

LOUISIANA



**FISCAL/EMPLOYER AGENT
FOR SELF-DIRECTED SERVICES**

**DEPARTMENT OF HEALTH AND HOSPITALS
Bureau of Health Services Financing**

RFP # 3000005221

Proposal Due Date/Time: April 15, 2016 4: 00 PM CST

Release Date: March 15, 2016

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GLOSSARY

508 Compliant: This refers to section 508 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794d). which requires that when Federal agencies develop, procure, maintain, or use electronic and information technology, Federal employees with disabilities have access to and use of information and data that is comparable to the access and use by Federal employees who are not individuals with disabilities, unless an undue burden would be imposed on the agency. Section 508 also requires that individuals with disabilities, who are members of the public seeking information or services from a Federal agency, have access to and use of information and data that is comparable to that provided to the public who are not individuals with disabilities, unless an undue burden would be imposed on the agency.

§1915(c): The provision of the Social Security Act that authorizes the Secretary of HHS to grant waivers of certain Medicaid statutory requirements so that a state may furnish home and community services to Medicaid beneficiaries who need a level of institutional care that is provided in a hospital, nursing facility or Intermediate Care Facility for the Developmentally Disabled (ICF/DD).

BHSF: Bureau of Health Services Financing

Bureau of Health Services Financing: The agency within the Louisiana Department of Health and Hospitals responsible for day-to-day administrative operations of the Louisiana Medicaid Program.

Can/May: Denotes a preference, but not a mandatory requirement.

CCW: Community Choices Waiver

CC Waiver: Children's Choice Waiver

CMS: Centers for Medicare and Medicaid Services: The agency in the U.S. Department of Health and Human Services (DHHS) responsible for federal administration of the Medicare and Medicaid programs.

Childrens' Choice Waiver: A Louisiana Medicaid 1915c waiver approved by CMS to offer supplemental support to children through age 18 with developmental disabilities who currently live at home with their families or with a foster family.

Common Law Employer: A common law employer-employee relationship generally exists when the person for whom services are performed has the authority to control and direct the individual who performs the services, not only as to the result to be accomplished but also as to the detail and means by which that result is accomplished.

Community Choices Waiver: A Louisiana Medicaid 1915c waiver approved by CMS to offer supplemental services and supports to elders and adults with disabilities to assist them to remain in or return to the community.

Complaint: A verbal or written expression of dissatisfaction which calls for resolution.

Contractor: Any person having a contract with a governmental body, the selected proposer.

Contract Monitor: A person designated by the Department to be responsible for negotiating, administering, and enforcing the terms and conditions of the contract. The contract monitor is the Department's primary point of contact through which all contracting information flows between the Department and the Fiscal/Employer Agent (F/EA).

Database Administrator: An information technology professional responsible for the development and design of database strategies; system monitoring and improving database performance and capacity; planning for future expansion requirements; and planning, co-ordinating and implementing security measures to safeguard the database

Department: Department of Health and Hospitals; DHH

Department of Health and Hospitals: The state agency responsible for administering the state's Medicaid programs and other health and related services including public health, mental health, developmental disabilities, and addictive disorder services. DHH; Department.

DHH: Department of Health and Hospitals; Department

Direct Service Worker: A person who is paid to provide personal care and other direct service and support to persons with disabilities or to the elderly to enhance their well-being.

Division of Administration: The Division of Administration is the executive office of the State which oversees the general management of all state finances and financial operations.

DOA: Division of Administration

DSW: Direct Service Worker

Employer(s): A participant and/or responsible representative that selects the self-direction option for receiving personal care services and supports, and exercises full decision-making authority over their direct service workers.

F/EA: Fiscal/Employer Agent

Federal Employer Identification Number: A 9 digit code used by businesses in order to classify and identify them as a tax payer, for banking services and other official and legal purposes.

Federal Insurance Contributions Act tax: The Federal law that authorizes taxes on the wages of employed persons to provide for contributions to the Federal Old Age, Survivors and Disability Insurance (OASDI – Social Security) and Medicare Health Insurance (Part A) programs. Covered workers and their employers pay FICA taxes in equal amounts.

FEIN: Federal Employer Identification Number

FICA: Federal Insurance Contributions Act tax

Fiscal/Employer Agent: The vendor with which BHSF will contract to provide financial management services to participants enrolled in an approved Medicaid self-direction option/program. The F/EA will operate as a Vendor Fiscal/Employer Agent in accordance with Section 3504 of the Internal Revenue Code, IRS Revenue Procedure 70-6, and IRS Notice 2003-70.

Financial Management Services: A support that is provided to waiver participants who direct some or all of their waiver services. This support may be furnished as a waiver service or conducted as an administrative activity. When used in conjunction with the Employer Authority, this support includes (but is not necessarily limited to) operating a payroll service for participant employed workers and making required payroll withholdings. When used in conjunction with the Budget Authority, this support includes (but is not necessarily limited to) paying invoices for waiver goods and services and tracking expenditures against the participant-directed budget.

FUTA: Federal Unemployment Tax Act.

Health Insurance Portability and Accountability Act (HIPAA) Rules: Refers to the federal regulations known as the HIPAA Privacy, Security, Enforcement, and Breach Notification Rules, found at 45 C.F.R. Parts 160 and 164, which were originally promulgated by the U. S. Department of Health and Human Services (DHHS) pursuant to the Health Insurance Portability and Accountability Act (“HIPAA”) of 1996 and were subsequently amended pursuant to the Health Information Technology for Economic and Clinical Health (“HITECH”) Act of the American Recovery and Reinvestment Act of 2009.

HIPAA: Health Insurance Portability and Accountability Act

Home and Community-Based Services Waiver: An optional Medicaid program established under §1915(c) of the Social Security Act designed to provide services in the community as an alternative to institutional services to persons who meet the requirement of an institutional level of care. It provides a collection of services through an approved CMS waiver that are provided in a community setting through enrolled providers of specific Medicaid services. The number of individuals receiving these services is limited to the number of approved and available waiver opportunities.

ICF/DD: Intermediate Care Facility for individuals with Developmental Disabilities

Intermediate Care Facility for individuals with Developmental Disabilities: A public or private facility that provides health and habilitation services to individuals with developmental disabilities. ICFs/DD have four or more beds and provide “active treatment” to their residents.

IRS: Internal Revenue Service

LAST: Louisiana Service Tracking

Louisiana Personal Options Program: The participant (self)-directed option for delivery of personal care services under the Louisiana Medicaid State plan approved by CMS.

Louisiana Service Tracking: The LAST system is a data entry system that allows direct service providers to see prior authorizations and enter data to verify services provided.

Long Term-Personal Care Services: A service offered under the Louisiana Medicaid State Plan to provide assistance with the activities of daily living and instrumental activities of daily living to qualified Medicaid participants age 21 and over.

LT-PCS: Long Term-Personal Care Services

Medicaid Fiscal Intermediary: The private contractor with which DHH contracts to operate the Medicaid Management Information System. It processes claims for Medicaid services provided under the Medicaid Assistance Program, issues appropriate payment and provides assistance to providers on claims.

Medicaid Management Information System (MMIS): A claims processing and information retrieval system designed to improve the management and control of service expenditures, and reduce program costs through effective claims processing and utilization control.

Medicaid Program Support and Waivers: The organizational section within BHSF responsible for the self-direction contract.

Medicaid State Plan – The formal agreement between Louisiana and CMS regarding the policies and payment methodologies governing the administration of the Medicaid program.

MPSW: Medicaid Program Support and Waivers

Must: Denotes a mandatory requirement.

New Opportunities Waiver: A Louisiana Medicaid 1915c waiver approved by CMS to offer individuals age 3 and older who otherwise would require the level of care of an Intermediate Care Facility for individuals with Developmental Disabilities (ICFs/DD) services that allow them to remain in their communities.

NF: Nursing Facility

NOW: New Opportunities Waiver.

Nursing Facility – A facility which meets the requirements of sections 1819 or 1919 (a) (b) (c) and (d) of the Social Security Act. A nursing facility provides long term care and placement for those individuals who meet the eligibility requirements.

OAAS: Office of Aging and Adult Services

OBH: Office of Behavioral Health

OCDD: Office for Citizens with Developmental Disabilities

Office of Aging and Adult Services (OAAS): The office within DHH that is responsible for the management and oversight of certain Medicaid home and community-based state plan and waiver services for individuals age 65 and older and individuals ages 21 – 64 with a physical disability. The office also provides protective services for vulnerable adults ages 18 and over. OAAS serves as one of the State of Louisiana’s voter registration agencies.

Office of Behavioral Health: The office in DHH that is responsible for behavioral health services Louisiana Medicaid enrollees.

Office for Citizens with Developmental Disabilities: The office in DHH that is responsible for the day-to-day operation and administration of the Medicaid waivers that offer services to individuals with developmental disabilities.

Office of Public Health: The office in DHH responsible for personal and environmental health services.

Operating Agencies: Refers to the two DHH agencies, Office of Aging and Adult Services (OAAS) and Office for Citizens with Developmental Disabilities (OCDD), that operate the CMS-approved home and community-based service programs that are under the administrative authority of Louisiana’s Medicaid program.

OPH: Office of Public Health

Original: Denotes must be signed in ink.

PACE: Program of All-Inclusive Care for the Elderly

Participant: An individual who has met Medicaid waiver or Medicaid State Plan personal services entrance requirements, chooses to receive Medicaid waiver or Medicaid State Plan personal care services, and subsequently receives Medicaid waiver or Medicaid State Plan personal care services authorized in a service plan.

Participant Direction: Provision of the opportunity for a waiver participant to exercise choice and control in identifying, accessing, and managing waiver services and other supports in accordance with their needs and personal preferences

PCA: Personal Care Attendent

Plan of Care: A written plan developed by the recipient, his/her authorized representative and support coordinator that is based on assessment results and specifies services to be accessed and coordinated by the support coordinator on the recipient’s behalf. It includes long-range goals, assignment of responsibility, and time frames for completion or review by the support coordinator.

POC: Plan of Care

Prior Authorization Period: The period of time in which authorization for service delivery based on the participant’s approved Plan of Care has been released. Prior authorization must be obtained before any waiver services can be provided.

Procurement: The buying, purchasing, renting, leasing, or otherwise obtaining any supplies, services, or major repairs. It also includes all functions that pertain to the obtaining of any public procurement, including description of requirements, selection and solicitation of sources, preparation and award of contract, and all phases of contract administration.

Program of All-Inclusive Care for the Elderly (PACE): This program coordinates and provides all needed preventive, primary, acute, and long-term care services so that older individuals can continue living in the community. The emphasis is on enabling senior citizens to remain in their communities while enhancing their quality of life.

Programmer: A specialist who writes computer software or code for many kinds of software.

Proposer: A firm or individual who responds to this RFP.

Prospective DSW: An individual who has submitted an application and is proceeding through the application process to become a DSW for a participant in the Medicaid waiver or Medicaid State Plan Personal Care Services Program.

Reporting Agency: Is defined by the IRS (Notice 2003-70) as an accounting service, franchiser, bank, service bureau or other entity authorized to perform one or more acts on behalf of an employer, including signing and filing Forms 940 and 941 and making federal tax deposits for the taxes reported in those forms. For the purpose of this Request For Proposal, the F/EA will not be allowed to use the services of a Reporting Agency. All contracted tasks must be performed by the F/EA in house.

Request for Proposals: The process used by the state in public procurement of contracted services, supplies, or repairs including description of requirements, selection and solicitation of sources, preparation and award of contract, and all phases of contract administration.

Residential Options Waiver: A Louisiana Medicaid 1915c waiver approved by CMS to offer individuals of all ages services designed to support them to move from ICFs/DD and nursing facilities to community-based settings, and to serve as an alternative to institutionalization.

Responsible Representative: An adult who has been designated by the participant to act on his/her behalf with respect to his/her services. The written designation of a responsible representative does not give legal authority for that individual to independently handle the participant’s business without the participant’s involvement. In the case of an interdicted individual, the responsible party must be the curator appointed by the court of competent jurisdiction.

RFP: Request for Proposals

ROW: Residential Options Waiver

Self-Direction: Provision of the opportunity for a waiver participant to exercise choice and control in identifying, accessing, and managing waiver services and other supports in accordance with their needs and personal preferences; Participant Direction.

Shall/Will: Denotes a mandatory requirement.

Should: The term “should” denotes a desirable action.

SOC: Service Organization Controls Report.

SSAE: Statements on Standards for Attestation Engagements.

State: Used to refer to the State of Louisiana

Successful Proposer: The successful proposer is the entity that the contract is awarded for purposes of this RFP and is used interchangeably throughout this RFP with terms Contractor and Fiscal Employer Agent.

Support Coordinator: A person who is employed by a public or private entity compensated by the State of Louisiana through Medicaid State Plan or waiver services to create and coordinate a comprehensive Plan of Care, which identifies all services and supports deemed necessary for the participant to remain in the community as an alternative to institutionalization.

Supports Waiver: A Louisiana Medicaid 1915(c) waiver designed to enhance the home and communitybased supports and services available to recipients with developmental disabilities who require the level of care of an Intermediate Care Facility for the Developmentally Disabled (ICF/DD).

SUTA: State Unemployment Tax Act

SW: Supports Waiver

Target Populaton: Individuals enrolled in an approved Medicaid self-direction program.

US Citizenship and Immigration Service: The Federal agency responsible for immigration service functions, which was formed to enhance the security and improve the efficiency of national immigration services by exclusively focusing on the administration of benefit applications.

US CIS: US Citizenship and Immigration Service

1. GENERAL INFORMATION

1.1. Background

- 1.1.1.** The mission of the Department of Health and Hospitals (DHH) is to protect and promote health and to ensure access to medical, preventive, and rehabilitative services for all citizens of the State of Louisiana. DHH is dedicated to fulfilling its mission through direct provision of quality services, the development and stimulation of services of others, and the utilization of available resources in the most effective manner.
- 1.1.2.** DHH is comprised of the Office of the Secretary and the Office of Management & Finance under the supervision of the Secretary. The Bureau of Health Services Financing (BHSF) is under the Office of Management & Finance and the following program offices are under the Office of the Secretary: the Office for Citizens with Developmental Disabilities (OCDD), the Office of Behavioral Health (OBH) , the Office of Aging and Adult Services (OAAS) , and the Office of Public Health (OPH).
- 1.1.3.** Within this structure, OCDD and OAAS currently serve as the operating agencies/program offices for Medicaid-funded HCBS programs. OCDD and OAAS have state offices located in Baton Rouge. OAAS oversees regional waiver operations performed by OAAS regional offices. OCDD oversees waiver operations performed by Local Governing Entities (LGEs). The state operating agencies share responsibility with the regional offices/LGEs to meet the federally mandated assurances and sub-assurances.

