

1. **Parties.** This is a contract for services between the State of Vermont (SoV), Department of Vermont Health Access (hereafter called “State”) and Speridian Technologies, LLC, with a principal place of business in 2400 Louisiana Blvd, Building 3, Albuquerque, NM 87110, (hereafter called “Contractor”). Contractor’s form of business organization is a Limited Liability Company. It is the contractor’s responsibility to contact the Vermont Department of Taxes to determine if, by law, the contractor is required to have a Vermont Department of Taxes Business Account Number.
2. **Subject Matter.** The subject matter of this contract is for professional information technology (IT) services on the State’s Health & Human Services Enterprise Platform (HSEP) specifically related to Operational Regulatory Standardization Development. Detailed services to be provided by the contractor are described in Attachment A.
3. **Maximum Amount.** In consideration of the services to be performed by Contractor, the State agrees to pay Contractor, in accordance with the payment provisions specified in Attachment B, a sum not to exceed \$ 6,219,752.
4. **Contract Term.** The period of Contractors performance shall begin as of July 18, 2016 (“Effective Date”) and end on July 17, 2017. The State and the Contractor have the option of renewing this contract for up to two (2) one-year periods.
5. **Prior Approvals.** If approval by the Attorney General’s Office, Secretary of Administration, DII CIO/Commissioner, or Chief Marketing Officer is required, (under current law, bulletins, and interpretations), neither this contract nor any amendment to it is binding until it has been approved by such persons.
 - Approval by the Attorney General’s Office is required.
 - Approval by the Secretary of Administration is required.
 - Approval by the CIO/Commissioner of DII is required.
6. **Amendment.** This contract represents the entire agreement between the parties. No changes, modifications, or amendments in the terms and conditions of this contract shall be effective unless reduced to writing, numbered and signed by the duly authorized representative of the State and Contractor.
7. **Cancellation.** This contract may be cancelled by the State giving written notice at least 30 days in advance. Contractor may cancel the contract by giving written notice of not less than 120 days in advance. Notwithstanding this provision, if a governmental agency with due authority determines that a program or facility operated by the Contractor, wherein services authorized under this contract are provided, is not in compliance with State and Federal law or is operating with deficiencies the State may terminate this contract immediately and notify the Contractor accordingly.

8. **Contacts.** The contacts for this award are as follows:

	<u>State Fiscal Manager</u>	<u>State Program Manager</u>	<u>For the Contractor</u>
Name:	Emily Trantum	Cassandra Gekas	Ali Hasan
Phone #:	802-241-0404	802-769-6592	505-506-5503
E-mail:	Emily.Trantum@Vermont.gov	Cassandra.Gekas@vermont.gov	ali.hasan@speridian.com

9. **Notices to the Parties Under this Agreement.** To the extent notices are made under this agreement, such notices shall only be effective if committed to writing and sent to the following persons as representatives of the parties:

CONTRACTOR:

Ali Hasan, Chief Operating Officer
Speridian Technologies
9201 Corporate Blvd. Suite 450
Rockville, MD 20852
ali.hasan@speridian.com

STATE:

DVHA General Counsel
Department of Vermont Health Access (DVHA)
NOB 1 South, 280 State Drive
Waterbury, VT 05671-1010
AHS.DVHALegal@vermont.gov

Written notices may be sent by electronic mail except for the following notices, which must be sent by United States Postal Service certified mail: termination of contract, contract actions, damage claims, breach notifications, alteration of this paragraph.

10. **DVHA Monitoring of Contract.** The parties agree that the State Authorized Representatives identified herein are solely responsible for the review of invoices presented by the Subrecipient.

11. **Subcontractor Requirements.** Per Attachment C, Section 19, if the Contractor chooses to subcontract work under this agreement, the Contractor must first fill out and submit the Subcontractor Compliance Form (Appendix I – Required Forms) in order to seek approval from the State prior to signing an agreement with a third party. Upon receipt of the Subcontractor Compliance Form, the State shall review and respond within five (5) business days. A fillable PDF version of this Subcontractor Compliance Form is available upon request from the State Business Office. Under no circumstance shall the Contractor enter into a sub-agreement without prior authorization from the State. The Contractor shall submit the Subcontractor Compliance Form to:

Emily Trantum, Financial Director I
Business Office, Contracting Unit
Department of Vermont Health Access
Emily.Trantum@vermont.gov

Should the status of any subcontractor or Subrecipient change, the Contractor is responsible for updating the State within fourteen (14) days of said change.

12. **Attachments.** This contract consists of 100 pages including the following attachments, which are incorporated herein:

- Attachment A – Specifications of Work to be Performed
 - Exhibit 1 – Preliminary Implementation Master Schedule
 - Exhibit 2 – State Third-Party Software
- Attachment B – Payment Provisions
- Attachment C – Standard State Provisions for Contracts and Grants
- Attachment D – Other Terms and Conditions
- AHS Attachment E – Business Associates Agreement
- AHS Attachment F – Agency of Human Services’ Customary Contract Provisions
- AHS Attachment H – Business Partner Agreement
- AHS Attachment I – Change Request Template
- AHS Attachment J – Deliverable Expectation Document Template

AHS Attachment K – Project Status Report Template
Appendix I – Subcontractor Compliance Form

The order of precedence of documents shall be as follows:

- 1) Standard Contract (the first three pages of this document)
- 2) Attachment D (Other Terms and Conditions)
- 3) Attachment C (Standard Contract Provisions for Contracts and Grants)
- 4) Attachment A with Exhibits
- 5) Attachment B
- 6) AHS Attachment E – Business Associates Agreement
- 7) AHS Attachment H – Business Partner Agreement
- 8) AHS Attachment F – Agency of Human Services’ Customary Contract Provisions
- 9) Other Attachments

WE, THE UNDERSIGNED PARTIES, AGREE TO BE BOUND BY THIS CONTRACT:

STEVEN COSTANTINO, COMMISSIONER DATE
AHS/DVHA
NOB 1 South, 280 State Drive
Waterbury, VT 05671-1010
Phone: 802-241-0239
Email: Steven.Costantino@vermont.gov

ALI HASAN, CHIEF OPERATING OFFICER DATE
SPERIDIAN TECHNOLOGIES
9201 Corporate Blvd. Suite 450
Rockville, MD 20852
Phone: 505-506-5503
Email: ali.hasan@speridian.com

ATTACHMENT A
SPECIFICATIONS OF WORK TO BE PERFORMED

A. ACRONYM KEY

AHS = Agency of Human Services
ALM = Application Lifecycle Monitoring
APTC = Advance Premium Tax Credit
BABOK = Business Analysis Body of Knowledge
BRM/OPA = Business Rules Management / Oracle Policy Automation
CCB = Change Control Board
CMS = Centers for Medicare and Medicaid Services
COTS = Commercial Off the Shelf
DAC = Deliverable Acceptance Criteria
DAD = Deliverable Acceptance Document
DED = Deliverable Expectation Document
DVHA = Department of Vermont Health Access
EDI = Electronic Data Interchange
GUI- Graphical User Interface
HIE = Health Information Exchange
HSE = Health and Human Services Enterprise
HSEP = Health Services Enterprise Platform
IMS = Implementation Master Schedule
IT = Information Technology
ITSM = Information Technology Service Management
JAD = Joint Application Design
KPI = Key Performance Indicators
LAN = Local Area Network
LOE = Level of Effort
MITA = Medicaid Information Technology Architecture
MMIS = Medicaid Management Information System
M&O = Maintenance and Operations
OLA= Operation Level Agreement
OPA = Oracle Policy Automation
PHI = Protected Health Information
PII = Personally Identifiable Information
PMBOK = Project Management Body of Knowledge
PMI = Project Management Institute
PMP= Project Management Plan
SDLC = Software Development Life Phase
SLA = Service Level Agreement
SME = Subject Matter Experts

SOA = Service Oriented Architecture
SOAP = Simple Object Access Protocol
SOW = Statement Of Work
UAT = User Acceptance Testing

VHC = Vermont Health Connect
VHBE = Vermont Health Benefit Exchange
WAN = Wide Area Network
WS = Web Services

B. DEFINITIONS

- (a) **“Certificate of Completion”** Written certification, delivered to the State and signed by an authorized representative of Contractor, stating that any Defects in a particular Phase or the solution discovered after implementation, testing and acceptance have been corrected as required under this Contract, and that the Phase or Solution complies in all material respects with all of the applicable solution requirements. The State must provide written acceptance from the State Authorized Representative to Contractor of any and all Certificates of Completion for them to become effective.
- (b) **“Contractor Personnel”** means and refers to Contractor’s employees and employees of Contractor’s permitted subcontractors or permitted agents assigned by Contractor to perform Services under this Contract.
- (c) **“Deliverable”** means a quantifiable good or service that will be provided to the State as defined in the scope of services under this Contract.
- (d) **“Deliverable Acceptance Criteria (DAC)”** means specific measures by which a deliverable will be accessed for acceptance.
- (e) **“Deliverable Acceptance Document” (“DAD”)** Written certification, delivered to Contractor and signed by an authorized representative of the State, stating that any Defects in a particular Phase or the solution discovered after implementation and testing have been corrected as required under this Contract, and that the Phase complies in all material respects with all of the applicable requirements and deliverables list in the Deliverable Expectation Documents. DAD will reflect submission and acceptance of required documentation for the State acceptance.
- (f) **“Deliverable Expectations Document” (“DED”)** means a document approved by the State to guide the development of deliverables created by contractor.
- (g) **“Defect”** Any failure by the Solution or any Phase or component thereof to conform in any material respect with applicable Requirements.
- (h) **“Defect Correction”** Either a modification or addition that, when made or added to the Solution, establishes material conformity of the Solution to the applicable Requirements, or a procedure or routine that, when observed in the regular operation of the Solution, eliminates the practical adverse effect on the State of such nonconformity.
- (i) **“Documentation”** means any and all descriptions and specifications of the Requirements included herein or created or developed hereunder, operational, functional and supervisory reference guides, manuals and instructive materials, in whatever form and regardless of the media on which it may be contained, stored or transmitted, which is developed, prepared, used or otherwise available from Contractor and/or Contractor’s suppliers, in connection with and applicable to the provision, use, operation and support of the Services hereunder. Documentation shall be sufficient to enable State personnel to understand, operate, use, access, support, maintain, update and modify Services, notwithstanding that Contractor is or may be responsible for any or all of the foregoing obligations. Documentation shall also include all standards applicable to the Services, including those applicable to: (i) Contractor for its own comparable items or services; (ii) the State for its own comparable items or services; and (iii) such standards and guidelines as the parties mutually agree apply to the Services involved.
- (j) **“Electronic Data Interchange” (“EDI”)** means a communication method that provides standards for exchanging data electronically.

- (k) **“Eligibility Renewals”** means the re-determination of income eligibility at a specific periodic interval.
- (l) **“Equipment”** means all hardware and tangible equipment, including computers, information processing units, servers, network facilities, controllers, routers, modems, communications and telecommunications equipment (voice, data, audio and video), cables, storage devices and media, printers, terminals, peripherals, input, output and transmission devices, and other tangible fixtures, mechanical and electronic equipment, whether owned or leased by or for the benefit of Contractor or the State in connection with the Services or used by or for the benefit of Contractor to provide or support the provision of Services. Absent any specific reference to the contrary, the term “Equipment” shall refer to: (i) all or any portion of Equipment owned by the State (**“State Equipment”**); and (ii) Equipment leased, rented or otherwise contracted from a third party (**“Third Party Equipment”**); and/or (iii) Equipment that is owned or controlled by Contractor (**“Contractor Equipment”**).
- (m) **“Error and Exception Processing”** a framework the provides efficient monitoring, auditing, re-try mechanism, log profiling etc. on all components in the solution stack and also covers all processes and integration touch points.
- (n) **“Facilities”** means the physical premises, locations and operations owned or leased by the State (a “State Facility”) or the Contractor (a “Contractor Facility”), and from or through which the Contractor and/or its permitted contractors will provide any Services.
- (o) **“Federal Data Services Hub” (“FDSH”)** means a single central connection to enable the ability to access data from the various Federal entities, which is used to verify income, citizenship and other information about individuals when they are applying for health coverage through health insurance exchanges.
- (p) **“Final Acceptance”** means the issuance of Certificate of Acceptance executed by the State which specifies the mutually agreed upon Go Live Date for the Solution.
- (q) **“Go Live Date”** The date that all or any part of the entire Solution is first available for use by the State in an operational, non-test environment, utilizing actual production data.
- (r) **“ITSM”** means the entirety of activities directed by policies, organized and structured in processes and supporting procedures that are performed by an organization to plan, design, deliver, operate and control information technology services offered to customers.
- (s) **“Java Payment Pages”** means a custom payment page within the VHC Portal payment mechanism.
- (t) **“Key Performance Indicator” (“KPI”)** means a unit of measure to evaluate the success of a particular activity.
- (u) **“Maintenance and Operations (M&O)”** means the phase in a system’s life cycle during which the system is available for use as intended.
- (v) **“Maintenance and Operations Team”** means the State’s personnel and any of the State’s contracted personnel associated with applications components, artifacts, systems software and business processes that are directly associated with daily operations affected by the scope of work in this contract.
- (w) **“Oracle Policy Automation” (“OPA”)** means a rules engine used to manage and automate policy, legislation, and regulations in human readable natural language.
- (x) **“PCI DSS”** means Payment Card Industry Data Security Standard, the set of requirements designed to ensure that all entities that process, store or transmit credit card information maintain a secure environment.
- (y) **“Phases.”** A particular portion of the Solution, as set forth in the Implementation Master Schedule or as may be modified in accordance with this Contract. Unless modified by written agreement of the parties, the five project Phases are: Initiation, Planning, Execution, Monitoring and Controlling, Close-Out.
- (z) **“R2C”** means a software release that went into production at VHC in March, 2016, that included

functionality, including partial RRV logic. Release was delivered using the OneGate 3.3.2.11 code base.

- (aa) **“Release”** means one or more changes that contains new error corrections, fixes, patches, and/or new features or functions that Contractor makes available to State.
- (bb) **“Resources”** means any and all Facilities, Software, Equipment, personnel, Information and all other goods, services, materials, fixtures, tangible and intangible items, intellectual property, assets, licenses, rights and capabilities of either Contractor or the State, regardless of the nature of the ownership, leasehold, licensing or the basis upon which any of the foregoing or the foregoing capabilities are available to such party.
- (cc) **“Redetermination and Renewal Verification” (“RRV”)** means the process of verifying the necessary information when re-determining eligibility due to change of circumstance or at the time of renewal.
- (dd) **“Redetermination and Renewal Verification (RRV) Payload”** means essential data transmitted during automated verification, specifically when re-determining eligibility due to change of circumstance or at the time of renewal.
- (ee) **“STG”** means the state’s technical environment used for testing.
- (ff) **“Siebel”** means the customer relationship management (CRM) system utilized by Exchange operations staff.
- (gg) **“Solution”** means a product, combination of products, services, or a mix of products and services that the contractor will deliver to provide resolution to the State’s specific identified scope.
- (hh) **“Statement of Work”** means from a narrative description of products and services to be delivered by the project.
- (ii) **“System Integration Test” (“SIT”)** means a process in which testers verify that all related systems are functioning correctly with other systems in the same environment and maintaining data integrity.
- (jj) **“Software”** means the object code versions of applications programs, operating system software, licensing keys, network protocols and operating programs, computer software languages, utilities, other computer programs and related documentation, in whatever form or media, including the tangible media on which any of the foregoing are recorded, stored, transmitted and/or printed, together with all corrections, improvements, updates, derivative works, adaptations, versions, translations and releases thereof, which are used to provide or otherwise in support of the provision of the Services. Absent any specific reference to the contrary, the term “Software” shall refer to: (i) all or any portion of Software owned by the State (**“State Software”**); (ii) Software used under license from a third party (**“Third-Party Software”**); and/or (iii) Software that is owned or for which Contractor has an exclusive license (**“Contractor Software”**). References to Software shall be deemed to include the Documentation for such Software unless otherwise specifically indicated.
- (kk) **“TRAIN”** means the state’s technical environment used for training purposes.
- (ll) **“UAT”** means the state’s technical environment used for user acceptance testing.
- (mm) **“VHC”** means Vermont Health Connect, the State’s Health Exchange.
- (nn) **“WEX Health”** means a third party contracted vendor that supplies the State with financial transaction services; specifically, between the Vermont Health Exchange and third party Private Health Insurance Carriers (i.e. United Health).

C. **AUTHORIZED REPRESENTATIVES OF THE STATE**

All deliverables and work products described within Attachment A of this agreement are subject to review and approval by the State Authorized Representatives prior to being accepted. Payment shall not be made until a deliverable or work product is formally accepted and approved.

Cassandra Gekas
DVHA Operations Director
Department of Vermont Health Access
208 State Drive,
Waterbury, VT 05671-1010
Cassandra.Gekas@vermont.gov
802-769-6592

Designee(s):

Athanasia Totaro
Exchange Project Director
Vermont Health Connect
Green Mountain Care
Department of Vermont Health Access
Athanasia.Totaro@Vermont.gov
Phone: (802)-585-9509

Grant Steffens
IT Manager
Department of Vermont Health Access
208 State Drive,
Waterbury, VT 05671-1010
Grant.Steffens@vermont.gov
802-585-4962

D. AUTHORIZED REPRESENTATIVES OF THE CONTRACTOR

Ali Hasan
Chief Operations Officer
9201 Corporate Blvd. Suite 450
Rockville, MD 20852
ali.hasan@speridian.com
505-506-5503

E. PURPOSE

This Contract sets forth the terms and conditions under which Contractor agrees to provide to the State with Operational Regulatory Standardization Development Services, including but not limited to analysis, design, development, configuration, integration and implementation of the components which comprise the HSE Platform (individually and collectively referred to herein as the “Services”), as set forth in this Contract. The Agency of Health and Human Services is seeking to stabilize the HSEP by using, among other activities, technology work at the application and platform level on the Health Services Enterprise (“HSE”) Platform.

The Contractor shall provide technology services. This Contract specifies the obligations of each party with additional provisions detailed in the attached Attachments and Exhibits.

The project will be executed in phases as described herein.

The successful outcome of the project is defined by the following:

- The work executed under this contract is completed in accordance with this Contract and applicable project management and business analysis processes and associated documentation as defined herein;
- Resolution of all material, functional, and operational deficiencies as a result of work product, prior to State deployment in the production environment;
- The project is completed within budget. All modifications to scope shall be made via the Change Request process and shall include review of budget impacts prior to approval by the State;
- The Solution is configured to meet all requirements as specified in Delivery Acceptance Criteria for each requirement;
- The Solution meets and adheres to service level agreements set forth herein;
- The Solution is fully documented, including but not limited to, requirements specifications, architecture, design, configuration, operational environment and user manuals; and
- The Contractor has conducted training for State's training staff i.e. Train the Trainer Approach.

F. STATEMENT OF WORK

The Contractor will provide the following services under this Contract:

- i. Implement system enhancements identified and prioritized by the State to contribute to the stabilization HSEP.
- ii. Leverage Project Management Institute (PMI) best practices in the areas of program integration, program management, implementation, productivity, and process improvements.
- iii. Provide transparency to the State by disclosure and discussion of costs, issues, risks, and opportunities, including early warning and identification of the same.
- iv. Establish a team to coordinate and lead the implementation of scope, as defined in Section G, to a successful completion:
 - a. Define governance and operating structures for the Contractor's project team.
 - b. Interface with the State's business and program governance bodies as required.
 - c. Perform the configurations required to meet the State's business requirements.
- v. Implement the scope item solutions in a series of Releases.
- vi. Starting with the first Release date, establish a team to maintain and support the implemented system until the scope of work termination date while maintaining service levels within the targets agreed to by the State.
- vii. Establish the work breakdown structure for the contracted deliverables.
- viii. Identify internal and external dependencies.
- ix. Evaluate and coordinate the (re)structuring of the Contractor's project teams on an ongoing basis in conjunction with the State's project manager.
- x. Publish weekly project status reports to the project stakeholders according to the Communications Plan as described in the Project Management Plan.
- xi. Provide reports to the executive management.
- xii. Conduct meetings with the Contractor's steering committee per the schedule agreed to with the State.

- xiii. Conduct meetings with the State’s Project Team per the schedule agreed to with the State.
- xiv. Inform the Change Control Board and evaluate the financial viability of the proposed changes as described in the Project Management Plan.
- xv. Identify and manage risks and issues for the ORSD project following the process as described in the Project Management Plan.

G. GENERAL EXPECTATIONS AND FOUNDATIONAL REQUIREMENTS

#	General Expectations	Type
1	State shall grant Contractor complete access to Development, and Stage (ALL DDI) environments This will include administrative access to all technology stacks for team members on a “need to know” basis. Read-only access to production environment will be also be given to members of the Contractor’s team on a “need to know” basis to troubleshoot defects associated with the Services.	Technical
2	Migration and deployments from Development to Stage and UAT environments is Contractor’s responsibility.	Technical
3	Production Deployments shall be performed by M&O Team and the Contractor shall deliver deployment documents and support.	Technical
4	System administration, Database administration, Hardware maintenance and Network administration for the Development, Stage and UAT environments used for this effort shall be M&O Team’s responsibility.	Technical
5	No other vendor shall perform work in the Contractor’s DDI environments to develop and promote code without prior authorization from the State-Authorized Representative and Authorized Representative of the Contractor.	Technical
6	State will facilitate no less than weekly meeting between the M&O Team and Contractor’s team to minimize any conflicts that may arise in their respective development streams.	Technical
7	The M&O Team shall own code merges in Production Support Stream. The Contractor shall provide code artifacts and deployment document to facilitate the merge effort.	Technical
8	Timely access to State resources and third party partners (e.g. Carriers, WEX Health) is assumed. State will assign SMEs, business owners to work with the Contractor to outline requirements for the items that are in scope for this contract.	Technical
9	UAT QA effort will be handled by the State. The State will assist on how to improve the QA process.	Contractual
10	With the exception of standard project management reporting, no system transactional business report development is in scope for Contract as part of this contract.	Contractual
11	Defects & enhancements not in scope for this project shall be, if necessary, addressed leveraging the Change Request Process identified in section J, item vii.	Contractual
12	The Contractor shall maintain the code and integrations in each of the development, SIT and UAT environments (not hardware or network) starting the day it is made available to the Contractor.	Environment

13	The Contractor shall promote code between development, SIT and UAT and provide deployment documents to the M&O vendor to promote code to the production environment.	Environment
14	The Contractor shall use existing and Contractor-developed, State-approved VHC test cases for performing all regression testing.	Technical
15	The State shall provide the exclusive development environment to the Contractor by a date specified in the Project Schedule. In order to maintain schedule integrity, a second development environment is required and the availability of State to provide this will be addressed at a later date.	Contractual

H. SCOPE OF SERVICES, DELIVERABLES, & DELIVERABLE ACCEPTANCE CRITERIA (DAC)

The Contractor shall, at a minimum, provide the State a Solution that meets the tools and functional needs set forth in the Deliverables below:

- I. **Payment Card Industry (PCI DSS) Compliance** – Contractor shall perform integration update to retire existing JAVA payment pages and integrate with the WEX Health payment collection hosted solution. Contractor shall align this work to integrate the Payment Page configuration work being done by WEX Health via the State’s WEX Health contract. The VHC Portal payment mechanism shall directly call the WEX Health payment collection hosted solution and shall be PCI DSS compliant. This deliverable shall not be considered complete without a Deliverable Acceptance Document signed by the State Authorized Representative.

<i>Key Expectations:</i>	
<input type="checkbox"/>	The State shall provide Contractor with a WEX Health payment portal Dev and Stage URL for the integration effort before the development cycle starts.
<input type="checkbox"/>	The State shall cause the WEX Health team to be available to help resolve any integration issues during development and system test cycle and will also provide appropriate integration documents for Contractor’s interface design.
<input type="checkbox"/>	Only changes to the payment collection in portal are in Contractor’s Scope of Services.
<input type="checkbox"/>	No direct integration in the production environment between Siebel and WEX Health to transmit payments is planned as part of this effort. All development and integration testing in scope for this effort will occur in the development and staging environments.
<input type="checkbox"/>	State will facilitate the communication between WEX Health team and the Contractor.

