AMENDMENT

It is agreed by and between the State of Vermont, Department of Vermont Health Access (hereafter called the "State") and Innovative Resource Group LLC d/b/a APS Healthcare Midwest (APS) (hereafter called the "Contractor") that the contract on the subject of personal services for health and disease management services for the State's Chronic Care Management Program, including Intervention Services and Assessment Administration, effective June 15, 2007, is hereby amended effective June 30, 2013, as follows:

1. By deleting Section 3 (Maximum Amount) on page 1 of 45 of the base agreement, as amended by Amendments 2 and 3, and substituting in lieu thereof the following Section 3:

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 $19,842,362.

2. By deleting Section 4 (Contract Term) on page 1 of 45 of the base agreement, as amended by Amendments 2 and 3, and substituting in lieu thereof the following Section 4:

4. **Contract Term.** The period of the Contractor's performance shall begin on June 15, 2007 and end on June 30, 2014. This contract may be extended for up to one (1) additional one-year term upon mutual written agreement by both parties.

3. By deleting Section 7 (Cancellation) on page 1 of 45 of the base agreement, and substituting in lieu thereof the following Section 7:

7. **Cancellation.** This contract may be cancelled by either party by giving written notice at least 60 days in advance. The ROI required within this agreement shall be prorated based on months of service during the contract year if this agreement is terminated before the Contract Term expires. In the event of early termination, both parties will work jointly and in good faith to transfer all historic data and associated systems, including the Data Dictionary, during the transition phase and transition project planning.

4. By adding to the end of Attachment A (Scope of Work to Be Performed), beginning on page 3 of 45 of the base agreement, as amended by Amendments 1, 2, and 3, the following paragraph:

Transition Work: The Contractor shall work cooperatively with the State and its affiliates in the event that this agreement falls under early termination or is due to expire in order to transition work to proper State employees and/or its affiliates. In the event that this Scope of Work is to be transitioned, the Contractor shall provide all necessary documentation, records, work in progress, and all other required or requested materials in the format determined by the State. Both parties shall work jointly and in good faith to transfer the data and associated systems, including the Data Dictionary, during the transition phase and transition project planning.

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5. **By deleting Section IV Administrative Provisions beginning on page 8 of 45 of the base agreement, as amended by Amendments 1, 2, and 3, and substituting in lieu thereof the following:**

The Contractor shall request and receive approval from the State in advance of distribution of any materials with clinical content. At the State's request, the Contractor shall be on site to meet with State staff, consultants, contractors, providers, and other State or Legislative officials.

At a minimum, the Contractor shall collaborate and integrate activities with the State's initiatives and partners, including but not limited to:

- Medicaid Management Information System (MMIS) contractor – Claims processing, fiscal agent services, and provider relations;
- PBA – Pharmacy Benefits Administrator;
- Member services contractor;
- State's care coordination services and VCCI leadership;
- State's Provider and Member Relations Unit;
- State's Pharmacy Unit;
- State's Blueprint for Health Goals and Activities;
- State's Agency of Human Services;
- University of Vermont; and
- Any other State designee

6. **By deleting in its entirety Appendix I- Performance Standards & Operational Metrics, beginning on page 12 of 45 of the Base agreement, as amended by Amendments 1, 2, and 3, and substituting in lieu thereof the Appendix I which is an attachment to this agreement beginning on page 6 of 30.**

7. **By deleting Appendix III- Performance Standards & Operational Metrics: Chronic Care Management Intervention Standards, beginning on page 22 of 45 of the Base agreement and as amended by Amendments 1 & 2.**

8. **By deleting Attachment B (Payment Provisions), beginning on page 25 of 45 of the Base agreement, as amended by Amendments 1, 2, and 3, and substituting in lieu thereof the following Attachment B:**

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 services specified in Attachment A, or services actually performed, 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:

The total maximum amount payable under this contract shall not exceed $19,842,362. Contractor invoices for services shall be submitted monthly and shall include the description of work performed during the specified billing period, program details, any required reports for that time period, and the total amount billed. Contractor shall also submit data relating to its operational expenses on a quarterly basis.