 - 1.1.3.1.** OCDD currently operates the following waivers for individuals with developmental disabilities:

 - 1.1.3.1.1.** Children’s Choice (CC) Waiver ,
 - 1.1.3.1.2.** New Opportunities Waiver (NOW),
 - 1.1.3.1.3.** Residential Options Waiver (ROW), and
 - 1.1.3.1.4.** Supports Waiver (SW)
 - 1.1.3.2.** OAAS currently operates the following HCBS programs for the elderly and/or individuals with adult onset disabilities:

 - 1.1.3.2.1.** Community Choices Waiver (CCW),
 - 1.1.3.2.2.** Adult Day Health Care (ADHC) Waiver,
 - 1.1.3.2.3.** LongTerm-Personal Care Services (LT-PCS), and
 - 1.1.3.2.4.** Program of All-Inclusive Care for the Elderly (PACE).
- 1.1.4.** In Louisiana, Medicaid is administered by BHSF. Medicaid is the public assistance program that finances primary and preventative health care coverage to low-income families, and long-term care to low-income seniors and persons with disabilities. Medicaid is funded by both the federal and State government and covers a wide range of services including physician, hospital, nursing home, and home and community-based services.
- 1.1.5.** BHSF operates a Medicaid Management Information System (MMIS) for the purpose of paying claims for covered medical services and for the management of Medicaid vendor payments. MMIS is a claims processing and information retrieval system designed to improve the management and control of service expenditures, and reduce program costs through effective claims processing and utilization control.
- 1.1.6.** To ensure compliance with federal regulations governing waivers and state-plan home and community-based services (HCBS), BHSF created the Medicaid Program Support and Waivers Section (MPSW) to oversee the administration of all Medicaid waiver programs and HCBS within Louisiana. MPSW staff monitor contracts that assist Medicaid with complying with CMS guidelines and with maintaining its administrator authority over HCBS.
- 1.1.7.** The Centers for Medicare and Medicaid (CMS) approved, self-direction option for personal care services is currently being utilized by individuals enrolled in the New Opportunities Waiver (NOW), which serves individuals age 3 and older who otherwise would require the level of care of an Intermediate Care Facility for the Developmentally Disabled [ICFs/DD] services) program, the Community Choices Waiver (CCW), which provides services and supports to elders or adults with disabilities), the Children’s Choice Waiver (CC Waiver), which provides supplemental support to children through age 18 who currently live at home with their families or with a foster family), and the Residential Options Waiver (ROW), which has no age restriction and provides opportunities for individuals with developmental disabilities to transition from intermediate care facilities/developmental disabilities or nursing home facilities.

- 1.1.8.** Currently, the Fiscal/Employer Agent Contractor provides financial management services for over 500 participants in NOW, CC Waiver, CCW, and ROW.

1.2. Purpose

- 1.2.1.** The purpose of this Request for Proposals (RFP) is to solicit proposals from qualified proposers to provide financial management and support brokerage services to Medicaid participants enrolled in an approved self-direction program, such as managing payroll, providing bill paying functions, and distributing funds contained in individual participant budgets.

1.3. Invitation to Propose

- 1.3.1.** DHH BHSF is inviting qualified proposers to submit proposals for services to provide financial management services in accordance with the specifications and conditions set forth herein.
- 1.3.2.** To be considered for award, Proposers must demonstrate the following minimum qualifications prior to deadline for submission of proposals:
- 1.3.2.1.** Submit evidence of ten (10) years of experience with providing financial management services to Medicaid participants age 65 and older and individuals with a developmental or physical disability.
- 1.3.2.2.** Submit evidence of ten (10) years of experience in operating as a Vendor Fiscal/Employer Agency under Section 3504 of the Internal Revenue Code, IRS Revenue Procedure 70-6, IRS Proposed Notice 2003-70, and experience in federal and state income tax withholding, Medicare and Social Security taxes (FICA), unemployment (FUTA and SUTA) taxes, State tax, and knowledge of federal and State labor laws related to household employment.
- 1.3.2.3.** Submit evidence of ten (10) years experience in facilitating the employment of staff for Medicaid HCBS program Participants.
- 1.3.2.4.** Submit evidence of a separate FEIN for the sole purpose of filing certain federal employment tax forms and making federal payments on participant's behalf.
- 1.3.2.5.** Certify that the Proposer is not an organization that provides support services consultations, agency-provider services, goods, or PCA vendor services or supports.
- 1.3.3.** Proposers who fail to demonstrate the minimum qualifications to propose in section 1.3.2 will be disqualified and will not be considered for award.

1.4. RFP Addenda

- 1.4.1.** In the event it becomes necessary to revise any portion of the RFP for any reason, the Department shall post addenda, supplements, and/or amendments to all potential proposers known to have received the RFP. Additionally, all such supplements shall be posted at the following web address:
<http://wwwprd1.doa.louisiana.gov/OSP/LaPAC/pubMain.cfm>
- 1.4.2.** May also be posted at:
<http://new.dhh.louisiana.gov/index.cfm/newsroom/category/47>
- 1.4.3.** It is the responsibility of the proposer to check the DOA website for addenda to the RFP, if any.

2. ADMINISTRATIVE INFORMATION

2.1. RFP Coordinator

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

Theresa Thibodeaux
Department of Health and Hospitals
Bureau of Health Services Financing
Medicaid Program Supports and Waivers
628 N 4th Street, 6th floor
Baton Rouge, LA 70802
Email: Theresa.Thibodeaux@LA.GOV
Fax: (225) 342-9168

- 2.1.2.** All communications relating to this RFP must be directed to the DHH RFP Coordinator named above. All communications between Proposers and other DHH staff members concerning this RFP shall be strictly prohibited. Failure to comply with these requirements shall result in proposal disqualification.

- 2.1.3. This RFP is available in pdf at the following web links:
<http://wwwprd1.doa.louisiana.gov/OSP/LaPAC/pubMain.cfm>
<http://new.dhh.louisiana.gov/index.cfm/newsroom/category/47>

2.2. Proposer Inquiries

- 2.2.1. The Department will consider written inquiries regarding the requirements of the RFP or Scope of Services to be provided before the date specified in the Schedule of Events. To be considered, written inquiries and requests for clarification of the content of this RFP must be received at the above address or via email address by the date specified in the Schedule of Events. Any and all questions directed to the RFP coordinator will be deemed to require an official response and a copy of all questions and answers will be posted by the date specified in the Schedule of Events to the following web link: <http://wwwprd1.doa.louisiana.gov/OSP/LaPAC/pubMain.cfm>

May also be posted at: <http://new.dhh.louisiana.gov/index.cfm/newsroom/category/47>

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

2.3. Pre-Proposal Conference

- 2.3.1. Not applicable for this RFP.

2.4. Schedule of Events

- 2.4.1. DHH reserves the right to deviate from this Schedule of Events

Schedule of Events	
Public Notice of RFP	Tuesday, March 15, 2016
Deadline for Receipt of Written Questions	Tuesday, March 22, 2016
Response to Written Questions	Monday, March 28, 2016
Deadline for Receipt of Written Proposals	Friday, April 15, 2016, 4: 00 pm CT
Proposal Evaluation Begins	Monday, April 18, 2016
On Site Presentations/Demonstrations (if held)	Wednesday – Friday April 20-22, 2016
Contract Award Announced	Tuesday, April 26, 2016
Contract Negotiations Begin	Wednesday, April 27, 2016
Contract Begins	Friday, July 1, 2016

3. SCOPE OF WORK

3.1. Project Overview

- 3.1.1. The purpose of this RFP is to solicit proposals from qualified Proposers to assist the Department in complying with the Centers for Medicare and Medicaid (CMS) guidelines for financial management and support brokerage functions in self-direction, including but not limited to: (1) verifying qualifications (criminal background check, etc.) of DSWs ; (2) processing payroll, withholding and filing and paying applicable federal income tax withholding, FICA and FUTA, SUTA and State income taxes; (3) disbursing payment to all DSWs identified in the participant’s approved plan of care and budget; (4) billing for expenditures disbursed, based on the approved plan of care and budget, making refunds to Louisiana Medicaid as appropriate; (5) maintaining all records related to the DSW’s payroll, taxes and benefits; (6) producing & sending periodic reports to BHSF as set forth herein; and (7) providing support to participants in the self-direction process.
- 3.1.2. Participants/Responsible Representatives serve as employers under the CMS’s Employer Authority guidance. Participants/Responsible Representatives decision making authority includes:
- 3.1.2.1. recruit staff;
 - 3.1.2.2. hire staff/common law employer;
 - 3.1.2.3. verify staff qualifications;
 - 3.1.2.4. receive criminal history and/or background investigation results;
 - 3.1.2.5. specify additional staff qualifications based on participant needs and preferences so long as such qualifications are consistent with the qualifications specified in waiver application;
 - 3.1.2.6. determine staff duties consistent with the service specifications in waiver application;
 - 3.1.2.7. determine individual staff wages and benefits;

- 3.1.2.8. schedule staff;
 - 3.1.2.9. orient and instruct staff in duties;
 - 3.1.2.10. supervise staff;
 - 3.1.2.11. evaluate staff performance;
 - 3.1.2.12. verify time worked by staff and approve time sheets; and
 - 3.1.2.13. discharge staff (common law employer).
- 3.1.3. The contract may be modified in the future to include other components. Such modifications would be implemented through a contract amendment and cost shall be negotiated within the State's current budgetary status. Inclusions may be:
- 3.1.3.1. the processing of payment for independent Contractors who provide services to participants;
 - 3.1.3.2. the managing of invoices for goods and services rendered and included in the participants' service plans and budgets; or
 - 3.1.3.3. the F/EA making
 - 3.1.3.4. available a package of insurance options including disability, health, and life insurance for DSWs employed by participants.

Additional waivers and/or target populations may be added upon request and approval from the Centers for Medicare and Medicaid Services (CMS).

3.2. Contractor Responsibilities:

- 3.2.1. The Contractor will be responsible for providing the following services during the course of the contract:
- 3.2.1.1. having a customer service operation system in place physically located in the United States;
 - 3.2.1.2. having policies, procedures, and internal controls in place to stay up-to-date with Federal and State tax, labor, immigration, workers' compensation, and program regulations to perform effectively as a F/EA and limit any risk of liability as a result of non-compliance;
 - 3.2.1.3. providing financial management services Statewide to Medicaid enrollees residing in all 64 Louisiana parishes;
 - 3.2.1.4. establishing, maintaining, and showing proof of bonding and registration with the Louisiana Secretary of State;
 - 3.2.1.5. informing participants of changes that relate to self-direction;
 - 3.2.1.6. showing proof of a separate FEIN for the sole purpose of filing certain federal employment tax forms and making federal payments on participant's behalf; this FEIN must only be used for processing wages and federal forms and taxes for the participant-employers it represents as agent and not for processing wages and related federal forms and taxes for employees of parent organizations or sub-entities; this FEIN must be obtained in addition to the F/EA organization's corporate FEIN;
 - 3.2.1.7. obtaining a FEIN for each Medicaid self-direction participant it represents and for maintaining copies of the participant's FEIN, IRS FEIN notification, and the filed Form SS-4 in the participant's file;
 - 3.2.1.8. retiring participants' FEIN when they are no longer employers;
 - 3.2.1.9. preparing and submitting a signed IRS Form 2678 for each participant it represents and maintaining documentation (copy of IRS 2678, Request for Approval Letter, and IRS Notification of F/EA Approval) on file.;
 - 3.2.1.10. revoking the IRS Form 2678 for each participant it no longer represents in accordance with IRS requirements and maintaining documentation in each participant's file;
 - 3.2.1.11. filing a signed IRS Form 8821 for each participant it represents and maintaining copies of the Form in each participant's file.;
 - 3.2.1.12. renewing IRS Forms 8821 for each applicable participant at the appropriate time and maintaining copies of the renewals in each participant's file;

- 3.2.1.13.** revoking the IRS Form 8821 when the agent no longer represents the participant and maintaining documentation in each participant's file;
- 3.2.1.14.** obtaining a State power of attorney (for State income tax, unemployment tax or both, as required by the State) from each participant it represents, and maintaining documentation in each participant's file;
- 3.2.1.15.** revoking a State power of attorney (for State income tax, unemployment tax or both, as required by the State) when it no longer represents a participant, and maintaining documentation in each participant's file; and
- 3.2.1.16.** developing and implementing policies and procedures to accommodate expansion of participants into the self-direction program.

3.3. Deliverables

3.3.1. General Requirements and Expected Outcomes

The following list outlines the service requirements and desired outcomes of the resulting HCBS F/EA contract. The Contractor must provide these requirements, without exception, and the submitted proposals must reflect that expectation.

3.3.1.1. The Contractor shall provide the following services during the term of the contract:

- 3.3.1.1.1.** file and deposit federal taxes (federal income tax withholding, Medicare and Social Security, and federal unemployment taxes) and any unfulfilled federal tax obligations, including penalties and interest, even before approval is received from the IRS to serve as an agent for an individual participant;
- 3.3.1.1.2.** bill the DHH Fiscal Intermediary for all Medicaid service claims at least bi-weekly;
- 3.3.1.1.3.** utilize a BHSF approved current technology-based accounting systems that operate effectively on a large scale;
- 3.3.1.1.4.** Pay periods must correspond to Sunday – Saturday work weeks.
- 3.3.1.1.5.** utilize a BHSF approved payroll system and payroll calendar that addresses all related tax obligations;
- 3.3.1.1.6.** utilize a BHSF approved accounting and information system to track and report service expenditures;
- 3.3.1.1.7.** prepare and maintain a policies and procedures manual approved by BHSF which describes the policies, procedures, and internal controls for all tasks related to the F/EA function. The manual must be reviewed annually and updated as necessary;
- 3.3.1.1.8.** develop, implement, and maintain a current online orientation and skills training for participants/responsible representatives, which must be updated annually and/or upon request of BHSF which is subject to approval by BHSF;
- 3.3.1.1.9.** have a functional disaster recovery plan in place for restoring software and master files and hardware backup in the event management information systems are disabled to ensure the payroll and payment systems remain intact; this should be tested/revised annually and results submitted to DHH for review.
- 3.3.1.1.10.** maintain confidentiality in accordance to HIPPA guidelines of participant information unless prior written notification and approval from the participant has been granted;
- 3.3.1.1.11.** be culturally sensitive and emphasize the philosophy of self-direction in all business practices in order to communicate effectively with participants;
- 3.3.1.1.12.** receive approval from BHSF before conducting any marketing, including approval of marketing materials (BHSF approval on materials is generally less than thirty (30) days and BHSF reserves the right to reject any and all materials);
- 3.3.1.1.13.** receive approval from BHSF for all materials, participant/DSW letters, rates, and forms prior to dissemination or implementation; and
- 3.3.1.1.14.** attend meetings (e.g. conference call, video-conference) as requested by BHSF.

