Department of Vermont Health Access

Agency of Human Services

Department of Vermont Health Access (DVHA)

312 Hurricane Lane

Williston, VT 05495

802-879-8256

SEALED BID

INFORMATION TECHNOLOGY REQUEST FOR PROPOSAL

FOR Care Management Solution Design, Development, Implementation and Maintenance and Operational Services

Expected RFP Schedule Summary:

PROCUREMENT SCHEDULE	
RFP Release Date	***February 24, 2014***
Letter of Intent	***March 10, 2014***
Vendor Questions Due	***March 10, 2014***
Response to Vendor Questions are Posted	***March 24, 2014***
Vendor Conference	***March 27, 2014***
Proposals Due	***April 28, 2014***
Vendor Demonstrations/Oral Presentations	***June 18 &19 , 2014***
Site Visits	***June 25 &26 , 2014***
Tentative Award Announcement	***August 22, 2014***

Anticipated Contract Start Date	***September 1, 2014***

LOCATION OF BID OPENING: 289 Hurricane Lane, Suite 201, Williston, VT

PLEASE BE ADVISED THAT ALL NOTIFICATIONS, RELEASES, AND AMENDMENTS ASSOCIATED WITH THIS RFP WILL BE POSTED AT:

http://www.vermontbidsystem.com

PURCHASING AGENT: **Kate Jones**

TELEPHONE: **(802) 879-8256**

E-MAIL: **Kate.jones@state.vt.us**

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1. General Information

1.1 Introduction

The Department of Vermont Health Access (hereinafter called DVHA or the State) is soliciting competitive sealed bids from qualified vendors for fixed price proposals (Proposals) for a Care Management (CM) Solution for the Agency of Human Services (AHS) that includes Software Design, Development, Implementation and Technical Support Services. DVHA, through this procurement, is also seeking to acquire supplemental Care Management operational and clinical support services for DVHA's Vermont Chronic Care Initiative (VCCI).

The CM Solution needs to be implemented to comply with Centers for Medicare and Medicaid (CMS) Seven Conditions and Standards and CMS' Medicaid Information Technology Architecture (MITA) 3.0. The CM Solution needs to closely integrate with Vermont's Medicaid Management Information System (MMIS) solution, which is an integral part of Vermont's Health Services Enterprise (HSE).

If a suitable offer is made in response to this Request for Proposal (RFP), DVHA may enter into a contract (the Contract) to have the selected offeror (the Vendor) perform all or part of the Work. This RFP provides details on what is required to submit a Proposal in response to this RFP, how the State will evaluate the Proposals, and what will be required of the Vendor in performing the Work.

1.2 Sole Point of Contact

All communications concerning this RFP are to be addressed in writing to the attention of:

Kate Jones, Purchasing Agent

State of Vermont

DVHA Procurement

312 Hurricane Lane, Suite 201

Williston, VT 05495

Kate Jones, Purchasing Agent is the sole contact for this RFP and can be contacted at kate.jones@state.vt.us. Actual contact with any other State personnel or attempts by bidders to contact any other State personnel could result in the rejection of their Proposal.

1.3 Procurement Schedule

The following Table 1 documents the critical pre-award events for the procurement. All dates are subject to change at the State of Vermont's discretion.

Table 1. Procurement Schedule

PROCUREMENT SCHEDULE	
RFP Release Date	***February 24, 2014***
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1.4 Letter of Intent – Preferred

In order to ensure all necessary communication with the appropriate bidders and to prepare for the review of proposals, it is preferred (albeit not required) that one letter of intent to bid for the scope of this RFP be submitted per bidder. The letter must identify the program and requisition number for which it is intending to submit a proposal.

Letters of Intent should be submitted by March 10, 2014 by 4:00 p.m. EST to:

Kate Jones, Purchasing Agent

Department of Vermont Health Access

312 Hurricane Lane, Suite 201

Williston, VT 05495

or by email at Kate.Jones@state.vt.us.

1.5 Background

1.5.1 State of Vermont

Spanning more than 9,600 square miles, and home to some 630,000 residents, the State of Vermont is the second least populous state in the country. The State is comprised of 14 hospitals, 800 primary care providers (PCPs) in 300 practices in 13 hospital service areas. Most PCPs participate in all plans and health care providers have a strong history of working together.

In addition, Vermont has 8 Federally Qualified Health Centers (FQHCs) with multiple sites serving approximately 122,000 clients, 12 mental health agencies, 5 substance abuse specialty agencies and 3 major health insurance carriers plus Medicaid and Medicare.

1.5.2 Vermont Health Care Reform

In 2006, Vermont enacted a comprehensive health care reform that created over 36 separate initiatives focused on improving access (e.g., Catamount Health and premium assistance programs), increasing quality (e.g., Blueprint for Health, VCCI high risk / cost Medicaid recipients, community wellness grants, hospital report cards), and containing health care costs.

Additional legislation has been enacted in each subsequent year since 2006 to supplement these initial reforms, including the enactment of Act 48 (2011) and passage of Act 171 (H.559), signed by Governor Peter Shumlin on May 16, 2012. During the 2010 session, Vermont lawmakers passed a health care bill requiring the legislature to contract with a consultant to create three (3) design options for establishing a universal health care system. One of three plan designs to be submitted for implementation must be a single payer system, a second shall include a public option for insurance coverage, and a third design option to be determined by the consultant, according to Act 128 of 2007, the “Universal Access To Health Care Act.”

More information about these reforms can be found at: http://hcr.vermont.gov

1.5.3 Act 48 – The Vermont Health Reform Law Of 2011

Act 48 is the key enabling legislation for a vision of a single payer system in Vermont. The Act specifically:

- Establishes the Green Mountain Care Board, charged with regulating health insurers and health care providers, moving away from a fee-for-service system and controlling growth in health care costs.
- Empowers the Green Mountain Care Board to:
  - improve the health of Vermonters;
  - oversee a new health system designed to improve quality while reducing the rate of growth in costs;
  - regulate hospital budgets and major capital expenditures as well as health insurance rates;
  - approve plans for health insurance benefits in Vermont's new "exchange" program as well as plan to recruit and retain health professionals; and,
  - build and maintain electronic health information systems.
- Establishes a Health Benefit Exchange as required by federal law.

The Act outlines the supporting technologies that need to be in place to migrate from the current state of business to the future, single payer system managing programs that range across the public assistance spectrum and ensuring that all Vermonters have health insurance coverage.

1.5.4 Medicaid Shared Savings Program for Accountable Care Organizations

On October 20, 2011, CMS, an agency within the United States Department of Health and Human Services (HHS), finalized new rules under the Affordable Care Act to help doctors, hospitals and other health care providers better coordinate care through Accountable Care Organizations (ACOs). ACOs create incentives for health care providers to work together to treat an individual Member across care settings—including doctor's offices, hospitals and long-term care facilities.

DVHA is working closely with the Green Mountain Care Board in the development of the Medicaid Shared Savings Program (SSP). To this end, DVHA is currently seeking to establish service agreements with one or more organizations to serve as an ACO for the Medicaid population in a SSP to improve the quality and value of the care provided to the citizens served by the State of Vermont's public health care programs. This program creates a structure for provider organizations and other suppliers to join together under an ACO to voluntarily contract with DVHA to care for Medicaid Members under a payment model that holds the ACO accountable for the total cost of care and quality of services provided to this population. Within

this structure, DVHA plans to implement demonstration projects with one or more ACOs to achieve enhanced integration of health care services and, potentially, other Medicaid-covered services. Clear incentives for quality of care will be developed to measure improvement in the health and experience of care for individuals. Savings targets will be developed to reduce the costs to deliver services and to incentivize efficiencies in the delivery of care.

The VCCI (described in Section 1.5.5 below) will remain engaged with the high risk Medicaid population in partnership with selected ACO partners. The Blueprint for Health

The *Blueprint for Health* (Blueprint) is Vermont's state-led reform initially focusing on primary care in Vermont. Originally codified in Vermont statute in 2006, then modified further in 2007, 2008, and finally in 2010 with Vermont Act 128 amending 18 V.S.A. Chapter 13 to update the definition of the Blueprint as a *"program for integrating a system of health care for patients, improving the health of the overall population, and improving control over health care costs by promoting health maintenance, prevention, and care coordination and management.*"

Under the Blueprint, Vermont's primary care practices are supported to meet the National Committee for Quality Assurance (NCQA) Patient-Centered Medical Home (PCMH) Standards. In addition, primary care practices in collaboration with local community partners plan and develop *Community Health Teams* (CHT) that provide multidisciplinary support for PCMHs and their patients. The teams are scaled in size based on the number of patients served by participating practices within a geographic area.

The Blueprint for Health functions as a change agent to support the primary care infrastructure required to optimize care delivery and includes an integrated approach to patient self-management, community development, health care system and professional practice change, and information technology initiatives. It is mandated to become a State-wide service that will encompass pediatric care with an incentive based payment structure.

Further information about the Blueprint initiative can be found at:
http://hcr.vermont.gov/blueprint

1.5.5 The Medicaid - Vermont Chronic Care Initiative

VCCI is a healthcare reform strategy for the vulnerable Medicaid population, enabled by state legislation and administered by DVHA. VCCI is a statewide program that provides intensive case management and care coordination services to non-dually-eligible Medicaid Members with one or more chronic conditions and without other CMS funded case management, focusing on improving health outcomes and reducing unnecessary utilization. The VCCI modified its approach to primarily focus on the top 5% high-utilizing Vermont Medicaid members in SFY 2012. In calendar 2012, the VCCI expanded to include Pediatric Palliative Care services, and in 2013, a High Risk Pregnancy case management service began implementation. The VCCI is

funded and operated by DVHA under the Global Commitment to Health, 1115 Waiver. Because most providers and hospitals have historically been reimbursed by the state's Medicaid program through a fee-for-service model, reductions in unnecessary spending achieved by the VCCI translate directly to savings to the state's Medicaid program budget. The VCCI documented net savings of $11.5 million in SFY 2012. See Section 1.6.4, Table 2 for a sample of key statistics indicating the size and scope of the VCCI member populations.

The VCCI program reaches members primarily through a team of state employed case managers and care coordinators – usually nurses or social workers – operating either as field-based agents serving a region, or as permanently embedded resources within provider organizations that serve a high volume of eligible Medicaid members. Field based staff are located in regional AHS offices, private medical practices, FQHCs and several high volume hospitals. Multiple hospitals provide the VCCI with secure data transfers daily for 'real-time' information on client utilization to support care transitions. The VCCI currently works with a contractor to supplement the state model to provide programmatic and clinical support. The vendor provides the technology infrastructure and performs data analytics, including reports to program staff on client utilization to help guide response activities. Population-based reports for primary care providers identify gaps in disease specific evidence based care to supplement practice based and VCCI intervention strategies.

The VCCI staff are members of the Blueprint for Health extended Community Health Teams and collaborate and communicate regularly about Medicaid members served through the Advanced Practice Medical Home (APMH). Members may be internally referred between programs based on the level and intensity of services needed, which prevents redundancy in care management and holistically supports member needs for sustainable change.

1.5.6 AHS' Mission and Structure

AHS is the Agency responsible for health care and human services support across the State and has the statutory responsibility for child welfare and protection, the protection of vulnerable populations, public safety, public health, public benefits, mental health and administration of Vermont's public insurance system. The Agency also serves as the single State Medicaid Agency (SMA).

The majority of Vermont's Medicaid program operates under the Global Commitment to Health Demonstration. The GC Demonstration operates under a managed care model that is designed to provide flexibility with regard to the financing and delivery of health care in order to promote access, improve quality and control program costs. AHS, as Vermont's Single State Medicaid Agency, is responsible for oversight of the managed care model. DVHA is the entity delegated to operate the managed care model and has sub-agreements with the other State entities that

provide specialty care for GC enrollees (e.g., mental health services, developmental disability services).

AHS consists of the following Departments with their respective responsibilities:

- **Department for Children and Families (DCF)** – DCF provides a wide array of programs and services, including adoption and foster care, childcare, child development, child protection, child support, disability determination, and economic benefits such as: Reachup, Essential Person, General Assistance, 3SquaresVT, fuel assistance, energy assistance and health insurance.

- **Vermont Department of Health (VDH)** - VDH sets the State's public health priorities and works with DVHA to help realize public health goals within the population served by DVHA. VDH collaborates with DVHA on clinical initiatives to reduce medical costs in the State through the agency's Global Commitment to Health program waiver. These programs include Early Periodic Screening, Diagnosis, and Treatment (EPSDT) and dental care initiatives for children across the State.

- **Department of Corrections (DOC)** – The Department of Corrections is responsible for managing all adult prisons and community correctional sites. For incarcerated offenders, the department is required and committed to provide basic and humane care. For offenders in the community, the Department is charged with ensuring compliance with conditions by providing or coordinating a variety of support services.

- **Department of Disabilities, Aging and Independent Living (DAIL)** - DAIL administers all community-based long-term care services for older Vermonters, individuals with developmental disabilities, traumatic brain injuries, physical disabilities, personal care/attendant services, high technology nursing, and other Medicaid services. DAIL works with DCF and DVHA to implement the Choices for Care Waiver program.

- **Department of Mental Health** (DMH) - DMH is responsible for administering mental health services and programs for children and adults across the State. It ensures access to mental health services and works closely with DVHA and DAIL to coordinate care for individuals at risk.

- **Department of Vermont Health Access (DVHA)** – DVHA administers nearly all of the publically funded health care programs for the State of Vermont. Funding of these programs is provided through Medicaid and is authorized under two Centers for Medicare & Medicaid Services (CMS) approved 1115 Demonstration waivers. Several financing mechanisms are outside the 1115 Demonstrations waivers and include information technology enhancements, Disproportionate Share Hospital (DSH) payments, and the State Children's Health Insurance Program (SCHIP) services. In

addition, DVHA administers the State's health care reform efforts including health information technology (HIT) and health information exchange (HIE) activities in Vermont, the VCCI and the Blueprint for Health.

1.6 Project Overview

DVHA, as part of AHS, assists Members in accessing clinically appropriate health services, administers Vermont's public health insurance system efficiently and effectively, and collaborates with other health care system entities in bringing evidence-based practices to Vermont Medicaid Members.

Vermont seeks to procure a robust contemporary Care Management Solution for early identification of member healthcare needs, coordination of care and results reporting. The solution will be built on MITA 3.0 compliant architecture meeting CMS' Seven Conditions and Standards. In addition, Vermont is seeking to procure supplemental support services for the VCCI.

1.6.1 Enterprise Vision and Strategic Goals for Vermont's Care Management

Today's technology allows for the support of key care management component processes - from case identification/stratification, care management intervention (wellness, health risk management, case management, care coordination and disease management) to advanced care management analytics (including predictive modeling) and reporting. Additionally, federal trends in information exchange, broader acceptance of standardized privacy management and better coordination of care through Accountable Care Organizations have created a political environment for care management across divisions, departments and organizations.

The Vermont Care Management Solution will support the Agency and Departments' vision of an 'Agency of One' – aiming to change the paradigm from a program-centered service delivery system to a person-centered service delivery system by:

- Collecting, organizing and analyzing information in a safe and secure manner; optimizing workflows; and facilitating and strengthening the State's decision-making ability on health services
- Increasing access to integrated information so that staff can work with Members to identify appropriate services and connect them with those resources
- Enabling case managers, providers, and other involved partners to coordinate care and collaborate with each other, and with the member for improved health, safety and self-sufficiency

- Evaluating the cost-effectiveness of health services rendered across programs and the Agency

1.6.2 Vermont Care Management Target Populations

The State of Vermont provides members with care management benefits through a variety of programs. To develop and implement a manageable scope, the Care Management Solution will initially serve the VCCI and its existing populations. The VCCI and its populations are described below -

- **Vermont Chronic Care Initiative** - Identifies and assists Medicaid members with chronic health conditions and/or high utilization of medical services to access clinically appropriate health care information and services; coordinates the efficient delivery of health care to this population by addressing barriers to care, bridging care gaps, and avoiding duplication of services; and educates and empowers this population to eventually self-manage their conditions. DVHA case managers are field based and are fully integrated core members of existing Blueprint for Health Community Health Teams and are co-located in provider practices and medical facilities in several communities. Other initiatives under the VCCI include:
    - **Pediatric Palliative Care Program (PPCP)** covers Care Coordination, Family Training, Expressive Therapy, Skilled Respite Care, and Bereavement Counseling within the home setting to children, adolescents and their families. These members are less than 21 years old, have Vermont Medicaid, live in Vermont, and are living with a serious illness or condition from which they are not expected to recover. Services are provided by home health agency partners and overseen by the PPCP case manager.
    - **High Risk Pregnancy (HRP) Program** is a new program through the VCCI. The goal of this program is to improve pregnancy outcomes for Medicaid-covered women and their babies. The HRP case management team collaborates with internal Medicaid units (e.g., Pharmacy and AHS partners including Integrated Family Services (IFS), Department of Children and Families– Children's Integrated Services (CIS) program, and the Vermont Department of Health – Maternal Child Health (MCH) unit, as well as other Agency and community partners. Goals include decreasing pre-term births and low birth weight infants and associated complications. The HRP case managers facilitate access to prenatal services and help prevent gaps in care and redundancy of services, as well as support appropriate care coordination and pharmacy risk management among specialty service providers who may not have an obstetrics orientation/focus.

The State expects that the Care Management Solution will be built so that after implementation with VCCI it can be expanded concurrently for use by the Department of Aging and Independent Living's (DAIL) Developmental Disability Services (DDS), and by the Department of Children and Families (DCF) Children's Integrated Services (CIS) program. Ultimately, it will be expanded for use by the remaining Programs and Initiatives included in Section 2.3 of this RFP. The Vendor will be expected to validate with the State, once the contract is awarded, the information provided in Section 2.3, including target disposition.

The DDS Program within the DAIL is an approximately $160 million/year enterprise that provides vital and comprehensive wraparound services to approximately 2,500 Vermonters and their families who are touched by developmental disabilities, and an additional 1,500 families awaiting wraparound services. The processes that enable this enterprise are anecdotally understood and defined. Services include: Service Planning & Coordination; Employment Services; Community Supports; Respite (Family/Home Provider Supports); Clinical; Crisis Supports (Individual, State, Local); Housing, ISO, Transportation; and DA/SSA Agency Administration. See Procurement Library for Care Management Developmental Disabilities Services Program Summary and for the Children's Integrated Services program summary

1.6.3 Project Objectives

The project objectives are to acquire, design and implement a Care Management Solution for the entire Agency of Human Services enterprise to support individual and population based approaches to health management, beginning with the care management activities of the VCCI as a "proof of concept."

The Solution must support Vermont AHS' core care management needs in the following areas:

- Utilize clinically relevant predictive risk modeling tools and gaps in care analysis of various Member populations for early screening, case identification and risk stratification of Medicaid Members including but not limited to –
    - Members who will benefit most from some form of care management intervention(s) (those with high utilization patterns, multiple providers, multiple conditions, polypharmacy, care gaps; and those who are at risk for chronic disease sequelae)
    - Members who are not currently at risk but may become at risk in the future
- Proactive outreach to Members who are at risk, and to their providers to offer information, guidance and support to –

- Improve health outcomes by: closing gaps in care, increasing adherence to evidence-based care, increasing the use of preventive care, and improving self-management and provider management of chronic illnesses
- Lower healthcare costs by minimizing redundancies and reducing utilization and expenses

- Develop, monitor, share and reassess an evidence-based care plan to ensure clinically appropriate health care information and services are provided and communicated to improve the health outcomes of Medicaid Members.
- Coordinate efficient and effective delivery of health care with Medicaid Members, their providers and community partners by removing communication barriers, bridging gaps, and exchanging relevant and timely Member information.
- Conduct real-time care management analytics that include the ability to collect multiple sources of data (including hospital census, claims data, pharmacy data, and clinical/bio-medical data from providers) to identify opportunities that a Member or provider can take to improve financial and clinical outcomes.
- Provide robust and user-friendly reporting capabilities and web-based tools necessary to effectively conduct Vermont Care Management Programs' strategic planning, quality, and performance management including clinical, utilization and financial changes among intervened populations.

1.6.4 Overview of the Current Environment

Since 2007, the DVHA's VCCI has provided statewide case management, care coordination, and health coaching services to Medicaid members with chronic health conditions using both individual and population based approaches. The Medicaid Members that are the focus of the VCCI efforts often have complex medical, behavioral health and socioeconomic challenges. It is common for Members to have three (3) or more chronic conditions (with many having co-morbid mental health and substance abuse conditions), two (2) or more providers — e.g., a Primary Care Provider and specialist involved in their care -- and at least six (6) medications prescribed for daily use, including from different providers. Concurrently, many also have unstable housing and food insecurity.

The VCCI is dedicated to holistically assisting Members who are struggling with these challenges to stabilize their socioeconomic situations and improve their personal health status. The VCCI also conducts outreach to educate providers via practice-specific disease registries to identify and reduce gaps in care, for example by providing evidence-based pharmacy recommendations if gaps are noted. Patient specific health summaries (Patient Health Briefs) offer primary care

providers a consolidated view of diagnoses and associated utilization such as other prescribing providers, pharmacy treatment history, emergency department and inpatient visits, etc., to support care coordination among service providers, and identify potential care gaps with associated utilization.

The VCCI services for individual members are comprised of assessments of medical and psycho-social health, with specialty assessments done based on the clinical condition of primary concern. These assessments generate a Plan of Care (POC) based on priority psycho-social and clinical goals of the Member, with input from the primary care provider, followed by case management/care coordination interventions as indicated by the assessment and resulting POC.

The VCCI currently operates out of nineteen (19) locations statewide, including nine (9) AHS field locations from which staff may serve multi-county geographic areas (St. Albans, Burlington, St. Johnsbury, Morrisville, Rutland, Bennington, Springfield, Barre, Brattleboro), and ten (10) medical facilities in which VCCI staff are embedded, including seven (7) high volume Medicaid provider practice sites and three (3) hospitals. Further expansion is anticipated in SFY 2014. The VCCI also receives secure data transfers from hospital partners to support real time population identification and early interventions, including transitions in care. In 2012, the VCCI expanded to include the Pediatric Palliative Care Program, and in 2013, high risk pregnancy populations.

The following tables present a sample of key statistics indicating the size and scope of the VCCI member populations. Performance data includes both DVHA and current vendor staff.

Table 2. Vermont Chronic Care Initiative Population and Distribution

KEY STATISTICS	
Total Number of Medicaid Enrolled (as of October 2013)	187,019
VCCI Eligible Candidates	103,058
Total Number in the top 5%	Under 21 yrs old – 3,549 Over 21 yrs old – 6,553
Total Number of Medicaid Members Engaged via face-to-face and/or telephonic case management (SFY 2012)	3,015
Average Episode of Care Duration	77 days
Target Caseload by Case Manager	Field – 25 Embedded – 50

Table 3. Vermont Chronic Care Initiative Distribution of Eligible Candidates by Health Service Area (HSA) as of October 2013

HSA	TOP 5% MEMBERS
Barre	911
Bennington	816
Brattleboro	658
Burlington	1939
Middlebury	534
Morrisville	477
Newport	586
Randolph	233
Rutland	1300
Springfield	655
St Albans	917
St Johnsbury	489
White River Junction	555
Unknown	32

DVHA/VCCI case managers, which include RN case managers and social workers, provide face-to-face intensive case management to the highest cost, highest risk, and medically and socioeconomically complex Members. A small portion of the population with less complex needs receives some telephonic disease management, health education and coaching from the Department's current contracted vendor, as well as transitional care support post hospital discharge and/or emergency department event, and population based support with high volume primary care practice sites (e.g., panel support on gaps in care). Panel management and Gap in Care reports include the full Medicaid eligible population and are not limited to the top 5%.

DVHA currently contracts with an incumbent vendor providing statewide technology infrastructure and clinical support to improve VCCI case management/care coordination for

Medicaid Members. This infrastructure solution accepts data from multiple sources (e.g., claims, eligibility) to support the following: population identification; innovative technology for care management; 'triggers' to alert care managers of gaps in treatment; assessment tools to support delivery of evidence-based interventions by DVHA and vendor case managers; pharmacy analysis; provider reports on gaps in care (individual member and population reports); and data analytic support for program monitoring and evaluation. The vendor provides technical assistance/training on the use of the technology and information products. Vendor staffing provides analytical expertise, vendor program management, pharmacy and clinical support, and a team of nurses and social workers who collaborate in Member and provider interventions and assist with outreach and case management/disease management. The current vendor has performance guarantees including a required Return on Investment (ROI).

The new VCCI services of Pediatric Palliative Care and High Risk Pregnancy are not part of the current vendor technology solution. These services are required as part of this procurement. The Agency's other Departments' current Care Management IT environments vary from manual to limited care management solutions.

1.7 Contract Information

1.7.1 Contract Requirements

The State of Vermont expects the Vendor to agree to the State and Agency Customary Contracting Provisions outlined in 1.7.7., Attachments C, E and F of this RFP. Exceptions to the State and Agency Customary Contracting Provisions shall be noted in the bidder's cover letter and further defined by completing the Proposed Changes to Standard Terms and Conditions form included in Template A. Exceptions shall be subject to review by the Office of the Attorney General.

Failure to note exceptions will be deemed to be acceptance of the Standard State Provision for Contracts and Grants. If exceptions are not noted in the RFP but raised during contract negotiations, the State reserves the right to cancel the negotiation if deemed to be in the best interests of the State of Vermont.

DVHA reserves the right to incorporate standard contract provisions which can be mutually agreed upon into any contract negotiated as a result of any proposal submitted in response to this RFP. These provisions may include such things as the normal day-to-day relationships with the Vendor, but may not substantially alter the requirements of this RFP. Further, the successful Vendor is to be aware that all material submitted in response to this RFP, as well as the RFP itself, may be included in the final contract. The selected Vendor(s) will sign a contract with DVHA to provide the items named in their responses, at the prices agreed by the State. The resulting Contract will be subject to review throughout its term. DVHA will consider cancellation

upon discovery that the selected Vendor is in violation of any portion of the resulting Contract, including an inability by the Vendor to provide the products, support and/or service required under the offered in their response. If two or more organizations' joint proposal is apparently successful, one organization must be designated as the Prime Bidder. The Prime Bidder will be DVHA's sole point of contact and will bear sole responsibility for performance under any resulting Contract.