<i>Deliverable Acceptance Criteria for PCI DSS</i>	
<input type="checkbox"/>	The VHC Portal payment mechanism shall directly call the WEX

- Health payment collection hosted solution.
- Associated Metrics
 - a) The deliverable is PCI DSS compliant.

II. **Ex-Parte/Passive Medicaid File** – Contractor shall deliver repeatable, accurate, and federally compliant functionality for processing the Medicaid Passive renewal file. “Repeatable, accurate and federally compliant functionality” means files run successfully, eligibility outcomes are correct and case data integrity is maintained across VHC and downstream systems. Contractor shall align this work with the existing OneGate processes. This deliverable will not be considered complete without a Deliverable Acceptance Document signed by the State.

Key Expectations:

- Existing Medicaid Passive renewal jobs and processes will be re-used with enhancements and fixes for the effort.
- Verification, Integration and Eligibility determination defects that are outside of the basic scope and requirements of the Ex Parte renewals process will not be resolved as a part of this deliverable. (Contractor Responsibility)
- Changes to existing Verification and Eligibility rules to accommodate passive Medicaid renewals is in scope as a part of this deliverable.

Deliverable Acceptance Criteria for Ex-Parte/ Passive Medicaid File

Contractor shall deliver the following:

- A documented and fully implemented federally compliant process for Medicaid passive renewals.
- Documentation and implementation of error and exception handling for Medicaid passive renewals.
- Renewal batch execution shall identify cases that fail to process to successful completion prior to renewal execution in Siebel. The Solution shall allow cases to be remediated before final step of the batch process is complete.
- Documentation and implementation of process for re-executing renewals that have errored out of the batch process.
- Renewals can be executed for any given subset of cases.
- Associated Metrics
 - a) Percent of accurate eligibility outcomes.
 - b) Percent of error and handling exceptions documented.
 - c) Absolute number of ITSM ‘problem tickets’ opened for data integrity issues in a given time period.
 - d) Reduced trend of ITSM ‘problem tickets’ from one period (e.g. Month) to the next.
 - e) Facilitate over 95% successful formatting and transmission of the batch files.

- III. **Passive Qualified Health Plan (QHP) remediation** –Contractor shall analyze the root cause of eligibility and data integrity defects discovered during the passive renewal file. Contractor shall deliver a detailed development plan of “Level of Effort” (“LOE”) and cost to remediate identified root causes. This plan will not be considered complete without a Deliverable Acceptance Document signed and approved by the State Authorized Representative.

Key Expectations

- The Contractor shall require “read only” access to production data to perform this LOE. Any State delays in getting the Data refresh line item completed may delay this item. (State Responsibility)

Deliverable Acceptance Criteria for Passive QHP Remediation

Contractor shall:

- The delivered document accurately reflects the root cause analysis of data and application defects.
- Document a plan to remediate defects.

- IV. **Redetermination and Renewals Verification (RRV)** – Contractor shall deliver repeatable, accurate execution batch re-ping verification functionality. Contractor shall modify the verification framework within VHC to accept the RRV payload and perform verification logic against the returned FDSH data for code developed as part of R2C. This deliverable will not be considered complete without a Deliverable Acceptance Document signed and approved by the State Authorized Representative.

Contractor shall use the State’s existing design document at the following location:

Solution Architecture Document (SAD) – Renewals -EN-003-Release2A&2B
https://inside.vermont.gov/projects/hse/hix/Optum/1_PMO/5.%20Closing/Contract%20Closure/Amendment%208%20-%20Stream%207/D-0525_SAD_Solution_Architecture_Document_2A_-2B_Renewals%20-%20signed.pdf

Key Expectations:

Contractor shall:

- Resolve all defects, which exist in the existing RRV functionality.
- Development and implementation of a new or re-architecture of RRV is not in scope.
- Contractor shall utilize the current External Verification Adapter for this change.
- RRV Integration between VHC and FDSH has begun implementation and testing.

Key Performance Indicators for RRV

The Solution shall:

- Re-determine Death, Disability, Income, or Medicare Part A eligibility, when performed as part of a renewal or annual eligibility re-determination and use the bulk RRV service rather than the existing synchronous services.
- Provide a table for storage of bulk verification data received back from the RRV service.
- The renewals verifications logic will first check for presence of bulk data for a case. When data is present, it will consume the data from the bulk table. Otherwise, it will use the existing synchronous verifications service and data.
- Associated Metrics
 - a) At a minimum, 140,000 records can be submitted per transaction for re-verification

- V. **Changes Across Plan Years** – Deliver an automated integration-based solution for efficient business process for making changes across plan years that eliminates existing manual workarounds. This solution will not be considered complete without a Deliverable Acceptance Document signed and approved by the State Authorized Representative.

Key Expectations:

- This feature will leverage the existing Change of Circumstance (CoC) module and processes in the system with enhancements to allow changes to be applied retroactively and allow for plan changes in prior plan years.
- Re-architecture of the existing COTS product to accommodate the multi-year plan change is out of scope.

Key Performance Indicator for Changes Across Plan Years

- Workers can make and apply retroactive and prospective eligibility and plan changes directly within the system across multiple plan years.
- The solution delivered shall improve the cycle time for current workaround for the prior year Changes by at 50%

- VI. **Root cause analysis of data inconsistencies between BRM/OPA, Siebel, WEX Health, and the Carriers** - Identify root cause and prevent data integrity issues between systems. This includes both missing data (i.e., data never transmitted) and inconsistencies in values as data integrates across systems. Deliverable is a detailed development plan of “Level of Effort” (LOE) and cost to remediate identified root causes. This plan will not be considered complete without a Deliverable Acceptance Document signed and approved by the State Authorized Representative.

Key Expectations

- The Contractor requires “read only” access to production data to create this LOE. Any delays in getting the Data refresh line item completed

may delay this item. (State and M&O Vendor/Team Responsibility)

Deliverable Acceptance Criteria for Root Cause Analysis of Data Inconsistencies Between BRM/OPA, Siebel, WEX Health, And The Carriers

- Identify integration issues between Siebel, SOA and BRM/OPA for data drops and erroneous mapping of data. Create detailed development plan to resolve these issues.
- Identify integration failures between Siebel and BRM/OPA and create a detailed remediation plan for each issue identified.
- Identify BRM/OPA issues that produce either erroneous or no outcomes for entities such as verification items, benefit line etc. and develop a detailed development plan to resolve them.
- Identify integration issues between Siebel and WEX Health and create a detailed remediation plan for each issue identified.

- VII. **Electronic Data Interchange (EDI) Dashboard /Access** – Configure and provision system access to allow the State to examine and retrigger EDI files to the carriers. This deliverable will not be considered complete without a Deliverable Acceptance Document signed and approved by the State Authorized Representative.

Key Expectations:

- This is a configuration effort. Any code change in B2B or change engine is out of scope for this effort.

Deliverable Acceptance Criteria for EDI

- Enable EDI Dashboard Access that allows workers to investigate and retrigger individual EDI files at the master case level. The following roles will be configured to ensure secure access and data integrity.
 - o **Administrative role:** Access to all Oracle B2B functionality. A very limited set of Users with the administrator role can access all B2B functions for their trading partner data only.
 - o **Monitor role:** Access to reporting and metrics functionality only. Users with the monitor role can access report functionality for their trading partner data only. No other links and no data for other trading partners are displayed.
- Additionally, Oracle B2B will be configured to restrict access based on document types (824, 820 etc..). The following user permissions for document-type access will be configured based on the needs of the State to further provide restrictive access to the dashboard:
 - o **Admin permission for all document types**
 - the user can resubmit all document types. This user also has access to add, access, edit, and delete all document types.
 - o **Admin permission for specified document types**
 - The user is not allowed to resubmit the restricted

- document types. He is allowed to resubmit only the document types for which he has permission.
- o **Monitor permission for all document types**
 - the user can access and view (but not edit or delete) all document types.
- o **Monitor permission for specified document types**
 - the user can access and view (but not edit or delete) the specified document types. The user cannot access and view the restricted document types.
- The EDI dashboard will be configured to ask for the confirmation message before resubmitting any request ensuring that an unintentional click will result in a transmission.

VIII. **WEX Health Reconciliation Tool** – Deliver an automated, integrated tool using standard integration for an operational tool to allow the State to correct data discrepancies between Siebel and WEX Health. The delivery of this tool shall not be considered complete without a Deliverable Acceptance Document (DAD) signed and approved by the State Authorized Representative.

- Key Expectations:**
- Existing file exchange mechanisms will be leveraged to get data feed from WEX Health for reconciliation.
 - Existing WEX Health integration will be used for any re-triggering needed for reconciliation.

- Deliverable Acceptance Criteria for WEX Health Reconciliation Tool**
- Develop a real-time reconciliation tool that allows workers to identify and remediate deltas between Siebel and WEX Health at the policy level and/or master case level, including retriggering transactions.
 - Associated Metrics
 - a. Retriggered transactions from the WEX Health Reconciliation Tool should be transmitted to WEX Health with no more than a 5% error rate provided the defective data in the original transmission was accurately resolved before retriggering the transaction.
 - b. No net new defects and workarounds are introduced as a result of the work outlined in this scope.

IX. **Triage Root Causes of following M&O Automated Scripts.**

1. 834_Functional
2. CX_OG_VER_ITM
3. Married To
4. Standard HH
5. Missing Subscriber flag
6. Paid Through Date

7. Plan Slice Y

This deliverable is a detailed Development Plan including “Level of Effort” (LOE) and cost to remediate identified root causes and eliminate the need for the scripts. This would also include a schedule for retiring scripts. This deliverable will not be considered complete without a Deliverable Acceptance Document signed and approved by the State Authorized Representative.

Key Expectations

- The Contractor requires “read only” access to production data to create this LOE. Any delays in getting the Data refresh line item completed may delay this item. (State Responsibility)

Deliverable Acceptance Criteria for Triage Root Cause of Following M&O Automated Scripts

- Identify the root causes for all identified scripts and create a Development Plan which details “Level of Effort” (LOE) and the costs to remediate all of the root causes identified.
- Associated Metrics
 - a) Of the seven scripts identified above, 100% of the scripts identified within the plan shall be retired when the solution proposed via the LOE is implemented.

- X. **Block non-verified enrollment Medicaid** – Systematically prevent non-verified renewal enrollees from enrolling in Medicaid before completing the income verification process. Allow for automated retriggering to the case once verified via batch and via one-off case. This deliverable shall not be considered complete without a Deliverable Acceptance Document signed and approved by the State Authorized Representative.

Key Expectations:

- Existing verification framework shall be enhanced to add additional verification rules in BRM/OPA. (Contractor Responsibility)
- Existing income verification processes shall be used to verify enrollees’ income.
- New interfaces to additional income data sources are not in scope.

Deliverable Acceptance Criteria for Block Non-Verified Enrollment Medicaid

- Develop system solution to prevent individuals from confirming enrollment in Medicaid until income verification is complete using either automated or manual data sources
- Associated Metrics
 - a) Reduction in the number of ITSM ‘problem tickets’ opened per period with primary issue identified as relating to non-verified renewals that were not blocked due to this defect.

- XI. **Notice suppression** – Deliver functionality to allow individual caseworkers to suppress any individual notice from disbursing if eligibility appears incorrect or there are data integrity issues with the case. Customer Service Representatives and Eligibility workers must be able to suppress and retrigger eligibility notices. This deliverable will not be considered complete without a Deliverable Acceptance Document signed and approved by the State Authorized Representative.

Key Expectation:

- Suppression logic will be added by enhancing the existing notice framework. (Contractor Responsibility)

Deliverable Acceptance Criteria for Notice Suppression

- Caseworkers are able to suppress specific notices from disbursing during the nightly batch process.

- XII. **Benefit Tier Mismatch** – Remediate the functional error that occurs when the APTC amount, Premium Amount and final Cost amounts are all showing \$0.00 dollars. This is causing carriers to reject the files being sent. This deliverable will not be considered complete without a Deliverable Acceptance Document signed and approved by the State Authorized Representative.

Key Performance Indicators for Benefit Tier Mismatch

- Remediation of defects causing benefit tier amounts to be incorrect.
 - a) Associated Metrics
 - a) Reduction in number of carrier rejections per period, and trending across periods for the \$0.00 issue.

- XIII. **Data Refresh of Stage development environment (STG) and Training development environment (TRAIN) from Production environment (PROD)** - Refresh data to update SIT environment. This will duplicate production data and mask PII to strengthen security safeguards. Activity expected be completed in 4 weeks from the agreed upon date in a Deliverable Expectation Document (DED). Any subsequent refreshes required will be at no additional cost to the state; the Contractor will continue the refresh process necessary for the duration of the contract. This deliverable will not be considered complete without a Deliverable Acceptance Document signed and approved by the State the Authorized Representative.

Key Expectations:

- b) The State and the M&O Team will work with the Contractor during the analysis phase to identify all databases that need to be refreshed. (State Responsibility)
- The Contractor shall raise tickets to State's M&O Team for extracting production databases. (Contractor Responsibility)
- The State shall complete their tasks within a week after the ticket is assigned to them. Any delay shall affect the schedule delivery timeline for this line item as well as the entire project. (State

- Responsibility)
- Once the data refresh scripts are developed, the Contractor shall perform data refreshes as needed. (Contractor Responsibility)

Deliverable Acceptance Criteria for Data Refresh of STG and Train From PROD

- c) Refresh data to update System Integration Testing (SIT) environment.

XIV. Creation of Regression Test Suite

The Contractor shall:

- Create an end-to-end Regression Test Suite for VHC.
 1. The regression test suite must cover major regression issues identified across all flows.
 2. Timeline will be six (6) months. The eligibility test cases shall be implemented by the State.
 3. The regression test suite shall be delivered in five (5) iterations. The first iteration after two (2) months followed by iteration every month, the final iteration will be delivered at the end of Month 6 from execution date.
 4. Scope of work shall be completed within each iteration will be communicated to the State and a DED during the first month of the 6-month period.
 5. Use the State's ITSM tool, SOAP UI, Selenium and other tools for this effort. Test scripts shall be automated to a level agreed upon by the State and Contractor.
 6. External system SIT environments will be made available to the Contractor to ensure successful creation, execution and validation of test scripts.
 7. Execute available test scripts for SIT as part of each Release.
 8. Attain approval - this plan will not be considered complete without a Deliverable Acceptance Document approved by the State Authorized Representative.

Key Expectations:

- The regression test suite is not intended to test each and every scenario within the application. Instead, the focus will be on identifying key scenarios and validating those as part of the test suite. The State and Contractor shall mutually define the key scenarios which will then be included as a part of the test suite.
- The Contractor shall document and review the scenarios with the State and request sign off from the State Authorized Representative. (Contractor Responsibility)
- It is understood that creation of a regression test suite is an ongoing process, as new features and functionality is added the scripts within the test suite may need to be changed. Contractor will create and support the regression test suite scripts for a period of 6 months. (For example: Addition of a new question for application intake will need a change in the application intake scripts) (Contractor Responsibility)
- The Contractor shall execute regression test scripts, as they are available during the course of the project. (Contractor Responsibility)
- The State has implemented eligibility determination scenarios as part

of their current test suite; these will be reused for the regression test suite. (State and Contractor Responsibility)

Deliverable Acceptance Criteria for Creation of Regression Test Suite

Contractor shall:

- Create an end to end Regression Test Suite for the VHC application
- Associated Metrics
 - a) Regression test suite addresses 80% of application functionality.

I. PROJECT MANAGEMENT OBJECTIVES

This Contract identifies the tasks required by each party to implement the Solution through the following major activities: development of project management planning documentation; requirements collection and validation, Solution design, data quality and integrity, configuration, integration and testing; deployment and training, all as detailed herein. The PMP shall track all phases as defined in this Contract.

The Contractor's Project Manager is responsible for the successful completion of the Services described herein. The Operational Regulatory Stabilization will be considered to be complete when the Services described above have been fully delivered and accepted by the State as described herein.

J. PROJECT MANAGEMENT

The Scope of Services detailed in Section G, of this Attachment A describes the services, deliverables and key expectations for this Project.

The Contractor shall follow Agency of Human Services (AHS)/Human Services Enterprise (HSE) standards for Project Management and Business Analysis, which align with standards set forth by the PMBOK and BABOK.

The phases of the Project and associated critical Project Management/Business Analysis deliverables are outlined below Section I(I), Table 1. Unless otherwise specified, each document defined below requires State approval as a deliverable, according to the PMP. Changes to Project Management/Business Analysis documents that impact Project scope, schedule and/or budget or that alter Contractor team personnel, roles and responsibilities or management structure of the Project require prior approval by the State for each iterative version of the applicable document and may require a Contract amendment. The five phases associated with this project are:

- Initiation:** This Phase includes project commencement tasks and occurs for 14 days. This Phase is considered complete when all deliverables within this phase are accepted by the State Authorized Representative or her designee.
- Planning:** This phase includes planning and design tasks to prepare for the execution phase and occurs for 21 days immediately after the Initiation phase ends. This phase will occur for each scheduled code drop and occurs three weeks prior to each code deployment to the State environment for UAT.

- Execution:** This phase includes the delivery of the scope of work. The Execution phase starts immediately following the Planning phase and lasts until all project scope of work items have been delivered and accepted by the State. Note that for each scope item, the Contractor shall provide deliverables within the Planning phase prior to continuing on the Execution phase.
- Monitoring and Controlling:** This phase includes ongoing project management tasks to provide audit and status reports to gauge the performance, changes, and decisions made during the project. This Monitoring and Controlling phase starts immediately following execution of this Contract and continues until the end of the Project and final acceptance by the State.
- Close-Out:** This phase includes end of project tasks and occurs during the last 30 days of the project.

For each deliverable in the Initiation, Planning, and Execution phases, a Deliverable Expectation Document (DED) is required. A DED presents pertinent information (e.g., deliverable description, applicable industry standards SOW reference, acceptance criteria and schedule) specifying the expectations of a deliverable. The DED is reviewed and approved by a State Authorized Representative to ensure agreed-upon expectations are clearly defined before the deliverable is actually developed. Every DED has a corresponding Deliverable Acceptance Document (DAD) to be developed by the Contractor a subject to State review and approval through which the State officially accepts the final deliverable.

I. TABLE 1: TASK-RELATED DELIVERABLES

The frequency of these deliverables will be specified in the project plan.

ID.	TASK/DELIVERABLE	DESCRIPTION	Contractor Delivery Frequency
TASK 1: INITIATION <i>*Refer to Section I(II) in Attachment A for additional information</i>			
1A	Contractor Project Charter	The Project Charter serves as a focal point throughout the Project. It documents the Scope of work to be accomplished, the Schedule by which the work is planned, the project's management and technical Approach, and roles and responsibilities. The Charter provides the baseline and compass for future decisions within the Project. The Charter also provides a reference point for onboarding new team members and stakeholders.	ONCE
1B	Contractor Project Management Plan	During the initiation phase Contractor shall provide PMP.	LIVING DOCUMENT Provided during Initiation; Updated as necessary
1C	Contractor Team Roster	All Contractor Personnel, contact information and assigned role.	LIVING DOCUMENT Provided during Initiation; Updated as necessary
1D	Contractor Team RACI	All Key responsibilities within the Project Management Plan, outlined with Responsible(R), Accountable/Approval (A), Consulted (C) and Informed (I) assignments at the Contractor Role level.	LIVING DOCUMENT Provided during Initiation; Updated as necessary

ID.	TASK/DELIVERABLE	DESCRIPTION	Contractor Delivery Frequency
1E	Kick-Off Meeting	The Kick-off Meeting is the first meeting with the project team and the client of the project. This meeting would follow definition of the base elements for the project and other project planning activities. This meeting introduces the members of the project team and the client and provides the opportunity to discuss the role of team member. Other base elements in the project that involve the client may also be discussed at this meeting (schedule, status reporting, etc.).	ONCE
1F	Stakeholder Analysis Document	The purpose of the Stakeholder Analysis Document is to identify stakeholders and detail the role and responsibilities of individual project stakeholders and stakeholder groups. The initial stakeholder identification artifact will be completed during the prep-work stage of the project. The business analysts will maintain this document.	ONCE (adjust AS NEEDED)
1G	Data Dictionary	Used to record details about the data involved in the change. Details may include definitions, relationships with other data, origin, format, and usage.	LIVING DOCUMENT (Contractor will update to current schedule, design, solution etc.)
1H	Glossary	Used to record the meaning of relevant business terms while analyzing requirements.	LIVING DOCUMENT (Contractor will update to current schedule, design, solution etc.)
TASK 2: PLANNING <i>*Refer to Section I(II) in Attachment A for additional information</i>			
2A	Project Schedule	<p>A Schedule of the tasks organized by project phase which breaks down the ownership, timeline, and effort associated with each task. Must include approved State holidays and observed Vendor holidays. <i>Reference Exhibit 1 for State holiday information. The Schedule shall be delivered as a Microsoft Project plan (*.mpp file).</i></p> <p>The Contractor shall maintain and update applicable portions of the Project Schedule no less than weekly to reflect the current status of the Project with a comparison made to the Initial and Baseline Project</p>	LIVING DOCUMENT (Contractor will update to current schedule, design, solution etc.)

ID.	TASK/DELIVERABLE	DESCRIPTION	Contractor Delivery Frequency
		Schedules. The Project Schedule shall be consistent with available State and contracted project resources. The State resources will be identified by the State and communicated to the Contractor prior to Schedule development. The State shall have direct electronic access to the Project Schedule as well as all Deliverables and working papers for immediate review and coordination of schedules and plans. The Contractor shall document any work plan or schedule changes from the plan submitted with the Contractor's original Proposal. Refer to Section I(II) in this contract for further requirements.	
2B	Business Requirements	The identified problems, opportunities, or constraints which are identified by the business based on the understanding of the current state.	LIVING DOCUMENT (Contractor will update to current schedule, design, solution etc.)
2C	Functional Requirements	A description of the capabilities that a solution must have in terms of the behavior and information that the solution will manage.	LIVING DOCUMENT (Contractor will update to current schedule, design, solution etc.)
2E	Non-Functional Requirements	Requirements used to define and analyze the quality of service attributes.	LIVING DOCUMENT (Contractor will update to current schedule, design, solution etc.)
2F	Business Rules	Rules that define or constrain some aspect of business and always resolves to either true or false. Business rules are intended to assert business structure or to control or influence the behavior of the business.	LIVING DOCUMENT (Contractor will update to current schedule, design, solution etc.)
2G	Use Cases	Scenarios used to identify a solution component that may be utilized by more than one solution.	LIVING DOCUMENT (Contractor will update to current schedule, design, solution etc.)
2H	RTM	The Requirements Traceability Matrix ("RTM") captures all requirements proposed by the client or development team and their traceability in a single document delivered at the conclusion of the life-cycle.	LIVING DOCUMENT (Contractor will update to current schedule, design, solution etc.)
2I	Process Flow Diagrams	A diagram that will visually document the stages involved in performing a particular business procedure(s).	LIVING DOCUMENT (Contractor will update to current schedule, design, solution etc.)