3.3.1.2. The Contractor will ensure the following performance outcomes are achieved and sustained during each month of the term of the contract:

- 3.3.1.2.1.** 100% of participant **enrollment** packages will be provided via face to face, mail, e-mail, or fax the within two (2) business days of receiving the referral;
- 3.3.1.2.2.** 100% of participant **employment** packages will be sent via mail, e-mail, or fax the within two (2) business days of receiving the referral;
- 3.3.1.2.3.** 100% of payments by Electronic Funds Transfer will be made within five (5) business days and 100% of paper paychecks will be mailed within three (3) business days after the deadline for receiving timesheets for that particular payroll period, provided the F/EA is furnished with current addresses and properly completed and submitted timesheets,
- 3.3.1.2.4.** 100% of claims submitted for payments for goods and services will be authorized in the current budget/expenditure plan;
- 3.3.1.2.5.** 99% of payroll payments' amounts to DSWs will be calculated correctly;
- 3.3.1.2.6.** 99% of the time taxes and fees from participant/DSW accounts will be filed, deducted, and deposited timely;
- 3.3.1.2.7.** 100% of bi-weekly budget reports will be sent via U.S. mail or electronic mail to participants within three (3) days after the payroll period, providing that the F/EA is furnished with current addresses;
- 3.3.1.2.8.** 100% of the time participants will be notified of the DSW's eligibility for hire, based on the results of the criminal background check, DSW registry checks, state and federal Medicaid exclusion checks, CPR/First Aid completion certification (if applicable), completion of required paperwork, and any basic training requirement(s) as mandated by law within four (4) business days. The completion of the required paperwork, criminal background check & receipt of training certificate (as applicable); must be verified as completed and the criminal background check must be received and verified within this timeframe;
- 3.3.1.2.9.** 99% of the time participant account activity on budget reports will be accurately reported to participants;
- 3.3.1.2.10.** 100% of BHSF requests for individual account reconciliation will be provided within fifteen (15) days of the written request;
- 3.3.1.2.11.** 100% of the time complaints will be responded within ten (10) business days and track the nature of the complaint and action taken for submission in the complaint report that is required by BHSF;
- 3.3.1.2.12.** 100% of the time calls to customer service or letters of inquiry will be responded to within one (1) business day; and
- 3.3.1.2.13.** obtain a score of 86% or higher on the annual F/EA participant satisfaction survey.
- 3.3.1.3.** By execution of the contract, the Contractor acknowledges and agrees that its performance under the contract must meet the standards set forth above and that it will be bound by the conditions set forth below.
- 3.3.2.** Programmatic Responsibility for the F/EA
 - 3.3.2.1.** verify qualifications of new DSWs
 - 3.3.2.2.** disburse payment to all DSWs hired by participants enrolled in the self-direction option;
 - 3.3.2.3.** process payroll, withhold and file and pay applicable federal income tax withholding, FICA and FUTA, SUTA and State income taxes;
 - 3.3.2.4.** bill for expenditures disbursed, based on the approved plan of care and budget; making refunds to Louisiana Medicaid as appropriate;
 - 3.3.2.5.** set up accounting records to track expenses for each participant's approved budget;
 - 3.3.2.6.** set up procedures for payroll and non-labor items;
 - 3.3.2.7.** maintenance of all records related to the DSW's payroll, taxes and benefits;
 - 3.3.2.8.** be responsible for retaining all criminal background checks for all DSWs hired by a self-direction participant;
 - 3.3.2.9.** issue out-of-cycle checks to pay the participants' DSWs if an error has been made by the State or its Contractor(s);

3.3.2.10. provide customer support, which includes but is not limited to:

- 3.3.2.10.1.** conducting criminal background checks, including DSW registry checks, and state and federal Medicaid exclusion checks for participants' DSWs as allowed by the State;
- 3.3.2.10.2.** assisting with verification of DSWs' citizenship status;
- 3.3.2.10.3.** collecting and processing DSW timesheets;
- 3.3.2.10.4.** training and education in reading and understanding participant expenditure reports;
- 3.3.2.10.5.** producing other periodic reports timely which include, but are not limited to:
 - 3.3.2.10.5.1.** individual budget expenditure reports with name of participant/employer,
 - 3.3.2.10.5.2.** monies expended broken out per DSW,
 - 3.3.2.10.5.3.** dates of services, and
 - 3.3.2.10.5.4.** total units/costs billed).

3.3.3. Operations Responsibilities for the F/EA

3.3.3.1. Preparation and Distribution of Participant Enrollment and DSW Employment Packets

- 3.3.3.1.1.** The F/EA must provide a system, internal controls documented, and written policies and procedures for:
 - 3.3.3.1.1.1.** Producing and distributing the participant enrollment packets;
 - 3.3.3.1.1.2.** collecting and processing the information contained in the participant enrollment packet;
 - 3.3.3.1.1.3.** maintaining documentation in each participant's file; and
 - 3.3.3.1.1.4.** Preparing, having available, distributing, and providing face to face instructions on completing the enrollment packet and orienting the participant to the self-direction program. The enrollment packet must be user-friendly, sixth grade reading level Participant Enrollment must be conducted within two (2) business days of request of participant enrollment in self-direction; forms included in the packet should be partially populated in advance where appropriate in order to assist participants in their accurate completion. Participant Enrollment Packets must include:
 - 3.3.1.3.1.4.1.** F/EA brochure that includes information about the F/EA's services and operations (e.g., roles and responsibilities of the F/EA, hours of operation, toll-free number, key F/EA staff and contact information, web address, mailing address);
 - 3.3.1.3.1.4.2.** Federal and State forms the participant must complete such as IRS Forms SS-4, 2678, 8821 and State power of attorney form(s) as applicable,
 - 3.3.1.3.1.4.3.** service agreement form;
 - 3.3.1.3.1.4.4.** other applicable consent and agreement forms;
 - 3.3.1.3.1.4.5.** workers' compensation insurance coverage (e.g. description of coverage, how to file a claim);
 - 3.3.1.3.1.4.6.** payment schedule;
 - 3.3.1.3.1.4.7.** timesheet submittal information;
 - 3.3.1.3.1.4.8.** timesheet and instructions;
 - 3.3.1.3.1.4.9.** rate sheet; and
 - 3.3.1.3.1.4.10.** sample payroll report and instructions.
- 3.3.3.1.2.** The F/EA must process the participant's enrollment information within seven (7) business days after it is received and must notify the participant if any paperwork is missing or incomplete. If the participant is required to submit additional/corrected information, then the F/EA must process this information within two (2) business days from the date of receipt of the new paperwork. Ideally, the new information should be processed immediately upon receipt.

- 3.3.3.1.3.** The F/EA must have a system in place, internal controls documented, and written policies and procedures for producing and distributing:
 - 3.3.3.1.3.1.** the DSW employment packet, clearing DSWs for hire;
 - 3.3.3.1.3.2.** collecting and processing the information contained in the employment packet; and
 - 3.3.3.1.3.3.** maintaining documentation in each DSW's file.
- 3.3.3.1.4.** The employment packet, which should be distributed within two (2) business days of request, must be user-friendly, sixth grade reading level and contain all required information about the F/EA, one-page employment application, Federal and State forms and instructions (e.g., IRS Form W-4, L-4 (State version of W-4), USCIS Form I-9, IRS Notice 797), , criminal background check authorization form, payment information (e.g. direct deposit, mailed check), agreements and documents to enroll DSWs into the F/EA's payroll system.
- 3.3.3.1.5.** The F/EA must process the prospective's DSW's paperwork (employment packet) within four (4) business days after it is received and must notify the participant of the DSW's hire status. The F/EA is responsible for ensuring that the DSW meets the qualifications set by the State before clearing a DSW for hire and/or processing payment for the DSW on behalf of the participant.
- 3.3.3.2.** Management of Participant's Budget Funds
 - 3.3.3.2.1.** The F/EA must:
 - 3.3.3.2.1.1.** have a system in place, written policies and procedures, and internal controls documented for receiving and maintaining participants' initial and updated plans of care and budgets;
 - 3.3.3.2.1.2.** have internal controls documented for monitoring billing of the State's Medicaid Management Information System; all billings must be submitted in the current BHSF format; and
 - 3.3.3.2.1.3.** have information systems in place, written policies and procedures, and internal controls documented to receive and disburse participant's Medicaid budget funds and track budget funds received, disbursed and remaining balances for each participant individually and in the aggregate.
- 3.3.3.3.** Payroll Process for F/EA
 - 3.3.3.3.1.** The F/EA must:
 - 3.3.3.3.1.1.** have a system in place, written policies and procedures, and internal controls documented:
 - 3.3.3.3.1.1.1.** for collecting and processing an IRS Form W-4 and Form L-4 from each DSW for whom it processes payroll and maintaining a copy of the form in each DSW's file;
 - 3.3.3.3.1.1.2.** for collecting and processing an IRS Form W-5 from each eligible DSW for whom it processes Federal Advanced EIC and maintaining a copy of the form in each DSW's file;
 - 3.3.3.3.1.1.3.** for assisting participants in verifying DSW's citizenship and alien status by collecting a completed USCIS Form I-9 for every DSW for whom it processes payroll in each DSW's file and maintaining a copy of the form in each DSW's file;
 - 3.3.3.3.1.1.4.** for processing criminal background checks, including state and federal Medicaid exclusion checks and DSW registry checks on prospective DSWs as required by the State, notifying the State and participant of the results, and maintaining copies of the documentation in the DSWs' files as required by the State;
 - 3.3.3.3.1.1.5.** for preventing prospective DSWs from being hired if they are barred from employment for patient abuse or neglect, for Medicaid or Medicare program related crimes or felony convictions for health care fraud or controlled substance offenses, or if they do not meet the training or program requirements established by the State;

- 3.3.3.3.1.1.6.** for verifying each DSW's Social Security number and maintaining the appropriate documentation in each DSW's file;
- 3.3.3.3.1.1.7.** for verifying the State of residence for each DSW through examination of but not limited to State-issued identification cards, such as a driver's license, and maintaining the appropriate documentation in each DSW's file;
- 3.3.3.3.1.1.8.** for ensuring that DSWs are paid in compliance with Federal and State Department of Labor wage and hour rules for regular and overtime pay;
- 3.3.3.3.1.1.9.** for enabling participant/employers to negotiate and pay different rates to different workers; and
- 3.3.3.3.1.1.10.** for reporting new hires per State requirements and maintaining documentation in the participant's file.
- 3.3.3.3.1.2.** design and produce a user-friendly timesheet and instructions for completing and submitting the timesheet;
- 3.3.3.3.1.3.** Indicate in pay stubs and pay statements when overtime was earned;
- 3.3.3.3.1.4.** Design the pay period to align with the DHH work week which begins Monday at 12:00 a.m. through the following Monday at 12:00 a.m.;
- 3.3.3.3.1.5.** Indicate in pay statements the remaining hours or dollars in the budget per DHH requirements;
- 3.3.3.3.1.6.** design and produce an expenditure planning tool and instructions for each target population, as requested, to assist participants in managing their budget allocation;
- 3.3.3.3.1.7.** verify through the Louisiana Service Tracking (LAST) system or other system designated by DHH that the participant has a current authorization for self-direction and the type and amount of services provided prior to authorizing payment for goods or services on behalf of the participant (documentation in LAST is required for post authorization to release reimbursement to providers for prior authorized services; and the F/EA must enter all service events into the LAST system or other system designated by DHH prior to billing the fiscal intermediary in order to receive reimbursement);
- 3.3.3.3.1.8.** notify via e-mail and telephone the BHSF Contract Monitor and participant/employer within four (4) hours if any error by F/EA impacts participants or DSWs.
- 3.3.3.3.1.9.** pay the participant's DSWs in full for net wages earned, not to exceed the authorized number of hours approved;
- 3.3.3.3.1.10.** issue out-of-cycle checks to participants' DSWs if an error has been made by the State or its Contractor[s], upon request by the State.
- 3.3.3.3.1.11.** make adjustments and voids for prior authorization and data collection with the Fiscal Intermediary as necessary;
- 3.3.3.3.1.12.** meet the requirements of the Medicaid Management Information System (MMIS) for transactions, confidentiality, and security, and demonstrate on-going compliance with these requirements;
- 3.3.3.3.1.13.** have a system in place, written policies and procedures, and internal controls documented for:
 - 3.3.3.3.1.13.1.** producing, distributing, collecting, verifying, and processing DSWs' timesheets and maintaining copies in the DSWs' files;
 - 3.3.3.3.1.13.2.** developing and maintaining a database that is effective for tracking and responding to occurrences of timesheet overbilling and timesheets that cannot be paid due to missing or erroneous information, or an overlap in work hours by the DSW with another self-direction participant;
 - 3.3.3.3.1.13.3.** determining whether the participant's DSWs are family members who might be exempt from paying into FICA, FUTA, and SUTA, and for processing them accordingly;

- 3.3.3.3.1.13.4.** withholding FICA and federal income tax withholding for all participants it represents and their DSWs per payroll period and for maintaining documentation in the F/EA's files;
- 3.3.3.3.1.13.5.** filing FICA and federal income tax withholdings using an IRS Form 941 quarterly and in the aggregate with its separate FEIN for all individuals it represents and for maintaining a copy of each IRS Form 941 filed and other documentation in the F/EA's files;
- 3.3.3.3.1.13.6.** depositing FICA and federal income tax withholdings in the aggregate for all participants it represents using the F/EA's separate FEIN, in accordance with IRS depositing rules and for maintaining documentation in the F/EA's files;
- 3.3.3.3.1.13.7.** withholding Federal Unemployment Tax (FUTA) for all participants it represents per payroll period and maintaining documentation in the F/EA's files;
- 3.3.3.3.1.13.8.** filing FUTA using an IRS Form 940 annually in the aggregate using the F/EA's separate FEIN for all participants it represents and maintaining documentation in the F/EA's files;
- 3.3.3.3.1.13.9.** depositing FUTA in the aggregate using the F/EA's separate FEIN quarterly for all participants it represents and maintaining documentation in the F/EA's files;
- 3.3.3.3.1.13.10.** managing Federal Advanced Earned Income Credit (EIC) for each eligible DSW in an accurate and timely manner and for maintaining documentation in the F/EA's files;
- 3.3.3.3.1.13.11.** registering participants as employers and obtaining each participant's State income tax registration number for income tax and State Unemployment Tax filing and payment purposes for each participant it represents and maintaining documentation in the participant's file;
- 3.3.3.3.1.13.12.** retiring a participant's State income and unemployment tax registration number when the participant no longer is participating in self-direction and maintaining documentation in the participant's file;
- 3.3.3.3.1.13.13.** withholding, filing, and depositing/paying State income tax and unemployment insurance taxes individually for each participant it represents per State requirements and for maintaining documentation in the participant's file;
- 3.3.3.3.1.13.14.** filing and depositing out-of-State income tax withholdings, as required by the State or requested by the DSW, for DSWs who reside outside of the State they work in and for maintaining documentation in the DSWs' files;
- 3.3.3.3.1.13.15.** filing and depositing locality taxes related to employment, as applicable, and for maintaining documentation in the participant's file;
- 3.3.3.3.1.13.16.** managing the application of all garnishments, levies and liens on DSWs' payroll checks in an accurate and timely manner and for maintaining documentation in the participant's file;
- 3.3.3.3.1.13.17.** paying DSWs within the time period required by the State Louisiana Workforce Commission (e.g., per State "Payday" requirement) and for maintaining documentation in each DSW's file;
- 3.3.3.3.1.13.18.** ensuring Louisiana Labor laws are abided by <http://www.laworks.net/laborlaws.asp>;
- 3.3.3.3.1.13.19.** for processing DSW's direct deposit and for maintaining documentation in the DSW's file;
- 3.3.3.3.1.13.20.** submitting any funds disbursed to DSWs that are unclaimed for all entities (DSWs and vendors) to the State Department of the Treasury in accordance with the State's unclaimed property laws and for maintaining documentation in the DSWs' and vendors' files; and
- 3.3.3.3.1.13.21.** processing wage information requests from Federal and State agencies and other qualified entities and maintaining documentation and correspondence in the DSW's file;

