DVHA Routing Form

Revision Date 5/1/12

Type of Agreement: **Grant** Agreement #: **03410-256-14** Form of Agreement: **Renewal** Amendment #:

Name of Recipient: **Vermont Information Technology Leaders, Inc.** Vendor #: **212495**

Program Manager : **Terry Bequette** Phone #: **802-338-7613**

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

Brief Explanation of Agreement: **Work with providers and other stakeholders in creating and managing the Vermont Health Information Exchange Network**

Start Date: **July 1, 2013** End Date: **June 30, 2014** Maximum Amount: **$5,157,469.00**

Amendments Only: Maximum Prior Amount: Percentage of Change:

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

Funding Source

~~SMHP~~ ~~ARRA 3013~~ 41693/24916	297,894	~~DSH~~ DFR 41410/21075	226,174
SMHP ~~ARRA 4201~~ 41693/22005	2,681,051		
HIT Fund 41470/24916	1,952,350		

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: **G- Patient Consent Scope**

Reviewer		Reviewer Initials	Date In	Date Out
DVHA Grant & Contract Administrator	Kate Jones	KJ		6/21
DVHA BO	~~Jill Gould~~ Carrie Hathaway	CH	6-21-13	6-21-13
DVHA Commissioner or Designee	Mark Larson, Commissioner	ML	6.23	6.24
AHS Attorney General	Seth Steinzor, AAG	SJ		6/28/13
Following Approvals for Contracts Only:				
AHS CIO				
AHS Central Office				
AHS Secretary				

Vision Account Codes:

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

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1. **Parties:** This is a Grant Agreement for services between the State of Vermont, Department of Vermont Health Access (hereafter called "State"), and Vermont Information Technology Leaders, Inc. with a principal place of business at 144 Main Street, Montpelier, VT 05602 (hereafter called "Grantee"). It is the Grantee's responsibility to contact the Vermont Department of Taxes to determine if, by law, the Grantee is required to have a Vermont Department of Taxes Business Account Number.
2. **Subject Matter:** The subject matter of this Procurement Grant Agreement is to work with providers and other stakeholders in creating and managing the Vermont Health Information Exchange Network. Detailed services to be provided by the Grantee are described in Attachment A.
3. **Maximum Amount:** In consideration of services to be performed by the Grantee, the State agrees to pay the Grantee, per payment provisions specified in Attachment B, a sum not to exceed $5,157,469.
4. **Grant Term:** The effective date of this Grant Agreement shall be July 1, 2013 and end on June 30, 2014.
5. **Source of Funds:** HIT $ 2,250,244 Special $ 226,174 Federal $ 2,681,051
6. **Amendment:** No changes, modifications, or amendments in the terms and conditions of this procurement grant shall be effective unless reduced to writing, numbered, and signed by the duly authorized representative of the State and Grantee.
7. **Cancellation:** This procurement grant agreement may be suspended or cancelled by either party by giving the other party 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 Grantee, wherein services authorized under this procurement grant are provided, is not in compliance with State and Federal law, the State may terminate this procurement grant immediately and notify the Grantee accordingly. Also, in the event that federal funds supporting this procurement grant become unavailable or are reduced, the State may cancel this procurement grant with no obligation to pay the Grantee from State revenues.
8. **Contact Persons for this Award:**

	For the State	For the Grantee
Name:	Terry Bequette	John Evans
Phone #:	802-654-8986	802-223-4100
E-mail:	Terry.Bequette@state.vt.us	JEvans@vitl.net

9. **Fiscal Year:** Grantee's fiscal year starts on July 1 and ends on June 30.
10. **Attachments:** This Grant consists of 47 pages including the following attachments which are incorporated herein:

    Attachment A – Scope of Work to be Performed
    Attachment B – Payment Provisions
    Attachment C – Customary State Contract and Grant Provisions

Attachment E – Business Associate Agreement
Attachment F – AHS Customary Grant Provisions
Attachment G – Patient Consent for HIE Health Record Access

Order of precedence of these documents shall be as follows:

1. Attachment D – Modifications of Insurance (if any)
2. Attachment C – Customary State Contract and Grant Provisions
3. Attachment A – Specifications of Work to be Performed
4. Attachment B – Payment Provisions
5. Attachment E – Business Associate Agreement
6. Attachment F – AHS Customary Grant Provisions
7. Attachment G – Patient Consent for HIE Health Record Access
8. Other Grant Attachments (if any)

WE, THE UNDERSIGNED PARTIES, AGREE TO BE BOUND BY THIS GRANT.

BY THE STATE OF VERMONT:

E-SIGNED by Mark Larson
on 2013-09-12 20:55:44 GMT

MARK LARSON, COMMISSIONER DATE
AHS/DVHA

BY THE GRANTEE:

E-SIGNed by John Evans
on 2013-Jun-28

JOHN EVANS, PRESIDENT & CEO DATE
VERMONT INFORMATION TECHNOLOGY LEADERS, INC.

ATTACHMENT A
SPECIFICATION OF WORK TO BE PERFORMED

Pursuant to 18 V.S.A. Chapter 219 § 9352, the State is awarding this procurement grant to the Grantee so that they may continue to operate and expand the use of the Vermont Health Information Exchange (VHIE) network.

The State has additional agreements that supplement the scope of work described herein:

- A grant to support the expansion of Electronic Health Record (EHR) and provider readiness for meaningful use incentives as a match to the Grantee's Section 3012 Cooperative Agreement from the Office of the National Coordinator (ONC) to operate the Regional Extension Center for Vermont (Grant #03410-257-14).

Responsibilities of the Grantee

The Grantee will maintain places of business with sufficient room and electronic capacity so that the Grantee will not need to be located at a State building. The Grantee will not use any State equipment to complete the deliverables noted in this grant. The Grantee will not be assigned a State e-mail account.

The Grantee will develop, manage, and operate the VHIE network and will provide interfaces for the flow of health information among Health Care Organizations (HCOs). For purposes of this Agreement, HCOs include but are not limited to: the Blueprint Registry, private and commercial labs, hospitals, primary care and specialist practices, and other full spectrum providers. "Interface" shall be defined as the ability to exchange data at the semantic level between and among participants operating on the VHIE network. This includes but is not limited to transfer of demographic and clinical information from hospital and provider practice Electronic Health Record (EHR) systems, transfer of laboratory orders and results, and transfer of diagnostic procedure orders and results. All interfaces must be tested and demonstrated to be fully connected and operational, stable on an ongoing basis, and useable for routine exchange and placed in production by the HCO to be considered complete. The interfaces shall contain security features to protect health information. All data that the Grantee collects, stores, or transfers shall comply with applicable Health Insurance Portability and Accountability Act (HIPAA) regulation for security and privacy. The Grantee shall employ a Security and Privacy Officer.

The primary operation of the VHIE network will be through the Grantee's subcontractor, Medicity. The Grantee and its subcontractors shall utilize and maintain all hardware and software for the VHIE.

The Grantee shall maintain and will provide the State with their current Security Plan which will include results of the most recent risk assessments. The Grantee will maintain compliance with relevant National Institute of Standards and Technology (NIST) guidelines and other national standards (where applicable).

The Grantee shall provide to the State, no later than December 31, 2013, a 3-year plan for the continued operation of the VHIE and the other programs and operations of the Grantee.

The Grantee shall maintain all documentation of work performed under this agreement, including policies and procedures regarding operation of the VHIE and will provide this documentation to the State at the State's request.