ID.	TASK/DELIVERABLE	DESCRIPTION	Contractor Delivery Frequency
2J	Data Flow Diagrams	The graphical representation of the "flow" of data through an information system, modelling its process aspects. It is used as a preliminary step to create an overview of the system, which can later be elaborated.	LIVING DOCUMENT (Contractor will update to current schedule, design, solution etc.)
2K	State Diagrams	A graphical representation and description of the behavior of a system, represented as a series of events that can occur one or more possible states.	LIVING DOCUMENT (Contractor will update to current schedule, design, solution etc.)
2L	Testing Plan	A description of the testing approach, participants, sequence of testing and testing preparations. This plan must align with the State's Quality Management plan as part of the Project Management Plan.	ONCE (unless changes needed)
2M	Release Schedules	Overall Release Schedule and Plan, which will be maintained with updates throughout the project. <i>Reference Exhibit 1.</i>	Per OCCURANCE (Contractor will update to current schedule, design, solution etc.)
2N	Design and Solution	Details how the proposed system is to be constructed providing specification with how developers can create the system. It identifies the top level system architecture, and identifies hardware, software, communication and interface components.	LIVING DOCUMENT (Contractor will update to current schedule, design, solution etc.)
2O	JAD Sessions	<p>Joint workshops between the Contractor and key State project staff to develop and document the business need.</p> <p>JAD will include the following:</p> <ol style="list-style-type: none"> 1. JAD Plan: The State and Contractor Project Managers shall meet with the business sponsors to establish JAD session deliverables and milestones of the JAD sessions. They shall establish a JAD Plan that includes: <ol style="list-style-type: none"> a. The functional requirements needed. b. Clear, understandable, measurable, and attainable goals. c. The scope and limitations of the project. d. Timelines. 2. <i>Assemble the team.</i> The State and the Contractor Project Manager shall develop a list of team members and clearly define their roles and 	AS NEEDED

ID.	TASK/DELIVERABLE	DESCRIPTION	Contractor Delivery Frequency
		<p>responsibilities.</p> <ol style="list-style-type: none"> 3. <i>Kickoff</i>. The JAD sessions shall start off with a kick-off meeting at which the Executive Sponsor is present. Each team member shall be guided to understand their responsibilities and duties. 4. <i>Execute the JAD sessions</i>. The Contractor shall facilitate and record the activities and decisions of the sessions. The Contractor shall be responsible for the Meeting Minutes and shall review those minutes with the State's Project Manager prior to publishing. 5. <i>Closure</i>. At the conclusion of the JAD sessions, the detailed design specification document shall be produced by the Contractor within the timeframe agreed upon during the planning stage. The solution shall be presented to the JAD team and if warranted, a prototype demonstrated. State approval must be obtained to proceed, in addition to the evaluation of the JAD process from the State. 	
2P	Technical Design Document (TDD)	The Contractor shall conduct all design sessions with State's SME's, Business Partners and Business Owners. Contractor's Project Manager, Architect's and Senior Business Analysts will capture detailed requirements with onsite support provided for remote sessions. The primary goal of these sessions will be to understand the business requirements and relate those to COTS product features and design for any gaps. The team will also understand the impacts of existing defects, define priorities and formulate resolution plans that works best for the State.	ONCE
2Q	Deployment Plan & Schedule	The Deployment Plan will explain in detail, all the components and artifacts that need to be deployed as part of each Release.	ONCE
2R	Release Turnover	A plan that details the parties involved, their responsibilities, and requirements associated with the hand-off of a code deployment from the contractor to the M&O team. As part of this plan, the ownership of a code deployment in STG will shift from the Contractor to the M&O team; the Contractor will work with the State and the M&O team to create the turnover plan with an agreed upon timeline after	ONCE PER RELEASE

ID.	TASK/DELIVERABLE	DESCRIPTION	Contractor Delivery Frequency
		contract execution.	
2S	Transition Plan	<p>A plan which shows how and when the transition of all project work, implemented solutions, and all supporting services at the end of the Contractor’s Contract will occur. This plan is inclusive of the transfer of knowledge necessary to support the solution.</p> <p>The Contractor will develop and execute a Turnover/ Transition Out Plan to be approved by the State Authorized Representative, as defined in Attachment D of this Contract.</p>	ONCE
2T	Source Code Management Plan	Contractor shall establish source code management procedures and maintain a secure code management system which holds the HSEP copy and associated documentation for Managed Application Software, except those versions not released into the State production environment. Contractor shall establish procedures for build and deployment of new code to production environments.	ONCE
2U	Defect Remediation Plan	<p>The Defect Remediation plan shall provide details to the State on how the Contractor plans to address defects found as part of their delivery. Details shall include information such as how severity of defects will be defined, how defects will be prioritized and the process for determining the status for such defects (i.e. open, retest, deferred, closed).</p> <p>Independent Remediation Plans (inclusive of LOE estimates) are required for the following scope items:</p> <ul style="list-style-type: none"> • Passive QHP Root Cause Analysis • Root Cause Analysis of data inconsistencies between BRM/OPA, Siebel, WEX Health, and the Carriers • M&O Automated Scripts Triage 	ONCE
TASK 3: EXECUTION <i>*Refer to Section I(III) in Attachment A for additional information</i>			
	Quality Assurance (QA)	During the System Testing phase, the Contractor	ONCE

ID.	TASK/DELIVERABLE	DESCRIPTION	Contractor Delivery Frequency
3A	Plan	<p>team will develop a system test plan and this plan will cover System, Integration, and Compliance and Usability testing. System test progress measurement metrics for the purpose of monitoring testing status will be defined with inputs from the State. The Contractor team will ensure that all system test cases are executed in an environment which is closer to production environment in terms of data and integration touch points.</p> <p>The QA/QC Plan will guide the implementation of comprehensive quality management practices for use throughout the project phases. It will include standards on timeliness, accuracy, and completeness for performance of, or reporting on, operational functions. The plan will also include providing regular reports on issues and defects, and their resolutions in the regularly scheduled status meetings with AHS.</p> <p>The QA/QC Plan will be the planned approach to providing high quality services, and how to measure, report on, and meet SLAs. The QA/QC Plan will address the following key components:</p> <ul style="list-style-type: none"> • An overview of quality assurance activities and tasks to be performed • The processes and procedures for conducting QA/QC activities, including: <ul style="list-style-type: none"> • Procedures for documenting, resolving, and reporting issues and risks identified during QA/QC activities, including problems that may be identified by the Agency • Performance monitoring reviews, measures, and reports cross-project status for project management review and decision-making • A description of the roles and responsibilities of the M&O Vendor team and the State in performing QA/QC activities and resolving identified issues • Identification of ways to continually improve processes and procedures or eliminate the causes of unsatisfactory performance. • Monitoring the quality of deliverables, solution components, and ongoing operations: • Comprehensive reviews of deliverables 	

ID.	TASK/DELIVERABLE	DESCRIPTION	Contractor Delivery Frequency
		<ul style="list-style-type: none"> • Thorough testing and approval of solution components • Use of industry best practices (International Organization for Standardization (ISO), ITIL, CMMI, Lean Six Sigma) that support quality and Continuous Process Improvement (CPI) 	
3B	Release Notes	The Contractor team will provide Release Notes for each code drop that goes into the System test explaining, at a high level, about all functionality and defects that are part of it.	ONCE (for each code drop)
3C	Test Results	Results to be reported from execution of test cases. Test Cases tie back to the project requirements (to ensure each requirement has been met).	Create ONCE (update with results)
3D	Defect Inventory and Prioritization	A comprehensive listing of all defects found during SIT and UAT. Inventory shall include date the defect was found, description of defect, status of defect (open, in test, fix deployed, in retest, closed, deferred), root cause analysis results or estimated time for a fix if not able to be completed in the required timeline for each Release. Prioritization of defects will be completed in collaboration with the State Program Manager and will be based on Operations impact and population size.	AS NEEDED
3E	Training Plan	<p>Defines the approach and scope of activities required to train state staff on work transactions, processes, and procedures.</p> <p>Refer to Section I(VIII) in Attachment A for additional information.</p>	ONCE
3F	Training Schedule	<p>Outlines the activities and timelines required to accomplish the goals and objectives as outlined in the training plan.</p> <p>Refer to Section I(VIII) in Attachment A for additional information.</p>	ONCE
3G	Training Materials	<p>Classroom, self-paced, instructor led training sessions (as per the agreed plan) that will include manuals, PowerPoint presentations, hands-on exercises.</p> <p>Refer to Section I(VIII) in Attachment A for additional information.</p>	ONCE
3H	Training Report	Weekly status of issues/risks related to progress in training efforts.	Per OCCURENCE

ID.	TASK/DELIVERABLE	DESCRIPTION	Contractor Delivery Frequency
TASK 4: MONITORING AND CONTROLLING			
4A	Project Monitoring & Project Status Reports	<p>Provides an update on the project health, accomplishments, upcoming tasks, risks and significant issues. The Status Report and the project color being reported shall be developed in consultation with the State business lead and State project manager.</p> <p>Project monitoring provides a high level timely and accurate picture regarding all key metrics related to project health. The following are components of the Project Monitoring and Status Report.</p> <ul style="list-style-type: none"> <input type="checkbox"/> Financial status (earned value method) <input type="checkbox"/> Schedule (milestones and tasks) <input type="checkbox"/> Issues and risks <input type="checkbox"/> Change Requests <input type="checkbox"/> Action items <p>Project monitoring will include periodic reporting of the following activities:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Graphical status of scope, schedule, and budget (red, yellow, or green) <input type="checkbox"/> Status of work completed against the Project Work Plan <input type="checkbox"/> Objectives for the next reporting period <input type="checkbox"/> State responsibilities for the next reporting period <input type="checkbox"/> Recovery plan for all work activities not tracking to the approved schedule <input type="checkbox"/> Projected completion dates compared to approved baseline key dates <input type="checkbox"/> Escalated risks, issues (including schedule and budget), and action items <input type="checkbox"/> Disposition of logged issues and risks <input type="checkbox"/> Important decisions <input type="checkbox"/> Actual/projected Project Work Plan dates versus baseline Project Work Plan milestone dates <input type="checkbox"/> Budgeted to actual budget figures, and estimated cost at completion (or similar forecast of remaining costs) <input type="checkbox"/> One-page graphical summary of the Project Work Plan status of all major tasks and subtasks for each Phase in a Project Plan <p>Upon project initiation (“Kickoff”), the Contractor will provide required Project Status Reporting.</p>	WEEKLY (RECURRING DELIVERABLE DURING ENTIRE DURATION OF PROJECT)

ID.	TASK/DELIVERABLE	DESCRIPTION	Contractor Delivery Frequency
		<p>All quantifiable DAC data will be represented in a graphical manner and the Contractor will provide real-time electronic access to project Dashboards to State Authorized Users.</p> <p>Refer to Section I(IV) for further requirements.</p>	
4B	Change Requests	<p>Formal document which outlines any changes to the Contract scope, schedule, budget, and resources resulting in an amendment to the contract.</p> <p>Refer to Section I(VII) of this contract for further requirements.</p>	Per OCCURENCE
4C	Change Requests Log	<p>Tracks the specific change requests approved and their impact to the project scope, budget and schedule.</p> <p>Refer to Section I(VII) of this contract for further requirements.</p>	Per OCCURENCE
4D	Risk Log	<p>A log of all risks (opened or closed) that could impact the project. Risks must be outlined by their impact and their potential to occur. All risks must have an owner and mitigation plan.</p>	LIVING DOCUMENT (Contractor will update to current schedule, design, solution etc.)
4E	Issue/Action Items Log	<p>A log of open and resolved/completed Issues. Issues should be outlined by their impact, owner, date of occurrence, and remediation plan. Action Items against the remediation plan shall be updated weekly until the Issue is closed.</p>	LIVING DOCUMENT (Contractor will update to current schedule, design, solution etc.)
4F	Decision Log	<p>A log of all decisions made over the course of the project. Decisions must have a date and name of decider.</p>	Per OCCURENCE
4G	Project Phase Audit/Gate Check	<p>At the end of each Phase, the Contractor Project Manager shall submit an audit of all deliverables and milestones achieved during the Phase to the State Project manager for review.</p>	ONCE (per phase)
4H	Meeting Agenda /Minutes	<p>All scheduled meetings will have an agenda and minutes. The minutes shall contain risk issues, action items, and decision logs. Minutes shall be transcribed over to the main logs and saved to the State-supplied Sharepoint site.</p>	Per OCCURENCE
4I	Contractor Project Management Plan		LIVING DOCUMENT Initially provided during Initiation; Updated as

ID.	TASK/DELIVERABLE	DESCRIPTION	Contractor Delivery Frequency
			necessary during M&C
4J	Contractor Team Roster		LIVING DOCUMENT Initially provided during Initiation; Updated as necessary during M&C
4K	Contractor Team RASCI		LIVING DOCUMENT Initially provided during Initiation; Updated as necessary during M&C
TASK 5: CLOSE-OUT			
5A	End Project Metrics (DACs)	These are metrics that reflect how well the project was performed. Metrics and DAC will be outlined in the Quality Management Plan.	ONCE
5B	Lessons Learned	A compilation of the lessons learned having 20/20 hindsight. Lessons learned shall be delivered in an Excel template and collected from each of the State and Contractor project team members to get a full 360-degree view of the project in retrospect.	ONCE
5C	Closeout Report	This report will include all the lessons learned, project metrics, measurable outcomes of the project objectives, and a summary of the project's implementation and outcome in operation.	ONCE

The Contractor Business Analysts, in consultation with the State will perform requirements elicitation and documentation, meetings and facilitation, deliverable creation and hand-off, and standard analysis procedures relating to the project. The Contractor's team will make every good faith effort to effectively work with and hand off complete analysis deliverables and domain knowledge to the State analysis.

II. PROJECT INITIATION & PLANNING

The State and Contractor Project Managers shall schedule a project kick-off to provide an opportunity to introduce all key members of the project teams and walk through the project scope, project management plan and key milestones. All key milestone and deliverable due dates shall be mutually agreed up between the State and the Contractor prior to this kickoff. Dates as listed in this section are firm. Any change would require the Contractor to submit a new or revised Implementation Master Schedule (IMS) for State review and approval. Time is of the essence for the performance of the Contractor's obligations.

The State Project Management Team has produced a Project Management Plan (PMP) and Deliverable Management Plan. It is the expectation that the State will own and govern the processes contained within in the Project Management Plan and Deliverables Management Plan. The Contractor and team shall be subject to and shall adhere to all aspects of the Project Management Plan. The Contractor and the State shall review these plans prior to starting work. The Project Management Plan shall include the following:

1. Change Management Plan
2. Communication Management Plan
3. Human Resources Management Plan
4. Quality Management Plan
5. Risk and Issues Management Plan
6. Scope Management Plan
7. Schedule Management Plan

The Contractor has proposed a preliminary “baseline” implementation schedule of (twenty-two) 22-weeks that includes (five) 5 code drops, using the best available knowledge at the time of Contract signing which is attached to this Attachment A as Exhibit 1. The State shall take the Contractor’s baseline schedule into consideration with the overall project Implementation Master Schedule (IMS). The Contractor shall provide updates to the IMS after execution of this Contract during the Project Development as required pursuant to the terms herein (e.g., updated tasks and task descriptions, updated meeting dates, updated resource assignments, updated milestone dates). Any such changes shall be communicated in writing by the Contractor to the State Contract Manager by submitting a new or revised implementation schedule or other documentation acceptable to the State. Such changes are subject to State review and approval. The parties shall work together to implement the IMS changes in accordance with the terms of this Contract; provided, however, in no event shall revisions to the IMS be deemed to amend this Contract. Changes to project scope, term or maximum amount shall require a Contract amendment.

The IMS is an ongoing tool for anticipating and tracking changes to expectations for all project tasks, deliverables and milestones. In consultation with the State project managers, Contractor will submit an update IMS, representing a re-plan for HSEP functionality not yet delivered, for State review and approval. The IMS will include DDI activities and tasks that State resources and State contractors are responsible for delivering, through the term of this project, using rolling wave project scheduling techniques. The complete IMS is an integrated plan – that is, it includes actions and deliverables from all project areas – both Contractor and State. The complete IMS, which includes the detailed tasks and milestones, shall reside in Microsoft Project (.mpp) format (Version 2010 or higher) and will be shared in the ongoing communication meetings to discuss changes. State shall sign off on all deliverables from each Phase of the IMS before subsequent phase work is initiated. Once sign off is complete, Contractor and State will assess readiness to proceed with next phase.

III. PROJECT EXECUTION

The IMS will include Gate reviews of each Phase and each Release in addition to deliverable reviews and acceptance events. The purpose of Gates is to provide a formal State decision of Go/No Go of whether or not to proceed during critical phases of the project. These formal checkpoints will use the acceptance criteria defined in each Deliverable Expectation Document as well as any open medium or high impact issues documented as part of the Risk & Issue Log as the basis for this review. Gate Review meetings will be organized by the State Project Manager who will ensure attendance by the Technical and Business Stakeholders responsible for the specific deliverables being delivered in that Phase.

The purpose of the Gate review meeting is to take a status check of the Project and to authorize the Contractor to proceed with the Release/Code Drop as specified in the IMS. Should the Contractor continue Project work without prior written authorization from the State it will be done solely at the risk and expense of the Contractor.

Gates Reviews shall be conducted at the end of the following activity/task sets for each Release as follows:

- Technical Design:** Occurs when the Development environment is refreshed with a mirror of the Production environment code base.
- Development:** Occurs after code fixes have been installed in the Development environment.
- UAT:** Occurs after the deployment of the code base from the Development environment to the Stage environment.

Once the Gate deliverables are accepted by the State, the Contractor shall proceed with the next Release as specified in the IMS.

The Contractor shall participate in development of an integrated plan and schedule for DDI and M&O activities the plan will include project activities that are scheduled to occur through the end of the Contract term.

TRAINING

The Contractor shall provide State users with training to ensure their understanding of the Solution's features as built. The Contractor shall provide a combination of the following types of training: functional overview, business process, and role-based training.

The Contractor shall:

- Deliver an understanding of the deployed Solution
- Provide training based on role-based needs
- Utilize real work transactions, processes and procedures as training examples.

The Contractor estimates the need for eight hours of training at the end of each Release. These eight hours shall be utilized by the State for training end users or "Training the Trainer," as the State may elect in its discretion. The Contractor shall employ the following training approach, and provide necessary training documentation.

Training Sessions

The various steps involved in the training sessions are:

Step 1: PowerPoint presentations will be used to explain the concepts.

Step 2: Demonstration of the functions on the Solution. The sessions also include time for hands-on where the VHC Users practice the business concepts explained during the sessions.

Step 3: Users undergoing the training shall be given tests (blend of theory and practice) to assess their understanding of the concepts.

IV. PROJECT MONITORING & CONTROLLING

PROJECT DOCUMENT STORAGE

The State will establish a SharePoint site, that is accessible to the Contractor and the State. This will provide a common area for Contractor's project documents, artifacts, and deliverables.

PROJECT STATUS REPORTS

Contractor's Project Manager shall provide project documentation and collaboration to meet the State's vendor reporting requirements. The Contractor shall use the State's Status Report template, included as Attachment K.

The State Project Manager and Contractor's Project Manager shall review the format of the project documentation and collaboration reports, at or before the project kick-off meeting.

The requirements for project status reporting are set forth in greater detail in Table 1, Task Related Deliverables, Task 4A.

CHANGE REQUESTS & CHANGE CONTROL BOARD

The State's Project Manager shall file Change Requests in accordance with the Change Management Plan as incorporated within the Project Management Plan. More information will be reviewed prior to project kickoff.

The Contractor must adhere to the Change Management Plan, which shall be developed by the Contractor and approved by the State Authorized Representative. The plan describes how the Change Control Board (CCB) shall manage the process for review, acceptance and rejection of change requests. For any decisions that cannot be made by the CCB or project management team, the decision shall be escalated.

In the Change Management Plan, change requests shall be:

- i. Drafted by the Contractor.
- ii. Reviewed and edited by the State Project Manager.
- iii. Approved or rejected by the CCB with direction from State management, as necessary.
- iv. Executed by the State's Authorized Representative and the Contractor.
- v. Implemented by the Contractor.

All approved change requests shall be incorporated into a Contract amendment upon the initiation of any contract amendment required for changes on term, maximum amount, terms and conditions or material changes in scope.

V. PROJECT CLOSE-OUT

Following State acceptance of all deliverables, the Contractor shall conduct several close-out activities and provide three close-out deliverables.

At minimum, these close-out activities shall include:

- Gather and analyze key project metrics for each scope item, aligned with the key performance indicators referenced in this Contract.
- Coordinate and facilitate a Lessons Learned exercise with State and Contractor project staff and key State stakeholders to document what went well, opportunities for improvement, and root cause of priority issues. The State Project Manager shall define a minimum number of priority issues to review within the Lessons Learned exercise.
- Document key project metrics, priority issues and root cause analysis in a formal report out to the State.

The following deliverables will be presented to the State as part of the close-out phase. These deliverables are subject to the same acceptance processes and criteria defined for deliverables during other phases and documented in the Project Management Plan. Detailed descriptions of these deliverables are included in Table 1.

- Lessons Learned Document
- Close-Out Report

K. CONTRACTOR PROJECT ORGANIZATION & STAFFING

I. CONTRACTOR’S PROJECT MANAGER

Contractor will designate an individual to serve as the “**Contractor Project Manager**” who will: (i) be a senior employee within Contractor’s organization, with the information, authority and resources available to properly discharge the responsibilities required hereunder; (ii) serve as primary point of contact and the single-point of accountability and responsibility for all Contract-related questions and issues and the provision of Services by Contractor; (iii) have day-to-day responsibility for, and authority to manage, State customer satisfaction; (iv) devote full time and dedicated efforts to managing and coordinating the Services; and (v) be at a location mutually agreed to by State and Contractor.

Contractor’s Project Manager and Business Analysis Lead shall be responsible for all tasks necessary to manage, oversee, and ensure success of the project. These tasks include documenting requirements, developing and updating project plans, assigning staff, scheduling meetings, developing and publishing status reports, addressing project issues, risks, and change orders, and preparing presentations for the State.

Contractor’s Project Manager shall be responsible for the successful delivery of all Contractor tasks and subtasks defined in the State’s Project Management Plan. Progress will be monitored and plans adjusted, as necessary, in project status meetings.

Contractor’s Project Manager and Business Analysis Lead shall be responsible or accountable for development and implementation of the following project documentation:

Key Project Roles Are:

ROLE	RESPONSIBILITIES	Qualifications
Engagement Manager	The Engagement Manager will be primarily responsible for Contractor’s relationship with the State. State Contract Owner will always have a direct line of communication with the Contractor’s Engagement Manager. Primary role of the Engagement Manager is to be the point of escalation for issues and risks that may arise over the course of the project.	Experienced with similar projects in Public Sector and Health and Human Services involving HIX/IE projects. Senior member of Contractor’s Organization who can facilitate decision making.

