-1089	Sanctions Policy for Violations of Privacy or Security Policies and Procedures
(GD)Guide=Overview | (PL)Policy=Rule | (PD)Procedure=Action | (FD)Flow Diagram=Visual (WI)Work Instruction=Details | (FM)Form=Predefined | (RD)Reference Document=Supporting	

REQUIRED APPROVALS

Approvers' Signature and Approval are recorded electronically and stored via Compliance 360 (C360).

Approvers	**Title**
Debra Harper	VP, Corporate Compliance Officer
Jennifer Johnson	VP, Corporate Privacy Officer

Approvals: Time-stamped approvals are recorded electronically and stored via Compliance 360 (C360). Process Management inserts the Approval Audit Record into document before it is finalized and published. Annual Review Approval Audit Records to indicate no process changes of current version were necessary are inserted on last page.

Approver Name	Job Title	Approval Date	Process Document Number	Version Number	EffectiveDate
Johnson, Jennifer	VP, Corporate Privacy Officer & Licensure	12/17/2021 4:56 PM	560-PL-1091	4.0	1/1/2022
Harper, Debra	VP, Corporate Compliance Officer	12/20/2021 6:47 AM	560-PL-1091	4.0	1/1/2022

DOCUMENT DEFINITIONS	
Word/Term	**Definition**
Authorization	An Individual's permission to use or disclose their PHI that meets the requirements of 45 CFR 164.508.
Business Associate (BA)	A business associate (BA) is any person or entity that performs services (directly or on behalf of another BA) for a CE that involve the use or disclosure of PHI. A BA does not include a person who performs services as a member of the Workforce of an entity or a health care provider that receives PHI for treatment purposes. A Subcontractor is a type of BA.
Covered Entity (CE)	Health plans, health care clearinghouses, and health care providers who electronically transmit any health information in connection with transactions for which HHS has adopted standards.
Disclosure	The release, transfer, provision of access to, or divulging in any manner of information outside the entity holding the information.
Employee	Any full or part time individual employed directly by a MedImpact Entity.
Health Care Operations	Activities conducted by or on behalf of a CE related to its operations/functions as a health plan or Health Care Provider. Examples include business management, administrative duties, quality assurance, quality improvement, case management, population-based activities to improve health or reduce health costs, training programs, licensing, credentialing, certification, accreditation, compliance programs, fraud and abuse detection, customer service, audits and de-identifying PHI and creating a Limited Data Set.
HIPAA Regulations	The regulations at 45 CFR Parts 160 and 164 implementing the privacy and security requirements of the Health Insurance Portability and Accountability Act ("HIPAA").
Individual	The person who is the subject of the PHI in question. Sometimes referred to as a "Member" when dealing with an Individual who is an enrollee in a Plan.
Individually Identifiable Health Information (IIHI)	Information that is a subset of health information, including demographic information collected from an individual, and is (i) created or received by a health care provider, health plan, employer, or health care clearinghouse; and (ii) relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; and (a) that identifies the individual; or (b) with respect to which there is reasonable basis to believe the information can be used to identify the individual.
MedImpact CE	A MedImpact Entity that is a CE and acting in a CE capacity.
MedImpact Entity(ies)	MedImpact Holdings, Inc. and its direct and indirect subsidiaries that create, receive, maintain, or transmit PHI, and the MedImpact Healthcare Systems, Inc. Health and Welfare Benefits Plan.

Members/Patients	The natural person who is the subject of PHI. May also be referred to as "Member" when the PHI relates to a member of a Plan.
Non-Employee	Any individual not employed by a MedImpact Entity but who performs services for a MedImpact Entity under the direct control of that entity. This definition includes, but may not be limited to, contractors and temporary employees.
Payment	Activities for or on behalf of a health plan to obtain premiums, determine or fulfill responsibilities for coverage and provision of benefits, and furnish or obtain reimbursement for health care delivered to an Individual and activities for or on behalf of a Health Care Provider to obtain payment or be reimbursed for the provision of health care to an Individual. It includes eligibility determinations, coverage determinations, utilization review activities and reporting certain PHI to consumer reporting agencies.
Permissible Use or Disclosure	Use or Disclosure of PHI that is permitted by the HIPAA Regulations, applicable state privacy laws and the applicable BAA.
Personal Representative	A person authorized under applicable law to make health decisions on behalf of the Individual. Personal representatives are permitted to exercise all the rights of the Individual with respect to that Individual's PHI. A CE or BA is permitted to not share PHI with a Personal Representative when the CE or BA has a reasonable belief that the Personal Representative may be abusing or neglecting the Individual, or that treating the person as the Personal Representative could otherwise endanger the Individual.
Plan	A health plan that is a Client of a MedImpact Entity. A health plan includes a health insurance company such as a Managed Care Organization (MCO), Health Maintenance Organization (HMO), Preferred Provider Organization (PPO), Medicare Prescription Drug Plan (PDP) or Medicare Advantage-Prescription Drug Plan (MA-PD), an employer sponsored group health plan such as an employer group, or any other entity defined as a health plan in the Privacy Rule. All health plans are Covered Entities.
Privacy Rule	The Standards for the Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164.
Protected Health Information (PHI)	IIHI that is (i) transmitted by electronic media; (ii) maintained in any medium such as magnetic tape, disc, optical file; or (iii) transmitted or maintained in any other form or medium (including but not necessarily limited to paper, voice, Internet, or facsimile). *See Permissible Uses and Disclosures Member PHI #560-PL-1013* for a complete list of all data elements that are considered to be PHI. PHI excludes Individually Identifiable Health Information: (i) in education records covered by the Family Educational Rights and Privacy Act, as amended; (ii) in certain student records as described at 20 U.S.C.

	1232g(a)(4)(B)(iv); (iii) in employment records held by a covered entity in its role as employer; and (iv) regarding a person who has been deceased for more than 50 years.
Research	A systematic investigation, including research development, testing, and evaluation, designed to develop or contribute to generalizable knowledge.
Treatment	The provision, coordination, or management of health care and related services by one or more health care providers, including the coordination or management of health care by a health care provider with a third party; consultation between health care providers relating to an Individual; or the referral of an Individual for health care from one health care provider to another. Examples including dispensing drugs or patient counseling by a pharmacy.
Use	The sharing, employment, application, utilization, examination, or analysis of information within an entity that maintains such information.
Workforce	As defined in the HIPAA Regulations at 45 CFR 160.103, "workforce" means employees, volunteers, trainees, and other persons whose conduct, in the performance of work for a Covered Entity or Business Associate, is under the direct control of that Covered Entity or Business Associate, whether or not they are paid by the Covered Entity or Business Associate.

PURPOSE	The purpose of this document is to establish written guidelines for determining when a document qualifies as a valid Authorization under the HIPAA Regulations and when an Authorization is required in order to use or disclose PHI.

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1. Scope and Policy Overview

This policy applies to all MedImpact Entities and their Employees and Non-Employees (who together constitute the MedImpact Entity's Workforce, as defined by the HIPAA Regulations). *See Permissible Uses and Disclosures Member PHI #560-PL-1013* for a complete list of all data elements that are considered to be PHI.

The HIPAA Regulations establish requirements regarding permitted uses or disclosures of PHI. MedImpact Entities maintain appropriate processes to protect and safeguard PHI in accordance with the HIPAA Regulations. This policy sets forth Authorization requirements below.

1. An Authorization must be obtained for any use or disclosure of PHI unless that use or disclosure is specifically required or permitted under the Privacy Rule. An Authorization is not required for Treatment, Payment and Health Care Operation purposes and for other permissible purposes as described in 560-PL-1013, *Permissible Uses and Disclosures of PHI*. For example, an Authorization must be obtained in order to use PHI for marketing or Research purposes unless an exception applies.

2. An Authorization must be obtained for any use or disclosure of PHI for certain marketing purposes, except if the communication is in the form of:
   (A) A face-to-face communication made to an Individual; or
   (B) A promotional gift of nominal value provided by or for the CE.

   For example, an Authorization is not required for a pharmacist at the pharmacy counter to inform a patient about an alternative drug, even if that communication is paid for by the drug manufacturer. An Authorization is also not required to send pens or mugs or calendars with a drug name or drug manufacturer's name on them to Individuals.

   If the marketing involves financial remuneration to the covered entity from a third party, the Authorization must state that such remuneration is involved.

3. An Authorization must be obtained for a disclosure of PHI in return for financial remuneration unless an exception exists under the Privacy Rule. The Authorization must state that the disclosure will result in financial remuneration.

4. An Authorization is not valid if:
   a. The expiration date has passed, or the expiration event is known to have occurred;
   b. The Authorization has not been filled out completely, with respect to any of the required elements (see below);
   c. It is known to have been revoked;
   d. It is a compound Authorization or it conditions treatment, payment, eligibility or enrollment on the Individual signing the Authorization unless an exception to either of these exists (see below); or

e. Any material information in the Authorization is known to be false.

5. An Individual may revoke an Authorization at any time in writing except to the extent a CE has already acted in reliance on it to use or disclose PHI.

2. Procedure

1. Wherever possible, Employees and Non-Employees should use Authorization forms that have been approved by the MedImpact Entity's Privacy/Compliance Legal Contact.

2. All Authorizations that are not on a pre-approved MedImpact Entity Authorization form must be approved by the MedImpact Privacy/Compliance/Legal Department or, in the case of PHI held in a BA capacity, the applicable client/CE.

3. An Authorization must be written in plain language and must contain the following elements:
   - A description of the PHI to be used or disclosed that identifies the PHI in a specific and meaningful fashion.
   - The name or other specific identification of the person(s), or class of persons, authorized to make the use or disclosure.
   - The name or other specific identification of the person(s), or class of persons, to whom the PHI may be disclosed.
   - A description of each purpose for which the PHI will be used or disclosed. The statement "at the request of the individual" is sufficient when an Individual initiates the Authorization and does not, or elects not to, provide a statement of the purpose.
   - An expiration date or an expiration event that relates to the individual or the purpose of the use or disclosure. The statement "end of the research study," "none," or similar language is sufficient if the Authorization is for a use or disclosure of PHI for research.
   - A statement that the Individual has the right to revoke the Authorization in writing, and any exceptions to the right to revoke (such as when a CE has already acted in reliance on the Authorization) and how to revoke the Authorization;
   - A statement that the CEs may not condition treatment, payment, enrollment or eligibility for benefits on the Individual signing the Authorization except for certain Authorizations, such as those obtained in connection with research-related treatment or for treatment solely in order to create PHI to be disclosed pursuant to the Authorization, such as workplace drug tests). If an exception applies, the Authorization must state the consequences of failing to sign the Authorization.
   - A statement that the PHI disclosed pursuant to the Authorization may be redisclosed by the recipient and no longer be protected by the Privacy Rule.
   - Signature of the Individual or his/her Personal Representative and the date. If the Authorization is signed by a Personal Representative of the Individual, a description of the Personal Representative's authority to act for the Individual must also be provided.

4. A compound authorization is the combining of an Authorization with any other document. A compound authorization is not valid except in limited circumstances such as: (i) an Authorization for the use or disclosure of PHI for a research study may be combined with any other type of written permission for the same or another research study; and (ii) an authorization under the Privacy Rule may generally be combined with another authorization under the Privacy Rule (e.g. for additional purposes or recipients) as long as the Authorization does not condition the provision of treatment, payment, enrollment in the health plan, or eligibility for benefits on the provision of the Authorization.

3. HIPAA Regulations Resources

Policies and procedures and standard definitions relating to specific HIPAA Regulations and related requirements are available on the company Corporate Compliance/HIPAA Compliance Program intranet site. The Privacy/Compliance contact for each MedImpact Entity is available to answer questions or provide additional information regarding applicable requirements or policies and procedures.

4. Documentation and Policy and Procedure Enforcement

Authorizations are retained for a period of at least six (6) years from the date the authorization was created or was last in effect, whichever is later, as required by 45 CFR 164.530(j).

It is the responsibility of all Employees and Non-Employees to adhere to the MedImpact Entities' policies and procedures. If an Employee or Non-Employee's actions are determined to be outside the scope or in violation of these policies and procedures, the specific issue will be addressed with the Employee or Non-Employee's direct supervisor, and / or with representatives from the Human Resources Department and the MedImpact Entity Privacy/Compliance contact in accordance with the *Sanctions Policy for Violations of Privacy or Security Policies and Procedures* and must be promptly reported to Privacy.SecurityTeam@medimpact.com.

RELATED EXTERNAL REFERENCES	
Name	**Link**
45 CFR 164	http://www.ecfr.gov/cgi-bin/text-idx?SID=5814b94aaac03eba6d3b328750194158&mc=true&node=pt45.1.164&rgn=div5

CHANGE HISTORY / VERSION CONTROL	
Version	**Comments**
1.0	NEW Document (J. Johnson 8/2019)
2.0	Effective Date Changes (J. Johnson 12/2019)
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** Annual Review Approval Audit Records – no document content/process updates made*: Audit Record inserted by Process Management before document is finalized and published.

,DOCUMENT TITLE	**Identity and Authority Confirmation**				
DOCUMENT #	560-PD-1021	**VERSION**	16.0	**SUPERSEDES**	15.0
PROCESS OWNER	Jennifer Johnson, VP, Corporate Privacy Officer			**EFFECTIVE DATE:**	January 1, 2022
EXTERNAL SHARING	YES ☒	NO ☐		**PRINTING ALLOWED**	Yes
SHARE WITH	Regulatory Agencies ☒ Clients ☒ Other ☐				

SUPPORTING DOCUMENTATION	
Document #	**Document Title**
560-PL-1013	Permissible Uses and Disclosures of PHI
560-PL-1017	Business Associate Responsibilities
560-PD-1018	Protection of PHI
560-PL-1089	Sanctions Policy for Violations of Privacy or Security Policies and Procedures
210-PL-1085	Compliance and Enforcement Language Policy
(GD)Guide=Overview | (PL)Policy=Rule | (PD)Procedure=Action | (FD)Flow Diagram=Visual (WI)Work Instruction=Details | (FM)Form=Predefined | (RD)Reference Document=Supporting	

REQUIRED APPROVALS

Approvers' Signature and Approval are recorded electronically and stored via Compliance 360 (C360).

Approvers	**Title**
Debra Harper	VP, Corporate Compliance Officer
Jennifer Johnson	VP, Corporate Privacy Officer

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Approver Name	Job Title	Approval Date	Process Document Number	Version Number	EffectiveDate
Johnson, Jennifer	VP, Corporate Privacy Officer & Licensure	12/17/2021 4:55 PM	560-PD-1021	16.0	1/1/2022
Harper, Debra	VP, Corporate Compliance Officer	12/20/2021 6:45 AM	560-PD-1021	16.0	1/1/2022

DOCUMENT DEFINITIONS	
Word/Term	**Definition**
Business Associate (BA)	A business associate (BA) is any person or entity that performs services (directly or on behalf of another BA) for a CE that involve the use or disclosure of PHI. A BA does not include a person who performs services as an Employee or Non-Employee of an entity or a health care provider that receives PHI for treatment purposes. A Subcontractor is a type of BA.
Business Associate Agreement (BAA)	An agreement between a CE and a BA that describes the permitted uses and disclosures of the CE's PHI and other responsibilities of the BA with respect to PHI (e.g., reporting impermissible uses and disclosures of PHI and responding to Individual requests related to their PHI).
Client	A CE or BA of a CE for which a MedImpact Entity is the BA or Subcontractor, respectively.
Covered Entity (CE)	Health plans, health care clearinghouses, and health care providers who electronically transmit any health information in connection with transactions for which HHS has adopted standards.
Disclosure	The release, transfer, provision of access to, or divulging in any manner of information outside the entity holding the information.
Employee	Any full or part time individual employed directly by a MedImpact Entity.
Health Care Provider	A provider of services, a provider of medical or health services, and any other person or entity that furnishes, bills, or is paid for health care in the normal course of business.
HIPAA Regulations	The regulations at 45 CFR Parts 160 and 164 implementing the privacy and security requirements of the Health Insurance Portability and Accountability Act ("HIPAA").
Individual	The person who is the subject of the PHI in question. Sometimes referred to as a "Member" when dealing with an Individual who is an enrollee in a Plan.
Individually Identifiable Health Information (IIHI)	Information that is a subset of health information, including demographic information collected from an individual, and is (i) created or received by a health care provider, health plan, employer, or health care clearinghouse; and (ii) relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; and (a) that identifies the individual; or (b) with respect to which there is reasonable basis to believe the information can be used to identify the individual.
MedImpact CE	A MedImpact Entity that is a CE and acting in a CE capacity.
MedImpact Entity(ies)	MedImpact Holdings, Inc. and its direct and indirect subsidiaries that create, receive, maintain, or transmit PHI, and the MedImpact Healthcare Systems, Inc. Health and Welfare Benefits Plan.
Members/Patients	The natural person who is the subject of PHI. May also be referred to as "Member" when the PHI relates to a member of a Plan.
Minimum Necessary	When using or disclosing protected health information or when requesting protected health information from another covered entity or business associate, a CE or business associate must make reasonable efforts to limit protected health information to the minimum necessary to accomplish the intended purpose of the use, disclosure, or request. This does not apply to certain uses and disclosures, such as for treatment purposes or disclosures made to the Individual.
Non-Employee	Any individual not employed by a MedImpact Entity but who performs services for a MedImpact Entity under the direct control of that entity. This

	definition includes, but may not be limited to, contractors and temporary employees.
Permissible Use or Disclosure	Use or Disclosure of PHI that is permitted by the HIPAA Regulations, applicable state privacy laws and the applicable BAA.
Personal Representative	A person authorized under applicable law to make health decisions on behalf of the Individual. Personal representatives are permitted to exercise all the rights of the Individual with respect to that Individual's PHI. A CE or BA is permitted to not share PHI with a Personal Representative when the CE or BA has a reasonable belief that the Personal Representative may be abusing or neglecting the Individual, or that treating the person as the Personal Representative could otherwise endanger the Individual.
Plan	A health plan that is a Client of a MedImpact Entity. A health plan includes a health insurance company such as a Managed Care Organization (MCO), Health Maintenance Organization (HMO), Preferred Provider Organization (PPO), Medicare Prescription Drug Plan (PDP) or Medicare Advantage-Prescription Drug Plan (MA-PD), an employer sponsored group health plan such as an employer group, or any other entity defined as a health plan in the Privacy Rule. All health plans are Covered Entities.
Privacy Rule	The Standards for the Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164.
Protected Health Information (PHI)	IIHI that is (i) transmitted by electronic media; (ii) maintained in any medium such as magnetic tape, disc, optical file; or (iii) transmitted or maintained in any other form or medium (including but not necessarily limited to paper, voice, Internet, or facsimile). *See Permissible Uses and Disclosures Member PHI #560-PL-1013* for a complete list of all data elements that are considered to be PHI. PHI excludes Individually Identifiable Health Information: (i) in education records covered by the Family Educational Rights and Privacy Act, as amended; (ii) in certain student records as described at 20 U.S.C. 1232g(a)(4)(B)(iv); (iii) in employment records held by a covered entity in its role as employer; and (iv) regarding a person who has been deceased for more than 50 years.
Research	A systematic investigation, including research development, testing, and evaluation, designed to develop or contribute to generalizable knowledge
Subcontractor	A person to whom a BA delegates a function, activity, or service for a CE, other than in the capacity of a member of the Workforce of such BA. A Subcontractor is also a type of BA under the HIPAA Regulations. A MedImpact Entity may be considered a Subcontractor to a Client that is a BA of a CE.
Treatment	The provision, coordination, or management of health care and related services by one or more health care providers, including the coordination or management of health care by a health care provider with a third party; consultation between health care providers relating to an Individual; or the referral of an Individual for health care from one health care provider to another. Examples including dispensing drugs or patient counseling by a pharmacy.
Use	The sharing, employment, application, utilization, examination, or analysis of information within an entity that maintains such information.
Workforce	As defined in the HIPAA Regulations at 45 CFR 160.103, "workforce" means employees, volunteers, trainees, and other persons whose conduct, in the

	performance of work for a Covered Entity or Business Associate, is under the direct control of that Covered Entity or Business Associate, whether or not they are paid by the Covered Entity or Business Associate.

PURPOSE	The purpose of this procedure is to implement a process to confirm the identity or, if applicable, authority of a person before disclosing PHI to such person in accordance with the HIPAA Regulations.

TABLE OF CONTENTS

1. Process Overview

This process document applies to all MedImpact Entities and their Employees and Non-Employees (who together constitute the MedImpact Entity's Workforce, as defined by the HIPAA Regulations). *See Permissible Uses and Disclosures Member PHI #560-PL-1013* for a complete list of all data elements that are considered to be PHI.

The HIPAA Regulations establish requirements regarding permitted uses or disclosures of PHI. MedImpact Entities maintain appropriate processes to protect and safeguard PHI in accordance with the HIPAA Regulations. Before sharing PHI, MedImpact Entities confirm the identity and, where applicable, the authority of person requesting or receiving PHI unless the person is known to the MedImpact Entity.

A MedImpact Entity will obtain any documentation, statements, or representations, whether oral or written, from the person requesting the PHI when these are a condition of the disclosure. Where it is reasonable in the circumstances, a MedImpact Entity will rely on the documents, statements, or representations presented to it that, on their face, meet the applicable requirements.

The following sets forth appropriate processes for MedImpact Entities' Employees and Non-Employees to follow to confirm the identity and, as applicable, the authority of a recipient of PHI before disclosing the PHI in question.

2. Identity and Authority Confirmation Details for Individuals or Personal Representatives

Employees and Non-Employees will follow the MedImpact Entities' confirmation and authentication process described in this document and related work instructions, when disclosing PHI to the Individual or his/her Personal Representative if the Individual or Personal Representative is not known to the Employee or Non-Employee.

2.1 Confirmation of Individual Identity

Incoming Telephone Calls

In the event an Individual contacts a MedImpact Entity via telephone to request Disclosure of his/her PHI or obtain access to his/her PHI, the MedImpact Entity confirms the Individual's identity by requiring the Individual to provide certain identifying information before the MedImpact Entity discloses PHI. The required identifiers may vary by department-specific and/or program-specific processes, which are consistent with the overall requirement that at least the following identifiers must be obtained:

Either Member's Plan ID or Member's Prescription Number

And

Two (2) of the following:

- Member's full first and last name
- Birth date of the member or policyholder (if different)
- Member's full address (street name, apartment number if applicable, city, zip code)
- Prescription drug name, if pertinent to the situation

The following may be used as additional identifiers, if available:

- Zip Code
- Member's middle initial
- Last four digits of the Social Security Number (SSN) may be used on a voluntary basis

Outbound Telephone Calls (e.g., live calls, IVR)

In the event a MedImpact Entity places an outbound telephone call to a Member with the purpose of the call to include a Disclosure of the Member's PHI, the MedImpact Entity confirms the identity of the Individual answering the telephone call by requiring the Individual to provide certain identifying information before the MedImpact Entity discloses PHI. The required identifiers may vary by department-specific and/or program-specific processes, which are consistent with the overall requirement that at least the following identifiers must be obtained:

At least three (3) of the following:

- Member's Plan ID
- Member's full first and last name
- Birth date of the member or policyholder (if different)
- Member's full address (street name, apartment number if applicable, city, zip code)
- Member's Prescription Number
- Prescription drug name, if pertinent to the situation
- The following may be used as additional identifiers, if available:
  - Zip Code
  - Member's middle initial
  - First three letters of Member's first and last name (for IVR calls only)
  - Person Code (for IVR calls only)
  - Last four digits of the Social Security Number (SSN) may be used on a voluntary basis

IMPORTANT: **All outbound call scripts must be reviewed and approved by the MedImpact Entity's Privacy contact prior to implementation and use.**

For example, in the case of the MedImpact Healthcare System, Inc. ("MedImpact") Call Center, the following identifiers must be obtained and confirmed as correct based on information in MedImpact's records**:**

- Member's full first and last name; and
- A minimum of two of the following additional identifiers:
  - Birth date of the member or policyholder (if different);
  - Member's Plan ID
  - Member's full address (street name, apartment number if applicable, city, zip code)
  - Member's middle initial; and
  - Last four digits of the Social Security Number (SSN) may be used on a voluntary basis
- Prescription drug name, if pertinent to the situation.

In the case of the MedImpact Direct, LLC ("MID") Call Center, the following identifiers must be obtained and confirmed as correct based on information in MID's records**:**

- Patient Name

  AND

- A minimum of 2 additional identifiers:

Acceptable Identifiers
- Birth date of the Individual/patient
- Health Plan Cardholder ID
- Patient's street address, city, zip code
- Telephone number(s)
- Electronic mail address

Please review the applicable MedImpact Entity's work instructions for the required identifiers to be obtained for that MedImpact Entity in a particular situation.

Any Other Program or Service - Contact the MedImpact Entity's Privacy/Compliance contact for guidance regarding identity and authority confirmation for any other programs or services, including but not limited to, portals and apps.

2.2 Individual Request to Exercise Privacy Rights

MedImpact Entities that are CEs
When an Individual (or his/her Personal Representative) seeks to exercise the Individual's privacy rights, the identity of the Individual is confirmed as set forth in Section 2.1 and the applicable work instructions.

MedImpact Entities that are BAs
When an Individual (or his/her Personal Representative) seeks to exercise the Individual's privacy rights, the MedImpact Entity will generally refer the Individual to the CE. However, in those situations where the BAA has delegated responsibility to the MedImpact Entity to respond directly to such requests, the identity of the Individual is confirmed as set forth in Section 2.1 and the applicable work instructions unless the BAA specifies different requirements.

2.3 Personal Representatives, HIPAA Authorizations and Sharing PHI with Those Involved in an Individual's Care

A. Personal Representatives
In the event a person contacts a MedImpact Entity and requests Disclosure of PHI or to exercise the Individual's privacy rights as the Individual's Personal Representative, the MedImpact Entity requires that the Personal Representative provide the Personal Representative's full name and the information about the Individual specified in Section 2.1.

Following confirmation of the information regarding the Individual, an Employee or Non-Employee is required to review the Individual's record to determine whether a written document reflecting the person's status as the Individual's Personal Representative has been provided and is on file.

This may include, but is not limited to, one of the following documents:

- A health care power of attorney
- An appointment of representative (AOR) form in the case of an Individual who is a member of a Medicare Part D Plan
- A court appointment of a guardian or custodian
- A court appointment of an executor or administrator of an estate in the case of a deceased Individual

If appropriate documentation is on file and there is no indication that it is no longer valid, the PHI may be disclosed in accordance with the request. In addition, the Personal Representative may also exercise any of the Individual's privacy rights, such as requesting a copy of the Individual's Designated Record Set, an amendment to the Individual's Designated Record Set, an accounting, restriction or confidential communications. See the MedImpact Entities' *Policy on Individual Right Requests*.

In cases where MedImpact Entity has no documentation on file indicating that the person is the Individual's Personal Representative, the Employee or Non-Employee must:

In the case of MedImpact Entities that are Covered Entities:

- Request that the person send the appropriate documentation to the MedImpact Entity so that it can be entered into the Individual's record. Any personal representative documentation must be validated by the MedImpact Entity's Privacy/Compliance contact or Legal Department before it may be entered into the Individual's record.

In the case of MedImpact Entities that are Business Associates:

- Request the person to send the appropriate documentation to the CE Client and the MedImpact Entity will contact the Client to validate the documentation and, once validated by the Client, enter the documentation into the Individual's record.

The MedImpact Entity will not treat the person as the Individual's Personal Representative until the appropriate documentation has been received, validated and entered into the Individual's record.

B. HIPAA Authorizations

In the event a person contacts a MedImpact Entity to request that the MedImpact Entity disclose PHI to the person pursuant to a HIPAA authorization, the Employee or Non-Employee will confirm whether there is a valid HIPAA authorization on file with the MedImpact Entity or with the Client, allowing the disclosure. As long as there is a valid HIPAA authorization on file that has not expired and that allows the disclosure of the PHI requested to the person, the Employee or Non-Employee may disclose the PHI to the person. In the case of a caller, the requested PHI may be sent to the address of the person if specified in the HIPAA authorization. A person named in a HIPAA authorization may **not** exercise the Individual's privacy rights without documentation of Personal Representative status. A valid HIPAA authorization is not sufficient for this purpose and only allows the disclosure of PHI to the person, and for the purposes stated in the authorization. It does not allow the person to make health care decisions for, or exercise the privacy rights of, the Individual. Please see the MedImpact Entities' *Policy on Authorizations* for the process for determining whether an authorization is a valid HIPAA authorization.

Note: HIPAA allows certain uses and disclosures of PHI that may not be made without an authorization. For example, use and disclosure for marketing purposes.

C. Those Involved in an Individual's Care

An Employee or Non-Employee may disclose to a family member, other relative, or friend of the Individual, or any other person identified by the Individual, the PHI directly relevant to that person's involvement with the Individual's care or payment related to the Individual's health care provided that the following conditions are met:

If the Individual is Present on the Call. For example, an elderly Individual may call with his/her adult child or caregiver on the line. In this case, the MedImpact Employee or Non-Employee must:

1. Confirm the Individual's identity as provided in Section 2.1 above.
2. Confirm that the Individual agrees that MedImpact may disclose PHI to the person on the line with the Individual only for the specified purpose of the call, and only for the duration of the call.
3. Documents the Individual's oral temporary permission in the Individual's record, including the name of the person with whom the PHI is shared on the call and the purpose of the call.

If the Individual is not Present on the Call. For example, a wife may call to find out the status of a drug transaction for her husband. In this case the MedImpact Employee or Non-Employee must:

1. Obtain all of the following information from the caller:
   - Person's name
   - Person's relationship to the Individual and purpose for the call;
   - The Individual's information required under Section 2.1

2. Disclose PHI to the person only for the specified purpose of the call, and only for the duration of the call. In the case where a caller calls MedImpact to know about the status of a drug transactions, such as the status of a prior authorization request or a request for reimbursement, the Employee or Non-Employee will provide the requested information only if the caller first provides the name of the drug in question.

In all cases of a disclosure under this Section 2.3, the Employee or Non-Employee will create a log of the call that documents the name of the call, the purpose of the call and the PHI shared.

2.4 Other Health Care Organizations, Health Care Practitioners and Pharmacies

In the event a health care organization, health care practitioner or pharmacy contacts a MedImpact Entity to request PHI, the MedImpact Entity requires that the health care organization or health care practitioner or pharmacy provide all the following information before the MedImpact Entity discloses any PHI and references applicable internal processes for any additional required steps:

- Individual's name;
- Individual's Member ID, if applicable;
- Individual's address, if applicable;
- Birth date of the Individual or policyholder, if applicable;
- Name of health care organization, health care practitioner or pharmacy;
- NABP or NPI, if a pharmacy;
- Name and email address of person calling on behalf of the health care organization, health care practitioner or pharmacy;

- Health care organization, health care practitioner, or pharmacy caller is calling on behalf of; and
- Prescription drug name, if applicable.

2.5 Requests by Public Officials, Law Enforcement and Researchers

Identity of public officials. A MedImpact Entity will rely, if it is reasonable to do so in the circumstances, on any of the following to confirm identity when the disclosure of PHI is to a public official or a person acting on behalf of the public official:

(A) If the request is made in person, presentation of an agency identification badge, other official credentials, or other proof of government status;
(B) If the request is in writing, the request is on the appropriate government letterhead; or
(C) If the disclosure is to a person acting on behalf of a public official, a written statement on appropriate government letterhead that the person is acting under the government's authority or other evidence or documentation of agency, such as a contract for services, memorandum of understanding, or purchase order, that establishes that the person is acting on behalf of the public official.

Authority of public officials. A MedImpact Entity will rely, if it is reasonable to do so in the circumstances, on any of the following to confirm authority when the disclosure of PHI is to a public official or a person acting on behalf of the public official:

(A) A written statement of the legal authority under which the information is requested, or, if a written statement would be impracticable, an oral statement of the legal authority;
(B) If a request is made pursuant to legal process, warrant, subpoena, order, or other legal process issued by a grand jury or a judicial or administrative tribunal it is presumed to constitute legal authority.

In the case of disclosures requested by a law enforcement official for law enforcement purposes, a MedImpact Entity may disclose PHI pursuant to, and as limited by, an administrative request, administrative subpoena or similar process, or by a separate written statement that, on its face, demonstrates that the applicable requirements specified in 560-PL-1013, Policy on Permissible Uses and Disclosures PHI, and any applicable Work Instructions have been met.
In the case of disclosures requiring documentation of an Institutional Review Board or Privacy Board's approval of a waiver or alteration of the requirement to obtain authorizations for research, a MedImpact Entity will accept as such documentation one or more written statements, provided that each is appropriate dated and signed in accordance with requirements specified in 45 CFR 164.514(i), as determined by the Privacy/Compliance contact or Law Department, have been met.

In the event the following persons contact MedImpact Entity to request Disclosure of PHI, the request is referred to the Privacy Office or Legal Department, which establishes the requestor's identity and authority:

- Public official;
- Personal Representative; or
- Researcher

3. HIPAA Regulations Resources

Policies and procedures and standard definitions relating to specific HIPAA Regulations and related requirements are available on the company Corporate Compliance/HIPAA Compliance Program intranet site. The Privacy/Compliance contact for each MedImpact Entity is available to answer questions or provide additional information regarding applicable requirements or policies and procedures.

4. Documentation and Policy and Procedure Enforcement

MedImpact Entities will retain required documentation for six years from the date of its creation or the date when it last was in effect, whichever is later. Upon the expiration of the required retention period, any documentation containing PHI will be destroyed in accordance with the MedImpact Entities' Policy and Procedure on Record Retention.

It is the responsibility of all Employees and Non-Employees to adhere to the MedImpact Entities' policies and procedures. If an Employee or Non-Employee's actions are determined to be outside the scope or in violation of these policies and procedures, the specific issue will be addressed with the Employee or Non-Employee's direct supervisor, and / or with representatives from the Human Resources Department and MedImpact Entity Privacy/Compliance contact in accordance with the *Sanctions Policy for Violations of Privacy or Security Policies and Procedures* and must be promptly reported to Privacy.SecurityTeam@medimpact.com.

RELATED EXTERNAL REFERENCES	
Name	**Link**
45 CFR 164	http://www.ecfr.gov/cgi-bin/text-idx?SID=5814b94aaac03eba6d3b328750194158&mc=true&node=pt45.1.164&rgn=div5

CHANGE HISTORY / VERSION CONTROL	
Version	**Comments**
8.0	Updating of previous policy and procedure numbers and process.
9.0	Updating title, defined terms and process (J. Johnson 10/2016)
10.0	Adjustment of Effective Date to precede required annual employee HIPAA training and minor edits (J. Johnson 3/2017)
11.0	Adjustment of Effective Date to precede required annual employee HIPAA training and minor edits (J. Johnson 11/2017)
12.0	Updated version, effective date and Approver box; adjustment of Effective Date to precede required annual employee HIPAA training and minor edits (J. Johnson 1/2019)
13.0	Updated Effective Date, definitions, scope, and expanded content (J. Johnson 7/2019)
14.0	Updated Effective Date and made minor edits (J. Johnson 12/2019)
15.0	Updated Effective Date and made minor edits (J. Johnson 12/2020)
16.0	Effective Date Changes and minor updates (J. Johnson 12/2021)

* *Annual Review Approval Audit Records – no document content/process updates made*: Audit Record inserted by Process Management before document is finalized and published.

DOCUMENT TITLE	**HIPAA Training**				
DOCUMENT #	560-PL-1020	**VERSION**	16.0	**SUPERSEDES**	15.0
PROCESS OWNER	Jennifer Johnson, VP, Corporate Privacy Officer			**EFFECTIVE DATE:**	January 1, 2022
EXTERNAL SHARING	YES ☒	NO ☐		**PRINTING ALLOWED**	Yes
SHARE WITH	Regulatory Agencies ☒ Clients ☒ Other ☐				

SUPPORTING DOCUMENTATION

Document #	Document Title
560-PL-1013	Permissible Uses and Disclosures of PHI
560-PL-1089	Sanctions Policy for Violations of Privacy or Security Policies and Procedures
210-PL-1085	Compliance and Enforcement Language Policy

(GD)Guide=Overview | (PL)Policy=Rule | (PD)Procedure=Action | (FD)Flow Diagram=Visual
(WI)Work Instruction=Details | (FM)Form=Predefined | (RD)Reference Document=Supporting

REQUIRED APPROVALS

Approvers' Signature and Approval are recorded electronically and stored via Compliance 360 (C360).

Approvers	Title
Debra Harper	VP, Corporate Compliance Officer
Jennifer Johnson	VP, Corporate Privacy Officer
Frank Bunton	VP, Chief Information Security Officer

Approvals: Time-stamped approvals are recorded electronically and stored via Compliance 360 (C360). Process Management inserts the Approval Audit Record into document before it is finalized and published. Annual Review Approval Audit Records to indicate no process changes of current version were necessary are inserted on last page.

Approver Name	Job Title	Approval Date	Process Document Number	Version Number	EffectiveDate
Johnson, Jennifer	VP, Corporate Privacy Officer & Licensure	12/17/2021 4:56 PM	560-PL-1020	16.0	1/1/2022
Harper, Debra	VP, Corporate Compliance Officer	12/20/2021 6:46 AM	560-PL-1020	16.0	1/1/2022
Bunton, Frank	VP Chief Information Security Officer	12/27/2021 2:54 PM	560-PL-1020	16.0	1/1/2022

DOCUMENT DEFINITIONS

Word/Term	Definition
Breach	An impermissible use or disclosure under the Privacy Rule that compromises the security or privacy of the protected health information.

Employee	Any full or part time individual employed directly by a MedImpact Entity.
HIPAA Regulations	The regulations at 45 CFR Parts 160 and 164 implementing the privacy and security requirements of the Health Insurance Portability and Accountability Act ("HIPAA").
Individually Identifiable Health Information (IIHI)	Information that is a subset of health information, including demographic information collected from an individual, and is (i) created or received by a health care provider, health plan, employer, or health care clearinghouse; and (ii) relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; and (a) that identifies the individual; or (b) with respect to which there is reasonable basis to believe the information can be used to identify the individual.
MedImpact Entity (ies)	MedImpact Holdings, Inc. and its direct and indirect subsidiaries that create, receive, maintain, or transmit PHI, and the MedImpact Healthcare Systems, Inc. Health and Welfare Benefits Plan.
Non-Employee	Any individual not employed by a MedImpact Entity but who performs services for a MedImpact Entity under the direct control of that entity. This definition includes, but may not be limited to, contractors and temporary employees.
Protected Health Information (PHI)	IIHI that is (i) transmitted by electronic media; (ii) maintained in any medium such as magnetic tape, disc, optical file; or (iii) transmitted or maintained in any other form or medium (including but not necessarily limited to paper, voice, Internet, or facsimile). *See Permissible Uses and Disclosures Member PHI #560-PL-1013* for a complete list of all data elements that are considered to be PHI. PHI excludes Individually Identifiable Health Information: (i) in education records covered by the Family Educational Rights and Privacy Act, as amended; (ii) in certain student records as described at 20 U.S.C. 1232g(a)(4)(B)(iv); (iii) in employment records held by a covered entity in its role as employer; and (iv) regarding a person who has been deceased for more than 50 years.
Workforce	As defined in the HIPAA Regulations at 45 CFR 160.103, "workforce" means employees, volunteers, trainees, and other persons whose conduct, in the performance of work for a Covered Entity or Business Associate, is under the direct control of that Covered Entity or Business Associate, whether or not they are paid by the Covered Entity or Business Associate.

PURPOSE	This policy sets forth the MedImpact Entities' standards for training Workforce members regarding the privacy and security of PHI in accordance with the HIPAA Regulations and applicable state laws and regulations.

TABLE OF CONTENTS

1. Scope and Policy Overview

This policy applies to all MedImpact Entities and their Employees and Non-Employees (who together constitute the MedImpact Entity's Workforce, as defined by the HIPAA Regulations). *See Permissible Uses and Disclosures Member PHI #560-PL-1013* for a complete list of all data elements that are considered to be PHI.

The HIPAA Regulations establish requirements that mandate privacy and security training for all new and existing Employees and Non-Employees that handle/process PHI.

The MedImpact Entities have established ongoing training and education for new and existing Employees and Non-Employees on their privacy and security policies and procedures. The general privacy and security training includes an overview of the MedImpact Entities' privacy and security policies and procedures and the applicable requirements of the HIPAA Regulations in relation to the MedImpact Entities' handling of PHI.

Employees and Non-Employees in specific functional areas may receive specialized training on certain topics concerning the uses and disclosures and safeguarding of PHI to effectively carry out their roles and responsibilities. Certain Employees and Non-Employees may be required to take additional and/or refresher training, such as in response to a privacy or security incident in which they were involved.

The MedImpact Entities update their privacy and security policies and procedures as necessary and appropriate to comply with regulatory changes, changes in business operations, and changes in their business or legal environment, and they train Employees and Non-Employees on the new policies and procedures.

Training materials are reviewed and updated as necessary or appropriate. The formal privacy and security training provided to all Employees and Non-Employees is reviewed and, as appropriate, updated at least annually.

2. Training Responsibility

The MedImpact Entities' Privacy/Compliance and Security contacts work together to**:**

- Develop and maintain privacy and security training courses and educational materials for their Employees and Non-Employees;
- Identify and provide specialized department specific training/education, as needed; and
- Determine whether additional or modified training is required based on changes in their business operations and/or regulatory environment, as well as their experience of privacy incidents, breaches, audits or other reasons that may warrant supplemental or updated training.

3. Training Contents and Frequency

The MedImpact Entities provide privacy and security awareness training and other communications for Employees and Non-Employees as follows:

- New hire training within ninety (90) days of start date.
- Annual formal privacy and security training for all Employees and Non-Employees. This includes training on any relevant regulatory changes and/or changes made to the MedImpact Entities' privacy and security policies and procedures
- Specialized training and communications that focus on appropriate uses and disclosures of, and safeguards for, PHI relative to specific job responsibilities and functions.
- Communications including, but not limited to, electronic training, educational tools, intranet postings, and group or individual presentations or discussions for all levels of Employees and Non-Employees.
- All MedImpact Entities' privacy and security policies and procedures, and educational tools, are posted on the Corporate Compliance/HIPAA Compliance Program intranet site.

4. HIPAA Regulations Resources

Policies and procedures and standard definitions relating to specific HIPAA Regulations and related requirements are available on the company Corporate Compliance/HIPAA Compliance Program intranet site. The Privacy/Compliance contact for each MedImpact Entity is available to answer questions or provide additional information regarding applicable requirements or policies and procedures.

5. Documentation and Policy and Procedure Enforcement

Documentation of training, including the training materials used, the names of the Employees and Non-Employees who took the training, and the date of the training is retained by the Human Resources Department for each MedImpact Entity for a period of at least six (6) years from the date the documentation was created or was last in effect, whichever is later, as required by 45 CFR 164.530(j).

It is the responsibility of all Employees and Non-Employees to adhere to the MedImpact Entities' policies and procedures. If an Employee or Non-Employee's actions are determined to be outside the scope or in violation of these policies and procedures, the specific issue will be addressed with the Employee or Non-Employee's direct supervisor, and / or with representatives from the Human Resources Department and the MedImpact Entity Privacy/Compliance contact in accordance with the *Sanctions Policy for Violations of Privacy or Security Policies and Procedures* and must be promptly reported to Privacy.SecurityTeam@medimpact.com.

RELATED EXTERNAL REFERENCES	
Name	**Link**
45 CFR 160	http://www.ecfr.gov/cgi-bin/text-idx?SID=5814b94aaac03eba6d3b328750194158&mc=true&node=pt45.1.160&rgn=div5
45 CFR 164	http://www.ecfr.gov/cgi-bin/text-idx?SID=5814b94aaac03eba6d3b328750194158&mc=true&node=pt45.1.164&rgn=div5
HITECH Act	http://www.healthit.gov/policy-researchers-implementers/health-it-legislation

CHANGE HISTORY / VERSION CONTROL	
Version	**Comments**
8.0	Updating previous policy and procedure numbers and defined terms.
9.0	Updating defined terms and process. (J. Johnson 10/2016)
10.0	Adjustment of Effective Date to precede required annual employee HIPAA training and minor edits (J. Johnson 3/2017)
11.0	Adjustment of Effective Date to precede required annual employee HIPAA training (J. Johnson 11/2017)
12.0	Adjustment of Effective Date to precede required annual employee HIPAA training (J. Johnson 1/2019)
13.0	Updated Effective Date, definitions, scope, and expanded content (J. Johnson 7/2019).
14.0	Effective Date Changes (J. Johnson 12/2019)
15.0	Content and Effective Date Changes (J. Johnson 12/2020)
16.0	Effective Date Changes and minor updates (J. Johnson 12/2021)

* *Annual Review Approval Audit Records – no document content/process updates made*: Audit Record inserted by Process Management before document is finalized and published.

