DVHA Routing Form

Revision Date 5/1/12

Type of Agreement: **Contract** Agreement #: **24486** Form of Agreement: **New** Amendment #:

Name of Recipient: **Medsolutions, Inc.** Vendor #: **324143**

Program Manager : **Kelly Gordon** Phone #: **802-879-5905**

Agreement Manager: **Meaghan Kelley** Phone #: **802-871-3302**

Brief Explanation of Agreement: **Evidence based case and utilization management of diagnostic radiology imaging services, assistance to Medicaid plans in the evidence-based review, and improvement of patient safety.**

Start Date: **August 1, 2013** End Date: **June 30, 2014** Maximum Amount: **$405,000.00**

Amendments Only: Maximum Prior Amount: **$0.00** Percentage of Change: **0.00%**

Bid Process (Contracts Only): ☒ Standard ☐ Simplified ☐ Sole Source ☐ Statutory ☐ Master Contract SOW

Funding Source

Global Commitment 93.778	**$405,000.00**		

Contents of Attached Packet

☒ AA-14 ☒ Attachments A, B, C & F ☐ Attachment G - Academic Research

☐ Sole Source Memo ☐ Attachment D - Modifications to C & F ☐ MOU

☒ Qualitative/Justification Memo ☒ Attachment E - Business Associate Agreement ☐ Other:

Reviewer		Reviewer Initials	Date In	Date Out
DVHA Grant & Contract Administrator	**Kate Jones**	K.J.		
DVHA BO	**Jill Gould**	J.G.		
DVHA Commissioner or Designee	**Mark Larson, Commissioner**	M.L.		
AHS Attorney General	**Seth Steinzor, AAG**	S.S.		
Following Approvals for Contracts Only:				
AHS CIO				
AHS Central Office	**Diane Nealy**	D.N.		
AHS Secretary	**Dixie Henry**	D.H.		

Vision Account Codes:

☐ FFATA Entry ☐ Grant Tracking Module Vision PO #: Initials & Date: Approval & B/C:

STATE OF VERMONT CONTRACT SUMMARY AND CERTIFICATION - - - - - - - - - - - Form AA-14 (8/22/11)

Note: All sections are required. Incomplete forms will be returned to department.

I. CONTRACT INFORMATION:

Agency/Department: AHS/ DVHA **Contract #:** 24486 **Amendment #:**

Vendor Name: Medsolutions, Inc. VISION Vendor No: 324143

Vendor Address: 730 Cool Springs Blvd, Suite 800, Franklin, TN 37067

Starting Date: 8/1/2013 **Ending Date:** 6/30/2014 **Amendment Date:**

Summary of agreement or amendment: Evidence based case and utilization management of diagnostic radiology imaging services, assistance to Medicaid plans in the evidence-based review, and improvement of patient safety.

II. FINANCIAL INFORMATION

Maximum Payable: $405,000.00 Prior Maximum: $ Prior Contract # (If Renewal):

Current Amendment: $ Cumulative amendments: $ % Cumulative Change: %

Business Unit(s): 3410; ; - [notes:] **VISION Account(s): 507600;**

II. PERFORMANCE INFORMATION

Does this Agreement include Performance Measures tied to Outcomes and/or financial reward/penalties? ☒ Yes ☐ No

Estimated Funding Split:	G-Fund %	S-Fund %	F-Fund %	GC-Fund 100.00 %	Other %

III. PUBLIC COMPETITION

The agency has taken reasonable steps to control the price of the contract or procurement grant and to allow qualified organizations to compete for the work authorized by this contract. The agency has done this through:

☒ Standard bid or RFP ☐ Simplified Bid ☐ Sole Sourced ☐ Qualification Based Selection ☐ Statutory

IV. TYPE OF AGREEMENT & PERFORMANCE INFORMATION

Check all that apply: ☐ Service ☒ Personal Service ☐ Architect/Engineer ☐ Construction ☐ Marketing ☐ Information Technology ☐ Other, describe:

V. SUITABILITY FOR CONTRACT FOR SERVICE

☒ Yes ☐ No ☐ n/a If this is a Personal Service contract, does this agreement meet all 3 parts of the "ABC" definition of independent contractor? (See Bulletin 3.5) If NO, then contractor must be paid through Payroll

VI. CONTRACTING PLAN APPLICABLE:

Are one or more contract or terms & conditions provisions waived under a pre-approved Contracting Plan? ☐ Yes ☒ No

VII. CONFLICT OF INTEREST

By signing below, I certify that no person able to control or influence award of this contract had a pecuniary interest in its award or performance, either personally or through a member of his or her household, family, or business.

☐ Yes ☒ No Is there an "appearance" of a conflict of interest so that a reasonable person may conclude that this party was selected for improper reasons: (If yes, explain)

VIII. PRIOR APPROVALS REQUIRED OR REQUESTED

☒ Yes ☐ No Agreement must be approved by the Attorney General under 3 VSA §311(a)(10) (personal service)

☒ Yes ☐ No I request the Attorney General review this agreement as to form
No, already performed by in-house AAG or counsel: _____ (initial)

☐ Yes ☒ No Agreement must be approved by the Comm. of DII; for IT hardware, software or services and Telecommunications over $100,000

☐ Yes ☒ No Agreement must be approved by the CMO; for Marketing services over $15,000

☐ Yes ☒ No Agreement must be approved by Comm. Human Resources (privatization and retiree contracts)

☒ Yes ☐ No Agreement must be approved by the Secretary of Administration

IX. AGENCY/DEPARTMENT HEAD CERTIFICATION; APPROVAL A.P. D.N.

I have made reasonable inquiry as to the accuracy of the above information:

Date	Agency / Department Head	Date	Agency Secretary or Other Department Head (if required)
	E-SIGNED by Mark Larson on 2013-08-01 01:15:33 GMT		E-SIGNED by Dixie Henry on 2013-08-01 18:38:43 GMT

Date	Approval by Attorney General	Date	Approved by Commissioner of Human Resources
	E-SIGNED by Seth Steinzor on 2013-08-01 14:22:27 GMT		E-SIGNED by Michael Clasen on 2013-08-01 19:21:44 GMT

Date	CIO	Date	CMO	Date	Secretary of Administration

VERMONT

State of Vermont
Department of Vermont Health Access
312 Hurricane Lane, Suite 201
Williston VT 05495-2807
dvha.vermont.gov

Agency of Human Services
[Phone] 802-879-5900
[Fax] 802-879-5651

MEMORANDUM

TO: Jeb Spaulding; Secretary, AoA M.C.

FROM: Mark Larson; Commissioner, DVHA M.L.

DATE: July 3, 2013

SUBJECT: Approval to contract with MedSolutions, Inc.
Radiology Benefit Management Services
Duration: 08/1/13 – 6/30/14
Value of Contract: $405,000.00

DVHA is requesting approval for a one-year contract and three (3) one-year renewals with MedSolutions, Inc. ("MedSolutions") to perform evidence-based radiology benefit management services including prior authorizations for imaging services. These services ensure that Medicaid beneficiaries are provided with the most clinically appropriate and cost effective medically necessary care. MedSolutions currently provides these services to 13 state Medicaid programs.

MedSolutions was selected via the Standard Bid RFP process. Of the two (2) bidders, MedSolutions stood out as the most impressive provider, with a higher overall score among all raters. Key factors in MedSolutions' successful bid include greater experience with Medicaid programs, excellent references, and a high level of customer satisfaction both pre- and post-implementation.