The Grantee shall conduct the business of this agreement, in coordination and collaboration with the State and its other contractors; to work toward the achievement of the following goals that health information is available at the point of care that:

a. is up to date and accurate
b. can be shared with patients and providers, as necessary and appropriate
c. allows for measurement and improvement over time

The Grantee will participate with the State and its affiliates, including but not limited to: Covisint, Bi-State Primary Care Association, and Blueprint for Health community grantees, on a series of end-to-end Sprint projects at practice sites and with other health care providers and organizations. Sprint projects are focused on specific clinical sites and consist of several activities to implement consent (See Attachment G: Patient Consent for HIE Health Record Access), VITLAccess (a portal for provider access to HIE information), and improve end-to-end data quality and integrity. Grantee will be expanding its field team capacity to participate in these Sprints, to help Primary Care providers achieve Meaningful Use Stage 2 attestations, to help Specialty Providers with EHR adoption and achievement of Meaningful Use attestations, and to help other Full Continuum providers (Home Health, Long Term Care, Mental Health) with EHR adoption and Meaningful Use attestations.

The State, the Grantee, Covisint, and other entities (as necessary) will manage the work of the Sprint projects described in this agreement, participate in working sessions to update project implementation, identify issues requiring collaborative solutions, and continuously update the implementation plan and framework. The Grantee will participate in both scheduled and *ad hoc* meetings, including but not limited to: the HIE-HIT planning and stakeholders meetings, the Blueprint Executive Committee and other Blueprint Advisory committees and work groups, and management and implementation teams and work groups established related to the responsibilities of this agreement.

The Grantee shall complete all deliverables within the guidelines and standards of the *Vermont Health Information Technology Plan*, as applicable to Grantee.

The Grantee shall be fully responsible for any work completed by its contractors and consultants. All work performed by contractors and consultants is subject to all conditions and requirements included in this grant agreement.

Grantee shall be afforded the flexibility to manage and re-allocate resources, consistent with the provisions of Attachment B, to effectively and efficiently fulfill its responsibilities in this Grant agreement.

The Grantee will accomplish the following deliverables.

A. Base activities:

1. Grantee will employ core management, operations staff, and consultant resources that are sufficient in order to develop, conduct, and manage the core operations of the VHIE, including but not limited to: the development and ongoing operation of a VHIE master person index, a secure data repository, and interfaces connecting health care organizations. Grantee will employ personnel to operate the VHIE, manage the master person index, data repository, and implement and support interfaces. In addition, Grantee will support the State in fulfilling its responsibilities to ONC-HIE-PIN-002 (Requirements and Recommendations for the State Health Information Exchange Cooperative Agreement Program) as it relates to Phasing, Sustainability, Evaluation, and Tracking Program Progress.

   Total Core Functions: $1,920,446

2. VHIE Vendor contract expense: The VHIE software is licensed from a HIE vendor ($508,668). The licensed software includes functionality for a Master Person Index (MPI), a data repository that aggregates data across health care organizations, and the functionality to support interfaces across health care organizations for secure transmission of clinical and administrative data. The VHIE hardware is hosted by a HIE vendor ($247,878):

   Total Vendor Contract Expense $756,546

Total A: Base Activity: $2,676,992

B. Projects to Support HIE

1. Patient Consent: The Grantee will help implement the State's Policy on Patient Consent for Provider Access to VHIE, including: providing patient education materials and answering patient questions via a toll-free phone number, providing form templates for health care organizations to use when obtaining written patient consent, providing a mechanism for health care organizations to confirm that they have received written consent, responding to patient requests for audit records, responding to patient requests to see their individual information on the VHIE, periodically auditing provider consent records, reviewing all instances of emergency access on the VHIE, and providing a mechanism for providers to confirm that a patient has revoked consent. The scope of services also covers provider outreach and education, training, and support for using the VITLAccess provider portal to view patient information after consent is obtained. This agreement incorporates a detailed scope of work with schedules and milestones that was approved by the State on March 13, 2013 (Attachment G). A change in the scope of work will be reviewed for approval by the Executive Management Team as described in Section E.

2. Event Notification System (ENS): The Grantee will design an ENS solution and develop a proof of concept by December 31, 2013 and a pilot project at two (2) sites by June 30, 2014. Event notification is the ability for providers to be alerted to specific events as they happen. ENS would allow Grantee to alert primary care providers to emergency admissions, provide discharge summaries to PCPs and other events such as abnormal lab results. The resources are part of core Medicity capabilities in development.

3. Patient Portal: The Grantee will hire a consultant to review portal market and have the completed report by October 2013.

4. NwHIN (now called the eHealth Exchange): The Grantee will establish a network connection and preliminary regional affinity domain (shared MPI) between Grantee and Health Information Xchange New York (HIXNY) by 12/2013; receive Continuity of Care Documents (CCD) as structured data messages from HIXNY by 04/2014; and send Discharge Summaries as structured messages to HIXNY by 06/2014. This project is the connection of Grantee to the HIXNY HIE since they provide services to the North Country of New York. That region has several hospitals and providers that refer patients to Fletcher Allen and a population of Vermonters who are referred to Albany Medical Center. Also, Grantee will join the Healtheway, a public-private partnership which now has responsibility for the NwHIN, and connect to the eHealth Exchange. It is important to participate in Healtheway to accommodate an avenue for providers to meet the Meaningful Use Stage 2 requirements for Transitions of Care.

5. Interface Tools: The Grantee will investigate and implement specialized interface tools to extract information from EHRs and other systems. This will be used to develop standard interfaces such as CCDs but also can be used for extracting additional data elements for the Blueprint or other needs. Pending successful proof of concept, implement at least 2 additional sites.

6. Research and Development: The Grantee will conduct analysis, design, piloting, or implementation of new projects that arise during the year. Possible projects may include, but are not limited to: tools to help implement the MPI, implementation of an Event Notification System, implementation of a patient portal or other project to support patient access to electronic health information, enhanced data analytics, or additional services in support of the VHIE.

Proposed changes in scope of work, in accordance with Section E, shall be submitted for approval by the State. Grantee will undertake a new initiative in this category only upon submittal and approval by the State of a proposed scope of work and budget, and will be decided on by the State no later than quarterly.

The maximum dollar amount payable for this section is not intended as any form of a guaranteed amount. The Grantee will be paid for products or services actually performed as specified in this section, and shall not exceed the maximum allowable amount specified in this grant agreement.

Total B: Projects to Support HIE: $440,460

C. HIE Infrastructure:

1. MPI management: Grantee will maintain and manage the Master Person Index (MPI). Medicity will provide enhancements for Grantee to improve patient identity management.

2. Grantee Infrastructure: Maintain a hosted environment to support current capabilities, and planned capabilities to support Consent, Analytics, Interface Engine, and other Grantee services as identified.

Total C: HIE Infrastructure: $477,156

D. Services:

1. Grantee Reporting: Provide operational and clinical *ad hoc* data reporting for Grantee management of the VHIE.

2. Grantee Service Center: Provide ongoing Help Desk to support Medicaid EHR Incentive Program, consents, VITLAccess, interfaces, and patient identity.

3. Terminology Services: Analyze the tools that are available on the market, perform a vendor selection and develop a plan for implementation by January 2014, for implementation in SFY2015.

4. Data Analytics: Purchase analytic tools by September 2013 (90%), implement by October 2013 (5%), and develop a scoring model for Admit, Discharge and Transfer (ADT) messages by December 2013 (5%). These analytics can be used for scoring the ADT and CCD messages from practice and hospital sites which will allow us to improve data quality for the Blueprint and VHIE.

5. Connection to the Social Security Administration (SSA): Analyze the requirements by October 2013 (50%) and, if determined to be feasible, implement the connection to the SSA by April 2014 (50%). This connection is for automating the reporting of disability claims for Vermonters waiting for a decision on their eligibility for disability benefits. The SSA would query Grantee for clinical data.

Total D: Services: $62,000

E. Management and Governance:

The Grantee will fully participate in the following teams and processes:

1. Sprint Management Team

   The Sprint Management Team will operate to address implementation of the expanded eHealth Services Team and eHealth Specialist work described in Section I of this Grant,

including: project priorities, monitoring, and status; project operational issues, interventions, and solutions; and opportunities for innovation.