DOCUMENT TITLE	**Sanctions Policy for Violations of Privacy or Security Policies and Procedures**				
DOCUMENT #	560-PL-1089	**VERSION**	4.0	**SUPERSEDES**	3.0
PROCESS OWNER	Jennifer Johnson, VP Corporate Privacy Officer			**EFFECTIVE DATE:**	**January 1, 2022**
EXTERNAL SHARING	YES ☒	NO ☐		**PRINTING ALLOWED**	Yes
SHARE WITH	Regulatory Agencies ☒ Clients ☒ Other ☐				

SUPPORTING DOCUMENTATION	
Document #	**Document Title**
210-PL-1007	IT Security Policy
560-PL-1013	Permissible Uses and Disclosures of Member PHI
500-PL-1001	Corporate Social Media Policy
210-PL-1085	Compliance and Enforcement Language Policy
	Code of Ethics and Business Conduct
	Corporate Compliance Manual
	Employee Handbook
(PL)Policy=Rule | (PD)Procedure=Action | (FD)Flow Diagram=Visual (WI)Work Instruction=Details | (FM)Form=Predefined | (RD)Reference Document=Supporting	

REQUIRED APPROVALS

Approvers' Signature and Approval are recorded electronically and stored via Compliance 360 (C360).

Approvers	**Title**
Debra Harper	VP, Corporate Compliance Officer
Jennifer Johnson	VP, Corporate Privacy Officer
Frank Bunton	Vice President, Chief Information Security Officer
Christian Hasten-Graca	Director, Human Resources

Approvals: Time-stamped approvals are recorded electronically and stored via Compliance 360 (C360). Process Management inserts the Approval Audit Record into document before it is finalized and published. Annual Review Approval Audit Records to indicate no process changes of current version were necessary are inserted on last page.

Approver Name	Job Title	Approval Date	Process Document Number	Version Number	EffectiveDate
Johnson, Jennifer	VP, Corporate Privacy Officer & Licensure	12/17/2021 4:56 PM	560-PL-1089	4.0	1/1/2022
Harper, Debra	VP, Corporate Compliance Officer	12/20/2021 6:46 AM	560-PL-1089	4.0	1/1/2022
Hasten-Graca, Christian	Director Human Resources	12/20/2021 8:44 AM	560-PL-1089	4.0	1/1/2022
Bunton, Frank	VP Chief Information Security Officer	12/27/2021 2:42 PM	560-PL-1089	4.0	1/1/2022

DOCUMENT DEFINITIONS	
Word/Term	**Definition**
Employee	Any full or part time individual employed directly by a MedImpact Entity.
HIPAA Regulations	Regulations issued pursuant to the Health Insurance Portability and Accountability Act of 1996, including the Privacy and Security Rules at 45 CFR §§ 160 & 164.
Individually Identifiable Health Information (IIHI)	Information that is a subset of health information, including but not limited to demographic information such as name, address, telephone number, birth date, collected from an Individual, and (1) is created by or received from a health care provider, a health plan, employer, or health care clearinghouse and (2) relates to past, present, or future physical or mental health or condition of an Individual, the provision of health care to an Individual, or the past, present, or future payment for the provision of health care to an Individual, and (i) which identifies the Individual, or (ii) with respect to which there is a reasonable basis to believe that the information can be used to identify the Individual.
Individual	The person who is the subject of the PHI.
Individually Identifiable Health Information (IIHI)	Information that is a subset of health information, including demographic information collected from an individual, and is (i) created or received by a health care provider, health plan, employer, or health care clearinghouse; and (ii) relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; and (a) that identifies the individual; or (b) with respect to which there is reasonable basis to believe the information can be used to identify the individual.

MedImpact Entity(ies)	MedImpact Holdings, Inc. and its direct and indirect subsidiaries that create, receive, maintain, or transmit PHI, and the MedImpact Healthcare Systems, Inc. Health and Welfare Benefits Plan.
Non-Employee	Any individual not employed by a MedImpact Entity but who performs services for a MedImpact Entity under the direct control of that entity. This definition includes, but may not be limited to, contractors, and temporary employees.
Privacy Rule	The Standards for the Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164.
Protected Health Information (PHI)	IIHI that is (i) transmitted by electronic media; (ii) maintained in any medium such as magnetic tape, disc, optical file; or (iii) transmitted or maintained in any other form or medium (including but not necessarily limited to paper, voice, Internet, or facsimile). PHI excludes Individually Identifiable Health Information: (i) in education records covered by the Family Educational Rights and Privacy Act, as amended; (ii) in certain student records as described at 20 U.S.C. 1232g(a)(4)(B)(iv); (iii) in employment records held by a covered entity in its role as employer; and (iv) regarding a person who has been deceased for more than 50 years.
Security Rule	Security Standards at 45 CFR Parts 160 and 164, Subpart C.
Workforce	As defined in the HIPAA Regulations in 45 CFR 160.103, "workforce" means employees, volunteers, trainees, and other persons whose conduct, in the performance of work for a Covered Entity or Business Associate, is under the direct control of that Covered Entity or Business Associate, whether or not they are paid by the Covered Entity or Business Associate.

PURPOSE	The purpose of this document is to establish written guidelines for undertaking disciplinary or corrective action against an Employee or Non-Employee who violates the privacy or security policies and procedures of the MedImpact Entities.

Table of Contents

1. Scope and Policy Overview

This policy applies to all MedImpact Entities and their Employees and Non-Employees (who together constitute the MedImpact Entity's Workforce, as defined by HIPAA Regulations).

The MedImpact Entities provide pharmacy benefits management and related services to employers, health plans and other payers which may involve access to Protected Health Information (PHI). The MedImpact Entities' privacy and security policies and procedures are not an employment contract in any form, although adherence to these policies and procedures is a condition of employment. Nothing contained in this policy alters in any way the "at-will" nature of all employment with MedImpact Entities. Employees understand that there is no fixed duration and there are no fixed terms or conditions to the employment relationship. MedImpact Entities are at-will employers. This means that either the employee or MedImpact Entities may end the employment relationship for any reason, with or without cause, and with or without notice, notwithstanding any provisions set forth in this policy.

1. All Employees and Non-Employees of a MedImpact Entity are expected to comply with that MedImpact Entity's privacy and security policies and procedures, and to adhere to applicable legal requirements while performing their duties on behalf of the MedImpact Entity. Failure to do so for Employees may result in disciplinary action, including oral or written warnings, suspensions, and/or termination of employment. Failure to do so for Non-Employees may result in reporting to, and disciplinary action by, the Temporary Agency for Temporary employees, or termination of the assignment or the consulting engagement. The disciplinary guidelines are set forth below and are publicized through a variety of means (e.g., Code of Conduct, compliance training, Intranet website, communications, etc.).

2. Violations must be reported immediately.

3. Violation of any of the MedImpact privacy and security policies and procedures may result in disciplinary action, and may subject the Employee or Non-Employee to corrective

measures, up to and including separation from employment for Employees, or termination of assignment/consulting engagement for Non-Employees. Such violation may also involve civil and/or criminal prosecution under applicable state and/or federal laws.

4. Guidelines
While the guidelines listed below may be used at management's discretion, they do not constitute a prescribed order of progressive action. MedImpact Entities may bypass all or some disciplinary stages and may base disciplinary action on the severity, frequency, or combination of infractions when circumstances warrant.

2. Termination of Employment, Assignment or Consulting Engagement

After a review is conducted, it may be determined that certain offenses may result in termination of employment, or termination of the consulting engagement assignment. Such wrongdoing includes, but is not limited to, the following:

- knowingly using or disclosing PHI for a purpose not permitted by the Privacy Policies and Procedures;
- failure to report a use or disclosure of PHI that the Workforce member knows, or a reasonable person would have known, is impermissible;
- deliberate failure to safeguard PHI or reckless disregard for the security of PHI.

Conduct that may otherwise result in termination may result in less severe disciplinary action if it is self-reported or if the violator cooperated fully during the investigation. However, self-reporting does not create immunity from termination or other disciplinary action.

Less severe disciplinary action may include, but is not limited to, oral or written warnings or suspension without pay. It may also include mandatory additional privacy and/or security training.

An Employee or Non-Employee does not violate a MedImpact Entity's privacy and security policies and procedures and no retaliatory action will be taken against an Employee or Non-Employee, when he/she does any the following:

- testifies, or assists or participates in a government agency audit or pursuant to a lawfully issued subpoena;
- opposes, in good faith and in a reasonable manner, any act made unlawful by HIPAA Regulations provided PHI is not disclosed in violation of the HIPAA Regulations;
- he/she takes action in connection with filing a complaint with the Office of Civil Rights, U.S. Department of Health and Human Services as provided by HIPAA;
- discloses PHI as a whistleblower to a health oversight agency, public health authority or an attorney retained by the Employee or Non-Employee in connection with the whistleblower activity provided the Employee or Non-Employee has a good faith belief the MedImpact Entity has acted unlawfully; or

- the Employee or Non-Employee is a victim of a crime and discloses PHI to law enforcement when the PHI concerns a suspected perpetrator and is limited to the information allowed under federal law.

3. Procedure Overview

1. It is the responsibility of every Workforce member to adhere to the MedImpact Entity's privacy and security policies and procedures.

2. All suspected actions deemed outside the scope of, or in violation of, a MedImpact Entity's privacy and security policies and procedures must be promptly reported to the Employee's supervisor or Non-Employee's MedImpact contact, and MedImpact Entity's Privacy/Compliance contact. Reports may also be made to Privacy.SecurityTeam@medimpact.com. Depending on the nature of the suspected or alleged violation, the MedImpact Entity's Privacy/Compliance contact will coordinate further with other relevant departments, to include Human Resources (HR), IT Security, as needed.

3. Any disciplinary action may be taken by the HR Department (or by the Temporary Agency in the case of Temporary Employees) in collaboration with management and the Privacy/Compliance contact, as applicable. In taking disciplinary action, various factors may be considered, including but not limited to, the severity of the offense, whether it is a repeat offense, the harm caused, the amount and type of PHI involved, whether the Employee or Non-Employee self-reported the violation and any other relevant factors.

4. The HR Department will document any Employee and Non-Employee disciplinary action in their employment records (in the case of Employees), capturing the date the violation was reported, a description of the violation, the date of investigation, a summary of findings, disciplinary action taken, and the date it was taken. The HR Department will provide a copy to the Privacy/Compliance contact(s).

4. HIPAA Regulations Resources

Policies and procedures and standard definitions relating to specific HIPAA Regulations and related requirements are available on the Corporate Compliance/HIPAA Compliance Program Intranet site. The Privacy/Compliance contact for each MedImpact Entity is available to answer questions or provide additional information regarding applicable requirements or policies and procedures.

5. Documentation and Policy and Procedure Enforcement

Documentation of all BAAs with BAs in the case of MedImpact Entities acting in a CE capacity and all Subcontractor BAAs in the case of MedImpact Entities acting in a BA capacity will be maintained for a period of six years from the date created or last in effect, whichever is later.

It is the responsibility of all Employees and Non-Employees to adhere to the MedImpact Entities' policies and procedures. If an Employee or Non-Employee's actions are determined to be outside the scope or in violation of these policies and procedures, the specific issue will be addressed with the Employee or Non-Employee's direct supervisor, and / or with representatives from the Human Resources Department and MedImpact Entity Privacy/Compliance contact in accordance with the *Sanctions Policy for Violations of Privacy or Security Policies and Procedures* and must be promptly reported to Privacy.SecurityTeam@medimpact.com.

RELATED EXTERNAL REFERENCES	
Name	**Link**
N/A	N/A

CHANGE HISTORY / VERSION CONTROL	
Version	**Comments**
1.0	NEW document provided by J. Johnson 6/2019
2.0	Updated Effective Date and made minor changes (J. Johnson 12/2019)
3.0	Effective Date Change (J. Johnson 12/2020)
4.0	Effective Date Changes and minor updates (J. Johnson 12/2021)

* *Annual Review Approval Audit Records – no document content/process updates made***:** Audit Record inserted by Process Management before document is finalized and published.

DOCUMENT TITLE	**Documentation of Equivalent Alternative Measures to Encryption for Certain Transmissions of PHI**				
DOCUMENT #	560-PL-1090	**VERSION**	4.0	**SUPERSEDES**	3.0
PROCESS OWNER	Jennifer Johnson, VP, Corporate Privacy Officer			**EFFECTIVE DATE:**	January 1, 2022
EXTERNAL SHARING	YES ☒	NO ☐		**PRINTING ALLOWED**	Yes
SHARE WITH	Regulatory Agencies ☒ Clients ☒ Other ☐				

SUPPORTING DOCUMENTATION	
Document #	**Document Title**
560-PL-1013	Uses and Disclosures of PHI
560-PD-1018	Protection of PHI
560-RD-1057	High Quality PHI Safeguard Standards
210-PL-1007	IT Security Policy
560-PL-1089	Sanctions Policy for Violations of Privacy and Security Policies and Procedures
(GD)Guide=Overview | (PL)Policy=Rule | (PD)Procedure=Action | (FD)Flow Diagram=Visual (WI)Work Instruction=Details | (FM)Form=Predefined | (RD)Reference Document=Supporting	

REQUIRED APPROVALS

Approvers' Signature and Approval are recorded electronically and stored via Compliance 360 (C360).

Approvers	**Title**
Debra Harper	VP, Corporate Compliance Officer
Jennifer Johnson	VP, Corporate Privacy Officer
Frank Bunton	VP, Chief Information Security Officer

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Approver Name	Job Title	Approval Date	Process Document Number	Version Number	EffectiveDate
Johnson, Jennifer	VP, Corporate Privacy Officer & Licensure	12/17/2021 4:56 PM	560-PL-1090	4.0	1/1/2022
Harper, Debra	VP, Corporate Compliance Officer	12/20/2021 6:47 AM	560-PL-1090	4.0	1/1/2022
Bunton, Frank	VP Chief Information Security Officer	12/27/2021 2:48 PM	560-PL-1090	4.0	1/1/2022

DOCUMENT DEFINITIONS	
Word/Term	**Definition**
Employee	Any individual employed on a full-time or part-time basis by a MedImpact Entity
HIPAA Regulations	The regulations at 45 CFR Parts 160 and 164 implementing the privacy and security requirements of the Health Insurance Portability and Accountability Act ("HIPAA").
Individually Identifiable Health Information (IIHI)	Information that is a subset of health information, including demographic information collected from an individual, and is (i) created or received by a health care provider, health plan, employer, or health care clearinghouse; and (ii) relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; and (a) that identifies the individual; or (b) with respect to which there is reasonable basis to believe the information can be used to identify the individual.
Members/Patients	The natural person who is the subject of PHI. May also be referred to as "Member" when the PHI relates to a member of a Plan.
Minimum Necessary	When using or disclosing protected health information or when requesting protected health information from another covered entity or business associate, a CE or business associate must make reasonable efforts to limit protected health information to the minimum necessary to accomplish the intended purpose of the use, disclosure, or request. This does not apply to certain uses and disclosures, such as for treatment purposes or disclosures made to the individual.
Non-Employee	Any individual not employed by a MedImpact Entity but who performs services for a MedImpact Entity under the direct control of that entity. This definition includes, but may not be limited to, contractors and temporary employees.
Protected Health Information (PHI)	Individually identifiable health information that is (i) transmitted by electronic media; (ii) maintained in any medium such as magnetic tape, disc, optical file; or (iii) transmitted or maintained in any other form or medium (including but not necessarily limited to paper, voice, Internet, or facsimile). *See Permissible Uses and Disclosures Member PHI #560-PL-1013* for a complete list of all data elements that are considered to be PHI. PHI excludes Individually Identifiable Health Information: (i) in education records covered by the Family Educational Rights and Privacy Act, as amended; (ii) in certain student records as described at 20 U.S.C. 1232g(a)(4)(B)(iv); (iii) in employment records held by a covered entity in its role as employer; and (iv) regarding a person who has been deceased for more than 50 years.

Required by Law	A mandate contained in law that compels an entity to make a use or disclosure of protected health information and that is enforceable in a court of law. *Required by law* includes, but is not limited to, court orders and court-ordered warrants; subpoenas or summons issued by a court, grand jury, a governmental or tribal inspector general, or an administrative body authorized to require the production of information; a civil or an authorized investigative demand; Medicare conditions of participation with respect to health care providers participating in the program; and statutes or regulations that require the production of information, including statutes or regulations that require such information if payment is sought under a government program providing public benefits.
Security Rule	Security Standards at 45 CFR Parts 160 and 164, Subpart C.
Unsecured Protected Health Information (PHI)	PHI that is not rendered unusable, unreadable, or indecipherable to unauthorized persons through the use of a technology or methodology specified by HHS in the guidance issued under section 13402(h)(2) of Public Law 111-5.
Use	The sharing, employment, application, utilization, examination, or analysis of information within an entity that maintains such information.
Workforce	As defined in the HIPAA Regulations at 45 CFR 160.103, "workforce" means employees, volunteers, trainees, and other persons whose conduct, in the performance of work for a Covered Entity or Business Associate, is under the direct control of that Covered Entity or Business Associate, whether or not they are paid by the Covered Entity or Business Associate.

PURPOSE	The purpose of this document is to outline the equivalent alternative measures implemented by MedImpact Entities for certain transmissions of electronic Protected Health Information (PHI) by text or email when encryption is deemed not to be reasonable and appropriate.

Table of Contents

1. Scope and Policy

This policy applies to all MedImpact Entities and their Employees and Non-Employees (who together constitute the MedImpact Entity's Workforce, as defined by the HIPAA Regulations). *See Permissible Uses and Disclosures Member PHI #560-PL-1013* for a complete list of all data elements that are considered to be PHI.

The HIPAA Regulations establish requirements regarding permitted uses or disclosures of PHI. MedImpact Entities maintain appropriate processes to protect and safeguard PHI in accordance with the HIPAA Regulations. In accordance with *560-PD-1018, Protection of PHI,* MedImpact Entities require that any transmission of electronic PHI is done in a secure manner. For email transmissions, this means that the email must be encrypted using one of the MedImpact Entities' encrypted email solutions and for texts this means that PHI generally may not be included in texts.

However, MedImpact Entities have determined that for certain communications that contain PHI, encryption is not reasonable and appropriate. This determination is based on the fact that members and/or patients frequently do not open messages that require that they use a secure portal or similar additional steps. In addition, many members and/or patients prefer communication to their cell phones and are more likely to read and respond to text messages. Since the communications to members/patients are often for adherence and related treatment or health improvement purposes, it is critical that members and/or patients read and, as applicable, respond to them.

Since encryption for security transmission in 45 CFR 164.312(e)(2)(ii) is an addressable specification, the MedImpact Entities have followed the requirements for addressable specifications in 45 CFR 164.306(d)(3), and made the determination that encryption is not a reasonable and appropriate safeguard in their environment for the communications to members/patients, when analyzed with reference to the likely contribution to protecting electronic PHI and the impact on patient care and health outcomes, since using encryption would result in Members and/or Patients being less responsive to the communications, which would adversely affect their health. Instead, for the communications in question, the MedImpact Entities have adopted the following equivalent alternative measures, which they have determined to be reasonable and appropriate safeguards in the circumstances:

1. Only minimal PHI will be included in the communication. The amount of PHI will be limited to what is strictly necessary to enable the Member and/or Patient to know the medication being communicated about while limiting the risk of harm in the event an unauthorized entity obtains access to the communication. For example, no full drug names, prescription numbers or member IDs will be included in the messages. Instead, drug names, prescription numbers and/or member IDs, if any, will be truncated so as to include only the first or last few letters/numbers.

2. Members and/or Patients will be advised at the time they provide their email addresses and/or cell phone numbers that these will be used for communications that may contain PHI.

3. Members and/or Patients will be warned at the time they provide their email addresses and/or cell phone numbers that emails and texts, are not secure forms of communication and that there is a risk that they may be intercepted by unauthorized parties.

4. Members and/or Patients will have the option to receive these types of communications without any PHI included in the body of the email or text and the ability to sign in to a secure portal to obtain the communication with the PHI included. Members and/or Patients also retain the right to request any communication of PHI by alternate means or to alternative locations and reasonable requests will be accommodated by MedImpact Entities in accordance with the MedImpact Entities' *Policy on Individual Rights*.

5. The MedImpact Entity will verify the patient email address or cell phone number before sending the communications in question to ensure that they are correct.

Note: The above requirements are intended to address the HIPAA Security Rule requirements only.

The MedImpact Entities' Privacy/Compliance and Security contacts will determine which communications fall under this Procedure and exactly what PHI may be included in the communications in question. Employees and Non-Employees may not make this determination on their own. The MedImpact Entities will review the above safeguards on a regular basis to determine whether any modifications are necessary or appropriate to ensure that they remain reasonable and appropriate in protecting the electronic PHI involved while also ensuring that the communications in question are effectively delivered so that patient care is not compromised.

2. HIPAA Regulations Resources

Policies and procedures and standard definitions relating to specific HIPAA Regulations and related requirements are available on the MedImpact Entities' Intranet site under the Corporate Compliance/HIPAA Compliance Program Section. The Privacy/Compliance contact for each MedImpact Entity is available to answer questions or provide additional information regarding applicable requirements or policies and procedures.

3. Documentation and Policy and Procedure Enforcement

Documentation of these alternative equivalent measures is retained for a period of at least six (6) years from the date the documentation was created or was last in effect, whichever is later, as required by 45 CFR 164.530(j).

It is the responsibility of all Employees and Non-Employees to adhere to the MedImpact Entities' policies and procedures. If an Employee or Non-Employee's actions are determined to be outside the scope or in violation of these policies and procedures, the specific issue will be addressed with the Employee or Non-Employee's direct supervisor, and / or with representatives from the Human Resources Department and the MedImpact Entity Privacy/Compliance contact in accordance with the *Sanctions Policy for Violations of Privacy or Security Policies and Procedures* and must be promptly reported to Privacy.SecurityTeam@medimpact.com.

RELATED EXTERNAL REFERENCES	
Name	**Link**
N/A	N/A

CHANGE HISTORY / VERSION CONTROL	
Version	**Comments**
1.0	NEW Document (J. Johnson 8/1/2019)
2.0	Effective Date Changes (J. Johnson 12/2019)
3.0	Effective Date Changes (J. Johnson 12/2020)
4.0	Effective Date Changes (J. Johnson 12/2021)

** Annual Review Approval Audit Records – no document content/process updates made*: Audit Record inserted by Process Management before document is finalized and published.

APPENDIX I: INTERNAL REPORTING AND BUSINESS ASSOCIATE RESPONSIBILITIES

DOCUMENT TITLE	**Internal Reporting – Potential Impermissible Use or Disclosure and/or Breach of Member PHI**				
DOCUMENT #	560-PD-1019	**VERSION**	17.0	**SUPERSEDES**	16.0
PROCESS OWNER	Jennifer Johnson, VP, Corporate Privacy Officer			**EFFECTIVE DATE:**	January 1, 2022
EXTERNAL SHARING	YES ☒	NO ☐		**PRINTING ALLOWED**	Yes
SHARE WITH	Regulatory Agencies ☒ Clients ☒ Other ☐				

SUPPORTING DOCUMENTATION	
Document #	**Document Title**
560-PL-1013	Permissible Uses and Disclosures of PHI
560-PL-1089	Sanctions Policy for Violations of Privacy or Security Policies and Procedures
210-PL-1085	Compliance and Enforcement Language Policy
(GD)Guide=Overview | (PL)Policy=Rule | (PD)Procedure=Action | (FD)Flow Diagram=Visual (WI)Work Instruction=Details | (FM)Form=Predefined | (RD)Reference Document=Supporting	

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Johnson, Jennifer	VP, Corporate Privacy Officer & Licensure	12/17/2021 4:55 PM	560-PD-1019	17.0	1/1/2022
Harper, Debra	VP, Corporate Compliance Officer	12/20/2021 6:45 AM	560-PD-1019	17.0	1/1/2022
Bunton, Frank	VP Chief Information Security Officer	12/27/2021 2:45 PM	560-PD-1019	17.0	1/1/2022

DOCUMENT DEFINITIONS	
Word/Term	**Definition**

Account Executive (AE)	Employee assigned to manage contracted Client accounts.
Breach	An impermissible use or disclosure under the Privacy Rule that compromises the security or privacy of the protected health information.
Business Associate (BA)	A business associate (BA) is any person or entity that performs services (directly or on behalf of another BA) for a CE that involve the use or disclosure of PHI. A BA does not include a person who performs services as a member of the Workforce of an entity or a health care provider that receives PHI for treatment purposes. A Subcontractor is a type of BA.
Business Associate Agreement (BAA)	An agreement between a CE and a BA that describes the permitted uses and disclosures of the CE's PHI and other responsibilities of the BA with respect to PHI (e.g., reporting impermissible uses and disclosures of PHI and responding to Individual requests related to their PHI).
Client	A CE or BA of a CE for which a MedImpact Entity is the BA or Subcontractor, respectively.
Client Services Manager (CSM)	Employee assigned to manage contracted Client accounts.
Covered Entity (CE)	Health plans, health care clearinghouses, and health care providers who electronically transmit any health information in connection with transactions for which HHS has adopted standards.
Deliberate Impermissible Use or Disclosure	An Impermissible Use or Disclosure of PHI that is intentional. A Deliberate Impermissible Use or Disclosure PHI is non-compliant with the MedImpact Entity's Corporate Compliance Program, any applicable BAA, and federal and state law.
Disclosure	Release, transfer, provision of, access to, or divulging in any other manner of PHI outside the entity holding the information.
Discovery	A Breach is treated as discovered by a MedImpact Entity as of the first day on which it is known to the MedImpact Entity, or, by exercising reasonable diligence would have been known to the MedImpact Entity. MedImpact Entity is deemed to have knowledge of a Breach if the Breach is known, or by exercising reasonable diligence would have been known, to any person, other than the person committing the Breach, who is an Employee or Non-Employee or agent of the MedImpact Entity (determined in accordance with the federal common law of agency).
Employee	Any full or part time Individual employed directly by a MedImpact Entity.
HHS	The Department of Health and Human Services or the Secretary of the Department of Health and Human Services.

HIPAA Regulations	The regulations at 45 CFR Parts 160 and 164 implementing the privacy and security requirements of the Health Insurance Portability and Accountability Act ("HIPAA").
Impermissible Use or Disclosure	The unauthorized (i) use by an Employee or Non-Employee of PHI; or (ii) release, transfer, provision of, access to, or divulging in any other manner of PHI outside the MedImpact Entity to an unauthorized or unintended recipient, as determined by the MedImpact Entity's Privacy/Compliance contact, in accordance with federal and state law. An Impermissible Use or Disclosure may or may not be a Breach. This determination is made by the MedImpact Entity's Privacy/Compliance contact.
Incident	A potential suspected or actual Impermissible Use or Disclosure of PHI, whether deliberate or not, and including but not limited to a Breach.
Individual	The person who is the subject of the PHI in question. Sometimes referred to as a "Member" when dealing with an Individual who is an enrollee in a Plan.
Individually Identifiable Health Information (IIHI)	Information that is a subset of health information, including demographic information collected from an individual, and is (i) created or received by a health care provider, health plan, employer, or health care clearinghouse; and (ii) relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; and (a) that identifies the individual; or (b) with respect to which there is reasonable basis to believe the information can be used to identify the individual.
Internal Report Form (IRF)	Form to be used when informing the Privacy/Compliance contact of an Impermissible Use or Disclosure
Management	Employee or Non-Employee's Department Manager or above (e.g., Director, Vice President, Senior Vice President, etc.).
MedImpact CE	A MedImpact Entity that is a CE and acting in a CE capacity.
MedImpact Entity(ies)	MedImpact Holdings, Inc. and its direct and indirect subsidiaries that create, receive, maintain, or transmit PHI, and the MedImpact Healthcare Systems, Inc. Health and Welfare Benefits Plan.
Non-Employee	Any individual not employed by a MedImpact Entity but who performs services for a MedImpact Entity under the direct control of that entity. This definition includes, but may not be limited to, contractors and temporary employees.
Office of Civil Rights (OCR)	Office of Civil Rights of the Department of Health and Human Services. OCR is responsible for enforcing the HIPAA Regulations and receiving breach notifications from CEs.
Permissible Use or Disclosure	Use or Disclosure of PHI that is permitted by the HIPAA Regulations, applicable state privacy laws and the applicable BAA.

Personal Representative	A person authorized under applicable law to make health decisions on behalf of the Individual. Personal representatives are permitted to exercise all the rights of the Individual with respect to that Individual's PHI. A CE or BA is permitted to not share PHI with a Personal Representative when the CE or BA has a reasonable belief that the Personal Representative may be abusing or neglecting the Individual, or that treating the person as the Personal Representative could otherwise endanger the Individual.
Plan	A health plan that is a Client of a MedImpact Entity. A health plan includes a health insurance company such as a Managed Care Organization (MCO), Health Maintenance Organization (HMO), Preferred Provider Organization (PPO), Medicare Prescription Drug Plan (PDP) or Medicare Advantage-Prescription Drug Plan (MA-PD), an employer sponsored group health plan such as an employer group, or any other entity defined as a health plan in the Privacy Rule. All health plans are Covered Entities.
Privacy Rule	The Standards for the Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164.
Protected Health Information (PHI)	IIHI that is (i) transmitted by electronic media; (ii) maintained in any medium such as magnetic tape, disc, optical file; or (iii) transmitted or maintained in any other form or medium (including but not necessarily limited to paper, voice, Internet, or facsimile). *See Permissible Uses and Disclosures Member PHI #560-PL-1013* for a complete list of all data elements that are considered to be PHI. PHI excludes Individually Identifiable Health Information: (i) in education records covered by the Family Educational Rights and Privacy Act, as amended; (ii) in certain student records as described at 20 U.S.C. 1232g(a)(4)(B)(iv); (iii) in employment records held by a covered entity in its role as employer; and (iv) regarding a person who has been deceased for more than 50 years.
Subcontractor	A person to whom a BA delegates a function, activity, or service for a CE, other than in the capacity of a member of the Workforce of such BA. A Subcontractor is also a type of BA under the HIPAA Regulations. A MedImpact Entity may be considered a Subcontractor to a Client that is a BA of a CE.
Use	The sharing, employment, application, utilization, examination, or analysis of information within an entity that maintains such information.
Unsecured Protected Health Information (PHI)	PHI that is not rendered unusable, unreadable, or indecipherable to unauthorized persons through the use of a technology or methodology specified by HHS in the guidance issued under section 13402(h)(2) of Public Law 111-5.

Workforce	As defined in the HIPAA Regulations at 45 CFR 160.103, "workforce" means employees, volunteers, trainees, and other persons whose conduct, in the performance of work for a Covered Entity or Business Associate, is under the direct control of that Covered Entity or Business Associate, whether or not they are paid by the Covered Entity or Business Associate.

PURPOSE	The purpose of this procedure is to define a process for reporting and responding to Incidents in accordance with the HIPAA Regulations, applicable state laws and, as applicable, Business Associate Agreements ("BAAs").

TABLE OF CONTENTS

1. SCOPE AND PROCESS OVERVIEW

This procedure applies to all MedImpact Entities and their Employees and Non-Employees (who together constitute the MedImpact Entity's Workforce, as defined by the HIPAA Regulations). *See Permissible Uses and Disclosures Member PHI #560-PL-1013* for a complete list of all data elements that are considered to be Protected Health Information ("PHI").

The HIPAA Regulations establish requirements regarding permitted uses or disclosures of PHI. MedImpact Entities maintain appropriate processes to protect and safeguard PHI in accordance with the HIPAA Regulations. The protection of PHI required by law extends to any access, use, transmission or disclosure involving PHI, including but not limited to, email, fax, oral, paper, visual, electronic communications, social media and texting.

The HIPAA Regulations and, as applicable, BAAs entered into by a MedImpact Entity, establish permitted Uses and Disclosures of PHI. Any Use or Disclosure not permitted by the HIPAA Regulations, applicable state law or BAAs, as applicable, must be reported and handled in accordance with this document.

Permissible Uses and Disclosures of PHI are outlined in the *Policy on Permissible Uses and Disclosures of PHI, 560-PL-1013.*

1.1 Take Immediate Mitigation Actions & Report: It is important to take immediate mitigation actions and to report any Incident to the MedImpact Entity's Privacy/Compliance contact. Reports may also be made to Privacy.SecurityTeam@medimpact.com. Review the Corporate Compliance/HIPAA Compliance Program intranet page for ***Immediate Actions*** needed for Incidents involving electronic, hard copy document or phone calls.

https://medimpact.sharepoint.com/sites/Compliance/SitePages/HIPAA%20Compliance%20Program/HIPAA-Compliance-Program.aspx

Immediate Actions when PHI Received by Incorrect/Unauthorized Recipient

Electronic (Email, SFTP, etc.)

- Immediate Actions – Electronic, SFTP, etc.
- Immediate Actions – Secure Message Recall and Deletion Process

2. Incident Internal Reporting and Notification Process

2.1 Employee or Non-Employee Must Immediately Report Any Incident (Accidental or Deliberate)

In the event that an Employee or Non-Employee becomes aware that PHI may have been accessed, used, or disclosed for an impermissible purpose, either accidentally or deliberately, the Employee or Non-Employee must immediately report this Incident to his/her department Management and to the MedImpact Entity's Privacy/Compliance contact.

2.2 Employee and Non-Employee

When an Employee or Non-Employee receives a telephone call or other notice regarding an Incident, the Employee or Non-Employee must gather applicable information outlined in the *Immediate Actions* documents located on the Corporate Compliance /HIPAA Compliance Program intranet site. Report the notice to the applicable MedImpact Entity's Privacy/Compliance Contact, and to the department responsible for the incident, if not owned by the department who received the notice. If the department owner is unknown, the Privacy/Compliance contact will assist in locating the correct department.

2.3 BAs/Subcontractors

MedImpact Entities contract with vendors to perform certain functions/services on behalf of the MedImpact Entity that may require the provision of access to PHI to the vendor. Such vendors are BAs in the case of services performed for a MedImpact Entity that is a Covered Entity (CE) and Subcontractors in the case of a MedImpact Entity that is performing the service as a BA of a Client. In the event a BA/Subcontractor notifies a MedImpact Entity of an Incident, the assigned vendor relationship manager and the MedImpact Entity's Privacy/Compliance contact obtain required reporting information from the BA/Subcontractor and implement and/or require implementation of mitigation and corrective action steps, as appropriate, and, in the case of a Subcontractor, includes relevant information in the Client notification letter. The MedImpact Entity's Privacy/Compliance contact may also contact the vendor directly to ensure all pertinent questions are addressed and mitigation steps taken as required.

2.4 Department Management and Internal Reporting Responsibilities

The department responsible for the Incident must complete an *Internal Reporting Form (IRF*) or similar reporting mechanism. Department Management must review the Incident and, in consultation with the Privacy/Compliance contact, take appropriate action to mitigate the Incident and prevent or reduce the likelihood of similar future occurrences, to include implementing corrective actions, as needed.

The department must submit a completed IRF to the MedImpact Entity's Privacy/Compliance contact ***as soon as possible, but no later than within three (3) business days*** of learning of an Incident unless the Privacy/Compliance contact specifies a different time frame based on the

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circumstances. Department Management must meet with the Employee or Non-Employee(s) involved in the Incident to discuss the Incident and ensure the following elements are addressed:

a. All reporting elements and supporting documentation are gathered before submitting the IRF to the Privacy/Compliance contact;

b. The root cause circumstance(s) and action(s) resulting in the Incident are clearly understood and described in the IRF; and

c. All appropriate mitigation and corrective action steps are identified and implemented, including but not limited to the following:

1. Mitigation of the immediate Impermissible Use or Disclosure;
2. Evaluating existing process for potential process improvements and implementing any appropriate changes; and/or
3. Training Employees and Non-Employees regarding appropriate processes to prevent future similar occurrences and raise team awareness.

2.5 Privacy/Compliance Contact Responsibilities

To ensure consistency across the organization, the MedImpact Entity's Privacy/Compliance contact is responsible for assessing whether a reported Incident is an Impermissible Use or Disclosure, and performing any potential risk assessment, which also considers any state law reporting requirements.

In the case of a MedImpact Entity acting in a BA capacity, the final Breach determination is made by the CE Client, unless the Client delegates this responsibility to the MedImpact Entity under the applicable BAA, in which case the MedImpact Entity's Privacy/Compliance contacts will follow the terms of the applicable BAA and, if required by the BAA, make a Breach determination and document it accordingly.

In the case of a MedImpact Entity that is a CE, the MedImpact Entity's Privacy/Compliance contacts conducts the risk assessment and makes the Breach determination and documents its risk assessment and Breach determination.

Below are the steps used to determine whether an Incident is a Breach in the case of a MedImpact Entity that is a CE or, in the case of a MedImpact Entity acting in a BA capacity, if the responsibility for making that determination is delegated to the MedImpact Entity in the applicable BAA. All steps are performed in accordance with applicable federal and state requirements.

1. First determine whether the Incident involved secured or Unsecured PHI.
2. If the Incident involves Unsecured PHI, determine whether any of the exclusions to the definition of a "Breach" under 45 CFR 164.402 apply.

3. If none of the exclusions apply, determine whether there is a low probability that the PHI has been compromised based on a risk assessment of at least the following four factors:
    (i) The nature and extent of the PHI involved, including the types of identifiers and the likelihood of re-identification;
    (ii) The unauthorized person who used the PHI or to whom the disclosure was made;
    (iii) Whether the PHI was acquired or viewed; and
    (iv) The extent to which the risk to the PHI has been mitigated.
4. If the MedImpact BA's Privacy/Compliance and Security contacts, based on the risk assessment, determines that it cannot demonstrate that there is a low probability that the PHI has been compromised, it will determine that the Incident is a Breach in the case of a MedImpact Entity that is a CE.

    If the MedImpact Entity's Privacy/Compliance contact determines that the Incident is a Breach under the HIPAA Regulations or applicable state law, it will perform the required notifications (see Exhibit A).

    In the case of a MedImpact Entity acting in a BA capacity, the Privacy/Compliance contact also confirms the notification requirements as specified in any applicable BAAs, confirms the Client/CE notification method with the AE/CSM, where applicable, notifies department Management of the determination (along with additional detail provided below), and provides department Management instructions regarding how to complete and send the Client notification letter. The MedImpact Entity's Privacy/Compliance contact is responsible for maintaining all Incident records and reporting summary incidents to the Corporate Compliance Office. ***Note:*** *Not all Impermissible Uses or Disclosures of PHI qualify as a Breach under the HIPAA Regulations.*

2.6 Department Management Actions Required for Reporting an Incident Externally

Department Management follows the instructions from the MedImpact Entities' Privacy/Compliance contact notifying department Management that a determination has been made that an Impermissible Use or Disclosure has occurred.

2.7 Employees and Non-Employees in Training

Department Management is required to provide department-specific privacy process training to Employees and Non-Employees, including those who are in training from a different department. If an Employee or Non-Employee in training is involved in an Impermissible Use or Disclosure where the MedImpact Entity is acting in a BA capacity, the direct supervisor of the Employee or Non-Employee and the Department Manager must both co-sign the Impermissible Use or Disclosure Notification Letter to the Client/CE, where applicable.

3. Deliberate Impermissible Uses, Disclosures of PHI

Deliberate impermissible Uses and Disclosures of PHI are *never tolerated* and considered blatant and intentional non-compliant behavior that is in violation of the MedImpact Entity's Corporate Compliance Program. Employees and Non-Employees shall not access, download, use or disclose any PHI in any format (e.g., electronic, photo, social media, texting, or otherwise) out of curiosity or for other purposes not within the scope of their job functions. Any such improper conduct is addressed in accordance with the Policy and Procedure Enforcement section of this Procedure and the MedImpact Entities' *Sanctions Policy for Violations of Privacy or Security Policies and Procedures*. MedImpact Entities maintain an internal process to report Deliberate Impermissible Uses, Disclosures and/or Breaches to the Corporate Compliance Office in addition to the Privacy/Compliance contact. Information on recognizing and reporting potential corporate non-compliance is available on the MedImpact Entities' Intranet in the Corporate Compliance section under "Voice a Concern."

4. HIPAA Regulations Resources

Policies and procedures and standard definitions relating to specific HIPAA Regulations and related requirements are available on the company Corporate Compliance/HIPAA Compliance Program intranet site. The MedImpact Entity's Privacy/Compliance contact is available to answer questions or provide additional information regarding applicable requirements or policies and procedures.

5. Documentation and Policy and Procedure Enforcement

All required documentation related to the Incident, including the reporting, logging and notifications regarding the incident, risk assessment and, as applicable, Breach determination, and any mitigation, corrective actions and sanctions, as appropriate, are maintained by the applicable Privacy/Compliance contact or a period of at least six years from the date created or when last in effect, whichever is longer.

It is the responsibility of all Employees and Non-Employees to adhere to the MedImpact Entities' policies and procedures. If an Employee or Non-Employee's actions are determined to be outside the scope or in violation of these policies and procedures, the specific issue will be addressed with the Employee or Non-Employee's direct supervisor, and / or with representatives from the Human Resources Department and MedImpact Entity Privacy/Compliance contact, in accordance with the *Sanctions Policy for Violations of Privacy or Security Policies and Procedures,* and must be promptly reported to Privacy.SecurityTeam@medimpact.com.

EXHIBIT A – REQUIRED NOTIFICATIONS IN THE EVENT OF A BREACH

In the case of a MedImpact Entity that is a CE, it will make the notifications provided below. In the case of a MedImpact Entity acting in a BA capacity, the Client and MedImpact Entity will mutually agree upon roles and responsibilities, including but not limited to, notifications to Individuals and OCR, notification letter signature and logo, call center responsibility, and identity protection services if applicable, and in accord with the Business Associate Agreement.

Notification to Individuals

A. Contents of the Notification

The notification will include, to the extent possible:

- A brief description of what happened, including the date of the Breach and the date of the discovery of the Breach, if known;
- A description of the types of Unsecured PHI involved in the Breach;
- Any steps Individuals should take to protect themselves from potential harm resulting from the Breach;
- A brief description of what the MedImpact Entity is doing to investigate the Breach, to mitigate harm to Individuals, and to protect against any further Breaches; and
- Contact procedures for Individuals to ask questions or learn additional information, such as a toll-free telephone number, an e-mail address, Web site, or postal address.

B. The notification to Individuals will be written in plain language.

C. The MedImpact Entity will provide notification in the following way(s):

1. Forms of Notification - Individuals will be notified by written notification as described in 1 below unless there is insufficient or out-of-date contact information that precludes written notification, in which case substitute notification will be provided as described in subsection 1(b) below.

a. Written Notice - The MedImpact Entity will provide written notification by first-class mail to the Individual at the last known address of the Individual or, if the Individual agrees to electronic notice and this agreement has not been withdrawn, by electronic mail. The notification may be provided in one or more mailings as information is available.

If the MedImpact Entity knows the Individual is deceased and has the address of the next of kin or Personal Representative of the Individual, it will provide written notification by first-class mail to either the next of kin or Personal Representative of the Individual. The notification may be provided in one or more mailings as information is available.

b. Substitute Notice - If the MedImpact Entity has insufficient or out-of-date contact information that precludes written notification to the Individual, the MedImpact Entity will provide a substitute form of notice reasonably calculated to reach the Individual. It is not required to provide substitute notification to the next of kin or Personal Representative of the Individual (in those cases where it does not have sufficient information to provide written notice to them).