MedSolutions will be required to submit monthly and quarterly reports to DVHA that will allow us to monitor their performance and ensure compliance with the contract requirements.

If you have any questions about this contract, please contact Kelly Gordon at 802-879-5905.

Funding for this contract will be covered by the Global Commitment to Health appropriation and complies with all mandatory provisions of AOA Bulletin 3.5.

1. **Parties.** This is a contract for personal services between the State of Vermont, Department of Vermont Health Access (hereafter called "State"), and MedSolutions, Inc., with a principal place of business at 730 Cool Springs Blvd., Suite 800, Franklin, TN 37067 (hereafter called "Contractor"). The Contractor's form of business organization is a Corporation. 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 of Taxes Business Account Number.

2. **Subject Matter.** The subject matter of this contract is personal services generally on the subject of Utilization Management Services for evidence based case and utilization management of diagnostic radiology imaging services and providing assistance to Medicaid plans in the evidence-based review and improvement of patient safety. 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 $405,000.00.

4. **Contract Term.** The period of Contractor's performance shall begin on August 1, 2013 and end on June 30, 2014 with the option to renew for three (3) additional one-year terms as mutually agreed upon between the State and Contractor

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.

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 30 days in advance. Notwithstanding this provision, if a governmental agency with due authority determines that a program or facility operated by the Contractor, wherein services authorized under this contract are provided, is not in compliance with State and Federal law or is operating with deficiencies the State may terminate this contract immediately and notify the Contractor accordingly. Also, in the event that federal funds supporting this contract become unavailable or are reduced, the State may cancel this contract with no obligation to pay the Contractor from State revenues.

8. **Attachments.** This contract consists of 30 pages including the following attachments, which are incorporated herein:
   Attachment A - Specifications of Work to be Performed
   Attachment B - Payment Provisions
   Attachment C - Customary State Contract provisions
   Attachment D - Modifications of Insurance
   Attachment E - Business Associate Agreement
   Attachment F - Customary Contract Provisions of the Agency of Human Services
   Exhibit A- Reporting Requirements

Exhibit B-Utilization Management Delegated Functions & Responsibilities

The order of precedence of documents shall be as follows:

1). This document
2). Attachment D
3). Attachment C
4). Attachment A
5). Attachment B
6). Attachment E
7) Attachment F
8) Other Attachments (if any)

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

BY THE STATE OF VERMONT:		**BY THE CONTRACTOR:**	
E-SIGNED by Mark Larson on 2013-08-05 21:33:54 GMT		E-SIGNED by Alan Poenitske on 2013-08-05 20:56:50 GMT	
MARK LARSON, COMMISSIONER	DATE	ALAN POENITSKE, SVP	DATE

ATTACHMENT A
SPECIFICATIONS OF WORK TO BE PERFORMED

The State arranges health care services for Medicaid beneficiaries eligible for services under Title XIX of the Social Security Act. The Contractor specializes in evidence based case and utilization management of diagnostic radiology imaging services (hereafter called "Covered Health Services") and provides assistance to Medicaid plans in the evidence based review of the Covered Health Services designed to improve patient safety and increase quality through application of evidence based criteria pursuant to the terms and conditions set forth in this Agreement. The Parties agree as follows:

I) DEFINITIONS

a) **Applicable Law** means any and all Federal and State statutes, rules, and applicable regulations to the activities of the State and Contractor in carrying out their respective duties and obligations as set forth in this Agreement.

b) **CMS** means the Centers for Medicare and Medicaid Services, or any applicable successor Federal regulatory authority

c) **Members** means all individuals living in Vermont who are entitled to State's coverage as a result of the individual's eligibility and who are duly enrolled in accordance with applicable enrollment requirements for services under Title XIX of the Social Security Act, or any waiver thereof.

d) **Covered Health Services (CHS)** means outpatient, diagnostic, non-emergency radiology imaging health care services, including the appropriate Current Procedural Terminology (CPT) codes, for those services referenced in Section A below, as updated by the Contractor and State as necessary that are benefits under the terms of a Member's Program or are otherwise required by Applicable Law to be benefits under a Member's Program.

e) **Emergency** medical condition means the sudden and, at the time, unexpected onset of an illness or medical condition that manifests itself by symptoms of sufficient severity, including severe pain, that the absence of immediate medical attention could reasonably be expected by the prudent layperson, who possess an average knowledge of health and medicine, to result in:
   a. placing the member's physical or mental health in serious jeopardy; or
   b. serious impairment to bodily functions; or
   c. serious dysfunction of any bodily organ or part.

f) **Emergency Services** means medical screening, examination, and evaluation by a physician, or, to the extent permitted by Applicable Law, by other appropriate personnel under the supervision of a physician, to determine if an emergency medical condition exists and, if it does, the care, treatment, or surgery for a covered service by a physician necessary to relieve or eliminate the emergency medical condition, within the service capability of a hospital.

g) **Government Agencies** means the Centers for Medicare and Medicaid Services ("CMS") or the State of Vermont, or any federal or State agency with authority over the State of Vermont and its subcontractors.

h) **Medicaid Program** means the program of Medical Assistance overseen by the applicable State Medicaid Agency and any procedures, benefits, terms and conditions, limitations, exclusions, requirements and other obligations to which Members and providers are subject there under.

i) **Medically Necessary** (Medical Necessity) means health care services, including diagnostic testing, preventive services, and aftercare, that are appropriate, in terms of type, amount, frequency, level, setting, and duration to the beneficiary's diagnosis or condition. Medically necessary care must be consistent with generally accepted practice parameters as recognized by health care providers in the same or similar general specialty as typically treat or manage the diagnosis or condition, and

a. help restore or maintain the beneficiary's health; or
b. prevent deterioration or palliate the beneficiary's condition; or
c. prevent the reasonably likely onset of a health problem or detect an incipient problem.

Additionally, for EPSDT-eligible beneficiaries, medically necessary includes a determination that a service is needed to achieve proper growth and development or prevent the onset or worsening of a health condition.

i) **MSI Services** means those services for which the Contractor is contracted to perform for the State, as described in this agreement.

j) **Participating Service Provider ("PSP")** means a hospital, a physician, or any other health care practitioner or entity that has a direct or indirect contractual arrangement with the State to provide or make referrals for Covered Health Services with regard to the particular State department under which the Member is covered.

k) **Program(s)** means the applicable Medicaid program offered or administered by the State, and the procedures, benefits, terms and conditions, limitations, exclusions, requirements and other obligations to which Members and providers are subject thereunder, as the case may be.

l) **Parties** mean State and Contractor, collectively.

m) **Party** means State and Contractor, as applicable.

