

1. **Parties.** This is a contract for personal services between the State of Vermont, Office of Vermont Health Access (OVHA) (hereafter called "State"), and Innovative Resource Group LLC d/b/a APS Healthcare Midwest (APS), with a principal place of business in 8403 Colesville Road, Suite 1600, Silver Spring, MD 20910 (hereafter called "Contractor"). Contractor's form of business organization is a limited liability corporation. If the contractor does not have a Business Account Number, it is the contractor's responsibility to contact the Vermont Department of Taxes to determine if, by law, the contractor is required to have a Vermont Department Taxes Business Account Number.
2. **Subject Matter.** The subject matter of this contract is personal services generally on the subject of health and disease management services for the OVHA Chronic Care Management Program which includes Intervention Services and Health Risk Assessment Administration. Detailed services to be provided by the Contractor are described in Attachment A.
3. **Maximum Amount.** In consideration of the services to be performed by Contractor, the State agrees to pay Contractor, in accordance with the payment provisions specified in Attachment B, a sum not to exceed \$11,079,600.00.
4. **Contract Term.** The period of Contractor's performance shall begin on June 15, 2007 and end on June 30, 2010. This contract may be extended up to four additional years subject to the agreement of both parties.
5. **Prior Approvals.** If approval by the Attorney General's Office or the Secretary of Administration is required, (under current law, bulletins, and interpretations), neither this contract nor any amendment to it is binding until it has been approved by either or both such persons.

Approval by the Attorney General's Office **is** required.

Approval by the Secretary of Administration **is** required.

Approval by the CIO/Commissioner DII is not required.

6. **Amendment.** No changes, modifications, or amendments in the terms and conditions of this contract shall be effective unless reduced to writing, numbered and signed by the duly authorized representative of the State and Contractor.
7. **Cancellation.** This contract may be cancelled by either party by giving written notice at least 60 days in advance.
8. **Attachments.** This contract consists of 45 pages including the following attachments and appendices which are incorporated herein:

Attachment A - Specifications of Work to be Performed

Appendix I: Performance Standards & Operational Metrics: Intervention Services

Appendix II: Performance Standards & Operational Metrics: Health Risk Assessment Administration

Appendix III: Performance Standards & Operational Metrics: Chronic Care Management Intervention Standards

Attachment B - Payment Provisions

Appendix I: Intervention Services - Costs by Year and Deliverables

Appendix II: Intervention Services - Summary Detail of Cost Components

Appendix III: Health Risk Assessment - Costs by Year and Deliverables

Appendix IV: Health Risk Assessment - Summary Detail of Cost Components

Attachment C - "Customary State Contract provisions"

Attachment D - Certificate of Insurance
Attachment E - Business Associate Agreement
Attachment F - "AHS Customary Contract Provisions"
Attachment G - Contract CD that includes the following:

<u>Folder</u>	<u>Name of File</u>
RFP	1. RFP for CCM Intervention Services & Health Risk Assessment 10/05/06 2. Final RFP Questions & Answers Bidder Conference 12/01/06 3. Final RFP Questions & Answers Written 12/01/06 4. Addendum Revised Procurement Schedule 12/01/06 5. Addendum Questions & Answers Written 12/14/06 6. Addendum Revised Procurement Schedule (#4) 01/03/07 7. Addendum Revised Procurement Schedule 01/26/07 8. Addendum Revised Procurement Schedule 02/13/07 9. Addendum Revised Procurement Schedule 03/22/07
APS Technical Proposal	1. - 26. APS Healthcare Midwest Proposal 01/02/07
APS Cost Proposals	1. - 3. APS Healthcare Cost Proposal 01/02/07 IVS & HRA 4. APS CCM HRA Revised Cost Proposal 03/22/07 5. APS CCM HRA Revised Cost Proposal 05/08/07
APS Additional Information	1. APS Response to OVHA's Questions 03/13/07 2. APS Response to OVHA's Questions 03/14/07 3. APS Letter to OVHA 03/20/07 Final 4. APS Letter to OVHA 03/22/07 Final 5. - 8. APS Response Additional Resumes Proprietary Information 03.20.07

The order of precedence of documents shall be as follows: Order will need to be restated once we know what all the attachments are

- 1). This document
- 2). Attachment C
- 3). Attachment A
- 4). Attachment B
- 5). Attachment E
- 6) Attachment F
- 7) Attachment G – CD Files

Folder

Name of File

- RFP
1. RFP for CCM Intervention Services & Health Risk Assessment 10/05/06
 2. Final RFP Questions & Answers Bidder Conference 12/01/06
 3. Final RFP Questions & Answers Written 12/01/06
 4. Addendum Revised Procurement Schedule 12/01/06
 5. Addendum Questions & Answers Written 12/14/06
 6. Addendum Revised Procurement Schedule (#4) 01/03/07
 7. Addendum Revised Procurement Schedule 01/26/07
 8. Addendum Revised Procurement Schedule 02/13/07
 9. Addendum Revised Procurement Schedule 03/22/07

APS

Technical
Proposal

1. – 26. APS Healthcare Midwest Proposal 01/02/07

APS

Cost
Proposals

1. – 3. APS Healthcare Cost Proposal 01/02/07 IVS & HRA
4. APS CCM HRA Revised Cost Proposal 03/22/07
5. APS CCM HRA Revised Cost Proposal 05/08/07

APS

Additional
Information

1. APS Response to OVHA's Questions 03/13/07
2. APS Response to OVHA's Questions 03/14/07
3. APS Letter to OVHA 03/20/07 Final
4. APS Letter to OVHA 03/22/07 Final
5. – 8. APS Response Additional Resumes Proprietary Information 03/20/07

- 8) Attachment D

WE THE UNDERSIGNED PARTIES AGREE TO BE BOUND BY THIS CONTRACT.

BY THE STATE OF VERMONT:

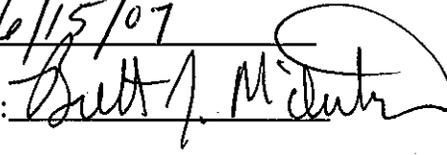
Date: 6-19-2007

Signature: 

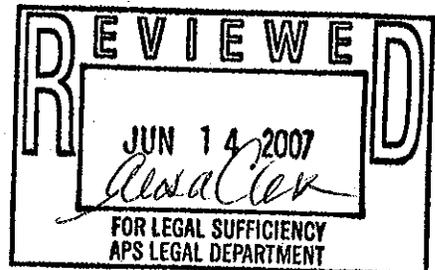
Name: Joshua Slen
Title: Director
Office of Vermont Health Access

BY THE CONTRACTOR:

Date: 6/15/07

Signature: 

Name: ~~David Hunsaker~~ BRETT MCINTYRE
Title: ~~President, APS Public Programs~~ CFO
Federal ID #39-2013972



**ATTACHMENT A
SPECIFICATIONS OF WORK TO BE PERFORMED**

I. OVERVIEW

The contractor will operate a Chronic Care Management Program (CCMP) for Medicaid beneficiaries with chronic health conditions. This includes Provider Engagement and Education, Population Stratification, Health Risk Assessment Administration, Targeted Disease-Specific Self-Management Consumer Mailings, Telephonic Nurse Support, and Face-to-Face Care Management.

All terms and conditions included in the Request for Proposals (RFP), APS's proposal in response to the RFP, subsequent written questions prepared by the State and answers submitted by APS to the State between January 4, 2007 and April 5, 2007, and the subsequent amended HRA proposal are binding and considered part of this contract. These documents are included as Attachment G of this contract.

II. GENERAL DELIVERABLES

A. APS CareConnection® System

The Contractor shall provide the APS CareConnection® web-based electronic data system to manage patient-level and aggregate data. The contractor shall incorporate person-level contact information from the State that can be transmitted to the State in a data base format.

B. Risk Stratification

The Contractor shall perform risk stratification to pro-actively identify the specific intervention populations. The State will perform the initial population screening to determine the target population (i.e., the "eligible" population).

The initial target population is estimated to be 25,000 Medicaid eligible beneficiaries identified to have specified chronic health conditions. Medicaid eligibles include beneficiaries eligible with approval by the Centers for Medicaid and Medicare Services (CMS) under the Vermont Health Access Program (VHAP). During the course of this contract, the target population may expand if additional health conditions are specified or if the State opts to offer select services to Medicaid eligible beneficiaries to identify situations that might affect their health. If the target population is expanded the State and the Contractor will work together to identify who will be added, what services will be offered, and what resources would be needed to provide those services. At that time, the State and Contractor will amend the contract to reflect the necessary changes including the costs required to support them.

C. Rollout

Prioritization of the Health Risk Assessment (HRA) administration will be proposed by the vendor and approved by the State. The prioritization will be reviewed on a monthly basis.

The Contractor agrees that Intervention Services (IVS) participants be enrolled in a randomized order. This will be done statewide or within counties or other geographic units chosen by the State if the program is available in some areas sooner than in others.

D. Health Risk Assessment (HRA) Administration

The Contractor will use the SF-8™ Health Survey as the HRA tool.

The Contractor shall complete all steps necessary to administer by mail, telephone, or in-person Health Risk Assessment questionnaires. Steps shall be defined as agreed upon by the parties.

The Contractor shall capture and report HRA information at a patient level as it is obtained. This information will be available using APS CareConnection®.

The Contractor shall utilize HRA data in the development of individual care plans.

The Contractor shall make HRA data available to primary care providers in electronic format in a timely manner.

The contractor shall aggregate and analyze Health Risk Assessment data in a timely manner.

The contractor shall transfer to the State in a dataset, the raw HRA data collected on beneficiaries. The transfer shall occur as frequently as weekly. The period reported may vary. The content and format of this data will be mutually agreed upon.

E. Consumer Mailings

The Contractor shall produce and distribute general mailings to all eligible beneficiaries with disease-specific self management information. The content of mailings (subject to approval from the State) will be generated by the Contractor and will represent Vermont Medicaid and the original source of information (e.g., American Heart Association), and be free from commercial bias. Mailings with disease-specific, self-care information, will comply with established State disease-specific best practice standards when available. Contractor will provide all functions related to the mailings.

F. Call Center and Telephonic Nurse Support/Telephonic Interventions

The Contractor shall provide a call center for the target population with capability of incoming and outgoing nurse telephone contact with both patients and providers during both business hours (i.e., 8 AM-5 PM non-holiday Monday-Friday) and limited extended hours (i.e., 5-7 PM non-holiday Monday-Friday). The call center shall be staffed by licensed nurses minimally holding an LPN certification. The evidence-based clinical content of the advice and counseling (subject to approval from the State) provided by the nurses shall be generated by the Contractor. The call center shall be located in Vermont, and have warm-transfer capability. After hours calls shall be responded to by the APS call center located outside of Vermont with warm-transfer capability to on-call staff in Vermont for the period 7:00 PM – 10:00 PM non-holiday Monday-Friday. For hours outside of these specified hours, calls will be handled by an automated response system that will record messages for follow up the next business day.

The Contractor shall provide telephonic nurse support and general health advice with incoming and outgoing call capabilities including outgoing telephonic interventions to selected patients. The intervention strategies will be determined by the Contractor (subject to approval from the State) using generally accepted evidence-based guidelines.