Where the MedImpact Entity has insufficient or out-of-date contact information for fewer than 10 Individuals, the MedImpact Entity will provide substitute notice by an alternative form of written notice, telephone, or other means. If notice is provided via telephone and the Individual is not available, the MedImpact Entity representative will state the MedImpact Entity's name and return toll free number and indicate it is a very important message, but will not leave any PHI or additional information that could alarm/inform other household residents.

Where the MedImpact Entity has insufficient or out-of-date contact information for 10 or more Individuals, the MedImpact Entity will provide substitute notice:

(A) In the form of either a conspicuous posting for a period of 90 days on the home page of the Web site of the MedImpact Entity, or conspicuous notice in major print or broadcast media in geographic areas where the Individuals affected by the Breach likely reside; and

(B) Will include a toll-free phone number for at least 90 days where an Individual can learn whether the Individual's Unsecured PHI may be included in the Breach.

c. Additional Notice in Urgent Situations - In any case deemed urgent because of possible imminent misuse of Unsecured PHI, the MedImpact Entity may provide information to Individuals by telephone or other means, as appropriate, in addition to written notice. If notice is provided via telephone and the Individual is not available, the MedImpact Entity representative will state the MedImpact Entity's name and return toll free number and indicate it is a very important message, but will not leave any PHI or additional information that could alarm/inform other household residents

2. Time Frame for Notifications - Based upon the agreed upon role and responsibility in the notification process noted above, the MedImpact Entity will make the required notifications to Individuals without unreasonable delay and in no case later than 60 calendar days after Discovery of a Breach unless law enforcement requires a delay as provided below or, in the case of a MedImpact Entity that is acting in a BA capacity, the BAA requires notification in a shorter time frame.

a. Notification to Media - If the Breach involves the Unsecured PHI of more than 500 residents of a State or jurisdiction and, in the case of a MedImpact Entity acting in a BA capacity, for a single CE, the MedImpact Entity will notify prominent media outlets serving the State or jurisdiction. It will provide the notifications within the same timeframe as it

notifies Individuals. The notice will include the same information as is included in the notice to the Individual.

b. **Notification to OCR -** For Breaches involving 500 or more Individuals, the MedImpact Entity will notify HHS at the same time as it notifies Individuals in the manner and providing the information specified on the HHS website. For Breaches involving less than 500 Individuals, for MedImpact Entities that are CEs, the MedImpact Entity will log the Breach and provide notification to OCR not later than 60 days after the end of each calendar year for all such Breaches discovered during the preceding calendar year, in the manner specified on the OCR web site. If a MedImpact Entity that is acting in a BA capacity agrees in a BAA to be responsible for reporting these breaches on behalf of the CE, it will likewise keep a log of all such Breaches discovered during the year and will submit that log within 60 days after the end of the calendar year, including the information specified on the OCR website.

c. **Law Enforcement Delay -** If a law enforcement official states to the MedImpact Entity that a notification, notice, or posting of a Breach required under this subpart would impede a criminal investigation or cause damage to national security, the MedImpact Entity will:

- If the statement is in writing and specifies the time for which a delay is required, delay such notification, notice, or posting for the time period specified by the official; or
- If the statement is made orally, document the statement, including the identity of the official making the statement, and delay the notification, notice, or posting temporarily and no longer than 30 days from the date of the oral statement, unless a written statement as described in paragraph (a) is submitted during that time.

d. **State Law -** Determine whether the State law reporting requirements are different from those required by the HIPAA Regulations and, if so, what additional information may need to be added to the notifications, what additional steps may need to be taken (e.g. provide credit monitoring services) and what additional agencies or parties may need to be notified and in what manner and time frame so that the MedImpact Entity can comply with these requirements in addition to the above HIPAA Regulation requirements and, in the case of a MedImpact Entity acting in a BA capacity, to the extent required by the applicable BAA.

e. **Additional Actions -** Depending upon the incident and volume of Individuals involved, and where appropriate, may require an appropriate public announcement regarding the Incident; prepare mailings for written or substitute notifications to Individuals as described above; prepare for applicable call intake and volume; identify the applicable toll-free number for Individuals to call regarding their PHI involved in the Breach (or for Individuals to learn whether their PHI was involved if providing substitute notice as provided below); establish a tracking log for complaints and inquiries regarding the issue; and work with IT to establish the

technical process to store information so the Contact Center is able to manage the calls and efficiently/promptly identify Individual records involved.

RELATED EXTERNAL REFERENCES	
Name	**Link**
45 CFR 160	http://www.ecfr.gov/cgi-bin/text-idx?SID=5814b94aaac03eba6d3b328750194158&mc=true&node=pt45.1.160&rgn=div5
45 CFR 164	http://www.ecfr.gov/cgi-bin/text-idx?SID=5814b94aaac03eba6d3b328750194158&mc=true&node=pt45.1.164&rgn=div5
HITECH Act	http://www.healthit.gov/policy-researchers-implementers/health-it-legislation

CHANGE HISTORY / VERSION CONTROL	
Version	**Comments**
	Prior version v8.0- v11.0 retained in C360 History; versions older than v8.0 retained by Department.
12.0	Adjustment of Effective Date to precede required annual employee HIPAA training and minor edits (J. Johnson 11/2017)
13.0	Updated version, effective date, and Approver section updated, adjustment of Effective Date to precede required annual employee HIPAA training (J. Johnson 1/2019)
14.0	Updated content and effective date (J. Johnson 7/2019)
15.0	Updated content, added Exhibit A and Exhibit B, and updated effective date (J. Johnson 12/2019)
16.0	Updated content, effective date (J. Johnson 12/2020)
17.0	Effective Date Changes and minor updates (J. Johnson 12/2021)

* *Annual Review Approval Audit Records – no document content/process updates made*: Audit Record inserted by Process Management before document is finalized and published.

DOCUMENT TITLE	**Business Associate Responsibilities**				
DOCUMENT #	560-PL-1017	**VERSION**	16.0	**SUPERSEDES**	15.0
PROCESS OWNER	Jennifer Johnson, VP, Corporate Privacy Officer			**EFFECTIVE DATE:**	January 1, 2022
EXTERNAL SHARING	YES ☒	NO ☐		**PRINTING ALLOWED**	Yes
SHARE WITH	Regulatory Agencies ☒ Clients ☒ Other ☐				

SUPPORTING DOCUMENTATION	
Document #	**Document Title**
560-PL-1013	Permissible Uses and Disclosures of Member PHI
560-PL-1089	Sanctions Policy for Violations of Privacy or Security Policies and Procedures
210-PL-1085	Compliance and Enforcement Language Policy
(GD)Guide=Overview | (PL)Policy=Rule | (PD)Procedure=Action | (FD)Flow Diagram=Visual (WI)Work Instruction=Details | (FM)Form=Predefined | (RD)Reference Document=Supporting	

REQUIRED APPROVALS

Approvers' Signature and Approval are recorded electronically and stored via Compliance 360 (C360).

Approvers	**Title**
Debra Harper	VP, Corporate Compliance Officer
Rod Wade	VP, Contract Management
Jennifer Johnson	VP, Corporate Privacy Officer
Frank Bunton	VP, Chief Information Security Officer

Approvals: Time-stamped approvals are recorded electronically and stored via Compliance 360 (C360). Process Management inserts the Approval Audit Record into document before it is finalized and published. Annual Review Approval Audit Records to indicate no process changes of current version were necessary are inserted on last page.

Approver Name	Job Title	Approval Date	Process Document Number	Version Number	EffectiveDate
Johnson, Jennifer	VP, Corporate Privacy Officer & Licensure	12/17/2021 4:56 PM	560-PL-1017	16.0	1/1/2022
Harper, Debra	VP, Corporate Compliance Officer	12/20/2021 6:46 AM	560-PL-1017	16.0	1/1/2022
Wade, Rod	VP Contract Management	12/20/2021 9:43 AM	560-PL-1017	16.0	1/1/2022
Bunton, Frank	VP Chief Information Security Officer	12/27/2021 2:31 PM	560-PL-1017	16.0	1/1/2022

DOCUMENT DEFINITIONS	
Word/Term	**Definition**
Authorization	An Individual's permission to use or disclose their PHI that meets the requirements of 45 CFR 164.508.
Breach	An impermissible use or disclosure of PHI under the Privacy Rule that compromises the security or privacy of the PHI.
Business Associate (BA)	A business associate (BA) is any person or entity that performs services (directly or on behalf of another BA) for a CE that involve the use or disclosure of PHI. A BA does not include a person who performs services as a member of the Workforce of an entity or a health care provider that receives PHI for treatment purposes. A Subcontractor is a type of BA.
Business Associate Agreement (BAA)	An agreement between a CE and a BA that describes the permitted uses and disclosures of the CE's PHI and other responsibilities of the BA with respect to PHI (e.g., reporting impermissible uses and disclosures of PHI and responding to Individual requests related to their PHI).
Business Associate Subcontractor Agreement (BASA)	An agreement between a BA and a Subcontractor (such as a vendor) that describes the permitted uses and disclosures of PHI and other responsibilities of the Subcontractor with respect to PHI received from the BA (e.g., reporting impermissible uses and disclosures and responding to Member requests related to their PHI).
Client	A CE or BA of a CE for which a MedImpact Entity is the BA or Subcontractor, respectively.
Covered Entity (CE)	Health plans, health care clearinghouses, and health care providers who electronically transmit any health information in connection with transactions for which HHS has adopted standards.
Designated Record Set (DRS)	Designated Record Set - A group of records maintained by or for a CE, that is: (1) The medical records and billing records about Individuals maintained by or for a covered healthcare provider; (2) The enrollment, payment, claims adjudication, and case or medical management record systems maintained by or for a health plan; or (3) used, in whole or in part, by or for the CE to make decisions about Individuals.
Disclosure	The release, transfer, provision of access to, or divulging in any manner of information outside the entity holding the information.
Employee	Any full or part time individual employed directly by a MedImpact Entity.
Health Care Operations	Activities conducted by or on behalf of a CE related to its operations/functions as a health plan or Health Care Provider. Examples include business management, administrative duties, quality assurance, quality improvement, case management, population-based activities to improve health or reduce health costs, training programs, licensing, credentialing, certification, accreditation, compliance programs, fraud and abuse detection, customer service, audits and de-identifying PHI and creating a Limited Data Set.
Health Care Provider	A provider of services, a provider of medical or health services, and any other person or entity that furnishes, bills, or is paid for health care in the normal course of business.

HIPAA Regulations	The regulations at 45 CFR Parts 160 and 164 implementing the privacy and security requirements of the Health Insurance Portability and Accountability Act ("HIPAA").
Incident	A potential suspected or actual Impermissible Use or Disclosure of PHI, whether deliberate or not, and including but not limited to a Breach.
Individual	The person who is the subject of the PHI in question. Sometimes referred to as a "Member" when dealing with an Individual who is an enrollee in a Plan.
Individually Identifiable Health Information (IIHI)	Information that is a subset of health information, including demographic information collected from an individual, and is (i) created or received by a health care provider, health plan, employer, or health care clearinghouse; and (ii) relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; and (a) that identifies the individual; or (b) with respect to which there is reasonable basis to believe the information can be used to identify the individual.
Management	Employee or Non-Employee's Department Manager or above (e.g., Director, Vice President, Senior Vice President, etc.).
MedImpact CE	A MedImpact Entity that is a CE and acting in a CE capacity.
MedImpact Entity (ies)	MedImpact Holdings, Inc. and its direct and indirect subsidiaries that create, receive, maintain, or transmit PHI, and the MedImpact Healthcare Systems, Inc. Health and Welfare Benefits Plan.
Members/Patients	The natural person who is the subject of PHI. May also be referred to as "Member" when the PHI relates to a member of a Plan.
Non-Employee	Any individual not employed by a MedImpact Entity but who performs services for a MedImpact Entity under the direct control of that entity. This definition includes, but may not be limited to, contractors and temporary employees.
Permissible Use or Disclosure	Use or Disclosure of PHI that is permitted by the HIPAA Regulations, applicable state privacy laws and the applicable BAA.
Plan	A health plan that is a Client of a MedImpact Entity. A health plan includes a health insurance company such as a Managed Care Organization (MCO), Health Maintenance Organization (HMO), Preferred Provider Organization (PPO), Medicare Prescription Drug Plan (PDP) or Medicare Advantage-Prescription Drug Plan (MA-PD), an employer sponsored group health plan such as an employer group, or any other entity defined as a health plan in the Privacy Rule. All health plans are Covered Entities.
Privacy Rule	The Standards for the Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164.
Protected Health Information (PHI)	IIHI that is (i) transmitted by electronic media; (ii) maintained in any medium such as magnetic tape, disc, optical file; or (iii) transmitted or maintained in any other form or medium (including but not necessarily limited to paper, voice, Internet, or facsimile). *See Permissible Uses and Disclosures Member PHI #560-PL-1013* for a complete list of all data elements that are considered to be PHI.

	PHI excludes Individually Identifiable Health Information: (i) in education records covered by the Family Educational Rights and Privacy Act, as amended; (ii) in certain student records as described at 20 U.S.C. 1232g(a)(4)(B)(iv); (iii) in employment records held by a covered entity in its role as employer; and (iv) regarding a person who has been deceased for more than 50 years.
Required by Law	A mandate contained in law that compels an entity to make a use or disclosure of protected health information and that is enforceable in a court of law. *Required by law* includes, but is not limited to, court orders and court-ordered warrants; subpoenas or summons issued by a court, grand jury, a governmental or tribal inspector general, or an administrative body authorized to require the production of information; a civil or an authorized investigative demand; Medicare conditions of participation with respect to health care providers participating in the program; and statutes or regulations that require the production of information, including statutes or regulations that require such information if payment is sought under a government program providing public benefits.
Security Rule	Security Standards at 45 CFR Parts 160 and 164, Subpart C.
Services Agreement (SA)	A SA establishes a contractual relationship between a MedImpact Entity and another entity in terms of which one party or both parties provide services to the other.
Subcontractor	A person to whom a BA delegates a function, activity, or service for a CE, other than in the capacity of a member of the Workforce of such BA. A Subcontractor is also a type of BA under the HIPAA Regulations. A MedImpact Entity may be considered a Subcontractor to a Client that is a BA of a CE.
Treatment	The provision, coordination, or management of health care and related services by one or more health care providers, including the coordination or management of health care by a health care provider with a third party; consultation between health care providers relating, to an Individual; or the referral of an Individual for health care from one health care provider to another. Examples including dispensing drugs or patient counseling by a pharmacy.
Unsecured Protected Health Information	PHI that is not rendered unusable, unreadable, or indecipherable to unauthorized persons through the use of a technology or methodology specified by HHS in the guidance issued under section 13402(h)(2) of Public Law 111-5
Use	The sharing, employment, application, utilization, examination, or analysis of information within an entity that maintains such information.
Workforce	As defined in the HIPAA Regulations at 45 CFR 160.103, "workforce" means employees, volunteers, trainees, and other persons whose conduct, in the performance of work for a Covered Entity or Business Associate, is under the direct control of that Covered Entity or Business Associate, whether or not they are paid by the Covered Entity or Business Associate.

PURPOSE	This policy sets forth the responsibilities of MedImpact Entities when (1) acting in a business associate capacity; and (2) engaging other entities to perform services in a business associate capacity on its behalf in accordance with the HIPAA Regulations.

TABLE OF CONTENTS

1. Scope and Policy Overview

This policy applies to all MedImpact Entities and their Employees and Non-Employees (who together constitute the MedImpact Entity's Workforce, as defined by the HIPAA Regulations). *See Permissible Uses and Disclosures Member PHI #560-PL-1013* for a complete list of all data elements that are considered to be PHI.

The HIPAA Regulations establish requirements regarding the use and disclosures of PHI by Business Associates (BAs), including Subcontractors. BAs are directly liable under the HIPAA Regulations for compliance with those HIPAA Regulation requirements that apply to them. The execution of a Service Agreement (SA), Business Associate Agreement (BAA) or Business Associate Subcontractor Agreement (BASA), is dependent on the service(s) performed by a MedImpact Entity or a service provider/vendor on its behalf, and whether access to PHI is needed to perform those services.

Whenever a MedImpact Entity enters into an arrangement with another entity that would allow the other entity access to PHI held by the MedImpact Entity, the MedImpact Entity will make a determination as to whether the other entity qualifies as a BA. A health care provider, such as a pharmacy, that receives PHI for treatment purposes is not a BA of the entity making available the PHI for this purpose.

If the MedImpact Entity determines that the other entity is a BA, the other entity is required to enter into a written BAA satisfactory to the MedImpact Entity as required by the HIPAA Regulations (and specifically, 45 CFR 164.504(e) and 45 CFR 164.314(a)).

If a MedImpact Entity learns of a pattern of activity or practice of a BA that is a material breach or violation of the BA's obligations under its BAA with the MedImpact Entity, the MedImpact Entity will take reasonable steps to cure the breach or end the violation, such as ensuring that the BA takes corrective action to cease the activity or cure the breach. If these steps are unsuccessful, the MedImpact Entity will terminate the arrangement with the BA, if feasible.

MedImpact Entities will review and amend their BAAs with BAs as necessary and appropriate to reflect changes in the HIPAA Regulations and other applicable state privacy rules. MedImpact Entities may also review and revise their BAAs as they deem appropriate based on changes in industry best practices or the MedImpact Entity's business environment, as long the revised BAAs retain appropriate regulatory requirements.

The potential contractual arrangements are outlined as follows, and further described in the subsequent sections:

A. MedImpact Entities that are CEs

If a Services Agreement requires another party to provide services for or on behalf of a MedImpact Entity and the services require that party to create, obtain, access, transmit or maintain PHI for or on behalf of the MedImpact Entity, that service provider/vendor is a BA of that MedImpact Entity. In that case the MedImpact Entity is required to enter into a BAA with the vendor that establishes permitted and required uses and disclosures of the PHI and other responsibilities with respect to the PHI by the vendor.

Health Care Providers that are provided access to PHI for treatment purposes are not BAs and therefore are not required to sign BAAs. For example, MedImpact Direct, as a mail-order pharmacy, is not a BA of health plans in whose pharmacy network it participates as a mail pharmacy.

B. MedImpact Entities Acting in a BA Capacity

If a Services Agreement requires a MedImpact Entity to provide services for or on behalf of another entity and the services require the MedImpact Entity to create, obtain, access, transmit or maintain PHI for or on behalf of the other entity, the MedImpact Entity is a BA of that entity. In that case the entity is required to enter into a BAA with the MedImpact Entity that establishes permitted and required uses and disclosures of the PHI and other responsibilities with respect to the PHI by the MedImpact Entity.

C. Business Associate Subcontractor Agreement (BASA)

A MedImpact Entity may subcontract to a vendor some of the functions/services delegated to MedImpact by a Client that is a CE or BA, and that require that the vendor have access to PHI in order to perform its services (Example: ABC Health Plan delegated claims processing services to MedImpact Healthcare Systems, Inc. ("MedImpact") as its BA and MedImpact in turn delegates/subcontracts letter printing services related to those delegated claims processing services to a vendor. The letter printing service vendor is the "Subcontractor", which is a type of BA.

- Pharmacies participating in MedImpact's pharmacy network are not considered Subcontractors under the HIPAA Regulations and therefore do not sign BASAs with MedImpact. A pharmacy may sign a BASA in the event the pharmacy performs services on MedImpact's behalf for a CE or BA Client (e.g., specialty drug utilization management/claims review for a Plan). A MedImpact Entity may also be a BA of a pharmacy if it performs services for the pharmacy requiring access to PHI. MedImpact generally does not perform services for pharmacies participating in its networks and instead is acting as a BA of its Client Plans when contracting with the pharmacies.
- A BASA is a type of BAA and includes the same terms and conditions as a BAA except that it is between a BA and a Subcontractor rather a CE and a BA.

2. Business Associate Agreements (BAA)

A. When the MedImpact Entity is the Covered Entity (CE)

The MedImpact Entity's Contract Management Department maintains a template BAA to provide to BAs. The Contract Management Department is responsible for identify BAs and negotiating BAAs in accordance with established protocols. It involves the Privacy/Compliance and Security contacts when the BAA terms vary from established protocols. Executed BAAs are maintained by the Contract Management Department.

A BAA between a MedImpact Entity and a BA must:

(i) Establish the permitted and required uses and disclosures of PHI by the BA. The BAA may not authorize the BA to use or further disclose the information in a manner that would violate the requirements of the Privacy Rule if done by the MedImpact Entity, except that:

(A) The BAA may permit the BA to use and disclose PHI for the proper management and administration of the BA or to carry out its legal responsibilities provided that in the case of disclosures for these purposes, the disclosure is Required by Law or the recipient agrees in writing to use and disclose the PHI only for the purposes provided or as Required by Law and to report any breach of confidentiality to the BA, which must then report it to the MedImpact Entity; and

(B) The BAA may permit the BA to provide data aggregation services relating to the Health Care Operations of the MedImpact Entity.

(ii) Provide that the BA will:

(A) Not use or further disclose the PHI other than as permitted or required by the BAA or as Required by Law;

(B) Use appropriate safeguards and comply, where applicable, with the Security Rule with respect to electronic PHI, to prevent use or disclosure of the information other than as provided for by its BAA;

(C) Report to the MedImpact Entity any use or disclosure of the PHI not provided for by the BAA of which it becomes aware, including security incidents and breaches of unsecured PHI as required by 45 CFR §164.410;

(D) Ensure that any Subcontractor that creates, receives, maintains, or transmits PHI on behalf of the BA agree to the same restrictions and conditions that apply to the BA with respect to the PHI;

(E) Make available PHI in accordance with §164.524;

(F) Make available PHI for amendment and incorporate any amendments to PHI in accordance with §164.526;

(G) Make available the information required to provide an accounting of disclosures in accordance with §164.528;

(H) To the extent the BA is to carry out the MedImpact Entity's obligation under the Privacy Rule, comply with the requirements of the Privacy Rule that apply to the MedImpact Entity in the performance of such obligation.

(I) Make its internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by the BA on behalf of, the MedImpact Entity available to the Secretary for purposes of determining the MedImpact Entity's compliance with the HIPAA Regulations; and

(J) At termination of the BAA, if feasible, return or destroy all PHI received from, or created or received by the BA on behalf of, the MedImpact Entity that the BA still maintains in any form and retain no copies of such information or, if such return or destruction is not feasible, extend the protections of the BAA to the information and limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible.

(iii) Authorize termination of the BAA by the MedImpact Entity, if the MedImpact Entity determines that the BA has violated a material term of the BAA.

B. When the MedImpact Entity is Acting in a BA Capacity

The MedImpact Entity's Contract Management Department maintains a template BAA to provide to Clients, in the absence, or in replacement of, a Client's BAA. The Contract Management Department is responsible for negotiating Client BAAs in accordance with established protocols. It involves the Privacy Office when BAA requirements vary from established protocols. Executed BAAs are maintained by the Contract Management Department.

BAA provisions include, but are not limited to, the following:

1. Establish the permitted uses and disclosures of PHI, which should include at a minimum the right for the MedImpact Entity to use and disclose PHI to perform its services and for its proper management and administration and to carry out its legal responsibilities;
2. Provide that the MedImpact Entity will:
    a. Not use or disclose PHI other than as permitted or required by the BAA or as required by law.
    b. Use appropriate safeguards and comply with the Security Rule with respect to electronic PHI to prevent uses and disclosures of PHI that are not permitted under the BAA.
    c. Report any Use or Disclosure of PHI not provided for within the BAA, including Breaches of unsecured PHI and security incidents.
    d. Require Subcontractors to whom the MedImpact Entity provides PHI to agree to the same restrictions and conditions that apply to the MedImpact Entity with respect to PHI under the BAA.

e. Provide access to PHI in a DRS, at the request of the CE, and in a time and manner mutually agreed upon by the Client and the MedImpact Entity, in accordance with §164.524.

f. Make amendment(s) to PHI in a DRS at the request of the Client in a time and manner mutually agreed upon by the Client and the MedImpact Entity, in accordance with §164.526.

g. Make internal practices, books, and records, including, but not limited to, policies and procedures, relating to the uses and disclosures of PHI available to the Secretary to determine the Client's compliance with the HIPAA Regulations.

h. To the extent the MedImpact Entity is to carry out a CE's obligation under the Privacy Rule, comply with the requirements of the Privacy Rule that apply to the CE in the performance of such obligation.

i. Make the information available, as required, to provide an accounting of disclosures in a time and manner mutually agreed upon in accordance with §164.528.

j. At termination of the contract, if feasible, return or destroy all PHI created or received by the MedImpact Entity on behalf of the Client or, if such return or destruction is not feasible, the MedImpact Entity will extend the protections of the BAA to the information and limit further uses and disclosures of the PHI to only those purposes that make the return or destruction of the information infeasible.

4. Authorize termination of the BAA by the either the Client or the MedImpact Entity if the other party has violated a material term of the BAA.

3. Business Associate Subcontractor Agreement (BASA) (Vendor)

In circumstances where a MedImpact Entity acting in a BA capacity engages a vendor to perform services on behalf of a CE that require that the vendor be provided access to PHI, the vendor is a Subcontractor. The MedImpact Entity must enter into a BASA with the Subcontractor before making any PHI available to it. The BASA must include the same conditions and restrictions on PHI as exist in the BAA between the MedImpact Entity and the Client.

The MedImpact Entity's Contract Management Department maintains a template BASA to provide to Subcontractors. The Contract Management Department is responsible for identifying Subcontractors and for negotiating BASAs in accordance with established protocols. The Contract Management Department involves the Privacy Office when BASA terms vary from established protocols. Executed BASAs are maintained by the Contract Management Department.

Refer to section 2 for specific provisions in the BAA that also apply to the BASA.

4. HIPAA Regulations Resources

Policies and procedures and standard definitions relating to specific HIPAA Regulations and related requirements are available on the company Corporate Compliance/HIPAA Compliance Program intranet site. The Privacy/Compliance contact for each MedImpact Entity is available to answer

questions or provide additional information regarding applicable requirements or policies and procedures.

5. Documentation and Policy and Procedure Enforcement

Documentation of all BAAs with BAs in the case of MedImpact Entities acting in a CE capacity and all Subcontractor BAAs in the case of MedImpact Entities acting in a BA capacity will be maintained for a period of six years from the date created or last in effect, whichever is later.

It is the responsibility of all Employees and Non-Employees to adhere to the MedImpact Entities' policies and procedures. If an Employee or Non-Employee's actions are determined to be outside the scope or in violation of these policies and procedures, the specific issue will be addressed with the Employee or Non-Employee's direct supervisor, and / or with representatives from the Human Resources Department and MedImpact Entity Privacy/Compliance contact in accordance with the *Sanctions Policy for Violations of Privacy or Security Policies and Procedures* and must be promptly reported to Privacy.SecurityTeam@medimpact.com.

RELATED EXTERNAL REFERENCES	
Name	**Link**
45 CFR 164	http://www.ecfr.gov/cgi-bin/text-idx?SID=5814b94aaac03eba6d3b328750194158&mc=true&node=pt45.1.164&rgn=div5

CHANGE HISTORY / VERSION CONTROL	
Version	**Comments**
8.0	Updating of previous policy and procedure numbers and edited Contract Management Department name.
9.0	Updating defined terms and process (J. Johnson 10/2016); Input provided R. Wade
10.0	Adjustment of Effective Date to precede required annual employee HIPAA training and minor edits (J. Johnson 3/2017)
11.0	Adjustment of Effective Date to precede required annual employee HIPAA training and minor edits (J. Johnson 11/2017)
12.0	Adjustment of Effective Date to precede required annual employee HIPAA training and minor edits (J. Johnson 1/2019)
13.0	Updated Effective Date, definitions, scope, and expanded content (J. Johnson 7/2019).
14.0	Effective Date Changes (J. Johnson 12/2019)
15.0	Content and Effective Date Changes (J. Johnson 12/2020)
16.0	Effective Date Changes and minor updates (J. Johnson 12/2021)

** Annual Review Approval Audit Records – no document content/process updates made*: Audit Record inserted by Process Management before document is finalized and published.

APPENDIX J: INDIVIDUAL PRIVACY RIGHTS AND RELATED PRIVACY RIGHT POLICIES

DOCUMENT TITLE	**Individual Rights Regarding Protected Health Information**				
DOCUMENT #	560-PL-1092	**VERSION**	4.0	**SUPERSEDES**	3.0
PROCESS OWNER	Jennifer Johnson, VP, Corporate Privacy Officer			**EFFECTIVE DATE:**	January 1, 2022
EXTERNAL SHARING	YES ☒	NO ☐		**PRINTING ALLOWED**	Yes
SHARE WITH	Regulatory Agencies ☒ Clients ☒ Other ☐				

SUPPORTING DOCUMENTATION	
Document #	**Document Title**
560-PL-1013	Permissible Uses and Disclosures of PHI
560-PL-1017	Business Associate Responsibilities
560-PL-1089	Sanctions Policy for Violations of Privacy or Security Policies and Procedures
210-PL-1085	Compliance and Enforcement Language Policy
(GD)Guide=Overview | (PL)Policy=Rule | (PD)Procedure=Action | (FD)Flow Diagram=Visual (WI)Work Instruction=Details | (FM)Form=Predefined | (RD)Reference Document=Supporting	

REQUIRED APPROVALS

Approvers' Signature and Approval are recorded electronically and stored via Compliance 360 (C360).

Approvers	**Title**
Debra Harper	VP, Corporate Compliance Officer
Jennifer Johnson	VP, Corporate Privacy Officer

Approvals: Time-stamped approvals are recorded electronically and stored via Compliance 360 (C360). Process Management inserts the Approval Audit Record into document before it is finalized and published. Annual Review Approval Audit Records to indicate no process changes of current version were necessary are inserted on last page.

Approver Name	Job Title	Approval Date	Process Document Number	MedImpactVersionNumber	EffectiveDate
Johnson, Jennifer	VP, Corporate Privacy Officer & Licensure	12/17/2021 4:57 PM	560-PL-1092	4.0	1/1/2022
Harper, Debra	VP, Corporate Compliance Officer	12/20/2021 6:48 AM	560-PL-1092	4.0	1/1/2022

DOCUMENT DEFINITIONS	
Word/Term	**Definition**
Authorization	An Individual's permission to use or disclose their PHI that meets the requirements of 45 CFR 164.508.
Breach	An impermissible use or disclosure of PHI under the Privacy Rule that compromises the security or privacy of the PHI.
Business Associate (BA)	A business associate (BA) is any person or entity that performs services (directly or on behalf of another BA) for a CE that involve the use or disclosure of PHI. A BA does not include a person who performs services as an Individual of the Workforce of an entity or a health care provider that receives PHI for treatment purposes. A Subcontractor is a type of BA.
Business Associate Agreement (BAA)	An agreement between a CE and a BA that describes the permitted uses and disclosures of the CE's PHI and other responsibilities of the BA with respect to PHI (e.g., reporting impermissible uses and disclosures of PHI and responding to Individual requests related to their PHI).
Client	A CE or BA of a CE for which a MedImpact Entity is the BA or Subcontractor, respectively.
Covered Entity (CE)	Health plans, health care clearinghouses, and health care providers who electronically transmit any health information in connection with transactions for which HHS has adopted standards.
Deliberate Impermissible Use or Disclosure	An Impermissible Use or Disclosure of PHI that is intentional. A Deliberate Impermissible Use or Disclosure PHI is non-compliant with the MedImpact Entity's Corporate Compliance Program, any applicable BAA, and federal and state law.
Designated Record Set (DRS)	Designated Record Set - A group of records maintained by or for a CE, that is: (1) The medical records and billing records about Individuals maintained by or for a covered healthcare provider; (2) The enrollment, payment, claims adjudication, and case or medical management record systems maintained by or for a health plan; or (3) used, in whole or in part, by or for the CE to make decisions about Individuals.
Disclosure	The release, transfer, provision of access to, or divulging in any manner of information outside the entity holding the information.
Employee	Any full or part time individual employed directly by a MedImpact Entity.
Health Care Operations	Activities conducted by or on behalf of a CE related to its operations/functions as a health plan or Health Care Provider. Examples include business management, administrative duties, quality

	assurance, quality improvement, case management, population-based activities to improve health or reduce health costs, training programs, licensing, credentialing, certification, accreditation, compliance programs, fraud and abuse detection, customer service, audits and de-identifying PHI and creating a Limited Data Set.
Health Care Provider	A provider of services, a provider of medical or health services, and any other person or entity that furnishes, bills, or is paid for health care in the normal course of business.
HHS	The Department of Health and Human Services or the Secretary of the Department of Health and Human Services
HIPAA Regulations	The regulations at 45 CFR Parts 160 and 164 implementing the privacy and security requirements of the Health Insurance Portability and Accountability Act ("HIPAA").
Impermissible Use or Disclosure	The unauthorized (i) use by an Employee or Non-Employee of PHI; or (ii) release, transfer, provision of, access to, or divulging in any other manner of PHI outside the MedImpact Entity to an unauthorized or unintended recipient, as determined by the MedImpact Entity's Privacy/Compliance contact, in accordance with federal and state law. An Impermissible Use or Disclosure may or may not be a Breach. This determination is made by the MedImpact Entity's Privacy/Compliance contact.
Impermissible Uses and Disclosures Log	Electronic record maintained by the Privacy/Compliance contact that includes pertinent information relating to Impermissible Uses or Disclosures, as required by federal or state law.
Incident	A potential suspected or actual Impermissible Use or Disclosure of PHI, whether deliberate or not, and including but not limited to a Breach.
Individual	The person who is the subject of the PHI in question. Sometimes referred to as a "Member" when dealing with an Individual who is an enrollee in a Plan.
Individually Identifiable Health Information (IIHI)	Information that is a subset of health information, including demographic information collected from an individual, and is (i) created or received by a health care provider, health plan, employer, or health care clearinghouse; and (ii) relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; and (a) that identifies the individual; or (b) with respect to which there is reasonable basis to believe the information can be used to identify the individual.
Limited Data Set (LDS)	A Limited Data Set is PHI from which certain specified direct identifiers of Individuals and their relatives, household Individuals, and employers have been removed. A LDS set may be used and disclosed for

	research, health care operations, and public health purposes, provided the recipient enters into a data use agreement that includes certain specified terms, including to safeguard the LDS.
MedImpact CE	A MedImpact Entity that is a CE and acting in a CE capacity.
MedImpact Entity(ies)	MedImpact Holdings, Inc. and its direct and indirect subsidiaries that create, receive, maintain, or transmit PHI, and the MedImpact Healthcare Systems, Inc. Health and Welfare Benefits Plan.
Members/Patients	The natural person who is the subject of PHI. May also be referred to as "Member" when the PHI relates to a member of a Plan.
Minimum Necessary	When using or disclosing protected health information or when requesting protected health information from another covered entity or business associate, a CE or business associate must make reasonable efforts to limit protected health information to the minimum necessary to accomplish the intended purpose of the use, disclosure, or request. This does not apply to certain uses and disclosures, such as for treatment purposes or disclosures made to the Individual.
Non-Employee	Any individual not employed by a MedImpact Entity but who performs services for a MedImpact Entity under the direct control of that entity. This definition includes, but may not be limited to, contractors, and temporary employees.
Notice of Privacy Practices (NPP)	Notice that informs Individuals of the privacy practices of a CE and Individual privacy rights with respect to their protected health information.
Office for Civil Rights (OCR)	The Office of Civil Rights is an operating division of the U.S. Department of Health and Human Services that is responsible for enforcing the HIPAA regulations.
Payment	Activities for or on behalf of a health plan to obtain premiums, determine or fulfill responsibilities for coverage and provision of benefits, and furnish or obtain reimbursement for health care delivered to an Individual and activities for or on behalf of a Health Care Provider to obtain payment or be reimbursed for the provision of health care to an Individual. It includes eligibility determinations, coverage determinations, utilization review activities and reporting certain PHI to consumer reporting agencies.
Permissible Use or Disclosure	Use or Disclosure of PHI that is permitted by the HIPAA Regulations, applicable state privacy laws and the applicable BAA.
Personal Representative	A person authorized under applicable law to make health decisions on behalf of the Individual. Personal representatives are permitted to

	exercise all the rights of the Individual with respect to that Individual's PHI. A CE or BA is permitted to not share PHI with a Personal Representative when the CE or BA has a reasonable belief that the Personal Representative may be abusing or neglecting the Individual, or that treating the person as the Personal Representative could otherwise endanger the Individual.
Plan	A health plan that is a customer of a MedImpact Entity. A health plan includes a health insurance company such as a Managed Care Organization (MCO), Health Maintenance Organization (HMO), Preferred Provider Organization (PPO), Medicare Prescription Drug Plan (PDP) or Medicare Advantage-Prescription Drug Plan (MA-PD), an employer sponsored group health plan such as an employer group, or any other entity defined as a health plan in the Privacy Rule. All health plans are Covered Entities.
Protected Health Information (PHI)	IIHI that is (i) transmitted by electronic media; (ii) maintained in any medium such as magnetic tape, disc, optical file; or (iii) transmitted or maintained in any other form or medium (including but not necessarily limited to paper, voice, Internet, or facsimile). *See Permissible Uses and Disclosures Member PHI #560-PL-1013* for a complete list of all data elements that are considered to be PHI. PHI excludes Individually Identifiable Health Information: (i) in education records covered by the Family Educational Rights and Privacy Act, as amended; (ii) in certain student records as described at 20 U.S.C. 1232g(a)(4)(B)(iv); (iii) in employment records held by a covered entity in its role as employer; and (iv) regarding a person who has been deceased for more than 50 years.
Qualified Protective Order	A qualified protective order is an order of a court or administrative tribunal or a stipulation by the parties that prohibits the parties from using or disclosing the PHI for any purpose other than the litigation or proceeding for which such information was requested; and requires the return or destruction of the PHI (including any copies) at the end of the litigation or proceeding.
Required by Law	A mandate contained in law that compels an entity to make a use or disclosure of protected health information and that is enforceable in a court of law. Required by law includes, but is not limited to, court orders and court-ordered warrants; subpoenas or summons issued by a court, grand jury, a governmental or tribal inspector general, or an administrative body authorized to require the production of information; a civil or an authorized investigative demand; Medicare conditions of participation with respect to health care providers participating in the program; and statutes or regulations that require

	the production of information, including statutes or regulations that require such information if payment is sought under a government program providing public benefits.
Research	A systematic investigation, including research development, testing, and evaluation, designed to develop or contribute to generalizable knowledge
Treatment	The provision, coordination, or management of health care and related services by one or more health care providers, including the coordination or management of health care by a health care provider with a third party; consultation between health care providers relating to an Individual; or the referral of an Individual for health care from one health care provider to another. Examples including dispensing drugs or patient counseling by a pharmacy.
Unsecured Protected Health Information	PHI that is not rendered unusable, unreadable, or indecipherable to unauthorized persons through the use of a technology or methodology specified by HHS in the guidance issued under section 13402(h)(2) of Public Law 111-5.
Use	The sharing, employment, application, utilization, examination, or analysis of information within an entity that maintains such information.
Workforce	As defined in the HIPAA Regulations in 45 CFR 160.103, "workforce" means employees, volunteers, trainees, and other persons whose conduct, in the performance of work for a Covered Entity or Business Associate, is under the direct control of that Covered Entity or Business Associate, whether or not they are paid by the Covered Entity or Business Associate.

PURPOSE	This document describes the policy and procedure to provide Individuals with a Notice of Privacy Practices (NPP) and to respond to an Individual's request to exercise his or her rights with respect to PHI under the HIPAA Regulations.

Table of Contents

1. Scope and Policy Overview

This policy applies to all MedImpact Entities and their Employees and Non-Employees (who together constitute the MedImpact Entity's Workforce, as defined by HIPAA Regulations). In the case of the MedImpact Health and Wellness Plan and certain Clients, they may delegate the responsibilities under this Policy to a BA, including a MedImpact Entity, that performs third party administration services and/or pharmacy benefits management services on their behalf. *See Permissible Uses and Disclosures Member PHI #560-PL-1013* for a complete list of all data elements that are considered to be PHI.

The HIPAA Regulations establish requirements regarding permitted uses or disclosures of PHI. MedImpact Entities maintain appropriate processes to protect and safeguard PHI in accordance with the HIPAA Regulations. Individuals have the following rights with respect to their PHI under the HIPAA Regulations:

- Right to Receive a Notice of Privacy Practices
- Right to Privacy Protections: Request Restrictions and Confidential Communications
- Right to File a Complaint
- Right to Accounting of Disclosures
- Right to Inspect and Copy PHI
- Right to Amend PHI

The following sections describe how a MedImpact CE implements its obligations with respect to these Individual rights in accordance with the HIPAA Regulations.

2. Right to Receive a Notice of Privacy Practices (NPP) (45 CFR 164.520)

MedImpact CEs provide a NPP to Individuals who receive services from the MedImpact CE. The NPP describes (1) the uses and disclosures of PHI that may be made by the MedImpact CE, (2) the Individual's rights regarding their PHI, and (3) the MedImpact CE's legal duties with respect to the Individual's PHI.

3. Contents of NPP

The NPP contains the following elements:

1. The following statement as a header or otherwise prominently displayed: "THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY."

2. Statement that the MedImpact CE is required by law to maintain the privacy of PHI, to provide Individuals with notice of its legal duties and privacy practices with respect to PHI, and to notify affected Individuals following a breach of unsecured PHI.

3. Statement that the MedImpact CE is required to abide by the terms of the Notice currently in effect.

4. Statement of right to make future changes to the MedImpact CE's privacy practices, make subsequent changes to the NPP, and how Individuals can obtain a copy of the revised NPP.

5. Description, including examples, of the types of uses and disclosures permitted for purposes of treatment, payment, and health care operations (TPO).

6. Description of other purposes permitted or required to use or disclose PHI without written authorization.

7. Description of the types of uses and disclosures that do not require an authorization, statement that other uses and disclosures will be made only with an authorization and that an authorization may be revoked, in writing, at any time except to the extent that action was taken on reliance of authorization.

8. A statement that the MedImpact CE may disclose PHI to the sponsor of the health plan, if applicable;

9. A statement that the MedImpact CE is prohibited from using or disclosing PHI that is genetic information of an Individual for underwriting purposes.

10. A statement that the Individual has the following rights with respect to that Individual's PHI, as well as a description of how the Individual may exercise these rights:
    - Right to request restrictions on uses and disclosures of PHI.
    - Right to request the receipt of confidential communications of PHI by alternate means or alternate locations
    - Right to inspect and copy PHI maintained in a Designated Record Set (DRS).
    - Right to amend, correct, or update PHI maintained in a designated record set.
    - Right to receive an accounting of disclosures of PHI.
    - Right to obtain a paper copy of the MedImpact CE's NPP, including Individuals who have agreed to receive the notice electronically.

11. Description how an Individual may file a complaint with the MedImpact CE or the Department of Health and Human Services Office of Civil Rights (OCR) if they believe privacy rights have been violated, including a statement that the Individual will not be retaliated against for filing a complaint.

12. The MedImpact CE contact information: name or title of contact person and telephone number.

13. The effective date of the NPP.

4. Distribution of the NPP

1. MedImpact CEs that are Health Plans. A MedImpact CE provides the NPP at the time of enrollment to new enrollees. The MedImpact CE may satisfy this requirement by providing

the NPP to the named insured where coverage is provided to the named insured and one or more dependents. The MedImpact CE also mails the NPP annually to all enrollees enrolling or re-enrolling in a plan, as part of the plan materials for the new plan year. The MedImpact CE posts the NPP on the plan website for those plans for which a website is maintained by the MedImpact CE and it is available electronically through that website. For those plans for which a website is maintained by the MedImpact CE, it prominently posts any material changes to the NPP or the revised NPP on its web site by the effective date of the material change to the NPP, and provide the revised NPP, or information about the material change and how to obtain the revised NPP in its next annual mailing to individuals then covered by the plan. For those plans for which the MedImpact CE does not maintain a website, it provides the revised NPP, or information about the material change and how to obtain the revised NPP, to Individuals then covered by the plan within 60 days of the material revision to the NPP.