<p>Sr. Project Manager</p>	<p>The Project Manager has oversight and accountability for the overall project management effort. The Business Area Experts, DDI Manager, Test Manager, Operations Manager and Security and Privacy Manager will keep the Project Manager informed of implementation status through formal and ad-hoc meetings. The Project Manager will communicate regularly with the key E&E/ORSD stakeholders to keep the project expectations aligned. The Project Manager will also act as a facilitator for escalating and resolving issues that require Executive Steering Committee intervention.</p>	<p>12 + years of experience in Project Management for technology initiatives. Experienced in managing the implementation of Health & Human Services and / or public sector engagements. PMP certification and HHS experience is preferred.</p>
<p>Enterprise Architect</p>	<p>The Enterprise Architect is responsible for designing and deploying the system architecture, verifying compatibility with the existing environment and standards, including security requirements and addressing scale and compatibility needs of the system. The Enterprise Architect is an expert in various technologies and system architecture components and will provide guidance on the best technologies for the project.</p>	<p>Experienced in architecting Health & Human Services technology solutions using the Oracle technology stack (Siebel, BRM/OPA, SOA, IDM etc.). Functional expertise in HHS space including exchanges and integrated eligibility. Overall experience of 10+ years.</p>
<p>Business Analyst</p>	<p>The Business Analysts are responsible for the day-to-day management of the functional team and will be the primary point of contact for the Business Manager from E&E/ORSD. As such, the Analysts provide information that keep E&E/ORSD informed about technical and functional progress, progress against budget, and any issues or concerns.</p>	<p>Experienced in defining and managing requirements for Health & Human Services technology implementations. Functional expertise in the HHS space including exchanges and integrated eligibility. 6+ years of Business Analysis experience.</p>

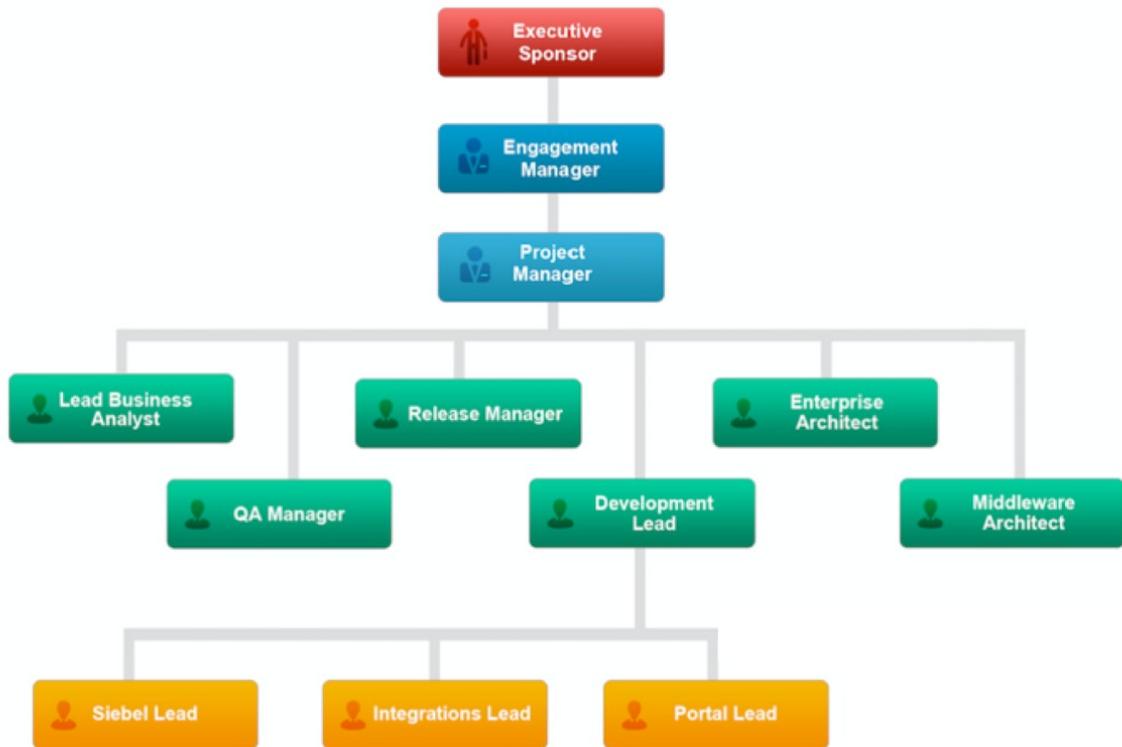
Development Lead	The Development Lead is responsible for all product configuration and integration. Development Lead will regularly update the project manager and potential counterparts at E&E/ORSD regularly on the status of the Development. Development Lead will be responsible for defect resolution through SIT and UAT phases as well and during the warranty support period.	Experienced in managing implementation from a development and product configuration perspective for Health & Human Services technology solutions using the Oracle technology stack (Siebel, BRM/OPA, SOA, IDM etc.). 10 years of overall experience with 5 + years in a lead role.
Quality Assurance Manager	The QA manager is responsible for all testing from SIT through UAT. Test manger will regularly update the project manager and potential counterparts at E&E/ORSD regularly on the status of product testing.	Experienced with leading Quality Assurance and Testing for similar sized engagements. Extensive Knowledge of QA tools and their application.

Contractor shall assign the following Contractor staff (“Key Project Staff”), to meet the Requirements of this Contract:

Team Member	Role & Responsibility	Onsite / Offsite
Ali Hasan	Executive Sponsor	N/A
Sujith Nair	Engagement Manager	Onsite 50%
Michael Van Brugge	Sr. Project Manager	Onsite 100
Ajith Kumar	Enterprise Architect	Onsite 50%
Sreecharan Sayam	Middleware Architect	Onsite 50%
Cheolmin Hwang	Development Lead	Offsite
Scott Weiler	Quality Assurance Manager	Onsite 50%
Imran Malik	Lead Business Analyst	Onsite 100%
Baskaran Periyakaruppan	Release Manager	Offsite
Vinaykanth Munaga	Case Management Lead	Offsite
Midhun Kumar	Portal Lead	Offsite

Contractor shall cause the Contractor Personnel filling the Key Project Staff positions to devote full time and dedicated effort to the provision of the Services and the achievement of Service Levels required for the Services, unless a lesser allocation during certain Project Phases may be agreed in writing between the Contractor and State.

The Organization Chart below represents the structure of the Project Organization for the Contractor as of Contract commencement. This is subject to change as per the needs of the Project.



II. KEY PROJECT STAFF CHANGES

Contractor shall endeavor not to change the project assignment of Key Project Staff, for the period of project implementation. Contractor shall not change other members of Key Project Staff without providing the State written justification, a comprehensive transition plan and obtaining prior written approval of the State Authorized Representative.

In the event a Key Project Staff member requires replacement, for whatever reason, the Contractor agrees to replace the Key Project Staff within (thirty) 30 days. The replacement of Key Project Staff shall have comparable or greater skills and applied experience than the person being replaced and be subject to reference and background checks described above. The replacement is subject to approval by the State Authorized Representative. The Contractor agrees to replace the Key Project Staff member if performance is unacceptable to the State and provide the first thirty (30) days of a replacement resource with equivalent skill at no additional charge.

If the Contractor fails in any material respect to meet the Contract and Solution Requirements, and a root-cause analysis determines that the failure was due in material part to an inadequate number of Contractor Personnel, then upon notification from the State, the Contractor shall promptly assign appropriate personnel to address the inadequacy at no additional cost to the State.

Notwithstanding the foregoing, the State acknowledges that Key Project Staff may become unavailable due to termination of employment for any reason, through disability or death, illness, or through leave of absence such as FMLA or National Guard duty for example. In such circumstances, Contractor shall promptly notify the State in writing of the impending or actual departure of any Key Personnel and of the qualifications and identity of proposed replacement Key

Project Staff. The State has the right to reasonably disapprove of any replacement Key Project Staff.

III. CONTROL OF CONTRACTOR PERSONNEL

Contractor shall be fully responsible for the management, compensation, and performance of all Contractor Personnel, and the filing of any and all returns and reports and the withholding and/or payment of all applicable federal, State, and local wage tax, or employment-related taxes, including, but not limited to, income taxes, gross receipt taxes, taxes measured by income, social security taxes, and unemployment taxes for Contractor and Contractor's employees. Notwithstanding the foregoing, Contractor's employees shall adhere to the State's policies and procedures, of which Contractor is made aware while on State Premises, and shall behave and perform in a professional manner. The State, may, in its reasonable discretion, require Contractor to replace any Contractor Personnel, including but not limited to Key Project Staff, working hereunder who does not adhere to, behave, or perform consistent with the State's policies and procedures, or otherwise engages in unprofessional or unethical conduct, or abuses any illegal substance or alcohol, or engages in illegal activities or consistently underperforms. The State shall provide written notice to Contractor of the requirement of replacement, or with whom there are irresolvable personality conflicts. Contractor shall use reasonable efforts to promptly and expeditiously replace Key Project Staff and replace all other personnel within fifteen (15) business days of receipt of the written notice unless otherwise mutually agreed. The State's right to request replacement of Contractor personnel hereunder relates solely to the removal of individuals from work on this Contract with the State and does not create an employment relationship. Nothing in this Contract authorizes the State to direct the Contractor's termination of the employment of any individual.

IV. RESOURCES

Unless otherwise expressly provided in this Contract, all Resources required for the proper performance of Services by Contractor hereunder shall be under the control, management and supervision of Contractor and Contractor shall be responsible, at its sole cost and expense, for procuring, obtaining and making available, in proper and qualified, professional and high quality working and performing order, all such Resources.

L. ACCEPTANCE

I. DED & DADs: CREATION & APPROVAL

Contractor shall use State approved templates, unless otherwise approved by the State. Except where otherwise indicated in the PMP, the State Project Manager shall be responsible for the review and acceptance of project management documentation. Draft Deliverable documents shall be provided in Word document format making it easier for the State to provide comments. Final Deliverables shall be presented in PDF and native file format for State review and acceptance.

i) DED Creation

The DEDs delivered in connection with the Contractor's services herein shall be documents developed by the Contractor. The basis of the DED shall be based on the DAC. The DED shall be mutually agreed to by both parties, clearly defining the acceptance criteria by which each specific Contractor deliverable will be assessed for quality, acceptance and completion of the deliverable(s) that fulfill individual scope items. The DED shall be approved by the State's Authorized Representative.

ii) Deliverable Peer Review

This is a review by a State Resource as designated by the State Authorized Represent. This review is intended to verify the quality and completeness of a deliverable before it is distributed by Contractor for State review and acceptance.

iii) Deliverable Review and Acceptance

State delivery of the DAD is formal stakeholder acknowledgement and acceptance that occurs within 10 business days of receipt by the State; it implies they understand the deliverable, the deliverable's content is complete and accurate to the best of their knowledge, and the deliverable meets their needs. Each DAD must be obtained on a printed copy, scanned and then turned into a PDF. Signed PDF deliverables must be scanned and uploaded to the appropriate SharePoint site or S Drive file repository. State delivery of the DAD marks the formal acceptance of the State; any changes made to a deliverable after sign-off is obtained must be made through the change request process.

In the event that a Deliverable does not meet the requirements of the DED and the DAD is not delivered, payment will not be made until deliverable is accepted. All payment provisions are set forth in Attachment B to this Contract.

Contractor's Project Manager shall assist the State's Project Manager (upon request) in creating materials for periodic presentations to State stakeholders. Contractor's Project Manager may be required to present information to, and answer questions from, State stakeholders at these presentations.

- II. **Release Acceptance Testing by the State Following Implementation.** After Contractor provides written notice to the State that it has completed Release, Phase and/or the Solution, the State shall, in accordance with the DED agreed by the parties, and with full cooperation and assistance from Contractor, conduct all such inspections and tests of the Release, Phase and/or the Solution as the State may deem necessary or appropriate to determine whether any Defects exist in the Release, Phase and/or the Solution as implemented and whether the Release, Phase and/or the Solution as completed complies with all of the Release, Phase and/or the Solution specifications as set forth in the DED. Such inspections and tests shall be over a duration mutually agreed upon by the State and Contractor within limits of a minimum period of 7 business days and a maximum of 20 business days, per scope and/or solution listed, from the date a notice of completion is issued (the "Acceptance Period"). Contractor shall correct all Defects during the Acceptance Period, demonstrate to the State that correction of such Defects has been made, and after so demonstrating correction, shall issue to the State a written Certificate of Completion indicating that no Defects are known to exist in the Release, Phase and/or the Solution. The State shall be deemed to have accepted and approved the particular Release, Phase and/or the Solution only upon the State's delivery to Contractor of a signed, written DAD indicating that the Release, Phase and/or the Solution, as the case may be, as completed, materially performs in accordance with the DED.

If, at the end of the Acceptance Period, the State has not issued a signed DAD to Contractor for that Release, Phase and/or the Solution, the State may, in its sole discretion, extend the Acceptance Period; provided, however, that the State shall respond within five (5) business days of a written request by Contractor issued after the end of the original Acceptance Period to provide Contractor with the State's status of approval or disapproval for that Release, Phase and/or the Solution. Any rejection must be in writing and specify the reason for the rejection and must be based upon the continued existence of a Defect in the scope and/or Solution or failure of

the Release, Phase and/or the Solution to materially perform in accordance with the Requirements. The DAD shall not be unreasonably withheld by the State. If a DAD for a Release, Phase and/or the Solution is signed and delivered by the State, Contractor shall sign said Certificate, with both parties receiving a copy thereof.

III. **Defect Resolution and Solution Acceptance.** The Contractor shall use the following tables to perform defect tracking and resolution management:

i). **Scope Guidelines**

The following table provides guidelines for ranking of the scope of a defect:

Value Guidelines

5	Affects most or all Users and/or a very larger range of system functionality
4	Affects a large set of Users and/or large range of system functionality
3	Affects a moderate set of Users and/or moderate range of system functionality
2	Affects a small set of Users and/or a small range of system functionality
1	Affects a minimal set of Users and/or a very small range of system functionality

The following table provides guidance for the ranking of the Severity of a defect.

Severity Guidelines

5	Data loss, data corruption or system unavailable
4	Important functionality is unavailable with no workaround
3	Important functionality is unavailable but has a reasonable workaround
2	Secondary functionality is unavailable but has a reasonable workaround
1	Cosmetic issues or some functionality unavailable but has a simple workaround

ii.) **Priority**

Priority of the product of Scope and Severity.

Scope	5	5	10	15	20	25
	4	4	8	12	16	20
	3	3	6	9	12	15
	2	2	4	6	8	10
	1	1	2	3	4	5
		1	2	3	4	5
		Severity				

Scope and severity numbers that are 5 or less are considered “green” and the least risky; numbers that fall between 6 and 14 are considered “yellow” or a moderate risk; numbers that are “orange” fall between 15 and 20 and are a higher risk; 21 or higher are considered “red” and the highest risk.

iii.) **Actions**

The Contractor shall follow an established set of action requirements for each range of calculated priority value in accordance with the Project Management Plan and reiterated below. Priority for defect remediation shall be set at the defect level by the State Project team with input from the Contractor on the schedule, cost and complexity to execute the remediation plan.

Defect Discovery – Identification and reporting of potential defects. The information captured here shall be enough to reproduce the defect and allow development to determine root cause and impact.

Defect Analysis & Prioritization – The development team shall determine if the defect report corresponds to an actual defect, if the defect has already been reported, and what the impact and priority of the defect is. Prioritization using the previously described scoring approach and scheduling of the defect resolution shall then be managed by the overall defect control process for the software development organization.

Defect Resolution –The Contractor’s development team shall determine the root cause, implement the changes needed to fix the defect, and document the details of the resolution in an agreed upon defect management software between the Contractor and State before the first code Release, and shall include suggestions on how to verify the defect is fixed.

Defect Verification – The build containing the resolution to the defect shall be identified, and testing of the build is performed to ensure the defect truly has been resolved, and that the resolution has not introduced side effects or regressions. Once all affected branches of development have been verified as resolved, the defect can be closed.

Defect Communication – This encompasses defect metrics for management reporting and process improvement purposes, as well as visibility into the presence and status of defects across all disciplines of the software development team. The defect log captures and reports all attributes of a defect for transparency to all stakeholders. Utilizing the State’s designated defect log tool all defect reporting is the shared responsibility of both Contractor and State QA Managers.

System Acceptance – The defect is thoroughly validated. This is first facilitated by manual unit testing in an engineer’s development environment and subsequently through manual regression testing that ensures the identified defect(s) passes. Additionally, the defect resolution must also pass User Acceptance Testing successfully. Any related documentation is updated and the item is then released to production.

M. ADDITIONAL PROVISIONS & WARRANTIES

I. **Proposal Assistance.** If at any time during the Term, the State elects to request any bid, quote, information and/or proposal from one or more third-party service providers for the provision of all or any part of the Services being provided by Contractor hereunder due to the non-performance or breach of Agreement by the Contractor, Contractor shall cooperate with the State by providing the State reasonable access to relevant Contractor Personnel for the benefit of the State in connection with the State’s request.

II. **Premier Customer.** Contractor shall provide the State with the following:

(a) **Continuous Improvement.** Throughout the Term, Contractor shall, subject to and always consistent with the Requirements and provisions of this Contract, proactively stay abreast of emerging technology and processes and present to the State for the State’s consideration: (i) opportunities to implement improved Contractor Resources, processes and methodologies in connection with the Services; (ii) opportunities to implement improved State Resources, processes and methodologies then currently used by the State in performing services and operations which have been retained by and are performed by the State and which relate to the Services; (iii) any other opportunities Contractor may choose to bring to the State’s attention which Contractor is or becomes aware of and may be of potential benefit for the State to consider; and (iv) potential improvements in Service Levels, whether identified as proven techniques and tools from other installations within its operations or through industry awareness or otherwise. Contractor shall include references to all of the foregoing items in the periodic reports provided to the State in connection with this Contract. Contractor shall cooperate with the State in evaluating such proposed improvements, which, for the avoidance of ambiguity, shall not be implemented by Contractor unless reviewed, approved and agreed by the State.

(b) **Disaster Recovery.** In accordance with the requirements of this Contract, in the event of a disaster, material interruption or any disruption in or affecting the Services, in prioritizing and dedicating efforts by Contractor to recover and resume normal and proper Service delivery and the provision of services, information and resources to its other customers generally, **no other Contractor customer shall receive higher priority than the State of Vermont**, including all efforts and activities with respect to the Resources involved in performing such efforts and activities and recovering or resuming Services.

III. **Third-Party Resources.** From time to time State may request that Contractor obtain and provide to the State, at the State’s expense, third-party Resources related to the Services but outside the

scope of what Contractor is then obligated to provide hereunder, including the benefit of any volume purchasing discounts, pricing or terms available to the State or its supplier. Contractor shall not add an administrative fee or other markup to any third party Resources it procures on behalf of or for the benefit of State and the Services provided hereunder.

- IV. **State Third-Party Software.** A list of all Third-Party Software licensed by the State for purposes of Contractor’s performance of the Services is attached to this Attachment A as Exhibit 2. Contractor shall assume operational and financial responsibility for such Third-Party Software and any related maintenance obligations to the same extent as if Contractor were the licensee of such Third-Party Software. Contractor shall cease use of such Third-Party Software upon expiration or termination of this Contract.

If a Contractor is operating a system or application on behalf of the State, then the Contractor must not make information entered into the system or application available for uses by any other party than the State, without express written prior authorization by the State.

The Contractor is expected to reuse software licenses the State has currently purchased. It is not anticipated that there will be a need for the state to purchase additional software or licenses for this engagement. The Contractor is also expected to use current state infrastructure and enterprise platform components.

- V. **Project Releases, Warranty and Options.**

The Contractor has compiled warranty options for a 90 or 180-day warranty support plan as set forth in the table below. During the warranty period, any Defects relevant to that Phase, Release or Solution will be fixed at no cost to the State. The warranty support period will initiate within 2 weeks of the deployment of each code drop to UAT, following State approval and sign-off of the DAD. The State understands that delays from the State will push out UAT or go live and impact the warranty support timeline, which will also impact resource cost and price to State. Any delays resulting in impacts to the warranty timeline and resource cost are subject to the change request process. Time is of the essence for the following estimated dates in the proceeding chart.

RELEASE	SCOPE ITEMS	ESTIMATED DATES	90 DAY WARRANTY	180 DAY WARRANTY
ENV RELEASE 1	Data refresh of the STG environment	Week 1 - 6	N/A	N/A
ENV RELEASE 2	Repurpose training environment to UAT	Week 4 - 9	N/A	N/A
DEV RELEASE 1	EDI Dashboard/Access	Week 1 - 4	YES	N/A
	Block non-verified enrollment for Medicaid		YES	N/A

RELEASE	SCOPE ITEMS	ESTIMATED DATES	90 DAY WARRANTY	180 DAY WARRANTY
DEV RELEASE 2	Ex-Parte/Passive Medicaid file - Phase 1	Week 5 - 9	N/A - end of Phase 2	N/A - end of Phase 2
	Root cause analysis of data inconsistencies between BRM/OPA, Siebel, WEX Health, and the Carriers		N/A - LOE	N/A - LOE
DEV RELEASE 3	Ex-Parte/Passive Medicaid file - Phase 2	Week 10 - 14	N/A	YES
	PCI DSS Compliance		N/A	YES
	Benefit Tier Mismatch		N/A	YES
	Triage Root Causes of following M&O Automated Scripts		N/A - LOE	N/A - LOE
DEV RELEASE 4	WEX Health Reconciliation Tool	Week 13 - 16	YES	N/A
	Passive QHP remediation		N/A - LOE	N/A - LOE
DEV RELEASE 5	RRV	Week 16 - 20	YES	N/A
	834 Integration		N/A	YES
	Notice Suppression		N/A	YES

State-Caused Delays.

(a) Contractor acknowledges that the State may not be able to meet the time frames specified in an IMS or that the State may determine that it is necessary to delay and/or modify the timing and sequencing of the implementation as provided in the IMS.

(b) While the State is committed to the project and shall use reasonable efforts to provide staff and resources necessary to satisfy all such time frames, the State shall not be held responsible or deemed in default for any delays in Release implementation or Phase provided the delay is less than or equal to fifteen (15) business days per Release or Phase. Such readjustment, rescheduling, or modification of the Project shall be at no additional cost to the State if the delays are less than or equal to fifteen (15) business days per deliverable.

(c) Notwithstanding any provision to the contrary, if the State causes a delay more than fifteen (15) business days per deliverable, either party may make a Change Request in accordance with the Change Management Plan and, if required, an amendment to this Contract. If the State causes a delay of more than fifteen (15) business days per deliverable, Contractor shall not be penalized (as listed in this Agreement, notwithstanding SLAs in the QA/QC Plan) for providing late deliverables, as it relates to that specific State-caused delay. Furthermore, if the State causes a delay of more than fifteen business (15) days per deliverable the Contractor and State shall mutually prepare IMS which may delay the commencement and completion dates of the project and shall take into consideration the readjusted time frames and any necessary resequencing of the activities.

- VI. For purposes of this Section, a “Significant Delay” shall mean any delay that in itself will cause a slippage of fifteen (15) business days or more in a deployment of a Release or the Solution Go Live date.

N. THIRD PARTY COOPERATION

The State may hire an independent, third-party “independent validation and verification” contractor to assist with auditing the software and written deliverables, including the Project Management Plan and acceptance criteria. The State may hire other independent contractors as it may require to assist with the project. Contractor will cooperate with the State and the third party, including provision of: (i) written Documentation requested by the State; (ii) commercially reasonable assistance and support services to such third party; and (iii) reasonable access to Contractor as necessary for such third parties to perform their work. The State shall use reasonable efforts to require such third parties to comply with Contractor’s reasonable requirements regarding confidentiality, operations, standards, and security. Contractor shall support and maintain such third party work product, provided the service provider complies with any Documentation applicable to Contractor in respect of the Services involved.