The core vision of the Sprint Management Team process is to coordinate and align the goals of all participating organizations in the State's community and field Sprint processes so that no single organization is operating independently to forward their own agenda. The objective of the team is to bring together all issues and make joint decisions and problem resolution around data quality, Meaningful Use, patient consent, and other IT issues.

i. The Sprint Management Team will meet regularly, at least once a month, as well as on an ad-hoc basis if an urgent issue arises. In addition, the Team will meet no later than 15 business days before the end of each quarter to recommend to the Executive Management Team any changes in deliverables for the coming quarter.
ii. The Sprint Management Team will review, discuss, and attempt to come to resolution on issues brought forward by the team or other entities and whenever possible attempt to expedite the decision making process by collecting sufficient contextual information prior to the meeting.
iii. The Sprint Management Team will be a resource for Sprint field teams for decisions, planning, and guidance.
iv. The Sprint Management Team will strive to reach decisions as part of a collaborative team process. Issues or concerns may be brought to the Executive Management Team for discussion and resolution.
v. Members of the Sprint Management Team will be comprised of members critical to decision making and designated each by the State, the Grantee, and State vendors. The State will designate the chair or lead for the Sprint Management Team.

2. Sprint Field Team(s)

Sprint Field teams may be created and authorized by the Sprint Management Team to act on specific projects and priorities. Sprint Field Teams shall meet as needed, but generally on a regular and intensive basis, at the direction of the Sprint management team, to closely monitor progress and direct action on projects and systems.

i. The responsibilities of Sprint Field Teams will be determined by the Sprint Management Team, which may include, but is not limited to:
    1. Provide a small focused team to work with a practice to achieve a defined set of goals;
    2. Assign a team lead;
    3. Determine goals for practice and Sprint Field Teams;
    4. Consider objectives for multiple programs and initiatives including but not limited to:
        a. Data quality improvement
        b. EHR Meaningful Use
        c. Vermont Patient Consent
        d. NCQA (National Committee for Quality Assurance) Recognition
        e. Interfaces (ADT, CCD, Lab, radiology (RAD), Immunization and Transcribed Reports);

5. Empower Sprint Field Teams to identify issues, define and resource tasks, and achieve stated outcomes; and
6. Bring the Sprint model successes to the Sprint Field Teams

ii. Issues or problems on Sprint Field Teams should be escalated to the Sprint Management Team whenever required for recommendations or problem resolution.

3. Executive Management Team

An Executive Management Team (EMT) will be comprised of the Executive Director of the Vermont Blueprint for Health, the Grantee's CEO, and/or their designees. The EMT will oversee the activities of this Grant, determine protocols and metrics to gauge program success, receive and decide on any recommendations to make adjustments in the grant deliverables, communicate with stakeholders, and resolve issues or concerns as may be necessary. Should the EMT not come to agreement, final determination will be made by the Commissioner of the State's Department of Vermont Health Access (DVHA).

i. Quarterly Monitoring, Reporting, and Adjustment – A quarterly evaluation of progress towards goals and of the processes of achieving the goals and project deliverables will be conducted by the Executive Management Team. The evaluation process will be established and improved over time by the Executive Management Team, and should include such measures as:

1. Performance toward meeting deliverable production;
2. Separate and collaborative activity towards problem recognition and tracking;
3. Separate and collaborative activity towards problem resolution;
4. Practice satisfaction reports;
5. Additional measures to be determined collectively, which could include:
   a. new methods for training
   b. use of data for new policy initiatives that advance population health
   c. use of technology for improved communication.

ii. Change Management Process - The Executive Management Team will develop a change management process that manages updates to the scope of work of this Agreement. To the extent that budget increases or significant scope changes would be required, those changes would be subject to a formal amendment to this Agreement executed by Grantee and the State.

F. State's Responsibilities

The State shall:

1. Provide Grantee with a quarterly updated list of Blueprint community project managers and the practices which those project managers and Blueprint leadership have identified as prospective Sprint practices and Implementation Practices;

2. Provide Grantee with liaison or facilitator to work with Grantee to assist in the testing and transmission of data between the Implementation Practices and Covisint;

3. Convene quarterly meetings to review progress and jointly agree to modifications to expected scopes of work;

3. Provide understandable communications about health reform initiatives that can be used by implementation staff and project managers to educate providers and align their expectations relative to State programs;

4. Provide State resources and facilitate collaborative work, including with Covisint, to support the completion of Grantee's projects and initiatives; and

5. Provide timelines and plans for practices, by July 15, 2013 and updated quarterly thereafter, including information such as NCQA scoring dates, interface schedule desires, and minimum data sets for transmission to Blueprint.

G. Reporting Requirements:

1. Annual Reports. No later than January 15 of each year, the Grantee shall file a report with the Commission on Health Care Reform; the Secretary of Administration; the Commissioner of Information and Innovation; the Commissioner of Banking, Insurance, Securities, and Health Care Administration; the Commissioner of the Department of Vermont Health Access; the Secretary of Human Services; the Commissioner of Health; the Commissioner of Mental Health; the Commissioner of Disabilities, Aging, and Independent Living; the Senate Committee on Health and Welfare; and the House Committee on Health Care. The report shall include an assessment of progress in implementing HIT in Vermont and recommendations for additional funding and legislation required. In addition, the Grantee shall publish minutes of Grantee meetings and any other relevant information on a public website.

2. Progress Reports and Expenditure Reports. Grantee shall file progress and expenditure reports with the State with all requests for payment. The State reserves the right to request that the Grantee provide additional information that may be necessary to document deliverables or other progress prior to payment. Payment against deliverables constitutes approval. For any deliverables not so approved, the State will provide required revisions within 30 days.

3. Grantee Operations Metrics Reports for Federal Reporting Requirements. Grantee shall submit operations metrics as requested of certain parameters associated with measureable HIE operations. These parameters are measurements currently required for reporting by the Office of the National Coordinator and will be conveyed to the Grantee by the State HIT Coordinator as needed.

H. State Innovation Model (SIM) Grant Funding and Amendment

The State intends to provide funding through the State Innovation Models (SIM) grant for certain activities, as defined in Sections I and J below, when the SIM funding has been approved by the federal Center for Medicare and Medicaid Innovation (CMMI). The parties agree to pursue an

amendment in good faith to this Agreement to address any required changes in funding, scope, and deliverables as soon as practicable following such approval from CMMI. All work performed under Sections I (Regional Extension Center (REC) Team and eHealth Services) and J.8 (Expanded Connectivity of HIE Infrastructure), before CMMI approval and before this grant agreement is amended, will be at the expense of the Grantee and will not be reimbursed by the State, except that the parties may agree through the Executive Management Team described in Section E to allow such prior work and expenditures by reallocating funding from other sections of this Agreement. Grantee shall not be expected to perform all of the work in Sections I and J without a comparable increase in funding or a comparable reduction in the remaining deliverables specified in this grant agreement. Any such reallocation decision shall also include reasonable and necessary adjustments in scope and deliverables. The State will notify the Grantee upon CMMI approval of SIM funds and will initiate the process to amend the grant agreement. The State estimates the additional SIM funding to be $1,177,846.