1.7.2 Amendments. No changes, modifications, or amendments in the terms and conditions of a contract shall be effective unless reduced to writing, numbered, and signed by the duly authorized representative of the State and Contractor.

1.7.3 Contract Review

All contracts are subject to review and approval by the Attorney General, the Secretary of Administration and the State Chief Information Officer. The terms and conditions of a Vendor's software license, maintenance support agreement and service level agreement, if applicable, will be required for purposes of contract negotiations for this project. Failure to provide the applicable Vendor terms as part of this RFP response may result in rejection of the Vendor's proposal.

1.7.4 Contract Type and Terms

DVHA will award one (1) fixed price contract for both the technical solution and the VCCI supplemental staffing support.

The Contract is subject to and contingent upon the discretionary decision of the Vermont Legislature to appropriate funds for this Contract in each new fiscal year. The State may renew all or part of this Contract subject to the satisfactory performance of the Vendor and the needs of the State of Vermont. The Vendor shall guarantee its rate offerings, over the term of the contract, are comparable to other customers of similar size and requirements. If offerings are rendered to a comparable customer which improve the pricing agreed to in the Contract, the Vendor agrees to apply those same discounts and offerings to the State of Vermont.

1.7.4.1 Technology Solution Contract Terms

Tentatively, the resulting contract period of performance as an outcome of this RFP for the Technology Solution shall be five (5) years. The State may renew this Contract for an additional two (2) one-year renewals.

The Vendor shall, at the State's option, provide infrastructure support and management, as well as application maintenance and operations (M&O) in production from the first full implementation date through the end of the contract.

1.7.4.2 Supplemental Services Contract Terms

Tentatively, the resulting contract period of performance as an outcome of this RFP for the VCCI Supplemental Services shall be five (5) years. The State may renew this Contract for an additional two (2) one-year renewals.

1.7.5 Contract Elements

The term "Contract" means the Contract awarded as a result of this RFP and all Attachments and exhibits thereto. **VENDORS MAY HAVE STANDARD TERMS AND CONDITIONS WHICH ARE REQUIRED TO BE SUBMITTED WITH A VENDOR'S BID, HOWEVER PLEASE NOTE THAT THE STATE WILL REQUIRE NEGOTIATION OF CONTRACTOR'S TERMS AND CONDITIONS AND WILL NOT ACCEPT THE VENDOR'S STANDARD FORM IN LIEU OF THE STANDARD STATE PROVISIONS FOR CONTRACTS AND GRANTS.** DVHA reserves the right to negotiate additional contract terms and conditions.

1.7.6 Basic Philosophy: Contracting for Results

DVHA's fundamental commitment is to contract for results. DVHA defines a successful result as the generation of defined, measurable, and beneficial outcomes that satisfy the Contract requirements and support the missions and objectives of DVHA. This RFP describes what is required of the Vendor in terms of services, deliverables, performance measures and outcomes, and unless otherwise noted in the RFP, places the responsibility for how they are accomplished on the Vendor.

The State encourages strategic partnerships from Vendors to ensure the capabilities necessary to achieve the results required for the new Care Management Solution.

1.7.7 External Factors

External factors may affect the project, including budgetary and resource constraints. Any Contract resulting from the RFP is subject to the availability of state and federal funds. As of the issuance of this RFP, DVHA anticipates that budgeted funds will be available to reasonably fulfill the project requirements. If, however, funds are not available, DVHA reserves the right to withdraw the RFP or terminate the resulting Contract without penalty.

1.7.8 STANDARD STATE PROVISIONS FOR CONTRACTS AND GRANTS; AHS CUSTOMARY CONTRACTING PROVISIONS

ATTACHMENT C

STANDARD STATE PROVISIONS FOR CONTRACTS AND GRANTS

1. **Entire Agreement.** This Agreement, whether in the form of a Contract, State Funded Grant, or Federally Funded Grant, represents the entire agreement between the parties on the subject matter. All prior agreements, representations, statements, negotiations, and understandings shall have no effect.

2. **Applicable Law.** This Agreement will be governed by the laws of the State of Vermont.

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

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

5. **No Employee Benefits For Party:** The Party understands that the State will not provide any individual retirement benefits, group life insurance, group health and dental insurance, vacation or sick leave, workers compensation or other benefits or services available to State employees, nor will the state withhold any state or federal taxes except as required under applicable tax laws, which shall be determined in advance of execution of the Agreement. The Party understands that all tax returns required by the Internal Revenue Code and the State of Vermont, including but not limited to income, withholding, sales and use, and rooms and meals, must be filed by the Party, and information as to Agreement income will be provided by the State of Vermont to the Internal Revenue Service and the Vermont Department of Taxes.

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

   The Party shall defend the State and its officers and employees against all claims or suits arising in whole or in part from any act or omission of the Party or of any agent of the Party. The State shall notify the Party in the event of any such claim or suit, and the Party shall

immediately retain counsel and otherwise provide a complete defense against the entire claim or suit. The Party shall notify its insurance company and the State within 10 days of receiving any claim for damages, notice of claims, pre-claims, or service of judgments or claims, for any act or omissions in the performance of this Agreement.

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

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

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

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

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

Premises - Operations

Products and Completed Operations

Personal Injury Liability

Contractual Liability

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

$1,000,000 Per Occurrence

$1,000,000 General Aggregate

$1,000,000 Products/Completed Operations Aggregate

$ 50,000 Fire/ Legal/Liability

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

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

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

Professional Liability**:** Before commencing work on this Agreement and throughout the term of this Agreement, the Party shall procure and maintain professional liability insurance for any and all services performed under this Agreement, with minimum coverage per occurrence to be determined (with a minimum of **$2,000,000**), and aggregate to be determined (with a minimum of **$2,000,000**).

Cyber Liability insurance with limits for each occurrence to be determined and an annual aggregate (amount to be determined) covering claims involving privacy violations, information theft, damage to or destruction of electronic information, intentional and/or unintentional release of private information, alteration of electronic information, extortion and network security. Such coverage is required only if any products and/or services related to information technology (including hardware and/or software) are provided the State and for claims involving any professional services for which Contractor is engaged with State

"Cyber liability coverage" shall include:

- o Security and privacy liability
- o Media liability
- o Business interruption and extra expense
- o Cyber extortion

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

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

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

10. **Records Available for Audit:** The Party will maintain all books, documents, payroll papers, accounting records and other evidence pertaining to costs incurred under this agreement and make them available at reasonable times during the period of the Agreement and for three years thereafter for inspection by any authorized representatives of the State or Federal Government. If any litigation, claim, or audit is started before the expiration of the three year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved. The State, by any authorized representative, shall have the right at all reasonable times to inspect or otherwise evaluate the work performed or being performed under this Agreement.

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

12. **Set Off**: The State may set off any sums which the Party owes the State against any sums due the Party under this Agreement; provided, however, that any set off of amounts due the State of Vermont as taxes shall be in accordance with the procedures more specifically provided hereinafter.

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

    a. Party understands and acknowledges responsibility, if applicable, for compliance with State tax laws, including income tax withholding for employees performing services within the State, payment of use tax on property used within the State, corporate and/or personal income tax on income earned within the State.

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

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

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

14. **Child Support**: (Applicable if the Party is a natural person, not a corporation or partnership.) Party states that, as of the date the Agreement is signed, he/she:

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

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

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

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

16. **No Gifts or Gratuities**: Party shall not give title or possession of 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.

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

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

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

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

State of Vermont – Attachment C

Revised AHS – 11-7-2012

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 [INSERT NAME OF VENDOR/GRANTEE**] ("BUSINESS ASSOCIATE") AS OF _____ ("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 18.7.

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. <u>Miscellaneous.</u>

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.

(Rev: 9/21/13)

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 Vendor 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 Vendor 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 Vendors**:

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

   Evaluate through inspection or other means the quality, appropriateness, and timeliness of services performed; and Inspect and audit any financial records of such Vendor or Subcontractor.

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

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

7. **Privacy and Security Standards.**

   Protected Health Information: The Vendor 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 Vendor 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 Vendor 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 Vendor agrees to comply with the requirements of AHS Rule No. 08-048 concerning access to information. The Vendor 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 Vendor 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 Vendor 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 Vendor 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 Vendor will check the Adult Abuse Registry in the Department of Disabilities, Aging and Independent Living. Unless the Vendor holds a valid child care license or registration from the Division of Child Development, Department for Children and Families, the Vendor 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 Vendor 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 Vendor 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.**

    The State shall retain all right, title and interest in and to all data content provided by the State, and to all information that is created under a Contract, including, but not limited to, all data that is generated under a Contract as a result of the use by a Contractor, the State or any third party of any technology systems or knowledge bases that are developed for the State and used by a Contractor ("**State Information**"), and all other rights, tangible or intangible (collectively, "**State Intellectual Property**"). A Contractor may not use State Intellectual Property for any purpose other than as specified in a Contract. Upon expiration or termination of a Contract, Contractor shall return or destroy, at the discretion of the State, all State Intellectual Property and all

copies thereof, and Contractor shall have no further right or license to such State Intellectual Property. 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, a Contractor shall be required to immediately upon request, unconditionally and irrevocably assign, transfer and convey to the State all right, title and interest therein. Without any additional cost to the State, a Contractor shall be required to promptly give the State all reasonable assistance and execute all documents the State may reasonably request to assist and enable the State to perfect, preserve, enforce, register and record its rights in and to all Work Product.

"**Work Product**" shall mean any tangible or intangible work product, creation, material, item or deliverable, documentation, information and/or other items created by Contractor, either solely or jointly with others, and which are developed, conceived of, prepared, procured, generated or produced by Contractor. Work Product may include ideas, inventions, improvements, discoveries, methodologies or processes, or writings, designs, models, drawings, photographs, reports, formulas, algorithms, patterns, devices, compilations, databases, computer programs, specifications, operating instructions, procedures manuals, or other documentation, whether or not protectable under Title 17 of the U.S. Code and whether or not patentable or otherwise protectable under Title 35 of the U.S. Code, that are developed, conceived of, prepared, arise, procured, generated or produced in connection with a Contract, whether as individual items or a combination of components and whether or not the services or the deliverables are completed or the same are reduced to practice during a Contract term. For the avoidance of doubt, Work Product shall not be deemed to include Contractor Intellectual Property, provided the State shall be granted a license to any such Contractor Intellectual Property that is incorporated into Work Product.

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

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

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

    The Vendor 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 Vendor 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 Vendor 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 Vendor shall securely delete data (including archival backups) from the Vendor's equipment that contains individually identifiable records, in accordance with standards adopted by the Agency of Human Services.

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

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

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 Vendor 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 Vendor 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.

    Vendors 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 F - Revised AHS -12/10/10

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1.8 Legal and Regulatory Constraints

This Contract will be governed by the laws of the State of Vermont.

1.8.1 Conflicts of Interest

A conflict of interest is a set of facts or circumstances in which either a Vendor or anyone acting on its behalf in connection with this procurement has past, present, or currently planned personal, professional, or financial interests or obligations that, in DVHA's determination, would actually or apparently conflict or interfere with the Vendor's contractual obligations to DVHA. A conflict of interest would include circumstances in which a Vendor's personal, professional or financial interests or obligations may directly or indirectly:

- Make it difficult or impossible to fulfill its contractual obligations to DVHA in a manner that is consistent with the best interests of the State of Vermont;
- Impair, diminish, or interfere with that Vendor's ability to render impartial or objective assistance or advice to DVHA; or
- Provide the Vendor with an unfair competitive advantage in future DVHA procurements.

Neither the Vendor nor any other person or entity acting on its behalf, including but not limited to Subcontractors, employees, agents and representatives, may have a conflict of interest with respect to this procurement. Before submitting a proposal, a Vendor must certify that they do not have personal or business interests that present a conflict of interest with respect to the RFP and resulting Contract. Additionally, if applicable, the Vendor must disclose all potential conflicts of interest. The Vendor must describe the measures it will take to ensure that there will be no actual conflict of interest and that its fairness, independence and objectivity will be maintained. DVHA will determine to what extent, if any, a potential conflict of interest can be mitigated and managed during the term of the Contract. **Failure to identify potential conflicts of interest may result in disqualification of a proposal or termination of the Contract.**

1.8.1.1 Non Collusion

The State of Vermont is conscious of and concerned about collusion. It should therefore be understood by all that in signing bid and contract documents they agree that the prices quoted have been arrived at without collusion and that no prior information concerning these prices has been received from or given to a competitive company. If there is sufficient evidence to warrant investigation of the bid/contract process by the State, all bidders should understand that this paragraph might be used as a basis for litigation.

1.9 Amendments and Announcements Regarding this RFP

The State will post all official communication regarding this RFP on its website (http://www.vermontbidsystem.com), including the notice of tentative award. DVHA reserves the right to revise the RFP at any time. Any changes, amendments, or clarifications will be made in the form of written responses to Vendor questions, amendments, or addenda issued by DVHA on its website. Vendors should check the website frequently for notice of matters affecting the RFP.

Any Contract resulting from this RFP will be between DVHA and the selected Vendor. Any requirements specified herein post award are specifically by and between DVHA and the selected Vendor.

1.10 RFP Cancellation/Partial Award/Non-Award

DVHA reserves the right to cancel this RFP, to make a partial award, or to make no award if it determines that such action is in the best interest of the State of Vermont.

1.11 Right to Reject Proposals or Portions of Proposals

DVHA may, at its discretion, for any reason or no reason, reject any and all proposals or portions thereof.

1.12 Costs Incurred

Issuance of this RFP in no way constitutes a commitment by DVHA to award a Contract or to pay any costs incurred by a Vendor in the preparation of a response to this RFP. DVHA is not liable for any costs incurred by a Vendor prior to issuance of or entering into a formal agreement, contract, or purchase order. Costs of developing proposals, preparing for, or participating in oral presentations and site visits, or any other similar expenses incurred by a Vendor are entirely the responsibility of the Vendor, and will not be reimbursed in any manner by the State of Vermont.

1.13 Interpretive Conventions

Whenever the terms “must,” “shall,” “will” or “is required” are used in this RFP in conjunction with a specification or performance requirement, the specification or requirement is mandatory. Failure to address or meet any mandatory requirement in a Proposal by a Vendor may be cause for DVHA’s rejection of the Vendor’s Proposal.

Whenever the terms “can,” “may,” or “should” are used in this RFP in conjunction with a specification or performance requirement, the specification or performance requirement is a

desirable, but not mandatory, requirement. Accordingly, a Vendor's failure to address or provide any items so referred to will not be the cause for rejection of the Proposal, but will likely result in a less favorable evaluation.

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2. Overview and Scope of Work

2.1 Overview

Care Management technical operations are part of the State's Medicaid Operations and are administered by DVHA. The State currently contracts for Care Management support services for the VCCI from an incumbent vendor. Through this procurement, the State is acquiring Care Management technology for the enterprise (AHS) and supplemental services to specifically support the VCCI operations.

The enterprise solution will replace the current VCCI stand-alone technical contract and add contemporary capabilities to best serve all care management needs of AHS. The State's expectation through this procurement is to have no interruption of VCCI services during and after the transition to the new Vendor.

2.2 Health Service Enterprise Overview

Innovation is where creativity and passion intersect with opportunity, and Vermont continues to be at the forefront of innovation in health care transformation. Vermont's Health Service Enterprise (HSE) vision is a multi-year, multi-phased approach that reshapes and integrates current business processes, improves public-private sector partnerships, enhances the utilization of information, modernizes our IT environment, and results in an end-to-end transformation of the health care experience for the Vermont populace.

Vermont's aggressive agenda for change is built on providing Vermonters with improved access to their personal health data in a secure, timely and effective manner, enabling services and solutions that result in improved life situations and better health outcomes implemented in conjunction with enhanced access to health care benefits. The HSE strategy is to invest in new and upgraded components and technology that serve the current and near-term needs, and form the technical foundation on which the State can continually evolve to an integrated enterprise within a strategic timeframe. At the same time, these components will help the State transition to support Vermont's envisioned public-private universal health care system. As such, the HSE represents a holistic approach to innovation.

The HSE is the comprehensive collection of Health Information Technology (HIT) and Health Reform Information Technology systems. Three key components of the HSE are the Vermont Health Connect (VHC) online health insurance marketplace, the Integrated Eligibility (IE) system, and the Medicaid Management Information System (MMIS). These strategic components are incrementally deployed upon Vermont's new service-oriented architecture (SOA) that allows for a modular, flexible, interoperable and learning computing environment leveraging shared services, common technology, and detailed information. The new environment is designed to

be consistent with CMS' Medicaid Information Technology Architecture 3.0 and Seven Standards & Conditions to ensure the State's ability to meet the goals of increasing electronic commerce and transition to a digital enterprise.

The CCM Solution is part of the overall MMIS component of the HSE. As depicted in Figure 1, the Vermont HSE is a combination of building blocks, using the HSE Platform as a foundation. The Platform provides the infrastructure services and functional components that each solution shares.

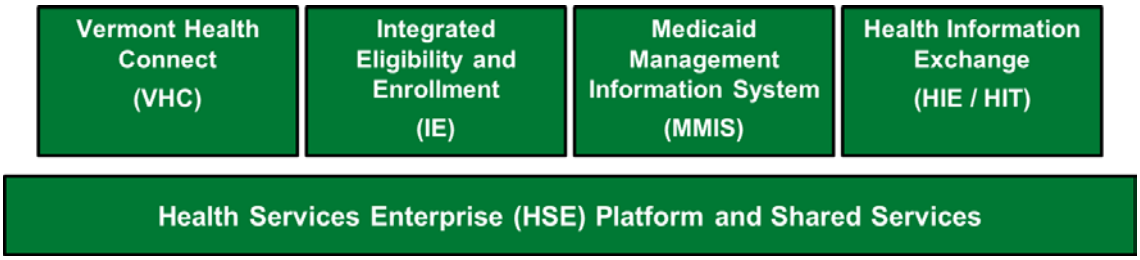

Figure 1. Health Services Enterprise Overview

2.2.1 Current Related Initiatives

This integrated investment in functional solutions and standard computing platform are the key enablers for the State of Vermont to adopt an Enterprise approach, and achieve true innovation in health care for the general population. The expected timelines for the components of the enterprise are shown in the following table:

Table 4. Vermont Agency of Human Services' Health Services Enterprise

ENTERPRISE KEY MILESTONE	RESPONSIBILITY	IMPLEMENTATION COMPLETION TARGET DATE
Health Services Enterprise Platform (Oracle 11 GR SOA Suite)	VHC Solution Vendor	TBD
Vermont Health Connect	VHC Solution Vendor	October 2013
Vermont Integrated Eligibility Determination	IE Solution Vendor	TBD

The State is also procuring additional MMIS technologies and services to replace existing, aging capabilities. The overall MMIS Procurement is broken down into three (3) work streams to meet the scope and schedule objectives of DVHA. The structure of the overall procurement is show in

Figure 2 below and the targeted dates for implementation completion are shown in the following Table 5.

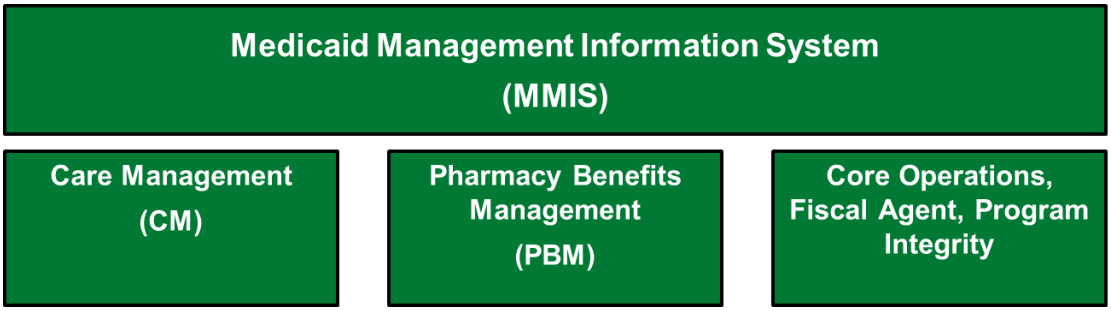

Figure 2. Medicaid Management Information System (MMIS)

Table 5. MMIS Milestone Dates

Key Milestones	Responsibility	Key Full Implementation Completion Date
Care Management	Vendor To Be Determined (TBD)	August 2017
Pharmacy Benefits Management	Vendor TBD	December 2014
Core Operations	Vendor TBD	December 2016

The State has made extensive investments and plans to make further investments in technologies and services as part of the Health Services Enterprise (HSE). It is the State's expectation that the procured Care Management Solution will leverage the investments the State has made, either through reuse of technologies already owned, or through use of web services available in the Oracle-based SOA-compliant HSE Platform, as possible and appropriate. The following Table 6 provides an overview of the future HSE Platform services and capabilities.

Table 6. HSE Platform Services and Capabilities

Identity Management	Ensure individuals are identified across the range of roles that they play and human services programs that they interact with, and have access only to information and functionality for which they are authorized

Consent Management	Ensure that appropriate information is shared with only individuals that are authorized and have a need for access to it
Portal	Provide a consistent user interface and access to information and functionality
Enterprise Information Exchange	Also referred to as a gateway, or service bus, will provide a standards based mechanism for integrating with and sharing information among the full range of human services and administrative applications
Master Data Management	Includes Master Person Index, Identity Management, Master Provider Index to ensure a common view and single version of the "truth" across Vermont's HHS programs
Rules Engine	Define and manage the business rules which will drive eligibility assessments across human services programs
Eligibility Automation Foundation	Provide HSE Platform shared functionality for eligibility screening, application and determinations services for Vermont Health and Human Services programs
Content Management	Allow management of and access to a wide range of information and media
Analytics and Business Intelligence Tools and Repositories	Create reports and dashboards to shed light on and manage current operations, and to develop analytical and predictive analyses for future planning and policy development
Collaboration Capabilities	These include: Service Coordination (Secure Messaging and Shared Case Notes), Client and Provider Look-Up and Query, Referral Management (Create Referral and Manage Referral), and Alerts and Notifications
SOA	Architected services that are composed of discrete software agents that are loosely coupled to other enterprise components. These services are re-usable for the construction of additional applications.

Universal Customer Management	Ensure individual (member) data is managed holistically. This is generally serviced by CRM applications that touch multiple areas of a customer (member) activity. Services to be used include CRM 2.0 capabilities thus offering bi-directional communications and exchanges.
Enterprise Content Management and Customer Communication Management	Allow for the management of structured and un-structured data across the enterprise. The customer communication management part refers to notifications constructed by the business to formally communicate with members by way of the enterprise.
Business Process Management	A SOA supported system that generates, stores, and re-uses business processes required to perform the necessary business requirements of the target solution.

2.3 Care Management Overview

Care Management is provided by multiple departments and programs within AHS. The State is procuring a Care Management Solution to replace the current VCCI solution and support services; and to provide technology support for the enterprise and meet the care management needs of the Agency. It will be executed in two (2) phases. These are:

- P**hase 1, Care Management technology and supplemental services for the VCCI** - The goal of the first phase (up to 6 months) is to deliver a proof-of-concept with all of the functional capabilities identified as *Immediate* in Template F – Functional Requirements and provide supplemental services to address the needs of the VCCI. This phase includes the addition of new initiatives within the VCCI: High-Risk Pregnancy and the Pediatric Palliative Care Program. The Vendor will be expected to use the Care Management solution being acquired through this procurement to deliver the supplemental services for the VCCI.

- **Phase 2, Additional Care Management functionality and on-boarding of other AHS Programs/Initiatives** - The second phase (up to 24 months) scales up to encompass the remaining functionality not covered in Phase 1, as well as the technology needs of additional departments, programs and initiatives within the enterprise as outlined in Table 7 below. As such, the Vendor must ensure that the technology is driven by business needs. It is envisioned that the Vendor will begin Phase 2 with DAIL's Developmental Disability (DDS) Program and DCF's Children's Integrated Services (CIS) program. The Vendor is expected to work closely with the State to determine the final

list of programs and define the roll-out of these other programs thereafter.

Table 7. Agency of Human Services Departments, Programs and/or Initiatives to Utilize the Care Management Solution

DEPARTMENT / INITIATIVE	PROGRAM(S)	Estimated Population Served	Estimated Supporting Staff	PROGRAM INFORMATION
Department of Vermont Health Access (DVHA)	Blueprint for Health / MAT Health Homes	5,000	24	http://hcr.vermont.gov/blueprint
	Clinical Operations Unit (Concurrent Review; Prior Authorization, Breast Cancer Program)	14,000	11	http://ovha.vermont.gov/
	Substance Abuse Unit/Team Care	2,500	3	http://dvha.vermont.gov/for-consumers/substance-abuse
	Vermont Chronic Care Initiative including Pediatric Palliative Care Program and High-Risk Pregnancy **(Phase 1)**	See RFP Narrative	See RFP Narrative	http://dvha.vermont.gov/for-consumers/vermont-chronic-care-initiative-vcci/
	Quality Improvement (Behavioral Health Concurrent Review Care Management)	1,850	4	http://ovha.vermont.gov/
Department for Children and Families (DCF)	Children's Integrated Services (CIS)	5,000-6,000	13	http://dcf.vermont.gov/cdd/cis
	Children's Protective Services	5,000	13	http://dcf.vermont.gov/fsd
Department of	Adult	7,000	17	http://mentalhealth.vermont.gov

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DEPARTMENT / INITIATIVE	PROGRAM(S)	Estimated Population Served	Estimated Supporting Staff	PROGRAM INFORMATION
Mental Health (DMH)				/services#adult
	Pediatric	10,000	7	http://mentalhealth.vermont.gov/services#cafu
Department of Disabilities, Aging & Independent Living (DAIL) -	Choices for Care	5,000	20	http://www.ddas.vermont.gov/ddas-programs/programs-cfc/
	Developmental Disability Services (DDS)	See RFP Narrative	14	http://ddas.vt.gov/ddas-programs/programs-dds/programs-dds-default-page
	Traumatic Brain Injury (TBI)	75	2	http://ddas.vt.gov/ddas-programs/tbi/programs-tbi-default-page
Vermont Department of	Children with Special Health Needs (CSHN)	3500	18	http://healthvermont.gov/family/cshn/cshn.aspx

Confidential - Draft

DEPARTMENT / INITIATIVE	PROGRAM(S)	Estimated Population Served	Estimated Supporting Staff	PROGRAM INFORMATION
Health (VDH)	Hub and Spoke / MAT Health Homes	5,000	24	This Program is a joint venture between Blueprint/DVHA and ADAP/VDH. Hubs (specialty opioid treatment centers using predominantly methadone) are overseen by ADAP/VDH. http://healthvermont.gov/adap/documents/HUBSPOKEBriefingDocV122112.pdf
	Ladies First	1,000	6	http://healthvermont.gov/prevent/ladies_first.aspx
	Divisions of Maternal and Child Health and Office of Local Health: Early and Periodic Screening, Diagnosis and Treatment (EPSDT)	63,015	18	

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The Vendor is required to propose a phased implementation approach for early and frequent delivery (example: in intervals of 3– 6 months) of functionality to the users, while optimizing the delivery of overall functionality over the life of the project. The Vendor is required to include, in its Proposal, its recommended phasing approach to meeting the entirety of the Care Management project scope, starting with ensuring uninterrupted VCCI operations. The Vendor will ensure the minimum functionality as outlined in the Functional and Non-Functional Requirements Tracing Matrices in Template F and Template H, respectively, is addressed by its approach, but may propose additional functionality and technology components for each phase.