G. Face to Face Interventions

As approved by the State, the Contractor shall provide for face-to-face interventions in various locations in Vermont as outlined in performance measures, though most contacts are expected to be performed telephonically. Home visits by APS are not provided for under this contract.

H. Provider Outreach and Education

The Contractor shall implement a comprehensive outreach plan and ongoing education campaign reaching all Vermont Medicaid providers utilizing current guidelines for prevention and treatment of chronic diseases. The Contractor will promote statewide provider consistency toward meaningful improvements in quality of care rendered to beneficiaries.

Provider outreach and education may be accomplished by providing a variety of training venues and educational materials within mutually agreed upon timelines.

The State shall approve all plans for provider outreach.

The Contractor shall coordinate all provider outreach activity with the OVHA Care Coordination Program.

Efforts must be coordinated, to the extent possible, with the Vermont Banking, Insurance, Securities and Health Care Administration's (BISHCA) Rule 10 requirements and activities (<http://www.bishca.state.vt.us/RegsBulls/hcaregs/HCARule10.pdf>) and with the related activities of commercial payers, the OVHA Care Coordination Program, the Vermont Blueprint for Health, and other State initiatives.

The Contractor shall inform primary care providers in advance of all proposed interventions to be conducted with their patients, and timely patient-level information resulting from those interventions will be posted in the care plan maintained with APS CareConnection®.

III. QUALITY ASSURANCE AND QUALITY IMPROVEMENT REQUIREMENTS

The Contractor shall partner with the State in periodic "Plan Do Study Act" (PDSA) cycles as the CCMP moves forward to ensure continuous quality improvement efforts, including maintaining consistency with the Blueprint for Health initiative and possible incorporation of a "Pay for Participation or Performance" strategy.

The Contractor shall develop best practice quality indicators and the State shall approve. These indicators will be used in the evaluation of the progress of the CCMP.

The Contractor shall develop best practice quality indicators for certain co-morbid conditions and the State shall approve. These indicators will be used in the evaluation of the progress of the CCMP.

Whenever possible and appropriate, the Contractor will use tools that are available on the open market that produce results and reports that can be verified by third party validation.

The Contractor shall report intervention metrics (e.g., number and type of mailings, telephone calls, etc.). Evidence that face to face or telephonic interventions were received by intended recipients will be documented in APS CareConnection® and otherwise reported to the State. The Contractor will propose report formats and frequency, to be approved by the State.

The Contractor shall identify and make recommendations on options for pay for participation or performance strategies.

The Contractor shall identify barriers and propose interventions, outcomes and measurements that support and integrate with the State's quality assurance performance improvement (QAPI) goals as a Medicaid Managed Care Organization (MCO).

The Contractor shall identify barriers and propose interventions to improve chronic care management for children with special health care needs and adults with severe and persistent mental illness.

IV. ADMINISTRATIVE PROVISIONS

The Contractor shall request and receive approval from the State in advance of distribution of any materials with clinical content.

The Contractor shall manage regular advisory committee meetings. At the State's request, the Contractor shall be on site to meet with State staff, consultants, contractors, providers, and other State or Legislative officials.

At a minimum, the contractor shall collaborate and integrate activities with the State's initiatives and partners:

- Medicaid Management Information System (MMIS) contractor – Claims processing, fiscal agent services, and provider relations
- PBA – Pharmacy Benefits Administrator
- Member services contractor
- OVHA's Care Coordination (CC) Program
- Blueprint for Health Goals and Activities
- Population Selection and Program Monitoring partner

The Contractor will subcontract with the Morehouse School of Medicine, National Center for Primary Care for consultation and assistance services. The following will be the areas of focus and scope for the Morehouse subcontract:

1. Assist in the development of Continuing Medical Education (CME) programs for providers who are working with the CCMP population.
2. Assist in the development of standards and best practices for target conditions and co-morbid conditions (ABCD Model).
3. Assist with the screening of Medical Director candidates.
4. Assist in educational and training programs for health coaches and program staff.

The Contractor shall transfer any capital equipment purchased under this contract to the ownership of the State at the time of the termination of the contract.

V. ELECTRONIC AND DATA REQUIREMENTS

At a minimum, the Contractor must meet the following electronic and data requirements:

- The Contractor shall provide data in a timely manner to the State in compliance with the performance

standards outlined in Appendices I, II, and III.

- The Contractor shall accept data in a mutually acceptable electronic format using secure transfer processes. Data sources include the State, the MMIS contractor, the PBA, and the Population Selection and Program Monitoring partner. Data includes beneficiary identifiers and medical/pharmacy claim details with the objective of identifying those individuals participating in the Chronic Care Management Program. The data will include the following:
 - Names, identification numbers, addresses, and phone numbers of beneficiaries
 - Medical and pharmacy claims data
 - Other mutually accepted and agreed upon information necessary
- The Contractor shall provide in a mutually acceptable format via secure transfer process individual patient-level data including:
 - Results from stratification
 - Data gathered from HRA's
 - Results from interventions
 - Other mutually agreed upon data

VI. CONTRACTOR LOCAL OFFICE

The Contractor shall secure sufficient office space in Williston, Vermont with reasonable proximity to OVHA offices to maintain a productive work environment for the APS staff persons who will be centrally located.

VII. PERFORMANCE STANDARDS – Please refer to Attachment A – Appendix I, II, and III.

VIII. CONTRACT MONITORING REQUIREMENTS

The Contractor recognizes that the State will monitor the implementation, operations, and results and outcomes of this contract. For periods of time during the operations of this contract, the State has chosen a vendor for portions of this monitoring. For the purpose of this contract this vendor will be referred to as the Population Selection and Program Monitoring partner.

All records or information described below shall be captured and maintained as described in Attachment C, #8:

1. Data on provider outreach and education activities at the physician/provider level including participation by providers (e.g., physician name, practice name, practice address, federal tax id, Medicare and/or Medicaid provider numbers, date contacted, etc.).
2. HRA data (e.g., numbers of beneficiaries selected for specified periods, sources of referrals, number of HRAs sent, numbers returned to beneficiaries for additional information, number of telephone contacts, etc.)
3. Uniform records of cases with completed and non-completed Health Risk Assessments (HRAs) (e.g., those who have been sent an HRA but who have not returned it, etc.).
4. Uniform records of who has been contacted for enrollment at each level of the intervention.
5. Uniform records of cases enrolled and not enrolled at each level of the intervention.
6. Information needed to link participants with their primary care provider and any specialty providers (e.g., name and address of provider, provider ID numbers, etc.).
7. Reason for non-participation (e.g., unable to contact, mail returned to sender, incorrect diagnosis, ineligible to participate, moved out of state, refused to participate, etc.), at each level of the intervention.

8. Reason for attrition from the program (e.g., "graduated", moved out of state, no longer able to contact, no longer eligible for Medicaid, refused further participation, etc.) for participants at each level of the intervention.
9. Participant progress during the intervention, including correction of claims-based diagnosis information, changes in disease and overall health status, progress to a lower or higher level of intervention, plus any other relevant data.
10. Information on intervention activities at the case-level for each level of the intervention. (e.g., records that a person was sent disease-specific self-management materials, the number/timing of telephone and in-person contacts, etc.).

These records or information shall be available to the State or to the Population Selection and Program Monitoring partner in report format or database formats at regular agreed upon intervals and upon request. These records and information shall generally be provided to the State in either format and to the Population Selection and Program Monitoring partner in database format. The Contractor shall consult with the State and the Population Selection and Program Monitoring partner on the creation of appropriate data collection instruments and coding of responses for the HRA, APS CareConnection®, and other data collection instruments. Comprehensive report formats, data dictionaries, file specifications and code books shall be provided to the State and the Population Selection and Program Monitoring partner as soon as they are available and in advance of any related data transfer. Data shall be provided upon request and/or at regular, agreed-upon intervals.

IX. STATE RESPONSIBILITIES

The State shall assume the following responsibilities with regard to this contract:

1. Designate a Project Manager to represent the State on all matters pertaining to the contract, including monitoring Contractor compliance with contract terms, monitoring Contractor's progress and quality improvement initiatives, and resolving issues related to program implementation and operation.
2. Notify the Contractor in a timely manner of all pertinent changes in OVHA policy, procedures or operational systems that affect or depend upon Contractor operations or activities.
3. Provide the Contractor, in a timely manner, any information regarding State or federal regulations, policies or statutes, or changes thereof, which are relevant to the Contractor's performance.
4. Provide Contractor with information and otherwise assist Contractor in responding to complex inquiries from clients regarding OVHA policies.
5. Provide the Contractor with electronic files according to frequency schedule, transmission method, and file formats and specifications defined by State and the Contractor. These files will include:
 - a. Monthly eligibility files of all Vermont Medicaid program enrollees.
 - b. Monthly roster of potential CCMP program enrollees as identified by the State or the Population Selection and Program Monitoring partner.
 - c. Claims files on all Vermont program enrollees.
 - d. Reference files identifying data on all Vermont claims (e.g., procedure codes, national drug codes, diagnosis codes, etc.)
 - e. Vermont Medicaid enrolled provider lists.

6. Provide technical assistance in resolving problems associated with data exchanges between the Contractor and the State or its vendors.
7. Provide the Contractor any other information that the State deems relevant in order to fulfill the duties required by this contract.
8. Reimburse the Contractor on a monthly basis in accordance with procedures defined in the contract, upon receipt of a properly completed invoice.