I. Regional Extension Center (REC) Team and eHealth Services:

Throughout this grant, the State seeks to extend and expand the services of the existing Grantee eHealth Services Team. Existing Federal funding to the Grantee for this team will end around February 1, 2014, and funding support from this grant will cover data quality initiative related salary and expenses for the team for the duration of the grant period after February 1, 2014, and for all other eHealth Services as outlined in 2, 3, 4, and 5 below for the entire grant period. The Grantee agrees to employ sufficient E-Health Specialists and other staff to support the work described in this section for the entire grant period, subject to the availability of the anticipated SIM Grant funding. The eHealth Services Team activities will be coordinated with other field-team resources, from the State and from Covisint and directed through the Management Team and its processes, as described in Section G of this Agreement. The activities of the eHealth Services Team shall include, but not be limited to the following projects:

1. Data Quality Initiatives: Form HSA Teams, in partnership with Covisint, Blueprint, and practice representatives, to address identified clinical and business data quality issues to conform to the State data quality objectives. Provide data quality education to practices including webinars, FAQ reference document and data readiness assessments. Train practices on EHR usage and data collection to support State's clinical and business quality data measures. The goal for SFY14 is to complete 25 Sprint data quality improvement initiatives (pre or post go-live), as deemed appropriate by HSA Teams and in support of shared responsibilities. These sprint data quality improvement initiatives will be comprised of five (5) remediation Sprints, fifteen (15) on-boarding Sprints, and (five) 5 manual Sprints. The number and timing of these Sprints may be adjusted quarterly by the Sprint Management Team as described in Section E. A Sprint is defined by the number of sites, not the number of data sources. A Sprint is deemed complete once the site attests to the quality of the data.

2. Provide primary care providers with assistance in reaching Stage 2 Meaningful Use: Educate practices on Meaningful Use changes brought about by Stage 2 requirements and prepare practices for Stage 2 attestation. The goal for SFY 14 is to provide evidence of Stage 2 Meaningful Use attestation for fifty (50) primary care providers. The number and

timing of deliverables may be adjusted quarterly by the Executive Management Team as described in Section E.

3. Provide assistance to specialty care providers in reaching both Stage 1 and Stage 2 Meaningful Use: Deliver consulting services package to specialty care providers through EHR selection and Implementation processes to include compliance with interoperability criteria to VHIE as recommended by Grantee to Green Mountain Care Board. Provide fundamental and advanced Meaningful Use training to specialty care providers who have not yet attested to Meaningful Use. The goal for SFY 14 is to provide evidence of Stage 1 or Stage 2 Meaningful Use attestation for sixty (60) specialty care providers. The number and timing of deliverables may be adjusted quarterly by the Executive Management Team as described in Section E.

4. Provide REC services to Full Continuum Providers: Deliver consulting services package to Full Continuum Providers through EHR selection and Implementation processes to include compliance with interoperability criteria to VHIE as recommended by Grantee to Green Mountain Care Board. Provide fundamental and advanced Meaningful Use training to Full Continuum Providers who have not yet attested to Meaningful Use. The goal for SFY 14 is to provide evidence of Stage 1 or Stage 2 Meaningful Use requirements fulfillment for forty-five (45) Full Continuum Providers in SFY14. The number and timing of deliverables may be adjusted quarterly by the Executive Management Team as described in Section E.

5. Provide other assistance to providers as may be defined by the Executive Management Team, including but not limited to, implementing State's new Policy on Patient Consent for Provider Access to VHIE.

The State shall have the right to request that the Grantee address performance issues pertaining to any eHealth Specialist employees of the Grantee that are assigned to support the work outlined in this section. The Grantee shall be given 45 days after written notice from the State of its specific performance concerns to address the performance of said eHealth Specialist. After Grantee has been given 45 days to address the eHealth Specialists performance, and if the State determines that the performance issues have not been addressed, the State may request that the Grantee replace that eHealth Specialist. The Grantee will be given adequate time to perform the recruitment, hiring, and training of a replacement eHealth Specialist.

As approved by the federal Center for Medicare and Medicaid Innovation (CMMI), funding for this section will be provided through the Vermont State Innovation Model (SIM) grant starting in February 2014.

Total I: eHealth Services Team Services: $0.00 ($346,346 in requested SIM funding will be made available upon CMMI approval and upon the execution of an amendment to this Agreement as per Section H.)

J. Connectivity:

The Grantee will provide project management and conduct certain activities that enable

connectivity among hospitals, primary and specialty care practices, and other health care and community providers. Based on the needs of a particular hospital, practice site, or organization, the activities may include some or all of the following tasks: collect legal agreements, perform assessments, establish connectivity, analyze messages, build the interfaces, conduct end to end testing, assist customers with moving a test interface to production, and monitor performance after going live.

1. Public Health Projects and Considerations: It is important that Grantee works collaboratively with the State's Department of Health (VDH) to achieve HIE-related public health initiatives in support of Meaningful Use. During this grant period VDH initiatives include Electronic Lab Reporting (ELR) and expansion of the Immunization Registry initiative to increase the percentage of immunization records flowing from providers to VDH via the HIE.

2. Electronic Lab Reporting: This grant period includes a project to provide VDH with production electronic lab results for current reportable diseases as defined by the State from all eligible hospitals that have indicated readiness. VDH intends that a minimum of four (4) hospitals will be actively reporting electronically to VDH at the end of the grant period. Hospitals sending results must be onboarded in the order specified by VDH. The data delivered to VDH must meet all specifications set out in the then most current version of the Vermont ELR Implementation Guide for meeting Stage 2 Meaningful Use ELR reporting to public health, and it must follow the process specified therein. Grantee shall make available the resource capacity to implement new hospitals for ELR reporting, when VDH identifies such hospitals as being ready for participation in the ELR program, and to meet the desired schedule of progress with capacity planning and scheduling. Grantee and VDH will mutually develop outreach strategies to encourage targeted hospitals to work with their vendors to establish the appropriate interfaces at the hospital locations. Data received are subject to VDH validation and acceptance for purposes of VDH providing the submitting laboratory with documentation that the laboratory has met the Meaningful Use measure for Electronic Lab Reporting.

3. Syndromic Surveillance: There is no expectation that Syndromic Surveillance messages will flow through the VHIE. VDH will transition to the BioSense system for Syndromic surveillance later in 2013 and hospitals will send their data directly to BioSense.

4. Immunizations: Implement and maintain HL7 (Health Level 7) messages containing immunizations from Vermont healthcare practices and hospitals to VDH, which intends to implement the following numbers of healthcare practices and hospitals:

    - ten (10) new practices by November 30, 2013;
    - fifteen (15) new practices and two hospitals by March 15, 2014; and
    - fifteen (15) new practices and two hospitals by June 1, 2014.

For this total of forty (40) new practices, a minimum of 80% (thirty-two (32) practices) are preferred to be those that currently administer at least 150 immunizations per month. The remaining 20% (eight (8) practices) should currently administer at least thirty immunizations per month.

Grantee shall make available the resource capacity to implement the intended number of new practices for immunization messaging and to meet the desired schedule of progress with capacity planning and scheduling. Grantee and VDH will mutually develop outreach strategies to encourage targeted practices to work with their vendors to establish the appropriate interfaces at the practice locations. Immunization messages will be a core requirement for Meaningful Use once VDH announces it is ready to receive these messages, and providers will no longer be able to take exclusion on their Meaningful Use attestations, which should generate a stronger interest on the part of the practices.

5. VDH ADT (Admit, Discharge, and Transfer messages): Grantee and VDH will mutually develop and agree to by September 30, 2013, the scope, schedule, and resource requirements to implement the ADT feed. The ADT shall include patient status updates based on the identification of deceased individuals from the Office of Vital Records and the authoritative source for Birth and Death records. Grantee and VDH shall address the following topics in developing the scope, schedule and resource requirements: utilize a minimum set of mortality variables provided by the Office of Vital Records to flag patients as deceased, include notification to the Blueprint for Health, VDH will send ADT messages on a going forward basis and will not initially send the historical file of ADTs, VDH will send historical ADT messages when VDH is satisfied with the quality of the person-matching results that occur in the HIE, and other topics as appropriate.