2.4 Project Approach

The State intends to award a single Contract to a Vendor or a team of Vendors for the new CM Solution and Supplemental Services in support of the VCCI. The State is interested in proposals that demonstrate an integrated team approach with a single Prime Vendor and additional Vendors subcontracted to the Prime if indicated.

Through its response to this RFP, the Vendor is expected to demonstrate an approach and solution that will provide a flexible and interoperable CM Solution that will fit within the vision for the State's enterprise approach to technology for Vermont's health and human services programs.

The Vendor shall also demonstrate an understanding of the care management supplemental services requirements for the VCCI and propose an innovative approach to fulfilling them.

2.5 Proposed Solution

2.5.1 Overview

This RFP requests services for the proposed technology solution in two (2) work streams that are defined in the following sections.

- CM Solution Design, Development and Implementation
- CM Hosting with Maintenance and Operations

2.5.2 Summary of Functional Requirements

The State intends to select a Vendor that demonstrates a complete understanding of the Care Management requirements. The Vendor will have demonstrated the capability to develop, implement and maintain a CM Solution that embraces the MITA 3.0 goals and objectives and CMS' Seven Conditions and Standards, and addresses all of the requirements included in the RFP.

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The Vendor is required to understand and provide the most effective and efficient approach to meeting each requirement for the requested solution as a whole.

The Functional Requirements for the technology being sought by the State of Vermont are detailed in the following business areas. Each of these sections is to be discussed by the Vendor in Template F – Functional Requirements Matrix and Template G – Functional Requirements Approach as described in the RFP instructions.

The Vendor shall provide the State with a CM Solution that contains, at a minimum, the nine (9) functional capabilities described below:

1. Candidate Identification and Stratification
2. Member Outreach, Case Creation and Case Assignment
3. Member Assessments and Plan of Care Development
4. Case Management
5. Referral Management and Case Transition
6. Population Health Management
7. Registry Management
8. Business Intelligence and Shared Analytics/Reporting
9. General Requirements – Requirements that are common to any of the functional capabilities described above.

2.5.3 Summary of Non-Functional Requirements

The State has developed and documented a set of Non-Functional Requirements for the CM Solution. These Non-Functional Requirements are independent of any particular service provider's solution type and are intended to better align the Vendor's offering(s) with the overall AHS vision for integrated health and human services and the enterprise technology infrastructure being deployed.

The Vendor will respond to the Non-Functional Requirements (NFR) and its approach to meeting them in Template H – Non-Functional Requirements, Template I – Technical Requirements Approach, Template J – Implementation Requirements Approach, and Template K – Maintenance Requirements Approach.

The NFRs are organized under the following categories:

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(i) **Generalized System Behavior Requirements**: Requirements that are identified for each individual business activity and apply to a wide variety of such activities (e.g., performance, usability, etc.).

- ❑ G1. Usability
- ❑ G2. Audit / Compliance
- ❑ G3. Service Levels and Performance
- ❑ G4. Interface List
- ❑ G5. General

(ii) **Technology Requirements:** Requirements that drive how systems should be designed and built in a way that provides for long-term use and reuse and related standards (e.g., architecture, adopted standards, MITA 3.0 and the CMS "Seven Conditions and Standards").

- ❑ T1. Interoperability / Interfaces
- ❑ T2. Scalability and Extensibility
- ❑ T3. Regulatory and Security
- ❑ T4. HSE Platform Alignment

(iii) **Change Process Requirements – Implementation:** Requirements that drive how systems and services are designed, implemented, and supported to reduce risks and promote quality (e.g., project management, Software Development Life Cycle (SDLC), quality control).

- ❑ I1. Project Management
- ❑ I2. Environment Installation and Configuration
- ❑ I3. Knowledge Transfer & Training
- ❑ I4. Design, Development & Customization
- ❑ I5. Deployment
- ❑ I6. Quality Management

(iv) **Change Process Requirements – Operations:** Requirements that drive how systems and services are operated and supported to reduce risks and promote quality

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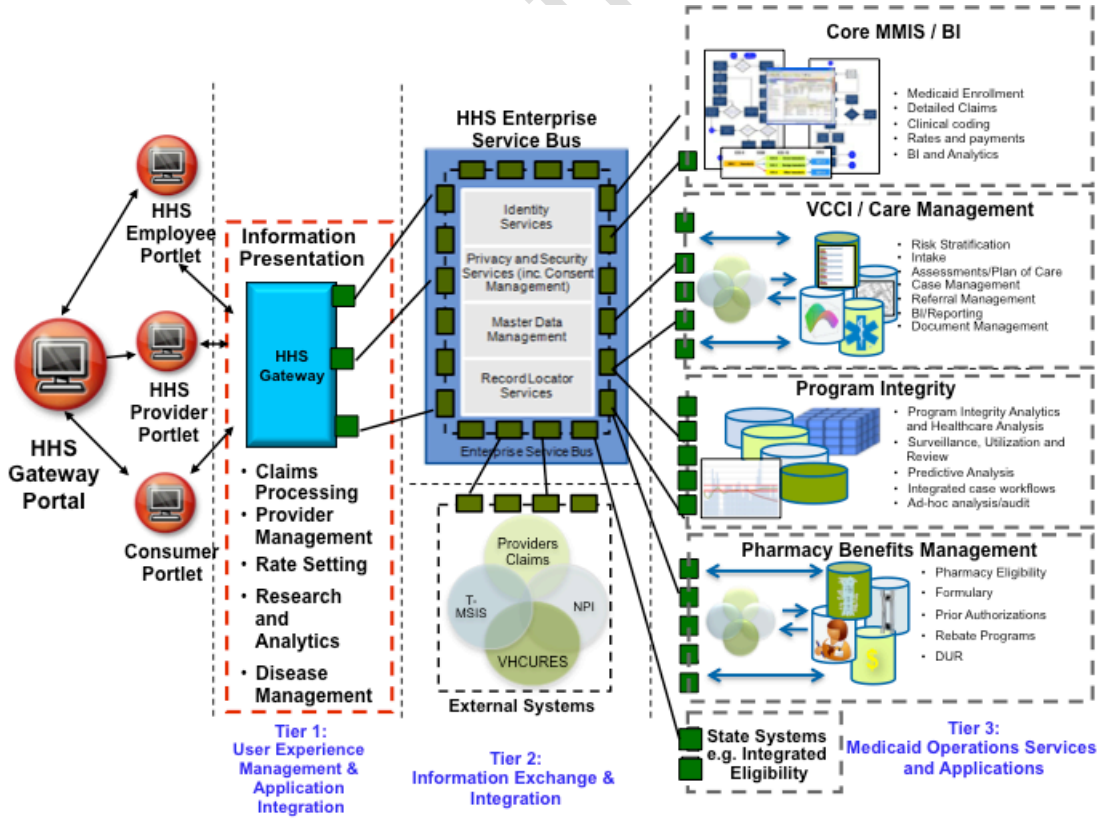
- ❑ O1. Production Support & Transition
- ❑ O2. Defect Resolution and Solution Acceptance
- ❑ O3. System Administration
- ❑ O4. System Management

2.5.4 Solution Architecture Guiding Principles

The State is seeking the implementation of innovative, flexible and interoperable solutions that provide the key capabilities required for meeting Vermont's objectives. Figure 3 below provides a high-level conceptual model of the Vermont HSE solution architecture. The Solution Architecture Conceptual Model diagram presented below is separated into three (3) major architecture tiers:

- Tier 1 – User Experience Management and Application Integration
- Tier 2 – Information Exchange and Integration
- Tier 3 – Medicaid Operations Services and Applications

Figure 3. Vermont HSE Solution Architecture Conceptual Model



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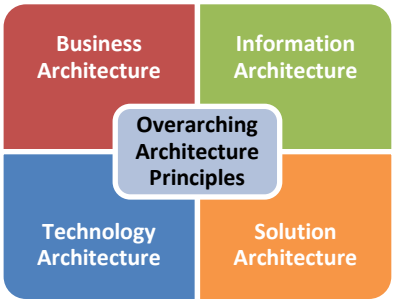
A key objective of the Vermont Enterprise Architecture (EA) framework for the HSE Program is to organize the Enterprise Architecture content and define the desired future state capabilities. Vermont has defined a series of architectural principles that describe the desired future state Enterprise Architecture for the Vermont HSE Program. The Vendor is expected to align its solution with these principles in its overall solution approach.



The Vermont Health Services Enterprise Architecture consists of four (4) key domains:

- **Enterprise Business Architecture** – Defining the drivers and strategy for the future program/policy framework for Vermont's integrated and enterprise approach to health and human services and identifying the implications for enabling IT and developing a functional model of the enterprise from which information and technical architectures can be derived

- **Enterprise Information Architecture** – Identifying the data and information that will be required to anticipate, support and validate key decisions through the lifecycle of Vermont's health and human services programs/services and how that data/information must flow through the State's legacy systems.

- **Enterprise Technology Architecture** – Defining the required technology infrastructure and standards (ONC, National HIT Standards, Software/Hardware Standards, etc.) as well as the system management, operations and security mechanisms that are required to achieve the vision and provide for a sustainable, extensible, lifecycle of Vermont's AHS Programs and Services

- **Solution (Application) Architecture** – Defining the solution pattern that will be required, such as: common front-end one-stop portal; enterprise information exchange/enterprise service bus; consolidation / modernization / retirement of legacy applications; enterprise data warehouse/mart and business intelligence tools, etc.

Architectural Principles by Domain

Architectural principles provide guidance for decision-making in support of the vision of the future state. The principles describe the consistent decision-making biases and are intended to provide logical consistency across multiple areas. The principles also articulate how to deal with change, drive behavior, and affect individual decision-making events. These principles are not policies, but often do drive the policy requirements. These principles articulate top-level decision-making biases at Vermont.

The following overarching **HSE Architecture** principles support the Vermont HSE Platform:

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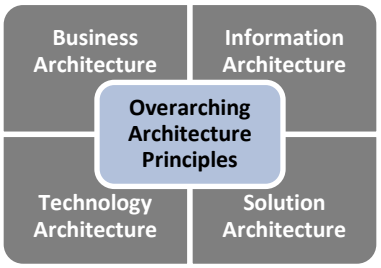
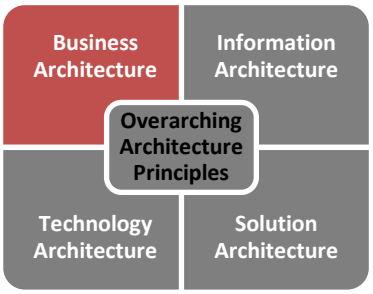
- **Sustainability:** The Health Services Enterprise Architecture must include essential actions and resources to ensure the endurance of the Vermont Health Services Enterprise. This requires committed leadership, effective governance and the continuity of funding and knowledgeable resources with the critical skills to sustain the architecture



- **Open Process:** Establish an open and inclusive process for defining the Enterprise Architecture, identifying the needs of the community (providers, payers, government, etc.) and the Business, Information and Technology architecture
- **Accountability and Transparency:** There must be clearly defined ownership and governance for the architecture. Roles and responsibilities must be delineated unambiguously and shared openly. Defined responsibilities should include: providing input to the decision making process, analyzing alternatives, formulating proposals, making determinations and review and approval
- **Simplicity and Consistency:** Enterprise Architecture governance processes must serve to avoid unnecessary complexity and redundancy in the management of risks and controls across the Enterprise by developing a single, unified approach
- **Broad Participation:** The Agency has identified a need for broad stakeholder representation and involvement in Enterprise Architecture Governance
- **Aligned and Comprehensive:** The value of Enterprise Architecture will depend in large measure on how well it supports program requirements in all respects

The following **Enterprise Business Architecture** principles support the Vermont HSE Platform:

- **Support the Enterprise Mission and Objectives:** All business processes should be optimized to support overall AHS strategic objectives
- **Focus on User Needs:** Applicants, Members, State Staff and Trading Partners will be able to use systems that provide content rich and user friendly interfaces via multiple channels and task-appropriate devices aligned with the State's model of practices
- **Enable Data Sharing:** The Vermont HSE Platform will enable enterprise-wide data sharing and also provide flexible data access for Residents and Trading Partners



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- **Ensure Privacy and Confidentiality:** The Vermont HSE Platform will ensure the privacy and confidentiality of health data including compliance with all laws and regulations
- **Enhance Decision-support:** The Vermont HSE Platform will provide timely, accurate, and complete decision support information to users through applications and shared services that minimize the labor intensity to enter, access and manipulate data and also anticipate, support and validate key public health and client service activities and decisions
- **Utilize Advanced Data Analytics:** The Vermont HSE Platform will collect and marshal a wide variety of health data that will be able to be analyzed to create knowledge that informs evidence-based strategies to create actionable results for meeting the needs of Vermont residents
- **Create a Real-Time Integrated Enterprise:** The Vermont HSE Platform will allow all users to have current and up-to-the-second information regarding all client's interactions with Vermont's HHS Programs

The following **Enterprise Information Architecture** principles support the VT HSE Platform:

- **Manage Information as an Enterprise Asset:** Coordinate the collection, consolidation, and consumption of enterprise information to support strategic initiatives requiring the consistency and dependability of data across multiple business processes and throughout the entire lifecycle of the information
- **Enable Data Sharing via Standards-Based Approach:** Vermont's HHS Agencies will provide and benefit from consistent and accessible data sharing, internally and externally, using appropriate Health IT standards for naming, messaging, and data exchange
- **Data Governance will be Transparent and Consistent:** The Vermont HSE Platform will ensure that data governance processes decisions are consistently implemented across the organization to ensure that data integration is as effective as possible
- **Establish a Single Data Source approach to Client and Provider Information:** The Vermont HSE Platform will use enterprise-wide tools to provide reliable and cost-effective data sources for the records managed by each Agency and its partners
- **Continuously Improve Data Quality:** Data will be continuously reviewed and there will be a relentless focus on ensuring the highest quality of data content with specified data owners accountable for quality and establishing standards for data stewardship - addressing data definition, transformation, integrity and quality issues

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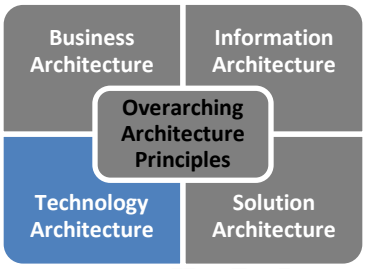
- **Enforce Data Confidentiality and Legal Requirements:** AHS will ensure that all rules and regulations that govern data collection, storage and use are rigorously applied

The following **Enterprise Technology Architecture** principles support the Vermont HSE Platform:

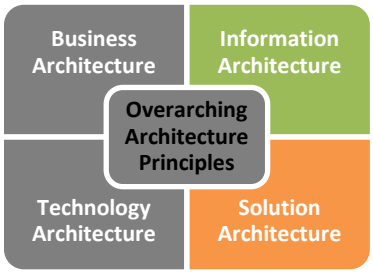
- **Integrated and Accessible Architecture:** Information captured across the program silos need to be integrated and accessible
  - ❑ Leverage data across systems and processes, taking into account security, privacy and confidentiality considerations
  - ❑ Maintain consistent definitions and a single authoritative source of record for data



- **Robust Infrastructure Capabilities:** Enhance infrastructure capabilities for standardized approach to health information
  - ❑ Need to deploy IT infrastructure for user driven access to and analysis of information
- **Privacy and Security Compliance:** Ensure privacy and security of participant information in accordance with legislative mandates (e.g., HIPAA) and community preferences
  - ❑ Improve and enforce the Security standards around Identity and Access Management (IAM)
- **Technology Solutions Aligned to Agency Requirements:** Design technology solutions to accommodate appropriate agency requirements consistent with enterprise architecture and standards while minimizing the number of departmental applications (eliminating duplication and overlap wherever possible)

The following **Enterprise Solution Architecture** principles support the Vermont HSE Platform:

- **Service-Oriented:** The target architecture should consist of a number of services that are compliant with industry standards for service-oriented architecture to facilitate reuse, adaptability and interoperability
- **Interoperability Standards:** Build upon Federal standards and implementation efforts including CDC, NHIST, the ONC HIT Standards Committee and those for the NHIN and comply with emerging national



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interoperability standards for content exchange, vocabulary/notation and privacy/security

- **Investment Protection:** Provide the ability to integrate with existing public health system platforms and health information exchanges
- **Independence:** Keep architecture skills separate from product and implementation vendors' dependencies to maintain vendor and technology neutrality in the development of architecture
- **Scalable and Extensible:** Provide incremental expansion of functionality over time on a base that is scalable to accommodate additional users and extensible in expanding capabilities to meet future business needs and federal and state mandates
- **Legacy System Access Through Modernized Interfaces:** Provide the platform, design patterns and disciplines required to facilitate access to the existing application portfolio and data sets leveraging modern interface architecture approaches

2.5.5 State of Vermont Enterprise Considerations

The State of Vermont has a largely decentralized technology structure with most large Agencies and Departments having their own IT resources. The Department of Information and Innovation (DII) serves as the Enterprise IT organization for the State of Vermont hosting various enterprise applications like email and Microsoft Office SharePoint Server (MOSS). DII includes the Enterprise Project Management Office (EPMO) and the Office of the Enterprise Architect/CTO. The Commissioner of DII is the State CIO. DII also manages the State's WAN and all Telecommunications resources.

The Vendor's proposed Solution shall ideally be "enterprise capable" and will be evaluated, in part, for its ability to serve a broader purpose across the State enterprise. While it may not be possible to find a "one size fits all" solution, the State will, to the extent possible, seek a Solution with the broadest applicability possible.

Ideally, the State would like to enter into an enterprise Contract and licensing terms that can serve the immediate needs of the VCCI and can also be expanded to any other agencies or departments that could utilize the Solution. Part of the enterprise goal is to achieve whatever economies of scale are possible in software license costs, support and maintenance costs, infrastructure costs and combining implementation and training costs across entities where feasible.

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2.5.6 Interfacing Requirements

The new Care Management Solution will need to interact with a number of other State systems to function effectively. The interface requirements are described in Template H – Non-Functional Requirements and Template I – Technical Requirements Approach.

2.5.7 Required Project Policies, Guidelines and Methodologies

The Vendor shall be required to comply with all applicable laws, regulations, policies, standards and guidelines affecting information technology projects, which may be created or changed periodically. It is the responsibility of the Vendor to insure adherence and to remain abreast of new or revised Laws, regulations, policies, standards and guidelines affecting project execution. Agency specific confidentiality and privacy policies, such as Health Insurance Portability and Accountability Act (HIPAA) may apply. These may include, but are not limited to:

- The State's Information Technology Policies & Procedures at: http://dii.vermont.gov/Policy_Central
- The State's Record Management Best Practice at: http://vermont-archives.org/records/standards/pdf/RecordsManagementBestPractice.pdf
- The State Information Security Best Practice Guideline at: http://vermont-archives.org/records/standards/pdf/InformationSecurityBestPractice_Eff.20090501.pdf
- The State Digital Imaging Guidelines at http://vermont-archives.org/records/standards/pdf/ImagingGuideline2008.pdf
- The State File Formats Best Practice at http://vermont-archives.org/records/standards/pdf/FileFormatsBestPractice_Eff.20071201.pdf
- The State File Formats Guideline at http://vermont-archives.org/records/standards/pdf/FileFormatsGuideline2008.pdf
- The State Metadata Guideline at http://vermont-archives.org/records/standards/pdf/MetadataGuideline2008.pdf

2.5.8 Proposed Solution Approach

2.5.8.1 Approach to Security Related Regulations and Standards

The proposed Solution will, at a minimum, provide a mechanism to comply with System security requirements and safeguard requirements of the following federal and State agencies / entities:

- Health & Human Services (HHS) Center for Medicare & Medicaid Services

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- Administration for Children & Families (ACF)
- NIST 800-53 and DOD 8500.2
- Security Related Regulations and Standards; MARS-E
- Federal Information Security Management Act (FISMA) of 2002
- Health Insurance Portability and Accountability Act (HIPAA) of 1996
- Health Information Technology for Economic and Clinical Health Act (HITECH) of 2009
- Privacy Act of 1974
- e-Government Act of 2002
- Patient Protection and Affordable Care Act of 2010, Section 1561 Recommendations
- Vermont Statute 9 V.S.A. § 2440. Social security number protection (http://www.leg.state.vt.us/statutes/fullsection.cfm?Title=09&Chapter=062&Section=02440)
- Vermont Statute 9 V.S.A. § 2435. Notice of security breaches (http://www.leg.state.vt.us/statutes/fullsection.cfm?Title=09&Chapter=062&Section=02435)

2.5.8.2 Approach to Data Privacy

The Vendor will agree to comply with state and federal confidentiality and information disclosure laws, rules and regulations applicable to work associated with this RFP including but not limited to:

- United States Code 42 USC 1320d through 1320d-8 (HIPAA);
- Code of Federal Regulations, 42 CFR 431.300, 431.302, 431.305, 431.306, 435.945,45 CFR164.502 (e), 164.504 (e) and Part 2

Based on the determination that the functions to be performed in accordance with this RFP constitute Business Associate functions as defined in HIPAA, the Vendor shall execute a Business Associate Agreement in the form set forth in Section 1.7.8 of this RFP, as required by HIPAA regulations at 45 CFR §164.501.

The Vendor acknowledges its duty to become familiar with and comply, to the extent applicable, with all requirements of HIPAA, 42 U.S.C. § 1320d et seq. and implementing regulations including 45 CFR Parts 160 and 164. The Vendor also agrees to comply with the Vermont Privacy regulations.

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Should the Business Associate Agreement not be accepted by the Vendor, as required by this solicitation, the Procurement Officer, upon approval by the project executive sponsors, may withdraw the recommendation for an award and make an award to the next qualified Vendor.

Protected Health Information as defined in the HIPAA regulations at 45 CFR 160.103 and 164.501 means information transmitted that is individually identifiable; that is created or received by a healthcare provider, health plan, public health authority, employer, life insurer, school or university, or healthcare clearinghouse; and that is related to the past, present, or future physical or mental health or condition of an individual, to the provision of healthcare to an individual, or to the past, present, or future payment for the provision of healthcare to an individual. The definition excludes certain education records as well as employment records held by a covered entity in its role as employer.

2.5.8.3 Approach to Capacity Planning

The Vendor is required to propose a robust approach to capacity planning. The Care Management Solution design and implementation approach must be responsive to three (3) core dimensions of capacity planning: 1) business capacity planning, 2) service capacity planning, and 3) IT component capacity planning.

(i) **Business Capacity Planning:** Ensures that the future business capacity requirements (e.g., desired outcomes, anticipated number and type of Participants, etc.) are considered and understood, and that sufficient IT capacity to support the new System is planned and implemented within an appropriate timeframe

(ii) **Service Capacity Planning:** Helps estimate the end-to-end performance, usage, workloads and resources of the System, and ensures that the performance of the System as detailed in the capacity section of the non-functional requirements document, is monitored and measured and that the collected data is recorded, analyzed, and reported

(iii) **IT Component Capacity Planning:** Helps predict the performance, utilization, and capability of individual IT technology components. It also ensures that all components within the required IT infrastructure with finite resources are monitored and measured and that the collected data can be recorded, analyzed, and reported

The State's new systems and their databases need to support the Agency's caseloads (active and inactive Participants and historical participant data) and future caseload increases. Participant Medicaid growth is estimated at 2-5% year over year, but is impacted by Vermont legislative changes.

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2.5.8.4 Approach to System Migration and Data Conversion

The Vendor is expected to describe the migration approach and methodology to be used for the Care Management Solution. The Vendor will incorporate the migration approach and data conversion plan (if appropriate) into a comprehensive Migration Plan. The State anticipates considerable collaboration with the Vendor in the plan's construction.

2.5.8.5 Approach to Integration

The Care Management Solution is expected to interface with a number of other State systems using the HSE Integration infrastructure.

The Solution must be able to support Application to Application (A2A) synchronous and asynchronous messaging using web services. The messaging capabilities will be able to support a wide variety of A2A patterns including, but not limited to, the following:

- Data look-up and retrieval
- Data look-up with services provided by other applications
- Simple bulk data transfer to/from other Systems

It is anticipated that all integration will be through Vermont's HSE Integration infrastructure.

2.5.8.6 Approach to Testing

The Vendor is required to propose a robust and integrated methodology for testing of the proposed Solution, including testing with l VCCI data. The Vendor's testing approach and plan must, at a minimum, include the following areas:

- Test philosophy including objectives, required levels or types of testing, and basic testing strategy
- Procedures and approach to ensure the testing will satisfy specific objectives and demonstrate that the requirements are met
- Procedures and approach to ensure that each phase of the testing is complete, and how formal reports/debriefings will be conducted for each phase of testing
- Approach to define tested workload types (performance testing) and test data
- Overview of testing facilities, environment and specific testing tools to be used
- Overview of processes and procedures that will be used by the Vendor for releasing testing results and review of test results

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- Processes and procedures for tracking and reporting of results / variances / defects

2.5.8.7 Approach to Implementation

The Vendor must employ, maintain, and execute a project management methodology that complies with the Project Management Institute (PMI) standards or equivalent.