2. MedImpact CE's that are Health Care Providers. A MedImpact CE provides the NPP to Individuals no later than the date of the first delivery of services, including service delivered electronically, except that in an emergency treatment situation, it may be provided as soon as reasonably practicable after the emergency treatment situation. If the first service delivery to a patient is delivered electronically, the MedImpact CE will provide electronic notice automatically and contemporaneously in response to the patient's first request for service. The MedImpact CE posts its NPP on the MedImpact CE website and makes it available electronically through the website. The MedImpact CE will also (i) have the NPP available at any physical service delivery site for Individuals to request to take with them; and (ii) post the NPP in a clear and prominent location in any physical service delivery site where it is reasonable to expect patients seeking service from the MedImpact CE to be able to read the NPP. If the NPP is revised, the MedImpact CE will make the revised NPP available upon request on or after the effective date of the revision and will post the revised NPP at its physical service delivery sites as provided above. Except in an emergency treatment situation, the MedImpact CE makes a good faith effort to obtain a written acknowledgment of receipt of the NPP, and if not obtained, documents its good faith efforts to obtain an acknowledgment and the reason why the acknowledgment was not obtained.

3. The NPP is also available upon request from the MedImpact CE, either electronically or by mail, including to Individuals who received an electronic copy of the NPP. The MedImpact CE may provide the NPP to an Individual by e-mail, if the Individual agrees to electronic notice and such agreement has not been withdrawn. If the MedImpact CE knows that the e-mail transmission has failed, it will provide a paper copy of the notice to the Individual. Individuals may also request and obtain a mailed copy of the NPP.

4. Revisions to the NPP. The MedImpact CE will promptly revise its NPP whenever there is a material change to its uses or disclosures of PHI described in the NPP, the Individual's rights, the MedImpact CE's legal obligations, or other privacy practices stated in the NPP. The MedImpact CE will not implement a material change to any term of the NPP before the effective date of the NPP that reflects the material change.

5. Right to Request a Restriction on PHI (45 CFR 164.522(a))

Individuals have a right to request restrictions of the use and disclosure of their PHI for treatment, payment or health care operations, or to limit permitted disclosures to a family member, friend or other persons involved with the Individual's health care or payment related to the Individual's health care. An example of a restriction request that may be approved is for a spouse to ask that their PHI not be shared with the other spouse covered under the same policy even when the other spouse would otherwise be regarded as involved in the care of the first spouse and so disclosure of limited PHI would otherwise have been permitted.

1. A MedImpact CE that is a Health Plan. The MedImpact CE may agree to an Individual's request for restrictions on the use and disclosure of their PHI if the request is determined to be reasonable, in the Individual's best interests and can be reasonably accommodated. The MedImpact CE is not required to agree to the request.

2. A MedImpact CE that is a Health Care Provider. The MedImpact CE must agree to the request of an Individual to restrict disclosure of PHI about the patient to a health plan if: (a) the disclosure is for the purpose of carrying out payment or health care operations and is not otherwise required by law; and (2) the PHI pertains solely to a health care item or service for which the Individual, or person other than the health plan on behalf of the Individual, has paid the MedImpact CE in full. For all other requests, the MedImpact CE may, but is not required to, agree to an Individual's request for restrictions on the use and disclosure of their PHI if the request is determined to be reasonable, in the Individual's best interests and can be reasonably accommodated.

    A. Requesting a Restriction of Member PHI
    Requests must be made in writing to the MedImpact CE's Privacy Officer and must include the specific restrictions being requested but do not need to state the purpose of the restriction. Requests must be sent to the MedImpact CE's Privacy Officer at the contact information provided in the MedImpact CE's NPP.
    B. When a Request for Restriction is Accepted
    Requests will be reviewed by the MedImpact CE's Privacy Officer/Compliance contact, or designee. If the request is approved, the Individual will be notified by mail. The MedImpact CE will inform the Individual that the MedImpact CE will comply with the agreed restriction with the following exceptions:
        - In emergency treatment situations when the MedImpact CE may use or disclose information to a health care provider for providing treatment.
        - The restriction is terminated by either the MedImpact CE or the Individual.

    A notice of restriction will be made in the Individual's profile in the MedImpact CE's records. The MedImpact CE will notify any other departments to which the restriction may apply, and if necessary, ensure that the Individual's name is removed from all applicable mailing lists. The MedImpact CE will notify any BAs to which the restriction may apply. The MedImpact CE will restrict use and/or disclosure of PHI consistent with the status of the restriction in effect on the date it is used or disclosed.
    C. When a Request for Restriction is Denied.
    If the request is denied, the Individual will be notified by mail and, as appropriate, an

explanation may be provided.

6. Right to File a Compliant (45 CFR 164.530(d))

An Individual who believes his or her HIPAA privacy rights have been violated may file a complaint regarding the alleged privacy violation with the MedImpact CE's Privacy Officer or the Office of Civil Rights (OCR). Complaints submitted to the MedImpact CE Privacy Officer will be documented, reviewed, responded to and acted upon as appropriate.

A. Filing A Complaint with the MedImpact CE.
Individuals have the right to file a complaint with the MedImpact CE if they feel their privacy rights have been violated by the MedImpact CE. Individuals may file complaints in writing, either paper or electronically or by telephone and must describe the acts or omissions they believe violated the requirements of the HIPAA Regulations.

Complaints may be filed with:
- The Office of Civil Rights online or in writing by mail, fax or email. Refer to www.hhs.gov for more information.
- The MedImpact CE's Privacy Officer at the contact information provided in the MedImpact CE's NPP.

B. Prohibited Retaliation Against Member.
The MedImpact CE will not retaliate against an Individual for filing a complaint. The Individual should notify the MedImpact CE Privacy Officer or OCR immediately in the event the Individual believes that the MedImpact CE has taken any retaliatory action in response to a complaint.

C. Investigations and Sanctions.
All complaints received by the MedImpact CE will be documented and reviewed by the MedImpact CE Privacy Officer. If it is determined that a violation occurred, appropriate sanctions will be imposed against the person who failed to comply with the privacy policies and procedures and corrective actions will be taken, if necessary and in accordance with the MedImpact Entities' *Sanctions Policy for Violations of Privacy or Security Policies*.

7. Right to an Accounting of Disclosures (45 CFR 164.528)

Individuals have a right to receive an accounting of certain disclosures of their Protected Health Information made by a MedImpact CE in the six (6) years prior to the date on which the accounting is requested, except for the following disclosures:
- To carry out treatment, payment, and healthcare operations;
- To Individuals of Protected Health Information about themselves;

- Incident to a use or disclosure otherwise permitted or required;
- Pursuant to an authorization;
- To persons involved in the Individual's care or other notification purposes as permitted under 45 CFR 164.510(b);
- For national security or intelligence purposes;
- To correctional institutions or law enforcement officials; and
- As part of a Limited Data Set (LDS).

Examples of Accountable Disclosures

Examples of disclosures of PHI subject to an accounting include, but are not limited to, the following types of disclosures unless the Individual provides a valid authorization permitting the disclosure or only a LDS is disclosed:

- Disclosures required by law, such as pursuant to a state statute or mandate (e.g. certain state laws requiring reporting of claims data)
- Disclosures in judicial or legal proceedings, such as pursuant to a court order or subpoena
- Disclosures to public health authorities, such as to report child abuse or neglect,
- Disclosures to health oversight agencies, such as to state insurance departments or to state boards of pharmacy regarding a pharmacist for licensing or disciplinary purposes, or to state attorney generals or the HHS Office of the Inspector General (OIG) performing civil or criminal investigation related to the health system or government health programs
- Disclosures to law enforcement officers, including pursuant to a summons or search warrant or to report a crime
- Disclosure for research purposes pursuant to an Institutional Review Board or Privacy Board waiver
- Any impermissible disclosure.

A. Request of Accounting of Disclosures.
Individuals must request an accounting of disclosures in writing and must include the time period for the accounting is requested. Requests must be sent to the Privacy Officer at the contact information provided in the MedImpact CE's NPP. The MedImpact CE will provide the first accounting to an Individual in any 12-month period without charge. The MedImpact CE reserves the right to impose a reasonable, cost-based fee for each subsequent request for an accounting by the same Individual within the 12-month period. The MedImpact CE will inform the Individual in advance of the fee. The MedImpact CE's Privacy Officer will be responsible for receiving, processing, and documenting an Individual's request for an accounting of disclosures.

B. Content of the Accounting.
The MedImpact CE will provide the Individual with a written accounting of disclosures of PHI that occurred during the prior six (6) years, or shorter time period requested by the Individual. The following information will be provided:

i. The date of the disclosure;
ii. The name of the entity or person who received the PHI, and, if known, the address of such entity or person;

iii. A brief description of the PHI disclosed;
iv. A brief statement of the purpose of the disclosure that reasonably informs the Individual of the basis of the disclosure or a copy of a written request for a disclosure.

C. Multiple Disclosures.
If, during the time period for the accounting, multiple disclosures have been made to the same entity for a single purpose, the accounting may provide the information as set forth in paragraph B above for the first disclosure, and then summarize the frequency of number of disclosures made during the accounting period and the date of the last disclosure during the accounting period.

D. Suspension.
In the case of a request by a health oversight agency or law enforcement official to suspend an Individual's right to receive an accounting, the MedImpact CE's Privacy Office suspend the accounting right for the period requested if the agency or official's statement is in writing. If the statement is made orally, the Privacy Office will document the statement, including the identity of the agency or official making the statement, but will limit the temporary suspension to a period of no longer than 30 days from the date of the oral statement, unless a written statement is submitted during that time.

E. Time Frame for Providing Accounting of Disclosure Data on Request:
An Individual's request for an accounting of PHI disclosures must be provided to the Individual within sixty (60) days of receipt of the request. If the MedImpact CE is unable to provide the accounting within the sixty (60) day time frame, a one-time thirty (30) day extension may be provided if:
i. The Individual is notified in writing of the delay;
ii. The notice includes the reason(s) why the delay is necessary; and.
iii. The notice includes the date by which the accounting will be provided.

F. Cost of Providing an Accounting:
The MedImpact CE must provide the first accounting to an Individual in any 12-month period without charge and may impose a reasonable, cost-based fee for each subsequent request for an accounting by the same Individual within the 12-month period, provided that the MedImpact CE informs the Individual in advance of the fee and provides the Individual with an opportunity to withdraw or modify the request for a subsequent accounting in order to avoid or reduce the fee.

G. Log of Disclosures:
All accountable disclosures will be reported to the Privacy Office with the information necessary to respond to a request for an accounting. The Privacy Office will be responsible for responding to all requests for an accounting. Each log of an accountable disclosure will be retained for at least six (6) years after the date of the disclosure in question.

8. Right to Inspect and Copy PHI Maintained in a Designated Record Set (45

CFR 164.524)

Individuals have a right to access, inspect and/or obtain a copy their PHI maintained in one or more Designated Record Set(s) (DRS) by or on behalf of the MedImpact CE. This includes the right to inspect or obtain a copy, or both, of the PHI, as well as to direct that the MedImpact CE transmit a copy to a designated person or entity of the Individual's choice. Individuals have a right to access this PHI for as long as the information is maintained by the MedImpact CE, or by a business associate on behalf of the MedImpact CE, and regardless of the date the information was created; whether the information is maintained in paper or electronic systems onsite, remotely, or is archived; or where the PHI originated (e.g., whether the MedImpact CE, a health care provider, the Individual, etc.). The MedImpact CE is not, however, required to create new information, such as explanatory materials or analyses that do not already exist in the DRS.

A. Records Subject to Inspection Rights
The right to access, inspect and/or copy PHI is limited to PHI maintained in a DRS by the MedImpact CE or its BAs.

Excluded Information: The Individual does not have a right to access, inspect or copy any of the following:

i. Psychotherapy notes
ii. Information compiled in reasonable anticipation of, or for use in, a civil, criminal, or administrative action or proceedings
iii. Information provided in confidence that, if provided to the Individual, would reveal the source of the information
iv. The PHI is contained in records that are subject to the Privacy Act, if the denial of access under the Privacy Act would meet the requirements of that law

B. Request for Inspect and Copy
Individual requests must be in writing and sent to the MedImpact CE Privacy Officer at the contact information provided in the MedImpact CE's NPP.

C. Grounds for Denial with Opportunity for Review.
The MedImpact CE may deny an Individual access on the following grounds:

i. If a licensed health care professional has determined, in the exercise of professional judgment, that the information requested is reasonably likely to endanger the life or physical safety of the Individual or another person;
ii. If the PHI makes reference to another person (other than a health care provider) and a licensed health care professional has determined, in the exercise of professional judgment, that the access requested is reasonably likely to cause substantial harm to that other person; or
iii. If the request for access is made by the Individual's Personal Representative and a licensed health care professional has determined, in the exercise of professional judgment, that the provision of access to the Personal Representative is reasonably likely to cause substantial harm to the Individual or another person.

D. Provision of Access.

If the MedImpact CE accepts a request for access it will provide the requested access, whether inspection or providing a copy or both, of the PHI about the Individual maintained in a DRS. If the same PHI is maintained in more than one DRS or at more than one location, the MedImpact CE will produce the PHI only once in response to a request.

i. Requests for Paper Copies. If an Individual requests a paper copy of PHI maintained in a DRS, the MedImpact will provide a paper copy, even if the PHI is maintained electronically.
ii. Requests for Electronic Copies. If an Individual requests an electronic copy of PHI that a MedImpact CE maintains only on paper, the MedImpact CE will provide the Individual with an electronic copy if it is readily producible electronically (e.g., the paper record can be readily scanned into an electronic format) and in the electronic format requested if readily producible in that format, or if not, in a readable alternative electronic format or hard copy format as agreed to by the MedImpact CE and the Individual.

Where an individual request an electronic copy of PHI that a MedImpact CE maintains electronically, the MedImpact CE must provide the individual with access to the information in the requested electronic form and format, if it is readily producible in that form and format. When the PHI is not readily producible in the electronic form and format requested, then the MedImpact CE must provide access to an agreed upon alternative readable electronic format. If the individual declines to accept any of the electronic formats readily producible (i.e. that could be produced without buying special software or equipment to accommodate the format requested) by the MedImpact CE, then the MedImpact CE may satisfy the request by providing the individual with a readable hard copy of the PHI.

The MedImpact CE may provide the Individual with a summary of the PHI requested instead of providing access to the PHI, or may provide an explanation of the PHI to which access has been provided, but only if: (A) The Individual agrees in advance to such a summary or explanation; and (B) The Individual agrees in advance to any fees imposed by the MedImpact CE for the summary or explanation.

If an Individual's request for access directs the MedImpact CE to transmit the copy of the PHI to another person designated by the Individual, the MedImpact CE will provide the copy to the designated person, provided the request is in writing, signed by the Individual, and clearly identifies the designated person and where to send the copy of the PHI.

If an Individual requests that the PHI be provided through unencrypted email, the MedImpact CE will first warn the Individual that unencrypted email is not secure and there is a risk that unauthorized persons may be able to get access to the PHI. If the Individual still wants the PHI sent by unencrypted email after receiving the warning, then the MedImpact CE will send it by unencrypted email as requested.

E. Denial of access.

If the MedImpact CE denies access, in whole or in part, to PHI, it will:

i. To the extent possible, give the Individual access to any other PHI requested, after excluding the PHI to which it has ground to deny access.

ii. Provide a timely, written denial to the Individual in plain language. The denial will include:
    a) The basis for the denial;
    b) If applicable, a statement of the Individual's review rights under Section C above, including a description of how the Individual may exercise his/her review rights; and
    c) A description of how the Individual may complain to the MedImpact CE's Privacy Officer pursuant to the MedImpact CE's complaint procedures or to OCR. The description will include the MedImpact CE's Privacy Officer's telephone number for receiving complaints.
iii. If the MedImpact CE does not maintain the PHI, but knows where the requested information is maintained, the MedImpact CE will inform the Individual where to direct the request for access.

F. Review of a denial of access.
If access is denied on a ground permitted under Section C above, the Individual has the right to have the denial reviewed. Upon receipt of a request for review, the MedImpact CE will designate a licensed health care professional, who was not directly involved in the denial to review the decision and promptly refer the decision for review. The designated reviewing health care professional will determine, within a reasonable period, whether or not to deny the access requested based on the standards in Section C above. The MedImpact CE will promptly provide written notice to the Individual of the determination of the designated reviewing official and take action as required to carry out the designated reviewing official's determination.

G. Time Frame for Response.
The MedImpact CE will act on a request for access promptly, but no later than 30 days after receipt of the request by informing the Individual that the request is accepted or sending a written denial. If the MedImpact CE is unable to act on the request within 30 days, it may extend the time for response by 30 days. In that case it will, within the initial 30-day period, provide the Individual a written statement of the reasons for the delay and the date by which the MedImpact CE will act on the request. The MedImpact CE will not extend the time to respond more than once per request.

H. Time and Manner of Providing Access.
The MedImpact CE will provide the access as requested by the Individual in a timely manner as provided in Section G above, including arranging with the Individual for a convenient time and place to inspect or obtain a copy of the PHI, or mailing the copy of the PHI at the Individual's request. If necessary, the MedImpact CE's Privacy Office will discuss the scope, format, and other aspects of the request for access with the Individual to facilitate the timely provision of access.

I. Fees. The MedImpact CE may impose a reasonable, cost-based fee for providing the PHI, summary or explanation, as applicable, and as permitted by applicable law. This fee will, at most, include only the cost of:

i. Labor for copying the PHI, whether in paper or electronic form;
ii. Supplies for creating the paper copy or electronic media if the Individual requests that the electronic copy be provided on portable media;
iii. Postage, when the Individual has requested the copy, or the summary or explanation, be mailed; and
iv. Preparing an explanation or summary of the protected health information, if agreed to by the Individual.

The MedImpact CE will follow any stricter requirements that may be imposed by applicable state law for responding to access requests, including any stricter limits on fees that may be imposed.

J. The MedImpact CE will document the Designated Record Sets that are subject to access by Individuals, and the titles of the persons or offices responsible for receiving and processing requests for access Individuals and will retain this documentation for at least six years from the date created or last in effect, whichever is later.

9. Right to Amend PHI in a Designated Record Set (45 CFR 164.526)

An Individual has the right to request an amendment of his/her PHI maintained by the MedImpact CE or its business associates in a Designated Record Set except as specified below:

i. The records were not created by the MedImpact CE unless the individual provides a reasonable basis to believe that the originator of PHI is no longer available to act on the request.
ii. The information is not part of the DRS.
iii. The information contained in the record is accurate and complete; and/or
iv. The amended information would not be available for access or inspection as provided in Section VI. This includes psychotherapy notes, and information compiled in reasonable anticipation for use in criminal, civil or administrative actions or proceedings.

A. Time Frame for Acting on Request for Amendments
The MedImpact CE will act upon the Individual's request for an amendment no later than sixty (60) days after receipt of such request. If the MedImpact CE is unable to act upon the request within the sixty (60) day period, the Individual will be provided with a written notice of the reasons for the delay and the date by which the MedImpact CE will complete such action. The MedImpact CE will not seek such an extension more than once per request.

B. Acceptances.
If the MedImpact CE accepts the requested amendment, in whole or in part, it will:
i. Make the appropriate amendment by, at a minimum, identifying the records in the DRS that are affected by the amendment and appending or otherwise providing a link to the location of the amendment.
a. Inform the Individual within the required 60-day period that the amendment is accepted and obtain the Individual's identification of, and agreement to, have the

MedImpact CE notify the relevant persons with which the amendment needs to be shared as provided in (c) below.

b. The MedImpact CE will make reasonable efforts to inform and provide the amendment within a reasonable time to:

ii. Persons identified by the Individual as having received PHI about the Individual and needing the amendment; and

iii. Persons, including BAs, that the MedImpact CE knows have the PHI that is the subject of the amendment and that may have relied, or could foreseeably rely, on the information to the detriment of the Individual.

C. Denials.

If the MedImpact CE denies the requested amendment, in whole or in part, the MedImpact CE will:

i. Provide the Individual with a written denial within the 60-day time frame. The denial will use plain language and state the following:
- The basis for the denial;
- The Individual's right to submit a written statement disagreeing with the denial and how the Individual may file such a statement;
- A statement that, if the Individual does not submit a statement of disagreement, the Individual may request that the MedImpact CE provide the Individual's request for amendment and the denial with any future disclosures of the PHI that is the subject of the amendment; and
- A description of how the Individual may complain to the MedImpact CE's Privacy Officer pursuant to the MedImpact CE's complaint procedures or to OCR as stated in its NPP. The description will include the telephone number of the MedImpact CE Privacy Officer for receiving complaints as stated in the MedImpact CE's NPP.

ii. The MedImpact CE will permit the Individual to submit a written statement disagreeing with the denial of all or part of a requested amendment and the basis of the disagreement. the MedImpact CE may reasonably limit the length of a statement of disagreement.

iii. The MedImpact CE may prepare a written rebuttal to the Individual's statement of disagreement. If the MedImpact CE prepares a rebuttal, it will provide a copy to the Individual who submitted the statement of disagreement.

iv. The MedImpact CE will identify the PHI in the DRS that is the subject of the disputed amendment and append or otherwise link the Individual's request for an amendment, the MedImpact CE's denial, the Individual's statement of disagreement, if any, and the MedImpact CE's rebuttal, if any, to the DRS.

D. Future Disclosures.

If a statement of disagreement has been submitted by the Individual, the MedImpact CE will include the material appended in accordance with Section C above, or an accurate summary of the material, with any subsequent disclosure of the PHI to which the disagreement relates. If the Individual has not submitted a written statement of disagreement, the MedImpact CE will include the Individual's request for amendment and its denial, or an accurate summary of this information, with any subsequent disclosure of the PHI only if the Individual has requested this.

When a subsequent disclosure is made electronically using a standard transaction under 45 CFR part 162 that does not permit the additional material to be included with the disclosure, the MedImpact CE may separately transmit the material specified in the previous paragraph to the recipient of the standard transaction.

10. Right to Request Confidential Communications for the MedImpact CE Member PHI(45 CFR 164.522(b))

The MedImpact CE will permit Individuals to request an alternative means or location for receiving communications of PHI other than those that the MedImpact CE typically employs. Individuals may request that the MedImpact CE communicate their health information to them in a certain manner or location. These requests must be made in writing and sent to the MedImpact CE at the contact information provided in its NPP. The Privacy Officer will be responsible for receiving and processing an Individual's request for confidential communications. An example of such a request might be if a wife separated from her husband does not want communications containing her PHI sent to the home address that she previously shared with her estranged husband. The wife would like his mail sent to an alternate address until his divorce is finalized.

A. Approval of Request of Confidential Communications
The MedImpact CE will accommodate any reasonable request by an Individual to receive communications of PHI by alternative means or locations, provided that the conditions described below are satisfied:
   i. The Individual has provided the MedImpact CE with information as to how payment, if applicable, for services rendered will be handled;
   ii. The Individual has specified an alternative address or other method of contact; and
   iii. In the case of a MedImpact CE that is a Health Plan, the Individual provides a statement that a disclosure of all or part of the information to which the request pertains could endanger the Individual.

When a request for confidential communication is approved a note will be placed in the Individual's record indicating the method by which communication can occur and any specific restrictions or requirements related to the communication.

B. Denial of a Request of Confidential Communications
The MedImpact CE may deny an Individual's request for confidential communications only for one or more of the following reasons:
   i. The Individual's request does not specify an alternative method or alternative location for disclosure of PHI to the Individual;
   ii. The Individual's request does not inform the MedImpact CE how payment will be handled, if applicable;
   iii. In the case of a request to a MedImpact CE that is a Health Plan, the Individual does not provide a statement that a disclosure of all or part of the information subject to the request could endanger the Individual if the request is not granted or
   iv. The Privacy Officer determines that the administrative difficulty and/or cost that would result from granting the Individual's request would be unreasonable. The MedImpact CE will not evaluate or question the Individual's statement that disclosure of some or

all the information could endanger the Individual in the case of a MedImpact CE that is a Health Plan, and will not ask for such a statement or reason for the request in the case of a MedImpact CE that is a Health Care Provider.

If the request is denied, the MedImpact CE will notify the Individual of such denial in writing, written in plain language.

C. Time Frame for Response
The MedImpact CE will act upon the Individual's request for an amendment no later than thirty (30) days after receipt of such request. If the MedImpact CE is unable to act upon the request within the thirty (30) day period, the Individual will be provided with a written notice of the reasons for the delay and the date by which the MedImpact CE will complete such action.

11. Personal Representatives and Identity and Authority Confirmation

Any rights that an Individual may exercise under this policy may also be exercised by the Individual's Personal Representative. Prior to disclosing PHI in response to an Individual privacy right request, the MedImpact CE will confirm the identity of the person requesting the PHI and their authority to have access to the PHI if other than the Individual. In addition, the MedImpact CE will obtain any documentation, statements, or representations, from the requestor when such information is a condition of the disclosure. See the MedImpact Entities' *Policy on Identity and Authority Confirmation*.

12. MedImpact Entities that are BAs

Except in those limited cases where a MedImpact Entity that is acting in a BA capacity has agreed in its BAA with a CE to act on behalf of a CE in responding to an Individual who requests to exercise his or her rights with respect to PHI, MedImpact Entities that are not CEs do not respond directly to Individual requests to access, amend or obtain an accounting for disclosures of their PHI. If the MedImpact Entity receives such a request from an Individual, the MedImpact Entity Employee or Non-Employee informs the Individual that the request must be routed through the CE that provided the NPP to the Individual and, if available, provides the Individual with the CE's contact information. If required by the BAA with the CE, the MedImpact Entity will forward an Individual request to the applicable CE. If requested by the CE, the MedImpact Entity will provide PHI or information about accountable disclosures to the CE to allow it to respond to Individual requests for access, amendment and an accounting and/or comply with requests for restrictions or confidential communications agreed to by the CE as provided in this Policy. The MedImpact Entity will respond within the time frame specified in the BAA. If the MedImpact Entity is unable to implement the request for any reason, the MedImpact Entity's Privacy/Compliance contact will discuss and resolve the matter with the CE.

13. Resources

Policies and procedures and standard definitions relating to specific HIPAA Regulations and related requirements are available on the company Corporate Compliance/HIPAA Compliance Program intranet site. The Privacy/Compliance contact for each MedImpact Entity is available to answer questions or provide additional information regarding applicable requirements or policies and procedures.

14. Documentation and Policy and Procedure Enforcement

The MedImpact CE's Privacy Officer will retain copies of (i) all requests or complaints received under this Policy, and their disposition, including the termination of any granted restrictions or confidential communication requests, for a period of at least six (6) years from the date of the request or the date when it last was in effect, whichever is later; and (2) all NPPs for a period of at least 6 years from the date of creation or when last in effect, whichever is later.

It is the responsibility of all Employees and Non-Employees to adhere to the MedImpact Entities' policies and procedures. If an Employee or Non-Employee's actions are determined to be outside the scope or in violation of these policies and procedures, the specific issue will be addressed with the Employee or Non-Employee's direct supervisor, and / or with representatives from the Human Resources Department and the MedImpact Entity Privacy/Compliance contact in accordance with the *Sanctions Policy for Violations of Privacy or Security Policies and Procedures* and must be promptly reported to Privacy.SecurityTeam@medimpact.com.

RELATED EXTERNAL REFERENCES	
Name	**Link**
N/A	N/A

CHANGE HISTORY / VERSION CONTROL	
Version	**Comments**
1.0	NEW Document (J. Johnson 8/2019)
2.0	Effective Date Changes (J. Johnson 12/2019)
3.0	Effective Date Changes (J. Johnson 12/2020)
4.0	Effective Date Changes (J.Johnson 12/2021)

* *Annual Review Approval Audit Records – no document content/process updates made*: Audit Record inserted by Process Management before document is finalized and published.

DOCUMENT TITLE	**Right to Request Access and Amendment to Member PHI (MedImpact)**				
DOCUMENT #	560-PD-1014	**VERSION**	17.0	**SUPERSEDES**	16.0
PROCESS OWNER	Jennifer Johnson, VP, Corporate Privacy Officer			**EFFECTIVE DATE:**	January 1, 2022
EXTERNAL SHARING	YES ☒	NO ☐		**PRINTING ALLOWED**	Yes
SHARE WITH	Regulatory Agencies ☒ Clients ☒ Other ☐				

SUPPORTING DOCUMENTATION	
Document #	**Document Title**
560-PL-1092	Individual Rights Regarding Protected Health Information
560-PL-1013	Permissible Uses and Disclosures of Member PHI
560-PL-1089	Sanctions Policy for Violations of Privacy or Security Policies and Procedures
210-PL-1085	Compliance and Enforcement Language Policy
(GD)Guide=Overview | (PL)Policy=Rule | (PD)Procedure=Action | (FD)Flow Diagram=Visual (WI)Work Instruction=Details | (FM)Form=Predefined | (RD)Reference Document=Supporting	

REQUIRED APPROVALS

Approvers' Signature and Approval are recorded electronically and stored via Compliance 360 (C360).

Approvers	**Title**
Debra Harper	VP, Corporate Compliance Officer
Jennifer Johnson	VP, Corporate Privacy Officer

Approvals: Time-stamped approvals are recorded electronically and stored via Compliance 360 (C360). Process Management inserts the Approval Audit Record into document before it is finalized and published. Annual Review Approval Audit Records to indicate no process changes of current version were necessary are inserted on last page.

Approver Name	Job Title	Approval Date	Process Document Number	Version Number	EffectiveDate
Johnson, Jennifer	VP, Corporate Privacy Officer & Licensure	12/17/2021 4:54 PM	560-PD-1014	17.0	1/1/2022
Harper, Debra	VP, Corporate Compliance Officer	12/20/2021 6:44 AM	560-PD-1014	17.0	1/1/2022

DOCUMENT DEFINITIONS (When using definition in document Capitalize First Word)	
Word/Term	**Definition**
Account Executive (AE)	Employee assigned to manage contracted client accounts.
Business Associate (BA)	A business associate (BA) is any person or entity that performs services (directly or on behalf of another BA) for a CE that involve the use or Disclosure of PHI. A BA does not include a person who performs services as an Individual of the Workforce of an entity or a health care provider that receives PHI for treatment purposes. A Subcontractor is a type of BA.
Business Associate Agreement (BAA)	An agreement between a CE and a BA that describes the permitted uses and Disclosures of the CE's PHI and other responsibilities of the BA with respect to PHI (e.g., reporting impermissible uses and Disclosures of PHI and responding to Individual requests related to their PHI).
Client Services Manager (CSM)	Employee assigned to manage contracted client accounts.
Covered Entity (CE)	Health plans, health care clearinghouses, and health care providers who electronically transmit any health information in connection with transactions for which HHS has adopted standards.
CSR	Customer Service Representative
De-identified Data	Information that does not identify an individual and with respect to which there is no reasonable basis to believe that the information can be used alone or in combination with other reasonably available information to identify an individual. De-identified Data is not PHI. For further information on how PHI may be de-identified, see *Permissible Uses and Disclosures of Member PHI* policy [560-PL-1013]
Designated Record Set (DRS)	Designated Record Set - A group of records maintained by or for a CE, that is: (1) The medical records and billing records about Individuals maintained by or for a covered healthcare provider; (2) The enrollment, payment, claims adjudication, and case or medical management record systems maintained by or for a health plan; or (3) used, in whole or in part, by or for the CE to make decisions about Individuals.
Employee	Any individual employed on a full-time or part-time basis by MedImpact Healthcare Systems, Inc. (MedImpact).
Health Care Operations	Activities conducted by or on behalf of a CE related to its operations/functions as a health plan or Health Care Provider. Examples include business management, administrative duties, quality assurance, quality improvement, case management, population-based activities to improve health or reduce health costs, training programs, licensing, credentialing, certification, accreditation, compliance programs, fraud and abuse detection, customer service, audits and de-identifying PHI and creating a Limited Data Set.
Health Care Provider	A provider of services, a provider of medical or health services, and any other person or entity who furnishes, bills, or is paid for health care in the normal course of business.

HIPAA Regulations	The regulations at 45 CFR Parts 160 and 164 implementing the privacy and security requirements of the Health Insurance Portability and Accountability Act ("HIPAA").
Individual	The natural person who is the subject of PHI. May also be referred to as "Member" when the PHI relates to a member of a Plan.
Individually Identifiable Health Information (IIHI)	Information that is a subset of health information, including demographic information collected from an individual, and is (i) created or received by a health care provider, health plan, employer, or health care clearinghouse; and (ii) relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; and (a) that identifies the individual; or (b) with respect to which there is reasonable basis to believe the information can be used to identify the individual.
Limited Data Set (LDS)	A Limited Data Set is PHI from which certain specified direct identifiers of Individuals and their relatives, household members, and employers have been removed. A LDS set may be used and disclosed for research, health care operations, and public health purposes, provided the recipient enters into a data use agreement that includes certain specified terms, including to safeguard the LDS.
MedImpact Healthcare Systems, Inc. (MedImpact)	A pharmacy benefits management (PBM) company.
Members/Patients	The natural person who is the subject of PHI. May also be referred to as "Member" when the PHI relates to a member of a Plan.
Non-Employee	Any individual not employed by MedImpact but who performs services for MedImpact. This definition includes, but may not be limited to, contractors and temporary employees.
Notice of Privacy Practices (NPP)	Notice that informs individuals of the privacy practices of a CE and individual privacy rights with respect to their protected health information.
Payment	Activities for or on behalf of a health plan to obtain premiums, determine or fulfill responsibilities for coverage and provision of benefits, and furnish or obtain reimbursement for health care delivered to an Individual and activities for or on behalf of a Health Care Provider to obtain payment or be reimbursed for the provision of health care to an Individual. It includes eligibility determinations, coverage determinations, utilization review activities and reporting certain PHI to consumer reporting agencies.
Plan	A health plan that is a Client of MedImpact. A health plan includes a health insurance company such as a Managed Care Organization (MCO), Health Maintenance Organization (HMO), Preferred Provider Organization (PPO), Medicare Prescription Drug Plan (PDP) or Medicare Advantage-Prescription Drug Plan (MA-PD), an employer sponsored group health plan such as an employer group, or any other entity defined as a health plan in the Privacy Rule. All health plans are Covered Entities.

Protected Health Information (PHI)	IIHI that is (i) transmitted by electronic media; (ii) maintained in any medium such as magnetic tape, disc, optical file; or (iii) transmitted or maintained in any other form or medium (including but not necessarily limited to paper, voice, Internet, or facsimile). *See Permissible Uses and Disclosures Member PHI #560-PL-1013* for a complete list of all data elements that are considered to be PHI. PHI excludes Individually Identifiable Health Information: (i) in education records covered by the Family Educational Rights and Privacy Act, as amended; (ii) in certain student records as described at 20 U.S.C. 1232g(a)(4)(B)(iv); (iii) in employment records held by a covered entity in its role as employer; and (iv) regarding a person who has been deceased for more than 50 years.
PHI Access Plan Approval	A Plan's written approval of a Member's privacy rights request to access his/her PHI in a DRS.
PHI Amendment Plan Approval	A Plan's written approval of a Member's privacy rights request to amend his/her PHI in a DRS.
Privacy Rule	The Standards for the Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164.
Request	A Member's request, in accordance with certain Member privacy rights, as defined by the Privacy Rule and further communicated to Members in a Notice of Privacy Practices provided to a Member from the Member's health plan. MedImpact implements certain CE-approved Requests as a Business Associate of Plan clients.
Service Agreement (SA)	An agreement that outlines the services and other contractual terms between MedImpact and a client.
Treatment	The provision, coordination, or management of health care and related services by one or more health care providers, including the coordination or management of health care by a health care provider with a third party; consultation between health care providers relating to an Individual; or the referral of an Individual for health care from one health care provider to another. Examples including dispensing drugs or patient counseling by a pharmacy.
TPO	The use and Disclosure of PHI for purposes of Treatment, Payment, Health Care Operations (TPO) is allowed without a specific Authorization form the member/patient. Examples include but are not be limited to, the payment and processing of claims, benefits, eligibility, Plan audits, prior authorizations and related processes.

PURPOSE	This procedure sets forth the process for responding to a Member Request for: (i) access to his/her Protected Health Information (PHI); and (ii) amendment of his/her PHI or a record about the Member in a Designated Record Set (DRS) for as long as the PHI is maintained in the DRS, in accord with the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") as amended by the Health Information Technology for Economic and Clinical Health Act Section 13402 ("HITECH Act") and implementing regulations are collectively referred to as ("HIPAA Regulations") and applicable state laws and regulations.

Table of Contents

1. Process Overview

The HIPAA Regulations establish requirements regarding permitted uses or Disclosures of PHI and Member privacy rights. MedImpact Healthcare Systems, Inc. ("MedImpact") has established the following process for responding to a Member's Request to access or amend his/her PHI in a Designated Record Set (DRS). *See Permissible Uses and Disclosures Member PHI #560-PL-1013* for a complete list of all data elements that are considered to be PHI.

2. Member Request: Procedure Details

A Member of a Plan is informed of his/her privacy rights under the Privacy Rule through a Notice of Privacy Practices (NPP) provided by his/her Plan.

In the event a Member contacts MedImpact requesting to exercise certain privacy rights, including the rights to access or amend PHI in a DRS, MedImpact representatives respond as follows:

1. Informs the Member that the Request must be routed through the Plan that provided the NPP to the Member and provides the Member with the Plan contact information; and
2. Informs the Member that the Plan:
    - Manages the process;
    - Approves or denies the Request; and
    - Forwards an approved Request to MedImpact, in accord with the Plan's established processes.

3. Plan Request: Procedure Details

3.1 Access to Member PHI

Individuals have a right to access, inspect and/or obtain a copy their PHI maintained in one or more DRS. Individuals have a right to access this PHI for as long as the information is maintained by MedImpact, or by a business associate on behalf of MedImpact, regardless of the date the information was created' whether the information is maintained in paper or electronic systems onsit3e, remotely, or is archived; or where the PHI originated (e.g., whether it's MedImpact, a health care provider, the Individual, etc.). MedImpact is not, however, required to create new information, such as explanatory materials or analyses that do not already exist in the DRS.

A PHI Access Plan Approval must include the original Member Request and documentation of Plan approval. Plan approval includes Member Authorized Personal Representative Form (if applicable). The Account Executive (AE)/Client Services Manager (CSM) may provide the Plan with the 'Request for Access to PHI in a DRS – Optional Submission Form'. The PHI Access Plan Approval is directed to the appropriate AE/CSM.

If a Member requests an electronic copy of PHI that is maintained electronically in one or more DRS records, MedImpact will provide the Member access to the electronic information in the electronic form and format requested by the Member if it is readily producible, or, if

it is not, in a readable electronic format as agreed to by MedImpact, the Plan, and the Member.

If the AE/CSM has any questions regarding whether to release the PHI, the AE/CSM must contact the Privacy Officer or designee.

3.2 PHI Access Plan Approval Implementation:

1. A Member may request access to the portion of a DRS containing the Member's PHI dated within the last six (6) years from the date of the Request, pursuant to the HIPAA Privacy Rule. MedImpact is able to provide records in a DRS for up to three (3) years from MedOptimize.

   Excluded Information - The Individual does not have a right to access, inspect or copy any of the following:

   i. Psychotherapy notes;
   ii. Information compiled in reasonable anticipation of, or for use in, a civil, criminal, or administrative action or proceedings;
   iii. Information provided in confidence that, if provided to the Individual, would reveal the source of the information;
   iv. The PHI is contained in records that are subject to the Privacy Act, if the denial of access under the Privacy Act would meet the requirements of that law.

2. If a hard copy of the PHI is requested, the AE/CSM prints the DRS report from MedOptimize and follows the appropriate process steps outlined below (refer to DRS Report Creation Instructions contained in the Corporate MedOptimize training, and the attached instructions in Appendix C). If an electronic copy of the PHI is requested, the AE/CSM works with the Plan to provide the information using a secure electronic method approved by the Information Security Department, in accord with the Member's request and Plan's approval.

3. If a Member requests records dated more than three (3) years from the Request date, then the AE/CSM must request the additional information from the Plan's assigned MedImpact Business Analyst.

4. If the DRS report indicates that no records exist for the Member, the AE/CSM:

   a. Contacts the Plan to confirm the accuracy of the Member information and parameters provided to MedImpact;

   b. Verifies the accuracy of the DRS report in alignment with the Plan's Request; and

   c. Responds to the Plan indicating that no Member record was found.

5. If the DRS report identifies existing records for the Member, per the Plan's request, the AE/CSM:

   a. Verifies the accuracy of the DRS report, per the Plan's Request; and

   b. Forwards the 'Request for Access to PHI in DRS– Optional Fulfillment Letter' (Appendix A) or alternate form of communication to the Plan along with the DRS report if a hardcopy or an electronic file if the request is for access electronically to electronic PHI.

6. The Plan responds directly to the Member's Request, unless otherwise contractually obligated.

3.3 Amendment to Member PHI

A PHI Amendment Plan Approval must include the original Member Request and documentation, including any Member Authorized Personal Representative Form (if applicable).

1. The PHI Amendment Plan Approval is directed to the appropriate AE/CSM.
2. The AE/CSM promptly routes the PHI Amendment Plan Approval to the Privacy Officer or designee.
3. After the Privacy Officer or designee reviews the PHI Amendment Plan Approval Request:
    a. If the Privacy Officer or designee approves the Plan's request, then the Privacy designee notifies the AE/CSM;
    b. The AE/CSM amends the DRS report accordingly. The AE/CSM:
        - Prints the DRS report from MedOptimize for records from the last 3 years, contacts the Plan's assigned MedImpact Business Analyst for any records that are more than 3 years old; and
        - Forwards the 'Request for Amendment to Member PHI in DRS - Optional Fulfillment Letter' (Appendix B) or alternate form of communication to the Plan, including the amended DRS report, if applicable.
    c. The Plan responds directly to the Member's Request.
    d. If the Privacy Officer or designee does not approve the PHI Amendment Plan Approval Request, the Privacy Team notifies the AE/CSM for further discussion with the Plan.

4. DRS Report Elements

The following data elements are included in a DRS Report:

1. **Member Information**
    a. Member HQ
    b. Birth Date
    c. Gender
    d. Member ID
    e. Health Plan
2. **Claim Adjudication Information**
    a. Prescription (RX) #
    b. Fill Date
    c. NDC - Drug - Strength
    d. Prior Authorization (PA) #
    e. Quantity
    f. Drug Strength
    g. Status (approved, rejected, denied)
    h. Formulary
    i. Physician Name

j. Pharmacy Name
k. Pharmacy Address
l. Pharmacy (City, State, Zip Code)

3. Prior Authorization/MRF (Active Only) Information

a. PA#
b. Effective Date
c. NDC-Drug-Strength
d. Count
e. Quantity
f. DS
g. Co-Pay
h. Physician Name

4. Amendments

a. Entry
b. Amendment Text

5. Turn-Around Time

MedImpact responds to the Plan's Request **within 30 calendar days of receipt of the Request**, or as otherwise stated in the Business Associate Agreement (BAA) or relevant Service Agreement (SA), which, without exception, will not be longer than 30 calendar days.

6. Resources

Policies and procedures and standard definitions relating to specific HIPAA Regulations and related requirements are available on the MedImpact Entities' Intranet site under the Corporate Compliance/HIPAA Compliance Program Section. The Privacy/Compliance contact for MedImpact is available to answer questions or provide additional information regarding applicable requirements or policies and procedures.

7. Policy and Procedure Enforcement

It is the responsibility of Employees and Non-Employees to adhere to MedImpact's policies and procedures. If an Employee's or Non-Employee's actions are determined to be outside the scope or in violation of MedImpact's policies and procedures, the specific issue will be addressed with the Employee's or Non-Employee's direct supervisor, and / or with representatives from the Human Resources (HR) and Department and the Privacy Officer, in accordance with the *Sanctions Policy for Violations of Privacy or Security Policies and Procedures* and must be promptly reported to Privacy.SecurityTeam@medimpact.com.

Appendix A. Request for Access to Member PHI in DRS Request – Optional Fulfillment Letter

[DATE]

[PLAN]

[PLAN ADDRESS]

Re: Request for Access to Member PHI in Designated Record Set

Dear [CONTACT PERSON AT PLAN]:

Per your Request received on _____/_____/_____, enclosed please find the Designated Record Set for [INSERT MEMBER NAME AND MEMBER ID NUMBER]. [If DRS has No Record -Please note that the DRS report indicates that no records were found for the requesting Member].