6. Grantee shall meet with VDH on a quarterly basis (minimum) to review and discuss data quality concerns, including but not limited to person-matching, linkage, and de-duplication efforts.

    i. The Grantee will initiate and conduct planning meetings to explore the options for bi-directional messaging. Grantee shall initiate the first meeting with VDH and any other identified stakeholders by December 15, 2013. A decision shall be made on the feasibility (both technical and legal) for implementation of bi-directional messaging by March 1, 2014. If Grantee and VDH are in agreement to move forward, a schedule for development and testing shall be created and signed-off by both organizations by April 30, 2014.
    ii. These meetings will include discussions to resolve approaches or alternatives to achieve the following requirements as desired by VDH:

1. The ability for VDH SPHINX (the VDH Database) entities to map one to one with CMPI (Community Master Person Index) entities, such that each SPHINX individual is represented as a unique individual in the CMPI;
2. At the CMPI level, the ability to create and modify probabilistic or weighted matching rules unique to any participating data source (in particular, to recognize in the matching rules that VDH is the authoritative source for Birth and Death information); and
3. An interface for use by VDH to support human interactive comparisons to resolve potential duplicates with SPHINX entities at the CMPI level.

Public Health/State/Grantee Project Coordination and Change: Grantee will participate with one or more representatives on a joint State/VDH/Grantee steering committee to: monitor the work and progress of these public health initiatives, to identify changes in schedule or emphasis of the work, and to resolve technical issues. The State HIT Coordinator will participate as a representative from the State's Department of Vermont Health Access (DVHA), and the State Public Health HIT Coordinator will participate as a representative from VDH. Any proposed changes in expectations from the Grantee as a result of this committee's recommendations will require action by the Grant Executive Team to modify the expected deliverables in this Grant Agreement.

7. VHIE Hospital and primary care connectivity: See Attachment B for funding and deliverables by project. In addition to the direct Grantee staffing costs related to interface development, Grantee may negotiate or otherwise approve fees to be paid to the VHIE vendor, and practice EHR vendors upon the implementation of various interfaces as they demonstrate the successful exchange of data, provided funding is available.

8. Connectivity Development Activities: Grantee will conduct activities to develop additional connectivity technology or to improve existing connectivity technology, including:
   i. Lab Orders –Develop a "standard" lab orders interface so that each hospital is using the same interface to receive an order.
   ii. Event Notification System Proof of Concept - Develop Proof of Concept for an event notification system. This will include some consulting costs and purchase of tools. The Electronic notification system designed to automatically alert providers for certain patient events i.e. admissions, discharges, ED (Emergency Department) visit.
   iii. EHR-EHR CCD Exchange Proof of Concept – Develop Proof of Concept for an EHR to EHR exchange of a CCD feed to satisfy Stage 2 Meaningful Use.

9. Provider Incentives: Grantee may also offer incentives to practices to increase and or accelerate the successful deployment of interfaces, including meeting data quality objectives, up to a total of $250,000.

10. Expanded Connectivity of HIE infrastructure – As approved by the federal CMMI, this section will be funded through the Vermont State Innovation Model (SIM) grant, with

anticipated funds starting in October 2013. The scope of work includes the following components:

i. Interface development work to be provided by Medicity which will be dedicated to Grantee and designed to accelerate the connectivity between hospital, ambulatory and other healthcare providers to the VHIE network
ii. Staff certification training to perform aspects of interface development
iii. Provide onsite resources for accelerating interface development

The deliverables for this work are built into the tables in Attachment B, but are intended to support the 3-year SIM grant goals of:

- Connectivity to all patient-centered medical homes and other primary care providers;
- Connectivity to accountable care organization providers;
- Extension to mental health and substance abuse providers;
- Extension to other specialty care providers;
- Extension to long term care providers;
- Extension to key community services; and
- Extension to public health registries.

Total J: Connectivity: $1,500,861 in State funding. ($831,500 in requested SIM funding will be made available upon CMMI approval and an Amendment in this Agreement as per Section H.)

K. Dispute Resolution

The State and Grantee agree that it is in their mutual interest to resolve any disputes as rapidly, inexpensively and amicably as possible. To that end, in the event of a dispute between the parties, either party may give the other party written notice that it desires to invoke an informal dispute resolution mechanism involving appropriate management of each respective party. Within fifteen (15) days of delivery of such notice, the Executive Management Team identified in Section E. of this Agreement shall hold a meeting to receive information regarding the reasons for the dispute and review specific proposals for resolution. If either party concludes that the dispute cannot be resolved in this matter after such meeting, then within fifteen (15) days of that meeting, the Grantee may pursue a resolution with the Commissioner of the Department of Vermont Health Access.

ATTACHMENT B
PAYMENT PROVISIONS

The State shall pay the Grantee for work performed as described in Attachment A in conjunction with the Grantee budget set forth below. The maximum payable amount under this Grant shall not exceed $5,157,469 in State Fiscal Year 2014 funds. The parties to this Agreement intend to utilize funding through the SIM grant for certain activities as spelled out in the Agreement once that funding has been approved by the federal Center for Medicare and Medicaid Innovation (CMMI) and this grant agreement is amended.

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

FY2014 Grant Budget

I. Base Activities

A.1	**Core Operations in Support of State HIE Operations:**	**State Grant Funding**
	Administrative Salaries & Benefits	1,196,516
	Insurance	76,860
	Professional & Legal	88,343
	Outreach and Education	46,475
	Occupancy/Rent	149,671
	Telecommunications	99,651
	Operational Expense	101,225
	Meetings, Travel, Professional Development	58,197
	Depreciation	27,158
	Direct Project Management Expenses:	
	Direct IT Expense (equipment, software)	19,800
	Depreciation on New Assets	56,550
	Total Core Functions	**$1,920,446**

A.2	**Direct State-wide Medicity Contract Expense:**	**$756,546**
Total I: Base Activity Expenses:		**$2,676,992**
II. New Activities – Known and Specified:		
B.1	**Patient Consent**	**$224,460**
B.2	**REC Team Services**	
1	Provide data quality improvement services	
2	Provide Primary Care services in support of Meaningful Use Stage 2 attestation	
3	Provide Specialty Care services in support of Meaningful Use Stages 1 and 2 Attestations	
4	Provide Full Continuum Provider services in support of VHIE connectivity and Meaningful Use Requirements.	
B.3	**Enhanced HIE**	**$216,000**
1	Implement an Event Notification System	
2	Conduct a review of the portal market	
3	Connect Grantee to another HIE, in another State	
4	Implement specialized interface tools to extract additional data elements	
C.1	**HIE Technology Infrastructure**	**$477,156**
1	Select and implement Grantee infrastructure hosting vendor	
2	Implement training for ProAccess upgrade	
3	Implement software toolkit for MPI management – support manual identification of duplications	
4	Purchase and implement the Grantee interface engine	
C.2	**HIE Services Infrastructure**	**$0.00**
1	Install Mediprise for operational and clinical ad hoc data reporting	
2	Additional Medicity expenses for increased interface requirements	
3	Provide HelpDesk support for interfaces; Medicaid EHR Incentive Program; ProAccess	
4	Maintain security: Implement security assessments for Health Care Organizations; Follow up to break glass situations; fulfill security-related requests from patients; maintain and review audit logs.	
D.	**New HIE Services**	**$62,000**
1	Terminology Services: Analyze tools available, purchase and develop an implementation plan	
2	Purchase and implement data analytical tools and develop a scoring model for ADT messages	

3	Implement a connection to the Social Security Agency, if feasible.	
J.	**HIE Connectivity Expenses**	**$1,500,861**
1	Deliver additional Hospital interfaces: 12 IZ; 4 CCD; 1 Lab; 1 orders	
2	Deliver 75 new interfaces for Health Care Organizations: ADT, Lab, Radiology, CCD, IZ	
3	Develop "standard" orders interface so that each hospital is using the same interface to receive an order	
4	Deliver 4 new hospital reportable lab interfaces to VDH through the VHIE	
5	Deliver at least 1 new interface to each of 4 home health agencies	
6	Deliver at least 1 new interface to each of 4 designated agencies	
7	Deliver at least 1 new interface to at least 10 Specialist practices	
8	Implement/continue provider incentives program	$250,000 (included in total)
9	Implement event notification system	
10	Implement EHR-EHR CCD exchange	
11	Implement Medicity interface acceleration plan	
Total II: New Activities - Known and Specified		**$2,480,477**
FY2014 HIE Total Expenses:		**$5,157,469**

Variances of the subtotal budget items shall not exceed 10% without prior approval from the State. Written requests for such approvals must first be submitted by the Grantee prior to the expenditure of funds in excess of the above budgeted line items.