The Vendor is expected to propose a project management approach and methodology to be used for all service configuration and deployment project lifecycles. The Vendor will develop and follow a Project Management Plan (PMP) conforming to the Project Management Body of Knowledge (PMBOK). The PMP will incorporate the following PMBOK knowledge areas:

- Project Integration Management
- Project Scope Management
- Project Time Management
- Project Cost Management
- Project Quality Management
- Project Human Resource Management
- Project Communications Management
- Project Risk Management
- Project Procurement Management

The Vendor must develop (in cooperation with the State) and execute a Knowledge Transfer and Training Plan. The Knowledge Transfer and Training Plan must include, at a minimum:

- Training goals/standards and the specific plan for training any Vermont technical personnel and end users
- Administrative training on CRM for business managers. CRM aspects will be provisioned through proper IAM
- Size of population and types of roles that need training
- Strategy for providing training early in the project to allow the training goals to be implemented throughout the project life phase
- Tasks, deliverables and resources necessary to complete the training effort and identify tools and documentation that will be necessary to support proposed effort

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- Types of training, the specific courses and course materials, the training approach for both technical personnel and end users, and how training effectiveness will be measured and addressed

2.5.8.8 Approach to Usability (User Interface)

The Vendor is expected to describe its proposed approach to providing a User Interface that adheres to documented Industry best practices and is simple, consistent, and uses familiar terminology. The State prefers to present the User Interface for State user facing functionality within its Oracle WebCenter Portal environment, where possible.

2.5.8.9 Approach to Business Intelligence, Analytics and Reporting

The Vendor is expected to propose an approach to support the Business Intelligence (BI) functions that should deliver a balanced set of capabilities to the internal State users across three (3) areas: information delivery, analysis, and development. Additionally, the description must include the reporting approach for both canned and ad-hoc reports and the ability of the proposed Solution to provide dashboard capabilities to the State users.

2.5.8.10 Approach to Regulatory Policies and Audit Compliance

The Vendor is expected to describe its approach to adhering to regulatory policies as well as achieving audit compliance.

2.5.8.11 Approach to Audit Trail

The Vendor is expected to propose an approach to support an audit trail of all pertinent events, giving due consideration to storage space and performance constraints. Examples of these events include:

- System start-up and shutdown
- Successful and unsuccessful login attempts
- User actions to access various Solution components (successful and unsuccessful attempts)
- Actions taken by system administrators and security personnel
- All administrative actions performed on the Solution
- Permission changes
- Creation of users and objects

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- Deletion and modification of any system files
- Changes, additions or deletions to data (including operational and security data)
- Out of normal Solution operations usage or user access

2.5.8.12 Approach to Disaster Recovery

The Vendor is expected to propose an approach to reestablishing operations in the event of a catastrophe. Provide an overview of the facilities, hardware and software components utilized by the proposed Solution.

2.5.8.13 Approach to IT Service Desk

The Vendor is expected to propose an approach for providing a professional Service Desk to be physically located in the United States. The IT Service Desk will enable the central management of service delivery and provides the functions and oversight of Vendor's support services including but not limited to:

- Incident Management
- Problem Management
- Change Management
- Service Requests

Service support management represents a core support center that handles and manages the resolution of Incidents, Problems and Changes. This set of services manages events as they occur, and assures escalation, ownership and closure of these events. The Service Desk should follow best practices based on ITIL v3 standards.

The following activities shall be addressed during Service Operations:

- **Production Support** - Supporting production, addressing system interruptions focusing on identifying and fixing system faults quickly or crafting workarounds enabling later root cause analysis and problem remediation. On call support will be used for any Severity 1 maintenance requests
- **Maintenance Support** - Making changes to existing functionality and features that are necessary to continue proper system operation. This includes routine maintenance, root cause analysis, applying change requirements, software upgrades, business need changes, State rule changes, infrastructure policy impacts, and corrective, adaptive or perfective maintenance, as appropriate

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- **Enhancement Support Analysis** – Analyzing the functional and non-functional requirements for adding new functionality/features to the proposed System on prioritized requests from the user community. This includes interpreting any rules changes and other critical business needs from a technical and logistical standpoint

- **User Support** - Providing application-specific support coordinated through the IT Service staff as well as conducting System research and inquiries

- **Helpdesk Platform** – The IT Helpdesk shall utilize a dedicated implementation of industry standard service desk software suite to be hosted and used by the State

- **Database Support** – This includes both DB support as well as refactoring the proposed System to enhance database efficiency in storage and query response time and coordinating with system administrators to enable ideal hardware

2.5.8.14 Approach to Software Configuration Management

As part of the proposed Care Management Solution, Software Configuration Management includes the identification and maintenance of system software components and the relationships and dependencies among them. These activities include:

- Automatic capture and storage of IT Service to Application, Application-to-Component and Component-to-Component relationships

- Maintenance of the history of those relationships and any transformation required to appropriately manage and document (e.g., source control, version control, profiles, security plans) configuration changes affecting the application and its processing environment

The Vendor is required to propose specific tools and infrastructure for software configuration management.

2.5.8.15 Approach to Change and Release Management

As part of the proposed Care Management Solution, Change and Release Management activities include services required to appropriately manage and document (e.g., impact analysis, version control, library management, turnover management, build management, parallel development) changes to the application and any of the constituent components being developed. Change and Release Management also includes services required to appropriately manage and document changes to the underlying application development environment components. These include the following:

- **Library Management**—The classification, control, and storage of the physical components of the application

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- **Version Control**—The maintenance, tracking, and auditing of modifications to an application's components over time, facilitating the restoration of an application to prior development stages

- **Turnover Management**—The automated promotion of software changes across different phases of the lifecycle (e.g., development, unit test, systems test, and production), including management of the approval process, production turnover, and software migration control

The Vendor shall propose a centralized solution to automate and control the software change and release management process.

- This software change and release management process will control migration patterns (i.e., how a given set of code moves from one environment to another)

- This software configuration management process will control versioning, access controls, data quality, etc., for each environment

2.5.8.16 Approach to Data Retention and Archiving

The Vendor is expected to propose an approach to Data Retention and Archiving designed to support multiple layers of data backup protection using a combination of both disk based and tape based technologies to meet the proposed system backup and recovery (BUR) requirements.

2.5.8.17 Approach to Solution Hosting with Maintenance and Operations

The Vendor is expected to propose an approach to Solution Hosting with Application and Infrastructure Maintenance and Operations that will best meet the requirements described in this RFP in the event that the best option is for the System to be hosted at a site other than at the State of Vermont.

- The selected Vendor shall be required to agree to terms acceptable to the State regarding the confidentiality and security of State data. These terms may vary depending on the nature of the data to be stored by the Vendor. If applicable, the State may require compliance with State security standards, IRS requirements, HIPAA, HITECH and/or FISMA compliance and/or compliance with State law relating to the privacy of personally identifiable information, specifically Chapter 62 of the Vermont Statutes. Further, a selected Vendor hosting a State system may be a "data collector" for purposes of State law and shall be required to (i) comply with certain data breach notification requirements; and (ii) indemnify the State for any third party claims against the State which may occur as a result of any data breach.

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- The selected Vendor must agree to host the State's Solution within the continental United States of America.
- The State reserves the right to periodically audit the Vendor (Prime or Subcontractor) application infrastructure to ensure physical and network infrastructure meets the configuration and security standards and adheres to relevant State policies governing the System.
- The State reserves the right to run non-intrusive network audits (basic port scans, etc.) randomly, without prior notice. More intrusive network and physical audits may be conducted on or off site with 24 hours' notice.
- The Vendor will have a third party perform methodology-based (such as OSSTM) penetration testing quarterly and will report the results of that testing to the State.
- The selected Vendor shall agree to cause an SSAE 16 Type II audit certification to be conducted annually. The audit results and the Vendor's plan for addressing or resolution of the audit results shall be shared with the State.
- The selected Vendor shall agree to terms acceptable to the State regarding system backup, disaster recovery planning and access to State data.
- The selected Vendor shall be required to agree to disclose the hosting provider which shall be acceptable to the State for purposes of the data to be stored and shall not change the hosting provider without the prior written consent of the State.
- The selected Vendor shall be required to guarantee the service level terms of any hosting provider.
- The selected Vendor shall agree to apply service level credits for the failure to meet service level terms.

2.5.9 Performance Measures and Associated Remedies

To ensure the State of Vermont's goals and objectives for the Care Management Solution are met, the Vendor is expected to meet the following system performance Service Level Requirements (SLRs):

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Table 8. System Performance Measures and Measurement Criteria

SLR NAME	SERVICE LEVEL REQUIREMENT	MEASUREMENT OF NONCOMPLIANCE	FREQUENCY OF MEASUREMENT
Virus Contamination	All software developed and delivered by the Vendor must be free of viruses.	Each virus that is included in software developed and delivered by the Vendor.	Monthly after deployment of Phase 1
On-line Availability	The components of the Solution under Vendor control as delivered into production shall be available at a level agreed to in the Contract (the contracted target level of availability). This will be chosen from one (1) of the three (3) availability levels shown in Table 3 Levels of Availability of the future Case Management System**.	Each tenth of percentage point less than the contracted level of availability.	Monthly after deployment of Phase 1
On-line Search and Lookup queries Response Times	The System response time during operations will be 5 seconds or less for 95 percent of the search and lookup queries (does not include ad hoc queries and analytics). Maximum response time will not exceed 15 seconds except for agreed to exclusions. Response time is defined as the time elapsed after depressing an ENTER key (or clicking on a button that submits the screen for processing) until a response is received back on the same screen.	Each .5 second that the monthly average response time exceeds the maximum response time.	Monthly after deployment of Phase 1
Dashboard Report Response Times	The System will return a Dashboard report within 5 seconds or less, 95% of the time.	Each .5 second that the monthly average response time exceeds the maximum response time.	Monthly after deployment of Phase 1
Static Standard Report Response Times	The System will return a Static Standard report within 5 seconds or less, 95% of the time.	Each .5 second that the monthly average response time exceeds the maximum response time.	Monthly after deployment of Phase 1

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SLR NAME	SERVICE LEVEL REQUIREMENT	MEASUREMENT OF NONCOMPLIANCE	FREQUENCY OF MEASUREMENT
Parameter-based Report Response Times	The System will return a parameter-based report within 20 seconds or less.	Each .5 second that the monthly average response time exceeds the maximum response time.	Monthly after deployment of Phase 1
On-line Application Response Times	The System will achieve performance for interactive transactions other than the reporting-related transactions above, conforming to the minimum acceptable performance standard of 5 seconds response time, for 95% of interactions.	Each .5 second that the monthly average response time exceeds the maximum response time.	Monthly after deployment of Phase 1
Software Maintenance Request Resolution Times: ***Severity 1 - Emergency**	The service provider must resolve Severity 1 Maintenance requests within 4 hours.	Each hour beyond the requirement for resolving Severity 1 Maintenance requests.	Monthly after deployment of Phase 1
Software Maintenance Request Resolution Times: ***Severity 2 - Urgent**	The service provider must resolve Severity 2 Maintenance requests within 8 hours.	Each hour beyond the requirement for resolving Severity 2 Maintenance requests.	Monthly after deployment of Phase 1
Software Maintenance Request Resolution Times: ***Severity 3 - Important**	The service provider must resolve Severity 3 Maintenance requests within 3 calendar days.	Each calendar day beyond the requirement for resolving Severity 3 Maintenance requests.	Monthly after deployment of Phase 1

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SLR NAME	SERVICE LEVEL REQUIREMENT	MEASUREMENT OF NONCOMPLIANCE	FREQUENCY OF MEASUREMENT
Quality of Code Delivered to UAT	All priority 3 or higher defects (testing defects) resulting from software development activities shall be resolved by the Vendor prior to the software being delivered for User Acceptance Testing (UAT) and prior to deployment to production.	Each priority 3 or higher defect that is uncovered in UAT.	Monthly after start of the UAT phase of each Phase
UAT Defect Resolution Times: **Response to *Priority 1 test defect**	The Vendor must respond to priority 1 test defects within 1 hour.	Each instance that a response is not provided within the required timeframe for each test defect.	Monthly after start of the UAT phase of each Phase
UAT Defect Resolution Times: **Response to *Priority 2 test defect**	The Vendor must respond to priority 2 test defects within 4 hours.	Each instance that a response is not provided within the required timeframe for each test defect.	Monthly after start of the UAT phase of each Phase
UAT Defect Resolution Times: **Response to *Priority 3 test defect**	The Vendor must respond to priority 3 test defects within 8 hours.	Each instance that a response is not provided within the required timeframe for each test defect.	Monthly after start of the UAT phase of each Phase
UAT Defect Resolution Times: **Response to *Priority 4 test defect**	The Vendor must respond to priority 4 test defects within 5 days.	Each instance that a response is not provided within the required timeframe for each test defect.	Monthly after start of the UAT phase of each Phase

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SLR NAME	SERVICE LEVEL REQUIREMENT	MEASUREMENT OF NONCOMPLIANCE	FREQUENCY OF MEASUREMENT
UAT Defect Resolution Times: **Response to *Priority 5 test defect**	The Vendor must respond to priority 5 test defects with each reporting phase (timeframe to be determined with State).	Each instance that a response is not provided within the required timeframe for each test report.	Monthly after start of the UAT phase of each Phase
Disaster Recovery RTO	The System's Recovery Time Objective (RTO) will be within 4 hours. In case of a disaster that affects the Care Management operations, the entire service will be restored within 4 hours.	For each 10 minutes longer than the 4 hours it takes to restore the entire service.	Annual review of any disaster incidents.
Disaster Recovery RPO	The System's Recovery Point Objective (RPO) will be no more than 1 hour of data loss. In case of a disaster that affects the Care Management operations, 1 hour of data inputs to the System (but no more) may be lost and needs to be re-entered.	For each 10 minutes more than 1 hour of data loss.	Annual review of any disaster incidents
Record Retention	The System will include the capability to maintain all data according to State-defined records retention guidelines (i.e. record schedule). General schedules can be found at: http://vermont-archives.org/records/schedules/general/. Specific retention disposition orders can be found at: http://vermont-archives.org/records/schedules/orders/. In general, record retentions range from 3 to 10 years. In addition to the above, note that case records including Child Support-related data must be retained for a minimum of 3 years after Case closure and the youngest child in the case is 18 years old.	Each record instance the System fails to achieve compliance with the agreed schedule for the class or type of records.	Annual review of record retention.

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SLR NAME	SERVICE LEVEL REQUIREMENT	MEASUREMENT OF NONCOMPLIANCE	FREQUENCY OF MEASUREMENT
Document Retention	The System will include the capability to maintain all images and electronic documents according to State-defined document retention guidelines (i.e. record schedule). General schedules can be found at: http://vermont-archives.org/records/schedules/general/. Specific retention disposition orders can be found at: http://vermont-archives.org/records/schedules/orders/ In general, document retentions range from 3 to 10 years.	Each document instance the System fails to achieve compliance with the agreed schedule for the class or type of documents.	Annual review of document retention.
On-line Case Retention	The System will provide on-line access of all active cases and up to 12 months for closed cases.	Each case instance the System fails to achieve compliance with the agreed schedule for the cases.	Annual review of online case retention.

Table 9 below shows possible levels of availability that Vermont expects the Vendor to propose at differing price levels. For the Contract, one (1) level of availability will be chosen (the contracted target level of availability).

Table 9. Levels of Availability of the Future Care Management System

AVAILABILITY %	DOWNTIME PER YEAR	DOWNTIME PER MONTH	DOWNTIME PER WEEK
99.9% (“three nines”)	8.76 hrs	43.2 min	10.1 min
99.95%	4.38 hrs	21.56 min	5.04 min
99.99% (“four nines)	52.56 min	4.32 min	1.01 min

2.5.10 Proposed Project Organizational Approach

The Care Management Solution is part of the broader Medicaid Operations Solution Procurement that has a governance structure in order to provide direction and help ensure it has the resources required to successfully execute the project.

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The sections below outline the responsibilities of the separate organizations.

2.5.10.1 State of Vermont Project Roles and Responsibilities

The State of Vermont Care Management project team will coordinate overall project management responsibilities including the availability of State resources as required to support tasks and retain acceptance and approval authority. Specifically, during both the design, implementation and maintenance and operations phases, the State will at least:

- Define the goals and objectives of the Vermont Care Management programs and services throughout implementation and ongoing operations
- Communicate the goals, objectives, and ongoing status of the project and program to all stakeholders
- Work with stakeholders to identify and monitor project and program risk and appropriate mitigation strategies.
- Monitor the project management approach that will govern the project
- Review the draft deliverables and final deliverables developed by the Vendor and provide feedback and required changes for the Vendor to make until the State is satisfied with the resulting deliverable
- Review and approve or reject final deliverables developed and revised by the Vendor
- Provide access to State management and Subject Matter Experts (SME's) for the approval of the deliverables required to meet the goals and objectives of the project
- Provide for the access and archiving of project artifacts in a secured repository.
- Manage the procurement of additionally required resources necessary for program success, including (but not limited to) obtaining CMS pre-approval.
- Monitor Vendor performance for purposes of determining Contract compliance, provide improvement requests, and approve or reject invoices as detailed in the final Contract

Key State Roles are listed below -

- **Care Management Executive Sponsor(s)-** Responsible for the highest level of program review and approval
- **Care Management Steering Committee**- Responsible for approving Contract change orders prior to execution by DVHA Procurement Office
- **Care Management Project Manager**- Responsible for the oversight and monitoring of the Vendor's performance for contract compliance. The Project Manager will act as the primary point of contact for obtaining State resources required for the project. The

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Project Manager shall be responsible for the overall coordination of the State - Vendor Project Team, as well as ensuring that the Project governance and reporting structure are complied with and that issues are resolved, either through direct resolution with the Vendor's Project Manager or through the defined escalation process

- **State of Vermont Enterprise Architecture Office -** Responsible for the architecture and technical direction, oversight, monitoring and approval of the future CM Solution

If the Vendor believes that certain work will be performed by the State's Care Management team or functional experts, and that work is not included in the Vendor's firm fixed price, the Vendor must identify the nature and associated hours of that work and number of associated hours and include it as an attachment to the cost Proposal.

2.5.10.2 Vendor Roles and Responsibilities

The Vendor will provide the resources to complete the following activities:

- Completion of the project in a timely fashion, without any unresolved functional and operational deficiencies and within budget;
- Full documentation of the CM Solution, including but not limited to requirements specifications, architecture, design, configuration and operational environment;
- Training of State staff;
- In consultation with the State, prepare, submit and obtain approval for individual project management approaches and plans
- In consultation with the State, and subject to State approval, execute and maintain individual project management approaches and plans
- Prepare and submit the draft deliverables for State review and comment in accordance with the Contract
- Prepare and submit the final deliverables for State review and approval in accordance with the Contract
- Abide by the goals, objectives and requirements of the resulting Contract
- Confirm the understanding of the goals, objectives and requirements of the resulting Contract
- Prepare and conduct requirements confirmation sessions with all necessary State management, SMEs and other designated vendors
- Prepare and submit to the State for approval the project management plans for meeting the goals and objectives of the Pharmacy Benefit Management solution

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- Manage all activities defined in the approved project management plans
- Submit for review and approval all changes to the approved project management plans
- Participate with other designated vendors (such as the existing VCCI Vendor), the MMIS Vendor, State management and SMEs in the creation of the Pharmacy Benefit Management integrated project management plan
- Review and confirm roles and responsibilities that the Vendor has which are part of any other business process which are the responsibility of other vendors or the State
- Define quality measures to monitor the Contractually required service levels
- Manage all business processes using a continual improvement approach and submit improvements to the State for review and approval
- Comply with all laws, policies, procedures, and standards dictated by the State in meeting the goals and objectives of the Pharmacy Benefit Manager
- Provide an estimate of the number and type of State resources required, recognizing that the Contractor shall remain responsible for the successful implementation of the project

2.5.10.2.1 Vendor Key Project Personnel Roles

The term "Key Project Personnel," for purposes of this procurement, means Vendor personnel deemed by the State as being both instrumental and essential to the Vendor's satisfactory performance of all requirements contained in this RFP. The State expects that these Key Project Personnel will be engaged throughout the Implementation (design, implementation and maintenance and operations) and Operations periods. The State will consider suggestions for alternative alignment of duties within the submitted bid offerings. Changes to the proposed positions and responsibilities will only be allowed with prior written permission from the State, unless a specific exemption is granted. If the Vendor believes that an alternative organizational design could improve service levels or decrease costs, discuss these options and their benefits within the response templates for this RFP.

Key Project Personnel are to be full-time and dedicated solely to the Vermont Medicaid account unless the Vendor provides alternative solutions that meet State's approval.

The Vendor must include names and resumes for proposed Key Project Personnel as part of its Proposal. The Vendor must ensure Key Project Personnel have, and maintain, relevant current license(s) and/or certification(s).

The Vendor shall seek and receive State approval before hiring or replacing any Key Project Personnel. The Vendor shall remove Key Project Personnel, if requested by the State, as well as

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develop a plan for the replacement of that Key Project Personnel, all within two (2) weeks of the request for removal.

The Vendor must provide the State with written notification of anticipated vacancies of Key Project Personnel within two (2) business days of receiving the individual's resignation notice, the Vendor's notice to terminate an individual, or the position otherwise becoming vacant. Replacements for Key Project Personnel shall have qualifications that meet or exceed those specified in this section and will be subject to approval by the State. The Vendor shall provide the State with status update reports every thirty (30) days on the progress of the replacement candidate recruiting process until a qualified candidate is hired. The Vendor shall have in place a qualified replacement within ninety (90) calendar days of the last day of employment of the departing Key Project Personnel. Vendor shall agree to provide the first thirty (30) days of a replacement resource with equivalent skill at no charge.

The following table provides Key Project Personnel positions for the Implementation Phase, corresponding roles and responsibilities for the project, and minimum qualifications for each. Other positions may be proposed at the Vendor's discretion.

Table 10. Vendor Key Project Personnel for the Care Management Solution

TITLE	ROLES AND RESPONSIBILITIES	QUALIFICATIONS
Account / Project Director	■ Primary point of contact with the State's Contract Administrator, Care Management Director and other State Executive Sponsors for activities related to contract administration, overall project management and scheduling, correspondence between the State and the Vendor, dispute resolution, and status reporting to the State for the duration of the Contract ■ Authorized to commit the resources of the Vendor in matters pertaining to the implementation performance of the Contract ■ Responsible for ensuring all vendor-required resources identified by Project Manager are staffed on time. ■ Responsible for addressing any issues that cannot be resolved with the Vendor's Project Manager	■ Minimum of 5 years of direct project oversight and authority over projects in excess of 10 million dollars ■ Special consideration will be given to those who have previously managed MMIS accounts that have included both development and systems operations and maintenance phases, and have experience working with HIPAA Privacy and Security Rules
Project Manager	■ Provides onsite management of the project and is the chief liaison for the State for design, development, and implementation project activities as well as the project's maintenance and operational phase	■ Minimum of 5 years of project management experience for a government or private sector health care payer, including a minimum

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TITLE	ROLES AND RESPONSIBILITIES	QUALIFICATIONS
	■ Ensures integration of technological and VCCI supplemental services work plans for coordinated deployment ■ Authorized to make day-to-day project decisions ■ Responsible for facilitating the project by using the project management processes, organizing the project, and managing the team work activities consistent with the approved work plan ■ Responsible for scheduling and reporting project activities, identifying resource requirements well in advance, coordinating use of personnel resources, identifying issues and solving problems, and facilitating implementation of the System ■ Expected to host bi-weekly onsite status meetings, monthly milestone meetings, as well as interim meetings. Will assign Vendor staff to those meetings as appropriate. Will provide an agenda and develop minutes for each meeting ■ Senior business expert in the area of Care Management systems with a strong understanding of the Vendor's business application ■ Provide expert guidance ensuring that Care Management policy and business rules as defined by the State are correctly implemented in the Vendor's Solution ■ Advises the State regarding best practices and recommends modifications to business processes, which improve the overall Care Management program	of 3 years of Medicaid systems experience in a state similar in scope and size to Vermont ■ Possess current Project Management Professional certification from the Project Management Institute ■ Possess a working knowledge of Care Management programs
Data Analyst	■ Responsible for all State data requirements and reporting needs including those that exceed the standard reporting package and the information available through the decision support tool provided by the Vendor ■ Ensure the integrity of data used in care management ■ Management of procedures associated with systems change orders ■ Informational resource pertaining to inquiries,	■ Extensive knowledge of data management, care management practices, and the Vermont Medicaid program ■ Deep familiarity with data structures of the Vendor's technology

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TITLE	ROLES AND RESPONSIBILITIES	QUALIFICATIONS
	system configuration, and data files	

2.5.10.3 Additional Vendor Staff Roles for Care Management Technical Solution Implementation

The State expects the Vendor to propose a staffing model to achieve the project roles. The following list provides a guideline for the various Vendor staff roles the Vendor may propose to support the project:

- Architect
- Business Analyst/Functional Lead
- Programmer
- Privacy/Security Specialist
- Change Management Lead
- Communication/Network Specialist
- Database Administrator
- Test Lead/Manager
- Tester
- System Administrator
- Training Lead/Manager
- Training Specialist

The Vendor must propose a suitable engagement and partnership model with the Care Management team to ensure proper knowledge transfer throughout the life of the project. This will include "shoulder-to-shoulder" work with identified State resources so that DVHA Staff becomes fully familiar with the design, development and implementation of the new System. This structure must provide a shoulder-to-shoulder partnership with key Vendor and State staff, for example: Architect; Business Analyst and Functional Lead; Database Administrator; Service Desk Specialist.

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The Vendor should propose a structure that will best meet this requirement. The final configuration of this organizational structure requirement will be defined during Project Initiation and Planning.

2.5.11 Location of Contracted Functions and Personnel

The Vendor Key Project Personnel associated with the Care Management Solution implementation must be in the Burlington, VT area. The State will not provide facilities for Vendor Key Project Personnel.

Vendor staff must be available to participate in project-related meetings as scheduled by the State. On-site work must be performed during normal business hours, Monday through Friday 8:00 AM until 5:00 PM Eastern Time.

Vermont expects that no more than 10% of all staff, including both Prime and Subcontractor, shall be performing the work on a valid working visa issued by the United States government.

The State will not permit project work or business operations services to be performed offshore. At no time shall the Vendor maintain, use, transmit, or cause to be transmitted information governed by privacy laws and regulations outside the United States and its territories.

The State and the Vendor will establish appropriate protocols to ensure that physical property / facility security and data confidentiality safeguards are maintained. Access to any non-Vermont facility used to support the Care Management Solution will be reviewed and granted or denied within five (5) workdays of the request.