Exhibit 2 - SoV 3rd Party Vendor

Vendor	Software License Description	Product Group / Description	Operability
RadView	WebLoad	Load and Performance Testing	Not installed
Altova	XML Spy	XML Editing Tool	Not installed
CA software	SAFYR	Data Modeler	Not installed
CHEF	CHEF	Configuration Management	Currently in use
eclipse.org	Eclipse	Java IDE	Currently in use
Exeter	OneGate	Health Insurance Exchange Application	Currently in use
FOSS/Apache	Maven	Build Tool	Currently in use
	Quartz	Job Scheduler	Currently in use
	Subversion	Version Control	Currently in use
	Selenium	Web application record/playback tool	Currently in use
FOSS/CPL	Junit	Unit Testing tool	Currently in use
FOSS/GGPL	Cobertura	Code Coverage (Java)	Not installed
	JavaNCSS	Code Metrics (Java)	Not installed
FOSS/LGGPL	Checkstyle	Coding Standards (JAVA)	Not installed
	FindBugs	Coding Standards (JAVA)	Not installed
	SONAR	Coding Standards (JAVA) (Code Quality Metrics)	Not installed
FOSS/MIT	Jenkins/Hudson	Continuous Integration Server	Currently in use
	SLF4J	Logging Framework	Currently in use
Freedom Scientific	JAWS	ADA Compliance verification and usability testing	Not installed
Google	Google Analytics	Web Analytics	Installed - Enterprise
HP	HPALM	Testing Suite	Installed - Enterprise
Liferay	Liferay Enterprise Edition	Web Server Portal Platform	Currently in use
Open Source	CSSAnalyzer	Usability Testing Tools	Not installed
	Oracle Data Quality Address Validation Server	Data Quality	Currently in use
	Oracle Data Quality Matching Server	Data Quality	Currently in use
	Oracle Data Quality Parsing and Standardization Server (Mfr. is Informatica Corporation,Third Party Program)	Data Quality	Currently in use
	Oracle Enterprise Data Quality Address Verification Server	Data Quality	Currently in use
	Oracle Enterprise Data Quality Match and Merge	Data Quality	Currently in use
	Oracle Enterprise Data Quality Parsing and Standardization	Data Quality	Currently in use
	Oracle Enterprise Data Quality Profile and Audit	Data Quality	Currently in use
	Javadoc	Documentation (Java)	Currently in use
	Siebel Field Service	Field	Currently in use
	Oracle Application Integration Architecture Foundation Pack	Oracle Application Integration	Currently in use
	Oracle Customer Master Data Management Integration Option for Siebel CRM	Oracle Application Integration	Currently in use
	Oracle Business Intelligence Management Pack	Oracle Business Intelligence Technology and Applications	Currently in use
	Oracle Business Intelligence Suite Enterprise Edition Plus	Oracle Business Intelligence Technology and Applications	Currently in use
	Oracle Case Management Analytics Fusion Edition	Oracle Business Intelligence Technology and Applications	Currently in use
	Oracle Financial Analytics Fusion Edition	Oracle Business Intelligence Technology and Applications	Currently in use

Oracle

Oracle Human Resources Analytics Fusion Edition	Oracle Business Intelligence Technology and Applications	Currently in use
Oracle Partner Analytics Fusion Edition	Oracle Business Intelligence Technology and Applications	Currently in use
Oracle Service Analytics Fusion Edition	Oracle Business Intelligence Technology and Applications	Currently in use
Oracle DataGuard	Oracle Database and Options	Currently in use
Oracle Advanced Security	Oracle Database and Options	Currently in use
Oracle Business Intelligence Publisher	Oracle Database and Options	Currently in use
Oracle Database Enterprise Edition	Oracle Database and Options	Currently in use
Oracle Database Vault	Oracle Database and Options	Currently in use
Oracle Diagnostics Pack	Oracle Database and Options	Currently in use
Oracle Real Application Clusters	Oracle Database and Options	Currently in use
Oracle Tuning Pack	Oracle Database and Options	Currently in use
Oracle Access Management Suite Plus	Oracle Identity and Access Management	Currently in use
Oracle Access Management Suite Plus	Oracle Identity and Access Management	Currently in use
Oracle Identity and Access Management Suite Plus	Oracle Identity and Access Management	Currently in use
Oracle Identity Manager Connector - Siebel Enterprise Applications	Oracle Identity and Access Management	Currently in use
Oracle Management Pack Plus for Identity Management	Oracle Identity and Access Management	Currently in use
Oracle Activity Hub B2B for Oracle Customer Hub B2B	Oracle Master Data Management	Currently in use
Oracle Activity Hub B2C for Oracle Customer Hub B2C	Oracle Master Data Management	Currently in use
Oracle Customer Hub B2B	Oracle Master Data Management	Currently in use
Oracle Customer Hub B2C	Oracle Master Data Management	Currently in use
Oracle Customer Hub Data Steward	Oracle Master Data Management	Currently in use
Oracle Customer Master Data Management Integration Base Pack	Oracle Master Data Management	Currently in use
Oracle Policy Automation	Oracle Policy Automation	Currently in use
Audit Vault Collection Agent	Oracle SOA/Middleware	Currently in use
Oracle Data Integrator Enterprise Edition	Oracle SOA/Middleware	Currently in use
Oracle Enterprise Repository	Oracle SOA/Middleware	Currently in use
Oracle Management Pack for WebCenter	Oracle SOA/Middleware	Currently in use
Oracle Service Registry	Oracle SOA/Middleware	Currently in use
Oracle SOA Management Pack Enterprise Edition	Oracle SOA/Middleware	Currently in use
Oracle SOA Suite for Oracle Middleware	Oracle SOA/Middleware	Currently in use
Oracle Unified Business Process Management Suite	Oracle SOA/Middleware	Currently in use
Oracle WebCenter Applications Adapter for Siebel	Oracle SOA/Middleware	Currently in use
Oracle WebCenter Capture	Oracle SOA/Middleware	Currently in use
Oracle WebCenter Distributed Capture	Oracle SOA/Middleware	Currently in use
Oracle WebCenter Forms Recognition	Oracle SOA/Middleware	Currently in use
Oracle WebCenter Suite Plus	Oracle SOA/Middleware	Currently in use
Oracle WebLogic Server Management Pack Enterprise Edition	Oracle SOA/Middleware	Currently in use
Oracle WebLogic Suite	Oracle SOA/Middleware	Currently in use
Audit Vault Server	Oracle SOA/Middleware	Currently in use
Oracle Real-time Scheduler	Siebel CRM	Currently in use
Siebel CRM Base	Siebel CRM	Currently in use
Siebel CRM Web Channel for Customers - up to 15 Objects	Siebel CRM	Currently in use
Siebel Data Quality	Siebel CRM	Currently in use
Siebel Email Response	Siebel CRM	Currently in use

Siebel Financial Services CRM Base Option	Siebel CRM	Currently in use
Siebel Group Policies	Siebel CRM	Currently in use
Siebel HelpDesk Option	Siebel CRM	Currently in use
Siebel Individual Coverage	Siebel CRM	Currently in use
Siebel Public Sector CRM Base Option	Siebel CRM	Currently in use
Siebel Remote Client	Siebel CRM	Currently in use
Siebel Test Automation Interfaces - Application User Perpetual	Siebel CRM	Currently in use
Siebel Tools	Siebel CRM	Currently in use
Oracle Database Lifecycle Management Pack		Currently in use
Oracle Data Quality Profiling Server (Mfr. is Informatica Corporation, Third Party Program)	Data Quality	Not installed
Oracle Contact Center Telephony Analytics Fusion Edition	Oracle Business Intelligence Technology and Applications	Not installed
Informatica PowerCenter and PowerConnect Adapters	Oracle Business Intelligence Technology and Applications	Not installed
Oracle Data Masking Pack	Oracle Database and Options	Not installed
Oracle Enterprise Governance, Risk, and Compliance Manager	Oracle GRC	Not installed
Oracle Identity Analytics	Oracle Identity and Access Management	Not installed
Oracle Identity Manager Connector - Database Applications Table	Oracle Identity and Access Management	Not installed
Oracle Identity Manager Connector - Database User Management	Oracle Identity and Access Management	Not installed
Oracle Identity Manager Connector - IBM RACF	Oracle Identity and Access Management	Not installed
Oracle Identity Manager Connector - Microsoft Active Directory	Oracle Identity and Access Management	Not installed
Oracle Identity Manager Connector - Microsoft Exchange	Oracle Identity and Access Management	Not installed
Oracle Identity Manager Connector - Microsoft Windows	Oracle Identity and Access Management	Not installed
Oracle Identity Manager Connector - PeopleSoft Enterprise Applications	Oracle Identity and Access Management	Not installed
Oracle Identity Manager Connector - RSA Authentication Manager	Oracle Identity and Access Management	Not installed
Oracle Identity Manager Connector - UNIX	Oracle Identity and Access Management	Not installed
Oracle Policy Automation Connector for Siebel	Oracle Policy Automation	Not installed
Oracle Policy Modeling	Oracle Policy Automation	Not installed
Oracle Application Management Suite for Siebel	Oracle SOA/Middleware	Not installed
Oracle Healthcare Adapter	Oracle SOA/Middleware	Not installed
Oracle WebCenter Adapter for Microsoft SharePoint for WebCenter Portal	Oracle SOA/Middleware	Not installed
Secure Enterprise Search	Oracle SOA/Middleware	Not installed
Secure Enterprise Search Connector - Siebel	Oracle SOA/Middleware	Not installed
Oracle Tutor	Oracle Tutor	Not installed
Siebel CTI	Siebel CRM	Not installed
Siebel Field Service Integration to Oracle Real-Time Scheduler	Siebel CRM	Not installed
Siebel Partner Manager	Siebel CRM	Not installed
Siebel Public Sector eService	Siebel CRM	Not installed
Siebel Public Sector Partner Portal	Siebel CRM	Not installed
Siebel Smart Answer Connector	Siebel CRM	Not installed
Siebel Smart Answer for Service	Siebel CRM	Not installed

	Oracle User Productivity Kit (UPK) Standard	UPK	Not installed
	Oracle User Productivity Kit Standard	UPK	Not installed
	Oracle WebCenter Portal		Not installed
soapui.org	soapUI Pro	Web services test tool	Currently in use
Splunk	Splunk	Log Management	Forwarders Installed - Sending to AWS
TechSmith	SnagIt	Test Defect Recording and Playback	Currently in use
Thunderhead	Thunderhead NOW	Simple Correspondence	Not installed
Vmware	SpringSource	Java IDE	Not installed

**ATTACHMENT B
PAYMENT PROVISIONS**

The maximum dollar amount payable under this agreement is not intended as any form of a guaranteed amount. The Contractor will be paid for products or services actually performed as specified in Attachment A up to the maximum allowable amount specified in this agreement. State of Vermont payment terms are Net 30 calendar days from date of invoice, payments against this contract will comply with the State's payment terms. State of Vermont will pay invoices within 30 calendar days from the date of receipt. Calendar days are defined as any day aside from weekend and holidays. The payment schedule for delivered products, or rates for services performed, and any additional reimbursements, are included in this attachment. Work performed between July 18, 2016 and the signing or execution of this agreement that is in conformity with Attachment A may be billed under this agreement. The following provisions specifying payments are:

1. The maximum amount of this Contract shall not exceed **\$6,219,752**.
2. A certificate of insurance must be submitted prior to commencement of work and release of payments (Attachment C, Section 7).
3. No benefits or insurance will be reimbursed by the State.
4. Invoices shall reference this contract number, include date of submission, invoice number, period of performance for services, and amount billed for each deliverable line and total amount billed. Invoices shall be submitted electronically to:
5. Emily.Trantum@vermont.gov
Business Office, Contracting Unit
Department of Vermont Health Access
NOB 1 South, 280 State Drive
Waterbury, VT 05671-1010
6. Contractor shall be paid based on documentation and itemization of work performed and included in invoicing as required by 32 VSA §463. The rates in this contract are all inclusive of expenses and travel. There will be no reimbursement of expenses for travel, mileage, meals, or any other expenses under this contract.
7. Payment for Deliverables and Releases.
 - a. Upon the State's acceptance and approval of each deliverable in the following table, the State shall issue the contractor a Deliverable Acceptance Document (DAD). Upon issuance the contractor shall invoice the State for the associated deliverable. At such time, the State shall pay 90% of the Deliverables with an associated warranty and 100% of the Deliverables without warranties associated.
 - b. Contractor shall include the DAD signed by the State Authorized Representative in the invoice submission.
 - c. The State shall withhold 10% of each Deliverable until the State issues the contractor a Certificate of Acceptance after the conclusion of the warranty period (if applicable).
 - d. After the Certificate of Acceptance is issued in accordance with Attachment A and the warranty period is complete, the Contractor shall invoice for the warranty amount and the State withheld amount.

- e. For deliverables which have been accepted by the State and which are financed and categorized as *Shared* or *QHP* below, Contractor shall invoice the State by 1/15/2017 in order to allow the State to close out associated federal grants within the federally authorized time frame.
- f. The chart below represents the parties' agreement regarding each deliverable, the price, the finance category, and the selected warranty for each deliverable.

Scope of Work					
Finance Category	Deliverable	Price	90 Day Warranty	180 Day Warranty	Deliverables Must Be Accepted By
Shared	PCI DSS Compliance	\$414,571		\$135,385	12/31/2016
Medicaid	Ex-Parte/Passive Medicaid	\$544,728		\$177,890	
QHP	Passive QHP	\$120,515			12/31/2016
Shared	RRV	\$298,877	\$58,562		12/31/2016
QHP	834 Integration	\$535,086		\$174,741	12/31/2016
Shared	Root cause analysis and remediation of data inconsistencies	\$327,801			12/31/2016
QHP	EDI Dashboard /Access	\$67,488	\$13,224		12/31/2016
Shared	WEX Health Reconciliation Tool	\$713,449	\$139,793		12/31/2016
Shared	Triage and Correct Root Causes of M&O Automated Scripts	\$125,336			12/31/2016
Medicaid	Block non-verified enrollment Medicaid	\$57,847	\$11,335		
Shared	Notice suppression	\$149,439		\$48,802	12/31/2016
Shared	Benefit Tier Mismatch	\$108,463		\$35,421	12/31/2016
Sub Total		\$3,463,600	\$222,914	\$572,239	
Risk Mitigation Scope					
Finance Category	Deliverable	Price	90 Day Warranty	180 Day Warranty	
Medicaid	Data Refresh of STG and TRAIN from Prod	\$26,500	N/A	N/A	
Medicaid	Data Masking in Refreshed Environments	\$484,500	N/A	N/A	
Medicaid	Regression Suite	\$1,450,000	N/A	N/A	
Sub Total		\$1,961,000	N/A	N/A	
Grand Total of Potential Contract		\$6,219,752	N/A	N/A	

**ATTACHMENT C
CUSTOMARY PROVISIONS FOR CONTRACTS AND GRANTS**

1. 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. “Agreement” shall mean the specific contract or grant to which this form is attached.

2. 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.

3. Governing Law, Jurisdiction and Venue; No Waiver of Jury Trial: This Agreement will be governed by the laws of the State of Vermont. Any action or proceeding brought by either the State or the Party in connection with this Agreement shall be brought and enforced in the Superior Court of the State of Vermont, Civil Division, Washington Unit. The Party irrevocably submits to the jurisdiction of this court for any action or proceeding regarding this Agreement. The Party agrees that it must first exhaust any applicable administrative remedies with respect to any cause of action that it may have against the State with regard to its performance under the Agreement.

Party agrees that the State shall not be required to submit to binding arbitration or waive its right to a jury trial.

4. Sovereign Immunity: The State reserves all immunities, defenses, rights or actions arising out of the State’s sovereign status or under the Eleventh Amendment to the United States Constitution. No waiver of the State’s immunities, defenses, rights or actions shall be implied or otherwise deemed to exist by reason of the State’s entry into this Agreement.

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: The Party will act in an independent capacity and not as officers or employees of the State.

7. Defense and Indemnity: The Party shall defend the State and its officers and employees against all third party claims or suits arising in whole or in part from any act or omission of the Party or of any agent of the Party in connection with the performance of this Agreement. 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 State retains the right to participate at its own expense in the defense of any claim. The State shall have the right to approve all proposed settlements of such claims or suits. In the event the State withholds approval to settle any such claim, then the Party shall proceed with the defense of the claim but under those circumstances, the Party’s indemnification obligations shall be limited to the amount of the proposed settlement initially rejected by the State.

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 in connection with the performance of this Agreement.

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 or an agent of the Party in connection with the performance of this Agreement.

The Party agrees that in no event shall the terms of this Agreement nor any document required by the Party in connection with its performance under this Agreement obligate the State to defend or indemnify the Party or otherwise be liable for the expenses or reimbursement, including attorneys' fees, collection costs or other costs of the Party except to the extent awarded by a court of competent jurisdiction.

8. Insurance: Before commencing work on this Agreement the Party must provide certificates of insurance to show that the following minimum coverages are 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 coverages 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. Vermont will accept an out-of-state employer's workers' compensation coverage while operating in Vermont provided that the insurance carrier is licensed to write insurance in Vermont and an amendatory endorsement is added to the policy adding Vermont for coverage purposes. Otherwise, the party shall secure a Vermont workers' compensation policy, if necessary to comply with Vermont law.

General Liability and Property Damage: With respect to all operations performed under this 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 Each Occurrence

\$2,000,000 General Aggregate

\$1,000,000 Products/Completed Operations Aggregate

\$1,000,000 Personal & Advertising Injury

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 \$500,000 combined single limit. If performance of this Agreement involves construction, or the transport of persons or hazardous materials, limits of coverage shall not be less than \$1,000,000 combined single limit.

Additional Insured. The General Liability and Property Damage coverages required for performance of this Agreement shall include the State of Vermont and its agencies, departments, officers and employees as Additional Insureds. If performance of this Agreement involves construction, or the transport of persons or hazardous materials, then the required Automotive Liability coverage shall include the State of

Vermont and its agencies, departments, officers and employees as Additional Insureds. Coverage shall be primary and non-contributory with any other insurance and self-insurance.

Notice of Cancellation or Change. There shall be no cancellation, change, potential exhaustion of aggregate limits or non-renewal of insurance coverage(s) without thirty (30) days written prior written notice to the State.

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

10. False Claims Act: The Party acknowledges that it is subject to the Vermont False Claims Act as set forth in 32 V.S.A. § 630 *et seq.* If the Party violates the Vermont False Claims Act it shall be liable to the State for civil penalties, treble damages and the costs of the investigation and prosecution of such violation, including attorney's fees, except as the same may be reduced by a court of competent jurisdiction. The Party's liability to the State under the False Claims Act shall not be limited notwithstanding any agreement of the State to otherwise limit Party's liability.

11. Whistleblower Protections: The Party shall not discriminate or retaliate against one of its employees or agents for disclosing information concerning a violation of law, fraud, waste, abuse of authority or acts threatening health or safety, including but not limited to allegations concerning the False Claims Act. Further, the Party shall not require such employees or agents to forego monetary awards as a result of such disclosures, nor should they be required to report misconduct to the Party or its agents prior to reporting to any governmental entity and/or the public.

12. Federal Requirements Pertaining to Grants and Subrecipient Agreements:

A. 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.

For fiscal years ending before December 25, 2015, 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. For fiscal years ending on or after December 25, 2015, a Single Audit is required if the subrecipient expends \$750,000 or more in federal assistance during its fiscal year and must be conducted in accordance with 2 CFR Chapter I, Chapter II, Part 200, Subpart F. The Subrecipient Annual Report is required to be submitted within 45 days, whether or not a Single Audit is required.

B. Internal Controls: In the case that this Agreement is a Grant that is funded in whole or in part by Federal funds, in accordance with 2 CFR Part II, §200.303, the Party must establish and maintain effective internal control over the Federal award to provide reasonable assurance that the Party is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States and the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

C. Mandatory Disclosures: In the case that this Agreement is a Grant funded in whole or in part by Federal funds, in accordance with 2CFR Part II, §200.113, Party must disclose, in a timely manner, in writing to the State, all violations of Federal criminal law involving fraud, bribery, or

gratuity violations potentially affecting the Federal award. Failure to make required disclosures may result in the imposition of sanctions which may include disallowance of costs incurred, withholding of payments, termination of the Agreement, suspension/debarment, etc.

13. Records Available for Audit: The Party shall maintain all records pertaining to performance under this agreement. "Records" means any written or recorded information, regardless of physical form or characteristics, which is produced or acquired by the Party in the performance of this agreement. Records produced or acquired in a machine readable electronic format shall be maintained in that format. The records described shall be made available at reasonable times during the period of the Agreement and for three years thereafter or for any period required by law 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.

14. Fair Employment Practices and Americans with Disabilities Act: Party agrees to comply with the requirement of 21 V.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.

15. 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.

16. 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.

17. Taxation of Purchases: All State purchases must be invoiced tax free. An exemption certificate will be furnished upon request with respect to otherwise taxable items.

18. Child Support: (Only 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.

19. Sub-Agreements: Party shall not assign, subcontract or subgrant the performance of this Agreement or any portion thereof to any other Party without the prior written approval of the State. Party shall be responsible and liable to the State for all acts or omissions of subcontractors and any other person performing work under this Agreement pursuant to an agreement with Party or any subcontractor.

In the case this Agreement is a contract with a total cost in excess of \$250,000, the Party shall provide to the State a list of all proposed subcontractors and subcontractors' subcontractors, together with the identity of those subcontractors' workers compensation insurance providers, and additional required or requested information, as applicable, in accordance with Section 32 of The Vermont Recovery and Reinvestment Act of 2009 (Act No. 54).

Party shall include the following provisions of this Attachment C in all subcontracts for work performed solely for the State of Vermont and subcontracts for work performed in the State of Vermont: Section 10 ("False Claims Act"); Section 11 ("Whistleblower Protections"); Section 14 ("Fair Employment Practices and Americans with Disabilities Act"); Section 16 ("Taxes Due the State"); Section 18 ("Child Support"); Section 20 ("No Gifts or Gratuities"); Section 22 ("Certification

Regarding Debarment"); Section 23 ("Certification Regarding Use of State Funds"); Section 31 ("State Facilities"); and Section 32 ("Location of State Data").

20. No Gifts or Gratuities: Party shall not give title or possession of anything 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.

21. Copies: Party shall use reasonable best efforts to ensure that all written reports prepared under this Agreement are printed using both sides of the paper.

22. 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>

23. 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.

24. Conflict of Interest: Party shall fully disclose, in writing, any conflicts of interest or potential conflicts of interest.

25. Confidentiality: Party acknowledges and agrees that this Agreement and any and all information obtained by the State from the Party in connection with this Agreement are subject to the State of Vermont Access to Public Records Act, 1 V.S.A. § 315 et seq.

26. Force Majeure: Neither the State nor the Party shall be liable to the other for any failure or delay of performance of any obligations under this Agreement to the extent such failure or delay shall have been wholly or principally caused by acts or events beyond its reasonable control rendering performance illegal or impossible (excluding strikes or lock-outs) (“Force Majeure”). Where Force Majeure is asserted, the nonperforming party must prove that it made all reasonable efforts to remove, eliminate or minimize such cause of delay or damages, diligently pursued performance of its obligations under this Agreement, substantially fulfilled all non-excused obligations, and timely notified the other party of the likelihood or actual occurrence of an event described in this paragraph.

27. Marketing: Party shall not refer to the State in any publicity materials, information pamphlets, press releases, research reports, advertising, sales promotions, trade shows, or marketing materials or similar communications to third parties except with the prior written consent of the State.

28. Termination: In addition to any right of the State to terminate for convenience, the State may terminate this Agreement as follows:

- A. Non-Appropriation:** If this Agreement extends into more than one fiscal year of the State (July 1 to June 30), and if appropriations are insufficient to support this Agreement, the State may cancel at the end of the fiscal year, or otherwise upon the expiration of existing appropriation authority. In the case that this Agreement is a Grant that is funded in whole or in part by federal funds, and in the event federal funds become unavailable or reduced, the State may suspend or cancel this Grant immediately, and the State shall have no obligation to pay Subrecipient from State revenues.
- B. Termination for Cause:** Either party may terminate this Agreement if a party materially breaches its obligations under this Agreement, and such breach is not cured within thirty (30) days after delivery of the non-breaching party’s notice or such longer time as the non-breaching party may specify in the notice.
- C. No Implied Waiver of Remedies:** A party’s delay or failure to exercise any right, power or remedy under this Agreement shall not impair any such right, power or remedy, or be construed as a waiver of any such right, power or remedy. All waivers must be in writing.

29. Continuity of Performance: In the event of a dispute between the Party and the State, each party will continue to perform its obligations under this Agreement during the resolution of the dispute until this Agreement is terminated in accordance with its terms.

30. Termination Assistance: Upon nearing the end of the final term or termination of this Agreement, without respect to cause, the Party shall take all reasonable and prudent measures to facilitate any transition required by the State. All State property, tangible and intangible, shall be returned to the State upon demand at no additional cost to the State in a format acceptable to the State.

31. State Facilities: If the State makes space available to the Party in any State facility during the term of this Agreement for purposes of the Party’s performance under this Agreement, the Party shall only use the space in accordance with all policies and procedures governing access to and use of State facilities which shall be made available upon request. State facilities will be made available to Party on an “AS IS, WHERE IS” basis, with no warranties whatsoever.

32. Location of State Data: No State data received, obtained, or generated by the Party in connection with performance under this Agreement shall be processed, transmitted, stored, or transferred by any means outside continental United States, except with the express written permission of the State.