Attachment A – Scope of Work Appendix I Performance Standards & Operational Metrics: Intervention Services

	Requirement	Standard	Report
1.	<p>Design and implement a comprehensive outreach plan and ongoing education campaign reaching all Vermont Medicaid providers utilizing current guidelines for prevention and treatment of chronic diseases in support of the Chronic Care Model.</p>	<p>The Contractor shall develop an on-going provider outreach and education program subject to the approval of the State.</p> <p>The Contractor shall administer the outreach and education program.</p> <p>The program will include a “welcome” mailing to all VT Medicaid enrolled primary care providers within 60 days of July 1, 2007 or 60 days of initial enrollment whichever is later.</p> <p>Best efforts will be made to have on-going meetings with providers that have been identified by the State and the Contractor as the high volume Medicaid providers to the target population.</p> <p>On an aggregate level, the Contractor will identify numbers of providers outreached including:</p> <ul style="list-style-type: none"> • Enrolled primary care providers • High volume Medicaid enrolled providers <p>On an individual provider level, the Contractor will identify provider NPI and date; method of outreach (e.g. mail, email, telephone, fax, training, etc.); and description/copies of materials supplied.</p>	<p>Monthly Provider Outreach Report</p>
2.	<p>Perform risk stratification to pro-actively identify the specific intervention populations.</p> <p>Provide results from stratification.</p>	<p>Employ consistent method of ongoing population stratification, which utilizes Medicaid claims and when available HRA data, and which is replicable by other programs.</p> <p>Individual patient-level data from stratification shall be provided to the State in mutually-acceptable easily-accessible data base or flat file formats.</p>	<p>Monthly Enrollee Report</p> <p>CCMP Annual Report</p>
3.	<p>Produce and distribute mailings to all targeted beneficiaries.</p>	<p>Welcome mailings to all targeted beneficiaries. Mailings will occur no more than 30 days prior to HRA administration.</p>	<p>Monthly Mailing Report</p>

		<p>Quarterly newsletter with standard health and chronic disease information on a rotational basis.</p> <p>Disease specific information to beneficiaries as appropriate / indicated within 3 months of assessment.</p> <p>Disease specific information updates as necessary.</p>	
4.	<p>Provide a call center for the target population with capability of incoming and outgoing nurse telephone contact with both patients and providers during both business hours (8 AM-5 PM non-holiday Monday-Friday) and limited extended hours (i.e., 5-7 PM non-holiday Monday-Friday).</p> <p>The call center shall be staffed by ancillary staff and licensed nurses minimally holding an LPN certification.</p> <p>The call center shall be located in Vermont, and have warm-transfer capability. After hours calls shall be responded to by the APS call center located outside of Vermont with warm-transfer capability to on-call staff in Vermont for the period 7:00 PM – 10:00 PM weekdays. For hours outside of these specified hours, calls will be handled by an automated response system that will record messages for follow up the next business day.</p> <p>The call center will provide telephonic nurse support and advice with incoming and outgoing call capabilities including outgoing telephonic interventions to selected patients.</p>	<p>Ancillary staff with triage and direct calls. Local RN and LPN staff shall provide call-center functions, with rotating evening and limited weekend on-call coverage.</p> <p>Out-of-state call center shall provide coverage for information only and as a message for members calling outside of the standard business hours and weekends.</p> <p>Call responses standards are:</p> <ul style="list-style-type: none"> • 100% of all incoming calls must be answered within 25 seconds. • 95% of held calls must be transferred to a live operator within 2 minutes. • 100% of held calls are transferred to a live operator within 4 minutes. • Abandonment rate of less than 10% for all calls abandoned. <p>See Care Management Intervention Standards below.</p>	Monthly Contact Report
5.	Provide face-to-face interventions for patients in high risk strata.	See Care Management Intervention Standards below.	Monthly Contact Report

6.	Report intervention metrics (e.g., number and type of mailings, telephone calls, etc.) with documentation of activities.	See Care Management Intervention Standards below.	Monthly Contact Report
7.	Use tools (e.g. stratification methods, call scripts, etc.) that are nationally recognized.	<p>Tools that are nationally recognized and commercially available will be considered.</p> <p>Tools selected must be approved by the State prior to use.</p> <p>Approved exceptions may include products that are proprietary to APS or that have been customized. These may be available via contract or agreement with APS.</p>	<p>Exceptions prior to use.</p> <p>Annual Report</p>
8.	Request approval from the State in advance of distribution of clinical content.	Allow a minimum of 14 working days for State to review materials prior to distribution.	Quarterly Materials Report
9.	<p>Collaborate and integrate activities with:</p> <ul style="list-style-type: none"> • CCMP Population Selection and Program Monitoring partner • OVHA's Care Coordination (CC) Program • The State's initiatives • Vermont's Blueprint for Health goals and activities • OVHA's Medicaid Management Information System (MMIS) and Fiscal Agent vendor • OVHA's Pharmacy Benefits Administrator (PBA) • OVHA's Member Services vendor • State and local providers to advance understanding of chronic care • Commercial carriers, whenever possible, to promote consistency across payers. 	<p>Exhibit a cooperative and collaborative approach to working with the State and its partners.</p> <p>The Contractor shall minimally meet the following standards:</p> <ul style="list-style-type: none"> • The Contractor shall participate in State Medicaid orientation training sessions. • The Contractor shall participate in CCMP workgroups that include the CCMP Population Selection and Program Monitoring partner, the OVHA's Care Coordination (CC) Program staff, the OVHA's program and administrative staff, the OVHA's Medicaid Management Information System (MMIS) and Fiscal Agent vendor, the OVHA's Pharmacy Benefits Administrator (PBA), and/or the OVHA's Member Services vendor upon request of the State. • The Contractor shall accommodate reasonable requests of the State's vendors. The Contractor may not dictate terms of collaboration. 	Annual Report

		<ul style="list-style-type: none"> The Contractor shall participate in Blueprint for Health meetings at the State's direction. The Contractor shall participate in Agency of Human Services Medicaid and health reform meetings at the State's direction. 	
10.	Comply with the State's IT requirements.	The Contractor shall fully comply with the IT requirements in section 7.1.6.1 of the RFP at pp. 40-42; APS proposal in response to the RFP pp. 30-33; APS' submitted Overview of APS's Technology Infrastructure; and APS' combined response to OVHA's questions regarding APS's proposal pp. 35-50. Questions and answers are between the State and the Contractor between January 4, 2007 and April 5, 2007. These documents are included as Attachment G the CD.	Annual Report
11.	<p>Accept data from the State or its vendors for names, identification numbers, addresses, and phone numbers on all Vermont Medicaid program enrollees.</p> <p>Accept data from the State or its Population Selection and Program Monitoring partner that represents the monthly roster of potential CCMP program enrollees as identified.</p>	The Contractor shall accept data through suitable, mutually acceptable electronic format and secure transfer processes.	Monthly Enrollee Report
12.	Accept claims data, reference files identifying data on all Vermont claims (e.g., procedure codes, national drug codes, diagnosis codes, etc.), and Vermont Medicaid enrolled provider files from the State or its MMIS vendor for use in the patient-level electronic records and in contract operations.	The Contractor shall accept data through suitable, mutually acceptable electronic format and secure transfer processes.	Monthly Data Report
13.	Accept pharmacy claims data from the State, its MMIS and/or PBA vendors for use in the patient-level electronic records.	<p>The Contractor shall accept data through suitable, mutually acceptable electronic format and secure transfer processes.</p> <p>The Contractor shall use pharmacy claims data to report on the CCMP population in areas to include:</p> <ul style="list-style-type: none"> Identifying and reducing polypharmacy usage Recommending dose consolidation as appropriate 	<p>Monthly Data Report</p> <p>Monthly Contact Report</p> <p>Annual Report</p>

		<ul style="list-style-type: none"> Increasing the use of preferred and generic medications by participants Increasing drug therapy compliance Reducing duplicate drug therapy 	
14.	Collect self-reported patient level information.	The Contractor shall use APS CareConnection® to capture.	Monthly Enrollee Report
15.	Provide patient-specific information to appropriate healthcare providers, including the Blueprint's chronic care information system.	The Contractor shall provide data through suitable, mutually acceptable electronic format and secure transfer processes.	Monthly Enrollee Report
16.	Provide an easily-accessible database format for individual patient-level: results from stratification, data gathered from HRA's, and results from interventions.	The Contractor shall provide data through suitable, mutually acceptable electronic format and secure transfer processes.	Monthly Data Report
17.	Develop best practice quality indicators for targeted conditions.	The Contractor shall develop and distribute quality indicators for OVHA review within 90 days of contract inception for target conditions. The Contractor shall collaborate and cooperate in participating in PDSA cycles with the State and its partners. What is learned from the PDSA cycles shall be documented and shared.	Annual Report
18.	Develop best practice quality indicators for certain co-morbid conditions.	The Contractor shall develop and distribute quality indicators for OVHA review within 90 days of contract inception for mutually agreed upon co-morbid conditions. The Contractor shall collaborate and cooperate in participating in PDSA cycles with the State and its partners. What is learned from the PDSA cycles shall be documented and shared.	Annual Report
19.	Identify and make recommendations on options for pay for participation or performance strategies.	The Contractor shall collaborate and cooperate in participating in PDSA cycles with the State and its partners. What is learned from the PDSA cycles shall be documented and shared.	Annual Report
20.	Identify barriers and propose interventions, outcomes and measurements that support and integrate with the State's quality assurance performance improvement (QAPI) goals as a Medicaid Managed Care Organization (MCO).	The Contractor shall collaborate and cooperate in participating in PDSA cycles with the State and its partners. What is learned from the PDSA cycles shall be documented and shared.	Annual Report
21.	Identify barriers and propose interventions to improve chronic care management for children with	The Contractor shall collaborate and cooperate in participating in PDSA cycles with the State and its partners. What is learned from the PDSA	Annual Report

	special health care needs and adults with severe and persistent mental illness.	cycles shall be documented and shared.	
22.	Manage and participate in regular advisory committee meetings.	The Contractor shall collaborate and cooperate in participating in PDSA cycles with the State and its partners. What is learned from the PDSA cycles shall be documented and shared.	Quarterly Advisory Committee Report
23.	Be on site to meet with State staff, consultants, vendors, providers, and other State or Legislative officials at the State's request.	The Contractor shall exhibit a cooperative and collaborative approach to working with the State and its partners.	Annual Report
24.	Minimum Staffing Levels for both IVS and HRA services.	<p>The Contractor shall employ an Executive Director, Medical Director, Program Managers, Health Coaches, Health Specialist, DM Coordinators, Social Workers, and Provider Relations staff persons in keeping with its proposal to meet the needs of the CCMP enrolled Medicaid population and the outreach and educational needs of Medicaid primary care providers throughout Vermont.</p> <p>Within 90 days of July 1, 2007 a minimum of 20 FTE's shall be dedicated to this contract for both IVS and HRA services. The Contractor shall provide organization charts reflecting onsite and offsite staff as of July 1, 2007. Updates will be provided within 10 business days of any changes throughout the course of this contract.</p> <p>The Contractor shall not hire any individual who is excluded from participation in the Medicaid program by the United States Department of Health and Human Services Office of Inspector General as described at http://www.oig.hhs.gov/fraud/exclusions.html.</p>	Quarterly Staffing Report
25.	Secure and manage office space in Williston, Vermont with reasonable proximity to OVHA offices to maintain a productive work environment for the APS staff persons who will be centrally located and for the convenience of OVHA to allow for OVHA personnel to hold meetings and other business activities.	The Contractor shall exhibit a cooperative and collaborative approach to optimize the interaction of APS and OVHA staff to promote the goals of OVHA.	Monthly Administrative Report
26.	Transfer capital equipment purchased under this	The Contractor shall transfer all capital equipment to the State at the	

	<p>contract to the State at the time of the termination of the contract.</p>	<p>time of the termination of the contract.</p> <p>In regards to computer equipment, all hardware will be amortized over the expected life of the contract. If the contract ends substantially before the equipment is amortized, equipment equal in value to the amortized amount as determined by the State will become the property of the State.</p> <p>Included will be:</p> <ul style="list-style-type: none">• Personal computers• Local printers• Local network equipment	
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Attachment A – Scope of Work Appendix II Performance Standards & Operational Metrics: Health Risk Assessment Administration