3.3.3.4. End of Federal Tax Year Processes for F/EA

- 3.3.3.4.1.** The F/EA must have a system in place, written policies and procedures, and internal controls documented:
 - 3.3.3.4.1.1.** for refunding over collected FICA to applicable individual employers (or State or parish government) and employees in accordance with the December 18, 2000 IRS letter and for maintaining documentation in the F/EA's files;
 - 3.3.3.4.1.2.** for preparing, filing and distributing IRS Forms W-2 for DSWs per IRS instructions for agents, for electronic filing when processing 250 or more IRS Forms W-2 and for maintaining documentation in the DSWs' files; and
 - 3.3.3.4.1.3.** for preparing, filing and distributing IRS Forms W-3 in the aggregate for all participants the agent represents per IRS instructions and for maintaining documentation in the F/EA's files.
- 3.3.3.5.** Customer Service System for F/EA
 - 3.3.3.5.1.** The F/EA must:
 - 3.3.3.5.1.1.** have a customer service operation in place, physically located in the United States, that includes:
 - 3.3.5.3.1.1.1.** a 24/7 toll-free (1-800 number) telephone system with prompt (within 4 rings or less) answering during business hours (8:00 am to 5:00 pm Central Time M-F, excluding state of Louisiana holidays). The wait time following the selection to speak with a representative must be no longer than 1 minute.
 - 3.3.5.3.1.1.2.** A 24/7 high-speed fax machine;
 - 3.3.5.3.1.1.3.** web-based information regarding F/EA services; website that is 508 compliant; participant friendly design
 - 3.3.5.3.1.1.4.** capability for internet/e-mail communication; secure e-mail;
 - 3.3.5.3.1.1.5.** ability to provide translation and interpreter services (i.e. American Sign Language and services for persons with Limited English Proficiency);
 - 3.3.5.3.1.1.6.** written materials in plain English at 6th grade reading level available in alternate formats (e.g., large print, use of telecommunication devices for the hearing and speech impaired, languages other than English);
 - 3.3.5.3.1.1.7.** methods for receiving, returning and tracking calls from participants, support coordinators, and DSWs during and after regular business hours;
 - 3.3.5.3.1.1.8.** methods for receiving, responding to and tracking complaints from participants, support coordinators, and DSWs within the established time period not to exceed thirty (30) calendar days;
 - 3.3.5.3.1.1.9.** methods for acting as a mandatory reporter, particularly for financial fraud and abuse issues, to the appropriate State agencies;
 - 3.3.3.5.1.2.** develop, implement, and maintain a current online orientation and skills training course for participants/responsible representatives and DSWs. Examples of required skill training are fiscal management of payroll, documentation required for all directly hired DSWs, completion of timesheets accurately and timely, and self-direction policies and procedures (based on the program's policy and existing handbook). The F/EA will be responsible for making the orientation and skills training available to participants and DSWs upon the start of the contract. The F/EA must also develop, implement, and maintain a competency-based online examination for DSWs to cover the information presented in the online training courses. The online examination should automatically provide the DSW with a score and allow the DSW to print a completion certificate.
 - 3.3.3.5.1.3.** work with the DHH staff, participants and DSWs to provide training on the completion of State and Federal forms, and will provide them with the necessary forms and packets for participants. The F/EA will be available to answer questions and provide additional training by telephone to support coordinators and participants. BHSF must approve all elements of the orientation/skill training prior to implementation and revision.
 - 3.3.3.5.1.4.** develop and implement customer service training for F/EA staff:

- 3.3.3.5.1.5.** develop and implement an annual participant/responsible representative satisfaction survey, based on State measuring criteria. The sampling methodology and survey questions will be developed by BHSF:
- 3.3.3.5.1.6.** develop policies and procedures that emphasize the application of the philosophy of self-direction and being culturally sensitive in all business practices in order to communicate effectively with a diverse population of participants of all ages and with a variety of needs, disabilities and chronic conditions:
- 3.3.3.5.1.7.** have written policies and procedures and internal controls documented for implementing the components of its customer service system; and
- 3.3.3.5.1.8.** return calls within one (1) business day.

3.3.3.6. Support Brokerage Functions for F/EA

3.3.3.6.1. The F/EA must :

- 3.3.3.6.1.1.** Be a distinct support system to self-direction participants
- 3.3.3.6.1.2.** Conduct initial face to face enrollment and orientation for new participants
- 3.3.3.6.1.3.** Provide face to face assistance to current participants as needed
- 3.3.3.6.1.4.** Provide information, assistance, and support for self-direction participants through the person-centered planning process, which assists the participant (or participant's family or representative, as appropriate) in arranging for, directing and managing services. This includes, but is not limited to:
 - 3.3.6.3.1.4.1.** Offering practical skills training to enable families and participants to independently direct and manage waiver services. Examples of skills training include:
 - 3.3.3.6.1.4.1.1.** Providing information on completing all required paper-work
 - 3.3.3.6.1.4.1.2.** Providing information on recruiting and hiring personal care workers
 - 3.3.3.6.1.4.1.3.** Providing information on effective communication and problem-solving
 - 3.3.6.3.1.4.2.** Assisting participants with budgeting their personal care services, including:
 - 3.3.3.6.1.4.2.1.** Adjusting number of units based on hourly rates
 - 3.3.3.6.1.4.2.2.** Calculating cost of emergency or scheduled overtime
 - 3.3.6.3.1.4.3.** Informing participant of risks and responsibilities of self-direction
 - 3.3.6.3.1.4.4.** Other subjects pertinent to the participant and/or family in managing and directing service
 - 3.3.6.3.1.4.5.** Referring participant to Support Coordinator for issues unrelated to self-direction
 - 3.3.6.3.1.4.6.** Collaborating with Support Coordinator to resolve or refer issues unrelated to self-direction

3.3.3.7. Record Management System for F/EA

- 3.3.3.7.1.** All participant and DSW records will be the sole property of BHSF and must be returned to BHSF upon termination of the contract.
- 3.3.3.7.2.** The F/EA must:
 - 3.3.3.7.2.1.** have a system in place, written policies and procedures, and internal controls documented for establishing and maintaining current and archived participant, DSW, vendor and F/EA files in a secure and confidential manner as required by federal and State rules and regulations (e.g., meet any applicable HIPAA requirements);

- 3.3.3.7.2.2.** have a functional disaster recovery plan for electronic and hard copy files in place and documented. This plan will include a description of hardware backup if management information systems are disabled, and the process to allow for the continuation of budget allowance disbursements which includes at a minimum the following, and would ensure the rapid return to limited operation:
 - 3.3.7.3.2.2.1.** the accuracy of software and data at return to operation;
 - 3.3.7.3.2.2.2.** the ability to return to full capacity as soon as possible;
 - 3.3.7.3.2.2.3.** a complete backup of all non-software data sets at the end of each production day;
 - 3.3.7.3.2.2.4.** Removal of the resultant discs to an external secure site; these back-up discs should be cycled on at least a weekly basis;
 - 3.3.7.3.2.2.5.** a server that is designed to employ a method of redundancy for operational integrity and production; and
 - 3.3.7.3.2.2.6.** workstations attached to the network which have sufficient processing capability to be used interchangeably and are able to backup one another until repair or replacement can be affected on a failed workstation.
- 3.3.3.7.2.3.** have a system in place, written policies and procedures, and internal controls documented for testing and updating the disaster recovery plan for electronic and hard copy files.
- 3.3.3.8. Brokering Workers' Compensation Insurance**
 - 3.3.3.8.1.** The F/EA must have a system in place, written policies and procedures, and internal controls documented to process and pay workers' compensation insurance policies for each participant it represents in accordance with the State's Workers' Compensation Insurance Law and for maintaining the documentation in each participant's file.
- 3.3.3.9. Policies and Procedures (Preparing and Maintaining a F/EA Policies and Procedures Manual and Staying Up-to-Date with Federal and State Rules and Regulations Regarding F/EAs and Household Employers)**
 - 3.3.3.9.1.** The F/EA must have an automated, comprehensive F/EA policies and procedures manual which includes all policies and procedures related to the tasks associated with performing the F/EA functions, any overlapping communication and data transmission tasks, and internal controls for monitoring the completion of all F/EA tasks. The manual must be available to all F/EA staff and must be incorporated into all training programs for new and existing F/EA staff.
 - 3.3.3.9.2.** The F/EA must have a system in place, written policies and procedures and internal controls for:
 - 3.3.3.9.2.1.** maintaining and updating its F/EA policies and procedures manual at least annually, and as needed;
 - 3.3.3.9.2.2.** reviewing and updating all IRS forms, instructions, notices and publications related to F/EAs, household employers and domestic service workers and preparing, filing and depositing federal taxes on behalf of household employers/participants it represents at www.irs.gov;
 - 3.3.3.9.2.3.** reviewing and updating all applicable US Citizenship and Immigration Service (US CIS) rules, forms (i.e., Form I-9,) and instructions (Key web site: www.uscis.gov);
 - 3.3.3.9.2.4.** for reviewing and updating all applicable Federal Department of Labor rules, forms and instructions related to household employers and domestic service employees pertaining to the Federal Fair Labor Standards Wage and Hour rules (Key website: www.dol.gov);
 - 3.3.3.9.2.5.** reviewing and updating all State income tax withholding forms and State unemployment insurance tax forms, instructions and manuals related to F/EAs, household employers and domestic service workers and preparing, filing and depositing State taxes on behalf of household employers/participants it represents (Key website: www.revenue.louisiana.gov);
 - 3.3.3.9.2.6.** staying up-to-date with the State's new hire registration process (paper or electronic filing options).

- 3.3.3.9.2.7.** staying up-to-date with State workers' compensation insurance laws pertaining to household employers who hire personal care and other support service workers; and
- 3.3.3.9.2.8.** staying up-to-date with State mandatory disability insurance laws pertaining to household employers who hire personal care and other support service workers, when applicable.
- 3.3.3.9.3.** All changes to the F/EA policies and procedures manual must be approved by BHSF in advance of implementation or revision.
- 3.3.3.10. Reporting Requirements**
 - 3.3.3.10.1.** The F/EA must have a system in place, written policies and procedures, and internal controls documented to prepare and submit required reports (electronic copy) to BHSF in a timely manner. BHSF reserves the right to change reporting requirements and request reasonable ad-hoc reports within seven (7) calendar days of notice. The format and data elements of reports must conform to BHSF requirements. The F/EA will be responsible for all programming functions and cost associated with the design, maintenance, or enhancement of the reporting system. The following are required reports:
 - 3.3.3.10.1.1.** Monthly (due by the 15th day of the following month):
 - 3.3.10.3.1.1.1.** Criminal Background Check Reports, which specify the individual name of the participant and DSW, program, date authorization was received and submitted, date results received and reported to participant and State, and results of check;
 - 3.3.10.3.1.1.2.** DSW Employee Training Reports (general and participant-specific), which specify the individual name of the participant and DSW, program training by topic, and expiration dates;
 - 3.3.10.3.1.1.3.** Payroll Reports, which will be mailed to each participant and DHH staff. The payroll report should include the type of program, number of hours and/or units the participant has available for the prior authorization period, the number of hours and/or units used, number of hours and/or units remaining for use, hours and/or units worked by DSW(s), yearly allocated budget amount (if applicable), amount paid to DSW(s) for the current pay check, the remaining allocated budget, check date, amount, number, and taxes by DSW, and any vendor payments;
 - 3.3.10.3.1.1.4.** Automobile Insurance Report, which specifies the individual name of the participant and DSW, program whether the DSW's insurance meets the State's minimum coverage, expiration date, and whether the participant has submitted a waiver letter;
 - 3.3.10.3.1.1.5.** over/under utilization reports, which identifies the participant and employee(s), service allotment, period range, period utilization, total utilization and balance information;
 - 3.3.10.3.1.1.6.** complaints, which specify the individual name of the participant, name of the person making the complaint, program, reason for complaint, date complaint received, date complaint resolved, and resolution;
 - 3.3.10.3.1.1.7.** errors which prevent payment;
 - 3.3.10.3.1.1.8.** current and archived listing of participants and DSWs, which includes all applicable enrollment and termination dates, program, address, telephone numbers, and last four digits of social security numbers;
 - 3.3.10.3.1.1.9.** quantity of calls received; timeliness of answering calls; quantity of abandoned calls; length of calls; and
 - 3.3.10.3.1.1.10.** monthly and historical reports of the participant's budget, authorized services, paid claims, and claims that have not been adjudicated. These reports should include the name and identification number of each participant; services authorized and rate per service for each participant; names of each participant's DSWs and their identification numbers, services provided, dates authorized to provide each service for which they have been hired, termination dates, service code, number of hours of each service provided, hourly rate of pay, check number for each payroll payment, and wages, taxes and insurances paid (as applicable) for the current month and cumulatively; total payments made for each service code by

the F/EA on each participant's behalf for the current month and cumulatively; all claim submitted to the F/EA for payment, but not paid, and the reason, for each participant for the current month and cumulatively; Statement of funds received, funds expended and any amount remaining; timely identification of participants who are projected to exceed their budget allowance; and identification of participants who incur no expenses in a given month. Other data elements may be added at the discretion of BHSF.

3.3.3.10.1.2. Quarterly (due by the 30th of the following month at the end of the State Fiscal Year Quarter):

3.3.10.3.1.2.1. demographic information (Name of participant/employer, parish/DHH-Administration, age, gender);

3.3.10.3.1.2.2. medicaid billing reports (Names/Unique identifier of participants in which claims were submitted, number of units billed, cost of units/services, name & unique identifier of DSW, location of service, dates of service);

3.3.10.3.1.2.3. review of sample of timesheets for accuracy and timeliness, BHSF will determine any action that will be taken regarding the findings.

3.3.3.10.1.3. Annually (due by the end of the first quarter, March 31st :

3.3.10.3.1.3.1. expenditure reports (Name of participant/employer, monies expended broken out per DSW, number/cost of criminal background checks with name of DSW, number of DSWs per participant/employer, dates of services, total units/costs billed);

3.3.10.3.1.3.2. trend analysis (utilization, costs across programs);

3.3.10.3.1.3.3. participant/responsible representative satisfaction survey; and

3.3.10.3.1.3.4. other reports as required by the State.

3.3.3.11. Accounting and Banking Requirements

3.3.3.11.1. The F/EA must:

3.3.3.11.1.1. follow Generally Accepted Accounting Principles and practices in the use of general ledger and subsidiary accounting systems and handling of participant funds; and

3.3.3.11.1.2. establish a separate, non-interest bearing bank account for participant funds that is not commingled with funds from any other source.