**ATTACHMENT D
OTHER PROVISIONS**

1. OWNERSHIP AND LICENSE IN DELIVERABLES

3.1 Contractor Intellectual Property.

- (a) Contractor shall retain all right, title and interest in and to all Contractor Intellectual Property that Contractor delivers to the State in accordance with Attachment A of this Contract. “Contractor Intellectual Property” means any intellectual property, tangible or intangible, that is owned by Contractor and contained in or necessary for the use of the items that Contractor is required to deliver to the State under this Contract, including Work Product (“Deliverables”).
- (b) Notwithstanding subsection (a) the Contractor agrees to comply with 42 C.F.R. § 495.360. This regulation requires the Contractor to agree that the state owns all ownership rights in software or modification thereof and associated documentation designed, developed or installed with federal financial participation. Moreover, it requires that the Contractor reserve to the state a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, or otherwise use and to authorize others to use for Federal government purposes, the software, modifications, and documentation designed, develop or installed with Federal Financial Participation.

- 3.2 State Intellectual Property; State Intellectual Property; User Name.** The State shall retain all right, title and interest in and to (i) all content and all property, data and information furnished by or on behalf of the State or any agency, commission or board thereof, and to all information that is created under this Contract, including, but not limited to, all data that is generated under this Contract as a result of the use by Contractor, the State or any third party of any technology systems or knowledge bases that are developed for the State and used by Contractor hereunder, and all other rights, tangible or intangible; and (ii) all State trademarks, trade names, logos and other State identifiers, Internet uniform resource locators, State user name or names, Internet addresses and e-mail addresses obtained or developed pursuant to this Contract (collectively, “State Intellectual Property”).

Contractor may not use State Intellectual Property for any purpose other than as specified in this Contract. Upon expiration or termination of this Contract, Contractor shall return or destroy all State Intellectual Property and all copies thereof, and Contractor shall have no further right or license to such State Intellectual Property.

Contractor acquires no rights or licenses, including, without limitation, intellectual property rights or licenses, to use State Intellectual Property for its own purposes. In no event shall the Contractor claim any security interest in State Intellectual Property.

3.3 Work Product

All Work Product shall belong exclusively to the State, with the State having the sole and exclusive right to apply for, obtain, register, hold and renew, in its own name and/or for its own benefit, all patents and copyrights, and all applications and registrations, renewals and continuations thereof and/or any and all other appropriate protection. To the extent exclusive title and/or complete and exclusive ownership rights in and to any Work Product may not originally vest in the State by operation of law or otherwise as contemplated hereunder, Contractor shall immediately upon request, unconditionally and irrevocably assign, transfer and convey to the State all right, title and interest therein.

“Work Product” means any tangible or intangible ideas, inventions, improvements, modifications, discoveries, development, customization, configuration, methodologies or processes, designs, models, drawings, photographs, reports, formulas, algorithms, patterns, devices, compilations, databases, computer programs, work of authorship, specifications, operating instructions, procedures manuals or other documentation (whether patentable or not patentable or registerable under copyright or similar statutes or subject to analogous protection), that is specifically made, conceived, discovered or reduced to practice by Contractor, either solely or jointly with others, and delivered to the State pursuant to this Contract. Work Product does not include Contractor Intellectual Property or third party intellectual property.

To the extent delivered under this Contract, upon full payment to Contractor in accordance with Attachment B, and subject to the terms and conditions contained herein, Contractor hereby (i) assigns to State all rights in and to all Deliverables, except to the extent they include any Contractor Intellectual Property; and (ii) grants to State a perpetual, non-exclusive, irrevocable, royalty-free license to use for State’s internal business purposes, any Contractor Intellectual Property included in the Deliverables in connection with its use of the Deliverables and, subject to the State’s obligations with respect to Confidential Information, authorize others to do the same on the State’s behalf. Except for the foregoing license grant, Contractor or its licensors retain all rights in and to all Contractor Intellectual Property.

The Contractor shall not sell or copyright a Deliverable without explicit permission from the State; provided, however, that the Contractor shall be granted an irrevocable, perpetual, non-exclusive, royalty-free license to any such Work Product to be used solely in connection with the performance of services for other states in the United States in support of such state’s implementation of the Patient Protection and Affordable Care Act of 2010. In the event the Contractor requests a license to use State Work Product for any other commercial purposes, the Contractor shall request from the State the non-exclusive right and license to use and modify State Work Product, on such terms as may be acceptable to the State, including, but not limited to, a reduction to amounts to be paid to the Contractor hereunder or royalty payments for such use. In no event shall any consideration required by the State exceed the Maximum Contract amount.

Any and all derivative works of the State Work Product created by the Contractor and not delivered to the State as part of the Work Product shall be owned by the Contractor and the Contractor may charge for licensing such derivative works to third parties except when licensed to states in the United States in support of such state’s implementation of the Patient Protection and Affordable Care Act of 2010. For the avoidance of doubt, such derivative works shall not be deemed to include State Intellectual Property, provided the Contractor is granted an irrevocable, perpetual, non-exclusive license to any such State Intellectual Property that is incorporated into such derivative works. To the extent required by Contractor, the State shall agree to assign and transfer, and will assign and transfer, to the Contractor all rights, title and interest in and to such derivative works, including without limitation all intellectual property rights related thereto.

If the Contractor is operating a system or application on behalf of the State of Vermont, then the Contractor shall not make information entered into the system or application available for uses by any other party than the State of Vermont, without prior authorization by the State. Nothing herein shall entitle the State to pre-existing Contractor Intellectual Property or Contractor Intellectual Property developed outside of this Contract with no assistance from State.

Periodically, and unless otherwise specified in the Statement of Work, no less frequently than each week during the Statement of Work Term, Contractor shall provide the State with the most current versions of all Work Product and related Documentation.

2. CONFIDENTIALITY AND NON-DISCLOSURE; SECURITY BREACH REPORTING

4.1 Confidentiality of Contractor Information. The Contractor acknowledges and agrees that this Contract and any and all Contractor information obtained by the State in connection with this Contract are subject to the State of Vermont Access to Public Records Act, 1 V.S.A. § 315 et seq. The State will not disclose information for which a reasonable claim of exemption can be made pursuant to 1 V.S.A. § 317(c), including, but not limited to, trade secrets, proprietary information or financial information, including any formulae, plan, pattern, process, tool, mechanism, compound, procedure, production data, or compilation of information which is not patented, which is known only to the Contractor, and which gives the Contractor an opportunity to obtain business advantage over competitors who do not know it or use it.

Contractor may, in its discretion, seek an appropriate protective order, or otherwise defend any right it may have to maintain the confidentiality of such information under applicable State law within three business days of the State's receipt of any such request. Contractor agrees that it will not make any claim against the State if the State makes available to the public any information in accordance with the Access to Public Records Act or in response to a binding order from a court or governmental body or agency compelling its production. Contractor shall indemnify the State for any costs or expenses incurred by the State, including, but not limited to, attorneys' fees awarded in accordance with 1 V.S.A. § 320, in connection with any action brought in connection with Contractor's attempts to prevent or unreasonably delay public disclosure of Contractor's information if a final decision of a court of competent jurisdiction determines that the State improperly withheld such information and that the improper withholding was based on Contractor's attempts to prevent public disclosure of Contractor's information.

The State agrees that (a) it will use the Contractor information only as may be necessary in the course of performing duties, receiving services or exercising rights under this Contract; (b) it will provide at a minimum the same care to avoid disclosure or unauthorized use of Contractor information as it provides to protect its own similar confidential and proprietary information; (c) except as required by the Access to Records Act, it will not disclose such information orally or in writing to any third party unless that third party is subject to a written confidentiality agreement that contains restrictions and safeguards at least as restrictive as those contained in this Contract; (d) it will take all reasonable precautions to protect the Contractor's information; and (e) it will not otherwise appropriate such information to its own use or to the use of any other person or entity.

Contractor may affix an appropriate legend to Contractor information that is provided under this Contract to reflect the Contractor's determination that any such information is a trade secret, proprietary information or financial information at time of delivery or disclosure.

4.2 Confidentiality of State Information. In performance of this Contract, and any exhibit or schedule hereunder, the Party acknowledges that certain State Data (as defined below), to which the Contractor may have access may contain individual federal tax information, personal protected health information and other individually identifiable information protected by State or federal law. In addition to the provisions of this Section, the Party shall execute the HIPAA Business Associate Agreement attached as Attachment E. Before receiving or controlling State Data, the Contractor will have an information security policy

that protects its systems and processes and media that may contain State Data from internal and external security threats and State Data from unauthorized disclosure, and will have provided a copy of such policy to the State. State Data shall not be stored, accessed from, or transferred to any location outside the United States.

Unless otherwise instructed by the State, Contractor agrees to keep confidential all information received and collected by Contractor in connection with this Contract (“State Data”). The Contractor agrees not to publish, reproduce, or otherwise divulge any State Data in whole or in part, in any manner or form or authorize or permit others to do so. Contractor will take reasonable measures as are necessary to restrict access to State Data in the Contractor’s possession to only those employees on its staff who must have the information on a “need to know” basis. The Contractor shall use State Data only for the purposes of and in accordance with this Contract. The Contractor shall provide at a minimum the same care to avoid disclosure or unauthorized use of State Data as it provides to protect its own similar confidential and proprietary information.

The Contractor shall promptly notify the State of any request or demand by any court, governmental agency or other person asserting a demand or request for State Data to which the Contractor or any third party hosting service of the Contractor may have access, so that the State may seek an appropriate protective order.

4.3 Security of State Information. The Contractor represents and warrants that it has implemented and it shall maintain during the term of this Contract the highest industry standard administrative, technical, and physical safeguards and controls consistent with NIST *Special Publication 800-53* (version 4 or higher) and *Federal Information Processing Standards Publication 200* and designed to (i) ensure the security and confidentiality of State Data; (ii) protect against any anticipated security threats or hazards to the security or integrity of the State Data; and (iii) protect against unauthorized access to or use of State Data. Such measures shall include at a minimum: (1) access controls on information systems, including controls to authenticate and permit access to State Data only to authorized individuals and controls to prevent the Contractor employees from providing State Data to unauthorized individuals who may seek to obtain this information (whether through fraudulent means or otherwise); (2) industry-standard firewall protection; (3) encryption of electronic State Data while in transit from the Contractor networks to external networks; (4) measures to store in a secure fashion all State Data which shall include multiple levels of authentication; (5) dual control procedures, segregation of duties, and pre-employment criminal background checks for employees with responsibilities for or access to State Data; (6) measures to ensure that the State Data shall not be altered or corrupted without the prior written consent of the State; (7) measures to protect against destruction, loss or damage of State Data due to potential environmental hazards, such as fire and water damage; (8) staff training to implement the information security measures; and (9) monitoring of the security of any portions of the Contractor systems that are used in the provision of the services against intrusion on a twenty-four (24) hour a day basis.

4.4 Back-Up Policies: The Contractor’s back-up policies have been made available to the State upon execution of this Contract under separate cover. The Contractor shall provide the State with not less than thirty (30) days advance written notice of any material amendment or modification of such policies.

4.5 Security Breaches; Security Breach Reporting. To the extent the Contractor or its subcontractors, affiliates or agents handles, collects, stores, disseminates or otherwise deals with State Data, the Contractor acknowledges that in the performance of its obligations under this Contract, it will be a “data collector” pursuant to Chapter 62 of Title 9 of the

Vermont Statutes (9 V.S.A. §2430(3)). The Contractor shall have policies and procedures in place for the effective management of Security Breaches, as defined below.

In addition to the requirements set forth in any applicable Business Associate Agreement as may be attached to this Contract, in the event of any actual security breach or reasonable belief of an actual security breach the Contractor either suffers or learns of that either compromises or could compromise State Data (including, as applicable, PII, PHI or ePHI) in any format or media, whether encrypted or unencrypted (for example, but not limited to: physical trespass on a secure facility; intrusion or hacking or other brute force attack on any State environment; loss or theft of a PC, laptop, desktop, tablet, smartphone, removable data storage device or other portable device; loss or theft of printed materials; or failure of security policies) (collectively, a “Security Breach”), the Contractor shall immediately determine the nature and extent of the Security Breach, contain the incident by stopping the unauthorized practice, recover records, shut down the system that was breached, revoke access and/or correct weaknesses in physical security. Contractor shall analyze and document the incident and provide the required notices, as set forth below.

In accordance with Section 9 V.S.A. §2435(b)(3), the Contractor shall notify the Office of the Attorney General, or in the case of a Security Breach by a data collector regulated by the Vermont Department of Financial Regulation (“DFR”), DFR, within fourteen (14) business days of the Contractor’s discovery of the Security Breach. The notice shall provide a preliminary description of the breach. The foregoing notice requirement shall be included in the subcontracts of any of Contractor’s subcontractors, affiliates or agents which may be “data collectors” hereunder. Except to the extent delayed upon request of law enforcement in accordance with 9 V.S.A. §2435(b)(4), within thirty days of the Security Breach or when the Contractor provides notice to consumers pursuant to this Contract, whichever is sooner, the Contractor shall report to the State: (i) the nature of the Security Breach; (ii) the State Data used or disclosed; (iii) who made the unauthorized use or received the unauthorized disclosure; (iv) what the Contractor has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure; and (v) what corrective action the Contractor has taken or shall take to prevent future similar unauthorized use or disclosure. The Contractor shall provide such other information, including a written report, as reasonably requested by the State.

The Contractor agrees to comply with all applicable laws, as such laws may be amended from time to time (including, but not limited to, Chapter 62 of Title 9 of the Vermont Statutes and all applicable State and federal laws, rules or regulations) that require notification in the event of unauthorized release of personally-identifiable information or other event requiring notification. Further, the Contractor agrees to fully cooperate with the State, assume responsibility for such notice if the State determines it to be appropriate under the circumstances of any particular Security Breach, and assume all costs associated with a Security Breach, including but not limited to, notice, outside investigation and services (including mailing, call center, forensics, counsel and/or crisis management), and/or credit monitoring, in the sole determination of the State.

In addition to any other indemnification obligations in this Contract, the Contractor shall fully indemnify and save harmless the State from any costs, loss or damage to the State resulting from a Security Breach or the unauthorized disclosure of State Data by the Contractor, its officers, agents, employees, and subcontractors.

5 SUBCONTRACTORS

Contractor shall be responsible for directing and supervising each of its subcontractors and any other person performing any of the Work under an agreement with Contractor. Contractor has provided to the State a list of all subcontractors and subcontractors' subcontractors, together with the identity of those subcontractors' workers compensation insurance providers. Contractor shall be responsible and liable to the State for all acts or omissions of subcontractors and any other person performing any of the Services under an agreement with Contractor or any subcontractor.

6 CONTRACTOR'S REPRESENTATIONS AND WARRANTIES

6.1 General Representations and Warranties. The Contractor represents, warrants and covenants that:

- (i) The Contractor has all requisite power and authority to execute, deliver and perform its obligations under this Contract and the execution, delivery and performance of this Contract by the Contractor has been duly authorized by the Contractor.
- (ii) There is no pending litigation, arbitrated matter or other dispute to which the Contractor is a party which, if decided unfavorably to the Contractor, would reasonably be expected to have a material adverse effect on the Contractor's ability to fulfill its obligations under this Contract.
- (iii) The Contractor will comply with all laws applicable to its performance of the services and otherwise to the Contractor in connection with its obligations under this Contract.
- (iv) The Contractor (a) owns, or has the right to use under valid and enforceable agreements, all intellectual property rights reasonably necessary for and related to delivery of the services and provision of the Deliverables as set forth in this Contract; (b) shall be responsible for and have full authority to license all proprietary and/or third party software modules, including algorithms and protocols, that Contractor incorporates into its product; and (c) none of the Deliverables or other materials or technology provided by the Contractor to the State will infringe upon or misappropriate the intellectual property rights of any third party.
- (v) The Contractor has adequate resources to fulfill its obligations under this Contract.
- (vi) Neither Contractor nor Contractor's subcontractors has past state or federal violations, convictions or suspensions relating to miscoding of employees in NCCI job codes for purposes of differentiating between independent contractors and employees.

6.2 Contractor's Performance Warranties. Contractor represents and warrants to the State that:

- (i) All Deliverables will be free from material errors and shall perform in accordance with the specifications therefor.
- (ii) Each and all of the services shall be performed in a timely, diligent, professional and work person like manner, in accordance with the highest professional or technical standards applicable to such services, by qualified persons with the technical skills, training and experience to perform such services in the planned environment. At its own expense and without limiting any other rights or remedies of the State hereunder, the Contractor shall re-perform any services that the State has determined to be unsatisfactory in its reasonable discretion; the State shall have no obligation to pay for services it has determined to be unsatisfactory.
- (iii) All Deliverables supplied by the Contractor to the State shall be transferred free and clear of any and all restrictions on the conditions of transfer, modification, licensing, sublicensing and free and clear of any and all lines, claims, mortgages, security interests, liabilities and encumbrances or any kind.

- (iv) Any time software is delivered to the State, whether delivered via electronic media or the internet, no portion of such software or the media upon which it is stored or delivered will have any type of software routine or other element which is designed to facilitate unauthorized access to or intrusion upon; or unrequested disabling or erasure of; or unauthorized interference with the operation of any hardware, software, data or peripheral equipment of or utilized by the State. Notwithstanding the foregoing, Contractor assumes no responsibility for the State's negligence or failure to protect data from viruses, or any unintended modification, destruction or disclosure.

6.3 Limitation on Disclaimer. The express warranties set forth in this Contract shall be in lieu of all other warranties, express or implied.

6.4 Effect of Breach of Warranty. If, at any time during the term of this Contract, software or the results of Contractor's work fail to perform according to any warranty of Contractor/ under this Contract, the State shall promptly notify Contractor in writing of such alleged nonconformance, and Contractor shall provide at no additional cost of any kind to the State, the maintenance required.

8 PROFESSIONAL LIABILITY AND CYBER LIABILITY INSURANCE COVERAGE

In addition to the insurance required in Attachment C to this Contract, before commencing work on this Contract and throughout the term of this Contract, Contractor agrees to procure and maintain (a) Technology Professional Liability insurance for any and all services performed under this Contract, with minimum third party coverage of \$3,000,000 per claim, \$3,000,000 aggregate; and (b) first party Breach Notification Coverage of not less than \$2,000,000.

Before commencing work on this Contract the Contractor must provide certificates of insurance to show that the foregoing minimum coverages are in effect.

With respect to the first party Breach Notification Coverage, Contractor shall name the State of Vermont and its officers and employees as additional insureds for liability arising out of this Agreement.

9 LIMITATION OF LIABILITY.

IN NO EVENT WILL THE CONTRACTOR'S LIABILITY FOR ANY DAMAGES TO THE STATE EVER EXCEED \$7,000,000.00 (SEVEN MILLION DOLLARS). LIMITS OF LIABILITY FOR STATE CLAIMS WHICH MAY BE AGREED BY THE STATE SHALL NOT APPLY TO STATE CLAIMS ARISING OUT OF: (A) CONTRACTOR'S OBLIGATION TO INDEMNIFY THE STATE; (B) CONTRACTOR'S CONFIDENTIALITY OBLIGATIONS TO THE STATE; (C) PERSONAL INJURY OR DAMAGE TO REAL OR PERSONAL PROPERTY; (D) CONTRACTOR'S GROSS NEGLIGENCE, FRAUD OR INTENTIONAL MISCONDUCT; OR (E) VIOLATIONS OF THE STATE OF VERMONT FRAUDULENT CLAIMS ACT. IN NO EVENT SHALL CONTRACTOR'S LIABILITY BE LIMITED FOR THIRD PARTY CLAIMS AGAINST THE CONTRACTOR WHICH MAY ARISE OUT OF CONTRACTOR'S ACTS OR OMISSIONS IN THE PERFORMANCE OF THIS CONTRACT.

NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT, INCIDENTAL OR SPECIAL DAMAGES, DAMAGES WHICH ARE UNFORESEEABLE TO THE PARTIES AT THE TIME OF CONTRACTING, DAMAGES WHICH ARE NOT PROXIMATELY CAUSED BY A PARTY, SUCH AS LOSS OF ANTICIPATED BUSINESS,

OR LOST PROFITS, INCOME, GOODWILL, OR REVENUE IN CONNECTION WITH OR ARISING OUT OF THE SUBJECT MATTER OF THIS CONTRACT.

The provisions of this Section shall apply notwithstanding any other provisions of this Contract or any other agreement, and shall survive the expiration or termination of this Contract.

11.9 Limits on Actions Prohibited. The Contractor acknowledges and agrees that 12 V.S.A. § 465 renders null and void any contractual provision which limits the time in which an action may be brought under the contract, or waives the statute of limitations.

9. REMEDIES FOR DEFAULT

In the event either party is in default under this Contract, the non-defaulting party may, at its option, pursue any or all of the remedies available to it under this Contract, including termination for cause, and at law or in equity.

10. TERMINATION

13.1 Termination Assistance. Upon nearing the end of the final term of this Contract, and without respect to either the cause or time of such termination, the Contractor shall take all reasonable and prudent measures to facilitate the transition to a successor provider, to the extent required by the State. The primary activities in this turnover are focused on transition planning to ensure operational readiness for the State and/or successor provider. This includes both a knowledge transfer period, and the turnover of the solution and supporting services to the State and/or successor provider. The State shall sign-off on each defined transition milestone to ensure that all transition Deliverables (set forth below), and exit criteria are fully executed based on agreed upon Contract terms. Upon the sooner of a date specified in a notice of termination from either party, or within 90 days of Contract expiration, the Contractor shall:

Deliverable 1 - Develop a System Turnover Plan at no additional cost to the State. The Solution Turnover Plan shall include, at minimum:

- Proposed approach to Turnover.
- Tasks and subtasks for Turnover.
- Schedule for Turnover.
- Entrance and exit criteria.
- Readiness walkthrough process.
- Documentation update procedures during Turnover.
- Description of Contractor coordination activities that will occur during the Turnover Phase that will be implemented to ensure continued functionality of the Solution and services as deemed appropriate by the State.

Deliverable 2 - Develop a Solution Requirements Statement at no additional cost that would be required by the State and/or successor provider to fully take over the Solution, technical, and business functions outlined in the Contract. The Statement shall also include an estimate of the number, type, and salary of personnel required to perform the other functions of the project work, implemented solution, and all supporting services. The Statement shall be separated by type of activity of the personnel. The Statement shall include all facilities and any other resources required to operate the Solution, including, but not limited to:

- Telecommunications networks.
- Office space.
- Hardware.
- Software.
- Other technology.

The Statement shall be based on the Contractor's experience in the operation of the Solution and shall include actual Contractor resources devoted to operations activities.

Deliverable 3 - Develop and submit a Transition Plan including, at minimum:

- Proposed approach to transition.
- Proposed approach for conducting a knowledge transfer from the Contractor to the State or successor provider.
- Proposed approach for consolidating applicable sections from the Contractor's Turnover Plan into the transition planning activity.
- Tasks and activities for transition.
- Personnel and level of effort in hours.
- Completion date.
- Transition Milestones.
- Entrance and exit criteria.
- Schedule for transition.
- Production program and documentation update procedures during transition.
- Readiness walkthrough.
- Parallel test procedures.
- Provider training.
- Interface testing.

The Contractor shall execute the Transition Plan and activities at no additional cost. The Contractor agrees, after receipt of a notice of termination, and except as otherwise directed by the State, the Contractor shall:

1. Stop work under the Contract on the date, and to the extent, specified in the notice;
2. Immediately deliver to the State all State Data and historical project records in a form acceptable to the State, and copies of all subcontracts and all third party contracts executed in connection with the performance of the Services;
3. Place no further orders or subcontracts for Services, except as may be necessary for completion of such portion of the work under the Contract that is not terminated as specified in writing by the State;
4. Assign, to the extent applicable or as the State may require, all subcontracts and all third party contracts executed in connection with the performance of the Services to the State or a successor provider, as the State may require;
5. Perform, as the State may require, such knowledge transfer and other services as are required to allow the Services to continue without interruption or adverse effect and to facilitate orderly migration and transfer of the services to the successor provider;
6. Complete performance of such part of the work as shall not have been terminated; and
7. Take such action as may be necessary, or as the State may direct, for the protection and preservation of the property related to this Contract which is in the

possession of the Contractor and in which the State has or may acquire an interest and to transfer that property to the State or a successor provider.