Payment for the Advanced Improvement Program and care management support for Contract Year 7 beginning July 1, 2013, and ending June 30 2014 shall be inclusive of twelve monthly invoices in the amount of $220,054. This is a flat, monthly rate for Contractor services.

Contract Year 7 Cost Savings

The Contractor will have 100% of its annual fees associated with the Advanced Improvement Program at risk to achieve $5,000,000 in cost savings in Contract Year 7 (ending June 30, 2014). The annual fees associated with the Advanced Improvement Program total $2,500,000. This performance period will be evaluated separately and savings will not be counted cumulatively from the previous year. A third party, selected by the State, will conduct and/or validate a formal ROI analysis on an annual basis using methodology adapted from the ROI methodology used in the *Blueprint for Health* evaluation. This methodology has been agreed upon between the State and the Contractor in a separate methodology document that references this agreement.

One hundred percent (100%) of the Contractor's annual fees associated with the Advanced Improvement Program ($2,500,000) are at risk in Contract Year 7 to achieve $5,000,000 in cost savings. If the savings are less than $5,000,000, the Contractor will pay back the difference between $5,000,000 and the amount saved, up to a maximum payback of $2,500,000.

Annual Guaranteed Net Savings to Vermont (after Contractor costs)	Actual Annual Net Savings Achieved	Contractor Refund to Vermont	Total Annual Savings to Vermont
$2,500,000	$2,500,000	$0	$2,500,000
$2,500,000	$2,000,000	$500,000	$2,500,000
$2,500,000	$1,500,000	$1,000,000	$2,500,000

Contractor will provide a surety bond to the State for $2,500,000 to ensure availability of funds should Contractor fail to achieve the annual savings and fail to refund the difference between the guaranteed and actual savings. Contractor will secure the bond within two (2) weeks upon execution of this contract amendment and provide documentation to the State. The Contractor must provide the State's Vermont Chronic Care Initiative (VCCI) Director formal notice of issuance of such bond within thirty (30) days of contract amendment execution. Contractor will consult and involve the State's legal and finance personnel, as needed.

Contractor is required to reimburse the State within thirty (30) days of written confirmation by the State of a failure to meet the $2,500,000 net savings goal.

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

1. Failure to Meet Performance Standards. The Contractor may be assessed $1,000.00 per week per Performance Standard for each week the Contractor fails to meet the Performance Standard as stated in Attachment A, Appendix I. Such assessment shall not be made to the extent that the failure can be attributed to:
    - Unforeseeable catastrophic events experienced at the Contractor local and corporate facilities;
    - Unforeseeable catastrophic events experienced by State which has a material effect on the Contractor; or
    - Complying with any directions of the State or its employees regarding changes to Scope of Work, or failure or delay by the State in providing necessary data or reports in a complete, timely, or accurate manner.
2. The Contractor will submit a monthly bill/invoice for services rendered under this contract to:
    Meaghan Kelley, Grants Management Specialist
    Department of Vermont Health Access
    312 Hurricane Lane, Suite 201
    Williston, VT 05495-1201
3. The State will remit all payments electronically as specified by the Contractor. The Contractor's point of contact shall be:
    Innovation Resource Group LLC
    d/b/a APS Healthcare Midwest
    Attn: Revenue Department
    44 South Broadway, Suite 1200
    White Plains, NY 10601-4411

9. By deleting beginning on page 32 of 45 of the base agreement, Attachment C (Customary Provisions for Contracts and Grants), revised 4/24/07, and substituting in lieu thereof the Attachment C, revised 11/7/12, which is an attachment to this amendment beginning on page 17 of 30.

10. By deleting beginning on page 36 of 45 of the base agreement, Attachment E (Business Associate Agreement), revised 3/28/06, and substituting in lieu thereof Attachment E, revised 1/31/11, which is an attachment to this amendment beginning on page 21 of 30.

11. By deleting beginning on page 41 of 45 of the base agreement, Attachment F (Agency of Human Services' Customary Contract Provisions), revised 3/28/06, and substituting in lieu thereof Attachment F, revised 12/10/10, which is an attachment to this amendment beginning on page 27 of 30.