If you have questions or wish further information, please contact [CONTACT PERSON] at [CONTACT INFORMATION].

Sincerely,

[ACCOUNT EXECUTIVE/CLIENT SERVICES MANAGER NAME AND TITLE]

MedImpact Healthcare Systems, Inc.

Enclosure: DRS Report

This letter may contain information that is privileged, confidential, and exempt from Disclosure under applicable law and/or may contain confidential individually identifiable health information protected under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and other statutes. If you are not the intended recipient, employee or agent responsible for delivering this transmission, you are hereby notified that any distribution or copying of this transmission is strictly prohibited. If you received this transmission in error, please contact the original sender immediately by calling the contact number noted and immediately return all original documents and destroy any copies.

Appendix B. Request for Amendment of Member PHI in DRS – Optional Fulfillment Letter

[DATE]

[PLAN]

[PLAN ADDRESS]

Re: Fulfillment: Request to Amend Member PHI in DRS

Dear [CONTACT PERSON AT PLAN]:

Effective ___/___/___, MedImpact has fulfilled the Request(s) received on _____/_____/_____, for [INSERT MEMBER NAME AND MEMBER ID NUMBER] and encloses an amended Designated Record Set report herein. If you have questions or wish further information, please contact [CONTACT PERSON] at [CONTACT INFORMATION].

Per the federal Privacy Rule, please inform MedImpact of any relevant persons to whom a notification of amendment must be sent.

Sincerely,

[ACCOUNT EXECUTIVE/CLIENT SERVICES MANAGER NAME AND TITLE]

MedImpact Healthcare Systems, Inc.

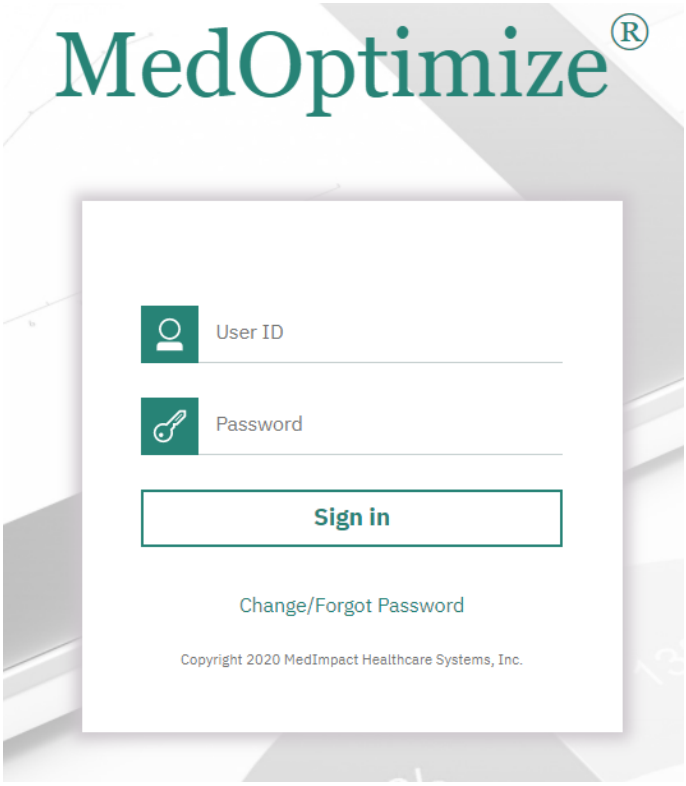
Enclosure/Amended DRS

This letter may contain information that is privileged, confidential, and exempt from Disclosure under applicable law and/or may contain confidential individually identifiable health information protected under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and other statutes. If you are not the intended recipient, employee or agent responsible for delivering this transmission, you are hereby notified that any distribution or copying of this transmission is strictly prohibited. If you received this transmission in error, please contact the original sender immediately by calling the contact number noted and immediately return all original documents and destroy any copies.

Appendix C. Designated Record Set Instructions

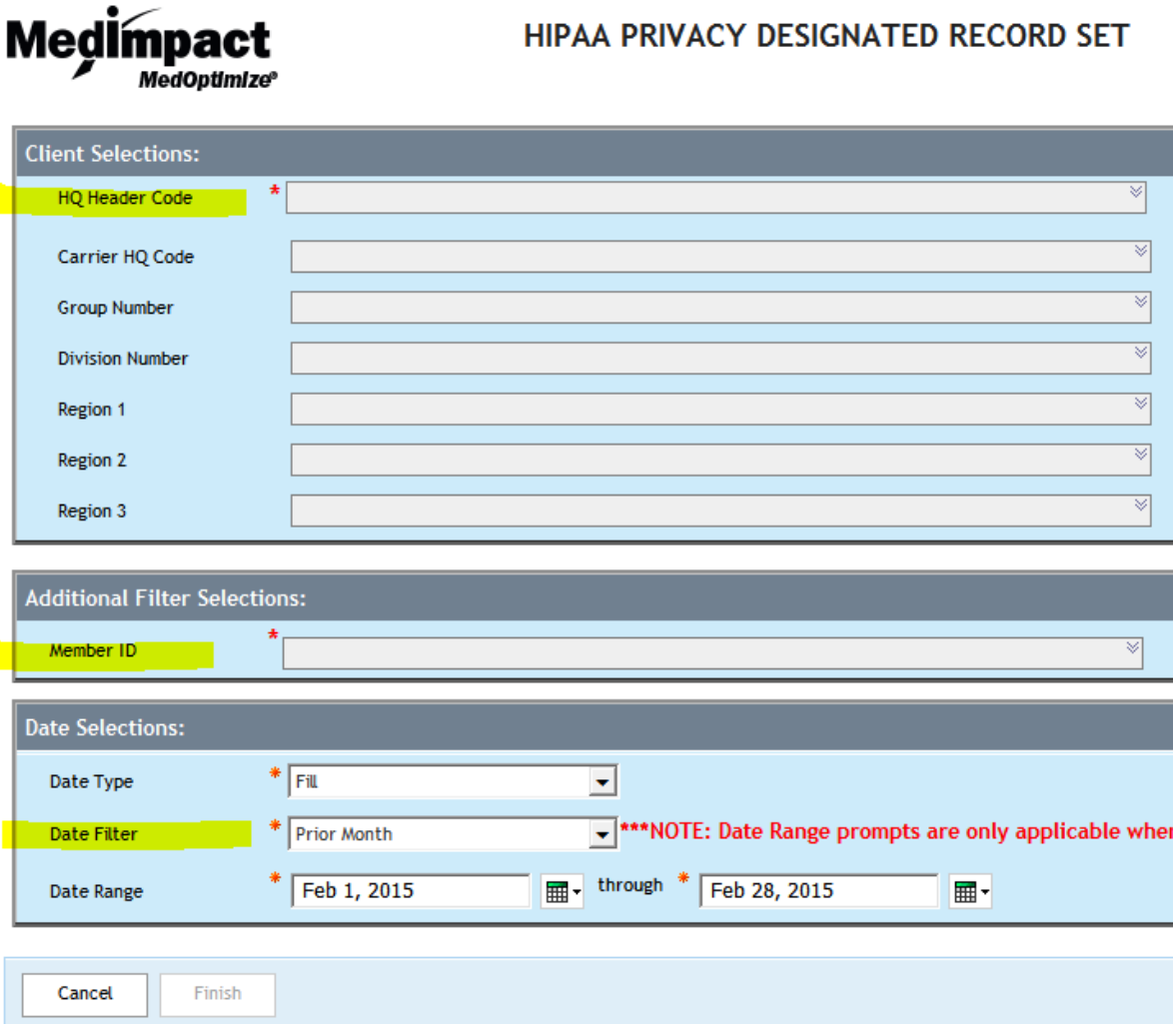
To Run a DRS Report Using MedOptimize *(Note: Contact the Client Team Business Analyst for records older than 3 years)*:

1. Login to MedOptimize at: https://mo.medimipact.com
2. Enter your username and password; then click **Sign In**.



3. Once you are logged in you will navigate to **MedOptimize Reporting** > **Internal Reports – Other** and locate the **Designated Record Set.**

4. Select **Run As** to choose your output format and then select your report parameters.



5. In the ***Value required** prompts, input the following information
    - The **HQ Header Code**.
    - The **Member ID.**
    - Set Date Selections according to request.
6. Click **Finish** to obtain the following reports.

HIPAA PRIVACY DESIGNATED RECORD SET

Member Information	Member HQ	Birth Date	Gender	Member ID	Health Plan
MEMBER, A. SAMPLE	ZZZ01	01/01/1900	F	123456789-01	ZZZ Healthcare, Inc.
1234 MAIN ST.					
SAN DIEGO, CA 92131					

Claim Adjudication Information

Rx #	Fill Date	NDC - Drug - Strength	PA #	Qty	DS	Status	Frmly	Prescriber Full Name	Pharmacy Name	Pharmacy Address	City, State Zip Code
123456	01/06/2012	00781-1078-10 ATENOLOL 25 MG	0	0	0	A	Y	MARTIN, DOC	ACME PHARMACY	123 E FIRST ST SUITE 100	SAN DIEGO, CA 92131-0000
234567	01/06/2012	00781-1078-10 ATENOLOL 25 MG	0	45	30	A	Y	MARTIN, DOC	ACME PHARMACY	124 E FIRST ST SUITE 100	SAN DIEGO, CA 92131-0000
345678	01/19/2012	13668-0102-10 DONEPEZIL HCL 5 MG	0	0	0	A	Y	MARTIN, DOC	ACME PHARMACY	125 E FIRST ST SUITE 100	SAN DIEGO, CA 92131-0000
456789	01/19/2012	13668-0102-10 DONEPEZIL HCL 5 MG	0	30	30	A	Y	MARTIN, DOC	ACME PHARMACY	126 E FIRST ST SUITE 100	SAN DIEGO, CA 92131-0000
567900	02/02/2012	00781-1078-10 ATENOLOL 25 MG	0	0	0	A	Y	MARTIN, DOC	ACME PHARMACY	127 E FIRST ST SUITE 100	SAN DIEGO, CA 92131-0000
679011	02/02/2012	00781-1078-10 ATENOLOL 25 MG	0	45	30	A	Y	MARTIN, DOC	ACME PHARMACY	128 E FIRST ST SUITE 100	SAN DIEGO, CA 92131-0000
790122	02/16/2012	13668-0102-10 DONEPEZIL HCL 5 MG	0	0	0	A	Y	MARTIN, DOC	ACME PHARMACY	129 E FIRST ST SUITE 100	SAN DIEGO, CA 92131-0000
901233	02/16/2012	13668-0102-10 DONEPEZIL HCL 5 MG	0	30	30	A	Y	MARTIN, DOC	ACME PHARMACY	130 E FIRST ST SUITE 100	SAN DIEGO, CA 92131-0000
1012344	02/29/2012	00781-1078-10 ATENOLOL 25 MG	0	45	30	A	N	MARTIN, DOC	ACME PHARMACY	131E FIRST ST SUITE 100	SAN DIEGO, CA 92131-0000
1123455	04/01/2012	13668-0102-10 DONEPEZIL HCL 5 MG	0	30	30	A	N	MARTIN, DOC	ACME PHARMACY	132 E FIRST ST SUITE 100	SAN DIEGO, CA 92131-0000
1234566	04/01/2012	00781-1078-10 ATENOLOL 25 MG	0	45	30	A	N	MARTIN, DOC	ACME PHARMACY	133 E FIRST ST SUITE 100	SAN DIEGO, CA 92131-0000
1345677	04/24/2012	13668-0102-10 DONEPEZIL HCL 5 MG	0	30	30	A	N	MARTIN, DOC	ACME PHARMACY	134 E FIRST ST SUITE 100	SAN DIEGO, CA 92131-0000
1456788	04/27/2012	00781-1078-10 ATENOLOL 25 MG	0	45	30	A	N	MARTIN, DOC	ACME PHARMACY	135 E FIRST ST SUITE 100	SAN DIEGO, CA 92131-0000
3435785	05/29/2012	00781-1078-10 ATENOLOL 25 MG	0	45	30	A	N	MARTIN, DOC	ACME PHARMACY	136 E FIRST ST SUITE 100	SAN DIEGO, CA 92131-0000
3486112	06/20/2012	13668-0102-10 DONEPEZIL HCL 5 MG	0	30	30	A	N	MARTIN, DOC	ACME PHARMACY	137 E FIRST ST SUITE 100	SAN DIEGO, CA 92131-0000
3506766	06/29/2012	00781-1078-10 ATENOLOL 25 MG	0	45	30	A	N	MARTIN, DOC	ACME PHARMACY	138 E FIRST ST SUITE 100	SAN DIEGO, CA 92131-0000
3548814	07/16/2012	13668-0102-10 DONEPEZIL HCL 5 MG	0	30	30	A	N	MARTIN, DOC	ACME PHARMACY	139 E FIRST ST SUITE 100	SAN DIEGO, CA 92131-0000
3595536	08/08/2012	00781-1078-10 ATENOLOL 25 MG	0	45	30	A	N	MARTIN, DOC	ACME PHARMACY	140 E FIRST ST SUITE 100	SAN DIEGO, CA 92131-0000
3604513	08/13/2012	13668-0102-10 DONEPEZIL HCL 5 MG	0	30	30	A	N	MARTIN, DOC	ACME PHARMACY	141E FIRST ST SUITE 100	SAN DIEGO, CA 92131-0000

HIPAA PRIVACY DESIGNATED RECORD SET

Member Information	Member HQ	Birth Date	Gender	Member ID	Health Plan
MEMBER, A. SAMPLE	ZZZ01	01/01/1900	F	123456789-01	ZZZ Healthcare, Inc.
1234 MAIN ST.					
SAN DIEGO, CA 92131					

Prior Authorization/MRF (Active Only)

Prior Approval Number	Effective Date	NDC - Drug - Strength	Count	Qty	DS	CoPay	Physician Name
3238	06/08/2008	00456-3205-60 NAMENDA 5 MG	Null	Null	Null	$0.00	

HIPAA PRIVACY DESIGNATED RECORD SET

Member Information	Member HQ	Birth Date	Gender	Member ID	Health Plan
MEMBER, A. SAMPLE	ZZZ01	01/01/1900	F	123456789-01	ZZZ Healthcare, Inc.
1234 MAIN ST.					
SAN DIEGO, CA 92131					

Amendments

Row Number	Member Special Handling Note
1	N/A

RELATED EXTERNAL REFERENCES	
Name	**Link**
N/A	N/A

CHANGE HISTORY / VERSION CONTROL	
Version	**Comments**
9.0	Updating previous policy and procedure numbers and process.
10.0	Changes to definitions, process and letter disclaimers (J. Johnson 9/2016)
11.0	Adjustment of Effective Date to precede required annual employee HIPAA training and minor edits (J. Johnson 3/2017)
12.0	Adjustment of Effective Date to precede required annual employee HIPAA training and minor edits (J. Johnson 11/2017)
13.0	Updated version, effective date, and Approver section updated, Adjustment of Effective Date to precede required annual employee HIPAA training (J. Johnson 1/2019)
14.0	Updated effective date and added new supporting document (J. Johnson 7/2019).
15.0	Effective Date Changes (J. Johnson 12/2019)
16.0	Content and Effective Date Changes (J. Johnson 12/2020)
17.0	Effective Date Changes and minor updates (J.Johnson 12/2021)

* *Annual Review Approval Audit Records – no document content updates made*: Audit Record inserted by Process Management before document is finalized and published.

DOCUMENT TITLE	**Right to Request an Accounting of Disclosures of Member PHI (MedImpact)**				
DOCUMENT #	560-PD-1015	**VERSION**	16.0	**SUPERSEDES**	15.0
PROCESS OWNER	Jennifer Johnson, VP, Corporate Privacy Officer			**EFFECTIVE DATE:**	January 1, 2022
EXTERNAL SHARING	YES ☒	NO ☐		**PRINTING ALLOWED**	Yes
SHARE WITH	Regulatory Agencies ☒ Clients ☒ Other ☐				

SUPPORTING DOCUMENTATION	
Document #	**Document Title**
560-PL-1013	Permissible Uses and Disclosures of Member PHI
560-PL-1092	Individual Rights Regarding Protected Health Information
560-PL-1089	Sanctions Policy for Violations of Privacy or Security Policies and Procedures
210-PL-1085	Compliance and Enforcement Language Policy
(GD)Guide=Overview | (PL)Policy=Rule | (PD)Procedure=Action | (FD)Flow Diagram=Visual (WI)Work Instruction=Details | (FM)Form=Predefined | (RD)Reference Document=Supporting	

REQUIRED APPROVALS Approvers' Signature and Approval are recorded electronically and stored via Compliance 360 (C360).	
Approvers	**Title**
Debra Harper	VP, Corporate Compliance Officer
Jennifer Johnson	VP, Corporate Privacy Officer

Approvals: Time-stamped approvals are recorded electronically and stored via Compliance 360 (C360). Process Management inserts the Approval Audit Record into document before it is finalized and published. Annual Review Approval Audit Records to indicate no process changes of current version were necessary are inserted on last page.

Approver Name	Job Title	Approval Date	Process Document Number	MedImpactVersionNumber	EffectiveDate
Johnson, Jennifer	VP, Corporate Privacy Officer & Licensure	12/17/2021 4:55 PM	560-PD-1015	16.0	1/1/2022
Harper, Debra	VP, Corporate Compliance Officer	12/20/2021 6:44 AM	560-PD-1015	16.0	1/1/2022

DOCUMENT DEFINITIONS	
Word/Term	**Definition**
Accounting Plan Approval	A Plan's approval of a Member's privacy rights request for an accounting of Disclosures of his/her PHI.
Account Executive (AE)	Employee assigned to manage contracted client accounts.
Accounting of Disclosures	An individual has the right to receive an accounting of Disclosures of his/her PHI made by the covered entity. An accounting of Disclosures includes, Disclosures to or by the business associates of the covered entity if the Disclosures are for purposes that are not excluded from the accounting requirement. *See Right to Request an Accounting of Disclosures of Member PHI Procedure 560-PD-1015.*
Business Associate (BA)	A business associate (BA) is any person or entity that performs services (directly or on behalf of another BA) for a CE that involve the use or Disclosure of PHI. A BA does not include a person who performs services as a member of the Workforce of an entity or a health care provider that receives PHI for treatment purposes. A Subcontractor is a type of BA.
Business Associate Agreement (BAA)	An agreement between a CE and a BA that describes the permitted uses and Disclosures of the CE's PHI and other responsibilities of the BA with respect to PHI (e.g., reporting impermissible uses and Disclosures of PHI and responding to Individual requests related to their PHI).
Covered Entity (CE)	Health plans, health care clearinghouses, and health care providers who electronically transmit any health information in connection with transactions for which HHS has adopted standards.
Client Services Manager (CSM)	Employee assigned to manage contracted client accounts.
Disclosure	The release, transfer, provision of access to, or divulging in any manner of information outside the entity holding the information.
Employee	Any individual employed on a full-time or part-time basis by MedImpact Healthcare Systems, Inc. (MedImpact).
Health Care Operations	Activities conducted by or on behalf of a CE related to its operations/functions as a health plan or Health Care Provider. Examples include business management, administrative duties, quality assurance, quality improvement, case management, population-based activities to improve health or reduce health costs, training programs, licensing, credentialing, certification, accreditation, compliance programs, fraud and abuse detection, customer service, audits and de-identifying PHI and creating a Limited Data Set.
Health Care Provider	A provider of services, a provider of medical or health services, and any other person or entity who furnishes, bills, or is paid for health care in the normal course of business.
HIPAA Regulations	The regulations at 45 CFR Parts 160 and 164 implementing the privacy and security requirements of the Health Insurance Portability and Accountability Act ("HIPAA").

Individual	The natural person who is the subject of PHI. May also be referred to as "Member" when the PHI relates to a member of a Plan.
Individually Identifiable Health Information (IIHI)	Information that is a subset of health information, including demographic information collected from an individual, and is (i) created or received by a health care provider, health plan, employer, or health care clearinghouse; and (ii) relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; and (a) that identifies the individual; or (b) with respect to which there is reasonable basis to believe the information can be used to identify the individual.
Limited Data Set (LDS)	A Limited Data Set is PHI from which certain specified direct identifiers of Individuals and their relatives, household members, and employers have been removed. A LDS set may be used and disclosed for research, health care operations, and public health purposes, provided the recipient enters into a data use agreement that includes certain specified terms, including to safeguard the LDS.
MedImpact Healthcare Systems, Inc. (MedImpact)	A pharmacy benefits management (PBM) company.
Members/Patients	The natural person who is the subject of PHI. May also be referred to as "Member" when the PHI relates to a member of a Plan.
Non-Employee	Any individual not employed by MedImpact but who performs services for MedImpact. This definition includes, but may not be limited to, contractors and temporary employees.
Notice of Privacy Practices (NPP)	Notice that informs individuals of the privacy practices of a CE and individual privacy rights with respect to their protected health information.
Payment	Activities for or on behalf of a health plan to obtain premiums, determine or fulfill responsibilities for coverage and provision of benefits, and furnish or obtain reimbursement for health care delivered to an Individual and activities for or on behalf of a Health Care Provider to obtain payment or be reimbursed for the provision of health care to an Individual. It includes eligibility determinations, coverage determinations, utilization review activities and reporting certain PHI to consumer reporting agencies.
Permissible Use or Disclosure	Use or Disclosure of PHI that is permitted by the HIPAA Regulations, applicable state privacy laws and the applicable BAA.
Plan	A health plan that is a Client of MedImpact. A health plan includes a health insurance company such as a Managed Care Organization (MCO), Health Maintenance Organization (HMO), Preferred Provider Organization (PPO), Medicare Prescription Drug Plan (PDP) or Medicare Advantage-Prescription Drug Plan (MA-PD), an employer sponsored group health plan such as an employer group, or any other entity defined as a health plan in the Privacy Rule. All health plans are Covered Entities.

Privacy Rule	Standards for privacy and protection of Member PHI, per the HIPAA Regulations at 45 CFR 164 Subpart E, and any subsequent amendments.
Protected Health Information (PHI)	IIHI that is (i) transmitted by electronic media; (ii) maintained in any medium such as magnetic tape, disc, optical file; or (iii) transmitted or maintained in any other form or medium (including but not necessarily limited to paper, voice, Internet, or facsimile). *See Permissible Uses and Disclosures Member PHI #560-PL-1013* for a complete list of all data elements that are considered to be PHI. PHI excludes Individually Identifiable Health Information: (i) in education records covered by the Family Educational Rights and Privacy Act, as amended; (ii) in certain student records as described at 20 U.S.C. 1232g(a)(4)(B)(iv); (iii) in employment records held by a covered entity in its role as employer; and (iv) regarding a person who has been deceased for more than 50 years.
Request	A Member's request, in accordance with certain Member privacy rights, as defined by the Privacy Rule and further communicated to Members in a Notice of Privacy Practices provided to a Member from the Member's health plan. MedImpact implements certain CE-approved Requests as a Business Associate of Plan clients.
Service Agreement (SA)	An agreement that outlines the services and other contractual terms between MedImpact and a client.
Treatment	The provision, coordination, or management of health care and related services by one or more health care providers, including the coordination or management of health care by a health care provider with a third party; consultation between health care providers relating to an Individual; or the referral of an Individual for health care from one health care provider to another. Examples including dispensing drugs or patient counseling by a pharmacy.
TPO	The use and Disclosure of PHI for purposes of Treatment, Payment, Health Care Operations (TPO) is allowed without a specific Authorization form the member/patient. Examples include but are not be limited to, the payment and processing of claims, benefits, eligibility, Plan audits, prior authorizations and related processes.

PURPOSE	This procedure sets forth the process to respond to a Member request for an accounting of Disclosures of the Member's Protected Health Information (PHI), in accord with the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") as amended by the Health Information Technology for Economic and Clinical Health Act Section 13402 ("HITECH Act") and implementing regulations are collectively referred to as ("HIPAA Regulations") and applicable state laws and regulations.

Table of Contents

1. Scope and Process Overview

The HIPAA Regulations establish requirements regarding permitted uses or Disclosures of PHI and Member privacy rights. MedImpact Healthcare Systems, Inc. (MedImpact) has established the following process for responding to a Member's Request for an accounting of Disclosures of his/her PHI. *See Permissible Uses and Disclosures Member PHI #560-PL-1013* for a complete list of all data elements that are considered to be PHI.

Such accounting includes the date of the Disclosure, the name of the entity or person who received the PHI, and, if known, the:

i. The date of the Disclosure;
ii. The name of the entity or person who received the PHI, and, if known, the address of such entity or person;
iii. A brief description of the PHI disclosed;
iv. A brief statement of the purpose of the Disclosure that reasonably informs the Individual of the basis of the Disclosure or a copy of a written request for a Disclosure.

If, during the time period for the accounting, multiple Disclosures have been made to the same entity for a single purpose, the accounting may provide the information as set forth in paragraph above for the first Disclosure, and then summarize the frequency of number of Disclosures made during the accounting period and the date of the last Disclosure during the accounting period.

Individuals have a right to receive an accounting of certain Disclosures of their Protected Health Information made by a MedImpact CE in the six (6) years prior to the date on which the accounting is requested, except for the following Disclosures:

- To carry out treatment, payment, and healthcare operations;
- To Individuals of Protected Health Information about themselves;
- Incident to a use or Disclosure otherwise permitted or required;
- Pursuant to an authorization;
- To persons involved in the Individual's care or other notification purposes as permitted under 45 CFR 164.510(b);
- For national security or intelligence purposes;
- To correctional institutions or law enforcement officials; and
- As part of a Limited Data Set (LDS).

2. Member Request: Procedure Details

A Member of a Plan is informed of his/her privacy rights under the Privacy Rule, as described in a Notice of Privacy Practices provided by a Plan.

A Member may contact MedImpact directly and request to exercise his/her privacy rights, specifically the right to an accounting of Disclosures of his/her PHI.

If a Customer Service Representative (CSR) receives a Request from a Member, the CSR:

1. Informs the Member that the Request is required to be routed through the Plan and that the provided the Notice of Privacy Practices (NPP) to the Member and provides the Member with the Plan contact information; and
2. Informs the Member that the Plan
    a. Manages the process;
    b. Approves or denies the Request; and
    c. Forwards the Accounting Plan Approval for fulfillment to MedImpact, as appropriate, according to the Plan's own internal policies and procedures.

3. Plan Request: Procedure Details

The Accounting Plan Approval must be submitted to MedImpact in writing by the Plan and include the original Member Request and documentation of Plan approval of the Request. The Accounting Plan Approval is directed to the appropriate AE/CSM who manages the Request as follows:

3.1 The AE/CSM may provide the Plan with the 'Accounting of Disclosures Request – Optional Submission Form' (Appendix A).

3.2 The AE/CSM forwards the Accounting Plan Approval and related documentation to the MedImpact Privacy contacts **within 5 business days of receiving the Plan's approval**.

3.3 The Privacy contacts complete the applicable document sections, generates the Accounting of Disclosures report, in accordance with the established requirements, and returns the report to the AE/CSM **within 5 business days of receiving the Request from AE/CSM, unless a different timeline is agreed upon with the Plan**.

3.4 Following receipt of the final Accounting of Disclosures report, the AE/CSM forwards the 'Accounting of Disclosures Request – Optional Fulfillment Letter' (Appendix B) or an alternate form of communication and the accounting of disclosures report to the Plan

within 15 business days of receiving the *original* Plan Request. In some cases, and in coordination with the AE/CSM and Plan, the Privacy contacts may provide the accounting of Disclosures report directly to the Plan.

4. Turn-Around Time

MedImpact responds to the Plan's Request **within 15 business days of receipt of the Request**, or as otherwise stated in the Plan Request, Business Associate Agreement (BAA) or relevant Service Agreement (SA), but in no event longer **than 60 calendar days**, per HIPAA Regulations.

NOTE: A one-time thirty (30) day extension may be provided if:

i. The Individual is notified in writing of the delay
ii. The notice includes the reason(s) why the delay is necessary; and
iii. The notice includes the date by which the accounting will be provided.

See Individual Rights Regarding Protected Health Information Policy 560-PL-1092

5. Resources

Policies and procedures and standard definitions relating to specific HIPAA Regulations and related requirements are available on the MedImpact Entities' Intranet site under the Corporate Compliance/HIPAA Compliance Program Section. The Privacy/Compliance contact for MedImpact is available to answer questions or provide additional information regarding applicable requirements or policies and procedures.

6. Policy and Procedure Enforcement

It is the responsibility of Employees and Non-Employees to adhere to MedImpact's policies and procedures. If an Employee's or Non-Employee's actions are determined to be outside the scope or in violation of MedImpact's policies and procedures, the specific issue will be addressed with the Employee's or Non-Employee's direct supervisor, and / or with representatives from the Human Resources (HR) and Department and the Privacy Officer, in accordance with the *Sanctions Policy for Violations of Privacy or Security Policies and Procedures* and must be promptly reported to Privacy.SecurityTeam@medimpact.com. All suspected actions deemed outside the scope of MedImpact's Privacy policies and procedures must be promptly reported to the Privacy Security Team.

Appendix A. Accounting of Disclosures Request – Optional Submission Form

Plan Information	
Plan Name	
Plan Contact and Address	
Plan Address **(Street Name, City, State, and Zip Code)**	
Plan **Area Code + Phone Number**	
Member Information	
Member Number	
Member Name **(First, Middle, Last)**	
Birth Date **(mm/dd/yyyy)**	
Gender	
Address of Record	
Area Code + Phone Number **Fax Number (if applicable)**	
Accounting of Disclosures Report Start Date ***Only pertains to PHI created on or after April 2003.***	
Accounting of Disclosures Report End Date	
Authorization:	
Plan Representative's Signature:	
Date:	

This letter may contain information that is privileged, confidential, and exempt from Disclosure under applicable law and/or may contain confidential individually identifiable health information protected under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and other statutes. If you are not the intended recipient, employee or agent responsible for delivering this transmission, you are hereby notified that any distribution or copying of this transmission is strictly prohibited. If you received this transmission in error, please contact the original sender immediately by calling the contact number noted and immediately return all original documents and destroy any copies.

Appendix B. Accounting of Disclosures Request – Optional Fulfillment Letter

[DATE]

[PLAN]
[PLAN ADDRESS]

Re: Fulfillment of Accounting of Disclosures Request (Request)

Dear [CONTACT PERSON AT PLAN]:

Effective ___/___/___, MedImpact has fulfilled the Accounting of Disclosures Request(s) received on _____/_____/_____ and attaches the Accounting of Disclosures report herein. Please review the report and contact [CONTACT PERSON] at [CONTACT INFORMATION] if you have questions or need further information.

Sincerely,

[ACCOUNT EXECUTIVE/CLIENT SERVICES MANAGER NAME AND TITLE]
MedImpact Healthcare Systems, Inc.

Enclosure: Accounting of Disclosures Report

RELATED EXTERNAL REFERENCES (Use of Links to external references requires additional maintenance of document to ensure accuracy – Use this sparingly)	
Name	**Link**
45 CFR 164.510	http://www.gpo.gov/fdsys/granule/CFR-2011-title45-vol1/CFR-2011-title45-vol1-sec164-510

CHANGE HISTORY / VERSION CONTROL	
Version	**Comments**
8.0	Renumeration of policy. Updating of previous policy and procedure numbers. Updating defined terms.
9.0	Minor definition updates, process, letter disclaimers
10.0	Adjustment of Effective Date to precede required annual employee HIPAA training and minor edits (J. Johnson 3/2017)
11.0	Adjustment of Effective Date to precede required annual employee HIPAA training and minor edits (J. Johnson 11/2017)
12.0	Updated version, effective date, and Approver box, adjustment of Effective Date to precede required annual employee HIPAA training and minor edits (J. Johnson 1/2019)
13.0	Updated version, effective date and added new supporting document (J. Johnson 7/2019)
14.0	Effective Date Changes (J. Johnson 12/2019)
15.0	Content and Effective Date Changes (J. Johnson 12/2020)
16.0	Effective Date Changes and minor updates (J.Johnson 12/2021)

* *Annual Review Approval Audit Records – no document content/process updates made*: Audit Record inserted by Process Management before document is finalized and published.

DOCUMENT TITLE	**Right to Request Privacy Protection for Member PHI (MedImpact)**				
DOCUMENT #	560-PD-1016	**VERSION**	16.0	**SUPERSEDES**	15.0
PROCESS OWNER	Jennifer Johnson, VP, Corporate Privacy Officer			**EFFECTIVE DATE:**	January 1, 2022
EXTERNAL SHARING	YES ☒	NO ☐		**PRINTING ALLOWED**	Yes
SHARE WITH	Regulatory Agencies ☒ Clients ☒ Other ☐				

SUPPORTING DOCUMENTATION	
Document #	**Document Title**
560-PL-1092	Individual Rights Regarding Protected Health Information
560-PL-1013	Permissible Uses and Disclosures of Member PHI
380-RD-1036	HIPAA: Members - Special Handling (Confidential Communication & Restrictions) Job Aid
560-PL-1089	Sanctions Policy for Violations of Privacy or Security Policies and Procedures
210-PL-1085	Compliance and Enforcement Language Policy
(GD)Guide=Overview | (PL)Policy=Rule | (PD)Procedure=Action | (FD)Flow Diagram=Visual (WI)Work Instruction=Details | (FM)Form=Predefined | (RD)Reference Document=Supporting	

REQUIRED APPROVALS

Approvers' Signature and Approval are recorded electronically and stored via Compliance 360 (C360).

Approvers	**Title**
Debra Harper	VP, Corporate Compliance Officer
Jennifer Johnson	VP, Corporate Privacy Officer

Approvals: Time-stamped approvals are recorded electronically and stored via Compliance 360 (C360). Process Management inserts the Approval Audit Record into document before it is finalized and published. Annual Review Approval Audit Records to indicate no process changes of current version were necessary are inserted on last page.

Approver Name	Job Title	Approval Date	Process Document Number	MedImpactVersionNumber	EffectiveDate
Johnson, Jennifer	VP, Corporate Privacy Officer & Licensure	12/17/2021 4:55 PM	560-PD-1016	16.0	1/1/2022
Harper, Debra	VP, Corporate Compliance Officer	12/20/2021 6:45 AM	560-PD-1016	16.0	1/1/2022

DOCUMENT DEFINITIONS (When using definition in document Capitalize First Word)	
Word/Term	**Definition**
Account Executive (AE)	Employee assigned to manage contracted client accounts.
Business Associate (BA)	A business associate (BA) is any person or entity that performs services (directly or on behalf of another BA) for a CE that involve the use or Disclosure of PHI. A BA does not include a person who performs services as a member of the Workforce of an entity or a health care provider that receives PHI for treatment purposes. A Subcontractor is a type of BA.
Business Associate Agreement (BAA)	An agreement between a CE and a BA that describes the permitted uses and Disclosures of the CE's PHI and other responsibilities of the BA with respect to PHI (e.g., reporting impermissible uses and Disclosures of PHI and responding to Individual requests related to their PHI).
Covered Entity (CE)	Health plans, health care clearinghouses, and health care providers who electronically transmit any health information in connection with transactions for which HHS has adopted standards.
C-Flag (Confidential Communication)	A MedAccess code field used to indicate that MedImpact is responsible for implementing and maintaining a Member's Privacy request, specifically to receive confidential communications of Member PHI by alternative means or at alternative locations, as requested by the Plan. A Special Handling Banner will appear on the top of screen in Web MedAccess when the C Flag is found in the Special Handling/CONFDNTL field on the Member Summary/Member Main, Claims, IVR and Prior Authorization screens, in MedAccess.
CONFDNTL field (MedAccess Classic)	A MedAccess Classic field used to indicate a HIPAA privacy protection Request has been made and approved by a Plan on behalf of a Member; also known as a Special Handling field.
CSR	Customer Service Representative
Client Services Manager (CSM)	Employee assigned to manage contracted client accounts.
De-Identified PHI	Information that does not identify an individual and with respect to which there is no reasonable basis to believe that the information can be used

	alone or in combination with other reasonably available information to identify an individual. De-identified Data is not PHI. For further information on how PHI may be de-identified, see *Permissible Uses and Disclosures of Member PHI* policy [560-PL-1013]
Employee	Any individual employed on a full-time or part-time basis by MedImpact Healthcare Systems, Inc. (MedImpact).
Family Group	Members who participate in a Plan and whose benefits and claims are linked to other covered dependents within the group. This can also include those Members who share a subscriber identification number.
H Flag	A MedAccess code field used to indicate previous historic Requests which occurs upon Request termination. The code allows an historical trail for reporting purposes and identifies an inactive status for the Request, specifically: (1) restriction on uses and Disclosures of Member PHI; and/or (2) to receive confidential communications of Member PHI by alternative means or at alternative locations request.
Health Care Operations	Activities conducted by or on behalf of a CE related to its operations/functions as a health plan or Health Care Provider. Examples include business management, administrative duties, quality assurance, quality improvement, case management, population-based activities to improve health or reduce health costs, training programs, licensing, credentialing, certification, accreditation, compliance programs, fraud and abuse detection, customer service, audits and de-identifying PHI and creating a Limited Data Set.
Health Care Provider	A provider of services, a provider of medical or health services, and any other person or entity who furnishes, bills, or is paid for health care in the normal course of business.
HIPAA Regulations	The regulations at 45 CFR Parts 160 and 164 implementing the privacy and security requirements of the Health Insurance Portability and Accountability Act ("HIPAA").
Individually Identifiable Health Information (IIHI)	Information that is a subset of health information, including demographic information collected from an individual, and is (i) created or received by a health care provider, health plan, employer, or health care clearinghouse; and (ii) relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; and (a) that identifies the individual; or (b) with respect to which there is reasonable basis to believe the information can be used to identify the individual.
MedAccess	MedImpact's proprietary computer system that manages online, real-time access to pharmacy benefits, manipulates benefit designs, adjudicates

	claims, and maintains Member profiles and prior authorizations. There are two (2) versions – Classic and Web which synchronize the flags and display them in different ways, as outlined in this document.
MedImpact Healthcare Systems, Inc. (MedImpact)	A pharmacy benefits management (PBM) company.
Members/Patients	The natural person who is the subject of PHI. May also be referred to as "Member" when the PHI relates to a member of a Plan.
Payment	Activities for or on behalf of a health plan to obtain premiums, determine or fulfill responsibilities for coverage and provision of benefits, and furnish or obtain reimbursement for health care delivered to an Individual and activities for or on behalf of a Health Care Provider to obtain payment or be reimbursed for the provision of health care to an Individual. It includes eligibility determinations, coverage determinations, utilization review activities and reporting certain PHI to consumer reporting agencies.
Personal Representative	A person authorized under applicable law to make health decisions on behalf of the Individual. Personal representatives are permitted to exercise all the rights of the Individual with respect to that Individual's PHI. A CE or BA is permitted to not share PHI with a Personal Representative when the CE or BA has a reasonable belief that the Personal Representative may be abusing or neglecting the Individual, or that treating the person as the Personal Representative could otherwise endanger the Individual.
Plan	A health plan that is a Client of MedImpact. A health plan includes a health insurance company such as a Managed Care Organization (MCO), Health Maintenance Organization (HMO), Preferred Provider Organization (PPO), Medicare Prescription Drug Plan (PDP) or Medicare Advantage-Prescription Drug Plan (MA-PD), an employer sponsored group health plan such as an employer group, or any other entity defined as a health plan in the Privacy Rule. All health plans are Covered Entities.
Protected Health Information (PHI)	IIHI that is (i) transmitted by electronic media; (ii) maintained in any medium such as magnetic tape, disc, optical file; or (iii) transmitted or maintained in any other form or medium (including but not necessarily limited to paper, voice, Internet, or facsimile). *See Permissible Uses and Disclosures Member PHI #560-PL-1013* for a complete list of all data elements that are considered to be PHI. PHI excludes Individually Identifiable Health Information: (i) in education records covered by the Family Educational Rights and Privacy Act, as amended; (ii) in certain student records as described at 20 U.S.C. 1232g(a)(4)(B)(iv); (iii) in employment records held by a covered entity in

	its role as employer; and (iv) regarding a person who has been deceased for more than 50 years.
Privacy Rule	The Standards for the Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164.
P Flag	A MedAccess code field used to indicate a Plan is responsible for implementing and maintaining a Member's Privacy request, specifically to (1) restrict uses and Disclosures of Member PHI; and/or (2) receive confidential communications of Member PHI by alternative means or at alternative locations. A Special Handling Banner will appear on the top of screen when the P Flag is found in the CONFDNTL field on the Member Main, Claims, IVR and Prior Authorization screens, in MedAccess.
R Flag	A MedAccess code field used to indicate that MedImpact is responsible for implementing and maintaining a Member's Privacy request, specifically to restrict the use or Disclosure of Member PHI, as requested by the Plan. A Special Handling Banner will appear on the top of screen in Web MedAccess when the R Flag is found in the Special Handling/CONFDNTL field on the Member Summary/Member Main, Claims, IVR and Prior Authorization screens, in MedAccess.
Request	A Member's request for privacy protection, in accordance with certain Member privacy rights, as defined by the Privacy Rule and further communicated to Members in a Notice of Privacy Practices provided to a Member from the Member's health plan. MedImpact implements certain Plan-approved Requests as a Business Associate.
Rerouting of Confidential Communications	The rerouting of a Member's PHI to alternative locations or the sending of a Member's PHI by alternative means in response to a Member Request that is granted.
Restriction	A Member's request to not use or disclose his/her PHI to a specific person or entity.
Service Agreement (SA)	An agreement that outlines the services and other contractual terms between a MedImpact Entity and a client.
Special Handling	A web MedAccess pop-up screen that addresses a Member's confidentiality status and appears super-imposed on top of the Member Summary page, after a selection has been made in the Member search results table.
Treatment	The provision, coordination, or management of health care and related services by one or more health care providers, including the coordination or management of health care by a health care provider with a third party; consultation between health care providers relating to an Individual; or the referral of an Individual for health care from one health care

	provider to another. Examples including dispensing drugs or patient counseling by a pharmacy.
TPO	The use and Disclosure of PHI for purposes of Treatment, Payment, Health Care Operations (TPO) is allowed without a specific Authorization form the member/patient. Examples include but are not be limited to, the payment and processing of claims, benefits, eligibility, Plan audits, prior authorizations and related processes.

PURPOSE	The purpose of this procedure is to define the following, in accord with the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") as amended by the Health Information Technology for Economic and Clinical Health Act Section 13402 ("HITECH Act") and implementing regulations are collectively referred to as ("HIPAA Regulations") and applicable state laws and regulations: (i) the process for responding to a Member's Request to restrict the use and Disclosure of the Member's Protected Health Information (PHI) in certain circumstances; (ii) the process for responding to a Member's reasonable Request to receive communications of PHI from MedImpact by alternative means or at alternative locations; (iii) the process to terminate a Restriction or Rerouting of Confidential Communications.

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1. Process Overview

The HIPAA Regulations establish requirements regarding permitted uses or Disclosures of PHI and Member privacy rights. MedImpact has established the following procedure to support Plan approved Requests by providing appropriate processes for implementing a Member Request and terminating a Restriction or Rerouting of Confidential Communications of Protected Health Information (PHI). *See Permissible Uses and Disclosures Member PHI #560-PL-1013* for a complete list of all data elements that are considered to be PHI.

A Member is informed of his/her privacy rights in a Notice of Privacy Practices (NPP) provided by a Plan. The Plan is responsible for approving the Request and providing written notification of the approved Request to its MedImpact AE/CSM for the implementation (or termination) of a Restriction or Rerouting of Confidential Communications. Instructions on how a Plan or MedImpact can implement or terminate a Restriction or Rerouting of Confidential Communications in MedAccess are described below.

If the Plan agrees to grant a Request, MedImpact may not use or disclose PHI in violation of such a Restriction or Rerouting of Confidential Communications, except when the Member who requested the Restriction is in need of emergency treatment and the restricted PHI is needed to provide emergency treatment. In that case, MedImpact may use restricted PHI or disclose such information to a Health Care Provider to provide treatment to the Member. In the case of such an exception, MedImpact shall Request that the Health Care Provider not further use or disclose the PHI.