Contractor acknowledges that, if it were to breach, or threaten to breach, its obligation to provide the State with the foregoing assistance, the State would be immediately and irreparably harmed and monetary compensation would not be measurable or adequate. In such circumstances, the State shall be entitled to obtain such injunctive, declaratory or other equitable relief as the State deems necessary to prevent such breach or threatened breach, without the requirement of posting any bond and Contractor waives any right it may have to allege or plead or prove that the State is not entitled to injunctive, declaratory or other equitable relief. If the court should find that Contractor has breached (or attempted or threatened to breach) any such obligations, Contractor agrees that without any additional findings of irreparable injury or other conditions to injunctive or any equitable relief, Contractor will not oppose the entry of an order compelling its performance and restraining Contractor from any further breaches (or attempted or threatened breaches).

13.2 Contractor Bankruptcy. Contractor acknowledges that if Contractor, as a debtor in possession, or a trustee in bankruptcy in a case under Section 365(n) of Title 11, United States Code (the "Bankruptcy Code"), rejects this Contract, the State may elect to retain its rights under this Contract as provided in Section 365(n) of the Bankruptcy Code. Upon written request of the State to Contractor or the Bankruptcy Trustee, Contractor or such Bankruptcy Trustee shall not interfere with the rights of the State as provided in this Contract, including the right to obtain the State Intellectual Property.

11. ACCESS TO STATE DATA; RETURN OF PROPERTY

14.1 Access to State Data. Within ten (10) business days of a request by State, the Contractor will make available to State a complete and secure (i.e. encrypted and appropriately authenticated) download file of State Intellectual Property and State Data in a format acceptable to State including all schema and transformation definitions and/or delimited text files with documented, detailed schema definitions along with attachments in their native format. *Provided, however,* in the event the Contractor ceases conducting business in the normal course, becomes insolvent, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or assets or avails itself of or becomes subject to any proceeding under the Federal Bankruptcy Act or any statute of any state relating to insolvency or the protection of rights of creditors, the Contractor shall immediately return all State Intellectual Property and State Data to State control; including, but not limited to, making all necessary access to applicable remote systems available to the State for purposes of downloading all State Data.

14.2 Return of Property. Upon termination of this Contract for any reason whatsoever, Contractor shall immediately deliver to State all State Intellectual Property and State Data (including without limitation any Deliverables for which State has made payment in whole or in part), that are in the possession or under the control of Contractor in whatever stage of development and form of recordation such State property is expressed or embodied at that time.

The Contractor's policies regarding the retrieval of data upon the termination of services have been made available to the State upon execution of this Contract under separate cover. The Contractor shall provide the State with not less than thirty (30) days advance written notice of any material amendment or modification of such policies.

12. STATE FACILITIES

During the term of this Contract, the State may make available to Contractor space in any State facility applicable to the Services, subject to the conditions that Contractor: (i) shall only use such space solely and exclusively for and in support of the Services; (ii) shall not use State facilities to provide goods or services to or for the benefit of any third party; (iii) shall comply with the leases, security, use and rules and agreements applicable to the State facilities; (iv) shall not use State facilities for any unlawful purpose; (v) shall comply with all policies and procedures governing access to and use of State facilities that are provided to Contractor in writing; (vi) instruct Contractor personnel not to photograph or record, duplicate, disclose, transmit or communicate any State information, materials, data or other items, tangible or intangible, obtained or available as a result of permitted use of State facilities; and (vii) return such space to the State in the same condition it was in at the commencement of this Contract, ordinary wear and tear excepted. State facilities will be made available to Contractor on an "AS IS, WHERE IS" basis, with no warranties whatsoever.

13. AUDIT

16.1 Audit Rights. Contractor will maintain and cause its permitted contractors to maintain a complete audit trail of all transactions and activities, financial and non-financial, in connection with this Contract. Contractor will provide to the State, its internal or external auditors, clients, inspectors, regulators and other designated representatives, at reasonable times (and in the case of State or federal regulators, at any time required by such regulators) access to Contractor personnel and to any and all Contractor facilities or where the required information, data and records are maintained, for the purpose of performing audits and inspections (including unannounced and random audits) of Contractor and/or Contractor personnel and/or any or all of the records, data and information applicable to this Contract. At a minimum, such audits, inspections and access shall be conducted to the extent permitted or required by any laws applicable to the State or Contractor (or such higher or more rigorous standards, if any, as State or Contractor applies to its own similar businesses, operations or activities), to (i) verify the accuracy of charges and invoices; (ii) verify the integrity of State Data and examine the systems that process, store, maintain, support and transmit that data; (iii) examine and verify Contractor's and/or its permitted contractors' operations and security procedures and controls; (iv) examine and verify Contractor's and/or its permitted contractors' disaster recovery planning and testing, business resumption and continuity planning and testing, contingency arrangements and insurance coverage; and (v) examine Contractor's and/or its permitted contractors' performance of the Services including audits of: (1) practices and procedures; (2) systems, communications and information technology; (3) general controls and physical and data/information security practices and procedures; (4) quality initiatives and quality assurance, (5) contingency and continuity planning, disaster recovery and back-up procedures for processes, resources and data; (6) Contractor's and/or its permitted contractors' efficiency and costs in performing Services; (7) compliance with the terms of this Contract and applicable laws, and (9) any other matters reasonably requested by the State. Contractor shall provide and cause its permitted contractors to provide full cooperation to such auditors, inspectors, regulators and representatives in connection with audit functions and with regard to examinations by regulatory authorities, including the installation and operation of audit software.

16.2 Operations Security. The Contractor shall cause an SSAE 16 SOC 2 Type 2 audit report to be conducted annually. The audit results and the Contractor's plan for addressing or resolution of the audit results shall be shared with the State within sixty (60) days of the Contractor's receipt of the audit results. Further, on an annual basis, within 90 days of the

end of the Contractor's fiscal year, the Contractor shall transmit its annual audited financial statements to the State.

17 CONFLICTS OF INTEREST

Contractor agrees that during the term of this Contract, its performance shall be solely in the best interest of the State. Contractor will not perform services for any person or entity which has also contracted with the State of Vermont in connection with the same project, without express written consent of the State. Contractor shall fully disclose, in writing, any such conflicts of interest, including the nature and extent of the work to be performed for any other person or entity so that the State may be fully informed prior to giving any consent. Contractor agrees that the failure to disclose any such conflicts shall be deemed an event of default under this Contract, and this Contract shall be terminable immediately.

18. TREATMENT OF IRS INFORMATION.

In addition to any other security standard or requirements set forth in this Contract, the Contractor agrees as follows:

a) Performance

In performance of this contract, the contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:

All work will be done under the supervision of the contractor or the contractor's employees.

Any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material will be treated as confidential and will not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract.

Disclosure to anyone other than an officer or employee of the contractor will be prohibited.

All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output will be given the same level of protection as required for the source material.

The contractor certifies that the data processed during the performance of this contract will be completely purged from all data storage components of his or her computer facility, and no output will be retained by the contractor at the time the work is completed. If immediate purging of all data storage components is not possible, the contractor certifies that any IRS data remaining in any storage component will be safeguarded to prevent unauthorized disclosures.

Any spoilage or any intermediate hard copy printout that may result during the processing of IRS data will be given to the agency or his or her designee. When this is not possible, the contractor will be responsible for the destruction of the spoilage or any intermediate hard copy printouts, and will provide the agency or his or her designee with a statement containing the date of destruction, description of material destroyed, and the method used.

All computer systems processing, storing, or transmitting Federal tax information must meet the requirements defined in IRS Publication 1075. To meet functional and assurance requirements, the security features of the environment must provide for the managerial, operational, and technical controls. All security features must be available and activated to protect against unauthorized use of and access to Federal tax information.

No work involving Federal tax information furnished under this contract will be subcontracted without prior written approval of the IRS.

The contractor will maintain a list of employees authorized access. Such list will be provided to the agency and, upon request, to the IRS reviewing office.

The agency will have the right to void the contract if the contractor fails to provide the safeguards described above.

b) Criminal/Civil Sanctions:

Each officer or employee of any person to whom returns or return information is or may be disclosed will be notified in writing by such person that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as 5 years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized further disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRC sections 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1.

Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the contract. Inspection by or disclosure to anyone without an official need to know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000 or imprisonment for as long as 1 year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee [United States for Federal employees] in an amount equal to the sum of the greater of \$1,000 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. These penalties are prescribed by IRC section 7213A and 7431.

Additionally, it is incumbent upon the contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m) (1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

c) Inspection:

The IRS and the Agency shall have the right to send its officers and employees into the offices and plants of the contractor for inspection of the facilities and operations provided for the performance of any work under this contract. On the basis of such inspection, specific measures may be required in cases where the contractor is found to be noncompliant with contract safeguards.

**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 Speridian Technologies, LLC (“Business Associate”) as of July 18, 2016 (“Effective Date”). This Agreement supplements and is made a part of the contract/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 (HITECH), and any associated federal rules and regulations.

The parties agree as follows:

1. Definitions. All capitalized terms used but not otherwise defined in this Agreement have the meanings set forth in 45 CFR Parts 160 and 164 as amended by HITECH and associated federal rules and regulations.

“Agent” means those person(s) who are agents(s) of the Business Associate, in accordance with the Federal common law of agency, as referenced in 45 CFR § 160.402(c).

“Breach” means the acquisition, access, use or disclosure of protected health information (PHI) which compromises the security or privacy of the PHI, except as excluded in the definition of Breach in 45 CFR § 164.402.

“Business Associate shall have the meaning given in 45 CFR § 160.103.

“Individual” includes a person who qualifies as a personal representative in accordance with 45 CFR § 164.502(g).

“Protected Health Information” or PHI shall have the meaning given in 45 CFR § 160.103, limited to the information created or received by Business Associate from or on behalf of Agency.

“Security Incident” means any known successful or unsuccessful attempt by an authorized or unauthorized individual to inappropriately use, disclose, modify, access, or destroy any information or interference with system operations in an information system.

“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.

“Subcontractor” means a person or organization to whom a Business Associate delegates a function, activity or service, other than in the capacity of a member of the workforce of the Business Associate. For purposes of this Agreement, the term Subcontractor includes Subgrantees.

2. Identification and Disclosure of Privacy and Security Offices. Business Associate and Subcontractors shall provide, within ten (10) days of the execution of this agreement, written notice to the

Covered Entity's contract/grant manager the names and contact information of both the HIPAA Privacy Officer and HIPAA Security Officer. This information must be updated any time either of these contacts changes.

3. Permitted and Required Uses/Disclosures of PHI.

3.1 Except as limited in this Agreement, Business Associate may use or disclose PHI to perform Services, as specified in the underlying grant or contract with Covered Entity. The uses and disclosures of Business Associate are limited to the minimum necessary, to complete the tasks or to provide the services associated with the terms of the underlying agreement. 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.

3.2 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 and Subcontractors in accordance with Sections 9 and 17 or, (b) as otherwise permitted by Section 3.

3.3 Business Associate shall be directly liable under HIPAA for impermissible uses and disclosures of the PHI it handles on behalf of Covered Entity, and for impermissible uses and disclosures, by Business Associate's Subcontractor(s), of the PHI that Business Associate handles on behalf of Covered Entity and that it passes on to Subcontractors.

4. 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 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 the Agreement requires the person or entity to notify Business Associate, within two (2) business days (who in turn will notify Covered Entity within two (2) business days after receiving notice of a Breach as specified in Section 6.1), in writing of any Breach of Unsecured PHI of which it is aware. Uses and disclosures of PHI for the purposes identified in Section 3 must be of the minimum amount of PHI necessary to accomplish such purposes.

5. Safeguards. Business Associate, its Agent(s) and Subcontractor(s) 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 or its Subcontractor(s) 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 or its Agent(s) and Subcontractor(s) shall identify in writing upon request from Covered Entity all of the safeguards that it uses to prevent impermissible uses or disclosures of PHI.

6. Documenting and Reporting Breaches.

6.1 Business Associate shall report to Covered Entity any Breach of Unsecured PHI, including Breaches reported to it by a Subcontractor, as soon as it (or any of its employees or agents) becomes aware of any such Breach, and in no case later than two (2) 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.

6.2 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. Business Associate shall require its Subcontractor(s) to agree to these same terms and conditions.

6.3 When Business Associate determines that an impermissible acquisition, use or disclosure of PHI by a member of its workforce is not a Breach, as that term is defined in 45 CFR § 164.402, and therefore does not necessitate notice to the impacted individual(s), it shall document its assessment of risk, conducted as set forth in 45 CFR § 402(2). When requested by Covered Entity, Business Associate shall make its risk assessments available to Covered Entity. It shall also provide Covered Entity with 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 probability that the PHI had been compromised. When a breach is the responsibility of a member of its Subcontractor's workforce, Business Associate shall either 1) conduct its own risk assessment and draft a summary of the event and assessment or 2) require its Subcontractor to conduct the assessment and draft a summary of the event. In either case, Business Associate shall make these assessments and reports available to Covered Entity.

6.4 Business Associate shall require, by contract, a Subcontractor to report to Business Associate and Covered Entity any Breach of which the Subcontractor becomes aware, no later than two (2) business days after becomes aware of the Breach.

7. **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. Business Associate shall require a Subcontractor to agree to these same terms and conditions. _

8. **Providing Notice of Breaches.**

8.1 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 individual(s) 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.

8.2 If Covered Entity or Business Associate determines that an impermissible acquisition, access, use or disclosure of PHI by a Subcontractor of Business Associate constitutes a Breach as defined in 45 CFR § 164.402, and if requested by Covered Entity or Business Associate, Subcontractor shall provide notice to the individual(s) whose PHI has been the subject of the Breach. When Covered Entity requests that Business Associate or its Subcontractor provide notice, Business Associate shall either 1) consult with Covered Entity about the specifics of the notice as set forth in section 8.1, above, or 2) require, by contract, its Subcontractor to consult with Covered Entity about the specifics of the notice as set forth in section 8.1

8.3 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.

8.4 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).

8.5 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.

9. Agreements with Subcontractors. Business Associate shall enter into a Business Associate Agreement with any Subcontractor to whom it provides PHI received from Covered Entity or created or received by Business Associate on behalf of Covered Entity in which the Subcontractor agrees to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such PHI. Business Associate must enter into this Business Associate Agreement before any use by or disclosure of PHI to 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 Business Associate Agreement it enters into with a subcontractor to Covered Entity upon request. Business associate may not make any disclosure of PHI to any Subcontractor without prior written consent of Covered Entity.

10. 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.

11. 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.

12. 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.

13. 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.

14. Termination.

14.1 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 18.8.

14.2 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 contract or 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 contract or 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 contract or grant, nor does it lessen Business Associate's responsibility for such breach or its duty to cure such breach.

15. Return/Destruction of PHI.

15.1 Business Associate in connection with the expiration or termination of the contract or grant 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 contract or grant 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.

15.2 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. This shall also apply to all Agents and Subcontractors of Business Associate.

16. 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.

17. 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.

17.1 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.

17.2 Business Associate shall ensure that any Agent and 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 or Subcontractor. 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 or Subcontractor without the prior written consent of Covered Entity.

17.3 Business Associate shall report in writing to Covered Entity any Security Incident pertaining to such Electronic PHI (whether involving Business Associate or an Agent or 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 two (2) 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.

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

18. Miscellaneous.

18.1 In the event of any conflict or inconsistency between the terms of this Agreement and the terms of the contract/grant, the terms of this Agreement shall govern with respect to its subject matter. Otherwise, the terms of the contract/grant continue in effect.

18.2 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.

18.3 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.

18.4 In addition to applicable Vermont law, the parties shall rely on applicable federal law (e.g., HIPAA, the Privacy Rule and Security Rule, and the HIPAA omnibus final rule) in construing the meaning and effect of this Agreement.

18.5 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.

18.6 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.

18.7 Business Associate is prohibited from directly or indirectly receiving any remuneration in exchange for an individual's PHI. Business Associate will refrain from marketing activities that would violate HIPAA, including specifically Section 13406 of the HITECH Act. Reports or data containing the PHI may not be sold without Agency's or the affected individual's written consent.

18.8 The provisions of this Agreement that by their terms encompass continuing rights or responsibilities shall survive the expiration or termination of this Agreement. For example: (a) the provisions of this Agreement shall continue to apply if Covered Entity determines that it would be infeasible for Business Associate to return or destroy PHI as provided in Section 14.2 and (b) the obligation of Business Associate to provide an accounting of disclosures as set forth in Section 11 survives the expiration or termination of this Agreement with respect to accounting requests, if any, made after such expiration or termination.

ATTACHMENT F
AGENCY OF HUMAN SERVICES' CUSTOMARY CONTRACT PROVISIONS

1. **Agency of Human Services – Field Services Directors** will share oversight with the department (or field office) that is a party to the contract for provider performance using outcomes, processes, terms and conditions agreed to under this contract.
2. **2-1-1 Data Base**: The Contractor providing a health or human services within Vermont, or near the border that is readily accessible to residents of Vermont, will provide relevant descriptive information regarding its agency, programs and/or contact and will adhere to the "Inclusion/Exclusion" policy of Vermont's United Way/Vermont 211. If included, the Contractor will provide accurate and up to date information to their data base as needed. The "Inclusion/Exclusion" policy can be found at www.vermont211.org

3. **Medicaid Program Contractors**:

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

Evaluate through inspection or other means the quality, appropriateness, and timeliness of services performed; and inspect and audit any financial records of such Contractor or subcontractor.

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

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

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

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

4. **Non-discrimination Based on National Origin as evidenced by Limited English Proficiency**. The Contractor agrees to comply with the non-discrimination requirements of Title VI of the Civil Rights Act of 1964, 42 USC Section 2000d, et seq., and with the federal guidelines promulgated pursuant to

Executive Order 13166 of 2000, which require that contractors and subcontractors receiving federal funds must assure that persons with limited English proficiency can meaningfully access services. To the extent the Contractor provides assistance to individuals with limited English proficiency through the use of oral or written translation or interpretive services in compliance with this requirement, such individuals cannot be required to pay for such services.

5. **Voter Registration.** When designated by the Secretary of State, the Contractor agrees to become a voter registration agency as defined by 17 V.S.A. §2103 (41), and to comply with the requirements of state and federal law pertaining to such agencies.
6. **Drug Free Workplace Act.** The Contractor will assure a drug-free workplace in accordance with 45 CFR Part 76.
7. **Privacy and Security Standards.**

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

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

Other Confidential Consumer Information: The Contractor agrees to comply with the requirements of AHS Rule No. 08-048 concerning access to information. The Contractor agrees to comply with any applicable Vermont State Statute, including but not limited to 12 VSA §1612 and any applicable Board of Health confidentiality regulations. The Contractor shall ensure that all of its employees and subcontractors performing services under this agreement understand the sensitive nature of the information that they may have access to and sign an affirmation of understanding regarding the information's confidential and non-public nature.

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

8. **Abuse Registry.** The Contractor agrees not to employ any individual, use any volunteer, or otherwise provide reimbursement to any individual in the performance of services connected with this agreement, who provides care, custody, treatment, transportation, or supervision to children or vulnerable adults if there is a substantiation of abuse or neglect or exploitation against that individual. The Contractor will check the Adult Abuse Registry in the Department of Disabilities, Aging and Independent Living. Unless the Contractor holds a valid child care license or registration from the Division of Child Development, Department for Children and Families, the Contractor shall also check the Central Child Protection Registry. (See 33 V.S.A. §4919(a) (3) & 33 V.S.A. §6911(c) (3)).
9. **Reporting of Abuse, Neglect, or Exploitation.** Consistent with provisions of 33 V.S.A. §4913(a) and §6903, any agent or employee of a Contractor who, in the performance of services connected with this agreement, has contact with clients or is a caregiver and who has reasonable cause to believe that a child or vulnerable adult has been abused or neglected as defined in Chapter 49 or abused, neglected, or exploited as defined in Chapter 69 of Title 33 V.S.A. shall make a report involving children to the Commissioner of the Department for Children and Families within 24 hours or a report involving vulnerable adults to the Division of Licensing and Protection at the Department of Disabilities, Aging, and Independent Living within 48 hours. This requirement applies except in

those instances where particular roles and functions are exempt from reporting under state and federal law. Reports involving children shall contain the information required by 33 V.S.A. §4914. Reports involving vulnerable adults shall contain the information required by 33 V.S.A. §6904. The Contractor will ensure that its agents or employees receive training on the reporting of abuse or neglect to children and abuse, neglect or exploitation of vulnerable adults.

- 10. Intellectual Property/Work Product Ownership.** All data, technical information, materials first gathered, originated, developed, prepared, or obtained as a condition of this agreement and used in the performance of this agreement - including, but not limited to all reports, surveys, plans, charts, literature, brochures, mailings, recordings (video or audio), pictures, drawings, analyses, graphic representations, software computer programs and accompanying documentation and printouts, notes and memoranda, written procedures and documents, which are prepared for or obtained specifically for this agreement - or are a result of the services required under this grant - shall be considered "work for hire" and remain the property of the State of Vermont, regardless of the state of completion - unless otherwise specified in this agreement. Such items shall be delivered to the State of Vermont upon 30 days' notice by the State. With respect to software computer programs and / or source codes first developed for the State, all the work shall be considered "work for hire," i.e., the State, not the Contractor or subcontractor, shall have full and complete ownership of all software computer programs, documentation and/or source codes developed.

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

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

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

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

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

1. Contractor's provision of certified computing equipment, peripherals and mobile devices, on a separate Contractor's network with separate internet access. The Agency of Human Services' accounts may or may not be provided.
2. State supplied and managed equipment and accounts to access state applications and data, including State issued active directory accounts and application specific accounts, which follow

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

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

13. Lobbying. No federal funds under this agreement may be used to influence or attempt to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, continuation, renewal, amendments other than federal appropriated funds.

14. Non-discrimination. The Contractor will prohibit discrimination on the basis of age under the Age Discrimination Act of 1975, on the basis of handicap under section 504 of the Rehabilitation Act of 1973, on the basis of sex under Title IX of the Education Amendments of 1972, or on the basis of race, color or national origin under Title VI of the Civil Rights Act of 1964. No person shall on the grounds of sex (including, in the case of a woman, on the grounds that the woman is pregnant) or on the grounds of religion, be excluded from participation in, be denied the benefits of, or be subjected to discrimination, to include sexual harassment, under any program or activity supported by state and/or federal funds.

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

15. Environmental Tobacco Smoke. Public Law 103-227, also known as the Pro-children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, child care, early childhood development services, education or library services to children under the age of 18, if the services are funded by federal programs either directly or through state or local governments, by federal grant, contract, loan or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such Federal funds.

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

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

Contractors are prohibited from promoting the use of tobacco products for all clients. Facilities supported by state and federal funds are prohibited from making tobacco products available to minors.

ATTACHMENT H
BUSINESS PARTNER AGREEMENT

This Business Partner 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 (“DVHA”)** and **Speridian Technologies, LLC (“Business Partner”)** as of **6/1/2016 (“Effective Date”)**. This Agreement supplements and is made a part of the Contract to which it is attached.

DVHA and Business Partner (“the Parties”) agree to comply with the terms of this Agreement and the standards promulgated under the Patient Protection and Affordable Care Act of 2010 (Public Law 111-148) as amended by the Health Care and Education Reconciliation Act (Public Law 111-152), and referred to collectively as the Affordable Care Act (ACA), and 45 CFR §155.260, “Privacy and security of personally identifiable information.” Business Partner information that constitutes protected health information (PHI) may have additional standards to which the Business Partner must adhere, which would be set out in a separate agreement.