For reimbursement purposes, the Grantee's expenses are divided into Core Operations (A.1 above) and Project Operations (A.2, II, and III). Grantee will invoice for core operations expenses on a monthly basis.

Grantee will invoice for Project Operations on a quarterly basis. The first invoice for Project Operations will be submitted at the beginning of the Grant period (July 1, 2013), for 25% of the State funded portion of

the Project Operations portion of the base budget. This grant has project operations expenses of $2,480,477, of which 25% is $620,119. This is referred to as the first payment.

Quarterly invoices will be generated after periods ending 9-30-2013, 12-31-2013, and 3-31-2014 for actual project operations expenses incurred. The invoice for Quarter 4, ending June 30, 2014, will document the expenses incurred in Quarter 4 and will show the net difference from the first payment. Reimbursement from Grantee to the State will be made for the amount by which the actual expenses for Quarter 4 are less than the first payment. Quarter 4 expenses should be estimated and, if less than the first payment, reimbursement from Grantee to the State based on this estimate should be made before the end of the grant period (June 30, 2014). Any adjustments based on this estimate will be made when the invoice of actual expenses is processed following the end of the grant period.

All quarterly invoices will be accompanied by a report of project deliverables where applicable and all amounts invoiced will be supported by the corresponding identification of actual personnel and other costs incurred.

All project activities identified in the Project Operations list above will be reimbursed based on one of two methodologies: Milestones and Deliverables Methodology and Incentives Methodology

III. Incentive Project Operations

1. Milestones and Deliverables Methodology: Many of these projects will have progress indicated by identified milestones and deliverables. For those projects, software purchases should be identified as a milestone deliverable so that reimbursement for such purchases can be made in a timely manner. Personnel costs associated with these projects should be invoiced following successful realization of the project deliverables. Grantee will account for project expenses with sufficient detail to associate expenses with deliverables. The State will reduce reimbursement for deliverables by 5% for each 30 day period by which the deliverable is late. Grantee may request a revised deliverable schedule on a case by case basis and the State will give fair consideration to the circumstances of the request. If the request is accepted by the State, and the deliverable is completed by the newly accepted date, the reimbursement will not be reduced.

Note: This table lists only budgeted work items for which progress can be tracked as milestones and/or as productive progress with multiple units of work. The budget tied to deliverables represents the budgeted personnel cost for Grantee staff budgeted to these work items. Other budgeted costs, including purchases or contracted services, can be invoiced as they occur. The total budget tied to deliverables for associated personnel cost is $1,102,374. The total of other associated costs that can be invoiced as they occur is $ 950,980. Note: the personnel costs from the deliverables table, the other associated costs, and the incentive related personnel costs ($427,123) from Table 2 below total to Section B in the budget table above ($2,480,477).

The following projects will be reimbursed based on the Milestones and Deliverables Methodology. These projects are identified here with associated deliverables and due dates.

	Deliverables				
Project/Demonstration Name	**Quarter 1 Ends 9/30/2013**	**Quarter 2 Ends 12/31/2013**	**Quarter 3 Ends 3/31/2014**	**Quarter 4 Ends 6/30/2014**	**Budget Amount tied to deliverables**
B.1 Patient consent					$175,459
B.2.2 Provide Primary Care services in support of Meaningful Use Stage 2 (MU2) Attestations	Preparation; training tools; Outreach and education	10 MU2 attestations	15 MU2 attestations	25 MU2 attestations	$42,440 (See Note [1])
B.2.3 Provide Specialty Care services in support of Meaningful Use Stages 1 and 2 attestations	Preparation; training tools; Outreach and education	Enroll 10 providers 10 MU1 or 2 attestations	Enroll 30 providers; 20 MU1 or 2 attestations	Enroll 40 providers; 30 MU1 or 2 attestations	$84,880 (See Note [1])
B.2.4 Provide Full Continuum Provider services in support of VHIE connectivity and Meaningful Use Requirements	Preparation; training tools; Outreach and education	Enroll 10 providers; 5 MU1 or 2 attestations	Enroll 15 providers; 15 MU1 or 2 attestations	Enroll 25 providers; 20 MU1 or 2 attestations	$42,440 (See Note [1])
B.3.1 Implement an Event Notification System		Proof of Concept		2 site pilot capability demonstrated	$55,896
B.3.2 Conduct a review of the portal market		Report completed			$37,263
B.3.3 Connect Grantee to another HIE, in another State		Network connection to HIXNY established		CCDs from HIXNY are demonstrated; Discharge Summaries to HIXNY are demonstrated	$37,263
B.3.4 Implement specialized interface tools to extract additional data elements		Complete proof of concept.		Implement 2 additional interfaces.	$37,263
C.1.2 Select and implement Grantee infrastructure hosting vendor	Select hosting vendor	Purchase software	Hire staff		$111,789
C.1.3 Implement software toolkit for MPI management – support manual identification of duplicates	Costs and effort are not yet established for this project. Details to be provided through the change management process.				

C1.4 Purchase and implement the Grantee interface engine	Complete the software purchase.				$37,263
C.2.1 Install Mediprise for operational and clinical ad hoc data reporting		Complete the installation			
D.1 Terminology Services: analyze tools available, purchase and develop an implementation plan		Analyze tools available;	Perform vendor selection	Develop an implementation plan for FY2015	
D.2 Purchase and implement data analytical tools and develop a scoring model for ADT messages	Purchase (90% budget amount)	Implement (5% budget amount)	Develop scoring methodology (5% budget amount)		
D.3 Implement a connection to the Social Security Agency, if feasible		Determine feasibility		Implement if feasible	
J.1 Deliver additional hospital interfaces – IZ; CCD; Lab; orders	Identify targets, categories, and timeframes for implementation. 18 potential interfaces are identified.	3 interfaces	5 interfaces	10 interfaces	$305,088
J.3 Develop "standard" orders interface so that each hospital is using the same interface to receive an order	Develop plan and contracting process for consultant	Engage consultant and document statement of work	Document milestone progress with consultant engagement	Deliver 1 instance of a standard orders interface	$30,509
J.4 Deliver 4 new hospital reportable lab interfaces (ELR) to VDH through the VHIE	Schedule to be developed through project planning with VDH			4 interfaces	$61,018
J.5 Deliver at least 1 new interface to each of 4 Home Health Agencies	Develop plan and delivery schedule			4 interfaces	$61,018
J.6 Deliver at least 1 new interface to each of 4 Designated Agencies	Develop plan and delivery schedule	1 interface		2 interfaces	$30,509

J.7 Deliver at least 1 new interface to at least 10 Specialist practices	Develop plan and delivery schedule	2 interfaces	3 interfaces	5 interfaces	$61,018
J.8 Implement/continue provider incentive program	Develop plan and payment criteria. Awards are made upon completion of all milestones			$250,000 annual budget	0
J.10 Implement EHR-EHR CCD exchange	Develop plan and delivery schedule			Execute plan and complete exchange.	$61,018
J.11 Implement Medicity interface acceleration plan	Grantee to establish contract for dedicated services with Medicity, to include performance milestones consistent with overall progress goals of this grant agreement. This contract will represent Medicity staff augmentation to satisfy the goals of the SIM Grant in the area of HIE expansion (See Note [1])				
				Total Deliverable Based Personnel Costs	**$1,102,374**

[1]Per discussion in Attachment A, Section H of this agreement, this work activity is dependent on anticipated SIM grant funding.