This amendment consists of 30 pages. Except as modified by this amendment and any previous amendments, all provisions of this contract, (#11303) dated June 15, 2007 shall remain unchanged and in full force and effect.

STATE OF VERMONT	CONTRACTOR
DEPARTMENT OF VERMONT HEALTH ACCESS	APS HEALTHCARE
Lori Collins for Mark Larson 6/30/13	J Vaccaro 6/26/13
MARK LARSON, COMMISSIONER DATE	JEROME VACCARO, M.D., PRESIDENT DATE

Appendix I – Performance Standards & Operational Metrics: Intervention Services

	Requirement	Standard	Report
1.	The Contractor will implement elements of the Advanced Improvement Program according to the timeline defined in the corresponding Standard.	Education and Outreach: 9/1/13: In collaboration with State, develop an updated Provider Education and Training Plan. With State approval, this plan will include provider trainings in the Advanced Improvement Program tools to enhance provider service to high risk beneficiaries. 11/1/13: In collaboration with State, meet with select high volume primary care providers or representatives to identify and resolve barriers to adoption of CareConnection™ provider tools (registries, briefs, action plans, etc.). "High volume providers" are defined as the providers who serve the largest number of high risk/ high cost members. A minimum of one (1) meeting with each of the high volume providers that together account for 75% of high risk members will occur by 11/1/13. All State Care Coordinator staff will be trained in the use of the new CareConnection™ application and be able to use the system in their work with high risk beneficiaries. 9/1/13: Develop solution, including operating procedures and protocols as needed, for approval by State, to address issue that disease specific assessments do not target absence of evidence based pharmacy in the POC. Provide associated training on these solutions, procedures and protocols to VCCI clinical staff, in collaboration with State managerial staff. CareConnection™:	Monthly Report

	Requirement	Standard	Report
		The new CareConnection™ application will be online in Vermont for both Contractor and State staff with eligibility, claims and provider data loaded. Necessary data to enable Percolator™ operations include: 1. Eligibility files of all Vermont Medicaid program enrollees. 2. Claims files on all Vermont program enrollees. 3. Pharmacy claims files. 4. Data from Utilization Management files that represent authorization determinations for inpatient and other prior authorized care as available and approved by State. 5. Up-to-date reference files identifying data on all Vermont claims (e.g., procedure codes, national drug codes, diagnosis codes, etc.). 6. Vermont Medicaid enrolled provider lists. 7. Beneficiary telephone number files. Patient Health Briefs and Patient Health Registries will be available to VCCI clinical staff for identified populations as approved by State and based on incidence/prevalence, UR/cost, and gaps in evidence based care including but not limited to Health Care Effectiveness Data and Information Set (HEDIS) measures. Patient Registry consists of: Algorithm to associate patients with providers; condition-specific patient panel for providers; alerts to providers of gaps in care. Patient Health Brief contains: Individualized patient information; monitor pharmaceutical use/prescribing; multiple prescribers, etc.	

	Requirement	Standard	Report
		Provide clinical alerts, advice, support for providers: Notifies physicians when member may exhibit a change in status requiring provider intervention.	
2.	The Contractor shall collaborate and integrate provider outreach activities with the State's Care Coordination (CC) staff, the Blueprint for Health, State's Health Services and Managed Care Division and any other State designee, as directed by State.	Contractor Clinical Practice Specialist outreach will focus on providers of highest priority members, as directed by State. They will deliver Patient Health Briefs and Patient Health Registries for identified populations as approved by State and based on incidence/prevalence, UR/cost, gaps in evidence based care including but not limited to HEDIS measures. VCCI Medical Director and VCCI Pharmacist will recommend and conduct education and outreach, as approved by State, to providers with highest volume and most consistent gaps in care (by practice/condition; geographic area, patterns of care and/or utilization resulting). VCCI Medical Director and VCCI Pharmacist will assist in identifying gaps or barriers (e.g., provider, patient, policy) to effective treatment regime (Medication Therapy Management) and recommend to State potential solutions to support improved adherence to evidence based care (e.g., change in co-pay, change in preferred drug list, Pharmacy Briefs, etc.); and associated provider/pharmacist education as indicated.	Monthly Report
3.	Perform population identification and risk	CareConnection™ will identify on a daily basis the highest cost/highest	Daily update to