2. Restriction

A Plan must permit a Member to Request that the Plan restrict the following:

1. Uses or Disclosures of PHI about the Member to carry out treatment, payment, or health care operations (TPO); and
2. Disclosures otherwise permitted to a family member, other relative, or a close personal friend of the Member, or any other person identified by the Member, as involved with the Member's health care or payment related to the Member's health care.

   Example of an applicable 'Request for a Restriction' that a Plan may approve:
   A father of two Members submits a Request that restricts the children's mother's access to the children's medical information. The father has sole physical and legal custody of the children per a court order and the mother has no parental rights.

3. Rerouting of Confidential Communications of PHI

A Plan must permit a Member to Request, and must accommodate reasonable Requests, to receive communications of PHI by alternative means or at alternative locations, if the Member clearly states that the Disclosure of all or part of their PHI could endanger the Member.

> Example of an applicable 'Request for Rerouting of Confidential Communications' that a Plan may approve: A husband separated from his wife and he does not want communications containing his PHI sent to the home address that he previously shared with his estranged wife. The husband would like his mail sent to an alternate address until his divorce is finalized.

4. Member Request for Restrictions or Rerouting of Confidential Communications

A Member of a Plan is informed of his/her privacy rights under the Privacy Rule through a NPP provided by a Plan.

In the event a Member contacts MedImpact to Request to exercise certain privacy rights, including the rights to add or terminate a Restriction or Rerouting of Confidential Communications, MedImpact representatives respond as follows:

1. Informs the Member that the Request is required to be routed through the Plan that provided the NPP to the Member and will provide the Member with the Plan contact information; and
2. Informs the Member that the Plan:
    a. Manages the process;
    b. Approves or denies the Request; and
    c. Forwards approved Requests to MedImpact, as appropriate and in accord with the Plan's established processes.

5. Plan Requests for Restrictions or Rerouting of Confidential Communications - A Plan may choose to either implement the Request or have MedImpact implement the Request in MedAccess

As described in the *Permissible Uses and Disclosures Member PHI #560-PL-1013*, MedImpact may use or disclose PHI without Member authorization to perform the services outlined in the SA, including for TPO purposes. However, a Member has the right to Request privacy protection for PHI that may affect standard TPO processes, including but not limited to: claims, benefits, eligibility, prior authorizations, coordination of benefits, Plan audits, and discussions with pharmacies, providers or Members.

1. In cases where the Plan approves a Member's Request, the Plan provides written notification of such Restriction/Rerouting of Confidential Communications to the appropriate AE/CSM.

2. The AE/CSM submits the information to the Privacy.SecurityTeam@medimpact.com for review and record keeping purposes.

3. Privacy Officer or designee and the AE/CSM works with the Plan to determine whether the Plan or MedImpact implements the Request in accord with the established process.

4. The AE/CSM is responsible for ensuring the Plan and MedImpact are aware, and follow, the MedAccess implementation process outlined in the corresponding 'Special Handling (Confidential Communication and Restriction) Job Aid' (located on the Corporate Compliance/HIPAA Compliance Program Intranet site).

5. Upon implementation completion, the AE/CSM provides the Plan with written confirmation of Request fulfillment upon completion.

6. Responses are provided to Plans within the required regulatory timeframes, or the otherwise agreed upon contractual timeframes.

Additional Information:

***P Flag – Plan Implementation – Change Eligibility Files**

- The Plan must implement a P Flag in the applicable CONFDNTL Field by changing its Member eligibility files to accommodate the CONFDNTL Field.
- MedImpact **cannot** implement a P Flag in MedAccess since Plan eligibility files will overwrite a P Flag. Eligibility files must be changed and the P Flags must then be managed by the Plan.
- CONFDNTL Field P Flag entry can be edited by Plan.
- If other flag entries exist, besides a P, then the file will not load and will need to be manually changed.

***C/R/H Flags – MedImpact Implementation – No Change to Plan Eligibility Files**

- C = Confidential Communication; R = Restriction; H = Historic flag entries
- Either the Plan or MedImpact can implement these flags directly into MedAccess or MedAccess Classic without changing the Plan eligibility files.
- If a C or R Flag is in the CONFDNTL Field, then the entire Member record cannot be overwritten by future eligibility file loads. If an H flag is in the CONFDNTL Field, it will allow the Member record to load from a Plan eligibility file, as well as indicates a previous C or R Flag was in place.
- Since Member records cannot be overwritten, error messages will occur for all future automatic edits or updates made to the Member record. Therefore, manual edits are

required to ensure continued accuracy of the information contained in the Member Record.

OTHER FLAGS: Only the flags identified in this document are permitted for use in these fields. Please reference the *Identity and Authority Confirmation Policy (560-PD-1021)* for information regarding where to document Authorized Representative/Personal Representative information.

6. Privacy Protection: Request Termination - A Plan may choose to either terminate or have MedImpact terminate a Restriction/Reroute of Confidential Communications in MedAccess.

1. In cases where the Plan notifies MedImpact that a previously implemented Request must be terminated, the Plan provides written notification of the termination to the appropriate AE/CSM.

2. The AE/CSM provides the written Request from the Plan the Privacy Officer or designee for review and record keeping purposes.

3. Upon Privacy Officer or designee review, the AE/CSM works with the Plan to determine whether the Plan or MedImpact terminates the existing Request in MedAccess.

4. The AE/CSM is responsible for ensuring the Plan and MedImpact are aware, and follow, the MedAccess implementation process outlined in the corresponding 'Special Handling (Confidential Communication and Restriction) Job Aid' (located on the Corporate Compliance/HIPAA Compliance Program Intranet site).

5. Upon implementation completion, the AE/CSM provides the Plan with written confirmation of termination fulfillment upon completion.

6. Responses are provided to Plans within the required regulatory timeframes, or as otherwise agreed upon contractual timeframes.

7. Turn-Around Time

MedImpact responds to the Plan's Request **within 30 calendar days** of receipt of the Request, or as otherwise stated in the Plan Request, Business Associate Agreement (BAA) or relevant Service Agreement (SA).

8. Resources

Policies and procedures and standard definitions relating to specific HIPAA Regulations and related requirements are available on the MedImpact Entities' Intranet site under the Corporate Compliance/HIPAA Compliance Program Section. The Privacy/Compliance contact for MedImpact is available to answer questions or provide additional information regarding applicable requirements or policies and procedures.

9. Policy and Procedure Enforcement

It is the responsibility of Employees and Non-Employees to adhere to MedImpact's policies and procedures. If an Employee's or Non-Employee's actions are determined to be outside the scope or in violation of MedImpact's policies and procedures, the specific issue will be addressed with the Employee's or Non-Employee's direct supervisor, and / or with representatives from the Human Resources (HR) Department and the Privacy Officer, in accordance with the *Sanctions Policy for Violations of Privacy or Security Policies and Procedures* and must be promptly reported to Privacy.SecurityTeam@medimpact.com.

RELATED EXTERNAL REFERENCES	
Name	**Link**
45 CFR 160	http://www.ecfr.gov/cgi-bin/text-idx?SID=5814b94aaac03eba6d3b328750194158&mc=true&node=pt45.1.160&rgn=div5
45 CFR 164	http://www.ecfr.gov/cgi-bin/text-idx?SID=5814b94aaac03eba6d3b328750194158&mc=true&node=pt45.1.164&rgn=div5

CHANGE HISTORY / VERSION CONTROL	
Version	**Comments**
8.0	Updating of previous policy and procedure numbers and process.
9.0	Updating process (J. Johnson 9/20/16)
10.0	Adjustment of Effective Date to precede required annual employee HIPAA training and minor edits (J. Johnson 3/2017)
11.0	Adjustment of Effective Date to precede required annual employee HIPAA training and minor edits (J. Johnson 11/2017)
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13.0	Updated effective date and added new supporting document (J. Johnson 7/2019).
14.0	Effective Date Changes (J. Johnson 12/2019)
15.0	Content and Effective Date Changes (J. Johnson 12/2020)
16.0	Effective Date Changes and minor updates (J. Johnson 12/2021)

* *Annual Review Approval Audit Records – no document content/process updates made*: Audit Record inserted by Process Management before document is finalized and published.

APPENDIX K: BUSINESS CONTINUITY PLAN AND IT DISASTER RECOVERY PLAN

DOCUMENT TITLE	MedImpact Business Continuity Plan - **Public**				
DOCUMENT #	100-PL-1001 **(PUBLIC)**	**VERSION**	12.0	**SUPERSEDES**	11.0
PROCESS OWNER	Jennifer Lujan, Principal, Operations Strategic Initiatives (BCP Chairperson)			**EFFECTIVE DATE:**	10/1/2021
EXTERNAL SHARING	YES ☒	NO ☐		**PRINTING ALLOWED**	Yes
SHARE WITH	Regulatory Agencies ☒ Clients ☒ Other ☒ send request to Process Owner				

SUPPORTING DOCUMENTATION	
Document #	**Document Title**
200-PD-1005	MedImpact IT Disaster Recovery Plan
multiple	Business Unit Recovery Plans (see Appendix B regarding template)
300-RD-1143	BCP – Business Continuity Team Contact Information (restricted document)
300-RD-1279	Business Continuity Plan (BCP) Steering Committee Charter
300-TM-1298	Template – BCP – Business Unit Recovery Plan
(GD)Guide=Overview | (PL)Policy=Rule | (PD)Procedure=Action | (FD)Flow Diagram=Visual (WI)Work Instruction=Details | (FM)Form=Predefined | (RD)Reference Document=Supporting	

REQUIRED APPROVALS

Approvers' Signature and Approval are recorded electronically and stored via Compliance 360 (C360).

Approvers	**Title**
Jennifer Lujan	Principal, Operations Strategic Initiatives
Denise Burns	Chief Operations Officer
Asokan Selvaraj	VP, Chief Information Officer
Thomas Hutton	SVP, Chief Human Resources Officer
Ray Marsella	Chief Revenue Officer

Approvals: Time-stamped approvals are recorded electronically and stored via Compliance 360 (C360). Process Management inserts the Approval Audit Record into document before it is finalized and published. Annual Review Approval Audit Records to indicate no process changes of current version were necessary are inserted on last page.

Approver Name	Job Title	Approval Date	Process Document Number	Version Number	EffectiveDate
Lujan, Jennifer	Principal, Operations Strategic Initiatives	10/28/2021 8:17 AM	100-PL-1001	12.0	10/1/2021
Burns, Denise	Chief Operations Officer	11/1/2021 2:25 PM	100-PL-1001	12.0	10/1/2021
Selvaraj, Asokan	VP Chief Information Officer	11/1/2021 2:44 PM	100-PL-1001	12.0	10/1/2021
Hutton, Thomas	SVP, Chief Human Resources Officer	11/1/2021 6:12 PM	100-PL-1001	12.0	10/1/2021
Marsella, Raymond	SVP Chief Revenue Officer	11/2/2021 8:43 AM	100-PL-1001	12.0	10/1/2021

DOCUMENT DEFINITIONS (When using definition in document Capitalize First Word)	
Word/Term	**Definition**
BCP	Business Continuity Plan
BU Recovery Plans	These are specific plans developed by each critical business unit to address event tasks.
Business Unit	A major organizational function within MedImpact (e.g. Finance, IT, Call Center, Account Management, etc.)
Disaster	An event that affects an essential business operation for a period of time beyond what can be managed at the current location; or an outage of computer facilities in excess of 24 hours. During a disaster, the needed resources of personnel, hardware, software, power, communication or facilities are greater than those available.
Disruption	An unplanned event that interrupts the normal flow of a business operation for an appreciable length of time, but can be managed at the current location or through redundancy of systems or services.
DRP	Disaster Recovery Plan
Event	A disruption or disaster.
IT	Information Technology
MIR3	Notification system using a contracted vendor as part of the Emergency Notification System
Regional Disaster	Occurs outside of the MedImpact facility but prevents business units from executing essential operations, or that causes business interruption to all local user departments and the computer facilities. The computer facilities and equipment may be intact but not accessible. Examples of such events include earthquake, brushfire, flood, power outage, transportation interruption, terrorist attack, or disease/pandemic.
Site Failure	Results in the loss of resources inside the facility due to an event such as fire, water damage, utility or facility damage, chemical or radiation release, bomb threat, or employee shortage.
Triage	The determination of priorities for action in an emergency**.** Senior management remains engaged in service recovery triage until code level decreases

PURPOSE	The organization creates, at a minimum, one business continuity plan and ensures each plan: (i) has an owner; (ii) describes the approach for continuity, ensuring at a minimum the approach to maintain information or information asset availability and security; and, (iii) specifies the escalation plan and the conditions for its activation, as well as the individuals responsible for executing each component of the plan. If an event occurs (disruption or disaster), this document describes responsibilities, actions, and critical information needed to safeguard MedImpact employees, protect MedImpact's vital records and resources, and to effectively restore critical services and processes in a timely manner. This includes ensuring the availability of adequate work space and steps to minimize loss of data and transactions. Scope: This document is intended as a reference for MedImpact employees properly qualified and trained in BCP. This plan addresses MedImpact Healthcare Systems, Inc. and selected subsidiary locations.

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1. Executive Summary

The Business Continuity Plan will be followed when there is a disaster, significant disruption or potential threat to continued business operations such as the following events:

a) Serious equipment failures

b) Disruption of gas, power supply or telecommunication.

c) Serious systems, network and application failures

d) Human error or sabotage impacting business operations

e) Malicious Software (Viruses, malware, phishing, etc.) attack.

f) Hacking or other Internet attacks.

g) Social unrest, active shooter or terrorist attacks.

h) Fire.

i) Natural disasters (i.e., Flood, Earthquake, Hurricanes).

j) Disease, epidemic, pandemic, quarantine or acts of government

This Business Continuity Plan (BCP) is based on the premise that the leaders of MedImpact have:

- Responsibilities to safeguard employees, protect vital records and resources, and exercise care over resources critical to servicing its customers.
- A requirement to comply with the regulations set forth by federal, state, and local agencies.

The intent of the plan is to:

- Recover and restore the core business infrastructure of MedImpact business units in the event of a disaster or disruption.
- Allow clients to maintain business continuity and service their members in the event of a MedImpact business disruption or disaster.
- Safeguard employees, protect records and resources, and provide continuity of critical services.
- Minimize the time needed to execute the decision-making process if an event occurs.
- The organization identifies the critical business processes requiring business continuity.

1.1 Policy Statement

All MedImpact employees will be trained on the BCP, Emergency Response Procedures, Emergency Evacuation Procedures, and, as applicable, associated BCP documents. All MedImpact employees will understand their role and expected actions in the case of an event. Each MedImpact critical business unit assumes responsibility for the accuracy and maintenance of its supporting recovery strategy plan. All MedImpact non-critical business units will follow the Emergency Response Procedures and any specific procedures established by the business unit manager.

1.2 Plan Objectives

The plan also includes these objectives:

- To pre-assign and define recovery responsibilities by team and task to control disruption or disaster response.
- To provide a structure that, when executed, has the ability to recover normal daily operations following an event.
- To establish business continuity related education, practices, monitoring and auditing for the purposes of change management and improvement.
- To coordinate and direct the emergency preparedness procedures, practices, resources, communications and facilities needed for business recovery readiness.

1.3 Plan Assumptions

This plan must be executed under the assumption that the following elements are followed:

- Proper judgment at the moment of the event and in the post-event period.
- Responsible execution and implementation of recovery procedures.
- Use of mobilization teams and contingency plans that expedite the restoration of expected levels of service after an event.
- Critical data required for critical business processes will be backed up and stored off-site with the ability to retrieve or recreate for the recovery site.
- All participants will undergo periodic training to ensure familiarity with the plan, understanding of their roles and responsibilities and the ability to execute the response and recovery activities contained in this plan. Copies of the business continuity plans are distributed to key contingency personnel.
- MedImpact business units will maintain a current downtime recovery plan that aligns with the BCP and IT DRP recovery time objectives.
- The BCP document and related documents will be kept current by periodic updates and reviews.
- All the functions that have an active role in the event of a business continuity event have access to the Business Continuity documentation in Compliance 360 and on the company intranet page.
- The recovery procedures as defined in this plan will be tested at least annually.

Note that since MedImpact does not own or operate any mail order or specialty facilities or engage in drug distribution activities, there is no need for the plan to address distribution of drugs in an emergency.

1.4 Plan Components

The plan covers these key components:

Component	Description
Teams and Responsibilities	Roles and responsibilities of teams in case of an event: For more information, see *Section 3, Teams and Responsibilities.*

Component	Description
Emergency Response	Overall response and recovery strategy, event identification and condition codes, enterprise-wide communication and status notification process, response guidelines, and evaluation. For more information, see *Section 4, Emergency Response Guidelines.*
Business Unit Recovery Plans	Detailed strategic recovery plans for each Business Unit, which includes critical functional responsibilities, personnel, equipment, applicable vendor and customer information, vital information, processes, and action steps. Procedure specifies that all the functions that have an active role in the event of a business continuity event have access to the Business Continuity documentation in Compliance 360. For more information, refer to the separate BU Recovery Plans.
BCP Administration	BCP location and access, review and testing, and evaluation. See S*ection 5, Plan Administration* for details.

1.5 Business Continuity Documents

Business continuity involves the ongoing process of planning, developing, testing and implementing recovery procedures in the event of a significant business disruption or disaster.

The following describes the key plans and documents associated with business continuity. These documents address the continuity of client services, technology, and operational factors.

Document	Purpose
Business Continuity Plan (BCP)	Defines the organization, roles, responsibilities, communication and notification system, and procedures to efficiently and effectively recover critical business resources in the event of a business disruption or disaster.
Information Technology Disaster Recovery Plan (IT DRP)	Aligns with the BCP to provide the strategy for recovering applications, data center operations, hardware, networks, and information technology infrastructure following an event.
BCP Team Contact List	List of teams by name and contact information. This document is only accessible by BCP Steering Committee Members.
BCP Business Unit Recovery Plan Template	Template for the business unit documentation of Recovery Plans, to ensure consistency and completeness when planning.

Document	Purpose
Business Unit Recovery Plans	Detailed strategic recovery plans for each business unit. These plans include critical functional responsibilities, personnel, equipment, processes, and action steps. Procedure specifies that all the functions that have an active role in the event of a business continuity event have access to the Business Continuity documentation in Compliance 360.
Business Unit Emergency Response Checklists	Checklists developed by individual business units to assist with actions necessary to prepare, respond and recover from an event.
BCP Outlook Email Distribution Lists	Email notification distribution lists are maintained and include key contacts for all critical business and support functions. Updates to lists are provided to IT Support as System Administrators of Outlook.
Communication Templates	Event-specific communication templates to ensure a prompt communication response to foreseeable events
Emergency Response Procedures by Office Location	Emergency response procedures for all employees located on the Intranet Includes contact information for the Employee Situation Update Hotline (**(858) 790-7090**) and procedures to follow for a variety of events.
Emergency Evacuation Procedures by Office Location	Instructions and map for proper building evacuation located on the Intranet).
Test Plans and Results Log	Test plans for testing all components of the BCP, including the IT DRP and communication systems.

2. Business Continuity Event Overview

The following diagram depicts how the BCP is structured to coordinate the disaster/disruption sources with the recovery procedures at both the enterprise and business unit levels to respond to and minimize service disruption.

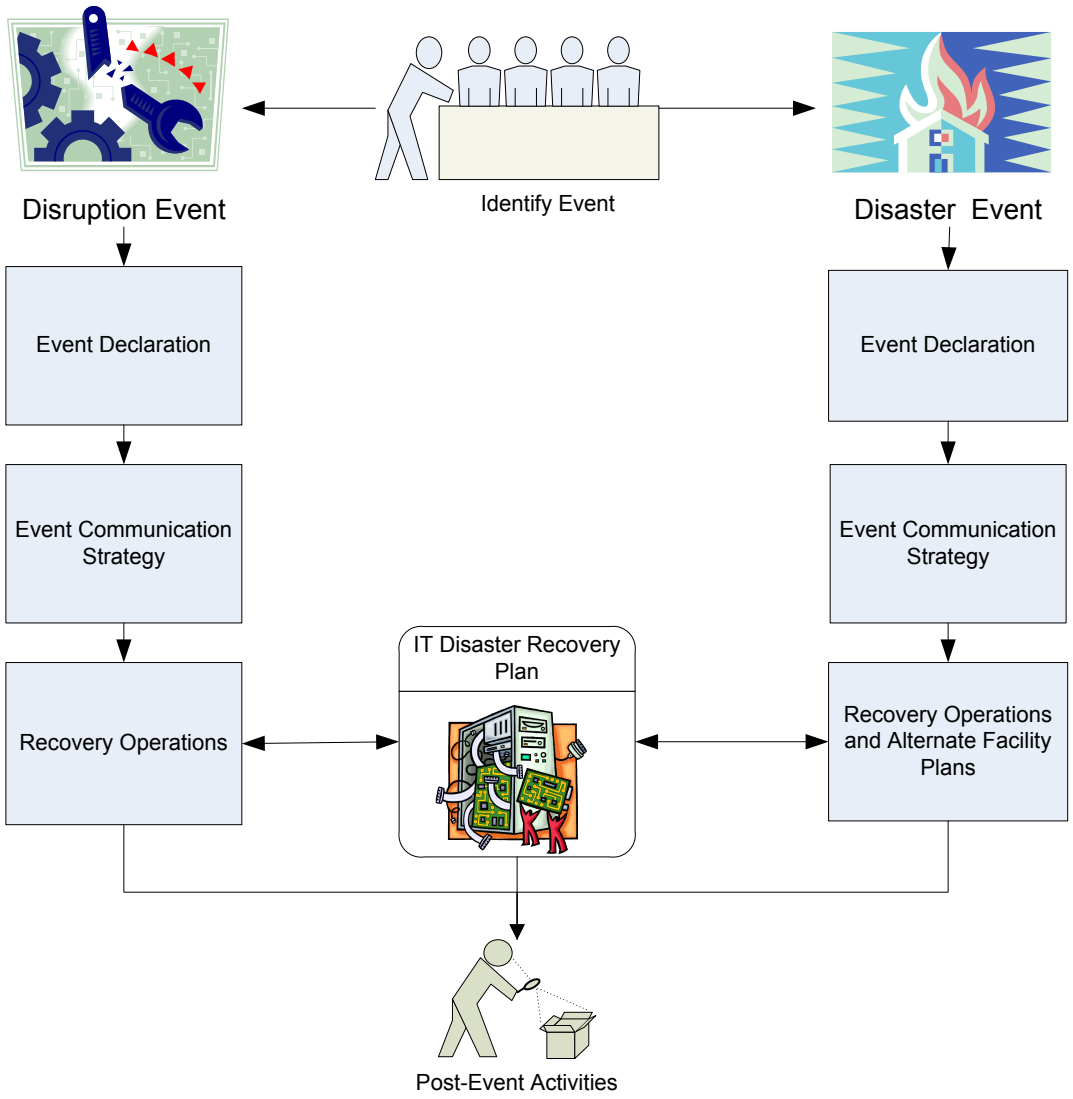


Figure 2-1

2.1 Event Identification

The difference between a business disruption and a disaster event is the impact and extent of the outage and the business operation affected, as noted below.

- **Business Disruption** is an unplanned event that interrupts the normal flow of a business operation for an appreciable length of time, but can be managed at the current location or through redundancy of systems or services.
- **Disaster** is the disruption of an essential business operation for a period of time beyond what can be managed at the current location. During a disaster, the needed resources of personnel, hardware, software, power, communication or facilities are greater than those available.

The impact of an event is identified by condition codes of yellow, red, orange, and clear.

For more detailed description of event identification / codes, see *Emergency Response Guidelines*.

2.2 Event Declaration and Communication Strategy

Once the BCP has been triggered (as shown in the flowchart), communication includes the event declaration, enterprise-wide notifications, and external notifications (client, press releases, etc.). It consists of the activities shown in the table below. The Business Continuity Communication strategy provides parameters for how to communicate with employees, clients, vendors, and suppliers in a timely manner.

The Communications and Notifications Team of the Business Continuity Plan is responsible for obtaining current event status from the Business Continuity and Disaster Recovery Leadership Team (BCDRLT). The BCDRLT oversees all employee (internal) and client (external) communications and is the official source of information before, during and after an event.

Activity	Description
Event Declaration	A key component of business continuity is the mechanism for declaring an event and triggering the BCP. *See Section 4, Emergency Response Guidelines* for details of the responsible role(s) and criteria.
Establish Communications	The BCDRLT will use the Command Center Hotline to establish and coordinate communications during an event. The SVP, Operations (or any member of the BCP & DR Leadership Team – refer to the Business Continuity Team Contact Information list) will host the conference.

Activity	Description
Communication Strategy: Enterprise-Wide	Emergency Contact Information: • Employee contact numbers are updated and stored in the online Kronos system using Employee Self-Serve. Employees are responsible for entering and updating current phone and emergency contact information in the Kronos system. • Employee contact information is also maintained at the department level along with departmental communication processes (i.e., call trees, etc.). Managers can review and print their employees' phone and emergency contact information from the Kronos Manager Self-Serve module. • Managers for each business unit are required to keep current employee contact information along with a communication process to ensure that each employee receives specific business unit level status notifications. Notifications via MIR3: • The Environmental Health and Safety Manager will trigger the MIR3 status notifications which are sent to each employee using the contact information available. Notifications will be continuously sent to the employees until receipt is acknowledged. Employee Situation Update Hotline: • The Human Resources department or delegate provides recorded messages on the Employee Situation Update Hotline: 858-790-7090. The messages are updated as the situation or events change and include specific information obtained from the BCDRLT. Employees are encouraged to check the Hotline for information and updates. Notifications via Business Continuity Notification Distribution Lists: • Current email notification distribution lists are maintained and include key contacts for all critical business and support functions. The *BCP Outlook Email Distribution Lists* reside in the C360 Process Library – reference document #300-RD-1276 as a restricted document. • Email templates are prepared and maintained for a variety of scenarios (i.e. preparedness communications, potential events, actual events, training, drills, etc.)

Activity	Description
Communication Strategy: External Notifications	Client Notifications: • Client communications are the responsibility of the Account Management business unit. Core Account Management team members include all VPs, Directors and Account Executives. ▪ Client communications are based on event-specific communications and pre-approved by the Chief Revenue Officer or designate and SVP, Corporate Services & General Counsel or designate. These communication templates are reviewed and updated annually, or more often as needed, and maintained with the MedImpact Business Continuity Plan and IT Disaster Recovery Plan. ▪ Based on the situation or event, a written communication to MedImpact clients is approved for client distribution by the President, SVP Corporate Service & General Counsel and the Chief Revenue Office or designate , with assistance from the VP, Strategic Marketing. ▪ MedImpact uses Salesforce as its CRM application and can mass email clients with consistent and directed messaging to all clients listed in the application. If this method of client communication were chosen, the approved client communication would be sent to all clients selected. This process is the responsibility of the Marketing business unit. The specific process is reviewed and updated annually, or as needed. Press Releases: • Communication Templates are prepared and maintained for a variety of events to facilitate communication with the media and press. All communications to the public, including clients, are pre-approved by the Chief Revenue officer or designate and SVP, Corporate Services & General Counsel or designate. Vendor Communications: • Each department maintains a contact list of external vendors/suppliers and is responsible for notifications during or after an event.

2.3 Recovery Operations and Post-Event Activities

The following activities comprise the response and recovery activities after communication of the event (as noted in Figure 2.1).

Activity	Description
Recovery Operations	• In the event of a disruption, business unit and department functions will be recovered by implementing operational BU Recovery Plans. • In the event of a disaster resulting in the loss of a facility, functions will be recovered by specific teams at an alternate location, as applicable.
IT Disaster Recovery Operations	• Because of the heavy reliance on automated systems, the IT DRP provides a solution that allows identified mission-critical applications to operate in a continuous or nearly continuous mode. • Other application systems that are identified as less critical or consequential to business operations have technology solutions that will make these systems available to MedImpact business units as defined by the business units in conjunction with the IT DRP.
Post-event activities	• Assess overall performance of teams during recovery process. • Assess overall effectiveness of the BCP.

3. Teams and Responsibilities

Business Continuity teams are structured to assign specifically skilled personnel to each critical function.

A listing of each group's team members and applicable contact information is included in the *BCP – Business Continuity Team Contact Information* list.

3.1 Roles and Responsibilities Summary

The Business Continuity teams are organized into separate functional teams, each designated with specific areas of responsibility during an event. See *Section 4, Emergency Response Guidelines* for a summary of responsibilities for emergency response.

Team	Responsibilities
Business Continuity (BC) Steering Committee	• Creation and annual revisions of the BCP • Assists with identification of potential events • Administers enterprise communications related to BCP preparedness • Directs communications with senior leaders • Post-event evaluation and identification of improvement actions
Business Continuity and Disaster Recovery Leadership (BCDRLT)	• Final approval authority and responsibility for the BCP • Invokes event declaration • Overall management of the Damage Assessment, Critical Function First Responder, and IT DRP Management teams • Policy decisions • Oversees internal and external communications • Official source of information during the recovery process
Damage Assessment	• Interfaces with the BCDRLT, IT DRP Management team, and Critical Function First Responder team to assess damage/consequences during event identification
Critical Function First Responder	• Interfaces with the IT DRP Management team to coordinate recovery efforts • Interfaces with the BCDRLT to obtain necessary authorizations and resources to recover service functions • Directs the overall operation of the Critical Function teams and the eventual restoration process • Responsible for the execution of the BCP • Responsible for the distribution to and training of key personnel associated with the specific Business Unit Recovery plans of which the key personnel are identified

Team	Responsibilities
IT DRP Management	• Analyzes damage reports from the Damage Assessment team and makes recommendations to the BCDRLT on the need for disaster declaration • Activates the IT DRP • Interfaces with the BCDRLT to obtain necessary authorizations and resources • Implement management directives • Directs the overall operation of the IT disaster recovery teams and the eventual IT restoration process **(See the *MedImpact IT DRP* for additional responsibilities.)**

Communication and Notifications	• Interfaces with the BCDRLT to obtain current event status
	• The Environmental Health & Safety Manager notifies employees of current event status and any necessary actions, as well as periodic updates, via:
	  ○ Employee Situation Update Hotline, MIR3 Notification System
	  ○ Email distribution list
	• Account Management with the support of Marketing and the Corporate Communications Partner notifies clients of operational status and provides periodic updates via:
	  ○ Salesforce email push, or
	  ○ Telephonic, if internet is not accessible, by triggering call tree to Account Teams to initiate phone contact using prepared script
	  ○ Prepared press releases
	  ○ Corporate Website
	  ○ Frequently Asked Questions (FAQ) distribution

Critical Function Team Leaders	• Implements management directives • Alerts team members of the situation in the initial assessment phase • Assembles members of their team after declaration has been made • Requests additional staff as needed • Directs team members in specific procedures • Reports periodic status to the BCDRLT • Ensures detailed assessment and recovery procedures are current • Designates back-up individuals capable of functioning as alternate Team Leaders
Critical Function Team Members	• Reports to the alternate work locations as instructed • Executes recovery procedures • Provides support to other team members • Functions as Team Leader when required • Trains newly assigned team members

3.2 Team Membership

The following table indicates the membership of each team. Specific members and contact information is maintained in the *BCP Team Contact List.*

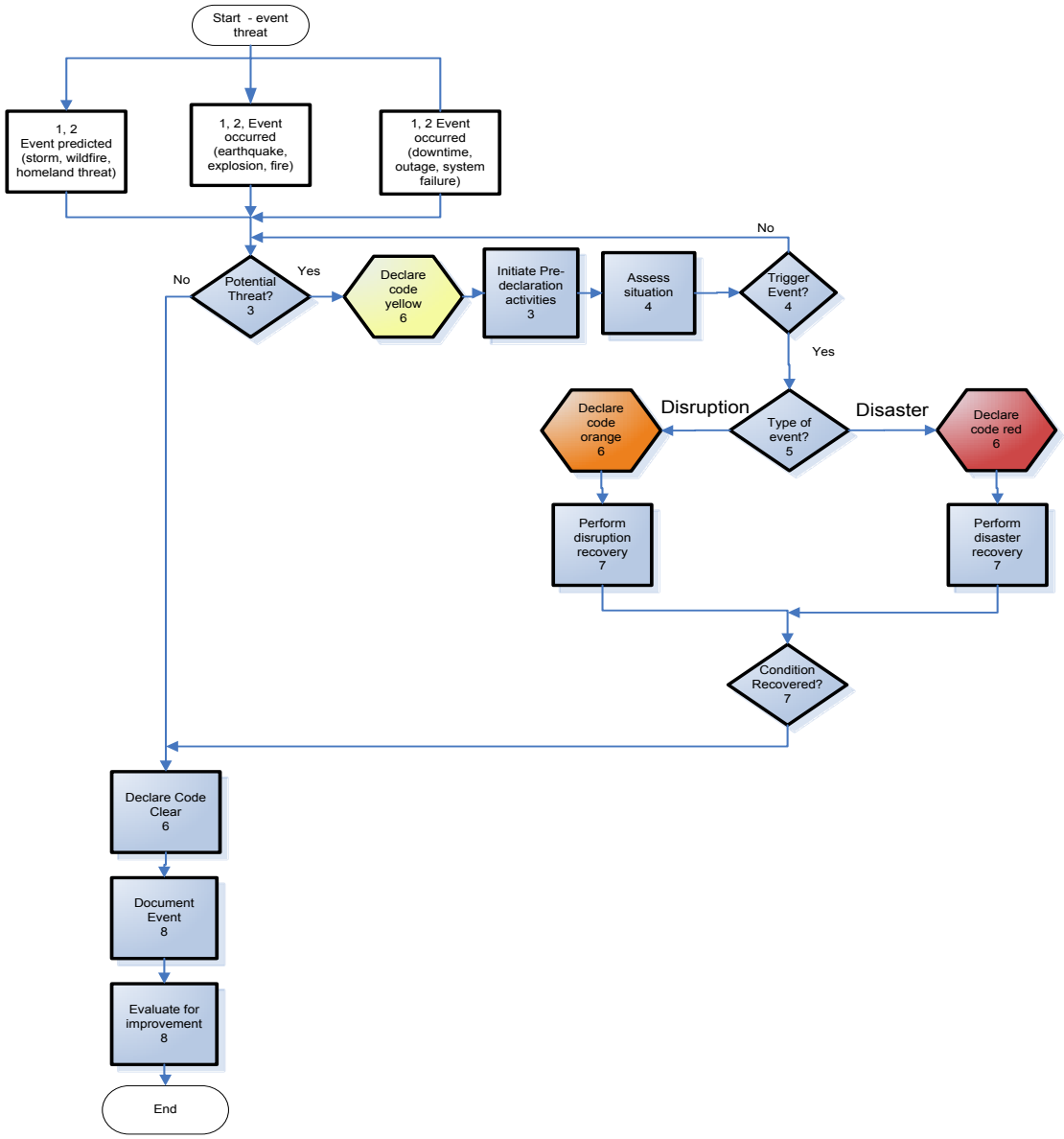
Team	Membership
BCP Steering Committee	• BCP Executive Sponsor: President or COO • BCP Chairperson: Principal, Operations Strategic Initiatives • BCP Co-Chairperson: VP, Customer Contact Services • BCP Plan Support: Documentation Specialist • Steering Committee members as listed in the Business Continuity Team Contact Information list.
BCDRLT	• President or COO • Chief Information Officer • Chief Financial Officer • SVP, Chief Revenue Officer • SVP Chief Human Resource Officer • Principal, Operations Strategic Initiatives
Damage Assessment	• IT Personnel • Operations Personnel • Facility & Business Services Personnel • Environmental Health & Safety Manager • Security Manager
Critical Function First Responder - Operations	• VP, Service Operations • Security Manager • VP, Customer Contact Services • Director, Configuration Services • Principal, PA Administration • Director, Claims Service Operations
IT DRP Management	• VP, Chief Information Officer • VP, IT Infrastructure & Operations • Sr. Director, Software Engineering • Director, Network Engineering • Sr. Director, IT Corporate Solutions • Director, IT Database & Middleware • Director, System Engineering • Manager, IT Configuration & Release • Manager, Security & Network Operations • Manager, Application Support

Team	Membership
Communication & Notifications	• VP, Strategic Marketing • General Manager, Account Management • Director, Human Resources • VP, Internal Audit • Environmental Health & Safety Manager
Plan Administration & Support	• BCP Chairperson: Principal, Operations Strategic Initiatives • BCP Co-Chairperson: VP, Customer Contact Services • BCP Plan Support: Documentation Specialist, Process Management

4. Emergency Response Guidelines

These guidelines provide the BCDRLT and Business Continuity teams with instructions for disruption or disaster identification and recovery.

4.1 Emergency Response Flowchart



4.2 Emergency Response Task Summary

The Emergency Response Guidelines include the tasks below. The activity step numbers are shown on the Figure 4-1 flowchart. Separate Emergency Response Checklists support response activity.

Step	Activity	Description	Responsibility
1	Event Identification	• Initial identification of a potential event that could cause operations downtime or facility inaccessibility	BCDRLT, IT DRP Management Team, Damage Assessment Team, Business Unit Functional Manager of an affected area
2	Initial Notification	• Utilizing the Business Continuity Notification email distribution list, inform key individuals of potential threat and potential need to initiate assessment • Assess and communicate need to gather teams in Command Center and initiate **Command Center conferencing.** (Note: any member of the BCP & DR Leadership Team can initiate the Command Center call)	BCDRLT, IT DRP Management Team, Damage Assessment Team
3	Threat Assessment	• Assess the threat type, magnitude and duration to determine if it is a valid threat to business continuity	Damage Assessment Team
4	Event Trigger	• Assess an actual event for type, magnitude and duration to assist BCDRLT to determine if the BCP should be triggered (i.e., disruptions that can be handled by a single business unit may invoke a BU Recovery Plan procedure, but may not require the triggering of the enterprise-wide BCP)	Damage Assessment Team, Business Unit Functional Manager of an affected area
5, 6	Event Evaluation and Code Declaration	• Determine if the event is a disruption or disaster and what course of action is required based on the assessment of the event • Alert the Business Continuity Notification email list recipients of the event level identified, and actions required (i.e., evacuate facility, enact BU Recovery Plan, trigger call trees, etc.) • Provide infrastructure to allow employees to work offsite • Notify all employees of event status using the Employee Situation Update Hotline, Emergency Notification System (MIR3), email,	BCDRLT, IT DRP Management Team, Communication & Notifications Team

Step	Activity	Description	Responsibility
		direct contact and/or facility paging system, if during business hours • During a pandemic/disease outbreak BCDRLT will monitor DOH, CDC, and state and local guidance including executive orders.	
7	Response and Recovery	• Execute recovery activities for the declared event level • Initiate downtime operations, if warranted • Restore business functions at the off-site recovery location •	Critical Function First Responder Team, IT Technical Recovery Team
8	Post-Event Evaluation	• Review the BCP execution after any event to evaluate effectiveness and to update the BCP and/or IT DRP and other related documentation, as needed	BC Steering Committee

4.3 Events, Condition Codes, and Recovery Time Objectives

The difference between a business disruption and a disaster is the impact and extent of the outage and the business operation affected, as noted below.

- **Business Disruption** is an unplanned event that interrupts the normal flow of a business operation for an appreciable length of time, but can be managed at the current location or through redundancy of systems or services.
- **Disaster** is the disruption of an essential business operation for a period of time beyond what can be managed at the current location. During a disaster, the needed resources of personnel, hardware, software, power, communication or facilities are greater than those available.

  A disaster may be a

  Site failure: Results in the loss of resources inside a single facility due to an event such as fire, water damage, utility or facility damage, chemical or radiation release, bomb threat, or employee shortage.

  Regional Disaster: Occurs outside of the MedImpact facility but prevents business units from executing essential operations, or that causes business interruption to all local user departments and the computer facilities. The computer facilities and equipment may be intact but not accessible. Examples of such events include earthquake, brushfire, flood, power outage, transportation interruption, terrorist attack, or disease/pandemic.

Condition code declaration is used to communicate the assessed emergency level and required response:

Code	Description
Yellow	A potential threat has been identified that could lead to a service disruption or disaster event. A heightened state of readiness is required. Pre-disaster communications are initiated to ensure an efficient response to developing conditions.
Orange	A service disruption event has occurred. Senior management remains engaged in service recovery triage until code level decreases. Action items contained within the Business Continuity Plan or Disaster Recovery Plan may be activated at this time as risk assessments are received and validated.
Red	MedImpact has declared a disaster event. One or more business continuity processes, as outlined in the Business Continuity Plan and supported by the Disaster Recovery Plan, has been activated. All contingent supporting team members are instructed and advised.
Clear	Normal operational state of MedImpact systems and processes.

Recovery Time Objective (RTO) is defined by the business unit in coordination with IT for use in disaster recovery. IT maintains adherence to RTO's by meeting or exceeding the discrete RTO — in minutes, hours or days — for each application or system, as detailed in the MI IT DRP. The contingency program addresses required capacity, identifies critical missions and business functions, defines recovery objectives and priorities, and identifies roles and responsibilities.

Information security aspects of business continuity are: (i) based on identifying events (or sequence of events) that can cause interruptions to the organization's critical business processes (e.g., equipment failure, human errors, theft, fire, natural disasters acts of terrorism); (ii) followed by a risk assessment to determine the probability and impact of such interruptions, in terms of time, damage scale and recovery period; (iii) based on the results of the risk assessment, a business continuity strategy is developed to identify the overall approach to business continuity; and, (iv) once this strategy has been created, endorsement is provided by management, and a plan created and endorsed to implement this strategy.

Note: *MedImpact continually strives to meet and exceed our service levels by leveraging industry standard technology and methodologies. The below RTOs reflect our internal performance goals for product delivery. For binding service-level performance guarantees, please refer to the respective client contract.*

Recovery Time Objective Chart		
Tier	**Definition**	**Service Functions**
1	Within 15 minutes	Claims Adjudication Services for Domestic and International
		POS
		Web Services
2	0-30 minutes	Cisco Phone Services (CUIC, Cisco Supervisor Desktop, Cisco Call Manager)
	Minimal downtime level for critical production applications	IVR
		MedAccess (Web & Classic)
		Claim Quote
		Drug Price Check
		MedAccess Classic
		MedResponse
		ODM (Operational Design Management system)
		Verint
		Emergency Notification Systems (Emergency Situation Update Hotline, Kronos)
3	0.5 - 4 hours	Internet Access
		VPN
		Network/Shared drive access
		File and data exchange delivery systems (MFTP, FTP/sFTP)
		File processing and scheduling systems (UC4, Informatica, Ops Scheduler)
		Pre-Prescribing applications and systems (MedPrescriptions, RTBC)
		RightFax
		Esker
		Email (MS Outlook Exchange)
4	4.0 - 8.0 hours	Configuration applications and environments (QSP, TAC)
5	8 - 24 hours	AP and FileNet
	Moderate downtime level for ancillary or supporting production applications	Claim Data Store
		CNAT
		Confluence
		MedHub
		Media Production (processing & scanning equipment including network printers, Neopost software, AIMS)
		MedOptimize
		Virtual Inventory (Admin and Systems)
6	24 - 48 hours	MAC Pricing Tool
	Long downtime level for ancillary or supporting production applications	Testing and Validation applications and environments (E2E)
		Pharmacy Portal
		Clinical Programs
7	>48 hours	Rebates Processing
	Extended downtime level for ancillary or supporting applications	Physician Portal

5. Plan Administration

The purpose of this section is to define the activities necessary to maintain the BCP and its related documents. It covers:

- Documentation Location and Access
- Business Continuity Training
- Review and Testing
- Evaluation

5.1 Documentation Location and Access

The source BCP and its related documents are retained in Compliance 360, (C360) a controlled central repository for maintenance and access. Access is restricted to applicable personnel based on responsibility and need.