II) CONTRACTOR OBLIGATIONS

a) **MSI Services.** The Contractor shall provide MSI Services on the financial terms outlined in this Agreement. Contractor shall perform MSI Services in accordance with the industry standards currently accepted in the radiological industry and all Applicable Law.

b) **Standard and Character of Performance.** Contractor shall use customary and reasonable care and proper diligence in the performance of its services under this Agreement. It is understood and agreed by the Parties that the terms "customary and reasonable care and proper diligence" do not make the Contractor a guarantor of the correctness of any claims payments and other services performed under this Agreement, but refers to the usual business practice standards and conduct in such business.

c) **Assistance.** Contractor shall maintain a toll-free telephone line and trained service and clinical personnel from 8:00 a.m. to 9:00 p.m. Eastern Time, Monday through Friday, excluding holidays, for pre-authorization and other inquiries regarding the MSI Services.

d) **Personnel Qualifications/Responsibilities.** Contractor shall utilize the following personnel in the performance of this Agreement:

i. **Intake personnel** shall provide non-clinical support to the nursing staff and the parties agree that at no time shall intake personnel perform any medical necessity review; but they may obtain relevant information. Intake personnel shall be employed or sourced to Contractor through a "temp-to-hire" employment agency relationship.

ii. **Nursing Staff** shall consist only of the following:

1. Registered or Licensed Practical Nursing Staff (hereinafter "Nursing Staff") shall participate in the performance of medical necessity reviews which result in the authorization of services based upon medical necessity criteria developed by the Contractor which are approved by the State. In addition, the Nursing Staff shall refer cases that do meet the approved criteria for approval, to a Medical Director for review. The Nursing Staff shall include only nurses that have graduated from an accredited nursing program with an appropriate diploma or certificate, associate's degree or bachelor's degree. Contractor shall only utilize Nursing Staff with un-restricted nursing licensure. Nursing staff and other non-medical doctor clinical personnel shall be employed or sourced to Contractor through a "temp-to-hire" employment agency relationship.
2. Only a Medical Director shall perform individual case reviews and issue denials as the result of such clinical review. Contractor's Chief Medical Director shall possess an unrestricted medical license and Board Certification and shall sign denial letters.

e) **Communications.** Prior to distributing any announcement or communication to Participating Providers related to the MSI Services (including but not limited to policy letters, provider manuals or procedure manuals), Contractor shall provide the State with copies of the proposed announcement or communication for the State's review and written approval, which such approval will not be unreasonably withheld. The State shall conclude a review of all material submitted for review hereunder within thirty (30) days of receipt. In all matters pertaining to the performance of MSI Services under this Agreement, Contractor, when it acts in good faith, may rely upon any notice, resolution, instruction, direction, order, certificate, opinion, letter or other document believed by it to be genuine and authorized by the State and any communication regarding changes in the performance in the MSI Services shall require thirty (30) days advance written notice thereof from the State with the exception of those changes that are mandated by a Government Agency.

f) **Hold Harmless**. Contractor will look solely to the State for compensation for MSI Services. Contractor agrees that, in no event, including but not limited to non-payment by the State, insolvency, or breach of the Agreement, will Contractor directly or indirectly bill, charge, collect a deposit from, seek compensation, remuneration, or reimbursement from or have any recourse against Members or persons other than State acting on their behalf for Medically Necessary Covered Health Services provided pursuant to this Agreement and that Contractor will indemnify and hold harmless Member. The parties further agree that (1) this provision shall survive the termination of this Services Agreement regardless of the cause giving rise to termination and shall be construed to the benefit of the Members; and (2) this provision supersedes any oral or written contrary Agreement now existing or hereafter entered into between Contractor and any Member or persons acting on their behalf.

g) **Independent Medical Judgment.** Nothing in this Agreement, including Contractor's participation in the quality management process, shall be construed to interfere with or in any way affect a health care provider's obligation to exercise independent medical judgment in rendering health care services, including Covered Health Services, to Members. PSPs shall be solely responsible for the quality of services provided to

Members. No provision of this Agreement shall be construed to interfere with PSPs' independent medical judgment or professional ethics. All decisions regarding the provision of health care services to Members shall be based on such Members' medical needs and shall be made by or under the supervision of licensed physicians. Utilization management decisions made by or on behalf of State are benefit coverage decisions and shall not constitute the practice of medicine and shall not be construed to affect a Participating Provider's independent medical judgment regarding whether to render care to a Member.

III) STATE OBLIGATIONS

a) **Payment.** Consistent with Attachment B to the Contract, the State shall pay Contractor the compensation provided for in this Agreement.

b) **Eligibility.** State shall be responsible for collecting enrollment information and providing information regarding who is eligible to receive benefits under the Program to Contractor. Contractor may rely upon such lists in performing its duties hereunder. State will notify Contractor using its best efforts of any additions, changes, deletions, or modifications of Members as they occur. In an event where the State determines that a Member has become ineligible for their respective programs or is no longer eligible to be enrolled with State for any reason, State shall also notify Contractor as soon as practicably possible.

c) **Credentialing** PSP's shall be credentialed and re-credentialed by State as required by its policies and procedures and applicable accreditation bodies and law. State shall notify Contractor of the termination or loss of credentialing of a PSP within ten (10) business days of such event.

d) **Identifications.** Contractor and State shall agree on a system of Member identification in order that Contractor and PSPs may identify the Member as belonging to State's Program.

e) **Accuracy of Data**. State acknowledges that complete and accurate Member, provider and other data is essential to the appropriate provision of MSI Services hereunder. State represents and warrants to the best of its knowledge that all such data provided to Contractor is accurate and agrees that any performance guarantees in this Services Agreement are contingent upon the accuracy of such data.

f) **Technical Requirements.** Incremental daily data capture eligibility files are to be provided by State to Contractor in scope and format mutually agreed to by State and Contractor. These tables are built from extract files downloaded from certain VTXIX system master files, and uploaded to Contractor's system for validation of specific data fields during data capture for VTXIX Prior Authorization Requests. These files will be refreshed daily by State via secure electronic communication on a schedule to be established between the State and Contractor. There is one (1) daily Provider Enrollment File and one (1) complete daily Eligibility File. Additionally, there is one (1) bi-annual CPT file that is to be shared. Incremental daily data capture authorization files are to be provided by Contractor to HP for authorizations initiated and completed. This file will be refreshed daily by Contractor via secure electronic communication. HP shall provide the Contractor will any format changes to both the daily eligibility file and the incoming authorization file.

g) **Provision of Requirements.** The State will notify Contractor of changes in State policies that impact the services provided by Contractor. Both parties agree to negotiate in good faith to amend this agreement when changes in policies and/or procedures occur in which the Contractor is required to comply pursuant to this agreement. If changes in State policies and procedures are unacceptable to Contractor, Contractor may terminate this Agreement upon thirty (30) days written notice.

h) **Appeals.** The State will conduct all appeals processes.

i) **Benefit Determination.** The interpretation of the extent of the benefits to which any Member is entitled under a State health plan shall initially rest with Contractor. However, in the event that State determines that Contractor has misinterpreted the State's direction and so informs Contractor in writing, Contractor shall interpret the benefit in question in accordance with State's direction. However, if Contractor's automated systems must be changed to accommodate State's direction, Contractor shall have thirty (30) days from signature of the cost reimbursement amendment described below to make the change, and State shall pay the reasonable cost to Contractor of such change to Contractor's automated systems. Such costs will not be reimbursed by the State unless approved by the State, reduced to writing, and signed by both parties as an amendment to this agreement. Until these system changes can be implemented, Contractor may require ten (10) business days to put manual procedures in place to detect similar benefit determinations. To the extent that a change in benefit determination impacts the payment provisions of this contract, to the detriment of either party, State and Contractor agree to negotiate to adjust the monthly rate to accommodate such changes in benefit interpretation. Any negotiated changes to the payment provisions of this contract will only take effect when they are reduced to writing and signed by both parties as an amendment to this agreement.