1. Definitions All capitalized terms in this Agreement have the meanings identified in this Agreement and 45 CFR Part 155, “Exchange Establishment Standards and Other Related Standards Under the Affordable Care Act.”

- 1.1 The term “**Services**” includes all work performed by the Business Partner for or on behalf of DVHA that requires the access, collection, use and/or disclosure of personally identifiable information (PII).
- 1.2 The term “**PII**” refers to personally identifiable information in any medium, including electronic, which can be used to distinguish or trace an individual’s identity, such as his/her name, social security number, biometric records, etc., either alone or when combined with other personal or identifying information that is linked or linkable to a specific individual, such as date and place of birth, mother’s maiden name.
- 1.3 The term “**Minimum Functions**” includes all work performed (or Contracted to be performed) pursuant to subparts D, E, H, and K of 45 CFR 155, if such work requires the Business Partner to create, collect, use, or disclose PII.
- 1.4 The term “**Agreement**” refers to this Business Partner Agreement, which details the privacy and security requirements that the Parties must adhere to.
- 1.5 The term “**Individual**” includes applicants, enrollees, and qualified individuals applying for coverage at the Vermont Health Insurance Exchange or Medicaid Agency.
- 1.6 The term “**Breach**” means the loss of control, compromise, and unauthorized disclosure, acquisition, access, or use, and any similar term referring to situations where: (a) PII is used for an unauthorized purpose, or (b) persons other than authorized users have access or potential access to PII.

2. Authorized Uses/Disclosures of PII

- 2.1 Except as limited in this Agreement, Business Partner may only create, collect, use or disclose PII to the extent necessary to perform Services specified in the underlying Contract with DVHA. In the course of providing Services, Business Partner shall not use or disclose PII in any manner that would constitute a violation of 45 CFR §155.260 if used or disclosed by DVHA.
- 2.2 Business Partner may make PII available to its employees who need access to perform

Services and/or Minimum Functions, provided that Business Partner makes such employees aware of the creation, collection, use and disclosure restrictions in this Agreement and binds them to comply with such restrictions. Business Partner must also require workforce compliance with 45 CFR §155.260 when employees create, collect, use, or disclose PII in the course of providing Services.

3. **Privacy Requirements** Uses and disclosures of PII to carry out the Services identified in the Contract must be of the minimum amount of PII necessary to perform the services. Business Partner may not create, collect, use or disclose PII gathered for the purposes listed in 45 CFR §155.260(a)(1) while performing Minimum Functions unless the creation, collection, use or disclosure is consistent with the written policies and procedures identified by the State in accordance with 45 CFR §155.260. In addition, Business Partner must ensure workforce compliance with these policies and procedures.
4. **Security Safeguard Requirements**
 - 4.1 Business Partner shall implement and use appropriate safeguards to prevent the use or disclosure of PII except as provided for by this Agreement, an Interconnection Security Agreement, if applicable, and as set forth in 45 CFR 155.260(a)(3)(vii) and (4).
 - 4.2 Business Partner shall monitor, periodically assess, and update its security controls and related system risks to ensure the continued effectiveness of those controls in accordance with 45 CFR §155.260(a)(5).
 - 4.3 Business Partner shall inform DVHA of any change in its administrative, technical, or operational environments defined as material within the contract.
5. **Documenting and Reporting Breaches**

Business Partner shall report to DVHA any Breach of PII as soon as it (or any of its employees or agents) becomes aware of such Breach, and in no case later than one (1) hour after it (or any of its employees or agents) become aware of the Breach. If DVHA determines that a Breach of PII occurred for which one of Business Partner's employees or agents was responsible, upon its request, Business Partner shall provide notice to the individual(s) whose PII was the subject of the Breach. When requested to provide notice, Business Partner shall consult with DVHA about the timeliness, content and method of notice, and shall receive DVHA's approval concerning these elements. The cost of notice and related remedies shall be borne by Business Partner. Business Partner shall also be responsible for any reporting as required by 9 V.S.A. § 2435.
6. **Mitigation and Corrective Action Requirements** Business Partner shall mitigate, to the extent practicable, any harmful effect that is known to it of a Breach of PII. Business Partner shall draft and carry out a plan of corrective action to address any incident of impermissible collection, use or disclosure of PII, subject to DVHA's prior review and written approval.
7. **Requirements for Agreements with Third Parties** Business Partner may only disclose PII to its agents, including subcontractors, for the purposes authorized by this Agreement. Business Partner shall ensure that any agent (including any subcontractor) to whom it provides PII received from DVHA or created or received by Business Partner on behalf of DVHA agrees in a written agreement to the same PII restrictions and conditions that apply through this Agreement to Business Partner. Business Partner must enter into the written agreement and obtain the prior written consent of

DVHA before any use or disclosure of PII to such agent. The written agreement must identify DVHA as a direct and intended third party beneficiary with the right to enforce any Breach of the agreement concerning the use or disclosure of PII. Business Partner shall provide a copy of the signed agreement to DVHA upon request.

8. Termination

8.1 This Agreement commences on the Effective Date and shall remain in effect until terminated by DVHA or until all of the PII provided by DVHA to Business Partner or created or received by Business Partner on behalf of DVHA is destroyed or returned to DVHA subject to Section 9.

8.2 If Business Partner breaches any material term of this Agreement, DVHA, without liability or penalty, may either: (a) provide in writing an opportunity and time frame for Business Partner to cure the breach and terminate the Contract if Business Partner fails to cure; or (b) immediately terminate the Contract if DVHA believes that cure is not reasonably possible. DVHA has the right to seek to cure any breach by Business Partner and this right, regardless of whether DVHA cures such breach, does not lessen any right or remedy available to DVHA at law, in equity, or under the Contract, nor does it lessen Business Partner's responsibility for such breach or its duty to cure such breach.

9. Responsibility for the Return/Destruction of PII

9.1 Business Partner, in connection with the expiration or termination of the Contract, shall return or destroy, at the discretion of DVHA, all PII received from DVHA or created or received by Business Partner on behalf of DVHA pursuant to the Contract that Business Partner still maintains within thirty (30) days after such expiration or termination. Business Partner shall not retain any copies of the PII. Within the thirty (30) day period, Business Partner shall certify in writing to DVHA that (1) all PII has been returned or destroyed, and (2) Business Partner does not continue to maintain any PII.

9.2 Business Partner shall provide to DVHA notification of any conditions that Business Partner believes make the return or destruction of PII infeasible. If DVHA agrees that return or destruction is infeasible, Business Partner shall extend the protections of this Agreement to such PII and limit further uses and disclosures of such PII to those conditions that make the return or destruction infeasible for so long as Business Partner maintains such PII.

10. Penalties Business Partner understands that it may be subject to a civil penalty, in addition to other penalties that may be prescribed by law, resulting from the improper creation, collection, use or disclosure of PII. In addition, violations of this Agreement may result in notification by DVHA to law enforcement officials and regulatory, accreditation, and licensure organizations.

11. Training Business Partner shall participate in training regarding the use, confidentiality, and security of PII at DVHA's request.

12. Miscellaneous

12.1 In the event of any conflict or inconsistency between the terms of this Agreement and the terms of the Contract, the terms of this Agreement shall govern with respect to its subject matter. Otherwise the terms of the Contract continue in effect.

- 12.2 Business Partner shall cooperate with DVHA to amend this Agreement from time to time as is necessary for DVHA to comply with 45 CFR §155.260 or any other standards promulgated under the ACA, or DVHA's contractual obligations to CMS.
- 12.3 Any ambiguity in this Agreement shall be resolved to permit DVHA to comply with 45 CFR §155.260, or any other standards promulgated under the ACA, or DVHA's contractual obligations to CMS.
- 12.4 In addition to applicable Vermont law, the parties shall rely on applicable federal law (e.g., the ACA) in construing the meaning and effect of this Agreement.
- 12.5 As between Business Partner and DVHA, DVHA owns all PII provided by DVHA to Business Partner or created or received by Business Partner on behalf of DVHA.
- 12.6 The provisions of this Agreement that by their terms encompass continuing rights or responsibilities shall survive the expiration or termination of this Agreement.

The following provisions apply only to those Business Partners that will be accessing Federal Tax Information (FTI).

As applicable, DVHA and Business Partner ("the Parties") agree to comply with the terms of this Agreement and the Language for General Services and Technology Services pursuant to IRS Publication 1075, Exhibit 7:

13. **General Services; Performance** In performance of this Contract, the contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:
 - 13.1 All work will be performed under the supervision of the contractor or the contractor's responsible employees.
 - 13.2 Any Federal tax returns or return information (hereafter referred to as returns or return information) made available shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this Contract. Inspection by or disclosure to anyone other than an officer or employee of the contractor is prohibited.
 - 13.3 All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output and products will be given the same level of protection as required for the source material.
 - 13.4 No work involving returns and return information furnished under this Contract will be subcontracted without prior written approval of the IRS.
 - 13.5 The contractor will maintain a list of employees authorized access. Such list will be provided to the agency and, upon request, to the IRS reviewing office.
 - 13.6 DVHA will have the right to void the Contract if the contractor fails to provide the safeguards described above.

14. General Services; Criminal/Civil Sanctions

- 14.1 Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as five years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized future disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRC Sections 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1.
- 14.2 Each officer or employee of any person to who returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Inspection by or disclosure to anyone without an official need to know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000.00 or imprisonment for as long as 1 year, or both, together with the costs of prosecution. Such Person shall also notify such officer and employee that such authorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee [United States for Federal employees] in an amount equal to the sum of the greater of \$1,000.00 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. The penalties are prescribed by IRC Sections 7213A and 7431.
- 14.3 Additionally, it is incumbent upon the contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is so prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.
- 14.4 Granting a contractor access to FTI must be preceded by certifying that each individual understands the agency's security policy and procedures for safeguarding IRS information. Contractors must maintain their authorization to access FTI through annual recertification. The initial certification and recertification must be documented and placed in the agency's files for review as part of the certification and at lease annually afterwards, contractors should be advised of the provisions of IRC Sections 7431, 7213, and 7213A (see Exhibit 6, /RC Sec. 7431 Civil Damages for Unauthorized Disclosure of Returns and Return Information and Exhibit 5, IRC Sec. 7213 Unauthorized Disclosure of Information). The training provided

- before the initial certification and annually thereafter must also cover the incident response policy and procedure for reporting unauthorized disclosures and data breaches. (See Section 10) For both the initial certification and the annual certification, the contractor should sign, either with ink or electronic signature, a confidentiality statement certifying their understanding of the security requirements.
15. **General Services; Inspection** The IRS and DVHA shall have the right to send its officers and employees into the offices and plants of the contractor for inspection of the facilities and operations provided for the performance of any work under this Contract. On the basis of such inspection, specific measures may be required in cases where the contractor is found to be noncompliant with contract safeguards.
16. **Technology Services; Performance** In performance of this Contract, the contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:
- 16.1 All work will be done under the supervision of the contractor or the contractor's employees.
- 16.2 Any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this Contract. Information contained in such material will be treated as confidential and will not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Disclosure to anyone other than an officer or employee of the contractor will be prohibited.
- 16.3 All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output will be given the same level of protection as required for the source material.
- 16.4 The contractor certifies that the data processed during the performance of this contract will be completely purged from all data storage components of his or her computer facility and no output will be retained by the contractor at the time the work is completed. If immediate purging of all data storage components is not possible, the contractor certifies that any IRS data remaining in any storage component will be safeguarded to prevent unauthorized disclosures.
- 16.5 Any spoilage or any intermediate hard copy printout that may result during the processing of IRS data will be given to the agency or his or her designee. When this is not possible, the contractor will be responsible for the destruction of the spoilage or any intermediate hard copy printouts, and will provide the agency or his or her designee with a statement containing the date of destruction, description of material destroyed, and the method used.
- 16.6 All computer systems receiving, processing, storing, or transmitting FTI must meet the requirements defined in IRS Publication 1075. To meet functional and assurance requirements, the security features of the environment must provide for the managerial, operational, and technical controls. All security features must be available and activated to protect against unauthorized use of and access to FTI.
- 16.7 No work involving FTI furnished under this Contract will be subcontracted without prior written approval of the IRS.

17. Technology Services; Criminal/Civil Sanctions

- 17.1 Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as five years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized future disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRC Sections 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1.
- 17.2 Each officer or employee of any person to who returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Inspection by or disclosure to anyone without an official need to know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000.00 or imprisonment for as long as 1 year, or both, together with the costs of prosecution. Such Person shall also notify such officer and employee that such authorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee [United States for Federal employees] in an amount equal to the sum of the greater of \$1,000.00 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. The penalties are prescribed by IRC Sections 7213A and 7431.
- 17.3 Additionally, it is incumbent upon the contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is so prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.
- 17.4 Granting a contractor access to FTI must be preceded by certifying that each individual understands the agency's security policy and procedures for safeguarding IRS information. Contractors must maintain their authorization to access FTI through annual recertification. The initial certification and recertification must be documented and placed in the agency's files for review as part of the certification and at lease annually afterwards, contractors should be advised of the provisions of IRC Sections 7431, 7213, and 7213A (see Exhibit 6, /RC Sec. 7431 Civil Damages for Unauthorized Disclosure of Returns and Return Information and Exhibit 5, IRC Sec. 7213 Unauthorized Disclosure of Information). The training provided

before the initial certification and annually thereafter must also cover the incident response policy and procedure for reporting unauthorized disclosures and data breaches. (See Section 10) For both the initial certification and the annual certification, the contractor should sign, either with ink or electronic signature, a confidentiality statement certifying their understanding of the security requirements.

18. **Technology Services; Inspection** The IRS and DVHA shall have the right to send its officers and employees into the offices and plants of the contractor for inspection of the facilities and operations provided for the performance of any work under this contract. On the basis of such inspection, specific measures may be required in cases where the contractor is found to be noncompliant with contract safeguards.

**ATTACHMENT I
 CHANGE REQUEST TEMPLATE**

**When complete, please email to: State Authorized Representative, State PM, and Business Lead
 State of Vermont**

Requested by:		Date:	Mm/dd/yyyy y	Project Mgr:	
Title of Request					

Change type	<input type="checkbox"/> Scope	<input type="checkbox"/> Schedule	<input type="checkbox"/> Cost	<input type="checkbox"/> New Project	<input type="checkbox"/> Contract	<input type="checkbox"/> Staff Aug
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Business Case:
 Explain the reason for the Change and the business case to accept it.

Impact
<p>Scope: Describe the impact of an accepted Change on the Project’s Scope (objectives laid out in the charter or contract).</p> <p>Schedule: Describe the impact of an accepted Change on the Project’s Schedule (last baselined schedule for critical activities and project completion).</p> <p>Cost: Describe the impact of an accepted Change on the Project’s Budget (last baselined and approved cost workbook).</p> <p>Contract: Describe the impact of an accepted Change to the terms of the Contract. Reference the contract page and section number for each impacted area.</p> <p>New Project: Describe the objectives, scope, estimated cost and estimated schedule for the Project. Detail how the Project meets overall objectives of the Program. Describe the priority of the Project, from the requestor’s perspective. Identify leadership stakeholders that have been / will need to be engaged in the definition of this Project.</p> <p>Staff Aug:</p>

Describe the desired role (job description), term of engagement, specific responsibilities that will be assigned to the role, requested start date, reporting manager/supervisor. Describe how the staff aug request will be funded if accepted.

Reviews

Role	Name and Title	Reviewed/Feedback Provided	Date
DII EA Review			
AHS IT Review			
DVHA Finance			
HSE Contract/Legal Review			
Business Review			

Role	Name and Title	Signature	Date
Contractor Account Executive			
State Authorized Representative / Contract Owner			
SLT Members (if reqd)	Meeting Minutes Reference		
IAT Members (if reqd)	Meeting Minutes Reference		

ATTACHMENT J

Deliverable Expectation Document Cover Page Template

Project Deliverable Expectations Document (DED)	
Project Deliverable Number:	Title of Deliverable:
<Insert>	<Insert>
Proposal Reference:	Contract Reference:
<Insert>	<Insert>
Frequency:	Draft Submission Due:
<Insert>	<Insert>
State's Draft Review and Comment Period:	Final Submission Due:
Leave Blank	<Insert>
Approval Required:	Distribution:
<Insert>	<Insert>
Vendor:	
Prepared by:	Date Submitted:
<Insert>	<Insert>
Date Submitted 2:	Date Submitted 3:
<Insert>	<Insert>
Phone Number:	FAX:
<Insert>	Leave Blank
E-mail:	
<Insert>	
Deliverable Acceptance Criteria – To be reviewed by State and Approved by the State's Authorized Representative.	
<Insert Proposed Format and Content Description for Each Required DED>	
Agency of Human Services Approval/Comments	
Approved by:	Date:
<Insert>	<Insert>
Signature:	
Comments:	
<Insert>	

ATTACHMENT K
Project Status Report Template



Agency Of Human Services

Post-Scope Baseline Project Status Report (PSR)

Project Name:	<Type in Name of Project>	Project Number:	<Enter PRxxxx>
Project Manager:	<Type in Name of project manager>	Department:	<Insert Lead Department>
Period:	<list start and end dates of the period as such: MM/DD/YY – MM/DD/YY>	Report Date:	<Insert Date>

Project Summary Overview

Project Summary Status: <Enter the status indicator color of your project followed by the brief definition and succinctly discuss why your project status this color (as shown below) – Only one color should be left on the PSR. Call out specific risks and issues and have the reader refer to the SharePoint site for explicit details.>

Green: Project is on target from scope, schedule and budget stand point. It has no major issues or risks to impact scope, schedule or budget at this point. <Enter details here>
<OR>

Yellow: Project has issue or risk that impacts scope, schedule, or cost that is under control (the presence of a clearly defined remediation strategy.) <Enter details here>
<OR>

Red: Project has risk or issue that impacts scope, schedule, or cost that is NOT under control (Either no remediation strategy exists or the remediation strategy failed.) <Enter details here>

Project Highlights:

- <Create a bullet list of your project’s key highlights that occurred during this reporting period>
- <try to be succinct and to the point while still providing clarity and >
- <Call out successes and failures here>

Schedule:

<Insert Milestone timeline (see section 4.0 for details.) Please make sure to crop the image so it fits nicely on the page. >



<Inset a Milestone table for all standard 16 milestones of entire project life cycle (16 is the standard for HSE project, but you may alter the deliverables as makes sense for your project if non-HSE).>

Number	Major Project Milestones	Status / Completion Date
1	IT ABC Form Completed / Submitted	
2	Charter Approved	
3	Initial Project Management Plan (PMP) established	
4	Requirements Approved / Ops Business Processes Updated	
5	Scope (Baseline) Approved	
6	Procurement RFPs Issued	
7	Independent Review Completed	
8	Procurement Contracts Issued	
9	Schedule (Baseline) Approved	
10	Budget (Baseline) Approved	
11	IT Design Completed	
12	IT Development Completed	
13	Testing Completed (Unit, SIT, Functional, UAT)	
14	Training Completed	
15	Operations Sign-off Completed	
16	Implementation Completed	

Additional Comments:

<If you wish to call out a key piece of information that has no place above, please do so here>

Key Performance Indicator Status: <Check One Box from Each Row Below>

	GREEN Compliant	YELLOW Non-Compliant	RED Requires Immediate Review
Scope	<input type="checkbox"/> In Scope (no outstanding changes that have not been formally approved and logged)	<input type="checkbox"/> Scope at risk (additions/deletions being acted on without formal Sponsor approval)	<input type="checkbox"/> Not Within Scope (out of scope and unfunded work being done, remaining work ignored, previous warning not being acted on)
Scope Comments: <Type Comments Here>			
Schedule	<input type="checkbox"/> On Schedule Tasks are starting and ending on time and 90% are on track to meet dates.	<input type="checkbox"/> Schedule at risk 75%+ of tasks are starting and ending on time and 90% are on track to meet dates.	<input type="checkbox"/> Not On Schedule Less than 75% of tasks are starting and ending on time and are on track to meet dates.
Schedule Comments: <Type Comments Here>			
Budget	<input type="checkbox"/> Within Budget Costs for tasks and phases are less than 110% of baseline costs for same.	<input type="checkbox"/> Budget At Risk Costs for tasks and phases are less than 125% of baseline costs for same.	<input type="checkbox"/> Not Within Budget Costs for tasks and phases are greater than 125% of baseline costs for same.
Budget Comments: <Type Comments Here>			

Deliverables	<input type="checkbox"/>	Deliverables 90%+ of deliverables are on track to meet dates.	<input type="checkbox"/>	Deliverables Not Current 75%+ of deliverables are on track to meet dates.	<input type="checkbox"/>	Impacting project Less than 75% of deliverables are on track to meet dates.
	Deliverables Comments: <Type Comments Here>					
Risks	<input type="checkbox"/>	Risks All Mitigated (no outstanding changes that have not been formally approved and logged)	<input type="checkbox"/>	Some Risks (additions/deletions being acted on without formal Sponsor approval)	<input type="checkbox"/>	Issues (out of scope and unfunded work being done, remaining work ignored, previous warning not being acted on)
	Risk Comments: <Type Comments Here>					

Current Period's Accomplishments:

- <Create a bullet list of your project teams' accomplishments completed during this reporting period>
- <try to be succinct and to the point>
- <Call out successes here>

Next Period's Accomplishments:

- <Create a bullet list of your project teams' planned accomplishments to be completed in the next reporting period>
- <try to be succinct and to the point>

Risks / Issues:

For further details on Risks and Issues, please see the project's Risks and Issues Log on the SharePoint Site [here](#). <Change the hyperlink to reflect your project's URL; it currently points to the main list of all IT projects>

<Below insert your open high impact / high probability risks and open high impact issues into the table>

Open High Impact Issues			
Title	Impact	Owner	Triggered Date
<Insert title>	<Insert current issue's impact to the project>	<Insert owner's name>	<Insert date triggered/ opened>

Open High Impact / High Probability Risks			
Title	Potential Impact	Owner	Trigger Date / Event
<Insert title>	<Insert Risk's potential impact to the project>	<Insert owner's name>	<Insert date or event that would trigger risk>

Change Request(s):

For further details on all change requests, please see the project's Change Request Log on the SharePoint Site [here](#). <Change the hyperlink to reflect your project's URL; it currently points to the main list of all IT projects>

<Insert your change requests into the table below>

Change Request Log						
#	Originator	Description of Change	Status	Scope Impact	Schedule Impact	Budget Impact
1	<Insert name of originator>	<Insert brief description of change>	<Insert status, i.e. "approved," "in review," "in draft" etc.>	<Insert impact to Scope>	<Insert impact to Schedule>	<Insert impact to Budget>

Vendor Staff Update:

Please update SoV team on which Contractor Staff will be on-site and on what days.

Exhibit 2

Attached as a PDF document.

**Appendix I
Subcontractor Compliance Form**

Date: _____

Original Contractor/Grantee Name: _____ Contract/Grant #: _____

Subcontractor Name: _____ Amount Subcontracted: _____

Scope of Subcontracted Services:

Is any portion of the work being outsourced outside of the United States? YES NO
(If yes, do not proceed)

All vendors under contract, grant, or agreement with the State of Vermont, are responsible for the performance and compliance of their subcontractors with the Standard State Terms and Conditions in Attachment C. This document certifies that the Vendor is aware of and in agreement with the State expectation and has confirmed the subcontractor is in full compliance (or has a compliance plan on file) in relation to the following:

- Subcontractor does not owe, is in good standing, or is in compliance with a plan for payment of any taxes due to the State of Vermont
- Subcontractor (if an individual) does not owe, is in good standing, or is in compliance with a plan for payment of Child Support due to the State of Vermont.
- Subcontractor is not on the State's disbarment list.

In accordance with State Standard Contract Provisions (Attachment C), the State may set off any sums which the subcontractor owes the State against any sums due the Vendor 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 in Attachment C.

Signature of Subcontractor

Date

Signature of Vendor

Date

Received by DVHA Business Office

Date

Required: Contractor cannot subcontract until this form has been returned to DVHA Contracts & Grants Unit