	Requirement	Standard	Report
1.	Conduct a HRA in an impartial manner to show no bias for or against the intervention itself	<p>APS shall assign separate staff to HRA administration and shall provide written assurance of a non-biased data collection process.</p> <p>The State will audit HRA activity to monitor this standard and the Contractor shall correct any conditions identified in an audit.</p>	Monthly Data Report
2.	Incorporate person-level contact information from the State that can be transmitted to the State in a database format (e.g., flat file) and complete all steps necessary to administer by mail and telephone HRA questionnaires.	The Contractor shall accept and provide data through suitable, mutually acceptable electronic format and secure transfer processes.	Monthly Data Report
3.	Use tools that are nationally recognized.	<p>Tools that are nationally recognized and commercially available will be considered.</p> <p>Tools selected must be approved by the State prior to use.</p> <p>Initially the SF-8™ Health Survey tool will be used.</p>	<p>Approval prior to use.</p> <p>Annual Report</p>
4.	Administer a HRA to approximately 25,000 beneficiaries within an initial 15 month period and approximately 15,000 – 20,000 beneficiaries during the following twelve months and subsequent years thereafter.	<p>The Contractor shall complete a minimum of 1,500 HRAs total during the months of July, August and September 2007; a minimum of 1,500 HRAs during each month of October, November, and December; and a minimum of 2,000 HRAs each month between January and September 2008, until the initial 25,000 beneficiaries targeted for enrollment have been surveyed.</p> <p>After 15 months, the Contractor shall complete the administration of 2,000 HRAs each month to additional Medicaid beneficiaries and additional administration to the targeted 25,000 beneficiaries.</p> <p>The additional beneficiaries shall be identified during the course of the first 12 to 15 months of this contract.</p>	Monthly HRA Completion Report
5.	Receive transferred calls from the Intervention Services (IVS) nurse call center when a HRA	<p>Call responses standards are:</p> <ul style="list-style-type: none"> • 100% of all incoming calls must be answered within 25 seconds. 	Monthly Contact Report

	needs to be completed by a beneficiary, or transfer calls to the IVS nurse call center when a beneficiary has clinical questions.	<ul style="list-style-type: none"> 95% of held calls must be transferred to a live operator within 2 minutes. 100% of held calls are transferred to a live operator within 4 minutes. Abandonment rate of less than 10% for all calls abandoned. 	
6.	Accept and Send Data Files	The Contractor shall accept and provide data through suitable, mutually acceptable electronic format and secure transfer processes.	Monthly Data Report
7.	Aggregate and analyze HRA data in a timely manner	<p>The Contractor shall employ a consistent method of analyzing and stratifying HRA data to assist in population stratification and care planning. The compilation of this information shall be available to the State within 30 days of processing.</p> <p>The contractor shall transfer to the State in a dataset, the raw HRA data collected on beneficiaries. The transfer shall occur as frequently as weekly. There period reported may vary. The content and format of this data will be mutually agreed upon.</p>	Monthly HRA Completion Report
8.	Transfer the HRA data to primary care providers to assist in the development of individual care plans in a timely manner.	The Contractor shall make patient-level HRA data available to primary care providers, according to HIPAA standards.	<p>Monthly HRA Completion Report</p> <p>Monthly Data Report</p>
9.	Minimum Staffing Levels for both IVS and HRA services.	<p>The Contractor shall employ an Executive Director, Medical Director, Program Managers, Health Coaches, Health Specialist, DM Coordinators, Social Workers, and Provider Relations staff persons in keeping with its proposal to meet the needs of the CCMP enrolled Medicaid population and the outreach and educational needs of Medicaid primary care providers throughout Vermont.</p> <p>Within 90 days of July 1, 2007 a minimum of 20 FTE's shall be dedicated to this contract for both IVS and HRA services. The Contractor shall provide organization charts reflecting onsite and offsite staff as of July 1, 2007. Updates will be provided within 10 business days of any changes throughout the course of this contract.</p>	Quarterly Staffing Report

		<p>The Contractor shall not hire any individual who is excluded from participation in the Medicaid program by the United States Department of Health and Human Services Office of Inspector General as described at http://www.oig.hhs.gov/fraud/exclusions.html.</p>	
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Attachment A – Scope of Work Appendix III Performance Standards & Operational Metrics: Chronic Care Management Intervention Standards

Risk Level	Standard: Required Level of Interventions	Reporting Frequency / Report Name
Very High	<ol style="list-style-type: none"> 1. HRA administration 2. Post HRA, no later than 15 days after HRA administration <ul style="list-style-type: none"> • One time enrollment welcome mailing • Quarterly newsletter with disease-specific insert • Access to Health Coach telephonic support • Access to RN support • One-time face-to-face outreach visit to primary care provider • Care plan developed in coordination with the primary care provider • Monthly face-to-face contact, must document if contact is not made * • Bi-weekly outgoing phone contact or, when unable to contact, correspondence requesting that the beneficiary contact call center RN • Monthly list to primary care providers of patients due for disease specific monitoring (e.g., HgbA1c, spirometry, etc.) • Monthly list to primary care providers of patients needing drug related interventions. These reports will be produced in coordination with State’s PBM: <ul style="list-style-type: none"> • Drug therapy compliance problems • Duplicate drug therapy problems • Polypharmacy usage • Dose consolidation opportunities • Non-preferred drug usage • Non-generic drug usage 	<p>Welcome Mailing Report - Monthly</p> <p>Enrollment Report - Monthly</p> <p>Newsletter Mailing/Education Material Report – Quarterly</p> <p>Contact Report - Monthly</p> <p>Provider Activity Report - Monthly</p> <p>Care Plan Review Report - Monthly</p> <p>RX Report - Monthly</p>
High	<ol style="list-style-type: none"> 1. HRA administration 2. Post HRA, no later than 15 days after HRA administration <ul style="list-style-type: none"> • One time enrollment welcome mailing • Quarterly newsletter with disease-specific insert • Access to Health Coach telephonic support • Access to RN support • One-time face-to-face outreach visit to primary care provider • Care plan developed in coordination with the primary care provider • One-time face-to-face contact, must document must document if contact is not made * • Monthly outgoing phone contact or, when unable to contact, correspondence requesting that 	<p>Welcome Mailing Report - Monthly</p> <p>Enrollment Report - Monthly</p> <p>Newsletter Mailing/Education Material Report – Quarterly</p> <p>Contact Report - Monthly</p>

	<p>the beneficiary contact call center RN</p> <ul style="list-style-type: none"> • Monthly list to primary care providers of patients due for disease specific monitoring (e.g., HgbA1c, spirometry, etc.) • Monthly list to primary care providers of patients needing drug related interventions. These reports will be produced in coordination with State’s PBM: <ul style="list-style-type: none"> • Drug therapy compliance problems • Duplicate drug therapy problems • Polypharmacy usage • Dose consolidation opportunities • Non-preferred drug usage • Non-generic drug usage 	<p>Provider Activity Report - Monthly</p> <p>Care Plan Review Report - Monthly</p> <p>RX Report - Monthly</p>
<p>Medium</p>	<ol style="list-style-type: none"> 1. HRA administration 2. Post HRA, no later than 30 days after HRA administration <ul style="list-style-type: none"> • One time enrollment welcome mailing • Quarterly newsletter with disease-specific insert • Access to Health Coach telephonic support • Access to RN support • One-time face-to-face outreach visit to primary care provider • Care plan developed in coordination with the primary care provider • Quarterly outgoing phone contact or, when unable to contact, correspondence requesting that the beneficiary call • Monthly list to primary care providers of patients due for disease specific monitoring (e.g., HgbA1c, spirometry, etc.) • Monthly list to primary care providers of patients needing drug related interventions. These reports will be produced in coordination with State’s PBM: <ul style="list-style-type: none"> • Drug therapy compliance problems • Duplicate drug therapy problems • Polypharmacy usage • Dose consolidation opportunities • Non-preferred drug usage • Non-generic drug usage 	<p>Welcome Mailing Report - Monthly</p> <p>Enrollment Report - Monthly</p> <p>Newsletter Mailing/Education Material Report – Quarterly</p> <p>Contact Report - Monthly</p> <p>Provider Activity Report - Monthly</p> <p>Care Plan Review Report - Monthly</p> <p>RX Report - Monthly</p>
<p>Low</p>	<ol style="list-style-type: none"> 1. HRA administration 2. Post HRA, no later than 45 days after HRA administration <ul style="list-style-type: none"> • One time enrollment welcome mailing • Quarterly newsletter with disease-specific insert 	<p>Welcome Mailing Report - Monthly</p> <p>Enrollment Report - Monthly</p>

	<ul style="list-style-type: none">• Access to Health Coach telephonic support• Access to RN support• Quarterly list to primary care providers of patients due for disease specific monitoring (e.g., HgbA1c, spirometry, etc.)• Quarterly list to primary care providers of patients needing drug related interventions. These reports will be produced in coordination with State's PBM:<ul style="list-style-type: none">• Drug therapy compliance problems• Duplicate drug therapy problems• Polypharmacy usage• Dose consolidation opportunities• Non-preferred drug usage• Non-generic drug usage	Newsletter Mailing/Education Material Report – Quarterly Provider Activity Report - Monthly RX Report - Monthly
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* Face to Face contact shall take place primarily in key primary care practices and high traffic provider locations around the state where APS will have staff presence through agreements with the providers and/or through the assistance of the OVHA Care Coordination team. The State and the Contractor acknowledge that during the initial approximately 3 months but no more than of 6 months of operations, face-to-face contact may be limited by time needed for staff hiring and training.

ATTACHMENT B
PAYMENT PROVISIONS

Contractor invoices for intervention services and health risk assessment services shall be submitted no more frequently than monthly, but no later than quarterly. The total maximum amount payable under this contract shall not exceed \$11,079,600. The costs associated with this contract consist of the following:

Description	Implementation	Additional Allowance	Year 1	Year 2	Year 3	Total
Intervention Services	\$ 322,339	\$ -	\$ 2,584,588	\$ 2,584,588	\$ 2,662,126	\$ 8,153,641
Health Risk Assessment Services	\$ 74,469	\$ -	\$ 917,743	\$ 905,743	\$ 932,916	\$ 2,830,871
Pass Through Utilities	\$ -	\$ 42,838	\$ 16,329	\$ 17,417	\$ 18,505	\$ 95,088
Grand Total	\$ 396,808	\$ 42,838	\$ 3,518,660	\$ 3,507,748	\$ 3,613,547	\$ 11,079,600

The Contractor invoices for interventions services will be based on a per member per month format based upon an identified pool of 25,000 beneficiaries with a weighted average of per month \$8.62 for contract years SFY 08 and SFY 09 and \$8.75 for SFY 10. The total maximum amount payable for IVS contractual services shall not exceed \$8,153,641.00.

The blended rate is premised on the following estimates for the target pool of 25,000 beneficiaries:

High risk 2,200
 Medium risk 6,500
 Low risk 16,300

Appendix A, Appendix III identifies the level of service available to each risk group. The State reserves the right to redefine the risk conditions over the course of the period of the contract to assure that the number of beneficiaries served in each risk group is comparative to these estimates.

The Contractor invoices for Health Risk Assessment services will be paid on a monthly basis based upon 1/12 of the total annual amounts as presented in the matrix listed above. For example, for year one the monthly amount billed will be \$76,479.00, for year two the monthly amount will be \$75,479.00 and for year three the monthly amount will be \$77,743.00. The Health Risk Assessment contractual services shall not exceed a maximum amount of \$2,830,871.