j) **Notice to Members.** Unless otherwise agreed to by the Parties, State shall notify Members of the existence of the MSI Services and the Members' responsibilities thereunder, including, but not limited to, any preauthorization requirements for radiology, radiation therapy, or other services. State shall be responsible for translation and interpretation services as may be required by federal or state regulation or statute. Contractor shall not send materials, documents or notices to Members without prior approval by State.

k) **Required Participation with Pre-certification.** Members shall be required to have Covered Health Services reviewed through the Utilization Management (UM) Program to be eligible for coverage. The State acknowledges that it is responsible for enforcing Medicaid UM procedure compliance by providers. State shall reasonably cooperate with Contractor in the implementation of the MSI Services.

l) **Provider Assistance.** The State shall maintain a Provider Relations call center, which can be accessed by providers by calling 802-878-7871 or 800-925-1706 for out-of-state callers. The call center shall be available during normal business hours to provide routine assistance and responses to queries necessary for Contractor to provide MSI Services. State will keep Contractor regularly apprised of calls received by the Provider Relations call center that address Contractor services. Peer-to-peer communications will not come through the Provider Relations call center but will come directly to Contractor medical directors.

A. COVERED HEALTH SERVICES AND SERVICE AREA

1) Covered Health Services shall include those services shown in the table below provided to Members. A list of CPT Codes for Covered Health Services will be provided by Contractor during the implementation of this Agreement. Contractor will provide updated CPT Codes to State within 30 days of additions or deletions to the CPT Code list being published. CPT Codes will be updated annually as released by the American Medical Society. Any updates to the codes will be submitted by the Contractor to the State for review and approval by the State before implementing.

Phase	Program
I	**Covered Health Services:** **The following outpatient high-tech imaging services require prior authorization (Per Medicaid Covered Services Rules 7405.2):** Computed Tomography (CT) Computed Tomographic Angiography (CTA) Magnetic Resonance Imaging (MRI) Magnetic Resonance Angiography (MRA) Positron Emission Tomography (PET) Positron Emission Tomography-Computed Tomography (PET/CT)

2) Non-covered services include inpatient hospital services, services rendered in an Emergency Department of a hospital, interventional radiology procedures, radiology services obtained pursuant to an Emergency Room visit, radiology services obtained, ordered, or performed during an observation stay, services referred by or to a non-network provider by a PSP, prior authorization issued by State or Prior Authorization issued on behalf of State before the Effective Date of the Agreement, and all other outpatient diagnostic services other than those services shown above on the applicable effective date, shown in the table, above, included in the list of CPT Codes provided by Contractor to State hereunder and as updated from time to time by Contractor.

3) The service area in which Contractor shall provide MSI Services for Covered Health Services shall be the State of Vermont and all out of State network providers.

B. UTILIZATION AND NETWORK MANAGEMENT SERVICES

1) As further defined herein, services included in the MSI Services shall include:
   a) Improving the quality of radiological imaging services provided to Members through UM or pre-authorization.
   b) Delegation for communication of medical necessity determinations and for first level appeals.
   c) Delivery of service levels as described in Section C below.

2) Utilization management or pre-authorization description.
   a) Contractor will establish a UM Program that is consistent with State policies and procedures and collaborative with State as defined in this Agreement and in accordance with URAC and/or NCQA standards and Applicable Law. Contractor's UM Program shall seek to improve patient safety and increase the quality of case management by determining that Covered Health Services referenced in Section A above to be provided to Members are Medically Necessary and will include, but not be limited to the following: prior authorization to assess Medical Necessity; and communication to relevant parties of Medical Necessity decisions.
   b) Contractor will perform UM Program services as a delegate of State. Requests for pre-authorization of Covered Health Services may be initiated either via toll-free telephone, toll-free fax or via the Internet from the requesting provider.
   c) Contractor shall be subject to a site review and evaluation of its UM Program on an ongoing basis as may be required by State.

d) Contractor shall maintain a written UM Program description which includes:
   i) A description of Contractor's: 1) policies/procedures to evaluate medical necessity, 2) use of evidence – based medicine though use of nationally recognized criteria and information sources, including but not limited to State's coverage determinations for Members; and 3) processes used to review and approve services or determine that they are not medically necessary;
   ii) A description of Contractor's mechanism to update periodically the UM Program description and the UM Program's policies and procedures;
   iii) A description of the roles and functions of Contractor's UM Program to include a definition of the roles and responsibilities of Contractor's UM Program staff;
   iv) Criteria for clearly documenting and communicating to participating physicians quality and appropriateness of medical services;
   v) An appropriate mechanism for verifying the consistency of quality determinations made across physician and non-physician reviewers;
   vi) An appropriate mechanism for updating evidence based review criteria periodically, including the time of the update as specified in protocol or policy.

e) Contractor's UM Program decisions shall be follow the timeframes set below. Contractor's UM Program policies and procedures shall clearly define the maximum time frames for UM program decisions. All UM Program decisions shall be completed within the timeframes outlined herein or such shorter time as required to meet all applicable State requirements.
   i) Contractor shall implement an appropriate mechanism to monitor and document timeliness of decisions that shall include:
      (1) Fax/Mail: Documentation to show urgent request are responded to within one (1) business day
      (2) Web Portal: The web portal must be available 7 days a week 24 hours per day and should be easily navigated. Where all information has been provided to demonstrate that the request meets clinical appropriateness guidelines, an approval will be instantaneous with the provider seeing an approval within 4-5 minutes, unless evidence based guidelines indicate that further review is required. Documentation to show seventy-five percent (75%) of routine requests are responded to within two (2) working days.
      (3) Telephone: Where all information has been provided to demonstrate that the request meets clinical appropriateness guidelines, an approval will be instantaneous with the provider receiving an approval within 4-5 minutes, unless evidence based guidelines indicate that further review is required. Documentation to show ninety-eight percent (98%) of routine requests are responded to within three (3) business days.
   ii) Contractor will monitor and analyze its compliance with timeliness requirements and take action to meet or improve adherence to such requirements as the circumstances may require.

f) Emergent tests conducted in other than hospital emergency rooms will require the provider's submission of a retroactive PA request.

g) Contractor shall provide State with a copy of its written UM Program description upon request.

h) Contractor shall maintain all applicable licensures and certifications required to perform the delegated utilization management activities.

i) Contractor shall maintain appropriate records with respect to UM Program activities as required by Applicable Law.

j) Contractor shall regard all clinical records of Members and any other records containing individually identifiable information with respect to Members as confidential and shall comply with all applicable federal and state laws and regulations regarding such records.

k) With respect to each request for medical services for which Contractor performs UM Program services hereunder, Contractor shall apply UM Program criteria taking into account the needs of the individual patient.

l) In connection with all UM Program activities hereunder, Contractor shall obtain all necessary information including pertinent clinical information, consult with the treating physician as appropriate, and document such efforts. All patient information gathered from the UM Program shall be confidential, shall not be disclosed to any third parties except as required by Applicable Law or as necessary to fulfill Contractor's responsibilities hereunder.

m) State shall cover medically necessary Emergency Services, as defined herein, without pre-authorization.

n) Contractor shall have a full-time medical director who provides oversight of the UM Program and shall use board certified specialists to assist in determining that any procedure is not Medically Necessary.

o) Non-clinical staff may utilize protocols and criteria approved by the medical director to collect relevant clinical and non-clinical information and shall not make medical appropriateness/necessity decisions.

p) Contractor may deploy its proprietary predictive modeling techniques in an attempt to prescreen which requested Covered Health Services are likely to be Medically Necessary or not Medically Necessary for the purpose of improving State service for requesting providers.

q) Contractor shall prepare such periodic reports or other data as shown in Exhibit A relating to Contractor's UM Program in a format mutually acceptable to State and Contractor. Additional reports may be purchased by State for an additional fee.