Documents and their access privileges are shown in Table 5-1:

- Business Continuity Plan
- Emergency Response Procedures
- Emergency Evacuation Procedures
- BCP – Business Continuity Team Contact Information list
- BCP Outlook Email Distribution Lists
- BCP Business Unit Recovery Plan Template
- BCP Business Unit Recovery Plans (separate for each critical BU)
- IT Disaster Recovery Plan
- BCP Emergency Response Checklist
- Test Plans and Results Logs
- Communication Templates

Electronic and printed copies of the applicable documents are retained by their key stakeholders for reference in case of an event. Printed copies of all the documents are kept at each facility for reference and backup. Electronic copies of the BCP Policy (public and private), BCP BU Recovery Plans, Business Continuity Team Contact Information and the BCP Outlook Email Distribution Lists document reside in the Compliance 360 (C360) process library.

Documents	Access
All documents	BC Steering Committee, BCDRLT
Business Continuity Plan (Private)	Critical Function First Responders, IT Technical Recovery Team, ELT, ALT, employees designated by BU management
Business Continuity Plan (Public)	All MedImpact Employees (Electronic version is available on the MedImpact Intranet)
Emergency Response Procedures	All MedImpact Employees (Electronic version is available on the MedImpact Intranet)
Emergency Evacuation Procedures	All MedImpact Employees (Electronic version is available on the MedImpact Intranet; Signage is posted in designated areas within a given facility)

Business Continuity Team Contact Information	Critical Function First Responders, IT Technical Recovery Team, employees designated by BU management
BCP BU Recovery Plans	Applicable BU Leaders and employees designated by BU management
IT Disaster Recovery Plan	IT DRP Management Team , IT Technical Recovery Team
Emergency Response Checklists	Critical Function First Responders, IT Technical Recovery Team, applicable BU Leaders and employees designated by BU management
Test Plans and Results Logs	IT Technical Recovery Team, IT designated employees, applicable BU Leaders and employees designated by BU management
Communication Templates	Communication and Notifications Team

5.2 Business Continuity Training

Applicable MedImpact personnel are trained on the documentation, systems, and activities required by the Business Continuity and IT Disaster Recovery Plans.

An Employee Communication is sent on a quarterly basis which contain preparedness information, details and contact information.

Employees can access the Business Continuity Plan (Public) and related information on the company intranet page

5.3 Review and Testing

The following provides guidelines for review and testing of the Business Continuity Plan and related documentation and systems.

Documentation Review

The Business Continuity documentation is reviewed as noted in the table, below, but also may be revised more frequently if needed, to ensure the documents are updated and the information is aligned.

Business Continuity Plan changes are coordinated with the Information Technology Disaster Recovery Plan so that the technology infrastructure for disaster recovery continues to be aligned and effective.

The BCP Steering Committee is responsible to ensure the documents are reviewed and updated as needed.

Review Frequency	Document
As Needed	BCP Outlook Email Distribution Lists
Quarterly	BCP Team Contact Information
Annually	Business Continuity Plan (Private and Public), IT Disaster Recovery Plan, Emergency Response Procedures, Emergency Evacuation Procedures, Communication Templates, Business Unit Recovery Plans; BCP Emergency Response Checklist, Recovery Time Objective(s)

The items to be reviewed for plan updates include:

- Personnel changes
- Mission, scope and objective changes
- Priority changes
- New or changed business organizational structure
- New security controls
- Business impact analysis and risk assessment

BCP and Information Systems Testing

The Business Continuity and IT Disaster Recovery plans are tested at least annually, with a prompt response to any detected problems. The BCP Steering Committee and IT Disaster Recovery teams are

responsible to ensure that testing is done. A Test Plan and Results Log are maintained to validate tests and results.

The Command Center Hotline is tested at least quarterly, with a prompt response to any detected problems regarding connectivity or operability. The current MedImpact contact name listed with the Web and Video Conferencing vendor (PGI) is the Executive Assistant to the CFO. Testing of the hotline is the responsibility of the BCP Business Owner and the BCP Lead. Detected problems should be coordinated with MedImpact's Vendor Relations & Procurement Department.

Event Evaluation

The BCP Steering Committee evaluates BCP activities after an event has occurred and presents results to the Senior Leadership team to:

- Identify what worked well in addressing a potential or actual event;
- Address gaps and improve business continuity practices; and
- Correct and/or update the BCP and related documentation;
- When new requirements are identified, any existing emergency procedures (e.g., evacuation plans or fallback arrangements) are amended as appropriate.

Appendix A: MedImpact Information

MedImpact Healthcare Systems, Inc.
Corporate Office (WM I)
10181 Scripps Gateway Court
San Diego CA 92131

MedImpact Healthcare Systems, Inc.
(WM II)
10159 Scripps Gateway Court
San Diego, CA 92131

MedImpact Healthcare Systems, Inc.
Southwest Regional Office (SRO I)
8150 S. Kyrene Road
Tempe, AZ 85284-2115

MedImpact Healthcare Systems, Inc.
Southwest Regional Office (SRO II)
8060 South Kyrene Road
Template, AZ 85284-2115

MedImpact Healthcare Systems, Inc.
Grace Lake Corporate Center (GLO)
Building 30.0
One Village Center Drive
Van Buren Township, MI 48111

340B Holdings, LLC
3220 Tillman Drive
Suite 104
Bensalem, PA 19020

MedImpact Direct, LLC
8150 S. Kyrene Road
Tempe, AZ 85284-2115

ScriptSave (Medical Security Card Co., LLC)
4911 E. Broadway
Tucson, AZ 85711

Appendix B: Business Unit Recovery Plan Template

The Business Unit Recovery Plan Template (#300-TM-1298) is retained in the C360 Process Library.

BUSINESS UNIT LEADER	Denise Burns, Chief Operating Officer
PROCESS OWNER	Jennifer Lujan, Principal, Operations Strategic Initiatives
Additional Responsible Party	Heidi Herrera, Documentation Specialist III

RELATED EXTERNAL REFERENCES(Use of Links to external references requires additional maintenance of document to ensure accuracy – Use this sparingly)	
Name	**Link**

CHANGE HISTORY / VERSION CONTROL	
Version	**Comments**
	Version 6.0 – 7.0 retained in C360 History; prior versions retained by Department (G: Drive location)
8.0	Team Member listing updated and inclusion of subsidiary information Section 3.2 and Appendix A. Statement regarding Command Center Hotline added to section 5.2 (H. Herrera & J. Lujan, BCP Lead 3/2018). *Note: representation of subsidiaries within scope of BCP discussed and agreed 12/2017 by J. Schumacher and G. Watanabe per 1/19/18 email.*
9.0	Section 2.2 updated to only reflect who is responsible for the MIR3 notification; Section 3.2 updated to reflect member changes; Section 5.2 updated to include reference to quarterly Employee Communication and BCP Intranet site; Appendix B sample Business Unit Recovery Template removed (J. Lujan and H. Herrera 1/2019; changes presented to at BCP Steering Committee meeting 2/26/19 with email confirmation sent 2/27 to Steering Committee members)

CHANGE HISTORY / VERSION CONTROL	
Version	**Comments**
10.0	Updated Required Approvals sections with add and deletions; Various updates specifying restricted documents; Added disease, epidemic, pandemic, etc. as a covered event in the Executive Summary; Removed the Command Center Hotline from public version; Updated the Communication Strategy: External Notification of Section 2.2; Updated the Communication and Notifications of Section 3.1 Roles and Responsibilities; Updated Section 3.2 Team Membership; Updated steps 5, 6 Event Evaluation and Code Declaration of Section 4.2 Emergency Response Task Summary to include provisions for work offsite and monitoring during a pandemic/disease outbreak; Updated RTO Chart; Updated Appendix A: MedImpact Information with additional site address information (Contributors: Jennifer Lujan, Heidi Herrera, Steffanie Mathewson, Jennifer Woods, Eric Paczewitz and Karen Wilshe 5/2020)
11.0	Updated Section 3.2 Team Membership to reflect current roles and titles; reviewed by J. Lujan, D. Burns and K. Wilshe (2/2021)
12.0	Updated to align with HITRUST language requirements (J. Lujan 10/2021); reviewed by Internal Audit staff (10/2021)

* *Annual Review Approval Audit Records – no document content updates made*: Audit Record inserted by Process Management before document is finalized and published.

DOCUMENT TITLE	BCP – Business Unit Recovery Plan – Government Programs & Services (Medicaid FFS)				
DOCUMENT #	940-PD-1135	**VERSION**	1.0	**SUPERSEDES**	N/A
PROCESS OWNER	Dean Beuglass, Managing Principal Medicaid FFS			**EFFECTIVE DATE:**	**1/1/2021**
EXTERNAL SHARING	YES ☐	NO ☒		**PRINTING ALLOWED**	Yes
SHARE WITH	Regulatory Agencies ☐ Clients ☐ Other ☐				

SUPPORTING DOCUMENTATION	
Document #	**Document Title**
100-PL-1001	Business Continuity Plan (Public)
900-PD-1068	BCP - Business Unit Recovery Plan – Government Programs & Services

(GD)Guide=Overview | (PL)Policy=Rule | (PD)Procedure=Action | (FD)Flow Diagram=Visual
(WI)Work Instruction=Details | (FM)Form=Predefined | (RD)Reference Document=Supporting

REQUIRED APPROVALS

Approvers' Signature and Approval are recorded electronically and stored via Compliance 360 (C360).

Approvers	**Title**
Dean Beuglass	Managing Principal, Medicaid FFS
De'Lona Davis-Jones	VP, Govt Programs & Services

**C360 Approval Audit Record:* Initial Audit Record inserted by Process Management before document is finalized and published. If document renewal, additional annual audit records included on the last page.

Approver Name	Job Title	Approval Date	Process Document Number	MedImpactVersionNumber	EffectiveDate
Beuglass, Dean	Mging Prin St Medicaid FFS Pharm Ops	5/25/2021 9:46 AM	940-PD-1135	1.0	1/1/2021
Davis-Jones, De'lona	VP Govt Programs & Services	5/25/2021 10:54 AM	940-PD-1135	1.0	1/1/2021

DOCUMENT DEFINITIONS (When using definition in document Capitalize First Word)	
Word/Term	**Definition**
BCP	Business Continuity Plan

Business Unit	A major organizational function within MedImpact (e.g. Finance, IT, Call Center, Account Management, etc.)
FFS	Fee-For-Service
GPS	Government Programs and Services

1. **Purpose:** In support of **MedImpact's Business Unit Recovery Plan**, this document will outline the Business Continuity procedures, to be followed and adhered during a declared event. These procedures cover the core functions to ensure minimal disruption of service to Plan beneficiaries and clients and ensure the well-being of our employees.

   The appendices document critical resources and personnel requirements to protect the company if all or parts of its operations or computer services are interrupted by an outage or disruptive event. Information such as: critical business processes, technology components required, manual work-around procedures, identified alternate recovery sites, and key personnel contact information is documented.

   To make this plan functional, each member of the business unit (department) must be trained in their respective recovery responsibilities, overall company emergency management procedures. Each member shall have in possession an electronic copy or printed plan that is not located at the work site. This copy can be kept at employee's home or in another facility.

   1.1 Definition for GPS, Medicaid FFS: Support critical compliance activities to include:
   - 1.1.1 Plan level activities
   - 1.1.2 Compliance Requirements
   - 1.1.3 Plan Oversight
   - 1.1.4 Issue Management

2. Key Personnel to ensure operational continuity – minimal staff required

NAME	TITLE	Accountabilities	LOCATION	LAPTOP/TOKEN Y/N
Dean Beuglass	Managing Principal, Medicaid FFS Operations	Medicaid FFS Operations; Programs and Business Development	Telecommute	Y/Y
Matthew Lennertz	Managing Principal, FFS Value-Based Purchasing	Medicaid Supplemental Rebate Program Development and Management	Telecommute	Y/Y

Felicia DiPaolo	Director, Medicaid FFS Rebates	Medicaid Drug Rebate Program Oversight	Telecommute	Y/Y
Robyn Seeley	Clinical Program Manager	Client Clinical Program Oversight	Telecommute	Y/Y
Heather Brown	Manager, FFS Rebate Operations	Medicaid FFS Rebate Operations	Telecommute	Y/Y
Jill Whittier	Medicaid FFS Quality Manager	Medicaid FFS Quality and Contract Compliance	Telecommute	Y/Y
Chris Moyer	Principal, GPS Medicaid FFS	Medicaid FFS Program Development	Telecommute	Y/Y

3. Business Units Key Functional Responsibilities - Briefly summarize your business unit's functional responsibilities that would be critical to the continuity of business.

Medicaid Rebate Invoicing – Responsible for quarterly invoicing of OBRA and Medicaid Supplemental rebates, collections, cash receipts postings, adjustment and dispute handling, and related client reporting.
Supplemental Rebate Contracting – Responsible for administration of State supplemental rebate solicitations, bid acceptance and modeling, contract negotiation, term effectuation, outcomes reporting and P&T Committee support.
Account Management – Responsible for the day-to-day management of State client accounts, including oversight of all MedImpact operations related to contracted programs and services. Manages State client account teams, including primary and support resources.
Clinical Account Management – Responsible for implementation and execution of all MedImpact clinical programs on behalf of State clients, including Preferred Drug List maintenance, ProDUR, RDUR, Prior Authorization, PA Automation (Silent PA), and other utilization programs and edits; participation and support of State P&T and DUR committees.
Medicaid FFS Program Management, Monitoring & Oversight – Responsible for overall management, monitoring and oversight of all Medicaid FFS Programs and Services.

Contract Compliance – Responsible for enforcement of all Medicaid FFS client performance guarantees, including metric collection and analysis, risk mitigation strategy development and execution, client and executive reporting and escalation.
Medicaid FFS Implementations Project Management – Responsible for project management of all State Medicaid FFS program implementation activities, including planning, executing, reporting, and communications, with client-facing responsibility.

BCP Procedures: *(List the procedures your unit would follow to ensure the above key functions are minimally disrupted)*

3.1. Senior Medicaid FFS leader obtains key logistical information from GPS Leader and Senior Leadership Team as necessary.

3.2. Senior Medicaid FFS leader invokes Medicaid FFS Call Tree providing key information to next management level.

3.3. Each management level notifies next staffing level until all BU employees notified as necessary.

3.4. If necessary, the **MedImpact Security Guard** may be reached at **(858) 790-5900 (all locations) or x5900 (Watermark).**

3.5. Employees may call the **Employee Situation Update Hotline** at **(858) 790-7090** for current business status information.

3.6. Employees may also access corporate email through use of a SecureClient token VPN/remote access, or generically through the Outlook Web Access email system at https://email.medimpact.com.

3.7. Employees perform regular job functions from home or alternate setting as designated by Management.

4. Critical Business Processes – In the table below, list your business unit's processes or functions and evaluate them within the first 24 to 72 hours of a major disruption of information systems or services.

Functional Bus. Unit Processes or Sub Processes	Time Critical Y/N	Maximum Tolerable Downtime	Reason	Application or System relied upon for support- Please list all that apply
Medicaid Rebate Invoicing (In Development)	Y	1 day	CMS, State, and Contract Compliance	MedInvoice (MDRP Platform) MedOptimize ProdFTP/sFTP Internet and VPN access to shared and public directories

				SharePoint Phone Service
Supplemental Rebate Contracting (In Development)	Y	1 week	Contract Compliance	Contracting Platform MedInvoice (MDRP Platform) MedOptimize ProdFTP/sFTP Internet and VPN access to shared and public directories SharePoint Phone Service
Medicaid Encounter Processing (In Development)	Y	1 day	State, Federal, and Contract Compliance	Encounter Processing Platform ProdFTP/sFTP Internet and VPN access to shared and public directories SharePoint Phone Service
Account Management	Y	1 hour	Contract Compliance	MedAccess MedOptimize Salesforce Internet and VPN access to shared and public directories SharePoint Phone Service

Clinical Account Management	Y	1 day	Contract Compliance	MedAccess MedOptimize MedResponse Salesforce Internet and VPN access to shared and public directories SharePoint Phone Service
Medicaid FFS Reporting	Y	Varies	State, Federal, and Contract Compliance	MedOptimize MR3 MedAccess Internet and VPN access to shared and public directories
Medicaid FFS Program Management, Monitoring & Oversight	Y	Depends on program and deadlines at the time of the disaster	State, Federal, and Contract Compliance	MedAccess MedOptimize MedResponse Salesforce Internet and VPN access to shared and public directories SharePoint Phone Service
Contract Compliance	Y	Depends on Client Contract terms and SLAs	Contract Compliance	MedAccess MedOptimize MedResponse Salesforce Internet and VPN access to shared

				and public directories SharePoint Phone Service
Medicaid FFS Implementations Project Management	Y	1 day	Contract Compliance	Internet and VPN access to shared and public directories SharePoint Phone Service

BCP Procedures

4.1 Departmental employees have access to computers (possibly from home or other location)

4.2 Internet/Intranet/network service must be available to connect and read/write to data servers

4.3 MedImpact data servers must be operational

4.4 Medicaid FFS will utilize remote access capability to access all related data and perform necessary functions. Any further adjustments as necessary to normal operations will be handled in a situation-dependent manner by Medicaid FFS or GPS leadership.

4.5 If full business continuation requirements from above are not met, Medicaid FFS or GPS leadership will assess in a situation-dependent manner and provide partial business continuation support as necessary and possible.

5. Business Unit Support and Interdepency – Refer to the table #4 above. In the table below name the Business Units and applicable stakeholders that relate with each time critical process

Time Critical Process	Bus. Units supported by this process	Bus. Units giving support to this process	External Agent Supported by this process	External Agent giving support to this process
Medicaid Rebate Invoicing	Medicaid FFS	IT; BI/Reporting	State Clients and Manufacturers	State Agencies & CMS
Supplemental Rebate Contracting	Medicaid FFS	IT; FAS, BI/Reporting; Medicaid Rebates	State Clients and Manufacturers	State Agencies
Account Management	Medicaid FFS	FAS; BI/Reporting; Call Center; Accounting and Finance; PA Team	State Clients	N/A

Clinical Account Management	Medicaid FFS	FAS; BI/Reporting; Call Center; IT; Client Teams	State Clients and Beneficiaries	N/A
Medicaid FFS Program Management, Monitoring & Oversight	Medicaid FFS	Call Center; IT; Marketing; Client Teams; GPS; Compliance	State Clients	N/A
Contract Compliance	Medicaid FFS	BI/Reporting; Operations	State Clients	N/A
Medicaid FFS Implementations Project Management	Medicaid FFS	IT; Operations; Client Teams	State Clients, IV&V Contactors	N/A

BCP Procedures

5.1 Medicaid FFS will utilize remote access capability to access all applicable data and perform necessary functions. Any further adjustments as necessary to normal operations will be handled in a situation-dependent manner by Medicaid FFS or GPS leadership.

5.2 If full business continuation requirements from Section 4 above are not met, Medicaid FFS or GPS leadership will assess in a situation-dependent manner and provide partial business continuation support as necessary and possible.

6. Business Unit Support and Interdepency – Answer questions in this section as they relate to your business unit's operations. Assume that your work area is totally inaccessible and that other functional business units may or may not have been similarly affected. What factors compromise your estimates of financial impacts and exposures? The intent is not to be able to continue with business as usual but to restore critical systems to ensure survival.

Check all that apply:

☐None
☒Inability to compile clinical data
☒Inability to respond to regulatory agency
☐Cash Flow Loss
☐Interest Loss or Cash Float
☐Inability to process pharmacy claims
☒Penalties for late payment to vendors
☒Contractual penalties/fines/PGs
☐Availability of funds
☒Lost market share
☐Investment Cash Reserves
☐Inability to provide network admin

☐Inability to provide web services
☐Electronic e-prescribing
☐Inability to provide payroll
☐Referral Management
☐Call Center Services
☒CMS/Regulatory Compliance Failure

BCP Procedures

6.1 See BCP procedures sections 4.1 – 4.5 above.

BUSINESS UNIT LEADER	De'lona Davis-Jones, VP Gov't Programs and Services
PROCESS OWNER	Dean Beuglass, Managing Principal Medicaid FFS

RELATED EXTERNAL REFERENCES (Use of Links to external references requires additional maintenance of document to ensure accuracy – Use this sparingly)	
Name	**Link**

CHANGE HISTORY / VERSION CONTROL	
Version	**Comments**
1.0	Created for recently operationalized Medicaid Fee for Service business area. (GPS Team 4/2021)

* *Annual Review Approval Audit Records – no document content updates made*: Audit Record inserted by Process Management before document is finalized and published.

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DOCUMENT #	200-PD-1005	**VERSION**	11.0	**SUPERSEDES**	10.0
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SHARE WITH	Regulatory Agencies ☒ Clients ☒ Other ☒ URAC- onsite review only				

SUPPORTING DOCUMENTATION	
Document #	**Document Title**
100-PL-1001	MedImpact Business Continuity Plan - Public
299-PI-1040	MedImpact Data Backup Policy
Multiple	Business Unit Recovery Plan documents created by critical business units
(GD)Guide=Overview | (PL)Policy=Rule | (PD)Procedure=Action | (FD)Flow Diagram=Visual (WI)Work Instruction=Details | (FM)Form=Predefined | (RD)Reference Document=Supporting	

REQUIRED APPROVALS

Approvers' Signature and Approval are recorded electronically and stored via Compliance 360 (C360).

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Thornton, Jeffrey	Sr Dir Software Engineering	11/2/2021 2:07 PM	200-PD-1005	11.0	11/1/2021
Callagy, Michael	Director Network Engineering	11/2/2021 3:36 PM	200-PD-1005	11.0	11/1/2021
Ng'Andu, Mabuti	Director IT Database Middleware	11/3/2021 9:09 AM	200-PD-1005	11.0	11/1/2021
Cramer, Steven	Director System Engineering	11/4/2021 12:02 PM	200-PD-1005	11.0	11/1/2021
Hoang, An	Director IT Formulary Solutions	11/8/2021 7:42 AM	200-PD-1005	11.0	11/1/2021
Xing, Shunhua (Susan)	Senior Director IT Corporate Solutions	11/8/2021 9:30 AM	200-PD-1005	11.0	11/1/2021
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DOCUMENT DEFINITIONS (When using definition in document Capitalize First Word)	
Word/Term	**Definition**
DR	Disaster Recovery
DRP	Disaster Recovery Plan
BURP	Business Unit Recovery Plan

PURPOSE	Disaster Recovery (DR) is an ongoing process to plan, develop, test and implement changes, processes and procedures supporting the recovery and continuation of the critical business functions (including the technology infrastructure) in the event of a disaster. The IT Disaster Recovery Plan (DRP) is a subset of business continuity that

	outlines the process, procedures and management actions to be taken if a disaster results in an extended service disruption or outage supported by the MedImpact Information Technology (IT) infrastructure and/or systems residing in the Data Center.

Contents

1. Information Technology: Statement of Intent

Safeguarding MedImpact's IT infrastructure is a priority in delivering critical business services. This vital platform shall operate effectively without excessive interruption or failure. Disaster recovery planning supports this requirement by establishing thorough plans, procedures, and technical controls that enable MedImpact IT infrastructure to be restored quickly and effectively following a service disruption or disaster event. Technical knowledge, vigilance and timely execution are required for full recovery to normal operations.

2. Overview

The IT Disaster Recovery Plan (DRP) is designed to provide guidance and critical information for trained and experienced staff to recover core IT systems and/or applications that have been impacted by a service disruption or disaster event. MedImpact can recover and restore business operations and establish an availability of information in the time frame required by the business objectives and without a deterioration of the security measures. MedImpact shall identify the critical business processes requiring business continuity, which shall include an assessment of internal and external business dependencies. Agreed policies and procedures shall be documented and tested. Critical business processes, systems and dependencies are identified as part of the Business Unit Recovery Plan (BURP) process. Please refer to the BURP and Business Continuity Plan (BCP).

When new requirements are identified, any existing emergency procedures are amended as appropriate.

Interim measures may include the relocation of processing to IT systems and operations at an alternate site, the recovery of IT functions using alternate equipment, or executing key IT functions using manual methods.

The DRP provides disaster recovery guidance and is divided into the following content areas:

- Supporting Information
- Responsibilities
- Event Detection & Plan Execution
- Recovery
- Return to Normal Operations
- Appendices

3. Supporting Information

3.1. Definitions

Primary Data Center

The “Primary Data Center” is defined as the physical, IT operations facility where primary claims adjudication transaction and other PBM-related services are currently operating.

Secondary Data Center

The “Secondary Data Center” is defined as the physical, IT operations facility where standby claims adjudication transaction and other PBM-related services are hosted.

Service Disruption

A “service disruption” is an unplanned event that interrupts the normal flow of a business operation for an appreciable length of time but can be managed at the current location or through redundancy of systems or services.

MedImpact’s level of redundancy for critical systems ensures a high level of service at all times. Machine failures, storage failures, power failures and network failures at MedImpact’s Primary Data Center would necessarily require operating out of the Secondary Data Center.

Disaster Events

A “disaster event” is the disruption of an essential business operation for a period of time beyond what can be managed at the current location. During a disaster, the needed resources of personnel, hardware, software, power, communication or facilities are greater than those available. Disasters are further delineated as follows:

- **Site failure**

  Results in the loss of resources inside a single IT operations facility due to an event such as fire, water damage, utility or facility damage, chemical or radiation release, bomb threat, or employee shortage.

- **Regional Disaster**

  Occurs outside of the MedImpact IT operations facility but prevents business units from executing essential operations, or that which causes business interruption to all local user departments and the computer facilities. The computer facilities and equipment may be intact but not accessible. Examples of such events include earthquake, brushfire, flood, power outage, transportation interruption, terrorist attack or disease/pandemic.

Short Outage

A short outage (power, physical damage, etc.) is one that is initially assessed as containable, transitory, or falls within a predetermined scope. A building evacuation may create a known, short outage for one or more production applications, and/or may impact staffing of the Contact Center. In a typical short outage event, failover to redundant systems, and/or onsite application recovery at the Primary Data Center would be initiated by authorized users empowered to triage such an event as the first line of action.

By nature of its limited scope, a short outage is a non-disaster event; however, a heightened state of readiness is required until the condition has cleared and the threat of an extended or indefinite outage has been mitigated.

Extended Outage

An extended outage is the period of time that MedImpact would exceed the known scope of a Short Outage. During this type of recovery, MedImpact may operate out of the Secondary Data Center and/or contingent Contact Center and provide support for critical production applications and mitigated service levels for minor applications.

Indefinite Outage

An indefinite outage is defined as the period of time that MedImpact would exceed the scope of an Extended Outage. In this instance, MedImpact will permanently move to a reconstructed or new recovery facilities and begin full restoration of all applications and services from backup.

MedImpact will recover operations from the Secondary Data Center **after** a disaster has been declared. The Secondary Data Center will be used to manage recovery operations. A disaster can be declared at any level depending on recovery capabilities and circumstances.

Condition Codes

Condition code declaration (see Table 1, *Condition Codes*) is used to communicate the assessed emergency level and required response (see *Section 5: Event Detection & Plan Execution*).

Code	Description
Yellow	A potential threat has been identified that could lead to a service disruption or disaster event. A heightened state of readiness is required. Pre-disaster communications are initiated to ensure an efficient response to developing conditions.
Orange	A service disruption event has occurred. Senior management remains engaged in service recovery triage until code level decreases. Action items contained within the Business Continuity Plan or Disaster Recovery Plan may be activated at this time as risk assessments are received and validated.
Red	MedImpact has declared a disaster event. One or more business continuity processes, as outlined in the Business Continuity Plan and supported by the Disaster Recovery Plan, has been activated. All contingent supporting team members are instructed and advised.
Clear	Normal operation state of MedImpact systems and processes.

Table 1: Condition Codes

3.2. Dependencies/Critical Requirements

Recovery of the MedImpact computer facilities is dependent on the following:

1. Power to key systems and facilities backed up by uninterrupted power supply (UPS) units and generators
2. Maintenance of a Secondary Data Center for core systems' redundancy with equivalent capacity and active data replication
3. Multiple communication systems designed for survivability and redundancy
4. Multiple telco carriers for voice/data circuit redundancy
5. Cloud-based employee notifications system (voice, text, email)
6. A copy of the Disaster Recovery Plan (DRP) stored at the Secondary Data Center
7. Vital records required for recovery of critical systems and applications backed up and stored at an offsite and/or Internet-accessible location
8. A disaster at the Primary Data Center does not affect vendors within the disaster area who support MedImpact. Critical vendor services are available as planned to assist in recovery efforts.
9. All participants understand their roles and responsibilities, undergo periodic training to ensure familiarity with the DRP and are capable of executing the disaster procedures contained herein.
10. MedImpact maintains current standard operating procedures for each of the applications covered by the DRP that will be recovered. Each application is classified with a Recovery Time Objective (see Section 3.4, *Recovery Time Objective [RTO] Tiers*) so that it may be treated according to the DR strategy.

11. The DRP, including the appendices, are kept current by periodic updates and review.
12. The recovery procedures are tested at the Secondary Data Center as defined in this DRP.
13. The remote Contact Center supports:
    - Site-to-Site Virtual Private Network (VPN) and terminal emulation to the MedImpact Secondary Data Center.
    - Printers/faxes.
    - Phone system with Auto Call Distribution (ACD).
14. During a disaster event, affected 1-800 numbers will be redirected to the corporate DR support center.

3.3. Protection Levels

For each of the applications listed in Section 3.4, MedImpact has identified critical infrastructure/technology components and business processes required for the operations of the application. The Business Continuity Plan covers each critical technology and business process.

MedImpact uses multiple levels of redundancy to protect its information technology assets. These levels of redundancy can be stratified into three levels:

- ***Level 1 – Server Redundancy***

  In the case of individual system failure, MedImpact's multiple redundant systems will allow Claims Processing to continue with only a minor interruption as processing is moved to a hot-standby server. Claims processing systems are run on redundant and/or high-availability hardware. Workload requirements are facilitated by dynamic reallocation of system resources without rebooting the partition or system, which can help improve speed of recovery in case of a single server failure.

- ***Level 2 – Storage Redundancy***

  MedImpact's strategy of replicated databases on isolated storage frames provides critical protection against storage system failure. Critical data is replicated locally and to the Secondary Data Center to protect against a single site failure.

- ***Level 3 – Data Center Redundancy***

  MedImpact IT systems and critical data are safeguarded by physical data centers with geographic isolation and application redundancy.

3.4. Recovery Time Objective (RTO) Tiers

In the instance of a service disruption or disaster event, a Recovery Time Objective (RTO) is the projected duration of time required to restore an application to normal operations. RTO Tiers (see Table 2, *Application RTO Tiers*) are defined by the business units in coordination with the IT Disaster Recovery Management Team for use in emergency level assessments. IT maintains alliance to RTO Tiers by meeting or exceeding the discrete RTO.

RTO		
RTO Tiers	**Definition**	**Service Functions**
Tier 1	Within 15 minutes	Claims Adjudication Domestic International Both POS and Web Services
Tier 2	0-30 minutes Minimal downtime level for critical production applications	Contact Center Call Handling Telco Systems MedAccess IVR Prior Authorization
Tier 3	0.5-4 hours	Client Portal (Enterprise Portal Platform) Email RightFax ePrescribing Membership (Eligibility) (SFTP/Load Capabilities) File Management (scheduler and load)
Tier 4	4-8 Hours	Benefit Highlights
Tier 5	8 - 24 hours Moderate downtime level for ancillary or supporting production applications	Benefits/Network/Carriers (QSP/TAC) PDE Processing Direct Member Reimbursement Member Portal Pharmacy Locator Drug Price Check Formulary Management (EFS, Part D Template, CTI) Reporting Financial Processing MOR Drug Pricing (Medi-Span/FDB) Call Recording/Monitoring
Tier 6	24 - 48 hours Long downtime level for ancillary or supporting production applications	Clinical Programs Testing and Validation Pharmacy Portal
Tier 7	> 48 hours Extended downtime level for ancillary or supporting applications	Rebates Processing Physician Portal

Table 2: Application RTO Tiers

3.5. Recovery Point Objective

The Recovery Point Objective (RPO) is defined as the maximum targeted period in which data might be lost from an IT service due to a major incident.

The RPO for MedImpact's Tier 1 application is fifteen (15) minutes.

The database is configured to allow recovery of the last committed transaction. The Director, Database & Middleware, will initiate recovery of transactions through the standard database recovery procedures in the event of a disruption of service.

4. Responsibilities

4.1. IT DR Management Team

Team Responsibilities

It is the role of the Chief Information Officer (CIO) to provide the overall direction of the IT DR Management team (ITDRMT) and the IT recovery operations. Activities will be coordinated under the direction of the Business Continuity/Disaster Recovery Leadership Team (BCDRLT). The DRPMT will establish the emergency command center where IT damage assessment and recovery operations will be directed. It will analyze damage reports from the Damage Assessment team and make recommendations to the BCDRLT as needed for disaster declaration.

The ITDRMT notifies the IT Technical Recovery Team (ITTRT) with concurrence from the BCDRLT. If a disaster declaration is made, this team coordinates all the IT internal recovery procedure activities and monitors its progress. ITDRMT schedules IT recovery personnel for appropriate support activities and serves as the focal point for all technical questions posed by others during the recovery process. This team has a key role in ongoing disaster recovery preparedness. It is responsible for all planning, testing and maintenance activities necessary to sustain the IT recovery capability over time. All IT disaster recovery teams report to the ITDRMT.

The ITDRMT is responsible for overseeing the MedImpact IT Disaster Recovery Program.

Pre-Disaster Responsibilities

1. Provide overall leadership in the development and implementation of the MedImpact IT Disaster Recovery Plan (DRP)
2. Ensure that IT personnel are familiar with the MedImpact disaster notification procedures
3. Review test plans and test results at the test facility and/or Secondary Data Center
4. Review and approve results of the periodic IT DRP review
5. VP Technology Services & Operations distributes updated soft copies of the DRP via email to members of the IT DR Management Team annually or as needed.
6. IT DR Management Team shall review the BCP annually for any new or modified requirements and amend the DRP accordingly.

Disaster Responsibilities

1. Establish and maintain a consistent communication schedule with a pre-established command center.
2. Dispatch MedImpact Damage Assessment Team to assess situation in the computer facility.
3. Notify the BCDRLT.
4. Alert the Secondary Data Center of a possible disaster (pre-declaration).
5. Review damage assessment report and make recommendations to the BCDRLT.
6. Execute final alert procedures based on the severity of the situation.
7. Provide for the well-being of MedImpact IT recovery personnel at the Secondary Data Center.
8. Provide overall leadership, management and direction to the ITTRT.
9. If necessary, and in conjunction with, Human Resources and logistics vendor:
    - Provide road maps, directions, and transportation to the Secondary Data Center for people, equipment, and supplies.
    - Arrange lodging, medical services, etc., at the Secondary Data Center.
    - Arrange for personal expenses and payment of invoices at Secondary Data Center.
    - Verify hours worked, permit sufficient time off, and hire temporary personnel as required.

Post-Disaster Responsibilities

1. Assess overall performance of IT teams during recovery process.
2. Assess overall effectiveness of the IT Disaster Recovery Plan (DRP).
3. Assess overall effectiveness of the Secondary Data Center.

4.2. ITDRMT Team

ITDRMT Team
VP, Chief Information Officer
VP, Technology Services & Operations
Senior Director, Software Engineering
Senior Director, IT Corporate Solutions
Director, IT Formulary Solutions
Director, IT Database & Middleware
Director, Network Engineering
Director, System Engineering
Manager, Application Support
Manager, IT Configuration & Release
Manager, Database Applications
Manager, IT Middleware Administration
Manager, Security & Network Operations

Table 3: IT DR Management Team

4.3. IT Technical Recovery Team(s)

The IT Technical Recovery Team (ITTRT) is responsible for the restoration and recovery of the equipment, server systems, utility, application software and data for internal business systems at the Secondary Data Center location or at the reconstructed MedImpact Data Center.

Pre-Disaster Responsibilities

1. Maintain a current inventory of all hardware systems, utilities, and application software operating in the enterprise.
2. Maintain a current list of vendors, and other support contacts.
3. Conduct walk-throughs of the Data Centers to eliminate hazards.
4. Establish system backup and recovery procedures for MedImpact systems.
5. Establish, review, test and support the *Multiple Contact Center Strategy (MCCS)*.
6. Facilitate the recovery of MedImpact systems.
7. Work with other recovery teams to establish appropriate application and data backup procedures at application synchronization points.
8. Review and identify required disaster recovery documentation.
9. Have support agreements and documentation available at the recovery sites.
10. Follow *MedImpact Data Backup Policy (299-PI-1040)*.
11. Establish a team notification plan and a predetermined team meeting location for actual declaration.
12. Cross train team members in system and application software.
13. Test and document backup/recovery procedures at the computer facility and the Secondary Data Center.
14. Review and analyze test results and implement modifications as necessary.

Disaster Responsibilities

1. Execute team notification plan.
2. Meet at predetermined location and ensure all team members are available.
3. Contact alternate or substitute team members as required.
4. Review current disaster situation, recovery procedures, and roles and responsibilities.
5. At the Secondary Data Center location, ensure all documentation and backup tapes are available.
6. Execute application failover plans and validate application functionality.
7. Establish alternatives and acquisition procedures for missing documentation and tape media.
8. Restore operating system, subsystems, utilities, application software and data using stored recovery procedures and software runbooks.
9. Verify system availability.

10. Provide other recovery teams with an ongoing status and notification of system availability.
11. Provide technical support for other teams as necessary.
12. At the conclusion of the damage assessment, assume responsibility from the Damage Assessment team for necessary salvage, repair or replacement of IT equipment.
13. Prepare for and execute procedures to return to the renovated/reconstructed MedImpact computer facility when ready.

Post-Disaster Responsibilities

1. Revise/update team tasks and procedures as needed.
2. Implement updated tasks and procedures into plan testing requirements.
3. Revise/update existing production procedures.

5. Event Detection & Plan Execution

During an IT DR event, "Event Detection & Plan Execution" can be divided into five major phases (see Table 4, *Event Detection & Plan Execution Phases*).

Phase	Action	Detail
I	***Identify & Declare***	Initial identification of the extent of damage resulting from an incident causing system inaccessibility or downtime. Appropriate Condition Code/outage level is declared.
II	***Establish Command Center***	Depending on the severity and nature of the event, a command center is established as a communication access point for participating disaster recovery team members. The command center may be established at a physical, offsite location or "virtual location" via 1-800 conference call. ***Note***: Core IT disaster recovery staff members have access to the 1-800 conference call hosting system and may act as a first responder.
III	***Mobilize Team Members***	Team member travel may be required to staff the Secondary Data Center. Mobilization services are provided by Human Resources or MedImpact's logistics vendor.
IV	***Secondary Data Center Operation***	Utilization of the Secondary Data Center is based on the nature of the disaster event and would be exercised at the discretion of the IT Management Team. In the event the Secondary Data Center is utilized, authorized and trained personnel would be deployed to the Secondary Data Center location, as required.
V	***Retrieve Data Backup Tapes***	IT Technical Recovery Team will contact offsite storage vendor to deliver data backup tapes to the Secondary Data Center. Transportation for tape delivery will be confirmed. Team will verify that items requested have been retrieved.

Table 4: Event Detection & Plan Executive Phases

5.1. Phase I: Identify & Declare

Performed by: Business Continuity and Disaster Recovery Leadership Team (BCDRLT)

Declaration Determination

Declaration initiatives are associated with recovery terms and disaster durations. The BCDRLT will declare a disaster state based upon the Condition Codes. The Declaration Determination Process is outlined in Figure 1, *Declaration Determination Process*.

(See additional details in the *MedImpact Business Continuity Plan*.)

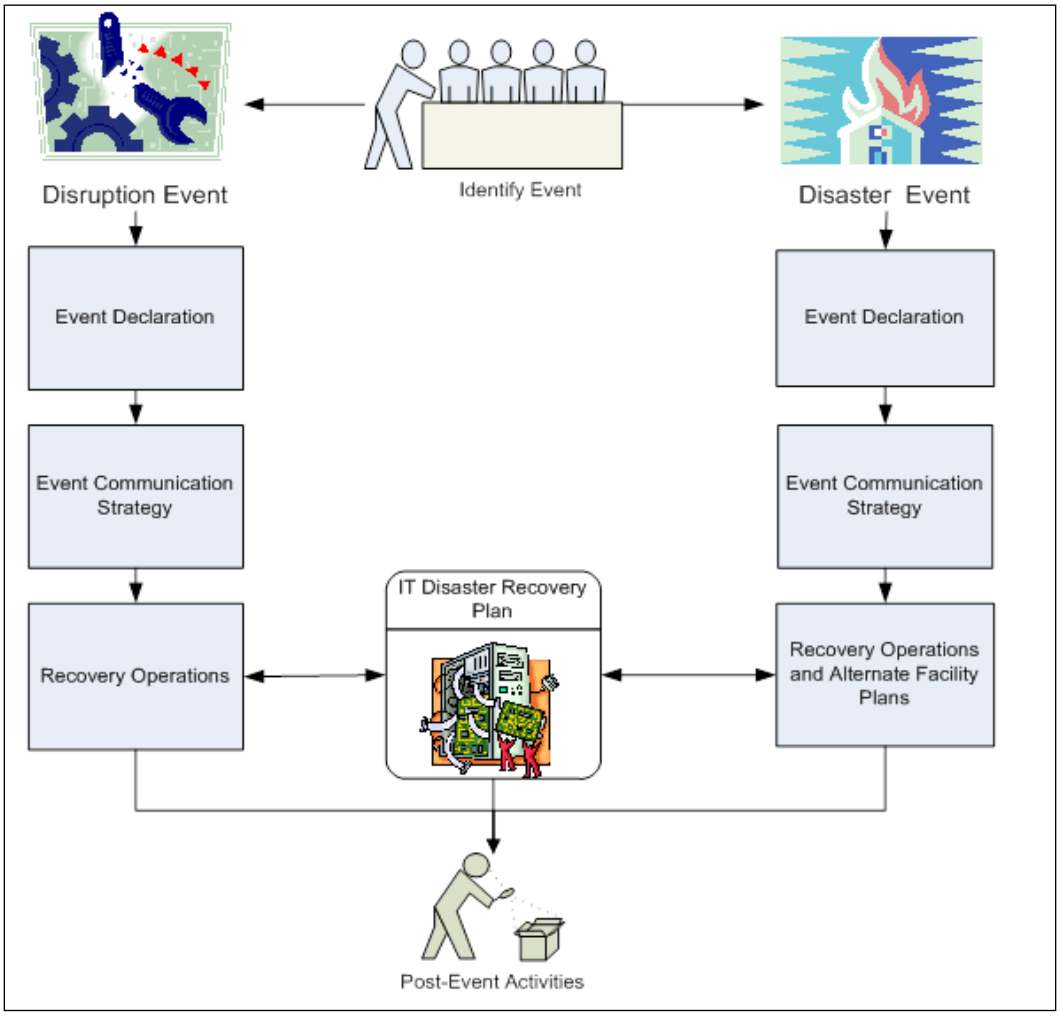

Figure 1: Declaration Determination Process

5.2. Phase II: Establish Command Center

Performed by: IT DR Management Team

In the event of a disaster, a command center is established as a communication access point for participating disaster recovery team members. Depending on the nature and severity of the event, a command center may be established at a physical, offsite location or "virtual location" via conference call.

Example of command center options:

- Conference Room, Hotel Suite or Temporary Office
- 1-800 Conference Call Number
- Jabber Chat Room

(For details, see 8.1, *Multiple Contact Center Strategy [MCCS].)*

5.3. Phase III: Mobilize Team Members

Performed by: IT DR Management Team

After the potential disaster situation has been assessed, and the BCDRLT has determined that a disaster situation exists, all members of the disaster recovery team(s) are contacted. An authorized member of the IT DR Management Team designates an individual present to notify all recovery team leaders to be put on call or instructed to contact all group members and/or report to the command center (or designated meeting point) for further instructions.

5.4. Phase IV: Secondary Data Center Operations

Performed by: IT DR Management Team

Utilization of the Secondary Data Center is based on the nature of the disaster event.

In the event the Secondary Data Center is utilized, authorized and trained personnel would be deployed to the Secondary Data Center location, as required.