The maximum amount for pass through expenses shall not exceed a maximum amount of \$95,088.

Beginning with the second year of the contract, the State reserves the right to base the payment structure for IVS on completion of clinical and/or financial outcomes goals in keeping with the RFP and the APS technical and cost proposals.

The State and Contractor will work together to assure the completion of the work within the overall budget and the completion of the proposed activities as described in Attachment A and its appendices.

1. Upon full execution of this contract, the State will pay APS a one-time implementation payment. The Contractor agrees to a 15% retainage of this payment until it can be demonstrated that the Contractor is ready for operations. The payments will be made as following:

Description	Execution of Contract 85%	Retainage 15%	Total
Intervention Services	\$ 273,988	\$ 48,351	\$ 322,339
Health Risk Assessment Administration	\$ 63,299	\$ 11,170	\$ 74,469
Total	\$ 337,287	\$ 59,521	\$ 396,808

Upon demonstration of readiness, the retainage of 15% or \$59,521 will be paid.

2. The Contractor agrees to a 15% retainage of each monthly invoice amount for intervention services and health risk assessment administration to demonstrate full compliance with all requirements and standards. The State will authorize the retainage payment within 30 days of the completion of the following:
 - a) Contractor completes all work requirements according to the standards, both of which are described in Attachment A, Appendices I, II, and III.
 - b) Contractor provides the State with all required documentation of completion as described in Attachment A, Appendices I, II, and III.
 - c) State accepts all documentation provide by the Contractor.

3. Pass through are for heat and utilities for State leased office space in Williston, Vermont. These costs are not included in the rent costs according to the respective leases of APS and the State. These costs are attributed to State leased space. They are metered/measured and attributed based on total building space and apportioned based on percentage of total spaced leased by both APS and the State.

Payment of pass through expenses for heat and utilities costs is based upon current estimates. Amounts for heat and utilities will be reconciled on a quarterly basis. If the actual billed amounts are less than the monthly allocation, the additional amount will be credited in the following month. If the actual amount is more than the monthly allocation, the additional amount will be billed in the following month.

Payments for pass through expenses will be due monthly. Estimated amounts are as follows:

Description	Utilities & Heat	Per Month
Year 1	16,329	1,361
Year 2	17,417	1,451
Year 3	18,505	1,542
Allowance for Increases	42,838	
Total	95,088	

If the Contract is terminated prior to June 30, 2010, OVHA will continue to pay for the heat and utilities through that date.

Pass through expenses are not subject to 15% retainage.

4. Failure to Meet Performance Standards. The Contractor may be assessed \$1,000.00 per week per Performance Standard for each week the Contractor fails to meet the Performance Standard, as stated in Attachment A, Appendices I-III. Such assessment shall not be made to the extent that the failure can be attributed to:

- Unforeseeable catastrophic events experienced at the Contractor local and corporate facilities,
- Unforeseeable catastrophic events experienced by State which has a material effect on the Contractor, or
- Complying with any directions of the State or its employees regarding changes to Scope of Work.

5. The Contractor will submit a monthly bill/invoice for services rendered under this contract to:

Brendan Hogan, Director Health Program Integration Unit
Office of Vermont Health Access
312 Hurricane Lane, Suite 201
Williston, VT 05495-1201

6. The State will remit all payments electronically as specified by the Contractor. The Contractor's point of contact shall be:

Innovation Resource Group LLC
d/b/a APS Healthcare Midwest
Attn: Gordon Rothrock
8403 Colesville Road, Suite 1600
Silver Spring, MD 20910

Attachment B Appendix 1 Intervention Services Costs by Year and Deliverables

Description	Dates	# of Months	Total All Costs IVS	Personnel	Fringe & Overhead	Total Personnel & Fringe	Operating
Implementation Costs	06/15/07 - 06/30/07	0.5	322,339	30,313	13,641	43,954	278,385
Year 1	07/01/07 - 06/30/08	12	2,584,588	1,319,263	593,668	1,912,931	671,657
Year 2	07/01/08 - 06/30/09	12	2,584,588	1,319,263	593,668	1,912,931	671,657
Year 3	07/01/09 - 06/30/10	12	2,662,126	1,358,841	611,478	1,970,319	691,807
Grand Total		36.5	8,153,641	4,027,680	1,812,455	5,840,135	2,313,506

Costs by Deliverables	%	Total All Costs IVS	Personnel	Fringe & Overhead	Total Personnel & Fringe	Operating
IVS Stratification Methodology (Implementation)	30%	96,702	9,094	4,092	13,186	83,516
IVS Stratification Strategy (Implementation)	30%	96,702	9,094	4,092	13,186	83,516
CareConnection® (Implementation)	40%	128,936	12,125	5,456	17,582	111,354
Subtotal	100%	322,339	30,313	13,641	43,954	278,385
Monthly Intervention Report	70%	5,481,912	2,798,157	1,259,170	4,057,327	1,424,585
Quarterly Findings Report	20%	1,566,260	799,473	359,763	1,159,236	407,024
Annual Summary & Recommendation Report	5%	391,565	199,868	89,941	289,809	101,756
Provider Education & Outreach	5%	391,565	199,868	89,941	289,809	101,756
Subtotal	100%	7,831,302	3,997,367	1,798,814	5,796,181	2,035,121
Grand Total		8,153,641	4,027,680	1,812,455	5,840,135	2,313,506

Attachment B Appendix II - Intervention Services Summary Detail of Cost Components

Description	FTE Cost	FTE	# of Hrs Devoted to Project	FTE Cost	Implement. 1/2 month	Year 1	Year 2	Year 3	Grand Total 3 Years	Implement. PMPM	Year 1 & 2 Average PMPM	Year 3 Average PMPM
Positions:												
Health Risk Coach	163,842	3.56	6,008	194,701		194,701	194,701	200,542	589,944		0.65	0.66
Health Specialist/ LPN	123,654	5.41	9,112	222,898		222,898	222,898	229,585	675,381		0.74	0.75
DM Coordinator/Assistant	92,742	2.23	3,750	68,799		68,799	68,799	70,863	208,461		0.23	0.23
Social Workers	45,340	1.00	1,685	45,340		45,340	45,340	46,700	137,380		0.15	0.15
Medical Director	180,329	0.80	1,348	144,263	12,022	144,263	144,263	148,591	449,139	0.12	0.48	0.49
Executive Director	14,426	1.00	1,685	113,350	9,446	113,350	113,350	116,751	352,897	0.09	0.38	0.38
Health Service Manager	70,071	1.00	1,685	70,071	5,839	70,071	70,071	72,173	218,154	0.06	0.23	0.24
Executive Assistance EAA	36,066	1.00	1,685	36,066	3,006	36,066	36,066	37,148	112,286	0.03	0.12	0.12
Outreach Coordinator	46,370	1.00	1,685	46,370		46,370	46,370	47,761	140,501		0.15	0.16
Administrative Assistant	26,792	1.00	1,685	26,792		26,792	26,792	27,596	81,180		0.09	0.09
EDI Analyst	87,588	0.10	169	8,759		8,759	8,759	9,022	26,540		0.03	0.03
Reporting Division-Report A	66,979	1.00	1,685	66,979		66,979	66,979	68,988	202,946		0.22	0.23
Programmers	66,979	0.25	421	16,745		16,745	16,745	17,247	50,737		0.06	0.06
IT-Website/Network Engineer	66,979	0.50	843	33,490		33,490	33,490	34,495	101,475		0.11	0.11
Telephony	45,340	0.25	421	11,335		11,335	11,335	11,675	34,345		0.04	0.04
Help Desk Analyst	45,340	1.00	1,685	45,340		45,340	45,340	46,700	137,380		0.15	0.15
Corporate, IT, Adm Support		1.57	2,645	167,965		167,965	167,965	173,004	508,934		0.56	0.57
Subtotal Personnel		22.67	38,197	1,319,263	30,313	1,319,263	1,319,263	1,358,841	4,027,680	0.30	4.40	4.46
Fringe & Overhead Rate (45%)				593,668	13,641	593,668	593,668	611,478	1,812,456	0.14	1.98	2.02
Operating Expenses												
Mileage & Staff Related Expenses						17,069	17,069	17,581	51,719		0.06	0.06
Background Checking & Credentialing-Insurance						2,607	2,607	2,685	7,899		0.01	0.01
Recruitment Costs - Sign on Bonuses						50,000	50,000	51,500	151,500		0.17	0.17
Language Line Services						12,500	12,500	12,875	37,875		0.04	0.04
Connection Charges for Remote Employees						35,000	35,000	36,050	106,050		0.12	0.12
Cellular Phones & T1 Line Expenses						8,258	8,258	8,506	25,022		0.03	0.03
Local & Toll Telephone Charges						13,751	13,751	14,164	41,666		0.05	0.05
Predictive Model-Data Analysis						17,000	17,000	17,510	51,510		0.06	0.06
24/7 Education Advice/Demand Mgmt						47,000	47,000	48,410	142,410		0.16	0.16
Member Service Fairs						11,400	11,400	11,742	34,542		0.04	0.04
DM Fulfillment (Enrollment & Mailings)						22,500	22,500	23,175	68,175		0.08	0.08
Introductory Letters						48,750	48,750	50,213	147,713		0.16	0.16
Morehouse (Clinical Consulting)						75,000	75,000	77,250	227,250		0.25	0.25
Provider Services - Marketing & Training						50,000	50,000	51,500	151,500		0.17	0.17
General Office Supplies & Incidentals						5,667	5,667	5,837	17,171		0.02	0.02
Rent, Utility, and Facility Expenses						61,205	61,205	63,041	185,451		0.20	0.21
Legal and Consultant Fees						50,000	50,000	51,500	151,500		0.17	0.17
Sales & Marketing Expense						26,000	26,000	26,780	78,780		0.09	0.09
Miscellaneous Expenses						2,809	2,809	2,893	8,511		0.01	0.01
Capital Equipment						115,141	115,141	118,595	348,877		0.38	0.39
Non Personnel Direct Expenses Implementation Travel					20,000				20,000	0.20		
Mileage & Staff Related Expenses (Travel)					3,823				3,823	0.04		
Connection Charges for Remote Employees (Telephone)					11,667				11,667	0.12		
Cellular Phones & T1 Line Expenses					2,753				2,753	0.03		
Local & Toll Telephone Charges					2,319				2,319	0.02		
Care Connection DM Fees					217,500				217,500	2.18		
Rent, Utility, and Facility Expenses					10,323				10,323	0.10		
Temporary Staffing for Engagement Ramp-up					10,000				10,000	0.10		
Total Non Personnel Expenses					278,385	671,657	671,657	691,807	2,313,506	2.78	2.24	2.27
Grand Total Expenses					322,339	2,584,588	2,584,588	2,662,126	8,153,642	3.22	8.62	8.75

Attachment B Appendix III - Health Risk Assessment Costs by Year and Deliverables