3) Delegation for communication of medical necessity determinations and appeals.

a) For each determination that a requested Covered Health Service is not Medically Necessary, or denial, Contractor will document:

i) Who recommended denial and why;

ii) That notice is provided to the Member and applicable provider;

iii) Notification to the Member stating the specific reasons for the denial, a description of any additional material or information necessary for the Member to perfect the claim and why it is necessary, and a description of how to file an appeal.

b) Contractor will provide written or electronic notification of approval of a Covered Health Service to the ordering provider.

c) Contractor's form denial letter to requesting providers and Members and any material change thereto will be mutually agreed upon by State and Contractor. State shall administer the Member appeal process with respect to appeal determinations hereunder. In connection with any such appeal, Contractor shall assist and cooperate with State and shall promptly provide all documentation reasonably requested by State. State or other governmental authority, as applicable, shall have final decision-making authority with regard to appeals of determinations hereunder.

d) Unless a different applicable timeframe is defined by statute or regulation, a requesting provider may request reconsideration of a denial of prior authorization within three (3) business days of the initial determination. The original physician reviewer or a Contractor-designated alternate physician reviewer will be available to participate in this discussion within one (1) business day of the request for reconsideration if desired by the requesting provider. The requesting provider may choose to provide additional clinical information in lieu of or in addition to a peer-to-peer discussion. The Medical Necessity of the request may be confirmed, based on additional information provided, or the denial upheld.

e) State shall retain responsibility for responding to Member appeals, inquiries, and complaints. Contractor shall notify State Member Services within two (2) business days of any appeal, complaint or grievance filed with Contractor by or on behalf of any Member.

f) Contractor agrees to comply with all standards, procedures, and timeframes set forth by State in carrying out any Medical Necessity determinations and appeals. To the extent that any of the above is inconsistent with any applicable regulations, the applicable regulations control.

g) In the event that Contractor's policies and procedures are inconsistent with State regulations pertaining to Member or provider rights, the State regulations shall determine policies and procedures.

h) As stated herein, State shall deliver to Contractor files concerning participating imaging providers. Contractor will participate in efforts to include for redirection of members to a participating rendering facility location in cases where a non-participating rendering facility is originally requested. The Program will permit requests to continue through processing where a non-participating rendering facility was originally requested and redirection was unsuccessful, but only where an approved override is identified.

C. PERFORMANCE GUARANTEES

Contractor agrees to comply with Performance Standards related to performance of its duties and obligations under this Agreement. Under no circumstances shall the cumulative financial penalty owed or paid by Contractor under this Agreement exceed one (1%) of the Total MSI Service Fee for the month being assessed.

1) Telephone Answer Speed.

(a) Guarantee: The next month's Total MSI Service Fee will be reduced by $1,000 if 80% or less of all calls are answered in more than thirty (30) seconds. When Contractor's monthly answer speed drops to thirty (30) seconds, the full MSI Service Fees shall be reinstated.

(b) Measure: The average answer speed for Covered Health Services and related customer service calls will be monitored by Contractor and reported to the State monthly. The calculation of average answer speed will be based on Covered Health Services and related customer service calls received Monday through Friday during normal business hours and will measure the average time between the selection of an option from the Contractor's automated attendant options until the phone is answered by a Contractor employee or the caller terminates the call.

2) Telephone Abandon Rate.

(a) Guarantee: The next month's MSI Service Fees will be reduced by $1,000 if the telephone abandon rate exceeds five percent (5%). When Contractor's monthly telephone abandon rate drops below five percent (5%), the full MSI Service Fees shall be reinstated.

(b) Measure: The telephone abandon rate will be monitored by Contractor and reported to the State monthly within fifteen (15) calendar days of the close of a month. The telephone abandon rate shall be calculated as the percentage of total Covered Health Services and related customer service calls made during normal business hours who hang up before the call is answered.

ATTACHMENT B
PAYMENT PROVISIONS

The maximum dollar amount payable under this agreement is not intended as any form of a guaranteed amount. The Contractor will be paid for products or services actually performed as specified in Attachment A up to the maximum allowable amount specified in this agreement. State of Vermont payment terms are Net 30 days from date of invoice, payments against this contract will comply with the State's payment terms. The payment schedule for delivered products, or rates for services performed, and any additional reimbursements, are included in this attachment. The following provisions specifying payments are:

1. Contractor invoices shall be submitted no more frequently than monthly, but no later than quarterly, and shall include the number of cases requested and reviewed during the specified billing period and the total amount billed. The State shall pay the Contractor at the rate of $19.50 per case requested and reviewed not to exceed a maximum amount of 20,000 cases per State Fiscal year; in the event that this maximum amount of cases is exceeded, Contractor shall be under no further obligation to provide MSI Services in the absence of an amendment to this agreement.

2. The Contractor or State may contest an underpayment or overpayment under this agreement within a limit of one hundred eighty (180) days from the date the payment was made due or accrued.

3. Any system changes that require programming or development will be billed to the State at a rate of $150.00 per hour not to exceed 100 hours. Contractor must receive prior approval from the State, reduced to writing and signed by both parties, before performing any system changes that require programming or development. Contractor shall invoice the State after approval has been received and changes to the system have been made.

4. The next month's MSI Service Fee will be reduced by $1,000 if the telephone abandon rate exceeds five percent (5%). When Contractor's monthly telephone abandon rate drops below five percent (5%), the full MSI Service Fees shall be reinstated.

5. The next month's Total MSI Service Fee will be reduced by $1,000 if 80% or less of all calls are answered in more than thirty (30) seconds. When Contractor's monthly answer speed drops to thirty (30) seconds, the full MSI Service Fees shall be reinstated.

6. No benefits, expenses, or insurance will be reimbursed by the State.

7. Invoices should reference this contract number and be submitted to:

   Business Office, Contracting Unit
   Department of Vermont Health Access
   312 Hurricane Lane, Suite 201
   Williston, VT 054953

8. The total maximum amount payable under this contract shall not exceed $405,000.

ATTACHMENT C
CUSTOMARY PROVISIONS FOR CONTRACTS AND GRANTS

1. **Entire Agreement.** This Agreement, whether in the form of a Contract, State Funded Grant, or Federally Funded Grant, 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 Agreement will be governed by the laws of the State of Vermont.

3. **Definitions:** For purposes of this Attachment, "Party" shall mean the Contractor, Grantee or Subrecipient, with whom the State of Vermont is executing this Agreement and consistent with the form of the Agreement.

4. **Appropriations:** If appropriations are insufficient to support this Agreement, the State may cancel on a date agreed to by the parties or upon the expiration or reduction of existing appropriation authority. In the case that this Agreement is funded in whole or in part by federal or other non-State funds, and in the event those funds become unavailable or reduced, the State may suspend or cancel this Agreement immediately, and the State shall have no obligation to fund this Agreement from State revenues.