2.5.12 Proposed Solution Project Schedule

The State anticipates an iterative, two (2) phase approach to the project as described in Section 2.3 and further. Key project schedule assumptions are listed below:

- The State expects the awarded Vendor to begin implementation of the project by late summer of 2014 in parallel operations with the incumbent vendor until the transition period is completed. The State expects that the Vendor will work with the incumbent vendor to ensure that there is no disruption of service during the implementation and transition periods
- Given multiple dependencies on the VCCI operations, the State has a strong preference for Phase 1 of the Care Management Solution to fully go-live by 12/31/2014. The State is interested in the Vendor's ability to achieve this and will work with the Vendor to prioritize and plan for a progressive roll-out of Phase 1 functionality.
- Work for Phase 2 will kick off six (6) months after the contract award

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2.5.13 Proposed Solution Scope of Work

The following sections capture the deliverables the State of Vermont expects the Vendor to produce during the implementation phase and after the System and processes are operational.

2.5.13.1 Recurring Project Deliverables

The following table provides a list of recurring deliverables that will be created by the Vendor during the life cycle of the project execution.

Table 11. Recurring Deliverables

TASK	DELIVERABLE
Task 0 - Project Monitoring and Status Reporting	Deliverable 0 - Project Status Reporting (recurring throughout the length of the project, frequency to be determined with State)

2.5.13.2 Task Related Deliverables

The following table provides a list of deliverables that will be created by the Vendor during implementation and maintenance and operations. These deliverables are defined in Section 2.5.14 – Detailed Scope of Work.

The State encourages Vendors to use industry best practices for project management and describe their recommended approach. For purposes of the State Contract, all of the following deliverables will be identified with functional CM Solution payment milestones which shall be determined during Contract negotiations. In the event the State and the Vendor cannot agree on appropriate functional deliverables and associated payment milestones, the State may terminate contract negotiations and proceed to negotiate with another Vendor. The Contract shall provide that Contractor shall not be paid until the State has reviewed and approved each functional deliverable.

Table 12. Task Related Deliverables

TASK	DELIVERABLE	PHASE 1	PHASE 2	M&O	PAYMENT MILESTONE
Task 1 – Project	Deliverable 1 – Project Kick-off Presentation	X	X		

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TASK	DELIVERABLE	PHASE 1	PHASE 2	M&O	PAYMENT MILESTONE
Initiation and Planning	Deliverable 2 – Project Management Plan	X			
	Deliverable 3 – Project Work Plan and fully resourced Schedule	X	X		X
	Deliverable 4 – Requirements Analysis, System Design and Development Strategy	X			
	Deliverable 5 – System Implementation Strategy	X			
	Deliverable 6 – Master Testing Strategy	X			
	Deliverable 7 – Requirements Traceability Plan	X			
Task 2 – Requirements Analysis and System Design	Deliverable 8 – Functional Specification and System Design Document	X	X		X
	Deliverable 9 – Data Integration and Interface Design Document	X	X		X
	Deliverable 10 –System Architecture	X	X		X
	Deliverable 11 – Technical Design Document	X	X		X
Task 3 – System Configuration	Deliverable 12 – System Implementation Plan	X	X		

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TASK	DELIVERABLE	PHASE 1	PHASE 2	M&O	PAYMENT MILESTONE
and Development	Deliverable 13 – Data Integration and Synchronization Plan, including multiple test files (MMIS/claims, PBM, eligibility, VCCI legacy, etc.)	X	X		
	Deliverable 14 – System Maintenance Support Plan	X	X		
Task 4 – Testing	Deliverable 15 – Test Plan	X	X		X
	Deliverable 16 – Test Scenarios, Test Cases and Test Scripts, using VCCI legacy and live data codeveloped with VT staff	X	X		
	Deliverable 17 –Documented System Test Results	X	X		
Task 5 – Training	Deliverable 18 – Training Plan	X	X		X
	Deliverable 19 – Training Manuals, End-User Guides and Materials	X	X		X
	Deliverable 20 – Documented Evidence of Successful End-User Learning	X	X		X
Task 6 - Deployment	Deliverable 21 – Deployment Plan	X	X		
	Deliverable 22 – CMS Certification	X	X		X
	Deliverable 23 – System Incident and Defect Resolution Report	X	X		X
	Deliverable 24 – Completed Detailed Functional and Technical Specifications Traceability Matrix	X	X		X

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TASK	DELIVERABLE	PHASE 1	PHASE 2	M&O	PAYMENT MILESTONE
	Deliverable 25 – System Source Code and Documentation	X	X		X
	Deliverable 26 – Performance SLAs	X	X		
Task 7 – Phase Closeout	Deliverable 27 – Phase Closeout	X	X		X
Task 8 – System M&O	Deliverable 28 – System Incident Reports – M&O			X	X
	Deliverable 29 – Adaptive Maintenance Reports			X	X
	Deliverable 30 – System Enhancement Reports			X	X
	Deliverable 31 – Operations and system administration procedures manual			X	X
	Deliverable 32 – Tier 2 Service Desk Plan			X	X

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2.5.13.3 Deliverables Expectations Document (DED)

The Vendor must develop Deliverables Expectations Documents (DED's), in an approved State form and format; project deliverables need to adhere to the information within the DED. No work will be performed by the Vendor on any deliverable until the DED has been approved in writing by the State. As each project deliverable is submitted, the Vendor must include a copy of the associated Deliverable Expectation Document.

2.5.13.3.1 Acceptance

All Vendor deliverables are subject to review by the State prior to final approval, acceptance, and payment.

Acceptance of all Vendor deliverables will be completed via a Deliverables Acceptance Document (DAD) to be drafted by the State.

The State will have ten (10) working days to complete its review of the deliverables. The State will accept or reject the deliverables in writing using Controlled Correspondence (Section 2.5.13.3.2) and the Deliverables Acceptance Document. In the event of the rejection of any deliverable, the Vendor shall be notified in writing via Controlled Correspondence, giving the specific reason(s) for rejection. The Vendor shall have five (5) working days to correct the rejected deliverable and return it to the State via Controlled Correspondence.

Deliverables must be tracked in a tracking tool approved by State.

2.5.13.3.2 Controlled Correspondence

In order to track and document requests for decisions and/or information, and the subsequent response to those requests, the State and the Vendor shall use Controlled Correspondence.

Each Controlled Correspondence document shall be signed by the State Project Manager (or designee) and the Vendor Project Manager (or designee). No Controlled Correspondence document shall be effective until the signatures of both are attached to the document.

The Controlled Correspondence process may be used to document mutually agreeable operational departures from the specifications and/or changes to the specifications. Controlled Correspondence may be used to document the cost impacts of proposed changes, but Controlled Correspondence shall not be used to change pricing.

Controlled Correspondence shall not be the basis of a claim for equitable adjustment of pricing. Any changes that involve a change in pricing must be by a Purchase Order Change Notice.

Controlled Correspondence documents will be maintained by both parties in ongoing logs and shall become part of the normal status reporting process.

2.5.14 Detailed Scope of Work

The following sections define the application Design, Development and Implementation (DDI) services and the application warranty services that are required for the proposed new Care Management System.

The services are applicable to the scope information provided earlier in this document regarding the Functional and Technical Requirements and the proposed solution architecture. The Vendor must provide appropriate Labor Rates, Hours and Costs for its portion of the services, as specified in the Cost Proposal.

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2.5.14.1 TASK 0 — Project Monitoring and Status Reporting

Project status will be tracked and reported on an ongoing basis. Regularly scheduled status meetings between the State Project Management Team and the Vendor Project Manager will be held to discuss project progress, issues, resolutions and next steps. The following standard reporting mechanisms will be used:

1. Status reports
2. Issues lists
3. Risk management updates

In addition, a Project Information Library (PIL) must be developed and maintained, by the Vendor and overseen by the Project Manager in a single repository used to store, organize, track, control and disseminate all information and items produced by, and delivered to, the project. The PIL must include a file structure with defined access and permissions. It must also include an interface, such as a Web page or portal, where individuals can obtain project information, the latest documentation, and input issues or comments to the Project Team.

The State shall be the owner of all the documents available in the PIL.

At a minimum, the following deliverables must be completed by the Vendor. The Vendor may propose additional deliverables as needed to achieve project goals.

2.5.14.1.1 Deliverable 0: Project Status Reports (Recurring Deliverable)

This deliverable must be a recurring deliverable for the entire length of the project. The deliverable must at a minimum include periodic reporting of the following activities:

1. Graphical status of scope, schedule, and budget (red, yellow, or green)
2. Status of work completed against the Project Work Plan
3. Objectives for the next reporting period
4. Client responsibilities for the next reporting period
5. Recovery plan for all work activities not tracking to the approved schedule
6. Projected completion dates compared to approved baseline key dates
7. Escalated risks, issues (including schedule and budget), and action items
8. Disposition of logged issues and risks

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9. Important decisions
10. Actual/projected Project Work Plan dates versus baseline Project Work Plan milestone dates
11. Budgeted to actual budget figures, and estimated cost at completion (or similar forecast of remaining costs)
12. One-page graphical summary of the Project Work Plan status of all major tasks and subtasks for each Phase in a Project Plan

2.5.14.2 TASK 1 — Project Initiation and Planning

At a minimum, the following subtasks must be completed by the Vendor. The Vendor may propose additional tasks as needed to achieve the task goals.

2.5.14.2.1 Deliverable 1: Project Kickoff Presentation

This deliverable is a presentation to familiarize project team members with the project. The presentation includes the following topics:

1. Project Overview
2. Project Schedule (high level)
3. Objectives and Definitions
4. Process (including change management, change control, and issue/risk management)
5. Artifacts
6. Roles and Responsibilities
7. Keys to Success
8. Next Steps
9. Questions and Answers (Q&A)
10. Resources

2.5.14.2.2 Deliverable 2: Project Management Plan

The Vendor shall provide a set of documents that, when taken together, constitute the Care Management Project Management Plan that describes how project objectives shall be met and provides a road map for executing the project to meet the State's preference for VCCIs to be fully operational no later than 12/31/14. The approach shall be consistent with the Project

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Management Institute (PMI) Project Management Methodologies stated in the Project Management Body of Knowledge (PMBOK) or equivalent. This plan will encompass the entire project contract lifecycle from start up through acceptance, operations, and turnover.

The Care Management Project Management Plan shall address the initiating, planning, executing, controlling, and closing processes. The Project Management Plan should at a minimum consist of the following sub-plans:

- Scope Management Plan — This plan documents the project vision and goals, items that are in-scope and out-of-scope and their prioritization, dependencies between the scope items, and risks associated with the inclusion and removal of items from scope. The plan also defines the process used to modify project scope.
- Cost Management Plan — The Vendor is responsible for developing a plan that indicates how project costs/budget will be incurred, controlled, and reported. The plan must include the finalized cost and budget for the project. Cost-related progress report formatting will be developed and included by the Vendor, consistent with AHS requirements and format, with inputs from State team members, and must include a tracking of costs to the project budget baseline.
- Risk Management Plan — Development of a Risk Management Plan is required. The Vendor, with the support of State team members, must submit a baseline Risk Assessment to the State's Project Manager within one month of the project initiation.
- Quality Management Plan — The Vendor's plan must have the following elements:
  - ❑ Defined quality assurance responsibilities
  - ❑ Detailed definition of all deliverables by phase and associated acceptance criteria
  - ❑ Defined deliverable review process
  - ❑ Disciplined deliverable review process
  - ❑ Regularly scheduled reviews of key project phases and milestones
  - ❑ Identified target performance areas and proposed methods of measurement; establish the baseline metrics for the agreed upon goal areas; and assist the State in determining the level of achievement of the performance goals.
- Human Resource Management Plan — The plan for this initiative will be tied to the proposed project timeline and phases. The Vendor is responsible for proposing the potential roles and responsibilities for staffing the different activities, articulating what the Vendor will need to provide and what the State should provide.
- The Schedule Management Plan – The plan developed by the Vendor must include the following:
  - ❑ How the project schedule will be monitored for variances
  - ❑ What types of corrective actions will be taken to address schedule variances during the life of the project

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- The process, roles, and responsibilities involved in making changes to the project schedule.

- Communication Management Plan — The plan must detail the varying levels and needs of the project's stakeholders for information regarding the project, status, accomplishments, impact on stakeholders, etc.

  As part of Communication Management, issues must be logged and reported bi-weekly and the plan must detail the escalation mechanisms for issue resolution.

- Closure Approach —Upon the completion of the Base and Extension Operations Periods, the Vendor will perform all activities necessary to close out the Project. This includes:
  - Performing formal contract closure
  - Updating process documentation and transferring this to the State
  - Transitioning any relevant process and/or solution responsibilities over to the State Project team, or to another contracted vendor
  - This includes updating and transferring all solution documentation, performing formal contract closure, and transitioning any relevant solution responsibilities over to the State Project team.

- Change Management Plan — The Vendor must adhere to the Change Management Plan, which will be jointly developed by the Vendor and the State. The plan describes how the Change Control Board (CCB) will 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 will be escalated.

  In the Change Management Plan, change requests will be:

  - Drafted by the Vendor
  - Reviewed and edited by the State Project Manager
  - Approved or rejected by the CCB with direction from State management, as necessary
  - Implemented by the Vendor, as necessary

The Vendor must perform updates to the project schedule and cost estimates when change requests are approved.

2.5.14.2.3 Deliverable 3: Project Work Plan and Schedule

The Vendor shall deliver a Baseline Project Work Plan and Schedule, including a Work Breakdown Structure (WBS), Gantt chart(s), and a Project calendar in Microsoft Project. The Vendor shall document any work plan or schedule changes from the plan submitted with the Vendor's original Proposal.

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The Vendor shall provide a Project Work Plan and Schedule to include identification and integration of all Phases of the Project, the sequences of the Phases, the duration of the Phases, and the duration of the Project. The Project Schedule shall identify the resources to be provided by both the Vendor and the State, together with the scheduled dates those resources will be required. It shall take into account State holidays, holidays that will be observed by the Vendor staff, periods during which the State has advised that data processing systems will be unavailable to the Vendor, and the resources that the State has committed to providing in the Contract. The Project Work Plan and Schedule, once accepted by the State, will form the Baseline Work Plan and Schedule for the overall Care Management Project.

As part of the Project Work Plan and Schedule, the Vendor shall prepare and submit a WBS that encompasses all activities from Project Initiation and Planning to Project Closeout. The WBS shall define the Project's overall objectives by identifying all Project tasks and Deliverables.

The Vendor shall maintain and update applicable portions of the Project Schedule no less than bi-weekly to reflect the current status of the Project with a comparison made to the Initial (as provided in response to this RFP) and Baseline Project 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 Vendor 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.

2.5.14.2.4 Deliverable 4: Requirements Analysis, System Design and Development Strategy

Prior to the creation of detailed design or the start of any development, the Vendor shall develop and provide to the State a comprehensive Requirements Analysis, System Design and Development Strategy document, based on the requirements in the Contract and interviews with State management and line staff. The purpose of this strategy document is to demonstrate that the Vendor has a strong understanding of the Care Management Solution requirements and a well-defined vision of how the Care Management Solution should be designed, developed, and implemented. This Document shall include all System requirements that have been included in this Scope of Work and address how the Solution will be designed and developed.

The Vendor shall provide a Requirements Analysis, System Design and Development Strategy Document that includes, at a minimum, a description of:

- The business processes and the functionality that the Care Management Solution will provide. Please note, the State prefers that business processes for the Care Management Solution be generated using a Business Process Management tool that will ensure the business processes be stored and re-used by the State as needed.

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- The methodology that will be used to:
  - Analyze and validate requirements
  - Select, configure and develop the components of the Solution
  - Create a coherent and integrated system design
- The intended use of Commercial Off The Shelf (COTS) software in the creation of the solution

2.5.14.2.5 Deliverable 5: System Implementation Strategy

The Vendor shall provide the State with a System Implementation Strategy.

The document shall include the strategy for the implementation of each Phase, starting with VCCI as the proof-of concept through full solution implementation, to ensure that the Phases together include all functionality required of the Care Management System.

The Implementation Strategy must provide a phased approach where pre-defined success criteria for each phase of implementation provides input to key "go-no go" decision points for subsequent implementation phases.

The System Implementation Strategy shall also identify any technical challenges (which, if any, are the sole responsibility of the Vendor to resolve) and include the deployment schedule of the Phases.

The Vendor shall provide a System Implementation Strategy document to include, at a minimum, the following components:

- Project implementation plan, by Phase
- Target end-user population included in the Project, by Phase
- Proof-of-Concept and Full Implementation success criteria, by Phase
- Deployment schedule, by Phase
- Workflow analysis and documentation
- Technology components required for the Project, by Phase
- Identification of the source systems to be integrated, by Phase
- Identification of technical challenges the Vendor must overcome to implement the System

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2.5.14.2.6 Deliverable 6: Master Testing Strategy

The purpose of the Master Testing Strategy is to ensure that the Vendor has identified the major system testing activities and associated deliverables required to be performed by the Vendor. A separate and complete set of testing as outlined below shall be required for each Phase or module of functionality that will be put into production. Complete testing shall also be required for every System interface that is built and put into production. The testing functions of the Project shall be iterative and span the entire length of the Project.

The Vendor will employ a robust test methodology based on standards set by one of the following organizations in the execution of the required system testing activities:

- Software Engineering Institute (SEI), such as the Capability Maturity Model (SEI CMM)
- International Standards Organization, such as ISO9000
- Institute of Electrical and Electronics Engineers (IEEE), such as IEEE 829 Standard for Software and System Test Documentation and related standards

The Vendor shall be responsible for populating the test system(s) with the data necessary to ensure the validity of the testing for all phases of testing. State staff shall not be required to manually enter data to pre-populate the test environment for any test phase. The Vendor shall use an automated test management tool suite to manage, assess, track, and perform the required test and deployment support activities. The Vendor shall have a software-based defect tracking system capable of providing an acceptable level of detail and reporting and, at a minimum, facilitating the following functions:

- Capture – Details about each defect will be recorded when the defect is discovered, including a description, symptoms, sequence of steps to re-create it, type, and severity.
- Review and Assignment – Project management shall be able to review all open issues and assign a priority level and resources responsible for resolution.
- Estimate and Resolution – Those assigned to resolve the defect shall be able to record an estimated duration and delivery date, and provide adequate explanation upon resolution.
- Track status and history – A complete history of each defect shall be maintained so that the life cycle of each defect can be tracked and reported on.
- Management reporting – The defect tracking system shall provide recurring reports to Project management throughout the Project.

The Vendor shall provide the Master Testing Strategy deliverable that shall include:

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- The test methodology to be employed for overall system testing
- The automated method of populating the test systems with data
- Identification of the software-based tracking system that will be employed

Additionally, the Strategy document shall also identify and include the strategy for testing each Project Phase:

- Unit and Integration Testing
- System Testing
- End-to-End Testing
- User Acceptance Testing
- Performance and Load Testing
- System Regression Testing
- Security Testing

2.5.14.2.7 Deliverable 7: Requirements Traceability Plan

The Vendor shall provide a Requirements Traceability Plan to detail the methodology for tracking the specific Functional and Non-Functional requirements of the Project. The Requirements Traceability Plan shall identify the methods, tools and technologies used to capture, catalog and manage the System requirements to ensure traceability to the process workflows and detailed requirements identified in the Contract.

The Vendor shall provide a Requirements Traceability Plan document to include the approach and method of capturing and maintaining requirements traceability throughout the development and deployment process. The plan shall, at a minimum, include:

- The process the Vendor will use that identifies how the requirements traceability matrix will be developed, validated, and maintained throughout the life cycle of the project
- How requirements are validated
- How any new requirements (if any), as approved through the State's Change Control Process, are analyzed and managed
- How the State team works with the Vendor to ensure traceability of requirements to the delivered Care Management Solution

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- Identification and implementation of the tool to be used to perform requirements traceability
- Approach and methodology to track the Project requirements including:
  - Mapping the requirements to a unique identifier in the tool
  - Mapping the requirements to the individual test events
  - Mapping the requirements to the individual test cases, scripts and procedures
- Approach for updating the status of the requirements based on the results of each test event
- Identification of the requirements by status (e.g., satisfied, waived)
- Identification of the reports to manage and validate the requirements, including Test Coverage by test event

2.5.14.3 Task 2 – Requirements Analysis and System Design

System design includes requirements analysis, system design, interface design, and information exchange design. Detailed and logical system design documents produced by the Vendor shall direct the System development efforts. The design shall be driven by the outputs of the requirements validation. These documents provide the framework essential to ensure that the System is constructed consistently, with appropriate software development methodologies and includes all the functionality required by the Contract.

2.5.14.3.1 Deliverable 8: Functional Specifications and System Design Document

In order to ensure that the Vendor fully understands the System requirements, the Vendor must lead and facilitate the process for reviewing and validating the detailed Functional and Non-Functional Requirements documentation (Template F – Functional Requirements and Template H – Non-Functional Requirements of this RFP. The Vendor shall also conduct Joint Application Development (JAD) sessions to fully explore and understand the functional requirements for the Care Management Solution, and to identify any gaps that the Vendor shall address in order to comply with the requirements identified in this RFP and the Contract. Based upon the outcome of the JAD sessions, the Vendor shall document in detail the design and development actions necessary to fully meet DVHA's requirements. The Vendor shall lead and facilitate the process for developing the Functional Specifications and System Design Document.

The Vendor shall develop and provide to the State the Functional Specifications and System Design Document, including at a minimum:

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- A comprehensive list of functional specifications to implement the functionality detailed in Template F – Functional Requirements, that assures no interruption of VCCI services
- Recommendations on how to close specific gaps that require changes to the State's business processes
- Business rules definition
- Reporting capabilities and prebuilt reports
- User profiles and security role permissions
- System functionality traceable back to the Requirements Traceability Matrix
- System overview diagrams illustrating which Solution components provide what functionality, linking back to the functional capabilities
- Domain model
- Data Integration/Interface Design Document – Vendor will gather data specifications from internal/external hosted systems, servers, applications that will be used in the CARE target architecture
- Use Cases – a list of workflows mapped to business processes mapped to System requirements
- User Interface screens for the System
- Identification of functions or user roles that initiate workflow, receives the workflow, and any processes that occur as a result of the workflow
- List of assumptions made during the design as well as recommended next steps and required actions that shall be confirmed by the State before the development

2.5.14.3.2 Deliverable 9: Data Integration and Interface Design Document

The Vendor must deliver to the State a Data Integration and Interface Design Document, or its equivalent, reflecting the required interfaces for operation. This document must be developed based on outputs from the design sessions conducted with the Vendor and the State. The Data Integration and Interface Design Document must include the following components:

- Entity Relationship Diagrams
- Data Flow Diagrams

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- Data Dictionary
- Data Transformation and Loading
- Processing controls
- Data Test plans
- Conversion Testing results
- Processes to manage System installation and configuration
- Data backup procedures

The Data Integration and Interface Design Document must include, at a minimum, the interface definitions and design.

The Vendor must conduct a walkthrough of the final Data Integration and Interface Design Document with the Care Management Solution Project team to validate the contents, the incorporation of all information from the design sessions, and the incorporation of all Non-Functional Requirements. Approval of the Data Integration and Interface Design Document is required before development can begin.

2.5.14.3.3 Deliverable 10: System Architecture

The Vendor shall develop a System Architecture, which details the SOA model-driven framework being used across all the domains (e.g., services, trust and security, infrastructure) that enables the development of service-oriented models to facilitate the interaction and communication of technologies. This document shall describe the set of technologies that support Care Management Solution operations, incorporating the industry best practices and standards. It shall detail the COTS package components, design patterns, information architecture, technology infrastructure and the conceptual, logical and physical architectures for the targeted baseline System.

The Vendor shall provide the System Architecture deliverable incorporating details of any COTS packages that are part of the Solution. This System Architecture shall define and document:

- A conceptual architecture that will produce a design to fulfill Care Management stakeholder's functional expectations.
- A logical architecture that identifies the SOA layers, Vendor, Service Customers, Service Broker(s), and object dependencies. To complete the logical design model, the Vendor shall define the interfaces for each service, and include data field definitions and their validation rules.

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- A physical architecture that defines the various services of the System and how they shall be implemented. This shall also include details around the integration layers, potentially using Web Services, and various other integration technologies.
- A detailed list of all the proposed production environment platforms, including Hardware, OS, Networking, and all COTS and 3rd party systems/tools/ utilities, etc.
- The details of Security, Privacy and Consent management for Care Management
- The technical approach to satisfy the following:
  - Network segmentation
  - Perimeter security
  - System security and data sensitivity classification
  - Intrusion management
  - Monitoring and reporting
  - Host hardening
  - Remote access
  - Encryption
  - State -wide active directory services for authentication
  - Interface security
  - Security test procedures
  - Managing network security devices
  - Security patch management
  - Secure communications over the Internet
- Detailed diagrams depicting all security-related devices and subsystems and their relationships with other systems for which they provide controls.
- The High Availability and Disaster Recovery approach and plan describing how the System will enable the State to provide information to its customers in the event of a disaster.

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- How the architecture design features ensure that the System can scale as needed for future transaction volumes, storage requirements, and System usage expands over the next 10 years.
- How the System will ensure performance based on expected data and user loading, target source systems and target platforms. Areas that shall be addressed are expected System performance during peak transaction volumes and key critical business activities.
- How the System will meet capacity requirements, including:
  - A description of how System capacity and capacity requirements were calculated, including all formulas and calculations used in capacity planning for the State. This shall include:
    - Business Capacity Management
    - Service Capacity Management
    - IT Component Capacity Management
    - Capacity Management Processes
    - Capacity Management Tools Infrastructure
    - Descriptions of how capacity utilization will be monitored and capacity thresholds will be established
    - A description of corrective and escalation processes that will be used in the event any capacity thresholds are reached

2.5.14.3.4 Deliverable 11: Technical Design Document

The Vendor must deliver to the State a Technical Design Document (TDD), or its equivalent, reflecting the final requirements for System configuration and operation. This document must be developed based on outputs from the technical design sessions conducted with the Vendor and the State.