Description	Dates	# of Months	Total All Costs IVS	Personnel	Fringe & Overhead	Total Personnel & Fringe	Operating
Implementation Costs	06/15/07 - 06/30/07	0.5	74,469	44,461	20,008	64,469	10,000
Year 1	07/01/07 - 06/30/08	12	917,743	506,032	227,715	733,747	183,996
Year 2	07/01/08 - 06/30/09	12	905,743	506,032	227,715	733,747	171,996
Year 3	07/01/09 - 06/30/10	12	932,916	521,213	234,546	755,760	177,156
Grand Total		36.50	2,830,871	1,577,738	709,984	2,287,723	543,148

Costs by Deliverables	%	Total All Costs IVS	Personnel	Fringe & Overhead	Total Personnel & Fringe	Operating
Approval of HRA (Implementation)	100%	74,469	44,461	20,008	64,469	10,000
Completion of HRA	50%	1,378,201	766,639	344,988	1,111,627	266,574
Submission of HRA Patient Files	50%	1,378,201	766,639	344,988	1,111,627	266,574
Grand Total		2,830,871	1,577,738	709,984	2,287,723	543,148

Attachment B Appendix IV Health Risk Assessment - Summary Detail of Cost Components

Description	Based	FTE	Hours	Implementation 1/2 Mth	Year 1	Year 2	Year 3	Grand Total
Positions								
Peer Support	31,000	8.61	14,500.00	28,425	266,766	266,766	274,769	836,726
Health Service Manager	68,000	1.00	1,685.00	7,246	68,000	68,000	70,040	213,286
Executive Assistant EEA	35,000	0.50	843.00	1,865	17,500	17,500	18,025	54,890
Reporting Analyst	65,000	1.00	1,685.00	6,926	65,000	65,000	66,950	203,876
Corporate Mics		0.15	0.15	0	88,766	88,766	91,429	268,961
Subtotal		11.26	18,713.15	44,462	506,032	506,032	521,213	1,577,739
Fringe & Overhead (45% of FTE Cost)				20,008	227,714	227,714	234,546	709,983
Operating								
Mileage & Staff Related Expenses					5,628	5,628	5,797	17,053
Background Checking & Credentialing-Insurance					1,294	1,294	1,333	3,921
Recruitment Costs - Sign on Bonuses					10,000	10,000	10,300	30,300
Language Line Services					0	0	0	0
Connection Charges for Remote Employees					12,500	12,500	12,875	37,875
Cellular Phones & T1 Line Expenses					8,104	8,104	8,347	24,555
Local & Toll Telephone Charges					6,827	6,827	7,032	20,686
Member Related Communication & Fulfillment					40,000	28,000	28,840	96,840
General Office Supplies & Incidentals					2,814	2,814	2,898	8,526
Rent, Utility, and Facility Expenses					38,409	38,409	39,561	116,379
Sales & Marketing Expense					8,000	8,000	8,240	24,240
Miscellaneous Expenses					388	388	400	1,176
Capital Equipment					50,033	50,033	51,534	151,599
Non Personnel Direct Expenses Implementation Travel				10,000	0	0	0	10,000
Subtotal Operating Expenses				10,000	183,996	171,997	177,157	543,150
Grand Total				74,470	917,742	905,743	932,916	2,830,871

ATTACHMENT C
CUSTOMARY STATE CONTRACT PROVISIONS

1. **Entire Agreement.** This contract represents the entire agreement between the parties on the subject matter. All prior agreements, representations, statements, negotiations, and understandings shall have no effect.
2. **Applicable Law.** This contract will be governed by the laws of the State of Vermont.
3. **Appropriations.** If this contract extends into more than one fiscal year of the State (July 1 to June 30), and if appropriations are insufficient to support this contract, the State may cancel at the end of the fiscal year, or otherwise upon the expiration of existing appropriations authority.
4. **No Employee Benefits for Contractors.** The contractor understands that the State will not provide any individual retirement benefits, group life insurance, group health and dental insurance, vacation or sick leave, workers' compensation or other benefits or services available to State employees, nor will the State withhold any state or federal taxes except as required under applicable tax laws, which shall be determined in advance of execution of the contract. The contractor understands that all tax returns required by the Internal Revenue Code and the State of Vermont, including but not limited to income, withholding, sales and use, and rooms and meals, must be filed by the contractor, and information as to contract income will be provided by the State of Vermont to the Internal Revenue Service and the Vermont Department of Taxes.
5. **Independence, Liability.** The contractor will act in an independent capacity and not as officers or employees of the State. The Contractor shall indemnify, defend, and hold harmless the State and its officers and employees from liability and any claims, suits, judgments, and damages arising as a result of the contractor's acts and/or omissions in the performance of this contract. The contractor shall notify its insurance company and the State within 10 days of receiving any claim for damages, notice of claims, pre-claims, or service of judgments or claims, for any act or omissions in the performance of this contract.
6. **Insurance.** Before commencing work on this contract the contractor must provide certificates of insurance to show that the following minimum coverage is in effect. The contractor must notify the State no more than 10 days after receiving cancellation notice of any required insurance policy. It is the responsibility of the contractor to maintain current certificates of insurance on file with the State through the term of the contract. Failure to maintain the required insurance shall constitute a material breach of this contract.

Workers' Compensation: With respect to all operations performed, the contractor shall carry workers' compensation insurance in accordance with the laws of the State of Vermont.

General Liability and Property Damage: With respect to all operations performed under the contract, the contractor shall carry general liability insurance having all major divisions of coverage including, but not limited to:

Premises - Operations
Products and Completed Operations
Personal Injury Liability
Contractual Liability

The policy shall be on an occurrence form and limits shall not be less than:

\$1,000,000 Per Occurrence
\$1,000,000 General Aggregate
\$1,000,000 Products/Completed Operations Aggregate
\$ 50,000 Fire/Legal Liability

Automotive Liability: The contractor shall carry automotive liability insurance covering all motor vehicles, including hired and non-owned coverage, used in connection with the contract. Limits of coverage shall not be less than: \$1,000,000 combined single limit.

Professional Liability: Before commencing work on this contract and throughout the term of this contract, the contractor shall procure and maintain professional liability insurance for any and all services performed under this contract, with minimum coverage of \$1,000,000 per occurrence.

No warranty is made that the coverage and limits listed herein are adequate to cover and protect the interests of the contractor for the contractor's operations. These are solely minimums that have been established to protect the interests of the State.

7. **Reliance by the State on Representations.** All payments by the State under this contract will be made in reliance upon the accuracy of all prior representations by the contractor, including but not limited to bills, invoices, progress reports and other proofs of work.
8. **Records Available for Audit.** The contractor will maintain all books, documents, payroll, papers, accounting records and other evidence pertaining to costs incurred under this agreement and make them available at reasonable times during the period of the contract and for three years thereafter for inspection by any authorized representatives of the State or Federal Government. If any litigation, claim, or audit is started before the expiration of the three year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved. The State, by any authorized representative, shall have the right at all reasonable times to inspect or otherwise evaluate the work performed or being performed under this contract.
9. **Fair Employment Practices and Americans with Disabilities Act.** Contractor agrees to comply with the requirement of Title 21 V.S.A. Chapter 5, Subchapter 6, relating to fair employment practices, to the full extent applicable. Contractor shall also ensure, to the full extent required by the Americans with Disabilities Act of 1990, that qualified individuals with disabilities receive equitable access to the services, programs, and activities provided by the contractor under this contract. Contractor further agrees to include this provision in all subcontracts.
10. **Set Off.** The State may set off any sums which the contractor owes the State against any sums due the contractor under this contract; provided, however, that any set off of amounts due the State of Vermont as taxes shall be in accordance with the procedures more specifically provided hereinafter.
11. **Taxes Due to the State.**
 - a. Contractor understands and acknowledges responsibility, if applicable, for compliance with State tax laws, including income tax withholding for employees performing services within the State, payment of use tax on property used within the State, corporate and/or personal income tax on income earned within the State.

b. Contractor certifies under the pains and penalties of perjury that, as of the date the contract is signed, the contractor is in good standing with respect to, or in full compliance with, a plan to pay any and all taxes due the State of Vermont.

c. Contractor understands that final payment under this contract may be withheld if the Commissioner of Taxes determines that the contractor is not in good standing with respect to or in full compliance with a plan to pay any and all taxes due to the State of Vermont.

d. Contractor also understands the State may set off taxes (and related penalties, interest and fees) due to the State of Vermont, but only if the contractor has failed to make an appeal within the time allowed by law, or an appeal has been taken and finally determined and the contractor has no further legal recourse to contest the amounts due.

12. **Child Support.** (Applicable if the contractor is a natural person, not a corporation or partnership.)

Contractor states that, as of the date the contract is signed, he/she:

- a. is not under any obligation to pay child support; or
- b. is under such an obligation and is in good standing with respect to that obligation; or
- c. has agreed to a payment plan with the Vermont Office of Child Support and is in full compliance with that plan.

Contractor makes this statement with regard to support owed to any and all children residing in Vermont. In addition, if the Contractor is a resident of Vermont, contractor makes this statement with regard to support owed to any and all children residing in any other state or territory of the United States.

13. **Subcontractors.** Contractor shall not assign or subcontract the performance of this agreement or any portion thereof to any other contractor without the prior written approval of the State. Contractor also agrees to include in all subcontract agreements a tax certification in accordance with paragraph 11 above.

Notwithstanding the foregoing, the State agrees that the contractor may assign this contract, including all of the contractor's rights and obligations hereunder, to any successor in interest to the contractor arising out of the sale of or reorganization of the contractor.

14. **No Gifts or Gratuities.** Contractor shall not give title or possession of any thing of substantial value (including property, currency, travel and/or education programs) to any officer or employee of the State during the term of this contract.

15. **Copies.** All written reports prepared under this contract will be printed using both sides of the paper.

16. **Certification Regarding Debarment.** Contractor certifies under pains and penalties of perjury that, as of the date that this contract is signed, neither contractor nor contractor's principals (officers, directors, owners, or partners) are presently debarred, suspended, proposed for debarment, declared ineligible or excluded from participation in federal programs or programs supported in whole or in part by federal funds.

ATTACHMENT D - CERTIFICATE OF INSURANCE

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
04/12/07

PRODUCER Wachovia Insurance Services, Inc. 1401 H Street, NW 7th Floor Washington, DC 20005 202 783-5810	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
	INSURERS AFFORDING COVERAGE	NAIC #
INSURED APS Healthcare, Inc. 8403 Colesville Road, Suite 1600 Silver Spring, MD 20910	INSURER A: Hartford Underwriters Insurance Comp	30104
	INSURER B: Hartford Fire Insurance Company	19682
	INSURER C: Homeland Insurance Company of NY	34452
	INSURER D: Hartford Casualty Insurance Company	29424
	INSURER E:	29424

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A		GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input checked="" type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	42UENAC1551	04/15/06	04/15/07	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$300,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COM/OP AGG \$2,000,000
D		AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS GARAGE LIABILITY <input type="checkbox"/> ANY AUTO EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION \$	42UENAC1551	04/15/06	04/15/07	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$ EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$
B		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	942WBPB7626	04/15/06	04/15/07	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$500,000 E.L. DISEASE - EA EMPLOYEE \$500,000 E.L. DISEASE - POLICY LIMIT \$500,000
C		OTHER Professional	MCP089106	04/15/06	04/15/07	6,000,000 Per Claim 6,000,000 Aggregate

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Evidence of Insurance

CERTIFICATE HOLDER

The State of Vermont, Agency of
Human Services (AHS)
Office of Vermont Health Access
(OVHA

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Shirley A. D...