5. **No Employee Benefits For Party:** The Party 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 Agreement. The Party 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 Party, and information as to Agreement income will be provided by the State of Vermont to the Internal Revenue Service and the Vermont Department of Taxes.

6. **Independence, Liability:** The Party will act in an independent capacity and not as officers or employees of the State.

   The Party shall defend the State and its officers and employees against all claims or suits arising in whole or in part from any act or omission of the Party or of any agent of the Party. The State shall notify the Party in the event of any such claim or suit, and the Party shall immediately retain counsel and otherwise provide a complete defense against the entire claim or suit. The Party 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 Agreement.

   After a final judgment or settlement the Party may request recoupment of specific defense costs and may file suit in Washington Superior Court requesting recoupment. The Party shall be entitled to recoup costs only upon a showing that such costs were entirely unrelated to the defense of any claim arising from an act or omission of the Party.

   The Party shall indemnify the State and its officers and employees in the event that the State, its officers or employees become legally obligated to pay any damages or losses arising from any act or omission of the Party.

7. **Insurance:** Before commencing work on this Agreement the Party must provide certificates of insurance to show that the following minimum coverage is in effect. It is the responsibility of the Party to maintain current certificates of insurance on file with the state through the term of the Agreement. No warranty is made that the coverage and limits listed herein are adequate to cover and protect the interests of the Party for the Party's operations. These are solely minimums that have been established to protect the interests of the State.

   Workers Compensation: With respect to all operations performed, the Party 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 Agreement, the Party 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

   Party shall name the State of Vermont and its officers and employees as additional insureds for liability arising out of this Agreement.

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

   Party shall name the State of Vermont and its officers and employees as additional insureds for liability arising out of this Agreement.

   Professional Liability: Before commencing work on this Agreement and throughout the term of this Agreement, the Party shall procure and maintain professional liability insurance for any and all services performed under this Agreement, with minimum coverage of ***$N/A*** per occurrence, and ***$N/A*** aggregate.

8. **Reliance by the State on Representations:** All payments by the State under this Agreement will be made in reliance upon the accuracy of all prior representations by the Party, including but not limited to bills, invoices, progress reports and other proofs of work.

9. **Requirement to Have a Single Audit:** In the case that this Agreement is a Grant that is funded in whole or in part by federal funds, the Subrecipient will complete the Subrecipient Annual Report annually within 45 days after its fiscal year end, informing the State of Vermont whether or not a single audit is required for the prior fiscal year. If a single audit is required, the Subrecipient will submit a copy of the audit report to the granting Party within 9 months. If a single audit is not required, only the Subrecipient Annual Report is required.

   A single audit is required if the subrecipient expends $500,000 or more in federal assistance during its fiscal year and must be conducted in accordance with OMB Circular A-133. The Subrecipient Annual Report is required to be submitted within 45 days, whether or not a single audit is required.

10. **Records Available for Audit:** The Party 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 Agreement 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 Agreement.

11. **Fair Employment Practices and Americans with Disabilities Act**: Party agrees to comply with the requirement of Title 21V.S.A. Chapter 5, Subchapter 6, relating to fair employment practices, to the full extent applicable. Party shall also ensure, to the full extent required by the Americans with Disabilities Act of 1990, as amended, that qualified individuals with disabilities receive equitable access to the services, programs, and activities provided by the Party under this Agreement. Party further agrees to include this provision in all subcontracts.

12. **Set Off**: The State may set off any sums which the Party owes the State against any sums due the Party under this Agreement; 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.

13. **Taxes Due to the State**:

    a. Party 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. Party certifies under the pains and penalties of perjury that, as of the date the Agreement is signed, the Party 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. Party understands that final payment under this Agreement may be withheld if the Commissioner of Taxes determines that the Party 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. Party also understands the State may set off taxes (and related penalties, interest and fees) due to the State of Vermont, but only if the Party has failed to make an appeal within the time allowed by law, or an appeal has been taken and finally determined and the Party has no further legal recourse to contest the amounts due.

14. **Child Support**: (Applicable if the Party is a natural person, not a corporation or partnership.) Party states that, as of the date the Agreement 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 Services and is in full compliance with that plan.

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

15. **Sub-Agreements**: Party shall not assign, subcontract or subgrant the performance of this Agreement or any portion thereof to any other Party without the prior written approval of the State. Party also agrees to include in subcontract or subgrant agreements a tax certification in accordance with paragraph 13 above.

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

16. **No Gifts or Gratuities**: Party 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 Agreement.

17. **Copies**: All written reports prepared under this Agreement will be printed using both sides of the paper.

18. **Certification Regarding Debarment:** Party certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, neither Party nor Party'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.

    Party further certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, Party is not presently debarred, suspended, nor named on the State's debarment list at: http://bgs.vermont.gov/purchasing/debarment

19. **Certification Regarding Use of State Funds:** In the case that Party is an employer and this Agreement is a State Funded Grant in excess of $1,001, Party certifies that none of these State funds will be used to interfere with or restrain the exercise of Party's employee's rights with respect to unionization.

ATTACHMENT D

MODIFICATION OF CUSTOMARY PROVISIONS OF ATTACHMENT C OR ATTACHMENT F

1. Requirements in Attachment C are hereby modified by adding the following:

Confidentiality. The State agrees to maintain the confidentiality of trade secrets as defined by 1 V.S.A section 317(a)(9). Contractor's trade secrets include any formulae, plan, pattern, process, tool, mechanism, compound, procedure, production data, algorithm or compilation of information which is not patented, which is known only to certain individuals within Contractor, and which gives Contractor an opportunity to obtain business advantage over competitors who do not know it or use it. In the event that the State receives a request from a third party for disclosure of information that has been identified by the Contractor as a trade secret, the State will notify Contractor of the request, giving at least 10 days for Contractor to respond before the State makes the disclosure. The final determination as to whether disclosure is required pursuant to the Vermont Access to Public Records Act shall be a matter for the State's sole and complete discretion. Contractor reserves the right to challenge State's interpretation of the Vermont Access to Public Records Act in all appropriate forums in the event State interprets the law in manner that discloses Contractor's trade secrets and intellectual property.

2. Requirements of Section 10 in Attachment C is here by modified:

10. Records Available for Audit: The Party 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 Agreement and for ten 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 ten 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 Agreement.

3. Requirements of Section 10 in Attachment F is hereby modified by adding the following:

Intellectual Property/Work Product Ownership. Notwithstanding anything to the contrary stated elsewhere in this Agreement, Contractor does not convey and State does not acquire any right in Preexisting Contractor's Materials. State shall not reverse engineer, compile or assemble any aspect of the Preexisting Contractor's Materials. Preexisting Contractor's Materials shall mean all intellectual property, including, but not limited to, trademarks, copyrights, patents, licenses, software, data, logic, algorithms, know-how, documents, supporting policies and procedures and other intelligence associated with the predictive modeling, utilization review, and radiology benefits management capability of the Contractor being utilized by the Contractor to deliver services under this Agreement (the "Intellectual Property") shall remain with the Contractor and shall not transfer to any third party, including, but not limited to the State of Vermont, by virtue of this Contract, any property right or license. Contractor's Intellectual property may only be used or duplicated with the express written consent of Contractor.

Approval:

Assistant Attorney General: E-SIGNED by Seth Steinzor on 2013-08-05 20:10:27 GMT

Date: _____

State of Vermont – Attachment D
Revised AHS – 12-08-09

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 Department of Vermont Health Access** ("Covered Entity") and **MedSolutions** ("Business Associate") as of **August 1, 2013** ("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"), as amended by subtitle D of the Health Information Technology for Economic and Clinical Health Act.