3.3.4. Service Delivery Location and Service Times

3.3.4.1. the Contractor shall be responsible for supplying its own facility or building as part of its performance under the contract. All participant, DSW, vendor, and agency records must be maintained in a secure location with protected health information protected;

3.3.4.2. the Contractor shall notify the contract monitor in writing a minimum of thirty (30) calendar days prior to making changes in location which will affect the ability of the agency, participants, DSWs, vendors, and support coordinators to contact the Contractor by telephone, facsimile transmission, electronic mail or U.S. mail;

3.3.4.3. a Contractor representative shall be available to agency staff, participants, DSWs, and support coordinators between the hours of 8:00 AM and 5:00 PM Central Time, Monday through Friday (excluding State and Federal holidays). At other times messaging shall be available. Calls shall be returned within one (1) business day from the time the message is recorded or letter of inquiry is received.

3.3.5. Business and Professional Qualifications

3.3.5.1. the Contractor shall include their proposed staffing for technical, administrative and clerical support. Resumes and qualifications of all key staff must be submitted as part of the proposal, as well as an organizational chart;

3.3.5.2. the Contractor shall maintain an adequate administrative organizational structure and support staff sufficient to discharge its contractual responsibilities. The Contractor must employ at least one staff member with a Bachelor's degree in accounting and five (5) years of applicable experience, or a Master's degree in accounting and two (2) years of applicable experience;

- 3.3.5.3.** the Contractor must have on staff a database administrator and sufficient programmers with experience in the software languages required;
- 3.3.5.4.** the Contractor will designate, subject to BHSF approval, a Project Director for this contract who will have day-to-day authority to manage the overall operations. The Project Director will be available to BHSF by telephone, e-mail, and fax during regular business hours. The Contractor will advise BHSF of the percentage of time the Project Director will devote to this contract and provide an administrative telephone number that will enable BHSF to reach the Project Director directly;
- 3.3.5.5.** in the event BHSF determines that the Contractor's staffing levels do not conform to those required in the proposal, BHSF shall advise the Contractor in writing and the Contractor shall have thirty (30) business days to remedy the identified staffing deficiencies;
- 3.3.5.6.** the Contractor shall replace on the project any employee whose continued presence would be detrimental to the success of the project as determined by BHSF with an employee of equal or superior qualifications. The BHSF Contract Monitor will exercise exclusive judgment in this matter.

3.3.6. Transition Plan

- 3.3.6.1.** upon notification of award, the successful proposer must work with BHSF to ensure connectivity of all information technology systems; to develop forms and materials for participants and DSWs; and to make adjustments to any of the F/EA's business operations necessary to implement the services described in this RFP;
- 3.3.6.2.** within forty-five (45) business days of award, the F/EA must complete an implementation plan that includes all tasks, action steps, timelines, and responsible parties for all requirements contained in this RFP. The F/EA must detail a transition plan to convert current participants and enroll future participants and DSWs;
- 3.3.6.3.** the F/EA must submit the comprehensive policies and procedure manual to BHSF at least thirty (30) business days prior to the start of the contract and incorporate modifications required by BHSF within ten (10) business days of notification. The F/EA must review the manual within thirty (30) business days following the start of the contract for modifications and then on an as needed basis, but at least annually, thereafter.

3.3.7. Turnover Plan

- 3.3.7.1.** the F/EA shall be liable for all payroll claims and contract responsibilities incurred up to the date of termination of contract;
- 3.3.7.2.** the F/EA shall develop a turnover plan within one hundred-Eighty (180) business days of award, acceptable to BHSF in its sole discretion. The turnover plan and any modification or updates must be prior approved by BHSF. The turnover plan must be updated at least annually. The objective of the turnover plan is to provide for an orderly and controlled transition of the F/EA's responsibilities to a successor F/EA at the conclusion or termination of the contract period and to minimize disruption of payroll services provided to participants.

3.4. Liquidated Damages

- 3.4.1.** In the event the Contractor fails to meet the performance standards specified within the contract, the liquidated damages defined below may be assessed. If assessed, the liquidated damages will be used to reduce the Department's payments to the Contractor or if the liquidated damages exceed amounts due from the Department, the Contractor will be required to make cash payments for the amount in excess. The Department may also delay the assessment of liquidated damages if it is in the best interest of the Department to do so. The Department may give notice to the Contractor of a failure to meet performance standards but delay the assessment of liquidated damages in order to give the Contractor an opportunity to remedy the deficiency. However, if the Contractor subsequently fails to remedy the deficiency to the satisfaction of the Department, DHH may reassert the assessment of liquidated damages, even following contract termination.
 - 3.4.1.1.** late submission of any required report: \$1000 per working day, per report;
 - 3.4.1.2.** failure to fill vacant contractually required key staff positions within forty-five (45) business days: \$1000 per working day from 46th day of vacancy until filled with an employee approved by the Department;
 - 3.4.1.3.** failure to maintain all client files and perform all file updates according to the requirements in the contract: \$100 per client; and

- 3.4.1.4.** Late submission of invoices beginning ten (10) business days after the stated due date: \$1000 per working day per invoice.
 - 3.4.1.5.** For failure to meet performance outcomes as outlined in section 3.3.1.2, DHH may reduce PMPM (per member per month) payments by up to 20% for each participant effected.
 - 3.4.2.** The decision to impose liquidated damages may include consideration of some or all of the following factors:
 - 3.4.2.1.** the duration of the violation;
 - 3.4.2.2.** whether the violation (or one that is substantially similar) has previously occurred;
 - 3.4.2.3.** the Contractor’s history of compliance;
 - 3.4.2.4.** the severity of the violation and whether it imposes an immediate threat to the health or safety of the consumers; and/or
 - 3.4.2.5.** the “good faith” exercised by the Contractor in attempting to stay in compliance.

3.5. Fraud and Abuse

- 3.5.1.** The Contractor shall have internal controls and policies and procedures in place that are designed to prevent, detect, and report known or suspected fraud and abuse by participants, DSWs, support coordinators, or any other party.
- 3.5.2.** Such policies and procedures must be in accordance with State and Federal regulations. Contractor shall have adequate staffing and resources to investigate unusual incidents and develop and implement corrective action plans to assist the Contractor in preventing and detecting potential fraud and abuse activities.

3.6. Technical Requirements

- 3.6.1.** The Contractor will be required to transmit all non-proprietary data which is relevant for analytical purposes to DHH on a regular schedule in XML format. Final determination of relevant data will be made by DHH based on collaboration between both parties. The schedule for transmission of the data will be established by DHH and dependent on the needs of the Department related to the data being transmitted. XML files for this purpose will be transmitted via SFTP to the Department. Any other data or method of transmission used for this purpose must be approved via written agreement by both parties.
- 3.6.2.** The contractor is responsible for procuring and maintaining hardware and software resources which are sufficient to successfully perform the services detailed in this RFP.
- 3.6.3.** The contractor should adhere to state and federal regulations and guidelines as well as industry standards and best practices for systems or functions required to support the requirements of this RFP.
- 3.6.4.** The contractor shall clearly identify any systems or portions of systems outlined in the proposal which are considered to be proprietary in nature.
- 3.6.5.** Unless explicitly stated to the contrary, the contractor is responsible for all expenses required to obtain access to DHH systems or resources which are relevant to successful completion of the requirements of this RFP. The contractor is also responsible for expenses required for DHH to obtain access to the Contractor's systems or resources which are relevant to the successful completion of the requirements of this RFP. Such expenses are inclusive of hardware, software, network infrastructure and any licensing costs.
- 3.6.6.** Any confidential or protected health information must be encrypted to FIPS 140-2 standards when at rest or in transit
- 3.6.7.** Contractor owned resources must be compliant with industry standard physical and procedural safeguards (NIST SP 800-114, NIST SP 800-66, NIST 800-53A, ISO 17788, etc.) for confidential information (HITECH, HIPAA part 164).
- 3.6.8.** Any contractor use of flash drives or external hard drives for storage of DHH data must first receive written approval from the Department and upon such approval shall adhere to FIPS 140-2 hardware level encryption standards.
- 3.6.9.** All contractor utilized computers and devices must:
 - 3.6.9.1.** Be protected by industry standard virus protection software which is automatically updated on a regular schedule.

3.6.9.2. Have installed all security patches which are relevant to the applicable operating system and any other system software.

3.6.9.3. Have encryption protection enabled at the Operating System level.

3.7. Subcontracting

3.7.1. The State shall have a single prime contractor as the result of any contract negotiation, and that prime contractor shall be responsible for all deliverables specified in the RFP and proposal.

3.7.2. This general requirement notwithstanding, proposers may enter into subcontractor arrangements, however, shall acknowledge in their proposals total responsibility for the entire contract.

3.7.3. If the proposer intends to subcontract for portions of the work, the proposer should identify any subcontractor relationships and include specific designations of the tasks to be performed by the subcontractor. Information required of the proposer under the terms of this RFP shall also be required for each subcontractor. The prime contractor shall be the single point of contact for all subcontract work.

3.7.4. Unless provided for in the contract with the State, the prime contractor shall not contract with any other party for any of the services herein contracted without the express prior written approval of the State.

3.8. Compliance With Civil Rights Laws

3.8.1. The Contractor agrees to comply with the requirements of the following as applicable: Title VI and Title VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972; Federal Executive Order 11246; the Federal Rehabilitation Act of 1973; the Vietnam Era Veteran's Readjustment Assistance Act of 1974; Title IX of the Education Amendments of 1972; the Age Act of 1975; and Contractor shall agree to comply with the requirements of the Americans with Disabilities Act of 1990.

3.8.2. Contractor shall agree not to discriminate in its employment practices, and will render services under this contract without regard to race, color, religion, sex, national origin, veteran status, political affiliation, or disabilities. Any act of discrimination committed by Contractor, or failure to comply with these statutory obligations when applicable shall be grounds for termination of this contract.

3.9. Insurance Requirements

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

3.9.1.1. Contractor's Insurance

3.9.1.1.1. The Contractor shall not commence work under this contract until it has obtained all insurance required herein, including but not limited to Automobile Liability Insurance, Workers' Compensation Insurance and General Liability Insurance. Certificates of Insurance, fully executed by officers of the Insurance Company shall be filed with the Department for approval. If so requested, the Contractor shall also submit copies of insurance policies for inspection and approval of the Department before work is commenced. Said policies shall not be canceled, permitted to expire, or be changed without thirty (30) calendar days' written notice in advance to the Department and consented to by the Department in writing and the policies shall so provide.

3.9.1.2. Workers' Compensation Insurance

3.9.1.2.1. Before any work is commenced, the Contractor shall obtain and maintain during the life of the contract, Workers' Compensation Insurance for all of the Contractor's employees employed to provide services under the contract. In case any class of employees engaged in work under the contract at the site of the project is not protected under the Workers' Compensation Statute, the Contractor shall provide for any such employees, and shall further provide Employer's Liability Insurance for the protection of such employees not protected by the Workers' Compensation Statute.

3.9.1.3. Commercial General Liability Insurance

3.9.1.3.1. The Contractor shall maintain during the life of the contract such Commercial General Liability Insurance which shall protect the Contractor, and the Department, during the performance of work covered by the contract from claims or damages for personal injury, including accidental death, as well as for claims for property damages, which may arise from operations under the contract, or in such a manner as to impose liability to the

Department. Such insurance shall name the Department as additional insured for claims arising from or as the result of the operations of the Contractor. In the absence of specific regulations, the amount of coverage shall be as follows: Commercial General Liability Insurance, including bodily injury, property damage and contractual liability, with combined single limits of \$1,000,000.

3.9.1.4. Insurance Covering Special Hazards

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

3.9.1.5. Licensed and Non-Licensed Motor Vehicles

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

3.10. Resources Available to Contractor

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

3.11. Contract Monitor

- 3.11.1.** All work performed by the contract will be monitored by the contract monitor:

Becky Palmer
Department of Health and Hospitals
Bureau of Health Services Financing
Medicaid Program Support and Waivers
628 N 4th Street, 6th floor
Baton Rouge, LA 70802
Email: Becky.Palmer@LA.GOV
Phone: (225) 342-7498
Fax: (225) 342-9168

3.12. Term of Contract

- 3.12.1.** The contract shall commence on or near the date approximated in the Schedule of Events. The term of this contract is three (3) years. With all proper approvals and concurrence with the successful contractor, agency may also exercise an option to extend for up to twenty-four (24) additional months at the same rates, terms and conditions of the initial contract term. Prior to the extension of the contract beyond the initial thirty-six (36) month term, approval by the Joint Legislative Committee on the Budget (JLCB) or other approval authorized by law shall be obtained. Such written evidence of JLCB approval shall be submitted, along with the contract amendment to the Office of State Procurement (OSP) to extend contract terms beyond the initial three (3) year term.
- 3.12.2.** No contract/amendment shall be valid, nor shall the state be bound by the contract/amendment, until it has first been executed by the head of the using agency, or his designee, the contractor and has been approved in writing by the director of the Office of State Procurement. Total contract term, with extensions, shall not exceed five (5) years. The continuation of this contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of the contract.

3.13. Payment Terms

- 3.13.1.** The contractor shall submit deliverables in accordance with established timelines and shall submit itemized invoices monthly or as defined in the contract terms. Payment of invoices is subject to approval of BHSF. Continuation of payment is dependent upon available funding.
- 3.13.2.** Payments will be made to the Contractor after written acceptance by the Department of Health and Hospitals of the payment task and approval of an invoice. DHH will make every reasonable effort to make payments within thirty (30) *business days* of the approval of invoice and under a valid contract. Such payment amounts for work performed must be based on at least equivalent services rendered, and to the extent practical, will be keyed to clearly identifiable stages of progress as

reflected in written reports submitted with the invoices. Contractor will not be paid more than the maximum amount of the contract.

4. PROPOSALS

4.1. General Information

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

4.2. Contact After Solicitation Deadline

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

4.3. Code of Ethics

- 4.3.1.** The Contractor acknowledges that Chapter 15 of Title 42 of the Louisiana Revised Statutes (R.S. 42:1101 et. seq., Code of Governmental Ethics) applies to the Contracting Party in the performance of services called for in this contract. The Contractor agrees to immediately notify the state if potential violations of the Code of Governmental Ethics arise at any time during the term of this contract.
- 4.3.2.** Proposers are responsible for determining that there will be no conflict or violation of the Ethics Code if their company is awarded the contract. The Louisiana Board of Ethics is the only entity which can officially rule on ethics issues. Notwithstanding, any potential conflict of interest that is known or should reasonably be known by a proposer as it relates to the RFP should be immediately reported to the Department by proposer.

4.4. Rejection and Cancellation

- 4.4.1.** Issuance of this solicitation does not constitute a commitment by DHH to award a contract or contracts or to enter into a contract after an award has been made. The Department reserves the right to take any of the following actions that it determines to be in its best interest:
 - 4.4.1.1.** Reject all proposals received in response to this solicitation;
 - 4.4.1.2.** Cancel this RFP; or
 - 4.4.1.3.** Cancel or decline to enter into a contract with the successful proposer at any time after the award is made and before the contract receives final approval from the Division of Administration, Office of State Procurement.
- 4.4.2.** In accordance with the provisions of R.S. 39:2192, in awarding contracts after August 15, 2010, any public entity is authorized to reject a proposal or bid from, or not award the contract to, a business in which any individual with an ownership interest of five (5) percent or more, has been convicted of, or has entered a plea of guilty or nolo contendere to any State felony or equivalent federal felony crime committed in the solicitation or execution of a contract or bid awarded under the following provisions of the Louisiana Revised Statutes of 1950 governing public contracts: Title 38, Chapter 10 (public contracts); Title 39, Chapter 16 (professional, personal, consulting, and social services procurement); or Title 39, Chapter 17 (Louisiana Procurement Code).