ATTACHMENT E
BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("Agreement") is entered into by and between the **State of Vermont Agency of Human Services operating by and through its Office of Vermont Health Access** ("Covered Entity") and Innovation Resource Group LLC d/b/a APS Healthcare Midwest (APS), ("Business Associate") as of June 15, 2007 ("Effective Date"). This Agreement supplements and is made a part of the Contract to which it is an attachment.

Covered Entity and Business Associate enter into this Agreement to comply with standards promulgated under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") including the Standards for the Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164 ("Privacy Rule") and the Security Standards at 45 CFR Parts 160 and 164 ("Security Rule").

The parties agree as follows:

1. **Definitions.** All capitalized terms in this Agreement have the meanings identified in this Agreement, 45 CFR Part 160, or 45 CFR Part 164.

The term "Services" includes all work performed by the Business Associate for or on behalf of Covered Entity that requires the use and/or disclosure of protected health information to perform a business associate function described in 45 CFR 160.103 under the definition of Business Associate.

The term "Individual" includes a person who qualifies as a personal representative in accordance with 45 CFR 164.502(g). All references to "PHI" mean Protected Health Information. All references to "Electronic PHI" mean Electronic Protected Health Information.

2. **Permitted and Required Uses/Disclosures of PHI.**

2.1 Except as limited in this Agreement, Business Associate may use or disclose PHI to perform Services provided that any use or disclosure would not violate the minimum necessary policies and procedures of Covered Entity. Business Associate shall not use or disclose PHI in any manner that would constitute a violation of the Privacy Rule if used or disclosed by Covered Entity in that manner. Business Associate may not use or disclose PHI other than as permitted or required by this Agreement or as Required by Law.

2.2 Business Associate may make PHI available to its employees who need access to perform Services provided that Business Associate makes such employees aware of the use and disclosure restrictions in this Agreement and binds them to comply with such restrictions. Business Associate may only disclose PHI for the purposes authorized by this Agreement: (a) to its agents (including subcontractors) in accordance with Sections 6 and 14 or (b) as otherwise permitted by Section 3.

3. **Business Activities.** Business Associate may use PHI received in its capacity as a "Business Associate" to Covered Entity if necessary for Business Associate's proper management and administration or to carry out its legal responsibilities. Business Associate may disclose PHI received in its capacity as "Business Associate" to Covered Entity for Business Associate's proper management and administration or to carry out its legal responsibilities if a disclosure is Required by Law or if (a) Business Associate obtains reasonable written assurances via a written contract from the person to whom the information is to be

disclosed that the PHI shall remain confidential and be used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person and (b) the person promptly notifies Business Associate (who in turn will promptly notify Covered Entity) in writing of any instances of which it is aware in which the confidentiality of the PHI has been breached. Uses and disclosures of PHI for the purposes identified in this Section 3 must be of the minimum amount of PHI necessary to accomplish such purposes.

4. **Safeguards.** Business Associate shall implement and use appropriate safeguards to prevent the use or disclosure of PHI other than as provided for by this Agreement. Business Associate shall identify in writing upon request from Covered Entity all of the safeguards that it uses to prevent impermissible uses or disclosures of PHI.
5. **Reporting.** Business Associate shall report in writing to Covered Entity any use or disclosure of PHI in violation of this Agreement by Business Associate or its agents including its subcontractors. Business Associate shall provide this written report promptly after it becomes aware of such use or disclosure. Business Associate shall provide Covered Entity with the information necessary for Covered Entity to investigate the impermissible use or disclosure. Consistent with 45 CFR 164.502(j)(1) Business Associate may use PHI to report violations of law to federal and state authorities.
6. **Agreements by Third Parties.** Business Associate shall ensure that any agent (including a subcontractor) to whom it provides PHI received from Covered Entity or created or received by Business Associate on behalf of Covered Entity agrees in a written contract to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such PHI. For example, the written contract must include those restrictions and conditions set forth in Section 12. Business Associate must enter into the written contract before any use or disclosure of PHI by such agent. The written contract must identify Covered Entity as a direct and intended third party beneficiary with the right to enforce any breach of the contract concerning the use or disclosure of PHI. Business Associate shall provide a copy of the written contract to Covered Entity upon request. Business Associate may not make any disclosure of PHI to any agent without the prior written consent of Covered Entity.
7. **Access to PHI.** Business Associate shall provide access to PHI in a Designated Record Set to Covered Entity or as directed by Covered Entity to an Individual to meet the requirements under 45 CFR 164.524. Business Associate shall provide such access in the time and manner reasonably designated by Covered Entity. Business Associate shall promptly forward to Covered Entity for handling any request for access to PHI that Business Associate directly receives from an Individual.
8. **Amendment of PHI.** Business Associate shall make any amendments to PHI in a Designated Record Set that Covered Entity directs or agrees to pursuant to 45 CFR 164.526, whether at the request of Covered Entity or an Individual. Business Associate shall make such amendments in the time and manner reasonably designated by Covered Entity. Business Associate shall promptly forward to Covered Entity for handling any request for amendment to PHI that Business Associate directly receives from an Individual.
9. **Accounting of Disclosures.** Business Associate shall document disclosures of PHI and all information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR 164.528. Business Associate shall provide such information to Covered Entity or as directed by Covered Entity to an Individual, to permit Covered Entity to respond to an accounting request. Business Associate shall provide such information in the time and manner reasonably designated by Covered Entity. Business Associate shall promptly forward to Covered Entity for handling any accounting request that Business Associate directly receives from an

Individual.

- 10. Books and Records.** Subject to the attorney-client and other applicable legal privileges, Business Associate shall make its internal practices, books, and records (including policies and procedures and PHI) relating to the use and disclosure of PHI received from Covered Entity or created or received by Business Associate on behalf of Covered Entity available to the Secretary in the time and manner designated by the Secretary. Business Associate shall make the same information available to Covered Entity (without regard to the attorney-client or other applicable legal privileges) upon Covered Entity's request in the time and manner reasonably designated by Covered Entity so that Covered Entity may determine whether Business Associate is in compliance with this Agreement.
- 11. Termination.**
- 11.1 This Agreement commences on the Effective Date and shall remain in effect until terminated by Covered Entity or until all of the PHI provided by Covered Entity to Business Associate or created or received by Business Associate on behalf of Covered Entity is destroyed or returned to Covered Entity subject to Section 15.11.
- 11.2 If Business Associate breaches any material term of this Agreement, Covered Entity may either: (a) provide an opportunity for Business Associate to cure the breach and Covered Entity may terminate this Contract without liability or penalty if Business Associate does not cure the breach within the time specified by Covered Entity; or (b) immediately terminate this Contract without liability or penalty if Covered Entity believes that cure is not reasonably possible; or (c) if neither termination nor cure are feasible, Covered Entity shall report the breach to the Secretary. Covered Entity has the right to seek to cure any breach by Business Associate and this right, regardless of whether Covered Entity cures such breach, does not lessen any right or remedy available to Covered Entity at law, in equity, or under this Contract, nor does it lessen Business Associate's responsibility for such breach or its duty to cure such breach.
- 12. Return/Destruction of PHI.**
- 12.1 Business Associate in connection with the expiration or termination of this Contract shall return or destroy all PHI received from Covered Entity or created or received by Business Associate on behalf of Covered Entity pursuant to this Contract that Business Associate still maintains in any form or medium (including electronic) within thirty (30) days after such expiration or termination. Business Associate shall not retain any copies of the PHI. Business Associate shall certify in writing for Covered Entity (1) when all PHI has been returned or destroyed and (2) that Business Associate does not continue to maintain any PHI. Business Associate is to provide this certification during this thirty (30) day period.
- 12.2 Business Associate shall provide to Covered Entity notification of any conditions that Business Associate believes make the return or destruction of PHI infeasible. If Covered Entity agrees that return or destruction is infeasible, Business Associate shall extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible for so long as Business Associate maintains such PHI.
- 13. Notice/Training.** Business Associate understands that: (a) there may be civil or criminal penalties for misuse or misappropriation of PHI and (b) violations of this Agreement may result in notification by

Covered Entity to law enforcement officials and regulatory, accreditation, and licensure organizations. If requested by Covered Entity, Business Associate shall participate in information security awareness training regarding the use, confidentiality, and security of PHI.

14. Security Rule Obligations. The following provisions of this Section 14 apply to the extent that Business Associate creates, receives, maintains or transmits Electronic PHI on behalf of Covered Entity.

- 14.1 Business Associate shall implement and use administrative, physical, and technical safeguards that reasonably and appropriately protect the Confidentiality, Integrity and Availability of the Electronic PHI that it creates, receives, maintains or transmits on behalf of Covered Entity. Business Associate shall identify in writing upon request from Covered Entity all of the safeguards that it uses to protect such Electronic PHI.
- 14.2 Business Associate shall ensure that any agent (including a subcontractor) to whom it provides Electronic PHI agrees in a written contract to implement and use administrative, physical, and technical safeguards that reasonably and appropriately protect the Confidentiality, Integrity and Availability of the Electronic PHI. Business Associate must enter into this written contract before any use or disclosure of Electronic PHI by such agent. The written contract must identify Covered Entity as a direct and intended third party beneficiary with the right to enforce any breach of the contract concerning the use or disclosure of Electronic PHI. Business Associate shall provide a copy of the written contract to Covered Entity upon request. Business Associate may not make any disclosure of Electronic PHI to any agent without the prior written consent of Covered Entity.
- 14.3 Business Associate shall report in writing to Covered Entity any Security Incident pertaining to such Electronic PHI (whether involving Business Associate or an agent, including a subcontractor). Business Associate shall provide this written report promptly after it becomes aware of any such Security Incident. Business Associate shall provide Covered Entity with the information necessary for Covered Entity to investigate any such Security Incident.
- 14.4 Business Associate shall comply with any reasonable policies and procedures Covered Entity implements to obtain compliance under the Security Rule.

15. Miscellaneous.

- 15.1 In the event of any conflict or inconsistency between the terms of this Agreement and the terms of the Contract, the terms of this Agreement shall govern with respect to its subject matter. Otherwise the terms of the Contract continue in effect.
- 15.2 Any reference to "promptly" in this Agreement shall mean no more than seven (7) business days after the circumstance or event at issue has transpired. A reference in this Agreement to a section in the Privacy Rule or Security Rule means the section as in effect or as amended or renumbered.
- 15.3 Business Associate shall mitigate, to the extent practicable, any harmful effect that is known to it of a use or disclosure of PHI in violation of any provision of this Agreement.
- 15.4 Business Associate shall cooperate with Covered Entity to amend this Agreement from time to time as is necessary for Covered Entity to comply with the Privacy Rule, the Security Rule, or any other standards promulgated under HIPAA.