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).

   The term "Breach" means the acquisition, access, use or disclosure of protected health information (PHI) in a manner not permitted under the HIPAA Privacy Rule, 45 CFR part 164, subpart E, which compromises the security or privacy of the PHI. "Compromises the security or privacy of the PHI" means poses a significant risk of financial, reputational or other harm to the individual.

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, as specified in the underlying contract with 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 8 and 16 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 agreement 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 notifies Business Associate, within three business days (who in turn will notify Covered Entity within three business days after receiving notice of a Breach as specified in Section 5.1), in writing of any Breach of Unsecured PHI of which it is aware. Uses and disclosures of PHI for the purposes identified in this Section 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. With respect to any PHI that is maintained in or transmitted by electronic media, Business Associate shall comply with 45 CFR sections 164.308 (administrative safeguards), 164.310 (physical safeguards), 164.312 (technical safeguards) and 164.316 (policies and procedures and documentation requirements). 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. **Documenting and Reporting Breaches**.

5.1 Business Associate shall report to Covered Entity any Breach of Unsecured PHI as soon as it (or any of its employees or agents) become aware of any such Breach, and in no case later than three (3) business days after it (or any of its employees or agents) becomes aware of the Breach, except when a law enforcement official determines that a notification would impede a criminal investigation or cause damage to national security.

5.2 Business Associate shall provide Covered Entity with the names of the individuals whose Unsecured PHI has been, or is reasonably believed to have been, the subject of the Breach and any other available information that is required to be given to the affected individuals, as set forth in 45 CFR §164.404(c), and, if requested by Covered Entity, information necessary for Covered Entity to investigate the impermissible use or disclosure. Business Associate shall continue to provide to Covered Entity information concerning the Breach as it becomes available to it.

5.3 When Business Associate determines that an impermissible acquisition, use or disclosure of PHI by a member of its workforce does not pose a significant risk of harm to the affected individuals, it shall document its assessment of risk. Such assessment shall include: 1) the name of the person(s) making the assessment, 2) a brief summary of the facts, and 3) a brief statement of the reasons supporting the determination of low risk of harm. When requested by Covered Entity, Business Associate shall make its risk assessments available to Covered Entity.

6. **Mitigation and Corrective Action.** Business Associate shall mitigate, to the extent practicable, any harmful effect that is known to it of an impermissible use or disclosure of PHI, even if the impermissible use or disclosure does not constitute a Breach. Business Associate shall draft and carry out a plan of corrective action to address any incident of impermissible use or disclosure of PHI. If requested by Covered Entity, Business Associate shall make its mitigation and corrective action plans available to Covered Entity.

7. **Providing Notice of Breaches.**

7.1 If Covered Entity determines that an impermissible acquisition, access, use or disclosure of PHI for which one of Business Associate's employees or agents was responsible constitutes a Breach as defined in 45 CFR §164.402, and if requested by Covered Entity, Business Associate shall provide notice to the individuals whose PHI was the subject of the Breach. When requested to provide notice, Business Associate shall consult with Covered Entity about the timeliness, content and method of notice, and shall receive Covered Entity's approval concerning these elements. The cost of notice and related remedies

shall be borne by Business Associate.

7.2 The notice to affected individuals shall be provided as soon as reasonably possible and in no case later than 60 calendar days after Business Associate reported the Breach to Covered Entity.

7.3 The notice to affected individuals shall be written in plain language and shall include, to the extent possible, 1) a brief description of what happened, 2) a description of the types of Unsecured PHI that were involved in the Breach, 3) any steps individuals can take to protect themselves from potential harm resulting from the Breach, 4) a brief description of what the Business associate is doing to investigate the Breach, to mitigate harm to individuals and to protect against further Breaches, and 5) contact procedures for individuals to ask questions or
obtain additional information, as set forth in 45 CFR §164.404(c).

7.4 Business Associate shall notify individuals of Breaches as specified in 45 CFR §164.404(d) (methods of individual notice). In addition, when a Breach involves more than 500 residents of Vermont, Business associate shall, if requested by Covered Entity, notify prominent media outlets serving Vermont, following the requirements set forth in 45 CFR §164.406.

8. **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 agreement 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 14. Business Associate must enter into the written agreement before any use or disclosure of PHI by such agent. The written agreement must identify Covered Entity as a direct and intended third party beneficiary with the right to enforce any breach of the agreement concerning the use or disclosure of PHI. Business Associate shall provide a copy of the written agreement 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.

9. **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. Within three (3) business days, Business Associate shall forward to Covered Entity for handling any request for access to PHI that Business Associate directly receives from an Individual.

10. **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. Within three (3) business days, Business Associate shall forward to Covered Entity for handling any request for amendment to PHI that Business Associate directly receives from an Individual.

11. **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. Within three (3) business days, Business Associate shall forward to Covered Entity for handling any accounting request that Business Associate directly receives from an Individual.

12. **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 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.

13. **Termination.**

13.1 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 17.7.

13.2 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.

14. **Return/Destruction of PHI**.

14.1 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.

14.2 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.

15. **Penalties and 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 training regarding the use, confidentiality, and security of PHI.

16. **Security Rule Obligations**. The following provisions of this Section apply to the extent that Business

Associate creates, receives, maintains or transmits Electronic PHI on behalf of Covered Entity.

16.1 Business Associate shall implement and use administrative, physical, and technical safeguards in compliance with 45 CFR sections 164.308, 164.310, and 164.312 with respect to 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.

16.2 Business Associate shall ensure that any agent (including a subcontractor) to whom it provides Electronic PHI agrees in a written agreement 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 agreement before any use or disclosure of Electronic PHI by such agent. The written agreement must identify Covered Entity as a direct and intended third party beneficiary with the right to enforce any breach of the agreement concerning the use or disclosure of Electronic PHI. Business Associate shall provide a copy of the written agreement 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.

16.3 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 as soon as it becomes aware of any such Security Incident, and in no case later than three (3) business days after it becomes aware of the incident. Business Associate shall provide Covered Entity with the information necessary for Covered Entity to investigate any such Security Incident.

16.4 Business Associate shall comply with any reasonable policies and procedures Covered Entity implements to obtain compliance under the Security Rule.

17. Miscellaneous.

17.1 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.

17.2 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.

17.3 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.

17.4 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.

17.5 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.

17.6 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.

17.7 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 14.2 and (b) the obligation of Business Associate to provide an accounting of disclosures as set forth in Section 11 survives the expiration or termination of this Agreement with respect to accounting requests, if any, made after such expiration or termination.

(Rev: 1/31/11)

ATTACHMENT F
AGENCY OF HUMAN SERVICES' CUSTOMARY CONTRACT PROVISIONS

1. **Agency of Human Services – Field Services Directors** will share oversight with the department (or field 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 providing a health or human services within Vermont, or near the border that is readily accessible to residents of Vermont, will provide relevant descriptive information regarding its agency, programs and/or contact and will adhere to the "Inclusion/Exclusion" policy of Vermont's United Way/Vermont 211. If included, the Contractor will provide accurate and up to date information to their data base as needed. The "Inclusion/Exclusion" policy can be found at www.vermont211.org

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 Department 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 Department 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.