	Requirement	Standard	Report
	stratification to proactively identify the specific intervention populations. Provide results from population identification and stratification.	risk (HC/HR) beneficiaries to target for care coordination interventions, using APS Percolator™ technology.	individual beneficiary risk scores. Aggregate risk results and analyses provided quarterly.
4.	Use tools (e.g., stratification methods, call scripts, etc.) that are nationally recognized.	Tools that are nationally recognized and commercially available will be considered. Clinical tools (e.g., Action Plans, Call Guides, Pharmacy Guides) will be updated periodically to reflect current evidence based care. All tools selected must be approved by the State prior to use. Approved exceptions to commercially available tools may include products that are proprietary to Contractor or that have been customized for the VCCI. These may be available via contract or agreement with Contractor.	Written requests for approval of tools; schedule of updates planned
5.	Assist with coordination and case management goals, including outreach to high cost/high risk beneficiaries and high volume providers, as determined in collaboration with State.	Clinical Practice Specialists and Social Workers will support both individual and population approaches (PHR/PHB) to improve and minimize gaps in care, improve care adherence, and support transitions in care. Social workers will support outreach and initial screening of beneficiaries for both State and Contractor clinical staff.	Monthly Report
6.	Contractor will provide written materials in sufficient quantities for use by State and Contractor staff and conduct occasional targeted mailings to members as agreed to with State.	Contractor will provide written materials including Action Plans, and other clinical and educational information to State Care Coordinators. Targeted mailings regarding preventive services will be conducted at	Monthly Performance report

	Requirement	Standard	Report
		least 4 times/year for high cost conditions (e.g., seasonal risks such as asthma in spring, flu/pneumovax for high risk conditions as diabetes, COPD, HF in the fall and winter, etc.).	
7.	Report intervention metrics (e.g., telephone calls, visits, number, type, and mode of interventions provided, etc.) with documentation of activities. Intervention activities must be documented in CareConnection™ in a manner that provides the ability to aggregate, track and summarize quantitatively, as well as link interventions with changes in behaviors and health outcomes. Care Plans and intervention activities shall be based upon national best practice standards and evidence-based clinical guidelines for each disease and level of patient risk.	Documentation and reporting will be mutually agreed upon by Contractor and State.	Monthly Report
8.	Collaborate and integrate activities with: • State's Program Monitoring partners • State's Care Coordination (CC) staff • State's VCCI leadership • The State's initiatives • State's Blueprint for Health goals and activities • State's Medicaid Management Information System (MMIS) and Fiscal Agent vendor • State's Pharmacy Benefits Administrator (PBA)	Exhibit a cooperative and collaborative approach to working with the State and its partners. The Contractor shall minimally meet the following standards: • The Contractor shall participate in State Medicaid orientation training sessions. • The Contractor shall participate in chronic care initiative workgroups. • The Contractor shall accommodate reasonable requests of the State's vendors. The Contractor may not dictate terms of collaboration. • The Contractor shall participate in Blueprint for Health meetings at the State's direction.	N/A The Contractor shall participate as requested by the State