2. Incentives Methodology: Certain activities that reflect ongoing work throughout the term of the grant agreement will be reimbursed based on incentive formulae designed to reflect the rate of successful completion of the targeted activity. There are two specific categories of activity that are identified for incentive payments: HSA Team activity in support of Data Quality Sprints, and HIE Connectivity activity. Tables to be used in determining the incentive payments are inserted in each of these projects' descriptions below. Minimum payments are established, as are maximum caps on the amount of potential incentives. In many cases the success of the activity is dependent on participation by provider organizations and other vendors. Conditions for reimbursement exceptions based on events or circumstances beyond Grantee's control are described for each project below.

The following two projects will be reimbursed based on the Incentives Methodology. These projects are identified below with associated expected rates of performance. An incentive table is included for each project.

A. Provide Data Quality Improvement Services

The Grantee shall form Sprint Field Teams, in partnership with Covisint, Blueprint, and practice representatives, to address identified clinical and business data quality issues to conform to the State data quality objectives. The Grantee will provide data quality education to practices, including: two webinars, FAQ reference document, and data readiness assessments. The Grantee shall train practices on EHR usage and data collection to support State's clinical and business quality data

measures. In SFY14, complete twenty-five (25) Sprint data quality improvement initiatives (pre or post go-live), as deemed appropriate by Sprint Field Teams and in support of shared responsibilities.

Expected rate of completions is: three (3) in Quarter 1; five (5) in Quarter 2; seven (7) in Quarter 3; and ten (10) in Quarter 4.Associated expenses will be reimbursed in full in both Quarter 1 and Quarter 2, recognizing startup efforts, but incentive payments beyond 100% are possible for performance results as listed in the table below. In Quarter 3, a minimum of 90% of associated expenses will be reimbursed, and in Quarter 4, a minimum of 80% of associated expenses will be reimbursed. Incentive payments in all quarters are capped at an additional 20% of associated expenses.

The budgeted personnel amount identified with this activity is $56,587. Per discussion in Attachment A, Section I of this agreement, Grantee will fund this work during the first two quarters from a Federal REC grant awarded to Grantee by ONC. The State will pay for incentive payments above the base amount during these two quarters, to a maximum of 20% each quarter ($5,658 total for the two quarters). The maximum potential positive variance (i.e., incentive payment) across the year would be 20% of this amount, or $11,317. The maximum potential negative variance for underperformance is $4,244. The total maximum amount associated with this category of work is $67,904, of which the State's maximum portion is $39,610.

Table A: Schedule of incentive payments for Data Quality Improvement Services

		Quarter 1		Quarter 2		Quarter 3		Quarter 4	
		Goal	Total Payment	Goal	Total Payment	Goal	Total Payment	Goal	Total Payment
REC Team Data Quality Work	Baseline Funding (Guaranteed)	No. of sites	100% Federally Funded(See Note 2) $14,147	No. of sites	100% Federally Funded (See Note 2) $14,147	No. of sites	90% anticipated SIM Grant funding; will require an amendment to this agreement (See Note 3) $12,732	No. of sites	80% anticipated SIM Grant funding; will require an amendment to this agreement (See Note 3) $11,317
	Performance payment based on data quality attestation by providers	3	105% $14,854	4	105% $14,854	4	95% $13,439	4	85% $12,025
		4	110% $15,561	5	110% $15,561	6	100% $14,147	6	90% $12,732
		5	115% $16,269	6	115% $16,269	7	105% $14,854	8	95% $13,439
		7	120% $16,976	8	120% $16,976	8	110% $15,561	9	100% $14,147
						10	115% $16,269	10	105% $14,854
						12	120% $16,976	12	110% $15,561
								14	115% $16,269
								16	120% $16,976

[2]Per discussion in Attachment A, Section I of this agreement, Grantee will fund this work during the first two quarters from a Federal REC grant awarded to Grantee by ONC. State will pay for incentive payments above the base amount during these two quarters, to a maximum of 20% each quarter ($5,658 total for the two quarters).

[3]Per discussion in Attachment A, Section H of this agreement, work activity identified for quarters 3 and 4 (January 1, 2014 – June 30, 2014) is dependent on anticipated SIM grant funding.

B. Deliver new interfaces

Deliver 75 new net interfaces to Health Care Organizations (separate from Hospital interfaces which are described in the table of deliverables above) to include ADT, Laboratory, Radiology, CCD and Immunization Registry.

Expected rate of completions is: 9 in Quarter 1; 15 in Quarter 2; 21 in Quarter 3; and 30 in Quarter 4. 100% of associated expenses will be reimbursed in Quarter 1 and Quarter 2, recognizing startup efforts, but incentive payments beyond 100% are possible for performance results as listed in the table below. In Quarter 3 a minimum of 90% of associated expenses will be reimbursed and in Quarter 4 a minimum of 80% of associated expenses will be reimbursed. Incentive payments in all quarters are capped at an additional 20% of associated expenses.

The budgeted personnel amount identified with this activity is $427,123. The maximum potential positive variance (i.e., incentive payment) across the year would be 20% of this amount, or $85,425. The maximum potential negative variance for underperformance is $32,034. The maximum amount associated with this category of work is $512,548.

Table B: Schedule of incentive payments for New Interfaces Completions

		Quarter 1		Quarter 2		Quarter 3		Quarter 4	
		Goal	Total Payment	Goal	Total Payment	Goal	Total Payment	Goal	Total Payment
Connectivity Work	Baseline Funding (Guaranteed)	No. of interfaces	100% State Contract $106,781	No. of interfaces	100% State Contract $106,781	No. of interfaces	90% State Contract $96,103	No. of interfaces	80% State Contract $85,425
	Performance payment based on the number of interfaces transmitting data into the VHIE (or ready to transmit)	9	105% $112,120	12	105% $112,120	12	95% $101,442	18	85% $90,764
		12	110% $117,459	15	110% $117,459	18	100% $106,781	21	90% $96,103
		15	115% $122,798	18	115% $122,798	21	105% $112,120	24	95% $101,442
		20	120% $128,137	24	120% $128,137	24	110% $117,459	27	100% $106,781
						30	115% $122,798	30	105% $112,120
						36	120% $128,137	36	110% $117,459
								42	115% $122,798
								48	120% $128,137

Each quarter the Executive Management team will meet to review the progress of work as it relates to the expectations identified in the Grant Agreement. Reasonable adjustments to project plans, priorities, deliverables and resource allocations may be recommended through the Executive Management Team for approval by the State. Adjustments to State funding to reflect changes in work can also be made. These meetings should occur no more than ten (10) business days before the end of a quarter. See Section E. (Management and Governance) of Attachment A for a full description of this process.

A final expenditure report is due no later than 90 days after the end of this grant agreement, unless an extension is granted by the State of Vermont, and will be reconciled to actual costs incurred for the grant term (07/01/13 – 06/30/14), and will include the impact of the Grantee performance incentive plan. Any

overpayment of expenses will be returned to the State no later than October 15, 2014 unless approved to support another project/deliverables, or re-purposed for other budget items in the Grant.

For situations in which a penalty may be assessed, such assessment shall not be made to the extent that the failure can be attributed to:

- Unforeseeable catastrophic events experienced at the Grantee's local and corporate facilities; or
- Unforeseeable catastrophic events experienced by State which has a material effect on the Grantee; or
- Complying with any directions of the State or its employees regarding changes to Scope of Work; or
- Inability to meet the requirements of the Grant for reasons beyond the control of Grantee, the HCO, or the State; or
- Quarterly adjustments resulting from the Sprint Projects protocol described in Section E. of the Statement of Work.

Payments to the Grantee under this grant agreement shall not exceed $5,157,469 in funding from State.

Invoices and quarterly expenditure reports shall be signed by an authorized representative of Grantee and submitted to:

Business Office
Department of Vermont Health Access
312 Hurricane Lane, Suite 201
Williston, VT 05498-2087

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 his 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 VERMONT INFORMATION TECHNOLOGY LEADERS ("BUSINESS ASSOCIATE") AS OF JULY 1, 2013 ("EFFECTIVE DATE"). THIS AGREEMENT SUPPLEMENTS AND IS MADE A PART OF THE GRANT TO WHICH IT IS ATTACHED.