   Federal Medicaid System Security Requirements Compliance: All contractors and subcontractors must provide a security plan, risk assessment, and security controls review document within three months of the start date of this agreement (and update it annually thereafter) to support audit compliance with 45CFR95.621 subpart F, *ADP* (Automated Data Processing) *System Security Requirements and Review Process*.

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 (HIPAA) 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. 08-048 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 in the performance of services connected with this agreement, who provides care, custody, treatment, transportation, 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 Protection Registry. (See 33 V.S.A. §4919(a)(3) & 33 V.S.A. §6911(c)(3)).

9. **Reporting of Abuse, Neglect, or Exploitation.** Consistent with provisions of 33 V.S.A. §4913(a) and §6903, any agent or employee of a Contractor who, in the performance of services connected with this agreement, has contact with clients or is a caregiver and who has reasonable cause to believe that a child or vulnerable adult has been abused or neglected as defined in Chapter 49 or abused, neglected, or exploited as defined in Chapter 69 of Title 33 V.S.A. shall make a report involving children to the Commissioner of the Department for Children and Families within 24 hours or a report involving vulnerable adults to the Division of Licensing and Protection at the Department of Disabilities, Aging, and Independent Living within 48 hours. This requirement applies except in those instances where particular roles and functions are exempt from reporting under state and federal

law. Reports involving children shall contain the information required by 33 V.S.A. §4914. Reports involving vulnerable adults shall contain the information required by 33 V.S.A. §6904. The Contractor will ensure that its agents or employees receive training on the reporting of abuse or neglect to children and abuse, neglect or exploitation of vulnerable adults.

10. **Intellectual Property/Work Product Ownership.** All data, technical information, materials first gathered, originated, developed, prepared, or obtained as a condition of this agreement and used in the performance of this agreement - 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, which are prepared for or obtained specifically for this agreement - or are a result of the services required under this grant - shall be considered "work for hire" and remain the property of the State of Vermont, regardless of the state of completion - unless otherwise specified in this agreement. Such items 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 first developed for the State, all 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, documentation and/or source codes developed.

    The Contractor shall not sell or copyright a work product or item produced under this agreement without explicit permission from the State.

    If the Contractor is operating a system or application on behalf of the State of Vermont, then the Contractor shall not make information entered into the system or application available for uses by any other party than the State of Vermont, without prior authorization by the State. Nothing herein shall entitle the State to pre-existing Contractor's materials.

11. **Security and Data Transfers.** The State shall work with the Contractor to ensure compliance with all applicable State and Agency of Human Services' policies and standards, especially those related to privacy and security. The State will advise the Contractor of any new policies, procedures, or protocols developed during the term of this agreement as they are issued and will work with the Contractor to implement any required.

    The Contractor will ensure the physical and data security associated with computer equipment - including desktops, notebooks, and other portable devices - used in connection with this agreement. The Contractor will also assure that any media or mechanism used to store or transfer data to or from the State includes industry standard security mechanisms such as continually up-to-date malware protection and encryption. The Contractor will make every reasonable effort to ensure media or data files transferred to the State are virus and spyware free. At the conclusion of this agreement and after successful delivery of the data to the State, the Contractor shall securely delete data (including archival backups) from the Contractor's equipment that contains individually identifiable records, in accordance with standards adopted by the Agency of Human Services.

12. **Computing and Communication:** The Contractor shall select, in consultation with the Agency of Human Services' Information Technology unit, one of the approved methods for secure access to the State's systems and data, if required. Approved methods are based on the type of work performed by the Contractor as part of this agreement. Options include, but are not limited to:

    1. Contractor's provision of certified computing equipment, peripherals and mobile devices, on a separate Contractor's network with separate internet access. The Agency of Human Services' accounts may or may not be provided.

    2. State supplied and managed equipment and accounts to access state applications and data, including State issued active directory accounts and application specific accounts, which follow the National Institutes of

Standards and Technology (NIST) security and the Health Insurance Portability & Accountability Act (HIPAA) standards.

The State will not supply e-mail accounts to the Contractor.

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.

    The Contractor will also not refuse, withhold from or deny to any person the benefit of services, facilities, goods, privileges, advantages, or benefits of public accommodation on the basis of disability, race, creed, color, national origin, marital status, sex, sexual orientation or gender identity under Title 9 V.S.A. Chapter 139.

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.

EXHIBIT A
REPORTING REQUIREMENTS

Contractor agrees to deliver requested reports to State in the format designated on the agreed upon schedule. Monthly reports are due on the 15th day of the month following the end of the reporting month. Quarterly reports are due on the 15th day of the month following the end of the quarter. Contractor shall include year-to-date cumulative amounts on each monthly or quarterly report submitted beginning with the Prior Authorization Summary Report through Ad Hoc reports in the chart below. Annual reports are due at the end of the first month following the prior year. This list of reports may be updated from time to time as determined by Contractor and the State. Reports requested by the State not listed below will be delivered after the reports are built and tested for reporting accuracy. In addition, the Contractor agrees to deliver any reports required by State in the format required by the State.

Reporting Element	Reporting Frequency
Encounter Data for All Services (Secure (HIPAA) Encounter Data): Member name, ID, date of service, type of denial, diagnosis code, CPT code, requesting provider, performing provider/facility, date of review, reason for review	Quarterly
Total number of cases referred to Case Management (UM triggered)	
Benefit Updates/Changes	Annually
Encounter Data Error Reports	Monthly
Appeals Report	Quarterly
Member Satisfaction Survey Results	Annually
Delegation Audit	Annually
Telephone Answer Speed	Monthly
Telephone Abandon Rate	Monthly
Blocked Calls	Monthly
Time to process claims	Monthly
Financial Accuracy	Monthly
Processing Accuracy	Monthly
Prior Authorization Summary Report	
•Total number approved outpatient authorizations	Monthly
•Total number pre-service outpatient authorizations (if delegated)	Monthly
•Total number expedited approved authorizations	Monthly
•Authorization Request TAT - Routine	Monthly
•Authorization Request TAT - Urgent	Monthly
•Authorization Request TAT - Retrospective	Monthly
Denials - Totals	
•Denials for lack of medical necessity: Total	Monthly
•Denials for Lack of Clinical Information: Total	Monthly
•Denials for Out of Network Denials: Total	Monthly
•Denials for Not a Covered Service: Total	Monthly
Turn Around Time: Denials	Monthly
Top Referring Facilities Report	Monthly
Top Performing Facilities Report	Monthly
Complaint Summary Report	Monthly
Provider Satisfaction Survey Report	Annually
Case Summery Report	Ad Hoc

Origin of Request Report	Ad Hoc
Peer to Peer Consult Request Report	Monthly
Ad Hoc	As Needed

EXHIBIT B
UTILIZATION MANAGEMENT DELEGATED FUNCTIONS & RESPONSIBILITIES

Responsibility	Contractor	State
Preauthorization of :		
• HiTech Radiology	X	
Communications of Authorization decisions to Members and Providers	X	
Communications of Adverse Determination decisions to Members and Providers	X	
Informal Appeals Process	X	
First Level Appeals Process		X
Final Appeals Process		X
Provider Satisfaction Survey	X	
Member Satisfaction Survey	X	
New Provider Orientation	X	
Oversight and Monitoring of Delegation		X
Network Management/Development	NA	NA
Credentialing	NA	NA
Claims Payment	NA	NA