The Technical Design Document must include the following components:

- Detailed description of System architecture
- Entity Relationship Diagrams
- Data Flow Diagrams

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- Data Dictionary
- Data steward and data governance approach to the solution
- Business processes as mapped to enterprise platform components
- Processing controls
- Processes to manage System installation and configuration
- Data backup procedures
- Security controls
- Availability and resilience controls such as load balancing, failover capabilities, and fault tolerance

The Vendor may propose alternatives to any of these components, but they must be clearly justified and have the prior approval of the Care Management Solution Project team.

The Technical Design Document must include, at a minimum, the interface definitions and design (including XML/SOAP specifications for file formats), the new System design based on reviewing existing class diagrams, sequence diagrams, updated object models that represent the internal workings and designs of the containing subsystems that will expose the services, and the component specification (details of the component that will implement the service) and service assignment to each layer defined in the System architecture.

The Vendor must conduct a walkthrough of the final TDD with the State to validate its contents, the incorporation of all information from the design sessions, and the incorporation of all non-functional requirements. Approval of the TDD is required before development can begin. The final TDD, once formally approved by the State, will, together with the approved Functional Specifications and Design Document, constitute the complete System definition for the new Care Management Solution. These two (2) deliverables will constitute the agreement between DVHA and the Vendor regarding the functionality and operation of the new Care Management Solution. The two (2) documents will be the documentation used by the Vendor during System development and use cases, and will be the basis for the development of the User Acceptance Test (UAT).

2.5.14.4 Task 3 – System Configuration and Development

System configuration and development efforts shall be guided by the Deliverables accepted by the State during the System Design phase. This ensures that the Care Management Solution is built according to the documented functional and technical specifications. Unless otherwise agreed to, in writing by the State, the Vendor shall not initiate the System Development

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activities until the State has formally accepted the Functional Specifications and Design Document and the TDD Deliverables.

The Vendor shall configure and develop the Care Management Solution in accordance with the System Development Strategy. The goal of each Phase is to incrementally deliver the functional capabilities and valuable business outcomes to the VCCI first and to the other AHS Departments/Programs and Initiatives next.

During System Development, the Vendor shall fully document all software components. This documentation shall support knowledge transfer to the State. Documentation shall be NIEM conformant and follow the requirements and recommendations as given by ISO/IEC standard 11179.

2.5.14.4.1 Deliverable 12: System Implementation Plan

The Vendor shall develop a System Implementation Plan document that incorporates the final Design Documents for system implementation. This document shall be developed based on outputs from the planning and design sessions conducted with the Vendor and the State. The plan shall at a minimum include detail on the following components:

- Description of functionality for each implementation Phase (starting with VCCI capacity to go-live)
- Phases of implementation from VCCI proof-of-concept through full implementation
- Roll-out/Implementation schedule for each Phase
- Points-of-contact to include individual names and contact information for each member of the implementation team, Vendor and State
- Major tasks
- Security and privacy
- Implementation support
- Hardware, software, facilities and materials for all Environments
- Personnel and staffing requirements
- Outstanding issues and the mitigation plan for each
- Implementation impact and organizational change issues
- Performance monitoring

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- Configuration management interface
- Risks and contingencies
- Implementation verification and validation
- Definitions of the criteria for both success and failure of the System Implementation for each Phase
- Exit plan and strategy addressing portability of Solution in the event the State wants to bring the Solution back in-house

The Vendor will provide a separate System Implementation Plan for each Phase of the project, to include the elements outlined above and the following components:

- Project Phase implementation roadmap
- Target end-user population included in the Project Phase
- Deployment schedule for the Phase
- Technology components required for the Project Phase
- Identification of the source systems to be integrated for the Phase

2.5.14.4.2 Deliverable 13: Data Integration and Synchronization Plan

The Care Management Solution shall address the State's need for integration of real-time operational data of the State's relationship with a Member during service delivery, as well as integration and aggregation of data from a variety of siloed source systems into operational data stores, data warehouse and data marts. This data shall be useable for operational and performance reporting (static / canned and ad hoc), shared analytics, and State-wide alerts.

The Vendor shall perform the necessary data integration and synchronization work to implement the Care Management Solution in compliance with the requirements of the Statement of Work. The Vendor shall develop a detailed plan to validate all integration and synchronization routines, as well as the accuracy and integrity of all data integrated from the source systems or otherwise generated.

The Vendor shall design, develop, and implement the technology infrastructure required to enable the Data Integration in the functional and technical specifications of this RFP and integration of operational data residing in the existing siloed State systems. Operational Data Integration shall focus on combining select data elements from a variety of existing data sources to present a dynamic / temporary view of authorized and relevant Member information, as well

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as the State's relationship with that individual across all Departments and programs within the scope of the Care Management project.

The Vendor shall provide an analytical data integration infrastructure that includes consistent data across the Enterprise to meet the analytics needs for each Program. This data must be available in a form suitable for the required analytics and reporting functionality defined in this RFP and available to authorized users.

The Vendor shall provide a Data Integration and Synchronization Plan to include, at a minimum, all the elements of operational and analytical data integration described above.

2.5.14.4.3 Deliverable 14: System Maintenance and Support Plan

The Vendor shall provide a written plan for the Maintenance and Operations support of the Care Management Solution into the Production Environment.

The following documentation, at a minimum, shall be prepared by the Vendor and included in the System Maintenance and Support Plan provided to the State:

- Development of a System support structure and organization, including estimates of manpower requirements to support operation and maintenance of the System
- System Installation and Administration Manual
- Completed Code
- Operating Procedures Manual: Includes Diagnostic procedures, backup and restore procedures, and disaster recover procedures
- Maintenance Manual: Information to aid in analyzing and debugging the software, apart from information already available in other delivered documentation
- Maintenance and repair policies and procedures
- Updated system architecture diagrams and inventory (systems, servers, etc.) that clearly identify what is in the pilot and in production use
- Care Management Solution Database Schema
- Complete Data Dictionary
- System "Run Book" as defined by the State

The Vendor shall provide a System Maintenance and Support Plan to include the elements defined above.

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2.5.14.5 Task 4 – Testing

The Care Management System must undergo a series of System and User Acceptance Tests (UAT) prior to deployment. This includes emphasis on testing new or changed functionality, as well as regression testing of already accepted functionality to ensure that changes to software have not adversely affected existing code. Each phase of testing requires the execution of the previously developed Test Plan, including test cases, scripts, data sheets, and expected results. The tests that are developed must be repeatable and must be directly traceable to the requirements.

System testing and UAT must be driven by Requirements and Design, and must adhere to detailed test plans and test scripts. The State and Vendor have significant roles in the testing process. The Vendor must thoroughly test the software itself before the State UAT team begins its work. This includes System/integration testing, volume and stress testing, performance testing, and load balancing testing prior to User Acceptance Testing. When the Vendor test results are validated by the State, UAT can commence. Upon the completion of the UAT, overall readiness will be assessed and a decision made ("go" / "no-go") regarding deployment.

2.5.14.5.1 Deliverable 15: Test Plan

The Vendor will be responsible for the development of a Detailed Test Plan, which includes the following testing events:

- Unit and Integration Testing – The Vendor shall perform Unit and Integration testing as necessary during the configuration/development process. The State will require the presentation of Unit and Integration test plans and results during scheduled development review meetings.
- System Testing – The System testing is aimed at proving that the System meets the stated requirements and objectives by validating the total system in a real world scenario (i.e., VCCI proof-of-concept). This testing shall be performed by the Vendor and supported by a limited number of State subject matter experts/power-users (not end-users) at the sole discretion and to the limit deemed appropriate by the State Project Manager. System testing will be combined into a single test phase to provide streamlined testing without compromising the testing objectives.
    - Entry Criteria – The feature set, although largely defined and static, may still not be completely finalized. The software has been unit tested, and there is a high level of confidence the completed Care Management software is ready.
    - System Test Execution – The System Test shall utilize "real" data, and shall be performed by the Vendor or a third party. The System test shall be intended to demonstrate the critical business functions of the System and the overall

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effectiveness of the user-facing aspects. The Vendor shall provide and the State shall accept the System Test Plan before it is executed. At a minimum, the Vendor shall incorporate the following activities during System Testing:

- Demonstrate Critical Business Function Scenarios (as defined by and approved by the State) – data and processes must be fully integrated across functional areas and that integration fully demonstrated
- Transaction Testing (as defined by and approved by the State)
- Error Message Testing
- Documentation Testing (as defined by and approved by the State)
- Help Systems Testing (as defined by and approved by the State)
- Demonstrate the Complete Sequence of Functional Business Tasks (as defined and approved by the State)
- End-to-end business process testing (as defined and approved by the State)
- Report Generation and Printing
- Interface Testing (All Interfaces included in the module/system)
- Demonstrate the Complete Sequence of Functional Business Tasks (as defined and approved by the State)
- Usability/Interface Testing
- Reliability Testing
- Performance Testing (stress, load testing)
- Security Testing
- System Recovery and Restoration Testing
- Regression Testing
- Integration Testing
- Integrity Testing

- Exit Criteria – The results of the System Test are to be presented to the State for approval before the development System status can be promoted to UAT stage for end user testing. This presentation shall take the form of a live demonstration of

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System functionality as outlined below. The State shall define, no less than 20 business days before the start of System Test phase, the criteria necessary for State approval of test results, including requirements for presentation of the results to the State and timeframes for State review.

- User Acceptance Testing – The purpose of User Acceptance Testing is to confirm that the System is developed according to the State's business functionality, performance, and technical requirements and that it is ready for enterprise deployment and operational use. During UAT, selected State end-users will compare the System's functionality, features, and performance to the State's System Requirements Documents, Design documents and State documented UAT exit criteria.
  - Entry Criteria – Prior to moving from System Testing to UAT, the System's feature set shall be fully defined and static. The Code shall be complete and frozen. The final release version shall have been built from source control. This final version shall have passed a formal Vendor QA acceptance test, which also covers "installation" instructions on how to update the server and end user documentation.
  - Pre Test – The Vendor shall perform the following activities prior to User Acceptance Testing (UAT):
    - Build the UAT System release
    - Develop and document the software build instructions for UAT
    - Install and configure the UAT release System components and database(s) on the State's testing environment
    - Develop and provide the required UAT Test documentation (e.g., end user guides, systems administration manuals, user help files) and provide to the State for approval for use during UAT activities
    - All Engineering Change Requests (ECRs) completed
    - Load database(s) with complete and validated production-ready dataset
    - Develop comprehensive UAT Scripts that test each and every requirement as specified in this SOW in a logical and business process-oriented manner
  - Conduct UAT – There are a number of activities that the Vendor and the State must perform for the completion of the UAT. At a minimum, the following activities shall be performed:

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- Identification of the required State and Vendor resources to support UAT activities
- Provide Vendor resources to support UAT activities
- Development of the defect resolution management plan (Vendor)
- Review and acceptance of the defect management plan (State)
- Development of the overall UAT Test Plan and schedule (Vendor)
- Development of required UAT Test Cases (Vendor)
- Each requirement identified in the RFP shall be tested by at least one Test Case. One Test Case may provide for the testing of multiple requirements.
- Review and acceptance of UAT Test Cases (State)
- Compilation of all relevant data needed to permit State to validate that the System meets all functional, operational, performance, and support requirements. This shall include:
  - The Project Statement of Work (State)
  - Systems Requirements Documents (State)
  - Software Requirements Document (State)
  - Requirements Tractability Matrix (Vendor)
  - Systems Configuration Management Data (Vendor)
  - End-user Documentation (user manuals, systems administration procedures, and training documents) (Vendor)
  - State Approved UAT Test Plan (State)
- Compiling and evaluating the UAT Test results (Vendor)
- State approval of the UAT results and corrective actions (State)
- State acceptance of the overall System and its readiness for production deployment (State)
- All problem/error reports shall be responded to within two (2) business days by the Vendor. Any Severity 1 (causing the System to fail to perform a basic

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business function) problem shall be responded to within two (2) hours. The acceptability of remedial fixes will depend on the nature of the problem, but shall be solely at the State's discretion. When UAT tests are rerun, the reruns shall be treated as any other UAT test activity and documented accordingly.

- Software shall be feature complete. Changes taking place must be considered by State a low risk to the underlying stability of the software. The software shall have been rigorously tested by the Vendor's QA and the original software developer's QA. There shall be a high level of confidence the software is working as customers will expect.

- Exit Criteria – The requirements for release from UAT are zero Severity 1 and zero Severity 2. The default State requirement for Severity 3 is zero. However, if actual Severity 3 defects are greater than zero, the Release Committee will review the defects and make a recommendation to the State whether to release to production or not. The State and Vendor Project Managers will meet and mutually agree on an acceptable level of Severity 4-5 defects in order to move forward. Defect levels of severity are as defined above.

- All known problems are to be reviewed by the Release Committee. No outstanding problems should affect overall customer expectations for the System. Supporting materials such as release notes, user manuals and training manuals shall be in final form and shall also been verified by the Vendor's QA or other appropriate reviewers. Customer support (if applicable) shall be fully prepared to support the product at this point.

- The Vendor shall present in person the results of the completed User Acceptance Testing process to the State. The Vendor shall also prepare a report detailing any remaining defects of all severities and the expected impacts of each, and deliver the Report at the same time as the presentation. The State will review the results and approve or reject the completion of the UAT phase.

- Performance Testing – The Vendor shall perform Performance Testing. Performance Testing shall include both Stress and Load Testing to verify System performance in accordance with the SLRs and Performance in Template H - Non-Functional Requirements.

- System Regression Testing – The Vendor shall perform Regression Testing throughout the testing process to verify System integrity after functional improvements or fixes have been made as a result of System Integration and User Acceptance test activities. Regression testing shall be designed to confirm that fixes have not created any new problems and that the results are as planned. The results will also define the System

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baseline configuration to be released to the State. The Vendor team shall document all tests performed. It shall be the responsibility of the Vendor to ensure all automated test scripts have been assessed to ensure their proper function.

The Vendor shall provide a Test Plan that includes the elements outlined above and a detailed schedule for each of the activities to be completed within the test phase, including the individuals (named and role) responsible for the completion and/or approval of each activity. Activities in the Test Plan shall include at a minimum:

- Definition of the Test Phase and Objectives
- Entrance Criteria for the Test Phase
- Exit Criteria for the Test Phase
- Key milestones (i.e. relationship in terms of timeframes days / weeks / months, to predecessors and successor tasks) associated with each Testing Phase, including:
  - Test Case Approval
  - Test Environment Readiness
  - Test Start and End dates
  - Code Baseline Configuration Established
  - Code Freeze Date(s)
  - Required Approval Dates for Test Cases, Entrance and Exit Criteria, etc.
  - Regression Testing start and end dates
  - Test Results Review Meeting Completion
  - Code Promotion Go/No-Go Decision

2.5.14.5.2 Deliverable 16: Test Scenarios, Test Cases and Test Scripts

The Vendor shall develop comprehensive Test Scenarios, Test Cases and Test Scripts that test each requirement in a logical and business process-oriented manner. The Test Scenarios, Test Cases and Test Scripts will cover all test events defined above and will be co-developed with SOV staff involved. The Test Scenarios, Test Cases and Test Scripts will also be supported by Vendor-developed data sheets that reference the test cases to the Requirements to ensure comprehensive coverage of each test event specified in this RFP.

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To ensure that the System has been thoroughly tested, the Vendor shall provide Test Scenarios, Test Cases and Test Scripts as well as data sheets to include all of the elements defined above to ensure comprehensive test coverage of each and every requirement as specified in this RFP. The Test Scenarios, Test Cases, Test Scripts and data sheets will map to the unique identification numbers assigned to all requirements in the Requirements Traceability Matrix.

2.5.14.5.3 Deliverable 17: Documented System Test Results

The Vendor shall provide comprehensive Documented System Test Results for each test event identified in this RFP for State review and approval.

The Vendor shall provide Documented System Test Results that include all of the test activities identified above, with the following components for each test event:

- Test Coverage Matrix for each Test Phase identified above (excluding Unit and Integration Testing)
- Completed Systems Requirements vs. Functionality Tested Matrix for each phase and for the Final System Delivery
- Defect Reports
- Monthly Test Issues and Mitigation Reports
- Test Phase Final Results Report and Corrective Action(s) Plan

2.5.14.6 Task 5 – Training

The overall objective of the State training is to provide all staff with the skills, knowledge, and incentives that will enable them to provide Care Management service delivery using the system in the most productive manner. The Care Management training must provide the following benefits, at a minimum, to the State:

- Build adoption of person-centered service delivery to support the objectives of Vermont's 'Agency of One' vision
- Increase collaboration and coordination among programs through use of the Care Management Solution for activities such as service referrals and collaborative case management
- Enable authorized System users to be self-sufficient in the use and extension of the System through the various configuration and parameter change capabilities
- Provide the State the ability to efficiently and effectively assume training responsibilities subsequent to implementation

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The Vendor shall engage professional training staff specializing in business systems training to work with State staff to develop and implement a Training Plan for the Project, deliver initial training, develop on-going training curricula and material, develop reinforcement training material, and evaluate the effectiveness of the Care Management training. A "Training Team" consisting of training specialist, Vendor, and State staff, shall participate in various Phases of the Project to gain an understanding of System design and functionality. The Team shall have direct access to the Project test systems in order to map workflows and copy system screens, outputs, and other materials needed to produce the documentation necessary for staff training. The professional training staff engaged by the Vendor shall provide all user training specified in this Contract.

Although State staff will participate in decisions on Training Plans and materials, the Vendor is solely responsible for creating those plans and materials, implementing the Training Plan, and delivering the training for the duration of the Contract.

The Vendor shall:

- Provide effective training on the required knowledge, skills, and abilities necessary to use the Care Management Solution to deliver services using a person-centered model
- Provide timely training, which ensures transition from training to actual operations and application to staff work
- Provide necessary reinforcement training following initial training
- Ensure that there is easy access to training on the part of trainees
- Be responsible for the development of user training curricula, schedules, training materials and training evaluation materials in accordance with the accepted Training Plan
- Be responsible for assisting the State with the setup and maintenance of an on-line training environment that allows trainees to access the new System.
- Be responsible for conducting face-to-face, hands-on, user training in logical groupings at locations determined by the State, and for managing all training planning and logistics in coordination with the State
- Develop on-line instruction material for State customers regarding access to their service information and features in the Care Management Solution

The user training, in addition to focusing on the navigation and functional use, shall also focus on how the System is integrated into the day-to-day work of end users, including new business processes and/or workflows related to the State's new Model of Practice. To the fullest extent

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possible, the training classes shall consist of trainees with similar job duties and materials and approach should reflect a user-specific focus, including the use of user-specific case scenarios. User engagement and behavior change is critical to the achievement of the State's objectives for the Care Management implementation. As such, Vendor shall organize training in an interesting, non-technical manner to keep the trainees' attention. Innovative training aides, case studies, scenarios, humor, gamification, and other learning tools that will engage the users and support information retention are encouraged.

If implementation of Care Management Solution in a State office or program is delayed after initial training has been completed, Vendor shall provide refresher training.

2.5.14.6.1 Deliverable 18: Training Plan

The purpose of the Care Management Solution Training Plan is to identify the activities and define the curricula the State needs to support its long-range plans to implement person-centered service delivery supported by the Care Management Solution and specific transactional training requirements. Vendor shall include in the Training Plan delivery of user training as well as training State staff so that State may assume on-going training responsibilities.

The Vendor shall provide a Training Plan that meets the requirements described above and, at a minimum, the following components:

- Overview stating the purpose and scope of the Training Plan that meets the requirements of this RFP
- Training Curricula:
  - Detailed description of the training model for adult learners
  - Flow diagrams and detail for the training curriculum for each functional area and integration into the end-to-end business process
  - Specific training curricula targeted and delivered to the different users in a manner that meets their specific needs including, but not limited to Care Management Solution User training focusing on hands-on Care Management Solution usage to enable users to accomplish their day-to-day activities including performance management through business analytics and reporting
- Training Materials Development Plans
  - Role of the 'Training Team'

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- Documentation style standards for the development of training material (e.g., document format, references, acronyms, font)
- Plan for review of training material
- Approach to prototyping and testing training materials with training customers
- Approach to modifying or adjusting training materials based on the results of the Evaluation of Training
- Training Equipment Plans: Vendor shall provide all training facilities and equipment.

- Training Methodology and Delivery Plans:
  - Identification of the training mix including, but not limited to: web-based learning in-person learning, learning-labs, and informal learning. Because of the constraints related to scheduling staff out of the office for multiple training sessions, Vendor shall develop a training mix that leverages use of on-line training tools and self-guided learning material that is supported by in-person training.
  - Identification of plan to motivate and engage Care Management Solution users to learn about and use the System and complete the training
  - The logistical plan for preparing and delivering the training solution
  - Training Schedule: Schedule and timeline of training development, delivery, and evaluation

2.5.14.6.2 Deliverable 19: Training Manuals, Guides and Materials

The Vendor shall develop training materials in such a way as to allow for the capability of training to continue beyond initial deployment. This construction includes the ability to modularize the material. All training material shall have a consistent look and feel and shall be provided in a soft copy format so that the State may easily make modifications to the materials. All training materials shall be maintained to reflect the latest version of the Care Management Solution and the changes resulting from evaluations and use during acceptance, pilot testing, and implementation. All training material shall be maintained in a centralized on-line repository.

The Vendor shall be responsible for developing and providing training materials and for training State staff on System operations. The Vendor shall employ professional training staff (not technical staff) to conduct training sessions and to prepare training and user materials. The State shall have approval over Vendor-provided staffing used for training and over the format/content of the training to be given. The State and Vendor staff shall work together to

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develop the format/content for the training and user materials that the Vendor shall produce. These materials shall be provided to the State in both hard and soft copy. The State must accept these materials before they are distributed to State staff for use.

Training Manuals, Guides, and Materials shall include, but is not limited to:

- Instructor/Trainer Guides shall provide the ability for State staff to perform the training on a continuing basis.
- Trainee Packages shall provide the trainees exercises and usable examples with which to practice the lessons provided during formal training.
- System User Manual shall provide Care Management Solution information. It should be as non-technical as possible and emphasize program collaboration, and related business functions in the explanation of Care Management Solution features, specific workflows, functions, modules and tools and the detailed procedures for using the Care Management System. The System User Manual shall be designed for ease of use so that any user, regardless of his or her function, can readily locate, identify, understand and use the information. The manual shall include a description of the problems and issues that may arise in using the Care Management Solution and the procedures for resolution. The manual shall include copies of all screens with instruction on the use and function of each, including the definition of all data elements. System User Manual shall include a catalog of all reports, forms, letters, and other system-generated documents (generated either automatically by the System or by the user). This catalog shall include, at a minimum, a copy of each report, form, letter, or document together with a description of its contents and step-by-step instruction on how to produce it.
- Desk Aids shall provide, at a minimum, quick access to solutions and information that users most frequently need.
- User tips, which shall be designed as short messages that can be sent to recent trainees with reminders about short-cuts, features, and other relevant information to promote end-user adoption and use of the Care Management Solution.

2.5.14.6.3 Deliverable 20: Documented Evidence of Successful End-User Training

The Vendor shall provide Documented Evidence of Successful End-User Training at the end of each phase of training. Evidence shall include at a minimum:

- Tracking of trainee attendance and completion of training courses and modules

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- Actions addressing any deficiencies in the proficiency of the current cohort of trainees based on the results of the evaluation of training effectiveness
- An action plan to adjust or modify future training based on the evaluation outcomes

2.5.14.7 Task 6 – Deployment

The Vendor shall produce a detailed and thorough plan for deployment of the planned functionality for each phase.

2.5.14.7.1 Deliverable 21: Deployment Plan

The Vendor shall provide a detailed Deployment Plan that documents all the activities that need to be accomplished to successfully migrate the Care Management Solution from the testing environment to the production environment. The Plan shall provide a detailed schedule of activities with key "go" / "no-go" decision points identified throughout the deployment process. In addition, the plan shall detail a back-out and recovery process to be triggered in the event the turnover to production fails.

2.5.14.7.2 Deliverable 22: CMS Certification

Upon full implementation of the State's new MMIS, the Vendor must ensure that the Care Management Solution obtains CMS Certification to receive the maximum allowable Federal Financial Participation. At the time of full MMIS Certification, the Vendor will:

- Develop a CMS Certification Checklist
- Complete all tasks required to attain certification
- Support the State in all discussions with CMS regarding certification
- Develop and execute on required and suggested remediation efforts to achieve certification
- Assist the State in preparing certification documents and reports
- Review and report on the progress and compliance with CMS Certification

2.5.14.7.3 Deliverable 23: System Incident and Defect Resolution Report

The Vendor shall document all incidents and defects that occur during System Deployment that are part of the System scope and communicate with the Care Management Project Manager within a reasonable, agreed upon time frame, on a regular basis. The System Incident Report must contain the priority of the incident, a description of the incident, incident resolution status, and the proposed course of action for remedying all open incidents.

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All defect resolution requests that are part of the System scope that occur during the Warranty period must be documented and communicated with the Care Management Project Manager within a reasonable, agreed upon time frame, on a regular basis. The Defect Resolution Report must contain the description of the maintenance request, resolution status, and the proposed course of action for remedying all open defect resolution requests.

All changes and fixes will be implemented based on a mutually agreed upon schedule. All changes will go through all phases of testing by the Vendor and the State Project Team. The Vendor shall document the test results and provide to the State for approval before a decision is made to put the new release into production. The Vendor shall update all required System documentation as appropriate and provide to the State at the conclusion of any System changes.

2.5.14.7.4 Deliverable 24: Completed Detailed Functional and Technical Specifications Traceability Matrix

After completion of each Phase and upon final system delivery, the Vendor shall assemble, update, and provide an updated Complete System Design, Requirements, and Specifications document to the Care Management Project. The document components shall include at a minimum:

- Updated Functional Requirements with disposition in the Functional Specifications and Design Document (see Deliverable 8)
- Updated Technical Specifications with disposition in the Technical Design Document (see Deliverable 11)

2.5.14.7.5 Deliverable 25: System Source Code and Documentation

At the completion of the Project, the Vendor shall conduct a review with the State and identify any documentation that must be updated as a result of changes during the three-year warranty period. The three-year warranty period starts after the full scope of the Project is released into production (i.e., deployment of each phase). The Vendor will be required to update the documentation and provide it to the State for review and Final Acceptance.

The following shall be updated and provided to the Care Management Project Manager at the completion of the Project:

- Functional Specifications and Design Documentation
- System Architecture
- Technical Design Documentation

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- Data Management and Synchronization Plan
- Test Cases and Test Scripts
- Training Manuals, End-User Guides, and Materials
- Final versions of the System software files

The Vendor shall also transfer all finalized required documentation to the State. The format and the medium of transfer will be at the discretion of the State.