4.5. Contract Award and Execution

- 4.5.1.** The Secretary of DHH reserves the right to:
 - 4.5.1.1.** Make an award without presentations by proposers or further discussion of proposals received.
 - 4.5.1.2.** Enter into a contract without further discussion of the proposal submitted based on the initial offers received.
 - 4.5.1.3.** Contract for all or a partial list of services offered in the proposal.
- 4.5.2.** The RFP and proposal of the selected Proposer shall become part of any contract initiated by the State.
- 4.5.3.** The selected Proposer shall be expected to enter into a contract that is substantially the same as the sample contract included in Attachment III. In no event shall a Proposer submit its own standard contract terms and conditions as a response to this RFP. The Proposer should submit with its

proposal any exceptions or exact contract deviations that its firm wishes to negotiate. Negotiations may begin with the announcement of the selected Proposer.

- 4.5.1. If the contract negotiation period exceeds fifteen (15) business days or if the selected Proposer fails to sign the final contract within ten (10) business days of delivery, the State may elect to cancel the award and award the contract to the next-highest-ranked Proposer. The Department has the option to waive this deadline if actions or inactions by the Department cause the delay.

4.5.2.

4.6. Assignments

No contractor shall assign any interest in this contract by assignment, transfer, or novation, without prior written consent of the State. This provision shall not be construed to prohibit the contractor from assigning to a bank, trust company, or other financial institution any money due or to become due from approved contracts without such prior written consent. Notice of any such assignment or transfer shall be furnished promptly to the State.

4.6.1.

4.7. Determination of Responsibility

- 4.7.1. Determination of the proposer's responsibility relating to this RFP shall be made according to the standards set forth in LAC 34:V.136. The State must find that the selected proposer:
 - 4.7.1.1. Has adequate financial resources for performance, or has the ability to obtain such resources as required during performance;
 - 4.7.1.2. Has the necessary experience, organization, technical qualifications, skills, and facilities, or has the ability to obtain them;
 - 4.7.1.3. Is able to comply with the proposed or required time of delivery or performance schedule;
 - 4.7.1.4. Has a satisfactory record of integrity, judgment, and performance; and
 - 4.7.1.5. Is otherwise qualified and eligible to receive an award under applicable laws and regulations.
- 4.7.2. Proposers should ensure that their proposals contain sufficient information for the State to make its determination by presenting acceptable evidence of the above to perform the contracted services.

4.8. Proposal and Contract Preparation Costs

- 4.8.1. The proposer assumes sole responsibility for any and all costs and incidental expenses associated with the preparation and reproduction of any proposal submitted in response to this RFP. The proposer to which the contract is awarded assumes sole responsibility for any and all costs and incidental expenses that it may incur in connection with: (1) the preparation, drafting or negotiation of the final contract; or (2) any activities that the proposer may undertake in preparation for, or in anticipation or expectation of, the performance of its work under the contract before the contract receives final approval from the Division of Administration, Office of State Procurement. The proposer shall not include these costs or any portion thereof in the proposed contract cost. The proposer is fully responsible for all preparation costs associated therewith even if an award is made but subsequently terminated by the Department.

4.9. Errors and Omissions

- 4.9.1. The State reserves the right to seek clarification of any proposal for the purpose of identifying and eliminatin minor irregularities or informalities.

4.10. Ownership of Proposal

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

4.11. Procurement Library/Resources Available To Proposer

- 4.11.1. Relevant material related to this RFP will be posted at the following web address:
<http://wwwprd1.doa.louisiana.gov/OSP/LaPAC/pubMain.cfm>

4.12. Proposal Submission

- 4.12.1.** All proposals must be received by the due date and time indicated on the Schedule of Events. Proposals received after the due date and time will not be considered. It is the sole responsibility of each proposer to assure that its proposal is delivered at the specified location prior to the deadline. Proposals which, for any reason, are not so delivered will not be considered.
- 4.12.2.** Proposer shall submit one (1) original hard copy (The Certification Statement must have original signature signed in ink) and should submit five (5) electronic copies (cds or flash drives) of the entire proposal and two (2) hard copies of the cost proposal. No facsimile or emailed proposals will be accepted. The cost proposal and financial Statements shall be submitted separately from the technical proposal; however, for mailing purposes, all packages may be shipped in one container.
- 4.12.3.** Proposals must be submitted via U.S. mail, courier or hand delivered to:
 - 4.12.3.1.** If courier mail or hand delivered:
Theresa Thibodeaux
Department of Health and Hospitals
Medicaid Program Support and Waivers
628 N 4th Street, 6th floor
Baton Rouge, LA 70802
 - 4.12.3.2.** If delivered via US Mail:
Theresa Thibodeaux
Department of Health and Hospitals
Medicaid Program Support and Waivers
P.O. Box 91030
Baton Rouge, LA 70821-1526

4.13. Proprietary and/or Confidential Information

- 4.13.1.** Only information which is in the nature of legitimate trade secrets or non-published financial data may be deemed proprietary or confidential. Any material within a proposal identified as such must be clearly marked in the proposal and will be handled in accordance with the Louisiana Public Records Act, R.S. 44:1-44 and applicable rules and regulations. Any proposal marked as confidential or proprietary in its entirety may be rejected without further consideration or recourse.
- 4.13.2.** Proposers are reminded that cost proposals will not be considered confidential under any circumstance and that protections for technical proposals must be claimed by the proposer at the time of submission of its technical proposal.

4.14. Proposal Format

- 4.14.1.** An item-by-item response to the Request for Proposals is requested.
- 4.14.2.** Proposers may include any additional information deemed pertinent. Emphasis should be on simple, straightforward and concise statements of the proposer's ability to satisfy the requirements of the RFP.
 - 4.14.2.1.** Requested Proposal Outline:
 - 4.14.2.2.** Table of Contents
 - 4.14.2.3.** Introduction/Administrative Data
- 4.14.3.** Project Methodology
- 4.14.4.** Relevant Corporate Experience
- 4.14.5.** Personnel Qualifications
- 4.14.6.** Additional Information
- 4.14.7.** Corporate Financial Condition
- 4.14.8.** Cost and Pricing Analysis

4.15. Proposal Content

- 4.15.1.** Quality and Timeliness
 - 4.15.1.1.** Proposals should include information that will assist the Department in determining the level of quality and timeliness that may be expected. The Department shall determine, at its sole discretion, whether or not the RFP provisions have been reasonably met. The proposal should describe the background and capabilities of the proposer, give details on how the services will

be provided, and shall include a breakdown of proposed costs. Work samples may be included as part of the proposal.

4.15.2. Assume Complete Responsibility

- 4.15.2.1.** Proposals should address how the proposer intends to assume complete responsibility for timely performance of all contractual responsibilities in accordance with federal and State laws, regulations, policies, and procedures.

4.15.3. Approach

- 4.15.3.1.** Proposals should define proposer's functional approach in providing services and identify the tasks necessary to meet the RFP requirements of the provision of services, as outlined in Section II.

4.15.4. Introduction/Administrative Data

- 4.15.4.1.** the introductory section should contain summary information about the proposer's organization; this section should State proposer's knowledge and understanding of the needs and objectives of DHH Bureau of Health Services Financing Medicaid, Self-Direction option as related to the scope of this RFP. it should further cite its ability to satisfy provisions of the Request for Proposal;

- 4.15.4.2.** this introductory section should include a description of how the proposer's organizational components communicate and work together in both an administrative and functional capacity from the top down; this section should contain a brief summary setting out the proposer's management philosophy including, but not limited to, the role of Quality Control, Professional Practices, Supervision, Distribution of Work and Communication Systems; this section should include an organizational chart displaying the proposer's overall structure;

- 4.15.4.3.** this section should also include the following information:

- 4.15.4.3.1.** location of Administrative Office with Full Time Personnel, include all office locations (address) with full time personnel;

- 4.15.4.3.2.** name and address of principal officer;

- 4.15.4.3.3.** name and address for purpose of issuing checks and/or drafts;

- 4.15.4.3.4.** for corporations, a Statement listing name(s) and address(es) of principal owners who hold five percent interest or more in the corporation;

- 4.15.4.3.5.** if out-of-State proposer, give name and address of local representative; if none, so state;

- 4.15.4.3.6.** if any of the proposer's personnel named is a current or former Louisiana State employee, indicate the Agency where employed, position, title, termination date, and social security number;

- 4.15.4.3.7.** if the proposer was engaged by DHH within the past twenty-four (24) months, indicate the contract number and/or any other information available to identify the engagement; if not, so State; and

- 4.15.4.3.8.** Proposer's State and federal tax identification numbers; and

- 4.15.4.3.9.** Veteran/Hudson Initiative: Proposer should demonstrate participation in Veteran Initiative and Hudson Initiative Small Entrepreneurships or explanation if not applicable. (See Attachment I)

- 4.15.4.4.** The following information **must** be included in the proposal:

- 4.15.4.4.1.** Certification Statement: The proposer must sign and submit an original Certification Statement (See Attachment II).

4.15.5. Project Methodology

- 4.15.5.1.** The proposer should articulate an understanding of, and ability to effectively implement services as outlined within Section 3 of the RFP. In this section the proposer should state the approach it intends to use in achieving each objective of the project as outlined, including a project work plan and schedule for implementation. In particular, the proposer should:

- 4.15.5.1.1.** provide a written explanation of the organizational structures of both operations and program administration, and how those structures will support service implementation.

Individual components should include plans for supervision, training, technical assistance, as well as collaboration as appropriate;

- 4.15.5.1.2.** provide a strategic overview including all elements to be provided;
- 4.15.5.1.3.** demonstrate an ability to hire staff with the necessary experience and skill set that will enable them to effectively meet the needs of consumers served;
- 4.15.5.1.4.** demonstrate an understanding of, and ability to implement, the various types of organizational strategies to be integrated within the day to day operations, which are critical in organizing their functioning and maximizing productivity;
- 4.15.5.1.5.** demonstrate knowledge of services to be provided and effective strategies to achieve objectives and effective service delivery;
- 4.15.5.1.6.** describe approach and strategy for project oversight and management;
- 4.15.5.1.7.** 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;
- 4.15.5.1.8.** demonstrate an understanding of and ability to implement data collection as needed;
- 4.15.5.1.9.** explain processes that will be implemented in order to complete all tasks and phases of the project in a timely manner, as outlined within Section II;
- 4.15.5.1.10.** articulate the ability to develop and implement an All Hazards Response plan in the event of an emergency event;
- 4.15.5.1.11.** refer to specific documents and reports that can be produced as a result of completing tasks, to achieve the requested deliverables;
- 4.15.5.1.12.** identify all assumptions or constraints on tasks;
- 4.15.5.1.13.** discuss what flexibility exists within the work plan to address unanticipated problems which might develop during the contract period;
- 4.15.5.1.14.** document procedures to protect the confidentiality of records in DHH databases, including records in databases that may be transmitted electronically via e-mail or the Internet.

4.15.6. Relevant Corporate Experience

- 4.15.6.1.** the proposal should indicate the proposer's firm has a record of prior successful experience in the implementation of the services sought through this RFP; proposers should include Statements specifying the extent of responsibility on prior projects and a description of the projects scope and similarity to the projects outlined in this RFP; all experience under this section should be in sufficient detail to allow an adequate evaluation by the Department; Proposer should demonstrate experience performing similar type projects within the last 24 months; proposers should give at least two customer references for performance on similar type projects within the last twenty-four (24) months; references shall include the name, email address and telephone number of each contact person.
- 4.15.6.2.** in this section, a Statement of the proposer's involvement in litigation that could affect this work should be included; if no such litigation exists, proposer should so State.

4.15.7. Personnel Qualifications

- 4.15.7.1.** the purpose of this section is to evaluate the relevant experience, resources, and qualifications of the proposed staff to be assigned to this project; the experience of proposer's personnel in implementing similar services to those to be provided under this RFP will be evaluated; the adequacy of personnel for the proposed project team will be evaluated on the basis of project tasks assigned, allocation of staff, professional skill mix, and level of involvement of personnel.
- 4.15.7.2.** proposers should state job responsibilities, workload and lines of supervision; an organizational chart identifying individuals and their job titles and major job duties should be included; the organizational chart should show lines of responsibility and authority.
- 4.15.7.3.** job descriptions, including the percentage of time allocated to the project and the number of personnel should be included and should indicate minimum education, training, experience, special skills and other qualifications for each staff position as well as specific job duties identified in the proposal; job descriptions should indicate if the position will be filled by a sub-contractor.

- 4.15.7.4. key personnel and the percentage of time directly assigned to the project should be identified;
- 4.15.7.5. résumés of all known personnel should be included. Resumes of proposed personnel should include, but not be limited to:
 - 4.15.7.5.1. experience with proposer;
 - 4.15.7.5.2. previous experience in projects of similar scope and size; and
 - 4.15.7.5.3. educational background, certifications, licenses, special skills, etc.; and

4.15.8. Additional Information

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

4.15.9. Corporate Financial Condition

- 4.15.9.1. the organization’s financial solvency will be evaluated; the proposer’s ability to demonstrate adequate financial resources for performance of the contract or the ability to obtain such resources as required during performance under this contract will be considered;
- 4.15.9.2. proposal should include for each of the last three (3) years, copies of financial Statements, preferably audited, including at least a balance sheet and profit and loss Statement, or other appropriate documentation which would demonstrate to the Department the proposer's financial resources sufficient to conduct the project.

4.15.10. Cost and Pricing Analysis

- 4.15.10.1. proposer shall specify costs for performance of tasks; proposal shall include all anticipated costs of successful implementation of all deliverables outlined. An item by item breakdown of costs shall be included in the proposal;
- 4.15.10.2. proposers shall submit the breakdown in a similar format to the attached Cost Worksheets form (See Attachment V).

4.16. Waiver of Administrative Informalities

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

4.17. Withdrawal of Proposal

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

5. EVALUATION AND SELECTION

5.1. Evaluation Criteria

- 5.1.1. The following criteria will be used to evaluate proposals:
 - 5.1.1.1. Evaluations will be conducted by a Proposal Review Committee;
 - 5.1.1.2. Evaluations of the financial Statements will be conducted by a member of the DHH Office of the Secretary Division of Fiscal Management;
 - 5.1.1.3. Scoring will be based on a possible total of 100 points and the proposal with the highest total score will be recommended for award;
 - 5.1.1.4. Cost Evaluation:
 - 5.1.1.4.1. the proposer with the lowest Total Monthly Cost, as shown in Worksheet 2 of Attachment V, shall receive 25 points. Other proposers shall receive points for cost based upon the following formula:

CPS = (LPC/PC)* 25
CPS = Cost Proposal Score
LPC = Lowest total monthly Proposal Cost of all proposers
PC = Individual total monthly Proposal Cost

5.1.1.4.2. the assignment of the 25 points based on the above formula will be calculated by the RFP Coordinator.