- 15.5 Any ambiguity in this Agreement shall be resolved to permit Covered Entity to comply with the Privacy Rule, Security Rule, or any other standards promulgated under HIPAA.
- 15.6 In addition to applicable Vermont law, the parties shall rely on applicable federal law (e.g., HIPAA, the Privacy Rule and Security Rule) in construing the meaning and effect of this Agreement.
- 15.7 This Agreement may be amended or modified, and any right under this Agreement may be waived, only by a writing signed by an authorized representative of each party.
- 15.8 Nothing express or implied in this Agreement is intended to confer upon any person other than the parties hereto any rights, remedies, obligations or liabilities whatsoever. Notwithstanding the foregoing, the Covered Entity in this Agreement is the Agency of Human Services operating by and through its **Office of Vermont Health Access**. Covered Entity and Business Associate agree that the term "Covered Entity" as used in this Agreement also means any other Department, Division or Office of the Agency of Human Services to the extent that such other Department, Division, or Office has a relationship with Business Associate that pursuant to the Privacy or Security Rules would require entry into an agreement of this type.
- 15.9 As between Business Associate and Covered Entity, Covered Entity owns all PHI provided by Covered Entity to Business Associate or created or received by Business Associate on behalf of Covered Entity.
- 15.10 Business Associate shall abide by the terms and conditions of this Agreement with respect to all PHI it receives from Covered Entity or creates or receives on behalf of Covered Entity under this Contract even if some of that information relates to specific services for which Business Associate may not be a "Business Associate" of Covered Entity under the Privacy Rule.
- 15.11 The provisions of this Agreement that by their terms encompass continuing rights or responsibilities shall survive the expiration or termination of this Agreement. For example: (a) the provisions of this Agreement shall continue to apply if Covered Entity determines that it would be infeasible for Business Associate to return or destroy PHI as provided in Section 12.2 and (b) the obligation of Business Associate to provide an accounting of disclosures as set forth in Section 9 survives the expiration or termination of this Agreement with respect to accounting requests, if any, made after such expiration or termination.
- 15.12 This Agreement constitutes the entire agreement of the parties with respect to its subject matter, superseding all prior oral and written agreements between the parties in such respect.

ATTACHMENT F
CUSTOMARY CONTRACT PROVISIONS

1. **Agency of Human Services.** Field Services Directors will share oversight with the department (or office) that is a party to the contract for provider performance using outcomes, processes, terms and conditions agreed to under this contract.
2. **2-1-1 Data Base.** The contractor will ensure that relevant descriptive information regarding its agency, programs and/or contact information is contained in Vermont's 211 database and is accurate and up to date.

3. **Medicaid Program Contractors.**

Inspection of Records. Any contracts accessing payments for services through the Global Commitment to Health Waiver and Vermont Medicaid program must fulfill state and federal legal requirements to enable the Agency of Human Services (AHS), the United States Department of Health and Human Services (DHHS) and the Government Accounting Office (GAO) to :

Evaluate through inspection or other means the quality, appropriateness, and timeliness of services performed; and

Inspect and audit any financial records of such contractor or subcontractor.

Subcontracting for Medicaid Services: Having a subcontract does not terminate the contractor, receiving funds under Vermont's Medicaid program, from its responsibility to ensure that all activities under this agreement are carried out. Subcontracts must specify the activities and reporting responsibilities of the contractor or subcontractor and provide for revoking delegation or imposing other sanctions if the contractor or subcontractor's performance is inadequate. The contractor agrees to make available upon request to the Agency of Human Services; the Office of Vermont Health Access; the Department of Disabilities, Aging and Independent Living; and the Center for Medicare and Medicaid Services (CMS) all contracts and subcontracts between the contractor and service providers.

Medicaid Notification of Termination Requirements: Any contractor accessing payments for services under the Global Commitment to Health Waiver and Medicaid programs who terminates their practice will follow the Office of Vermont Health Access, Managed Care Organization enrollee notification requirements.

Encounter Data: Any contractor accessing payments for services through the Global Commitment to Health Waiver and Vermont Medicaid programs must provide encounter data to the Agency of Human Services and/or its departments and ensure that it can be linked to enrollee eligibility files maintained by the State.

4. **Non-discrimination Based on National Origin as evidenced by Limited English Proficiency.** The contractor agrees to comply with the non-discrimination requirements of Title VI of the Civil Rights Act of 1964, 42 USC Section 2000d, et seq., and with the federal guidelines promulgated pursuant to Executive Order 13166 of 2000, which require that contractors and subcontractors receiving federal funds must assure that persons with limited English proficiency can meaningfully access services. To the extent the contractor provides assistance to individuals with limited English proficiency through the use of oral or written translation or interpretive services in compliance with this requirement, such individuals cannot be required to pay for such services.

5. **Voter Registration.** When designated by the Secretary of State, the contractor agrees to become a voter registration agency as defined by 17 V.S.A. §2103 (41), and to comply with the requirements of state and federal law pertaining to such agencies.

6. **Drug Free Workplace Act.** The contractor will assure a drug-free workplace in accordance with 45 CFR Part 76.

7. **Privacy and Security Standards.**

Protected Health Information: The contractor shall maintain the privacy and security of all individually identifiable health information acquired by or provided to it as a part of the performance of this contract. The contractor shall follow federal and state law relating to privacy and security of individually identifiable health information as applicable, including the Health Insurance Portability and Accountability Act (HIPPA) and its federal regulations.

Substance Abuse Treatment Information: The confidentiality of any alcohol and drug abuse treatment information acquired by or provided to the contractor or subcontractor shall be maintained in compliance with any applicable state or federal laws or regulations and specifically set out in 42 CFR Part 2.

Other Confidential Consumer Information: The contractor agrees to comply with the requirements of AHS Rule No. 96-23 concerning access to information. The contractor agrees to comply with any applicable Vermont State Statute, including but not limited to 12 VSA §1612 and any applicable Board of Health confidentiality regulations. The contractor shall ensure that all of its employees and subcontractors performing services under this agreement understand the sensitive nature of the information that they may have access to and sign an affirmation of understanding regarding the information's confidential and non-public nature.

Social Security numbers: The contractor agrees to comply with all applicable Vermont State Statutes to assure protection and security of personal information, including protection from identity theft as outlined in Title 9, Vermont Statutes Annotated, Ch. 62.

8. **Abuse Registry.** The contractor agrees not to employ any individual, use any volunteer, or otherwise provide reimbursement to any individual who provides care, custody, treatment, services, or supervision to children or vulnerable adults if there is a substantiation of abuse or neglect or exploitation against that individual. The contractor will check the Adult Abuse Registry in the Department of Disabilities, Aging and Independent Living. Unless the contractor holds a valid child care license or registration from the Division of Child Development, Department for Children and Families, the contractor shall also check the Central Child Abuse Registry, (See 33 V.S.A. §4919 & 33 V.S.A. §6911).

9. **Child Abuse Reporting.** Notwithstanding the provision of 33 V.S.A. §4913(a) any agent or employee of the contractor who has reasonable cause to believe that a child has been abused or neglected as defined in Chapter 49 of Title 33 V.S.A. shall report the suspected abuse or neglect to the Commissioner of the Department for Children and Families within one working day. The report shall contain the information required by 33 V.S.A. §4914.

10. **Work Product Ownership.** All data, technical information, materials gathered, originated, developed, prepared, used or obtained in the performance of the contract - including, but not limited to, all reports, surveys, plans, charts, literature, brochures, mailings, recordings (video or audio, pictures, drawings, analyses, graphic representations, software computer programs and accompanying documentation and printouts, notes and memoranda, written procedures and documents, regardless of the state of completion, which are prepared for or are a result of the services required under this contract shall be

and remain the property of the State of Vermont and shall be delivered to the State of Vermont upon 30 days notice by the State. With respect to software computer programs and / or source codes developed for the State, the work shall be considered "work for hire," i.e., the State, not the contractor or subcontractor, shall have full and complete ownership of all software computer programs and/or source codes developed.

11. **Software Development.** Without exception or alternate options, it is the State's policy that any application software which is purchased to support a business, operational or service delivery, activity of state government must include the licensing or ownership of the source code. The source code must be delivered to, and reside in, the state agency or department that supports and/or maintains the application and must be available for modification and/or maintenance by state personnel at the sole discretion and option of the State. Source code held in escrow by a third party does not meet the requirement of this policy.
12. **Intellectual Property Ownership.** All work products and items delivered or produced under this agreement will be the exclusive property of the State of Vermont. This includes, but is not limited to, software, documentation, and development materials. The contractor shall not sell or copyright a work product or item produced under this contract without explicit permission from the State. The contractor shall not make information entered in the application available for uses by any other party than the State of Vermont without prior authorization by the State.
13. **Lobbying.** No federal funds under this agreement may be used to influence or attempt to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, continuation, renewal, amendments other than federal appropriated funds.
14. **Non-discrimination.** The contractor will prohibit discrimination on the basis of age under the Age Discrimination Act of 1975, on the basis of handicap under section 504 of the Rehabilitation Act of 1973, on the basis of sex under Title IX of the Education Amendments of 1972, or on the basis of race, color or national origin under Title VI of the Civil Rights Act of 1964. No person shall on the grounds of sex (including, in the case of a woman, on the grounds that the woman is pregnant) or on the grounds of religion, be excluded from participation in, be denied the benefits of, or be subjected to discrimination, to include sexual harassment, under any program or activity supported by state and/or federal funds.
15. **Environmental Tobacco Smoke.** Public Law 103-227, also known as the Pro-children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, child care, early childhood development services, education or library services to children under the age of 18, if the services are funded by federal programs either directly or through state or local governments, by federal grant, contract, loan or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such Federal funds.

The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where Women, Infants, & Children (WIC) coupons are redeemed.

Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible entity.

Contractors are prohibited from promoting the use of tobacco products for all clients. Facilities

supported by state and federal funds are prohibited from making tobacco products available to minors.

Revised AHS - 4/24/07

ATTACHMENT G
CD - LISTING BY FOLDER

<u>Folder</u>	<u>Name of File</u>
RFP	1. RFP for CCM Intervention Services & Health Risk Assessment 10/05/06 2. Final RFP Questions & Answers Bidder Conference 12/01/06 3. Final RFP Questions & Answers Written 12/01/06 4. Addendum Revised Procurement Schedule 12/01/06 5. Addendum Questions & Answers Written 12/14/06 6. Addendum Revised Procurement Schedule (#4) 01/03/07 7. Addendum Revised Procurement Schedule 01/26/07 8. Addendum Revised Procurement Schedule 02/13/07 9. Addendum Revised Procurement Schedule 03/22/07
APS Technical Proposal	1. - 26. APS Healthcare Midwest Proposal 01/02/07
APS Cost Proposals	1. - 3. APS Healthcare Cost Proposal 01/02/07 IVS & HRA 4. APS CCM HRA Revised Cost Proposal 03/22/07 5. APS CCM HRA Revised Cost Proposal 05/08/07
APS Additional Information	1. APS Response to OVHA's Questions 03/13/07 2. APS Response to OVHA's Questions 03/14/07 3. APS Letter to OVHA 03/20/07 Final 4. APS Letter to OVHA 03/22/07 Final 5. - 8. APS Response Additional Resumes Proprietary Information 03/20/07