	Requirement	Standard	Report
	• State's Health Services and Managed Care Division • State's Member Services vendor • University of Vermont • State and local providers to advance understanding of chronic care • Commercial carriers, whenever possible, to promote consistency across payers.	• The Contractor shall participate in State's Agency of Human Services Medicaid and health reform meetings at the State's direction.	
9.	Comply with the State's IT requirements.	The Contractor shall fully comply with the IT requirements in section 7.1.6.1 of the RFP at pp. 40-42; Contractor proposal in response to the RFP pp. 30-33, with the exception that 1 reporting analyst will be on site in Vermont and other IT support is provided via Contractor centralized IT capacity; Contractor's submitted Overview of Contractor's Technology Infrastructure; and Contractor's combined response to State's questions regarding Contractor's proposal pp. 35-50. Questions and answers are between the State and the Contractor between January 4, 2007 and April 5, 2007. These documents are included as Attachment G to the original Contract and stored on CD.	N/A The Contractor shall comply as noted
10.	Accept data from the State or its vendors for names, identification numbers, addresses, and phone numbers on all Vermont Medicaid program enrollees. Accept data from the State or its Program Monitoring partners or other designee as necessary for the operation and continual improvement of the program.	The Contractor shall accept data through suitable, mutually acceptable electronic format and secure transfer processes.	Monthly Data Report
11.	Accept claims data, reference files identifying data on all Vermont claims (e.g., procedure codes, national drug codes, diagnosis codes, etc.), and Vermont Medicaid enrolled provider files from the State, its MMIS vendor and/or PBA vendor for use	The Contractor shall accept data through suitable, mutually acceptable electronic format and secure transfer processes.	Monthly Data Report

	Requirement	Standard	Report
	in the patient-level electronic records and in contract operations.		
12.	Use APS CareConnection™ to collect self-reported patient level information.	The Contractor and State staff will be responsible for this function. Collaborate with State to expand C3 CareConnection™ assessments.	N/A
13.	Provide patient-specific information to appropriate healthcare providers, including the Blueprint's clinical care information system.	The Contractor shall provide data through suitable, mutually acceptable electronic format and secure transfer processes. The Contractor shall maintain individual-specific information in CareConnection™ and provide access to it to appropriate healthcare providers. Upon provider's request, the Contractor shall provide patient-specific information to the provider via alternative methods. Upon request of the State, the Contractor shall provide individual-specific information to the Blueprint's clinical information system.	Monthly Report
14.	Provide an easily-accessible database format for individual patient-level results from stratification, Care Plans, problems/goals, interventions based on national best practice standards, results from interventions including changes in patient goals accomplished, and transfers among service levels. The Contractor's Reporting Analyst will continue to be available and responsible for report creation and modification.	The Contractor shall provide data through suitable, mutually acceptable electronic format and secure transfer processes.	N/A
15.	Develop best practice quality indicators for high cost, high risk beneficiaries.	The Contractor shall develop and distribute quality indicators for State review for the high cost, high risk population and providers delivering services to those beneficiaries. The Contractor shall collaborate in PDSA cycles with the State and its partners. What is learned from the	Monthly report on PDSA activities; Quarterly report on PDSA activities;

	Requirement	Standard	Report
		PDSA cycles shall be documented and shared. Contractor shall report results of the quality indicators.	Annual Report
16.	Identify barriers and propose interventions, outcomes and measurements that support and integrate with the State's (provider, patient, policy) goals as a Medicaid Managed Care Entity (MCE).	Upon request of the State, the Contractor shall collaborate in PDSA cycles with the State and its partners. What is learned from the PDSA cycles shall be documented and shared.	Quarterly report on PDSA activities; Annual Report
17.	Participate in any State advisory committees as requested by the State.	The Contractor shall participate in advisory committee meetings as requested by the State.	N/A Participation as requested by the State
18.	Be on site to meet with State staff, consultants, vendors, providers, and other State or Legislative officials at the State's request.	The Contractor shall exhibit a cooperative and collaborative approach to working with the State and its partners.	N/A
19.	The Contractor shall provide an appropriately qualified and Vermont-licensed Medical Director for the Advanced Improvement Program and the VCCI.	The Contractor shall employ or contract with a physician to perform Medical Director responsibilities as jointly agreed upon by the Contractor and the State for Advanced Improvement and care coordination services. Duties will include, but not be limited to, clinical research and quality improvement projects, and clinical support and consultation to Contractor and all State care coordination staff state-wide. Contractor shall notify State /VCCI (in advance when possible) of changes in scheduled hours/availability and shall facilitate and assure medical director coverage in the absence of the VCCI Medical Director.	N/A
20.	Minimum Staffing Levels The Contractor's Program Director, Clinical Specialist Liaison, and Medical Director will be approved by the Commissioner of State or designee in writing and the Commissioner of State will have veto authority over candidates for these positions.	The Contractor shall employ a Program Director, Clinical Manager, Clinical Practice Specialists, Clinical Specialist Liaison, Social Workers, Clinical Informatics Manager, Health Intelligence Analyst, Clinical Pharmacist and Reporting Analyst, and contract with a Medical Director in keeping with its proposal to meet the needs of the Medicaid population.	Monthly Report and Organization Chart