5.5. Phase V: Retrieve Data Backup Tapes

Performed by: IT Technical Recovery Team

The ITTRT contacts the offsite storage vendor to deliver data backup tapes to the Secondary Data Center. Transportation for tape delivery is confirmed and items requested are verified.

6. Recovery

The Recovery Phase will commence after the DRP has been activated, the appropriate DR teams have been notified and mobilized, and the damage assessment has determined which critical production systems will need to be switched/recovered to the Secondary Data Center or recovered at the primary location.

Recovery phase activities will include the appropriate actions required to mitigate loss of service, repair damage to the original system, and/or restore operational capabilities at the original or Secondary Data Center.

IT Technical Recovery Team members are required to possess an intimate knowledge of MedImpact systems in order to execute recovery strategies during the initial and final stages of the DR event.

6.1. Critical Application Recovery

All mission-critical, production-level applications are managed by the respective application owner. Discrete recovery procedures include the following information:

1. Recovery Plan/Procedures
2. DR Test Plan, including documentation and retention of test results to demonstrate plan effectiveness
3. Return to Normal Operations Plan/Procedures
4. Vendor Contact Information

7. Return to Normal Operations

After affected services have been restored and normal IT processes have resumed, the recovered system shall be transitioned back to the original Primary Site (if needed). Return to Normal Operations will be handled by the respective IT teams as outlined by the IT Return to Normal Operations Plan/Procedures for the respective IT application.

8. Appendices

8.1. Multiple Contact Center Strategy (MCCS)

Emergency events (Code Orange, Code Red), and other events that demand a heightened state of disaster-readiness (Code Yellow), may require the deployment to an offsite location to support IT software, hardware and support services. In such cases, at the discretion of the IT DR Management Team, the MedImpact Multiple Contact Center Strategy (MCCS) may need to be activated to ensure continuous and seamless business operations.

The MCCS provides contingency hardware, personnel and responsibilities for an additional and/or remote Contact Center when the Corporate Contact Center is physically unavailable or cannot be adequately staffed. The MCCS should be implemented as required, provided the required dependencies are true.

8.2. Network Information

In the event of Secondary Data Center migration, MedImpact teams will quickly coordinate to activate the necessary services in the Secondary Data Center.

- Customers with site-to-site VPNs will automatically failover to the site-to-site gateway at the Secondary Data Center.
- Customers with internet connections to our services will automatically failover to the services available at the Secondary Data Center.
- Customers with dedicated circuits are either actively sending traffic to both data centers or will dynamically failover in the event of an outage.

8.3. Backup Strategy

For more information, see the *MedImpact Data Backup Policy (299-PL-1040)*.

8.4. Offsite Storage Information

Offsite storage information includes the physical location and contact information for retrieving DR data and artifacts.

8.5. Vendor Contact Information

As required, contact information for third-party vendors is needed to expedite recovery procedures.

8.6. Disaster Recovery Plan (DRP) Testing

Periodic testing of recovery procedures is important to validate the effectiveness of the backup and recovery procedures. It is expected that the system and network environment of MedImpact will change regularly as MedImpact continues to take advantage of information technology advances. Therefore, the DRP is tested regularly to ensure MedImpact critical applications would be available to support business operations in the event of a disaster.

MedImpact's DRP Test Results are strictly confidential and are not distributed outside MedImpact.

8.7. Disaster Recovery Plan (DRP) Maintenance

The DRP shall be reviewed periodically or whenever there are substantial changes to the technology or systems.

Annual Maintenance:

On an annual basis, the IT DR Management Team will meet and review existing DRP documentation to determine whether updates are required. If updates to the DRP are necessary, the IT DRP Management Team will modify DRP documentation and follow the standard review, approval, and distribution process to communicate the current DRP and prepare in the case of an event.

Substantial changes to technology or systems:

If substantial changes to the technology are necessary, systems or operations (changes impacting IT identified in the Business Unit Recovery Plan [BURPs]), the IT DR Management team will meet to discuss changes and impacts. The IT DRP Management Team will update existing DRP documentation and follow the standard review, approval and distribution process to communicate the current DRP and prepare in the case of an event.

8.8. Security Safeguards

MedImpact's redundant, always on, replicated data centers contain duplicate IT Security technology at each location to ensure that the exact same protections for electronic protected health information (ePHI) that existed prior to a disaster will be in place during a disaster (emergency mode operation) and after a disaster. No separate recovery process or procedure is required to enable MedImpact's ePHI security safeguards in the event of a disaster. In the event of the loss of either data center, MedImpact's ePHI security safeguards are automatically in place and working upon failover.

The Disaster Recovery Plan addresses a specific, minimal set of Information security requirements as documented in the individual Business Unit Recovery Plans.

BUSINESS UNIT LEADER	Asokan Selvaraj, Vice President, Chief Information Officer
PROCESS OWNER	Asokan Selvaraj, Vice President, Chief Information Officer

RELATED EXTERNAL REFERENCES(Use of Links to external references requires additional maintenance of document to ensure accuracy – Use this sparingly)	
Name	**Link**

CHANGE HISTORY / VERSION CONTROL	
Version	**Comments**
5.0	Revision (J. Hays 4/9/2013)
6.0	Revision (K. Wilshe with input from Brandi Sanford, Frank Bunton and Tony Roach 12/30/2015)
7.0	Revision (K. Wilshe with input from Brandi Sanford, Frank Bunton, Michael Andrews and Tony Roach)
8.0	Revision (K.Wilshe with input from Frank Bunton, IT Management Team and Michael Andrews regarding RPO; section 8.9 added 4/2019)
9.0	Revision (K. Wilshe with input from Frank Bunton, Michael Andrews and IT DRP Leadership team). (11/2019)
10.0	Revision (K. Wilshe updated approvers and IT DR Management Team) 10/2020
11.0	Updated to comply with HITRUST language requirements per HITRUST team (10/2021)

* *Annual Review Approval Audit Records—no document content updates made*: Audit Record inserted by Process Management before document is finalized and published.

DOCUMENT TITLE	MedImpact Data Backup Policy				
DOCUMENT #	299-PL-1040	**VERSION**	4.0	**SUPERSEDES**	3.0
PROCESS OWNER	Steven Cramer, Director, Systems Engineering			**EFFECTIVE DATE:**	**1/1/2022**
EXTERNAL SHARING	YES ☒	NO ☐		**PRINTING ALLOWED**	No
SHARE WITH	Regulatory Agencies ☒ Clients ☒ Other ☐				

SUPPORTING DOCUMENTATION	
Document #	**Document Title**
210-PL-1007	Information Security Program
200-PD-1005	IT Disaster Recovery Plan
560-PL-1010	Records Management
(GD)Guide=Overview | (PL)Policy=Rule | (PD)Procedure=Action | (FD)Flow Diagram=Visual (WI)Work Instruction=Details | (FM)Form=Predefined | (RD)Reference Document=Supporting	

REQUIRED APPROVALS

Approvers' Signature and Approval are recorded electronically and stored via Compliance 360 (C360).

Approvers	**Title**
Frank Bunton	VP, Chief Information Security Officer
Asokan Selvaraj	VP, Chief Information Officer
Steve Cramer	Director, Systems Engineering

**C360 Approval Audit Record:* Initial Audit Record inserted by Process Management before document is finalized and published. If document renewal, additional annual audit records included on the last page.

Approver Name	Job Title	Approval Date	Process Document Number	MedImpactVersionNumber	EffectiveDate
Cramer, Steven	Director System Engineering	1/4/2022 7:20 AM	299-PL-1040	4.0	1/1/2022
Bunton, Frank	VP Chief Information Security Officer	1/13/2022 1:45 PM	299-PL-1040	4.0	1/1/2022
Selvaraj, Asokan	VP Chief Information Officer	1/18/2022 4:04 PM	299-PL-1040	4.0	1/1/2022

DOCUMENT DEFINITIONS	
Word/Term	**Definition**
Data Backup	In information technology, a backup, or data backup is a copy of computer data taken and stored elsewhere so that it may be used to restore the original after a data loss event.
ePHI	Electronic protected health information (ePHI) is protected health information (PHI) that is produced, saved, transferred, or received in an electronic form.
MedImpact Entity(ies)	MedImpact Holdings, Inc. and its direct and indirect subsidiaries that create, receive, maintain or transmit PHI, and the MedImpact Health Care Systems Inc. Health and Welfare Plan.
Protected Health Information (PHI)	PHI that is (i) transmitted by electronic media; (ii) maintained in any medium such as magnetic tape, disc, optical file; or (iii) transmitted or maintained in any other form or medium (including but not necessarily limited to paper, voice, Internet, or facsimile). *See Permissible Uses and Disclosures Member PHI #560-PL-1013* for a complete list of all data elements that are considered to be PHI. PHI excludes Individually Identifiable Health Information: (i) in education records covered by the Family Educational Rights and Privacy Act, as amended; (ii) in certain student records as described at 20 U.S.C. 1232g(a)(4)(B)(iv); (iii) in employment records held by a covered entity in its role as employer; and (iv) regarding a person who has been deceased for more than 50 years.

Security Rule	The HIPAA Security Rule establishes national standards to protect individuals' electronic personal health information that is created, received, used or maintained by a covered entity. The Security Rule requires appropriate administrative, physical and technical safeguards to ensure the confidentiality, integrity and security of electronic protected health information (ePHI). The Security Rule is located at 45 CFR Part 160 and Subparts A and C of Part 164.

PURPOSE	The MedImpact Data Backup Policy document is intended to provide IT System personnel and interested stakeholders an understanding of the internal and client data backup (to archival media) function and process. This document is a supporting artifact to the MedImpact IT Security Policy and the MedImpact Disaster Recovery Plan. Data Replication is the key / primary business resumption plan in the case of an event. **Scope**: The MedImpact Data Backup Policy should be understood by IT System Personnel, or supporting vendors, who need to manage and operate the systems and processes required to backup and/or archive internal or client data for safeguarding, disaster recovery, and/or to comply with record compulsory or internal record retention policies. The MedImpact Data Backup Policy is a component of MedImpact's Contingency Plan as required under the HIPAA Security Rule, Administrative Safeguards, § 164.308(a)(7). The purpose of contingency planning is to establish strategies for recovering access to EPHI should the organization experience an emergency or other occurrence, such as a power outage and/or disruption of critical business operations. The goal is to ensure that MedImpact has ePHI available when it is needed**.**

Contents

1. Data Backup Policy

The "Backup & Recovery" section of the MedImpact IT Security Policy states ***"All sensitive, valuable, or critical information residing on MedImpact systems shall be backed up automatically."***

The system information in this document details the methods and procedures required to comply with MedImpact's stated Backup & Recovery objective.

- Full tape backups of all MedImpact production data shall be performed weekly. Full backups shall be retained for no less than one (1) month before being overwritten.
- Incremental tape backups of all MedImpact production data shall be performed daily. Incremental backups shall be retained for no less than one (1) month before being overwritten.
- Backup data retention shall be configured to comply with defined business or regulatory requirements.
- When possible, backups shall be run during off-peak business hours and completed before the next peak cycle.
- Backups shall be stored offsite in an offsite storage facility on a weekly schedule.
- All tape backup media shall be protected with a minimum encryption standard of AES-256 and sent to a secure offsite storage facility for a period not to exceed the lifecycle of the backup media. Contractual agreements with offsite storage facilities (at a sufficient distance to make them reasonably immune from damage to data at the primary site) shall include confidentiality of stored media. Contracts shall also include provisions to restrict access to media to authorized individuals while maintaining adequate logical, environmental and physical security.
- The third-party offsite tape backup media storage service shall maintain service-level agreements, detailing protections to control confidentiality, integrity and availability of the

backup information. The third-party service shall be used for offsite storage of backup media.

- Tape Backups are stored in secure locations. A limited number of authorized personnel have access to the backup application and media copies in accordance with their role within the organization.
- When possible, all systems shall be backed up by utilizing a "hot" or online methodology.
- Backups shall be conducted in compliance with Information Security and Business Continuity requirements. The Business Continuity planning framework addresses a specific, minimal set of information security requirements.

2. Backup System

- The IT backup system shall be designed to ensure that routine backup operations require minimal or no manual intervention.
- The IT department shall monitor backup operations. The status of backup jobs shall be checked hourly via an automated monitoring and alerting system. Appropriate staff shall be notified of backup failures for remediation.
- The backup system shall automatically maintain inventory records for all backup copies, including content and current location.

3. Restore Testing

Backup copies of information and software shall be made, and tests of the media and restoration procedures shall be regularly performed at appropriate intervals. Restores shall be performed periodically with all results documented.

Appendix: Additional Backup Procedures

(HITRUST Requirement ID: 1618.09l1Organizational.45)

MedImpact's Infrastructure & Operations team:

- Supports the backup software and infrastructure that works to communicate with the offsite tape storage vendor. MedImpact maintains two geographically diverse data centers. Tapes from each of MedImpact's data centers are sent to a separate offsite tape storage vendor's facility.
- Manages the MedImpact backup system software that generates a picklist of outgoing tapes for each week and transfers the files (via SFTP) to the offsite storage vendor.
- Removes the tapes from the completed backup.
- Gets the tapes ready for transport from the tape library cap.
- Prepares tapes for shipment in accordance with the picklist transmitted to the offsite storage vendor.

Offsite storage vendor:

- Processes the tape picklist files and reconciles the tapes against the list of physical tapes that are received from MedImpact.
- Stores backup tapes in a physically secure remote location, at a sufficient distance to make them reasonably immune from damage to data at the primary site. Reasonable physical and environmental controls are in place to ensure their protection at the remote location.
- Provides a portal, which is part of their robust tape management program. Their portal provides comprehensive information about the management of the tape when it is in their system, including chain of custody. The MedImpact IT teams utilize the portal to track tapes, schedule pickups, view reports, check tape status, and request tapes to restore data for operational purposes, and so on.

- Applies physical security access controls at the: perimeter, entry and interior. Only authorized users have access to MedImpact's inventory, and proven fire safety and environmental safeguards ensure their protection and continued viability.

(HITRUST Requirement ID: 1620.09lOrganizational.8)

Prior to giving the offsite storage vendor access to MedImpact's assets, vendors complete contracts that include Service Level or contractual agreements covering the confidentiality, integrity and availability of the backup information. For more information, refer to ***Third Party Assurance Procedure*** and ***Access Control Procedure***.

MedImpact's third-party, offsite tape storage vendor:

- Transports all tapes with vendor-supplied security, tracking, and auditable chain of custody, providing MedImpact visibility and control over tape inventory at all times.
- Employs drivers who are thoroughly vetted and offers an option of a second trained driver to ensure the media is never left alone.
- Offers air transport, Disaster Recovery Test programs and "One-Time-Only" tape library moves.

(HITRUST Requirement ID: 1616.09l1Organizational.16)

Backup copies of information and software are made, and tests of the media and restoration procedures are regularly performed at appropriate intervals.

MedImpact Infrastructure & Operations team:

- Configures backup operations to perform full and incremental backups, including systems that are being prepared for relocation. Manages resources requiring backups by adding systems in accordance with their promotion to production for those systems, resources and applications added into a backup rotation and the removal of systems, resources or applications that have been retired and removed from production.

- Performs regular tests of backup media and restoration procedures.
- Performs frequent restores of backup data to support operational protocols by restoring lost or corrupted information through user actions. These requests are entered into the ticketing system and closed out upon completion of the data restore.

(HITRUST Requirement ID: 1619.09l1Organizational.7)

Inventory records for the backup copies, including content and current location, are maintained.

MedImpact Infrastructure & Operations team:

- Monitors data backup jobs to completion and cataloged in the backup system database.
- Imports new tapes into the backup system database as 'scratch tapes' (that are available for data backups).
- Configures system so that data is written to tapes, the backup system database keeps track of which system images are written to which tape IDs.
- Tracks tapes as to whether or not they are onsite or sent offsite to a tape storage vendor.
- Backs up all systems up in accordance with the provisioned defined in MedImpact's ***Data Backup Policy***, above. Restoration of systems varies, depending on the technology in use.
- Restores virtual machines in their totality, from the most recent full backup, and rolled up-to-date with the most recent incremental backups.
- Installs OS (if applicable) in physical or standalone systems, and the application data is restored from the most recent full backup and rolled up-to-date with all subsequent incremental backups.
- Executes full system backups weekly, and incremental backups daily.

The backups cover shared drives, all system and application files, and databases.

BUSINESS UNIT LEADER	Asokan Selvaraj, VP Chief Information Officer
PROCESS OWNER	Steven Cramer, Director Systems Engineering

RELATED EXTERNAL REFERENCES (Use of Links to external references requires additional maintenance of document to ensure accuracy)	
Name	**Link**

CHANGE HISTORY / VERSION CONTROL	
Version	**Comments**
1.0	Drafted by Tony Roach with input from Frank Bunton (1/2016)
2.0	Reviewed; Approver list updated; no content (process) changes needed (T. Roach 10/2019)
	Approver list updated; no content (process) changes needed (K. Wilshe 03/2020) No content changes needed – versioning and effective date not changed.
3.0	Additional information on HIPAA specifications and definitions added (M. Andrews 9/2020); reviewed by K. Wilshe and S. Cramer.
4.0	Updates made to align with HITRUST language requirements (S. Cramer 12/2021)

* *Annual Review Approval Audit Records—no document content updates made***:** Audit Record inserted by Process Management before document is finalized and published.

- Annual Review Sign-off –

APPENDIX L: SUBCONTRACTOR LETTERS OF COMMITMENT

HealthTech
SOLUTIONS

March 24, 2022

Germaine Becks-Moody
Department of Health
Bureau of Health Services Financing
P.O. Box 629
Baton Rouge, LA 70821-0629

Dear Ms. Becks-Moody and Members of the Evaluation Committee:

HealthTech Solutions, LLC (HealthTech) is pleased to present this letter of commitment to participate as a subcontracting partner with MedImpact in its response to Request for Proposals (RFP) for Pharmacy Benefits Management Services *#3000018331*, for the State of Louisiana, Department of Health, Bureau of Health Services Financing.

Below we have included the details of our firm and our proposed services:

HealthTech Solutions	
Address	2030 Hoover Boulevard Frankfort, Kentucky 40601
Procurement Contact Information	Elizabeth Linville, Procurement Administrator elizabeth@healthtechsolutions.com (859) 248-0627
Description of Services	HealthTech will provide implementation support and consulting services as well as resources related to the project services.

HealthTech has proposed Kevin Martin, as a Project Manager and may provide other personnel to support MedImpact staffing commitments as required by the final staffing plan approved between MedImpact and the State of Louisiana.

Upon MedImpact's signature of a contract with the State of Louisiana, we will be ready to fulfill the agreed upon services for the length of the contract.

We look forward to working with MedImpact and the State of Louisiana.

Sincerely,

Frank T. Lassiter, Chief Operating Officer
HealthTech Solutions, LLC
Phone: (502) 352-2460
Email: frank@healthtechsolutions.com

LETTER OF INTENT

This Letter is Intent ("LOI") is made between Rice Group, LLC located at 625 Baronne Street, Third Floor New Orleans, LA 70113 ("RG") and MedImpact Healthcare Systems, Inc. located at 10181 Scripps Gateway Court, San Diego, CA 92131 ("MedImpact"), and seeks to memorialize the parties' intentions to enter into successful negotiations to reach and finalize a fully executed service agreement under which RG will provide takeover support, certification support, and consultation services to MedImpact effective July **1**, 2022, or as mutually agreed to by the parties ("Proposed Transaction"). This LOI contains non-binding provisions of understanding between the parties. Unless otherwise explicitly stated herein, it does not impose any legal obligations on either party.

If MedImpact is awarded the business by the Louisiana Department of Health for pharmacy benefit management services as contemplated by RFP #:3000018331, the parties acknowledge and agree that they will work in good faith to complete the Proposed Transaction by June 30, 2022. Pursuant to a definitive written service agreement between the parties, RG shall perform its services in compliance with the RFP #3000018331 requirements which include, without limitation, components of staffing support and consultation services.

The parties recognize that MedImpact shall have no obligation to proceed with the Proposed Transaction in the event MedImpact is not awarded the business by the Louisiana Department of Health for pharmacy benefit management services as contemplated by RFP #:3000018331.

Each party shall be responsible for its own costs and expenses in connection with this LOI and the Proposed Transaction whether or not the Proposed Transaction is consummated. Except for breaches of confidentiality, neither party will have any liability for any losses, damages, costs, expenses or other liabilities incurred by the other party if negotiations regarding the Proposed Transaction are terminated.

IN WITNESS WHEREOF, the parties hereto have caused this LOI to be executed by their respective duly authorized officers or agents as of the latest signature date below.

MEDIMPACT HEALTHCARE SYSTEMS, INC.

_____
BY

_____
NAME

_____
TITLE

_____
DATED

RICE GROUP, LLC


BY

Charles Rice
NAME

President
TITLE

March 25, 2022
DATED

APPENDIX M: KEY PERSONNEL RESUMES

Chief Operational Officer
Kevin Chang, PharmD

Summary

Kevin Chang, PharmD, brings extensive clinical, operational, and strategic experience to the position of chief operational officer for Louisiana. In his role as chief operational officer, Dr. Chang will oversee the day-to-day business activities and will serve as the single point-of-contact for LDH and the MCOs. In addition, he will participate in all State, provider, or enrollee meetings, as requested by LDH; coordinates maintenance activities with LDH and the MCOs; reports on performance measures, including drug claims processing; coordinate information for and participate in appeals and grievances meetings and State Fair Hearings; and develop annual work plan, including updates from DUR and P&T Committee meetings and present annual work plan outcomes yearly. He is also accountable for the incorporation of proper payment rates and updates to drug claim review procedures, including operations manuals or other such documentation and submit to LDH for approval twice yearly.

Education

- Doctor of Pharmacy | Ohio State University (Cum Laude)
- Bachelor of Science, Chemistry and Biochemistry | Purdue University

Certifications and Licenses

- Board-certified pharmacotherapy specialist (credential #3159215) | July 2019 to Present
- Ohio-registered pharmacist (license #03337626) | November 2017 to Present
- Kentucky-registered pharmacist (license #018790) | August 2016 to Present
- Sullivan University teaching certificate
- American Pharmacists Association (APhA) Delivering MTM Services Certificate
- APhA Pharmacy-Based Immunization Delivery Certificate

Experience

MedImpact Healthcare Systems, Inc. **2021 to Present**
Principal, FFS (Fee-for-Service) Medicaid Accounts and Services *2021 to Present*

- Manages and supports development of customer-specific business plans focused on customer goals and performance expectations, and growth in membership and profitability
- Trains new staff members and provides ongoing coaching to FFS Account Management teams

- Identifies and aligns required resources to achieve business goals in the book-of-business
- Supports the sales process for all Medicaid state FFS and actively participates in prospect meetings, RFP response development, and best and final presentations
- Develops and maintains solid business relationships with assigned internal and external customers at the executive and key decision-maker levels
- Collaborates with leaders in a variety of functional areas, including Operations, Information Technology, Health Services, and Account Management
- Monitors the customer service continuum, including proactive and reactive components in support of FFS Account and Clinical Management staff
- Identifies program, application, and service gaps and sources of corrective action or remediation activities to ensure contractual milestones are met during implementation and operations
- Participates in the identification, development, and implementation of short- and long-term products, strategies, and services to support existing and prospective customers

Clinical Program Manager *March 2021 to September 2021*

- Managed clinical programs for six Kentucky MCOs (managed care organizations) with 1.5 million lives
- Served as liaison between Kentucky MCO and DMS (Department of Medicaid Services)
- Managed day-to-day clinical pharmacy operations, including formulary and benefit management, as well as customer request resolution and escalation
- Collaborated with internal partners to create and deliver appropriate clinical solutions to meet specific customer needs

Evolent Health **2017 to 2021**
Associate Director, Clinical Pharmacy Operations *2020 to 2021*
Clinical Pharmacist, Medicaid Operations and Utilization Management *2017 to 2020*

Formulary Management

- Maintained weekly formulary changes for Medicaid lines of businesses
- Managed formulary integrity and cost-effectiveness based on clinical considerations for commercial and health care Exchange lines of businesses
- Conducted regular coding audits to ensure compliance and integrity
- Developed and implemented point-of-sale clinical edits: controlled substance edits, drug utilization review edits, automated prior authorization logic
- Reviewed drug utilization trend reports and adjusted utilization management strategies to improve return of investment (ROI) from 17:1 in 2019 to 27:1 in 1Q2020

Clinical Pharmacy Operations

- Serviced and managed day-to-day clinical operations for commercial and Exchange customers
- Managed and resolved providers and members complaints to pharmacy benefit
- Served as point-of-contact for Florida and Arkansas Medicaid lines of business and support customer teams
- Prepared responses for states' Department of Medicaid Services requests for information and complaints
- Adapted and created solutions in response to state regulation changes

Utilization Management

- Reviewed medication coverage determination requests
- Developed utilization management tools to improve overall case review productivity
- Prepared drug monograph and utilization management criteria

Passport Health Plan/Sullivan University College of Pharmacy **2016 to 2017**
Post-Graduate Year (PGY)-1 Managed Care Pharmacy Resident

Formulary Management

- Conducted therapeutic class reviews based on utilization trend, clinical guideline updates, and financial considerations
- Created or modified drug utilization management policies
- Presented formulary recommendations at quarterly P&T (Pharmacy and Therapeutics) meetings
- Audited prior authorization cases and identified opportunities for policy improvement
- Performed peer-to-peer reviews with providers regarding formulary changes

Pharmacy Operations

- Resolved incorrectly rejected claims with third-party administrator (TPA)
- Conducted clinical reviews for urgent provider and member requests
- Reviewed coding of formulary setup and provided feedback to TPA
- Prepared communication materials such as formulary change letters, pharmacy newsletters, and drug recall letters

Clinical Services

- Provided clinical services to Medicare, commercial, exchange, and Medicaid line of business, including post-discharge medication reconciliation, medication therapy management (MTM), and case management pharmacy referral

- Participated in weekly Interdisciplinary Care Team calls and provided pharmacy consults
- Established Hepatitis C Care Management Program for Kentucky Medicaid line of business

The Ohio State University Medication Management Program **2014 to 2016**
Pharmacy Intern

- Provided telephonic comprehensive medication review (CMR) to Medicare patients, including medication reconciliation and counseling
- Identified and addressed medication alerts, including drug interactions, therapeutic duplications, and potential cost-saving options
- Resolved medication problems with patients, pharmacists, and providers
- Documented clinical note for each patient case, constructed patient plans in patient-friendly language, and wrote faxes to doctors' offices to advise therapeutic

Chief Compliance Officer

Niejadd Evans, MBA, CHC

Summary

As chief compliance officer for Louisiana, Neijadd Evans, MBA, CHC, is a results-driven health care leader with more than 18 years of experience and subject matter expertise in the areas of operational and regulatory compliance, auditing, and monitoring. He possesses in-depth experience in the management of compliance-related functions (e.g., risk assessment, auditing/investigation, corrective action, validation); government programs compliance (e.g., Medicare Advantage, Medicare Part D, Medicare Supplement, Medicaid and Marketplace); managing compliance managers, privacy specialists, and auditors; and managing relationships with state and federal regulatory entities (e.g., Department of Insurance, OIG, CMS). Mr. Evans takes a proven effective collaborative approach to risk and issue prevention, detection, and remediation through numerous regulatory audits, and is highly skilled at analyzing and distilling complex regulatory guidance and instances of non-compliance.

Education

- Master of Business Administration | Benedictine University
- Bachelor of Science | Health Care Management | Florida A&M University

Certifications and Licenses

- Certified in Healthcare Compliance (CHC)
- Six Sigma Yellow Belt Certification

Experience

MedImpact Healthcare Systems, Inc. **2018 to Present**

Compliance Officer (MG Insurance Company)

- Shifted the culture and improved the compliance/operations relationship, resulting in increased efficiencies and overall plan performance
- Member of the MG Insurance Company Executive Leadership Team, reporting directly to the president/general manager and the Board of Directors
- Develops and implements all aspects of compliance programs for the Medicare Prescription Drug Plan and employer-based insurance products (e.g., policies and procedures, training, risk assessment, audit and monitoring work plan, investigations, corrective action validation)
- Interfaces and owns relationships with regulatory entities (e.g., the Centers for Medicare and Medicaid Services (CMS), state Department of Insurance (e.g., regulatory filings/Certificate of Authority), Office of the Inspector General
- Serves as chairman of the Compliance Committee

- Provides enterprise-wide consultative compliance guidance
- Leads, organizes, staffs, directs, and strategizes day-to-day operations of the Compliance Department, including budgetary responsibility and authority

Transamerica Life Insurance Company **2015 to 2018**
Sr. Manager, Service Provider Oversight *February 2018 – November 2018*

- Developed and managed companywide oversight programs of TPAs and service providers across multiple product lines
- Collaborated with Internal Audit, Compliance Review, and TPA Management departments to ensure continuous adequacy of audit and monitoring programs and protocols
- Served as chairman of Medicare Compliance Committee; member of the Enterprise Compliance Committee; member of the Transamerica Foundation (responsible for community and philanthropic initiatives)

Chief Medicare Compliance Officer *October 2015 – February 2018*

- Reported directly to the enterprise compliance officer and Board of Directors
- Developed, implemented, and managed the Compliance and FWA (Fraud, Waste, and Abuse) program, including related elements to identify risks and ensure compliance with federal and state guidelines and regulations
- Provided overall leadership and strategic direction of the Medicare Part D compliance and FWA program staff, including budgetary responsibility
- Led compliance and audit oversight for other enterprise retiree health programs/products, including Medicare supplement, long-term care, and retiree medical products
- Delivered consultative guidance and recommendations to the enterprise (e.g., Clinical Pharmacy, Information Technology/Security, Privacy, Sales/Marketing, Finance, Operations) regarding the interpretation and implementation of federal laws and regulations, CMS requirements, and state laws and regulations
- Managed all audit activities and served as the key contact for state and federal agencies
- Investigated potential or suspected fraudulent conduct identified via the Compliance Hotline, by the SIU (Special Investigations Unit) and reported significant instances to government authorities (e.g., OIG, NBI MEDIC, DOJ)

TriZetto/Cognizant **2013 to 2015**
Director of Compliance, Business Process Outsourcing

- Designed, implemented, and managed regulatory compliance audit program, policies and procedures for government programs (e.g., Medicare, Medicaid, Health Insurance Marketplace) for business process outsourcing operations

- Created key performance metrics and compliance reports to support operational excellence
- Developed and facilitated operational change management protocol (e.g., regulatory updates)
- Managed investigations of reported compliance violations, fraud, and HIPAA incidents
- Interfaced with external customers as primary compliance contact during service implementations, external audits (CMS, state departments of insurance, OIG), and other compliance-related matters
- Conducted delegation oversight of downstream entities/vendors

Cigna **2008 to 2013**
Director of Compliance

- Reported to vice president of Compliance, Audit, and Risk Assessment of a Top 5 Medicare Advantage, Prescription Drug, and Medicaid Plan Sponsor, covering two million lives
- Served as non-voting member of Corporate Compliance Committee
- Supported chief compliance officer on the execution of all facets of the Medicare and Medicaid compliance plans, including the delivery of compliance training
- Responsible for compliance monitoring and oversight activities of Medicare Parts C and D and Medicaid plan operations, including claims, formulary and benefit administration, organization, and coverage determinations, appeals, enrollment, and grievances
- Interfaced with enterprise-wide senior operations staff to remediate compliance issues, facilitate process improvement initiatives, change management and adherence with external regulatory requests and requirements (e.g., CMS audits, reporting requirements)
- Directed mock CMS program audit (including Part C and Part D functions)
- Led departmental staff responsible for auditing and monitoring activities

Clinical Pharmacy Director

Travis Ortiz, PharmD

Summary

Travis Ortiz, PharmD, will serve as the clinical pharmacy director for Louisiana where he will be responsible for all MedImpact clinical decisions. Based in Louisiana, Dr. Ortiz will also support the P&T Committee activities, prospective drug utilization review activities, and will make recommendations regarding benefit design and utilization management improvements to LDH and the MCOs, based upon data analysis and PBM best practices. Dr. Ortiz brings more than ten years of experience and expertise to this role, with a demonstrated record of accomplishment spearheading teams to enhance and effectively execute pharmacy operations.

Education

- Doctor of Pharmacy | Xavier University of Louisiana

Experience

Cotiviti **2019 to Present**

Pharmacy Solutions Supervisor, Payment Integrity

- Research, design, and implement payment integrity ideation focused on overpayment recovery, while overseeing the operations of the Pharmacy Audit teams responsible for execution of existing contracts
- Championed the 340B pilot program from ideation through to adoption, which netted $3.8M in retrospective savings.
- Engineered error prevention efforts, including custom programming, increasing staff accuracy by 12% to-date
- Expanded value of existing CMS contract by identifying previously untapped overpayment opportunities
- Drive quality assurance across all performance metrics through audit accuracy trending and reporting
- Serve as subject matter expert for electronic medical record interpretation

United HealthCare Community Plan of Louisiana **2016 to 2019**

Director of Pharmacy

- Accountable for pharmacy product management and compliance, program development, and for building collaborative relationships with external partners, including the Medicaid department
- Designed and implemented COB (coordination of benefits) pharmacy affordability initiative, saving $1,500,000 annually

- Organized an intercompany managed care organization drug formulary coverage change, which transitioned patients to a cost-effective alternative and resulted in savings of over $300,000 annually
- Facilitated Retrospective Drug Utilization Review application expansions, including fraud, waste, and abuse and lock-in program enhancements
- Managed DUR capability expansion, which required proactive claim intervention at the point-of-sale by the retail pharmacist
- Served as an engaging member on the interdisciplinary DUR board for Louisiana Medicaid
- Presented in six administrative hearings as the subject matter expert for clinical pharmacy interpretation and pharmacy benefit policy

Peoples Health Medicare Advantage Plan **2013 to 2016**
Corporate Clinical Pharmacist

- Implemented and spearheaded company efforts directed at increasing medication adherence to STAR medications
- Directly intervened with plan members and providers to identify and resolve adherence barriers
- Developed a clinical program, which identified and addressed suspected medication adherence barriers
- Orchestrated the scripting of reporting, which established critical medication adherence thresholds for STAR medications
- Educated staff at each Louisiana office on best practices for identifying and resolving medication adherence barriers during patient interviews
- Enabled corrective action plan efforts through data analysis identification of eight providers who were sub-optimally treating drug addiction

Tulane Medical Center **2011 to 2013**
Intensive Care Unit Staff Pharmacist

- Ensured appropriate medication therapy, performed clinical services, and verified physician orders
- Launched a hospital-wide initiative to resolve outstanding HIPAA and legal shortcomings of preprinted physician orders
- Developed a data analytics query, which identified two nurses who were diverting narcotics
- Bolstered interdepartmental relations and cooperation between the nursing and pharmacy departments

Information Technology Manager
Anthony Sanchez

Summary

Anthony Sanchez is a seasoned professional, with in-depth experience in IT (information technology) and coordination, business systems analysis, quality assurance, customer management, and more. In his role as IT manager for Louisiana, Mr. Sanchez will provide oversight of information technology and systems necessary to support MedImpact operations, including submission of accurate and timely drug claims data and business impact analysis of all potential and accepted changes. Mr. Sanchez will serve as the primary point-of-contact for State or MCO technical staff and will coordinate with the MCOs' systems and support the development of interfaces.

Education

- Bachelor of Science | Computer Science | University of the Philippines

Experience

MedImpact Healthcare Systems, Inc. **2005 to Present**
Client Services Manager II, III *2015 to Present*

- Created MedImpact Direct Mail Order and Specialty project plans, which received positive feedback from internal and external partners
- Provides training to account managers regarding edits required for terminating customers
- Mentors and trains new account managers
- Assists and develops subject matter expert contact listings to support account managers
- Participates in annual business process improvement plan
- Participates in customers' quarterly business financial reviews and presents operational items
- Develops, builds, and maintains solid customer business relationships, beginning with a positive on-boarding experience and continuing throughout the lifecycle of the customer
- Ensures appropriate levels of service and operational support to assigned customers by understanding and championing their operating requirements across the organization
- Proactively maintains and improves upon service performance levels and works across the organization
- Actively leads members of the core customer team and members of the extended team in successfully meeting customer needs and delivering seamless fundamentals during business relationship management and renewal phases

- Utilizes project management skills to track milestones and deliverables timely, both for customers and internal partners
- Leads the implementation process for onboarding of new business for existing customers
- Educates customers on MedImpact systems and processes to ensure customers are fully oriented to MedImpact
- Manages customers in compliance with the customer service agreement, eliminating any risks to MedImpact for non-adherence

Supervisor, Business Quality Assurance *2012 to 2015*

- Led a team of business quality assurance analysts to develop quality assurance testing strategies and quality testing specifications to validate business requirements
- Developed best practices for defining and documenting use requirements to assist in the development of custom test scenarios and developed test plans to support the requirements testing and validation phases
- Managed, tracked, and monitored team performance to ensure customer configuration programming was complete and accurate to defined specifications
- Served as lead liaison between the testing and validation end-users, implementations, account managers, and IT department
- Defined, recommended, or made decisions regarding the development and execution of testing strategies for customer across broader market segments
- Developed project plans, prioritized project tasks, and provided status updates on project progress
- Mentored and trained team members and peers
- Partnered closely with IT application and data programmers in development of advance/complex programming of modifications that impact the test environment
- Developed efficient SQL queries to research, gather data, and identify solutions
- Reviewed, analyzed, and evaluated business test systems and end-user needs
- Ensured the Business Quality Assurance team performed process assurance functions to ensure testing request and associated activities adhere to defined policies
- Provided necessary support to software changes, as well as ensured quality on-time deliverables

Business Quality Assurance Analyst I, II, III *2005 to 2012*

- Conducted training and functional meetings with internal teams, such as ITBA, Implementations, and Benefits
- Performed verification and validation of test cases work queue for T&V team
- Provided supervision of individual case-specific testing requirements
- Led T&V analysts to support implementation managers for new implementation projects, particularly IRX programs

- Conducted and led test case project presentations to internal teams and external customer
- Performed annual end-to-end testing for commercial new implementations, new and/or renewal Part D configurations, HIEX and 340B programs, and end-to-end testing
- Provided status and presentations of T&V cases/projects in the queue on weekly team meetings
- Led the design of the web-based T&V checklist process and procedures
- Led the implementation of 19,000 new benefits for Blue Cross Blue Shield of Michigan
- Successfully handled large customer accounts

Point-of-Sale Programmer
Sonya McDuffie

Summary

Sonya McDuffie brings more than 20 years of experience to the role of POS (point-of-sale) programmer for Louisiana, where she will serve as the primary point-of-contact for POS specifications and edits. Ms. McDuffie will be responsible for POS programming, including, configuring existing benefit design, eligibility, DUR, drug claim edits, and drug pricing functionality, as well as developing enhancements to the POS system, as directed by LDH staff. She possesses understanding of MCO systems necessary to support development of interfaces; a demonstrated knowledge and experience with NCPDP standards, particularly the telecommunication, batch, and post-adjudicated transactions, and developing payer sheets using the NCPDP template; and the ability to apply HIPAA requirements in a PBM environment.

Education

- Associate of Theology | Annie B. Campbell School of Ministry
- General Education | Bennett College

Experience

MedImpact Healthcare Systems, Inc. **2000 to Present**
Configuration Analyst III *2015 to Present*

- Leads and provides support on complex internal and external customer configuration projects including but not limited to Medicare, Medicaid, and Marketplace lines of business
- Manages fast-paced team and 72-hour turnaround tasks
- Ensures appropriate levels of service and support to assigned customers by understanding and championing customers' configuration design requirements throughout the organization, including customer business model, targeted markets, design objectives, pharmacy network composition, and overall claims adjudication expectations
- Uses standardized methodology to document requirements, detailing any custom maintenance processes and configuration best practices, and ensures that appropriate rationale exists for non-standard designs and that all efforts are undertaken to prevent inefficient and non-sustainable configuration structures
- Possesses a thorough understanding of MedImpact system logic for claims adjudication, system constraints, conflicting benefit logic configurations, benefit coding table designs, plan – group – pharmacy carrier to benefit linking, to ensure proposed design satisfies the intended solution

- Ensures a consistent customer experience by proactively participating in configuration of plan design through consultation and collaboration with external customers, customer team members, other internal business partners, to ensure that business requirements for change requests are clearly understood, documented, developed, communicated, tested, and delivered
- Assists in creating and maintaining documentation of customers' plan designs, detailing any custom maintenance processes and configuration best practices; includes documentation of adjudication hierarchies, edits, restrictions, tables, carriers, and other configuration components

Configuration Analyst II *2013 to 2015*

- Served as Operations subject matter expert and technical advisor for adjudication design and configuration requests
- Performed in-unit testing and validation to confirm configuration design processes as expected, met customer requirements, and that all appropriate forms and documentation were fully and accurately completed
- Utilized project planning, prioritizing, and organizational skills to ensure timely deliverables, high levels of quality, and efficient use of resources to achieve claims adjudication accuracy
- Performed all workflow activities (preassessment, design, configuration and in-unit testing of Level 1, 2 and 3 tasks)
- Assisted Level I analyst with training, ambassadorship, and complex configuration support
- Provided leadership and oversight of the technical review and design review processes
- Led and directed the work of Configuration and Pharmacy Network staff related to coding, including providing final approval for design plans and specifications
- Analyzed designs to identify coding options, POS edit enhancements, conflicting configurations, and table, linking, and carrier redesign requirements as appropriate, while championing best practices designs and incorporating standard coding options into custom benefit and network configurations whenever possible

Configuration Design Analyst *2007 to 2010*

- Served as a Benefits Department liaison with Account Management, Implementation, Information Technology, and other departments
- Served as Operations subject matter expert and technical advisor for adjudication design and configuration requests
- Provided leadership and oversight of the technical review and design review processes and led and directed the work of Configuration and Pharmacy Network staff related to coding, including providing final approval for design plans and specifications

- Analyzed designs to identify coding options, POS edit enhancements, conflicting configurations, and table, linking, and carrier redesign requirements as appropriate, while championing best practices designs and incorporating standard coding options into custom benefit and network configurations whenever possible

Configuration Design Analyst *2006 to 2007*

- Coordinated and conducted design review meeting of benefit change requests, complexity of tasks and new benefit projects
- Served as a resource for troubleshooting the more complex issues related to benefit plan coding, interpretation, and implementation
- Implemented and designed Part D benefits
- Evaluated configuration accuracy in both pre- and post- production environments, identify anomalies, and resolved potential issues
- Served as configuration expert in completion of end-to-end testing and validation of existing customer setups

Benefit Coordinator II *2004 to 2008*

- Performed verification and validation of work completed by benefits coordinator I
- Developed test plans for benefit change request to ensure expected outcomes were verified and validated
- Validated coding work completed against processing standards and customers' requirements

Benefit Audit Coordinator *2003 to 2004*

- Provided comprehensive benefit audit analysis and technical support for internal and external customer requests
- Ensured 100 percent accuracy of audit requirements prior to submitting results
- Followed and documented audit accuracy through all functional areas within the Benefit Management department
- Completed communication with regard to issues, possible incidents to appropriate parties involved

Benefit Management Coordinator I *2002 to 2003*

- Provided comprehensive benefit design support to external customers
- Ensured accurate benefit maintenance of existing customer information and the implementation of the new customer information into the corporate system
- Ensured appropriate service levels were maintained to meet corporate standards for performance and quality

- Provided technical pharmacy benefit support to Account Services, Clinical, Corporate Communications, Customer Service, and all Information Technology, as necessary

Customer Service Representative I, II *2000 to 2002*

- Provided operational guidance to customer service staff member by assisting on the Helpdesk, mentoring newly hired employees
- Answered incoming calls from members, plans, physicians, or pharmacies
- Conducted research to facilitate problem resolutions utilizing the Med Access computer system and resource/ reference materials, including customer service notes, and seeking guidance from a supervisor or a senior-level staff member
- Entered authorizations requested by phone using established on-line protocols and customer service notes
- Ensured accuracy and completeness when entering authorizations, including thorough documentation in comments sections, reason for overrides etc.