5.1.1.5. Hudson/Veteran Small Entrepreneurship Program

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

5.1.1.5.2. Proposer Status and Reserved Points:

5.1.1.5.2.1. Reserved points shall be added to the applicable proposers’ evaluation score as follows:

5.1.5.1.2.1.1. Proposer is a certified small entrepreneurship: Full amount of the reserved points

5.1.5.1.2.1.2. Proposer is not a certified small entrepreneurship but has engaged one or more certified small entrepreneurialships to participate as subcontractors or distributors. Points will be allocated based on the following criteria:

5.1.1.5.2.1.2.1. The number of certified small entrepreneurialships to be utilized

5.1.1.5.2.1.2.2. The experience and qualifications of the certified small entrepreneurship(s)

5.1.1.5.2.1.2.3. The anticipated earnings to accrue to the certified small entrepreneurship(s)

5.1.1.6. Evaluation Criteria and Assigned Weights

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

5.1.1.6.1.1. Evaluation Criteria and Assigned Weights:

Evaluation Criteria	Assigned Weight
Project Methodology	45
Corporate Experience	10
Qualification of Personnel	5
Financial Statements	5
Cost	28
Veteran and Hudson Initiatives	11
On Site Presentation (if held)	10
Total	114

5.2. On Site Presentation/Demonstration

5.2.1. The Department may select those proposers reasonably susceptible of receiving an award for an on-site presentation and/or demonstration for final determination of contract award. On-site presentations/demonstrations will allow the selected proposers to demonstrate their unique capability to provide the services requested in the RFP.

5.2.2. Proposers selected for on-site presentations/demonstrations should:

5.2.2.1. Provide a strategic overview of services to be provided,

5.2.2.2. Summarize major strengths,

5.2.2.3. Demonstrate flexibility and adaptability to handle both anticipated and unanticipated changes,

5.2.2.4. If possible, have the project manager and key personnel in attendance to provide their view of the partnership envisioned with the Department.

5.2.3. An additional 10 points may be awarded as a result of the on-site presentation/demonstration.

5.3. Evaluation Team

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

5.4. Administrative and Mandatory Screening

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

5.5. Clarification of Proposals

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

5.6. Announcement of Award

- 5.6.1. Subject to the provisions of Paragraph 4.4 above, the Department will award the contract to the proposer with the highest graded proposal and deemed to be in the best interest of the Department. All proposers will be notified of the contract award. The Department will notify the successful proposer in writing and proceed to negotiate contract terms. Mandatory requirements established by the Department and/or the Evaluation Team are not subject to negotiation.

6. SUCCESSFUL CONTRACTOR REQUIREMENTS

6.1. Confidentiality of Data

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

6.2. Taxes

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

6.3. Fund Use

- 6.3.1. Contractor agrees not to use contract proceeds to urge any elector to vote for or against any candidate or proposition on an election ballot nor shall such funds be used to lobby for or against any proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority. This provision shall not prevent the normal dissemination of factual information relative to a proposition on any election ballot or a proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority.

7. CONTRACTUAL INFORMATION

7.1. Contract

- 7.1.1. The contract between DHH and the Contractor shall include the standard DHH contract form CF-1 (Attachment III) including a negotiated scope of work, the RFP and its amendments and addenda, and the Contractor’s proposal. The attached CF-1 contains basic information and general terms and conditions of the contract to be awarded. In addition to the terms of the CF-1 and supplements, the following will be incorporated into the contract awarded through this RFP:

- 7.1.1.1. Personnel Assignments

- 7.1.1.1.1.** the Contractor’s key personnel assigned to this contract may not be replaced without the written consent of the Department; such consent shall not be unreasonably withheld or delayed provided an equally qualified replacement is offered; key personnel for these purposes will be determined during contract negotiation;
- 7.1.1.2.** Force Majeure
- 7.1.1.2.1.** the contractor and the Department are excused from performance under contract for any period they may be prevented from performance by an Act of God, strike, war, civil disturbance, epidemic or court order;
- 7.1.1.3.** Order of Precedence
- 7.1.1.3.1.** the contract shall, to the extent possible, be construed to give effect to all provisions contained therein; however, where provisions conflict, the intent of the parties shall be determined by giving first priority to provisions of the contract excluding the RFP and the proposal; second priority to the provisions of the RFP and its amendments and addenda; and third priority to the provisions of the proposal;
- 7.1.1.4.** Entire Agreement
- 7.1.1.4.1.** this contract, together with the RFP and its amendments and addenda issued thereto by the Department, the proposal submitted by the contractor in response to the Department’s RFP, and any exhibits specifically incorporated herein by reference constitute the entire agreement between the parties with respect to the subject matter;
- 7.1.1.5.** Board Resolution/Signature Authority
- 7.1.1.5.1.** the contractor, if a corporation, shall secure and attach to the contract a formal Board Resolution indicating the signatory to the contract is a corporate representative and authorized to sign said contract;
- 7.1.1.6.** Warranty to Comply with State and Federal Regulations
- 7.1.1.6.1.** the contractor shall warrant that it shall comply with all state and federal regulations as they exist at the time of the contract or as subsequently amended;
- 7.1.1.7.** Warranty of Removal of Conflict of Interest
- 7.1.1.7.1.** the contractor shall warrant that it, its officers, and employees have no interest and shall not acquire any interest, direct or indirect, which conflicts in any manner or degree with the performance of services hereunder; the contractor shall periodically inquire of its officers and employees concerning such conflicts, and shall inform the Department promptly of any potential conflict; the contractor shall warrant that it shall remove any conflict of interest prior to signing the contract;
- 7.1.1.8.** Corporation Requirements
- 7.1.1.8.1.** If the contractor is a corporation, the following requirements must be met prior to execution of the contract:
- 7.1.1.8.1.1.** if the contractor is a for-profit corporation whose stock is not publicly traded, the contractor shall ensure that a disclosure of ownership form has been properly filed with the Secretary of State of Louisiana at <http://www.sos.la.gov/BusinessServices/Pages/default.aspx>;
- 7.1.1.8.1.2.** if the contractor is a corporation not incorporated under the laws of the State of Louisiana-the contractor must obtain a Certificate of Authority pursuant to R.S. 12:301-302 from the Louisiana Secretary of State; and
- 7.1.1.8.1.3.** the contractor must provide written assurance to the Department from contractor’s legal counsel that the contractor is not prohibited by its articles of incorporation, bylaws or the laws under which it is incorporated from performing the services required under the contract.
- 7.1.1.9.** Contract Controversies
- 7.1.1.9.1.** any claim or controversy arising out of the contract shall be resolved by the provisions of Louisiana Revised Statutes 39:1672.2-1672.4
- 7.1.1.10.** Right To Audit

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

7.1.1.11. Contract Modification

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

7.1.1.12. Severability

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

7.1.1.13. Applicable Law

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

7.2. Mutual Obligations and Responsibilities

7.2.1. The state requires that the mutual obligations and responsibilities of DHH and the successful proposer be recorded in a written contract. While final wording will be resolved at contract time, the intent of the provisions will not be altered and will include all provisions as specified in the attached CF-1 (Attachment III).

7.3. Retainage

7.3.1. The Department shall secure a retainage of 10% from all billings under the contract as surety for performance. On successful completion of contract deliverables, the retainage amount may be released on an annual basis. Within ninety (90) business days of the termination of the contract, if the contractor has performed the contract services to the satisfaction of the Department and all invoices appear to be correct, the Department shall release all retained amounts to the contractor.

7.4. Indemnification and Limitation of Liability

7.4.1. Neither party shall be liable for any delay or failure in performance beyond its control resulting from acts of God or force majeure; the parties shall use reasonable efforts to eliminate or minimize the effect of such events upon performance of their respective duties under Contract.

7.4.2. the Contractor shall be fully liable for the actions of its agents, employees, or partners and shall fully indemnify and hold harmless the State and its Authorized Users from suits, actions, damages and costs of every name and description relating to personal injury and damage to real or personal tangible property caused by Contractor, its agents, employees, or partners, without limitation; provided, however, that the Contractor shall not indemnify for that portion of any claim, loss or damage arising hereunder due to the negligent act or failure to act of the State; if applicable, Contractor will indemnify, defend and hold the State and its Authorized Users harmless, without limitation, from and against any and all damages, expenses (including reasonable attorneys' fees), claims, judgments, liabilities and costs which may be finally assessed against the State in any action for infringement of a United States Letter Patent with respect to the Products furnished, or of any copyright, trademark, trade secret or intellectual property right, provided that the State shall give the Contractor: (i) prompt written notice of any action, claim or threat of infringement suit, or other suit, (ii) the opportunity to take over, settle or defend such action, claim or suit at Contractor's sole expense, and (iii) assistance in the defense of any such action at the expense of Contractor. Where a dispute or claim arises relative to a real or anticipated infringement, the State or its Authorized Users may require Contractor, at its sole expense, to submit such information and documentation, including formal patent attorney opinions, as the Commissioner of Administration shall require;

7.4.3. the Contractor shall not be obligated to indemnify that portion of a claim or dispute based upon: i) Authorized User's unauthorized modification or alteration of a Product, Material or Service; ii) Authorized User's use of the Product in combination with other products not furnished by Contractor; iii) Authorized User's use in other than the specified operating conditions and environment;

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

7.5. Termination

7.5.1. Termination For Cause

- 7.5.1.1.** State may terminate this Contract for cause based upon the failure of Contractor to comply with the terms and/or conditions of the Contract; provided that the State shall give the Contractor written notice specifying the Contractor's failure. If within thirty (30) business days after receipt of such notice, the Contractor shall not have either corrected such failure or, in the case of failure which cannot be corrected in thirty (30) business days, begun in good faith to correct said failure and thereafter proceeded diligently to complete such correction, then the State may, at its option, place the Contractor in default and the Contract shall terminate on the date specified in such notice. Failure to perform within the time agreed upon in the contract may constitute default and may cause cancellation of the contract.
- 7.5.1.2.** Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the State to comply with the terms and conditions of this contract provided that the Contractor shall give the State written notice specifying the State agency's failure and a reasonable opportunity for the state to cure the defect.

7.5.2. Termination For Convenience

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

7.5.3. Termination For Non-Appropriation Of Funds

- 7.5.3.1.** The continuation of this contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of the contract by the legislature. If the legislature fails to appropriate sufficient monies to provide for the continuation of the contract, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act of Title 39 of the Louisiana Revised Statutes of 1950 to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of the contract, the contract shall terminate on the date of the beginning of the first fiscal year for which funds have not been appropriated.

8. ATTACHMENTS:

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

Attachment I – Veteran and Hudson Initiatives

Veteran-Owned And Service-Connected Small Entrepreneurships

(Veteran Initiatives) And Louisiana Initiative

For Small Entrepreneurships (Hudson Initiative) Programs

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

The State of Louisiana Veteran and Hudson Initiatives are designed to provide additional opportunities for Louisiana-based small entrepreneurship (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 <http://smallbiz.louisianaeconomicdevelopment.com>.

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

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

Proposer Status and Reserved Points

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

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

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

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

<http://legis.la.gov/lss/lss.asp?doc=96265> The rules for the Veteran Initiative (LAC 19:VII. Chapters 11 and 15) and for the Hudson Initiative (LAC 19:VIII.Chapters 11 and 13) may be viewed at <http://www.doa.louisiana.gov/osp/se/se.htm>

A current list of certified Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship may be obtained from the Louisiana Economic Development Certification System at <http://smallbiz.louisianaeconomicdevelopment.com>. Additionally, a list of Hudson and Veteran Initiative small entrepreneurship, which have been certified by the Louisiana Department of Economic Development and who have opted to register in the State of Louisiana LaGov Supplier Portal https://lagoverpvendor.doa.louisiana.gov/irj/portal/anonymous?guest_user=self_reg may be accessed from the State of Louisiana Procurement and Contract (LaPAC) Network <http://www.wprd1.doa.louisiana.gov/OSP/LaPac/Vendor/VndPubMain.cfm?tab=2sp>. 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.

Attachment II – Certification Statement

CERTIFICATION STATEMENT

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

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

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

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

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

1. The information contained in its response to this RFP is accurate;
2. Proposer complies with each of the mandatory requirements listed in the RFP and will meet or exceed the functional and technical requirements specified therein;
3. Proposer accepts the procedures, evaluation criteria, mandatory contract terms and conditions, and all other administrative requirements set forth in this RFP.
4. Proposer's technical and cost proposals are valid for at least 90 business days from the date of proposer's signature below;
5. Proposer understands that if selected as the successful Proposer, if the contract negotiation period exceeds fifteen (15) business days or if the selected Proposer fails to sign the final contract within (10) business days of delivery, the State may elect to cancel the award and award the contract to the next-highest ranked Proposer. The Department has the option to waive this deadline if actions or inactions by the Department cause the delay.
6. Proposer certifies, by signing and submitting a proposal for \$25,000 or more, that their company or principals are not suspended or debarred by the General Services Administration (GSA) in accordance with the requirements in OMB Circular A-133. (A list of parties who have been suspended or debarred can be viewed via the internet at <https://www.sam.gov>).

Authorized Signature:
Original Signature Only: Electronic or Photocopy Signature are NOT Allowed

Print Name:

Title:

Attachment III – Sample Contract (CF-1)

DHH - CF - 1
Revised: 2015-09

CONTRACT BETWEEN STATE OF LOUISIANA
DEPARTMENT OF HEALTH AND HOSPITALS

LAGOV:
DHH:
Agency #

AND

FOR

☐ Personal Services ☐ Professional Services ☐ Consulting Services ☐ Social Services

1) Contractor (Legal Name if Corporation) <div></div>			5) Federal Employer Tax ID# or Social Security # (Must be 11 Digits) <div></div>	
2) Street Address <div></div>			6) Parish(es) Served <div></div>	
City <div></div>	State <div></div>	Zip Code <div></div>	7) License or Certification # <div></div>	
3) Telephone Number <div></div>			8) Contractor Status Subrecipient: <div><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No</div> Corporation: <div><input type="checkbox"/> No Yes <input type="checkbox"/> No Yes</div> For Profit: <div><input type="checkbox"/> No <input type="checkbox"/></div> Publicly Traded: <div><input type="checkbox"/> <input type="checkbox"/></div>	
4) Mailing Address (if different) <div></div>				
City <div></div>	State <div></div>	Zip Code <div></div>	8a) CFDA#(Federal Grant #) <div></div>	

9) Brief Description Of Services To Be Provided:

10) Effective Date <div></div>	11) Termination Date <div></div>
12) Maximum Contract Amount <div></div>	
13) Amounts by Fiscal Year <div></div>	

14) Terms of Payment
If progress and/or completion of services are provided to the satisfaction of the initiating Office/Facility, payments are to be made as follows:

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

PAYMENT WILL BE MADE ONLY UPON APPROVAL OF:	First Name <div></div>	Last Name <div></div>
	Title <div></div>	Phone Number <div></div>

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

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

1. **Discrimination Clause:** Contractor hereby agrees to abide by the requirements of the following as applicable: Titles VI and VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972; the Vietnam Era Veterans' Readjustment Assistance Act of 1974; Americans with Disabilities Act of 1990; the Rehabilitation Act of 1973; Federal Executive Order 11246 as amended; Title IX of the Education Amendments of 1972; the Age Discrimination Act of 1975; the Fair Housing Act of 1968; and all applicable requirements imposed by or pursuant to the regulations of the U. S. Department of Health and Human Services.