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, 42 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 grant 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 3 must be of the minimum amount of PHI necessary to accomplish such purposes.

4. **Safeguards**. Business Associate shall implement and use appropriate safeguards to prevent the use or disclosure of PHI other than as provided for by this Agreement. 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) becomes 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 individual(s), 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 has been 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 agreement 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 the grant without liability or penalty if Business Associate does not cure the breach within the time specified by Covered Entity; or (b) immediately terminate the grant 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 the grant or letter of agreement, 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 the grant or letter of agreement shall return or destroy, at the discretion of the Covered Entity, all PHI received from Covered Entity or created or received by Business Associate on behalf of Covered Entity pursuant to this grant or letter of agreement 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.

6.2 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 grant, the terms of this Agreement shall govern with respect to its subject matter. Otherwise, the terms of the grant or letter of agreement 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 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 GRANT PROVISIONS

1. **Agency of Human Services – Field Services Directors** will share oversight with the department (or field office) that is a party to the grant for provider performance using outcomes, processes, terms and conditions agreed to under this grant.

2. **2-1-1 Data Base:** The Grantee 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 Grantee 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 Grantees**:

   Inspection of Records: Any grants 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 Grantee or subgrantee.

   Subcontracting for Medicaid Services: Having a subcontract does not terminate the Grantee, 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 Grantee or subgrantee and provide for revoking delegation or imposing other sanctions if the Grantee or subgrantee's performance is inadequate. The Grantee 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 grants and subgrants between the Grantee and service providers.

   Medicaid Notification of Termination Requirements: Any Grantee 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 Grantee 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 Grantees 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 Grantee 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 Grantees and subgrantees receiving federal funds must assure that persons with limited English proficiency can meaningfully access services. To the extent the Grantee 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 Grantee 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 Grantee will assure a drug-free workplace in accordance with 45 CFR Part 76.

7. **Privacy and Security Standards.**

   Protected Health Information: The Grantee 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 grant. The Grantee 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 Grantee or subgrantee 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 Grantee agrees to comply with the requirements of AHS Rule No. 08-048 concerning access to information. The Grantee 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 Grantee shall ensure that all of its employees and subgrantees 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 Grantee 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 Grantee 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 Grantee will check the Adult Abuse Registry in the Department of Disabilities, Aging and Independent Living. Unless the Grantee holds a valid child care license or registration from the Division of Child Development, Department for Children and Families, the Grantee 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 Grantee 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 Grantee 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 Grantee or subgrantee, shall have full and complete ownership of all software computer programs, documentation and/or source codes developed.

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

    If the Grantee is operating a system or application on behalf of the State of Vermont, then the Grantee 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 Grantee's materials.

11. **Security and Data Transfers.** The State shall work with the Grantee 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 Grantee of any new policies, procedures, or protocols developed during the term of this agreement as they are issued and will work with the Grantee to implement any required.

    The Grantee 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 Grantee 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 Grantee 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 Grantee shall securely delete data (including archival backups) from the

Grantee's equipment that contains individually identifiable records, in accordance with standards adopted by the Agency of Human Services.

12. **Computing and Communication:** The Grantee 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 Grantee as part of this agreement. Options include, but are not limited to:

    1. Grantee's provision of certified computing equipment, peripherals and mobile devices, on a separate Grantee'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 Grantee.

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 Grantee 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 grantee 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.

Grantees 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.

Attachment G
Statement of Work
Patient Consent for HIE Health Record Access

Name of the Company: Vermont Information Technology Leaders, INC

Name of the Project: Patient Consent for HIE health record access

Location of the Project: Statewide

Scope of Work Statement

The scope of work is to implement the state of Vermont's Policy on Patient Consent for Provider Access to VHIE, which was approved in October 2012. It covers all of VITL's responsibilities under the policy, including providing patient education materials and answering patient questions via a toll-free phone number, providing forms for health care organizations to use when obtaining written patient consent, providing a mechanism for health care organizations to confirm that they have received written consent, responding to patient requests for audit records, responding to patient requests to see their individual information on the VHIE, periodically auditing provider consent records, reviewing all instances of emergency access on the VHIE, and providing a mechanism for providers to confirm that a patient has revoked consent. The scope of work also covers provider outreach and education, training, and support for using the ProAccess provider portal to view patient information after consent is obtained.

Deliverables

Consent education materials for patients and providers
ProAccess training for providers
Marketing materials
Public relations campaign- consent & ProAccess
Consent & ProAccess training for VITL staff
Create & deliver consent related workflow consulting services to health care orgs
Create standard ProAccess intake / provisioning process
Establish, staff & train VITL user help desk
Deliver production version Medicity ProAccess provider portal
Deliver ProAccess upgrades
Put in place a document management system for consent document control
Establish, staff & train VITL ProAccess / consent production support team
Develop standardized formats for consent, revocation, patient inquiry & audit log requests
Electronic consent functionality
Establish audit team. Develop audit processes & procedures. Execute portal audits.
Execute outreach strategy for patient consent.
Execute ProAccess adoption plan.
Create consent & ProAccess adoption metrics & action plans

Exclusions

None

Tasks and Schedule

Deliverable	FY2013 ending 6-30-2013		FY2014 ending 6-30-2014			
By Quarter:	2013Q3	2013Q4	2014Q1	2014Q2	2014Q3	2014Q4
Deliver production version Medicity ProAccess provider portal • Reset patients to opt-in • Complete code set updates • Clean up existing org structure • Develop standard role settings- with Medicity • update all configurable text and reason codes		X				
Create standard ProAccess intake / provisioning process (overlap w/Marketing materials?) • Review samples from DHIN & Shelley • Create VITL version of questionnaire, welcome package		X				
Establish a document management system for consent document control		X				
Establish, staff & train VITL ProAccess / consent production support team • Hire resource • Train on Org and UserID setup		X				
Establish, staff & train VITL user help desk • Hire resource • Train: answering patient		X				

questions on consent, responding to data requests						
Deliverable	**FY2013 ending 6-30-2013**		**FY2014 ending 6-30-2014**			
By Quarter:	**2013Q3**	**2013Q4**	**2014Q1**	**2014Q2**	**2014Q3**	**2014Q4**
Develop standardized formats for consent, revocation, patient inquiry & audit log requests	X					
Provide staffed VITL user help desk			X	X	X	X
Deliver ProAccess upgrades					X	
Maintain document management system		X	X	X	X	X
Provide staffed VITL ProAccess / consent production support team		X	X	X	X	X
Train providers on ProAccess • Develop materials, deliver training		X	X	X	X	X
Train VITL staff on Consent	X	X	X	X		
Train VITL staff on ProAccess • Develop materials • Train the trainer sessions	X	X	X	X	X	
Develop electronic consent functionality		X				
Develop consent education materials for Patients and Providers	X					
Develop marketing material	X					
Execute public relations campaign		X	X	X	X	X
Develop public relations campaign on Consent and ProAccess		X				

Deliverable	FY2013 ending 6-30-2013		FY2014 ending 6-30-2014			
By Quarter:	2013Q3	2013Q4	2014Q1	2014Q2	2014Q3	2014Q4
Develop Consent audit team. • Develop audit processes and procedures. • Execute portal audits.		X	X	X	X	X
Execute outreach strategy for patient consent • Define strategy (which orgs to approach & in what sequence?) • Make team assignments • Monitor / follow up	X	X	X	X	X	X
Execute ProAccess adoption plan (Pilot plan) Sign up pilots • Deliver education, intake process, back office setup, monitor		X	X	X	X	X
Create consent & ProAccess adoption metrics & action plans		X				
Execute ProAccess metrics / action plans			X	X	X	X

Stakeholders

Name of Stakeholder	Responsibility
VITL	Implement Patient Consent requirements
State of Vermont	Support