	Requirement	Standard	Report
		Contractor clinical and technical staff will be based in Vermont for training and assistance to Care Coordinators and providers, as well as conducting provider interventions as directed by the State. This training and technical assistance will support the use of CareConnection™ by State care coordinators and engage providers to promote care coordination. Certain technical staff may be based outside of Vermont, as mutually agreed to by both the State and the Contractor. Clinical Practice Specialists are Registered Nurses, licensed in Vermont. They will assist the State Care Coordinators with telephonic care management and health coaching with the high risk, high cost Medicaid members. Caseloads will be 50 beneficiaries or more as determined by program need and population based efforts. In their role, they will also complement activities for which the Care Coordinators are responsible. Activities may include, for example, outreach to providers of high acuity members and specific care coordination activities requested by the provider, such as follow up calls to practice office staff. At least two (2) Clinical Practice Specialists will be located primarily in community settings, as agreed upon with the State. The Contractor shall employ a full time Pharmacist who shall collaborate with the State (VCCI/Pharmacy Unit) and provider/pharmacy community to support adherence to evidence based pharmacy treatment (Medication Therapy Management) including use of appropriate therapeutic drug and dose, minimizing adverse events, and advising/recommending cost effective alternatives.	

	Requirement	Standard	Report
		The Contractor shall employ a Clinical Specialist Liaison who will work closely with the State VCCI Leadership to ensure effective and close collaboration between the Contractor and State programs. This position shall be located on-site at State (in a work space to be provided by State) at least 75% of the time when not working with Care Coordinators in the field. The Contractor shall provide organization charts reflecting onsite and offsite staff. Updates will be provided within 10 business days of any changes throughout the course of this contract. The Contractor shall not hire any individual who is excluded from participation in the Medicaid program by the United States Department of Health and Human Services Office of Inspector General as described at http://www.oig.hhs.gov/fraud/exclusions.html. For vacancies in Contractor leadership positions (program director, clinical specialist liaison, Medical Director, Pharmacist, clinical manager) of 30 days or more, Contractor must submit a proposed plan to State for both interim and long term coverage of the duties of the vacant position. The plan requires State approval.	
21.	Secure and manage office space in Williston, Vermont with reasonable proximity to State offices to maintain a productive work environment for the Contractor staff persons who will be centrally located and for the convenience of State to allow for State personnel to hold meetings and other business activities.	Contractor shall continue to maintain office space in Williston, VT that provides a productive work environment and for the convenience of State to hold meetings and other business activities.	N/A
22.	Transfer capital equipment purchased under this contract to the State at the time of the termination of	The Contractor shall transfer all capital equipment to the State at the time of the termination of the contract.	N/A

	Requirement	Standard	Report
	the contract.	In regards to computer equipment, all hardware will be amortized over the expected life of the contract. If the contract ends substantially before the equipment is amortized, equipment equal in value to the amortized amount as determined by the State will become the property of the State. Included will be: • Personal computers • Local printers • Local network equipment	
23.	The Contractor recognizes that the State will monitor the implementation, operations, and results and outcomes of this contract. For periods of time during the operations of this contract, the State has chosen a vendor for portions of this monitoring.	The Contractor shall provide required data as needed to the Program Monitoring Partner performing the 3rd party savings validation.	Required data provided by dates determined by the State.

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 ***$1,000,000*** per occurrence, and ***$1,000,000*** 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 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 Innovation Resource Group, LLC. d/b/a APS Healthcare Midwest ("Business Associate") as of June 15, 2007 ("Effective Date").** This Agreement supplements and is made a part of the Contract to which it is an attachment.

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

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:

    a. 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.

    b. 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.