Contractor agrees not to discriminate in the rendering of services to and/or employment of individuals because of race, color, religion, sex, age, national origin, 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 confidentiality which safeguard information and the patient/client confidentiality. Information obtained shall not be used in any manner except as necessary for the proper discharge of Contractor's obligations. (The Contractor shall establish, subject to review and approval of the Department, confidentiality rules and facility access procedures.)
3. **Auditors:** The State Legislative Auditor, Office of the Governor, Division of Administration, and Department Auditors or those designated by the Department shall have the option of auditing all accounts pertaining to this contract during the contract and for a three year period following final payment. Contractor grants to the State of Louisiana, through the Office of the Legislative Auditor, Department of Health and Hospitals, and Inspector General's Office, Federal Government and/or other such officially designated body the right to inspect and review all books and records pertaining to services rendered under this contract, and further agrees to guidelines for fiscal administration as may be promulgated by the Department. Records will be made available during normal working hours.

Contractor shall comply with federal and state laws and/or DHH Policy requiring an audit of the Contractor's operation as a whole or of specific program activities. Audit reports shall be sent within thirty (30) days after the completion of the audit, but no later than six (6) months after the end of the audit period. If an audit is performed within the contract period, for any period, four (4) copies of the audit report shall be sent to the Department of Health and Hospitals, Attention: **Division of Fiscal Management, P. O. Box 91117, Baton Rouge, LA 70821-3797** and one (1) copy of the audit shall be sent to the **originating DHH Office**.

4. **Record Retention:** Contractor agrees to retain all books, records and other documents relevant to the contract and funds expended thereunder for at least four (4) years after final payment or as prescribed in 45 CFR 74:53 (b) whichever is longer. Contractor shall make available to the Department such records within thirty (30) days of the Department's written request and shall deliver such records to the Department's central office in Baton Rouge, Louisiana, all without expense to the Department. Contractor shall allow the Department to inspect, audit or copy records at the contractor's site, without expense to the Department.
5. **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 to this contract and/or obtained or prepared by Contractor in connection with the performance of the services contracted for herein shall become the property of the Department, and shall, upon request, be returned by Contractor to the Department, at Contractor's expense, at termination or expiration of this contract.
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, 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. The 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 contract term all necessary insurance including automobile insurance, workers' compensation insurance, and general liability insurance. The required insurances shall protect the Contractor, the Department of Health and Hospitals, and the State of Louisiana from all claims related to Contractor's performance of this contract. Certificates of Insurance shall be filed with the Department for approval. Said policies shall not be canceled, permitted to expire, or be changed without thirty (30) days advance written notice to the Department. Commercial General Liability Insurance shall provide protection during the performance of work covered by the contract from claims or damages for personal injury, including accidental death, as well as claims for property damages, with combined single limits prescribed by the Department.
9. **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 which 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 effective period of the contract, Contractor must notify his/her appointing authority of any existing contract with State of Louisiana and notify the contracting office of any additional state employment. This is applicable only to contracts with individuals.
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 State shall remain the property of State, and shall be returned by Contractor to State, at Contractor's expense, at termination or expiration of this contract. All non-third party software and source code, records, reports, documents, or other material related to this contract and/or obtained or prepared by Contractor in connection with the performance of the services contracted for herein shall become the property of State, and shall be returned by Contractor to State, at Contractor's expense, at termination or expiration of this contract.

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 conditions and provisions as the Department may deem necessary; provided, however, that notwithstanding the foregoing, unless otherwise provided in this contract, such prior written approval shall not be required for the purchase by the contractor of supplies and services which are incidental but necessary for the performance of the work required under this contract.

No subcontract shall relieve the Contractor of the responsibility for the performance of contractual obligations described herein.

14. **Conflict of Interest:** 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 R.S. 42:1113.
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 determines that certain costs which have been reimbursed to Contractor pursuant to this or previous contracts are not allowable, the Department shall have the right to set off and withhold said amounts from any amount due the Contractor under this contract for costs that are allowable.
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.

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's 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:
 - o Electronic submission of data and reports to the Federal Audit Clearinghouse (FAC) (2 CFR §200.512(d)).
 - o 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 \$2,000, 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 DHH, the Department shall promptly notify Contractor in writing and Contractor shall defend such claim in DHH's name, but at Contractor's expense and shall indemnify and hold harmless DHH against any loss, expense or liability arising out of such claim, whether or not such claim is successful. This provision is not applicable to contracts with physicians, psychiatrists, psychologists or other allied health providers solely for medical services.
20. **Purchased Equipment:** Any equipment purchased under this contract remains the property of the Contractor for the period of this contract and future continuing contracts for the provision of the same services. Contractor must submit vendor invoice with reimbursement request. For the purpose of this contract, equipment is defined as any tangible, durable property having a useful life of at least (1) year and acquisition cost of \$1000.00 or more. The contractor has the responsibility to submit to the Contract Monitor an inventory list of DHH equipment items when acquired under the contract and any additions to the listing as they occur. Contractor will submit an updated, complete inventory list on a quarterly basis to the Contract Monitor. Contractor agrees that upon termination of contracted services, the equipment purchased under this contract reverts to the Department. Contractor agrees to deliver any such equipment to the Department within 30 days of termination of services.
21. **Indemnity:** Contractor agrees to protect, indemnify and hold harmless the State of Louisiana, DHH, from all claims for damages, costs, expenses and attorney fees arising in contract or tort from this contract or from any acts or omissions of Contractor's agents, employees, officers or clients, including premises liability and including any claim based on any theory of strict liability. This provision does not apply to actions or omissions for which R.S. 40:1299.39 provides malpractice coverage to the Contractor, nor claims related to treatment and performance of evaluations of persons when such persons cause harm to third parties (R.S. 13:5108.1(E)). Further, it does not apply to premises liability when the services are being performed on premises owned and operated by DHH.

22. **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 and Federal law, or applicable State or Federal regulations.
23. **Entire Agreement and Order of Precedence:** Contractor agrees that the current contract supersedes all previous contracts, negotiations, and all other communications between the parties with respect to the subject matter of the current contract. This contract together with the RFP and contractor's proposal which are incorporated herein; shall, to the extent possible, be construed to give effect to all of its provisions; however, where provisions are in conflict, first priority shall be given to the provisions of the contract, excluding the Request for Proposals, its amendments and the Proposal; second priority shall be given to the provisions of the Request for Proposals and its amendments; and third priority shall be given to the provisions of the Contractor's Proposal.
24. **E-Verify:** Contractor acknowledges and agrees to comply with the provision of 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 R.S. 39:1672.2-1672.4.
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 R.S. 39:1551-1736; rules and regulations; executive orders; standard terms and conditions, and specifications listed in the RFP (if applicable); and this Contract.
27. **Contractor's Cooperation:** The Contractor has the duty to fully cooperate with the State and provide any and all requested information, documentation, etc. to the state when requested. This applies even if this Contract is terminated and/or a lawsuit is filed. Specifically, the 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 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 on the List of Parties Excluded from Federal Procurement or Nonprocurement Programs promulgated in accordance with E.O.s 12549 and 12689, "Debarment and Suspension," as set forth at 24CFR Part 24.
30. **Termination for Cause:** The Department may terminate this Contract for cause based upon the failure of the Contractor to comply with the terms and/or conditions of the Contract; provided that the Department shall give the Contractor written notice specifying the Contractor's failure. If within thirty (30) days after receipt of such notice, the Contractor shall not have either corrected such failure or, in the case of failure which cannot be corrected in thirty (30) days, begun in good faith to correct said failure and thereafter proceeded diligently to complete such correction, then the Department may, at its option, place the Contractor in default and the Contract shall terminate on the date specified in such notice. The 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 the Contractor shall give the Department written notice specifying the Department's failure and a reasonable opportunity for the state to cure the defect.
31. **Termination for Convenience:** The Department may terminate this Contract at any time by giving thirty (30) days written notice to the Contractor. The Contractor shall be entitled to payment for deliverables in progress, to the extent work has been performed satisfactorily.
32. **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, any Contractor and/or any subcontractor of the Contractor shall not be deemed a conflict of interest when the Commissioner is discharging her duties and responsibilities under law, including, but not limited, to the Commissioner of Administration's authority in procurement matters.

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

STATE OF LOUISIANA
DEPARTMENT OF HEALTH AND
HOSPITALS

SIGNATURE	DATE
DATE	

SIGNATURE

NAME
TITLE

NAME
TITLE

SIGNATURE	DATE
DATE	

SIGNATURE

NAME
TITLE

NAME
TITLE

|

Rev 09/2013 **ATTACHMENT IV - HIPAA Business Associate Addendum**

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

1. The Louisiana Department of Health and Hospitals ("DHH") is a Covered Entity, as that term is defined herein, because it functions as a health plan and as a health care provider that transmits health information in electronic form.
2. Contractor is a Business Associate of DHH, as that term is defined herein, because Contractor either: (a) creates, receives, maintains, or transmits PHI for or on behalf of DHH; or (b) provides legal, actuarial, accounting, consulting, data aggregation, management, administrative, accreditation, or financial services for DHH involving the disclosure of PHI.
3. **Definitions:** As used in this addendum –
 - A. The term "HIPAA Rules" refers to the federal regulations known as the HIPAA Privacy, Security, Enforcement, and Breach Notification Rules, found at 45 C.F.R. Parts 160 and 164, which were originally promulgated by the U. S. Department of Health and Human Services (DHHS) pursuant to the Health Insurance Portability and Accountability Act ("HIPAA") of 1996 and were subsequently amended pursuant to the Health Information Technology for Economic and Clinical Health ("HITECH") Act of the American Recovery and Reinvestment Act of 2009.
 - B. The terms "Business Associate", "Covered Entity", "disclosure", "electronic protected health information" ("electronic PHI"), "health care provider", "health information", "health plan", "protected health information" ("PHI"), "subcontractor", and "use" have the same meaning as set forth in 45 C.F.R. § 160.103.
 - C. The term "security incident" has the same meaning as set forth in 45 C.F.R. § 164.304.
 - D. The terms "breach" and "unsecured protected health information" ("unsecured PHI") have the same meaning as set forth in 45 C.F.R. § 164.402.
4. Contractor and its agents, employees and subcontractor shall comply with all applicable requirements of the HIPAA Rules and shall maintain the confidentiality of all PHI obtained by them pursuant to this contract and addendum as required by the HIPAA Rules and by this contract and addendum.
5. Contractor shall use or disclose PHI solely: (a) for meeting its obligations under the contract; or (b) as required by law, rule or regulation (including the HIPAA Rules) or as otherwise required or permitted by this contract and addendum.
6. Contractor shall implement and utilize all appropriate safeguards to prevent any use or disclosure of PHI not required or permitted by this contract and addendum, including administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic protected health information that it creates, receives, maintains, or transmits on behalf of DHH.
7. In accordance with 45 C.F.R. § 164.502(e)(1)(ii) and (if applicable) § 164.308(b)(2), Contractor shall ensure that any agents, employees, subcontractor 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 subcontractor' actions or omissions do not cause Contractor to violate this contract and addendum.
8. Contractor shall, within three (3) days of becoming aware of any use or disclosure of PHI, other than as permitted by this contract and addendum, report such disclosure in writing to the person(s) named in section 14 (Terms of Payment), page 1 of the CF-1. Disclosures which must be reported by Contractor include, but are not limited to, any security incident, any breach of unsecured PHI, and any "breach of the security system" as defined in the Louisiana Database Security Breach Notification Law, La.R.S. 51:3071 *et seq.* At the option of DHH, any harm or damage resulting from any use or disclosure which violates this contract and addendum shall be mitigated, to the extent practicable, either: (a) by Contractor at its own

expense; or (b) by DHH, in which case Contractor shall reimburse DHH for all expenses that DHH is required to incur in undertaking such mitigation activities.

9. To the extent that Contractor is to carry out one or more of DHH's obligations under 45 C.F.R. Part 164, Subpart E, Contractor shall comply with the requirements of Subpart E that apply to DHH in the performance of such obligation(s).
10. Contractor shall make available such information in its possession which is required for DHH to provide an accounting of disclosures in accordance with 45 CFR § 164.528. In the event that a request for accounting is made directly to Contractor, Contractor shall forward such request to DHH within two (2) days of such receipt. Contractor shall implement an appropriate record keeping process to enable it to comply with the requirements of this provision. Contractor shall maintain data on all disclosures of PHI for which accounting is required by 45 CFR § 164.528 for at least six (6) years after the date of the last such disclosure.
11. Contractor shall make PHI available to DHH upon request in accordance with 45 CFR § 164.524.
12. Contractor shall make PHI available to DHH upon request for amendment and shall incorporate any amendments to PHI in accordance with 45 CFR § 164.526.
13. Contractor shall make its internal practices, books, and records relating to the use and disclosure of PHI received from or created or received by Contractor on behalf of DHH available to the Secretary of the U. S. DHHS for purposes of determining DHH's compliance with the HIPAA Rules.
14. Contractor shall indemnify and hold DHH harmless from and against any and all liabilities, claims for damages, costs, expenses and attorneys' fees resulting from any violation of this addendum by Contractor or by its agents, employees or subcontractor, without regard to any limitation or exclusion of damages provision otherwise set forth in the contract.
15. The parties agree that the legal relationship between DHH and Contractor is strictly an independent Contractor relationship. Nothing in this contract and addendum shall be deemed to create a joint venture, agency, partnership, or employer-employee relationship between DHH and Contractor.
16. Notwithstanding any other provision of the contract, DHH shall have the right to terminate the contract immediately if DHH determines that Contractor has violated any provision of the HIPAA Rules or any material term of this addendum.
17. At the termination of the contract, or upon request of DHH, whichever occurs first, Contractor shall return or destroy (at the option of DHH) all PHI received or created by Contractor that Contractor still maintains in any form and retain no copies of such information; or if such return or destruction is not feasible, Contractor shall extend the confidentiality protections of the contract to the information and limit further uses and disclosure to those purposes that make the return or destruction of the information infeasible.

Attachment V – Cost Worksheets

Cost Worksheets

Instructions:

Proposers shall complete the below cost worksheets to be considered for award. If it is not completed, the Proposer will be disqualified from consideration.

Worksheet 1

Please propose an all inclusive per member per month fee to provide Fiscal Management services:

Fiscal Management Services PMPM Rate

Please propose an all inclusive per member per month fee to provide Support Brokerage services:

Support Brokerage PMPM Rate

Note: Not all participants receiving Fiscal Management services will need or receive Support Brokerage Services.

Worksheet 2

Complete the worksheet based upon the data provided in Worksheet 1.

- 775 Participants receiving Fiscal Management Services
- 650 Participants receiving Support Brokerage Services

A. Monthly Fiscal Management Cost for 775 Participants	B. Monthly Support Brokerage Cost for 650 Participants	C. Total Monthly Cost (A + B)