2.5.14.7.6 Deliverable 26: Performance Service Levels

The Vendor shall provide ongoing compliance monitoring and reporting for the Service Levels summarized in Section 2.5.9 (Performance Measures and Associated Remedies) above and included in detail in Template H - Non-Functional Requirements.

2.5.14.8 Task 7 – Phase Closeout

The purpose of the Project Phase Closeout task is to identify the conclusion of a Project Phase and gather the required approver signatures. This document will signify that all required deliverables for the Project Phase being closed have been completed and approved with the date of approval for each deliverable indicated. The document shall also list the status of each of the Exit Criteria for the Project Phase.

2.5.14.8.1 Deliverable 27: Phase Closeout

The Vendor shall provide documentation to support Phase Closeout to include, at a minimum, the elements described above and the following components:

- State validation that all deliverables for the Phase have been provided, accepted, and placed in the Project repository
- State validation that all Exit Criteria for the Phase have been met

2.5.14.9 Task 8 – System Maintenance and Operations (M&O)

At a minimum, the Vendor must complete the following services. The Vendor may propose additional deliverables as needed to achieve the task goals of System Maintenance and Operations:

- System Incident Resolution – Maintenance and Operations of the System includes software faults that are not a part of the scope of the original development effort. All incidents that occur as part of ongoing operations must be addressed and resolved within a reasonable time frame as per the SLAs described in this RFP.

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- Adaptive Maintenance – All changes and fixes will be implemented based on a mutually agreed upon schedule. All changes will go through all phases of testing by the Vendor and the State. The test results must be documented and provided to the State for approval before a decision is made to put the new release into Production. All relevant system documentation will be updated and provided to the State at the conclusion of any System changes.

- System Enhancements – If the State determines that System enhancements are required, it will submit a request for those modifications to the Vendor. The Vendor will analyze the changes and provide a cost estimate for performing those changes to the Care Management Solution. These cost estimates will be negotiated based on rates proposed and agreed to in Template N - Cost Workbook. The State can then decide whether it wishes to move forward with the requested enhancements, which will be incorporated as a change order to the Contract.

2.5.14.9.1 Deliverable 28: System Incident Reports – M&O

All incidents that occur during the Base and Optional Extension M&O periods must be documented and communicated with the State within a reasonable, agreed upon timeframe, on a regular basis. The System Incident Report must contain the severity of the incident, a description of the incident, incident resolution status, and the proposed course of action for remedying all open incidents.

2.5.14.9.2 Deliverable 29: Adaptive Maintenance Report

All adaptive maintenance requests that occur during the M&O period must be documented and communicated with the State within a reasonable, agreed upon timeframe, on a regular basis. The Adaptive Maintenance Report must contain the description of the maintenance request, resolution status, and the proposed course of action for remedying all open maintenance requests.

2.5.14.9.3 Deliverable 30: System Enhancement Report(s)

All system enhancement requests (changes requiring 200 or more hours of effort) that occur during the M&O period must be documented and communicated with the State within a reasonable, agreed upon timeframe, on a regular basis. The System Enhancement Report must contain the description of the enhancement request, progress, and the test results and outcome of each request.

2.5.14.9.4 Deliverable 31: Tier-2 Service Desk Plan

The Vendor is responsible for developing a Tier 2 Service Desk Plan that indicates how support will be provided and how escalated incidents are resolved. The Service Desk shall use ITIL v3

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compliant Incident and Problem Management processes. The plan must include a proposed organizational structure, service level commitments related to the resolution of logged incidents (based on issue priority or severity), and metric reporting for monitoring the System and Service Desk performance. The Service Desk shall use an ITIL v3 compliant COTS IT Service Desk solution and shall electronically interface with the Vendor's defect and quality management tools.

2.6 Supplemental Services

2.6.1 Supplemental Services to be Provided

DVHA is seeking an innovative Vendor solution to supplement the VCCI in robust and holistic care management services – using the enterprise CM solution - for its highest risk and complex Medicaid Members, including individual and population based approaches. Members with multiple co-morbidities, high utilization of Ambulatory Care Sensitive (ACS) hospital services, multiple providers and poly-pharmacy are attributes of the targeted population. In calendar year 2012, the top 5% of VCCI eligible Medicaid Members accounted for approximately 39% of all Medicaid expenditures. The disproportionate utilization includes an estimated 20% of avoidable ED costs, 60% of inpatient admission costs for ACS conditions, and 88% of all 30 day hospital readmission costs. High volume ED utilization patterns included pain-related complaints (e.g., abdominal, low back, headache, and dental) as well as behavioral health (e.g., anxiety, depression), respiratory conditions (COPD and asthma) and cardiovascular diseases. Ambulatory care sensitive inpatient admissions included, among others, behavioral health disorders, musculo-skeletal conditions (low back pain) and cardiovascular disease. Conditions accounting for highest cost 30-day readmissions included CHF, diabetes and behavioral health disorders (mental health and substance abuse).

The following table provides a high level list of the services to be rendered by the Vendor during the on-boarding period and on-going operations. Each of these services is to be discussed by the Vendor in Template O – Supplemental Services Requirements and Staffing Model Approach as described in the RFP instructions. The Vendor will be expected to use the Care Management Solution being acquired through this procurement during the delivery of the supplemental services. The Supplemental Services must be fully operational and deployed no later than 12/31/14.

Table 13. Supplemental Services

SERVICE DESCRIPTION
Clinical and Operational Assistance

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SERVICE DESCRIPTION
■ **Population Identification and Risk Stratification** - The Vendor will perform population identification and risk stratification and provide results to the State to proactively identify the specific intervention populations (currently top 5%, populations with care gaps, specialty groups) including by geographic area and ideally, scope of practice of various licensed and non-licensed staff.
■ **Care Management and Clinical Analytics** - The Vendor will collaborate with the State to conduct predictive modelling, identify barriers or gaps in care, and propose interventions, outcomes and measures (PDSA driven) that support and integrate with the State's goals (i.e., policy, providers, patient, clinical quality, financial), Managed Care Entity (MCE), and partners (e.g., ACOs).
■ **Provider Outreach and Education** - The Vendor will meet with high volume Medicaid primary care providers or representatives to identify and facilitate strategies to support adoption of VCCI/Vendor provider tools (e.g., current tools include provider registries on gaps in care for identified high cost conditions; and health briefs summarizing dx, Rx, providers and hospital utilization, etc.) to enhance care quality, management and appropriate utilization.
■ **Member Outreach Assistance** - The Vendor will assist with outreach to program-eligible Members as determined by the State (e.g., transitions in care post ED visits; IP follow up appointments with PCP post discharge, etc.).
■ **Intake and Triage Support** - The Vendor will support intake and triage services for the target population with capability of incoming and outgoing nurse telephone contact with both patients and providers during business hours (8:00 AM – 5:00 PM EST non -holiday, Monday-Friday).
■ **Member Targeted Mailing** - The Vendor will conduct quarterly targeted mailings (dx/usage/risk) regarding preventive services to Members as agreed upon with the State.
■ **Centralized Mailing Support** - The Vendor will provide centralized mailing services for regular mailings of single or multiple hard copy materials, which includes the ability to match person- or entity-specific materials with the correctly addressed envelope.

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SERVICE DESCRIPTION
■ **Internal and External Collaboration and Coordination Support** - The Vendor will collaborate and integrate activities with partners as determined by the State, to include, but not limited to: ❑ State's Program Monitoring partners ❑ State's VCCI leadership and staff ❑ Vermont Information Technology Leaders (VITL) – Health Information Exchange ❑ The State's initiatives ❑ State's Blueprint for Health goals and activities ❑ State's Medicaid Management Information System (MMIS) and Fiscal Agent vendor ❑ State's Pharmacy Benefits Administrator ❑ DVHA divisions and units as appropriate (clinical, data, pharmacy, program integrity, reimbursement, etc.) ❑ State's Member Services vendor ❑ University of Vermont ❑ State and local providers to advance understanding of chronic care management ❑ Commercial carriers, whenever possible, to promote consistency across payers

2.6.2 Organization and Staffing Model Approach

DVHA's VCCI is a decentralized model with staff assigned to various geographic areas throughout the State, which may include large areas of coverage which may be rural in nature. Field staff may need to travel significant distances to perform home visits and/or co-visits with primary care providers and to participate in collaborative meetings with state and community partners to develop collegial relationships and achieve desired results. Staff may also be embedded in high volume partner locations (hospitals and primary care sites) to facilitate direct referrals, 'warm' transfers and to support Member outreach and engagement at the local level. Supplemental sources of direct referrals include community service providers (homeless shelters, mental health and substance abuse treatment providers) and AHS Departments and programs including AHS Field Directors, Economic Services staff, Vocational Rehabilitation staff, Department of Corrections, etc.

Given the challenges inherent with population mobility and economic hardship, it may be challenging to locate members either via mail or via phone, so local relationship development, referral and outreach in the member community by VCCI staff has generated a greater level of

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engagement. In a recent report by the incumbent vendor, only 1 in 6 cold calls resulted in a new case. Other barriers may include timely primary care and mental health access; however, there are designated mental health agencies operating within each county state-wide.

DVHA's VCCI field based staff carry a caseload of roughly 25 with an average case duration of 3 months; while embedded staff carry a caseload of up to 50 Members. Staff collaborate locally with the primary care medical home and local community health team (CHT) staff to support care transitions based on acuity levels.

The Vendor is responsible for proposing a staffing solution, including the roles and the level of Vendor staffing required that supports VCCI goals (individual and population based approaches) and the needs of the identified population. The Vendor proposed staffing model should support care management of the VCCI population focusing on medical, behavioral and socio-economic indicators of health and strength-based approaches, to facilitate sustainable results. Consideration should be given to varying licensed and non-licensed staff to address the needs of the defined population. The State reserves the right to be involved in the interviewing and hiring of key Vendor staff.

The Vendor will recommend minimal staffing levels and associated strategies necessary to augment the State's VCCI staffing model and which supports effective case management and related clinical and financial improvement of the engaged population; and based on state demographics / geographic distribution. It is not anticipated that the Vendor will supplement VCCI staffing for the pediatric palliative care and high risk pregnancy specialty services at this time, however related data analytics and reporting support for all populations serviced is required. Innovative staffing solutions are encouraged and could include the following functions/disciplines:

- Vendor operations and Clinical oversight
- Field-based and/or telephonic Case Managers (nurses, licensed and non-licensed social workers)
- Clinical analyst, data analytical and/or reporting staff for program monitoring and management, clinical quality and strategic priority setting
- Clinical Pharmacist

The State has a strong preference for Vendor organizations that can demonstrate accreditation / achievement of either the National Committee for Quality Assurance or Utilization Review Accreditation Commission (NCQA or URAC) certified case management program.

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2.6.3 Location of Contracted Functions and Personnel

The Vendor will secure and manage office space in Williston, Vermont in reasonable proximity to the State offices to maintain a productive work environment for the Vendor staff persons who will be centrally located and for the convenience of the State to allow State personnel to hold meetings and other business activities. The State expects the Vendor to recommend the specific locations for their proposed field-based staffing model.

Vendor managerial staff must be available to participate in project-related meetings as scheduled by the State.

2.6.4 Schedule

On-site work must be performed during normal business hours, Monday through Friday 8:00 AM until 5:00 PM Eastern Time.

2.6.5 Supplemental Services Scope of Work

2.6.5.1 Recurring Project Deliverables

The following table provides a list of recurring deliverables that will be created by the Vendor during the life cycle of the project execution.

Table 14. Recurring Deliverables

TASK	DELIVERABLE
Task 0 - Project Monitoring and Status Reporting	Deliverable 0 – Monthly Project Monitoring and Status Reporting (Recurring throughout the length of the project)

2.6.5.2 Task Related Deliverables

The following table provides a list of deliverables that will be created by the Vendor as part of the Supplemental Services tasks. These deliverables are defined in Section 2.6.6 – Detailed Scope of Work. The State expects the Vendor to provide a seamless integrated project management approach for the Care Management technology implementation and the supplemental services.

The Vendor must employ, maintain, and execute a project management methodology that complies with the Project Management Institute (PMI) standards or equivalent. The Vendor is expected to propose a project management approach and methodology to be used for all service configuration and deployment project lifecycles. The Vendor will develop and follow a

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Project Management Plan (PMP) conforming to the Project Management Body of Knowledge (PMBOK).

For purposes of the State Contract, all of the following deliverables will be identified with functional CM Solution payment milestones that shall be determined during Contract negotiations. In the event the State and the Vendor cannot agree on appropriate functional deliverables and associated payment milestones, the State may terminate contract negotiations and proceed to negotiate with another Vendor. The Contract shall provide that Contractor shall not be paid until the State has reviewed and approved each functional deliverable.

Table 15. Task Related Deliverables

TASK	DELIVERABLE
Task 1 – Project Initiation and Planning	Deliverable 1 – Supplemental Services Support Kick-off Presentation
	Deliverable 2 – Project Management Plan
	Deliverable 3 – Project Work Plan and Schedule
Task 2 – Business and Clinical Operations Support	Perform all necessary supplemental services functions as described in Section 2.6.1, Table 13 to ensure achievement of operational and clinical service levels
	Deliverable 4 - Provider Education and Training Plan - The Vendor will develop and maintain a Provider Education and Training Plan on the VCCI tools to support evidence based care. With State approval, this Plan will include provider trainings to enhance provider adoption of tools and quality service to high-risk Members. The Vendor will be expected to provide State staff with hard copies, in sufficient quantities, and digital versions of consumer and provider educational materials (e.g., Action Plans).
	Deliverable 5 - Care Management Operational Procedures and Protocols and Data Migration Support - The Vendor will develop the Care Management System documentation procedures and protocols for VCCI operations and provide DVHA staff orientation and training (prior to go-live) to ensure standardization and assure individual and program operating reports and quality measures. The Vendor will work with incumbent vendor to support data migration from the existing system to the new CM solution.

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TASK	DELIVERABLE
	Deliverable 6 - Clinical Tools - The Vendor will develop and periodically update clinical tools (e.g., Action Plans, staff call guides) to reflect current evidence-based care in consultation with the State.
	Deliverable 7 - Educational Material for Members - The Vendor will provide current, nationally recognized and evidence-based educational materials/brochures geared to a 6th grade reading level, to be used by State staff to distribute to Members and based on targeted conditions of high acuity, cost, and incidence/prevalence (e.g., health education materials, action plans, etc.)
	Deliverable 8 - Vendor Staff Hiring Plan and Organization Charts - The Vendor will provide staff hiring plan and organization charts reflecting onsite and offsite staff and identify their roles aligned to the supplemental services rendered. Updates to the Organization Charts will be provided within ten (10) business days of any changes throughout the course of the Contract

2.6.5.3 Deliverables Expectations Document (DED)

The Vendor must develop Deliverables Expectations Documents (DED's), in an approved State form and format; project deliverables need to adhere to the information within the DED. No work will be performed by the Vendor on any deliverable until the DED has been approved in writing by the State. As each project deliverable is submitted, the Vendor must include a copy of the associated Deliverable Expectation Document.

2.6.5.3.1 Acceptance

All Vendor deliverables are subject to review by the State prior to final approval, acceptance, and payment.

Acceptance of all Vendor deliverables will be completed via a Deliverables Acceptance Document (DAD) to be drafted by the State.

The State will have ten (10) working days to complete its review of the deliverables. The State will accept or reject the deliverables in writing using Controlled Correspondence (Section 2.6.5.3.2) and the Deliverables Acceptance Document. In the event of the rejection of any deliverable, the Vendor shall be notified in writing via Controlled Correspondence, giving the specific reason(s) for rejection. The Vendor shall have five (5) working days to correct the rejected deliverable and return it to the State via Controlled Correspondence.

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Deliverables must be tracked in a tracking tool approved by State.

2.6.5.3.2 Controlled Correspondence

In order to track and document requests for decisions and/or information, and the subsequent response to those requests, the State and the Vendor shall use Controlled Correspondence.

Each Controlled Correspondence document shall be signed by the State Project Manager (or designee) and the Vendor Project Manager (or designee). No Controlled Correspondence document shall be effective until the signatures of both are attached to the document.

The Controlled Correspondence process may be used to document mutually agreeable operational departures from the specifications and/or changes to the specifications. Controlled Correspondence may be used to document the cost impacts of proposed changes, but Controlled Correspondence shall not be used to change pricing.

Controlled Correspondence shall not be the basis of a claim for equitable adjustment of pricing. Any changes that involve a change in pricing, scope of work or project schedule must be by a Purchase Order Change Notice and a contract amendment.

Controlled Correspondence documents will be maintained by both parties in ongoing logs and shall become part of the normal status reporting process.

2.6.6 Detailed Scope of Work

The following sections define the supplemental business operations and clinical support services the Vendor will deliver for the VCCI.

The Vendor must provide appropriate Labor Rates, Hours and Costs for its portion of the supplemental services using Template N – Cost Workbook.

2.6.6.1 TASK 0 — Project Monitoring and Status Reporting

Project status will be tracked and reported on an ongoing basis. Regularly scheduled status meetings between the State Project Management Team and the Vendor Project Manager will be held to discuss project progress, issues, resolutions and next steps. The following standard reporting mechanisms will be used:

- Status reports
- Issues lists
- Risk management updates

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In addition, a Project Information Library (PIL) must be developed and maintained, by the Vendor and overseen by the Project Manager in a single repository used to store, organize, track, control and disseminate all information and items produced by, and delivered to, the project. The PIL must include a file structure with defined access and permissions. It must also include an interface, such as a Web page or portal, where individuals can obtain project information, the latest documentation, and input issues or comments to the Project Team.

The State shall be the owner of all the documents available in the PIL.

At a minimum, the following deliverables must be completed by the Vendor. The Vendor may propose additional deliverables as needed to achieve project goals.

2.6.6.1.1 Deliverable 0: Monthly Project Monitoring and Status Reporting (Recurring Deliverable)

This deliverable must be a recurring deliverable for the entire length of the project.

The Vendor shall be required to provide a Monthly Status Report, which shall address overall Project status against the current and Baseline (if different) Project Schedule. It shall cover progress against plans for the previous review period and identify work planned for the next work period, or longer if circumstances dictate. The Monthly Status Report shall address issues and concerns, action items and other pertinent information needed by the Vendor or requested by the State as necessary and applicable to that period of the services rendered. The presentation of the Status Reports shall be both written and oral. Status report meetings shall include both State and Vendor Project management staff, and VCCI/supplemental service operations manager and/or Clinical Lead.

The Vendor shall provide Monthly Status Reports to include a minimum of the following elements:

- Status of work completed against the Project Work Plan
- Objectives for the next reporting period
- Client responsibilities for the next reporting period
- Recovery plan for all work activities not tracking to the approved schedule
- Projected completion dates for specific tasks compared to approved baseline key dates
- Escalated risks, issues (including schedule and budget), and action items
- Disposition of logged issues and risks
- Important decisions

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- Actual/projected Project Work Plan dates versus baseline Project Work Plan milestone dates
- One-page graphical summary of the Project Work Plan status of all major tasks and subtasks in a Project Plan

2.6.6.2 TASK 1 — Project Initiation and Planning

At a minimum, the following subtasks must be completed by the Vendor. The Vendor may propose additional tasks as needed to achieve the task goals.

2.6.6.2.1 Deliverable 1: Supplemental Services Support Kick-off Presentation

This deliverable is a presentation provided in partnership with VCCI leadership team to familiarize project team members with the supplemental services support. The presentation includes the following topics:

- Project Overview
- Project Schedule (high level)
- Objectives and Definitions
- Process
- Artifacts
- Roles and Responsibilities
- Keys to Success
- Next Steps
- Questions and Answers (Q&A)
- Resources

2.6.6.2.2 Deliverable 2: Project Management Plan

The Vendor shall provide a set of documents that, when taken together, constitute the Care Management Project Management Plan that describes how project objectives shall be met and provides a road map for executing the supplemental services. The approach shall be consistent with the Project Management Institute (PMI) Project Management Methodologies stated in the Project Management Body of Knowledge or equivalent.

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The Care Management Project Management Plan shall address the initiating, planning, controlling, executing, and closing processes. The Project Management Plan should at a minimum consist of the following:

- Project Scope
  - Purpose
  - Requirements
  - Deliverables
  - Constraints/Dependencies/Assumptions
  - Work Breakdown Structure
- Costs/Budget
  - Breakdown of costs/budget by Phase and Deliverable
- Risk Analysis and Management Plan
  - Identification of Project risks
  - Assessing the severity and probability of each identified risk
  - Identifying the potential impact of each identified risk, develop risk response plans for each identified risk, and reassess the risk level with the response
  - Providing guidance for assessing the efficacy of risk mitigation actions
  - Description of work products and processes for assessing and controlling risks
  - Detailed escalation mechanisms for risks
  - Risk and Issues Log, to be updated weekly
- Quality Management Plan that defines and documents Vendor's software quality assurance activities that will be implemented to ensure the Care Management supplemental services conforms to all established and contracted requirements
- Project Procurement Plan that outlines Vendor's plans for staff, Subcontractors, and other resources
- Monitoring and Control Plan that outlines descriptions of the administrative procedures that will be used to develop, monitor, and control the project schedule; and project monitoring activities

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- Project Schedule
  - Key milestones and subtasks, including planned start and end dates
  - Identification of the critical path activities, and the criteria used to identify those activities
  - Description of corrective action activities to address schedule variances; how they are identified and tracked to completion
  - Process, roles, and responsibilities required to making changes to the Project Schedule
  - Assignment of resources to the schedule and approach for managing staff and/or equipment availability to ensure completion of deliverables in accordance with contract terms and on schedule
- Communication Plan that describes Vendor's roles and responsibilities regarding communications with the Vendor's immediate project team, Subcontractors, and the State, to include:
  - Communication protocols
  - Communication mode and format
  - Communication content
  - Communication frequency
  - Audiences
- Closure Approach (for Contract) in accordance with the requirements of this RFP
- Change Request Approach in accordance with the requirements of this RFP

2.6.6.2.3 Deliverable 3: Project Work Plan and Schedule

The Vendor shall deliver a Baseline Project Work Plan and Schedule, including a Work Breakdown Structure (WBS), Gantt chart(s), and a Project calendar in Microsoft Project. The Vendor shall document any work plan or schedule changes from the plan submitted with the Vendor's original Proposal.

The Vendor shall provide a Project Work Plan and Schedule to include identification of all tasks of the Project, the sequences of the tasks, the duration of the tasks, and the duration of the supplemental services support. The Project Schedule shall identify the resources to be provided by the State, together with the scheduled dates those resources will be required. It shall take

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into account State holidays, holidays that will be observed by the Vendor staff, periods during which the State has advised that data processing systems will be unavailable to the Vendor, and the resources that the State has committed to providing in the Contract. The Project Work Plan and Schedule, once accepted by the State, will form the Baseline Work Plan and Schedule for the overall Care Management Project.

As part of the Project Work Plan and Schedule, the Vendor shall prepare and submit a WBS that encompasses all activities from Project Initiation and Planning to Project Closeout (Contract end date). The WBS shall define the Project's overall objectives by identifying all Project tasks and Deliverables.

The Vendor shall maintain and update applicable portions of the Project Schedule no less than bi-weekly to reflect the current status of the Project with a comparison made to the Initial (as provided in response to this RFP) and Baseline Project Schedules. The Project Schedule shall be consistent with available State and project resources. These resources will be identified by the State and communicated to the Vendor 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.

2.6.6.3 TASK 2 – Business and Clinical Operations Support

On an ongoing basis, the Vendor will deliver supplemental business services in support of the VCCI.

The details for these services and associated deliverables are provided in Section 2.6 (Tables 13 - 15), and in Template O - Supplemental Services Requirements and Staffing Model Approach.

The Vendor is responsible for proposing the staffing model including roles and the level of staffing required for the supplemental services in support of the VCCI as outlined in Section 2.6.2.

2.6.7 Care Management Supplemental Services Performance Measures and Associated Remedies

The State will monitor the performance of the Contract issued under this RFP. All VCCI supplemental services, staffing support and deliverables must be provided at an acceptable level of quality and in a manner consistent with acceptable industry standards, custom and practice.

The State and the Vendor shall finalize an agreeable clinical operations performance report card format, content, and process during Contract finalization. The State-approved and State-accepted performance report card shall be used starting three (3) months from Contract award through the full implementation/go-live date of the Care Management solution. All

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performance standard requirements shall be part of the report card and included in the Vendor's monthly status report deliverable.

The following table provides an initial list of performance milestone areas with minimum Service Level Requirements and the associated Business Goals and related definitions. In addition, the Vendor must propose additional target performance areas and methods of measurement, as well as establish the baseline metrics for the milestone areas listed below.

Table 16. VCCI Supplemental Services Performance Milestones

Milestone Area	Milestone - Service Level Requirement Focus	Business Outcome /Goal & Related Definitions
Project Management	▪ Formal deliverables and key plan dates	▪ Proactively manage risks so that scheduled milestones are met.
Operating Staff	▪ Demonstrated experience in clinical operations ▪ Responsible for the proper, timely and efficient delivery of clinical and operational services as described in this RFP ▪ Staff Retention ▪ Member/Performance Satisfaction (See Performance Survey Section below)	▪ Ensure that the results of the work performed by the Operating Staff meet all of the requirements under the Contract
VCCI Supplemental Services: ▪ Population Identification and Risk Stratification ▪ Provider Outreach and Education ▪ Member Outreach Assistance ▪ Member Targeted Mailing ▪ Intake and Triage Support	▪ Delivery of all operational services requirements as described in this RFP	▪ Ensure that the supplemental services meet all of the requirements under the Contract

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Milestone Area	Milestone - Service Level Requirement Focus	Business Outcome /Goal & Related Definitions
▪ Care Management Analytics ▪ Centralized Mailing Support ▪ Internal and External Collaboration and Coordination Support		
VCCI Deliverables: • Provider Education and Training Plan • Care Management Operational Procedures and Protocols • Clinical Tools • Educational Material for Members • Vendor Organization Charts	▪ Delivery of all operational services requirements as described in this RFP	▪ Ensure that all deliverables meet all of the performance requirements under the Contract
Others (Vendor to propose):		

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2.6.7.1 Performance Surveys

Beginning on the Operational Start Date of the Care Management solution, once every twelve-month period during the Term, the Vendor will conduct a Member/Staff satisfaction survey with respect to any aspects of the Services selected by the State. The survey will, at a minimum, cover a representative sampling of State staff and VCCI Members, in each case as specified by the State. The timing, content, scope and method of the survey will be as directed by State. Member/Staff satisfaction shall be measured as a Performance Standard.

2.6.7.2 Withhold

The State proposes a withhold payment of fifteen percent (15%) of the total Supplemental Services contract amount. Fifteen percent (15%) withholding would be deducted from the Vendor's VCCI Supplemental Services monthly invoice for the duration of the Contract to demonstrate full compliance with all requirements and standards. Accumulated withholding may be released three (3) months after contract award following a determination by the State

of satisfactory Vendor performance. Accumulated withholding may be released at three (3) months intervals thereafter with the approval of the State.

Should the contract be terminated for any reason related to the Vendor's failure to perform Vendor duties to the satisfaction of the State, this withholding shall revert to the State as liquidated damages in addition to the other penalties and/or damages stated in this RFP or the signed Contract.

The Vendor must provide its approach to a payment structure based on clinical and/or financial outcomes and include it in Template O – Supplemental Services Requirements and Staffing Model Approach.

2.6.7.3 Payment Structure

Payment is based upon completion of milestone deliverables as defined in Template N - Cost Workbook Template. For the Vendor, deliverables will be negotiated based upon intervention process metrics agreed to by the Vendor and the State.

2.6.7.3.1 Cost Savings

Beginning with the second year of the contract, the State reserves the right to base the payment structure for the VCCI Supplemental Services on the completion of clinical and/or financial outcomes goals (e.g., hospital utilization, adherence to evidence –based guidelines, return on investment).

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3. General Instruction and Proposal Requirements

3.1 Questions and Comments

Any Vendor requiring clarification of any section of this proposal or wishing to comment or take exception to any requirements or other portion of the RFP must submit specific questions in writing no later than 3:00 PM EST on March 10, 2014. Questions may be e-mailed to Kate.jones@state.vt.us. No questions will be accepted via telephone. Any objection to the RFP or to any provision of the RFP, that is not raised in writing on or before the last day of the question period is waived. Every effort will be made to have the State's responses posted by March 24, 2014, contingent on the number and complexity of the questions. A copy of all questions or comments and the State's responses will be posted on the State's web site:

http://www.vermontbidsystem.com

3.2 Vendor's Conference

A pre-proposal bidders' conference has been scheduled for March 27, 2014 at 2:30 P.M. EST.

Call in number: 877 273-4202

PIN: 5790552

While attendance is not mandatory, interested bidders are highly encouraged to participate in this conference call. Interested firms will have the opportunity to submit questions regarding the RFP requirements during the call. A sound recording of the meeting will be distributed upon request. Substantial clarifications or changes required as a result of the meeting will be issued in the form of a written addendum to the RFP.

3.3 Modification or Withdrawal of Proposal

Prior to the proposal submission deadline set forth in Section 1.3, a Vendor may: (1) withdraw its Proposal by submitting a written request to the State point of contact, or (2) modify its Proposal by submitting a written amendment to the State point of contact. The State may request proposal modifications at any time.

The State reserves the right to waive minor informalities in a proposal and award a contract that is in the best interest of the State of Vermont. A "minor informality" is an omission or error that, in DVHA's determination, if waived or modified when evaluating proposals, would not give a Vendor an unfair advantage over other Vendors or result in a material change in the proposal or RFP requirements. When DVHA determines that a proposal contains a minor informality, it may at its discretion provide the Vendor with the opportunity to correct.

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3.4 News Releases

Prior to tentative award, a Vendor may not issue a press release or provide any information for public consumption regarding its participation in the procurement. After tentative award, a Vendor must receive prior written approval from the State before issuing a press release or providing information for public consumption regarding its participation in the procurement. Requests should be directed to the State point of contact identified in Section 1.2.

This does not preclude business communications necessary for a Vendor to develop a proposal, or required reporting to shareholders or governmental authorities.

3.5 Incomplete Proposals

The State may reject without further consideration a proposal that does not include a complete, comprehensive, or total solution as requested by the RFP.

3.6 State Use Ideas

The State reserves the right to use any and all ideas presented in a proposal unless the Vendor presents a valid legal case that such ideas are trade secrets or confidential information, and identifies the information as such in its Proposal. A Vendor may not object to the use of ideas that are not the Vendor's intellectual property and so designated in the Proposal that: (1) were known to the State before the submission of the Proposal, (2) were in the public domain through no fault of the State, or (3) became properly known to the State after Proposal submission through other sources or through acceptance of the Proposal.

3.7 Property of the State; Disclosure of Bid Proposals

The State of Vermont and DVHA reserve royalty-free, nonexclusive, and irrevocable licenses to reproduce, publish, or otherwise use and authorize others to use for state and federal government purposes, the copyright in any software and associated documentation developed under the resulting Contract.

Except as otherwise provided in this RFP or the resulting Contract, all products produced by a Vendor, including without limitations the Proposal, all plans, designs, software, and other contract deliverables, become the sole property of the State.

All bid Proposals and submitted information connected to this RFP may be subject to disclosure under the State's access to public records law. The successful bidder's response will become part of the official contract file. Once the Contract is finalized, material associated with its negotiation is a matter of public record except for those materials that are specifically exempted under the law. One such exemption is material that constitutes trade secret, proprietary, or

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confidential information. If the response includes material that is considered by the bidder to be proprietary and confidential under 1 V.S.A., Ch. 5 Sec. 317, the bidder shall clearly designate the material as such prior to bid submission. The bidder must identify each page or section of the response that it believes is proprietary and confidential and provides a written explanation relating to each marked portion to justify the denial of a public record request should the State receive such a request. The letter must address the proprietary or confidential nature of each marked section, provide the legal authority relied on, and explain the harm that would occur should the material be disclosed. Under no circumstances can the entire response or price information be marked confidential. Responses so marked may not be considered and will be returned to the bidder.

1.10.1. All proposals shall become the property of the State.

1.10.2. All public records of DVHA may be disclosed, except that submitted bid documents shall not be released until the Vendor and DVHA have executed the contract. At that time, the unsuccessful bidders may request a copy of their own score sheets as well as request to view the apparently successful bidder's proposal at DVHA Central Office. The name of any Vendor submitting a response shall also be a matter of public record. Other persons or organizations may also make a request at that time or at a later date.

1.10.3. Consistent with state law, DVHA will not disclose submitted bid documents or RFP records until execution of the contract(s). At that time, upon receipt of a public records request, information about the competitive procurement may be subject to disclosure. DVHA will review the submitted bids and related materials and consider whether those portions specifically marked by a bidder as falling within one of the exceptions of 1 V.S.A., Ch. 5 Sec. 317 are legally exempt. If in DVHA's judgment pages or sections marked as proprietary or confidential are not proprietary or confidential, DVHA will contact the bidder to provide the bidder with an opportunity to prevent the disclosure of those marked portions of its bid.

3.8 Multiple Responses

The Vendor may only submit one (1) Proposal as a prime Vendor. If the Vendor submits more than one (1) proposal as a prime, DVHA may reject one or more of the submissions. This requirement does not limit a Vendor's ability to collaborate with one or more Vendors as a sub-contractor submitting proposals.

3.9 No Joint Proposals

The State will not consider joint or collaborative proposals that require a contract with more than one (1) prime Vendor.

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3.10 Use of Subcontractors

Subject to the conditions listed in this RFP, the Vendor may propose to use a Subcontractor(s) to make a complete offer to perform all services. Any prospective Subcontractor that is not a wholly owned subsidiary of the Vendor will be subject to these conditions.

The conditions for proposing to use Subcontractors include, but are not limited to, the following:

1. Prior to any communication or distribution of State confidential information to the potential Subcontractor, the Vendor must provide the State with the name of the potential Subcontractor in advance and in writing. The Vendor will also provide contact information for the potential Subcontractor.
    a. The State must give its written approval prior to the Vendor providing any State confidential information to a potential Subcontractor or another entity.
2. If selected, the Vendor will be the prime Vendor for services provided to the State by approved Subcontractors.
3. Subcontractors will be required to agree to certain terms of the Standard State provisions for Contracts and Grants.
4. The Vendor will be ultimately responsible for the provision of all services, including Subcontractor's compliance with the service levels, if any.
5. Any Subcontractor's cost will be included within the Vendor's pricing and invoicing.

No subcontract under the Contract must relieve the Vendor of the responsibility for ensuring the requested services are provided. Vendors planning to subcontract all or a portion of the work to be performed must identify the proposed Subcontractors.

3.11 Instructions for Submitting Proposals

3.11.1 Number of Copies

The bid should include a Technical Proposal and a separate Cost Proposal. The Vendor is required to submit one (1) clearly marked original Technical Proposal and fifteen (15) identical copies of the Technical Proposal, including all sections and exhibits, in three-ring binders, and one (1) electronic copy on a portable medium such as a compact disk. The Vendor is required to submit one (1) clearly marked original Cost Proposal and one (1) identical copy of the Cost Proposal, including all sections and exhibits, in three-ring binders, and one (1) electronic copy on a portable medium such as a compact disk.

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The State will not accept e-mailed and facsimile proposals. Any disparities between the contents of the original printed Proposal and the electronic Proposal will be interpreted in favor of the State.

3.11.2 Submission

All bids must be sealed and addressed to:

Department of Vermont Health Access (DVHA)

Kate Jones, Procurement Manager

312 Hurricane Lane

Williston, VT 05495-2087

kate.jones@state.vt.us

(o) 802-879-8256

BID ENVELOPES MUST BE CLEARLY MARKED 'SEALED BID' AND SHOW THE REQUISITION NUMBER AND/OR PROPOSAL TITLE, OPENING DATE AND NAME OF BIDDER.

All bidders are hereby notified that sealed bids must be received and time stamped by the DVHA Contracting Unit located at 289 Hurricane Lane – Williston, VT 05495 by the time of the bid opening. Bids not in possession of the DVHA at the time of the bid opening will be returned to the Vendor, and will not be considered.

DVHA may, for cause, change the date and/or time of bid openings or issue an addendum. If a change is made, the State will make a reasonable effort to inform all bidders by posting at: http://www.vermontbidsystem.com

The bid opening will be held on April 28, 2014 3:00 PM EST at 289 Hurricane Lane, Williston, VT 05495 and is open to the public. Typically, the State will open the bid, read the name and address of the bidder, and read the bid amount. Bid openings are open to members of the public. However no further information that pertains to the bid will be available at that time other than the bid amount, name and address of the bidder. The State reserves the right to limit the information disclosed at the bid opening to the name and address of the bidder when, at its sole discretion, it is determined that the nature, type, or size of the bid is such that the State cannot immediately (at the opening) establish that the bids are in compliance with the RFP. As such, there will be cases in which the bid amount will not be read at the bid opening. Bid results are a public record. However, the bid results are exempt from disclosure to the

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public until the award has been made and the Contract is executed with the apparently successful bidder.

3.11.2.1 Delivery Methods

U.S. MAIL: Bidders are cautioned that it is their responsibility to originate the mailing of bids in sufficient time to ensure bids are received and time stamped by the DVHA Contracting Unit prior to the time of the bid opening.

EXPRESS DELIVERY: If bids are being sent via an express delivery service, be certain that the RFP designation is clearly shown on the outside of the delivery envelope or box. Express delivery packages will not be considered received by the State until the express delivery package has been received and time stamped by the DVHA Contracting Unit.

HAND DELIVERY: Hand carried bids shall be delivered to a representative of the Division prior to the bid opening.

E-MAIL: E-mailed bids will not be accepted.

FAXED BIDS: Faxed bids will not be accepted.

3.11.2.2 Proposal Submission Requirements

Vendors must strictly adhere to the following response submission requirements:

1. Failure to follow any instruction within this RFP may, at the State's sole discretion, result in the disqualification of the Vendor's Proposal.
2. The State has no obligation to locate or acknowledge any information in the Vendor's Proposal that is not presented under the appropriate outline according to these instructions and in the proper location.
3. The Vendor's Proposal must be received, in writing, at the address specified in this RFP, by the date and time specified. The State WILL NOT BE RESPONSIBLE FOR DELAYS IN THE DELIVERY OF QUESTION DOCUMENTS. Any proposal received after proposal opening time will be returned unopened.
4. Proposals or alterations by fax, e-mail, or phone will not be accepted.
5. Original signatures are required on one copy of the Submission Cover Sheet, and Vendor's original submission must be clearly identified as the original.
6. The State reserves the right to reject any proposals, including those with exceptions, prior to and at any time during negotiations.

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7. The State reserves the right to waive any defect or irregularity in any proposal procedure.

8. The Vendor must not alter or rekey any of the original text in this RFP. If the State determines that the Vendor has altered any language in the original RFP, the State may, at its sole discretion, disqualify the Vendor from further consideration. The RFP issued by DVHA through the State of Vermont is the official version and will supersede any conflicting RFP language submitted by the Vendor.

9. To prevent opening by unauthorized individuals, all copies of the Proposal must be sealed in the package. A label containing the information on the cover page must be clearly typed and affixed to the package in a clearly visible location.

10. The Vendor acknowledges having read and accepting all sections by signing the Submission Cover Sheet.

It is the responsibility of the Vendor to provide the terms and conditions of a Vendor's software license, maintenance support agreement and service level agreement, if any. **PLEASE NOTE THAT THE STATE WILL REQUIRE NEGOTIATION OF CONTRACTOR'S TERMS AND CONDITIONS AND WILL NOT ACCEPT THE VENDOR'S STANDARD FORM IN LIEU OF THE STANDARD STATE PROVISIONS FOR CONTRACTS AND GRANTS.**

It is the responsibility of the Vendor to clearly identify all costs associated with any item or series of items in this RFP. The Vendor must include and complete all parts of the Cost Proposal in a clear and accurate manner. Omissions, errors, misrepresentations, or inadequate details in the Vendor's Cost Proposal may be grounds for rejection of the Vendor's Proposal. Costs that are not clearly identified will be borne by the Vendor.

3.11.3 Additional Information or Clarification

The State reserves the right to request additional information or clarification of a Vendor's Proposal. The Vendor's cooperation during the evaluation process in providing DVHA staff with adequate responses to requests for clarification will be considered a factor in the evaluation of the Vendor's overall responsiveness. Lack of such cooperation may, at DVHA's discretion, result in the disqualification of the Vendor's Proposal.

1. Vendors may request additional information or clarifications to this RFP using the following procedures:

    a. Vendors must clearly identify the specified paragraph(s) in the RFP that is/are in question.

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b. Vendors must deliver a written document to the sole point of contact as identified in Section 1.2 of this RFP.

c. This document may be delivered by hand, via mail or e-mail. The State WILL NOT BE RESPONSIBLE FOR DELAYS IN THE DELIVERY OF QUESTION DOCUMENTS.

d. It is solely the responsibility of the Vendor that the clarification document reaches the State on time. Vendors may contact the sole point of contact to verify the receipt of their documents. Documents received after the deadline will be rejected. All questions will be compiled and answered and a written document containing all questions submitted and corresponding answers will be posted on the State's website http://www.vermontbidsystem.com

Unsolicited clarifications and updates submitted after the deadline for Responses will be accepted or rejected at the sole discretion of the State.

3.12 Proposal Instructions

Proposals must address all the requirements of the RFP in the order and format specified in this section. Each RFP requirement response in the Proposal must reference the unique identifier for the requirement in the RFP.

It is the Vendor's responsibility to ensure its Proposal is submitted in a manner that enables the Evaluation Team to easily locate all response descriptions and exhibits for each requirement of this RFP. Page numbers should be located in the same page position throughout the Proposal. Figures, tables, charts, etc. should be assigned index numbers and should be referenced by these numbers in the Proposal text and in the Proposal Table of Contents. Figures, etc. should be placed as close to text references as possible.

Unless otherwise specified, Proposals shall be on 8-1/2" x 11" white bond paper with no less than ½" margins and eleven (11) point font. Pages shall be consecutively numbered within the bottom or top margin of each page, including attachments, such that if the document became separated, it could easily be put back together. Hard copy Proposals are to be assembled in loose-leaf, three-hole punch binders with appropriate tabs for each volume and section. Do not provide Proposals in glue-bound binders or use binding methods that make the binder difficult to remove.

At a minimum, the following should be shown on each page of the Proposal:

1. RFP #
2. Name of Vendor
3. Page number

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Proposal in response to this RFP must be divided into two (2) appropriately labeled and sealed packages marked Technical Proposal and Cost Proposal. All Proposal submissions should be clearly labeled with the RFP number.

The contents of each package must be as follows:

1. **Package 1 – Technical Proposal**

   Technical Proposal addressing all requirements specified in the RFP using the response forms provided in Templates A – M, and Template O.

2. **Package 2 — Cost Proposal**

   Cost Proposal provided using the form supplied in Template N.

3.12.1 Proposal Format

The Proposal must be structured in the following manner and must consist of all the sections, separated into two (2) packages as listed below:

Package 1 - Technical Proposal

This package of the Vendor's response must include Sections A – M, and O as described below. Each Section corresponds to the Template designated with the same letter.

Section A. RFP Cover Letter and Executive Summary

This section of the Vendor's Technical Proposal must include a cover letter and executive summary stating the Vendor's intent to bid for this RFP.

The Vendor's response must include a transmittal (cover) letter; table of contents; executive summary; Vendor contact information and locations.

If the Vendor wishes to propose an exception to any Standard State Provision for Contracts and Grants, it must notify the State of Vermont in the cover letter. Failure to note exceptions will be deemed to be acceptance of the Standard State Provision for Contracts and Grants, as outlined in Section 1.7.8 of this RFP. If exceptions are not noted in the RFP but raised during contract negotiations, the State reserves the right to cancel the negotiation if deemed to be in the best interests of the State of Vermont.

Submission for this section must be compliant with the instructions detailed in Template A Cover Letter and Executive Summary.

Section B. Vendor Experience

This section of the Vendor's Technical Proposal must include details of the Vendor's Experience.

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The Vendor's Technical Proposal must include Vendor organization overview; corporate background; Vendor's understanding of the HHS domain; Vendor's experience in public sector; certifications and other required forms.

Submission for this section must be compliant with the instructions detailed in Template B Vendor Experience.

Section C. Vendor References

This section of the Vendor's Technical Proposal must include Vendor's References.

The Vendor's Technical Proposal must include at least three (3) references from projects performed within the last five (5) years that demonstrate the Vendor's ability to perform the Scope of Work described in the RFP. If the Proposal includes the use of Subcontractor(s), provide three (3) references for each.

Submission for this section must be compliant with the instructions detailed in Template C Vendor References.

Section D. Organization and Staffing

This section of the Vendor's Technical Proposal must include a narrative of the Vendor's proposed Organization and Staffing approach.

The Vendor's Technical Proposal must include the proposed approach to: organization plan; organization chart; key staff; Subcontractors; staff contingency plan; staff management plan; staff retention and the Vendor's approach to working with the Care Management project staff.

Submission for this section must be compliant with the instructions detailed in the Template D Vendor Project Organization and Staffing Time Commitment.

Section E. Staff Experience

This section of the Vendor's Technical Proposal must include a narrative of the Vendor's Staff Experience.

The Vendor's Technical Proposal must include the proposed approach to: roles and responsibilities; summary of skill sets; total years of experience in the proposed role; qualifications and resumes.

Submission for this section must be compliant with the instructions detailed in Template E Staff Experience.

Section F. Functional Requirements

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This section of the Vendor's Technical Proposal must include a response to the Functional Requirements provided in Template F Functional Requirements. The objective of the Functional Requirements response is to provide the Care Management Solution team with a method to develop an understanding regarding the degree to which each Vendor's solution has the potential of meeting the State project requirements.

Submission for this section must be compliant with the instructions detailed in Template F Functional Requirements provides instructions for completing the matrix. The 'Response Columns' within each tab of the Functional Requirements matrix must be completed by the Vendor as detailed in Template F Functional Requirements.

Section G. Functional Requirements Approach

This section of the Vendor's Technical Proposal must include narrative of the Vendor's proposed Functional Requirements approach. In response to Template G Functional Requirements Approach, the Vendor is requested to provide a narrative overview of how the proposed Solution will meet the State's requirements. The Vendor must complete this response section as a part of its response.

Submission for this section must be compliant with the instructions detailed in Template G Functional Requirements Approach.

Section H. Non-Functional Requirements

This section of the Vendor's Technical Proposal must include a response to the Technical Requirements provided in Template H Non-Functional Requirements. The following section provides Vendor instructions for preparing the response.

The objective of the Technical Requirements response is to provide the Care Management Solution team with a method to evaluate the degree to which each Vendor's solution satisfies the Care Management Solution Technical Requirements.

The 'Response Columns' within each tab of the Non-Functional Requirements matrix must be completed by the Vendor as described in the instructions detailed in Template H Non-Functional Requirements.

Section I. Non-Functional Requirements Approach

This section of the Vendor's response to the RFP must include a narrative of the Vendor's proposed Technical Requirements approach. Submission for this section must be compliant with the instructions detailed in Template I Technical Requirements Approach.

Section J. Implementation Requirements

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This section of the Vendor's Technical Proposal must include a narrative of the Vendor's proposed Implementation approach. Submission for this section must be compliant with the instructions detailed in Template J Implementation Requirements Approach.

The Vendor's response must detail the approach to meet the various Implementation Requirements including: project management methodology; detailed requirements document; system designs; software installation and configuration; development methodology; user, administrator and developer training; testing; conversion planning and support; deployment and go-live support; and change management.

Section K. Liquidated Damages, Warranty, Software Maintenance and Operations Support Approach

This section of the Vendor's Technical Proposal must include a narrative of the Vendor's proposed Warranty, Software Maintenance and Operations Support approach. Submission for this section must be compliant with the instructions detailed in Template K Maintenance Requirements Approach.

The Vendor's response must detail the approach to meet the various Warranty, Software Maintenance and Operations requirements including: defect removal; corrective maintenance; warranty requirements; adaptive maintenance; availability of staff; lead time for on-boarding of staff; staff due diligence process; knowledge transfer and documentation processes.

Section L. Work Plan

This section of the Vendor's Technical Proposal must include a Work Plan that will be used to create a consistent and coherent management plan. This Work Plan will demonstrate that the Vendor has a thorough understanding for the Scope of Work and what must be done to satisfy the project requirements. Submission for this section must be compliant with the instructions detailed in Template L Work Plan.

The Work Plan must include detail sufficient to give the State an understanding of how the Vendor's knowledge and approach will:

- Manage the Work;
- Guide Work execution;
- Document planning assumptions and decisions;
- Facilitate communication among stakeholders; and
- Define key management review as to content, scope, and schedule.

Section M. RFP Response Checklist and Supplements

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This section of the Vendor's Technical Proposal must include the completed checklist verifying that all the RFP response requirements as part of Templates A through O and the RFP Attachments have been completed. Submission for the Proposal Checklist and Supplements must be compliant with the instructions detailed in Template M RFP Response Checklist.

Section O. Supplemental Services Requirements Approach

This section of the Vendor's Technical Proposal must include narrative of the Vendor's proposed Supplemental Services Requirements approach. In response to Template O Supplemental Services Requirements and Staffing Model Approach, the Vendor is requested to provide a narrative overview of how the proposed approach and staffing model will meet VCCI's supplemental operational and clinical requirements and data analytical needs. The Vendor must complete this response section as a part of its response.

Submission for this section must be compliant with the instructions detailed in Template O Supplemental Services Requirements and Staffing Model Approach.

Package 2 - Cost Proposal

This package of the Vendor's response must include Template N Cost Workbook as described below.

Section N. Cost Proposal Instructions

The Cost Proposal must include a response through the submission of Template N Cost Workbook. Vendors must complete this workbook as instructed and place it in a separate, sealed package, clearly marked as the Cost Proposal with the Vendor's name, the RFP number, and the RFP submission date.

Vendors must base their Cost Proposals on the Scope of Work described in Section 2.0 and associated sections of this RFP. The Cost Proposals must include any business, economic, legal, programmatic, or practical assumptions that underlie the Cost Proposal. The State reserves the right to accept or reject any assumptions. All assumptions not expressly identified and incorporated into the Contract resulting from this RFP are deemed rejected by the State.

Vendors are responsible for entering cost data in the format prescribed by the Cost Workbook. Formulas have been inserted in the appropriate cells of the worksheets to automatically calculate summary numbers, and should not be altered. Further instructions for entering cost data are included in the worksheets. It is the sole responsibility of the Vendor to ensure that all mathematical calculations are correct and that the Total Costs reflect the Bid Amount for this RFP.

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Completion of the Cost Workbook and worksheets is mandatory. Applicable purchase, delivery, tax, services, safety, license, travel, per diem, Vendor's staff training, Project facility, and any other expenses associated with the delivery and implementation of the proposed items must be included in the Vendor's costs and fixed Hourly Rates.

The Cost Proposal MUST BE A SEPARATE SUBMISSION. No Cost Information can be contained in the Technical Proposal submission. If there is Cost Information included in the Technical Proposal submission, the Vendor can be disqualified from consideration.

The Cost Proposal must include the costs for the Care Management solution and the supplemental services.

Care Management Solution

The Care Management Solution must include Implementation, Software Maintenance and Operations (M&O) Support, Software, and Hardware. The Vendor must include all one-time and ongoing costs in the Cost Proposal. Total Costs are required by the State for evaluation and budget purposes, while additional detail of costs is required for the State's understanding of the costs. Costs must be based on the terms and conditions of the RFP, including DVHA's General Provisions and Mandatory Requirements of the RFP (not the Vendor's exceptions to the terms and conditions). The Vendor is required to state all other assumptions upon which its pricing is being determined in the Template N Cost Workbook. Cost assumptions must not conflict with the RFP terms and conditions including DVHA's General Provisions or Mandatory Requirements of this RFP.

Vendors are required to provide costs for all phases which must be firm-fixed price (FFP) with payments based on deliverables as proposed by the Vendor. The ongoing Software Maintenance payments must be monthly (based on hours invoiced) for the number and type of Vendor Software Maintenance staff positions to be specified by the Vendor throughout the Agreement period. The Vendor must provide fixed Hourly Rates to the State for work to be performed during each phase separately from work to be performed during the Software Maintenance period. In addition, fixed Labor rates must be available for the State to use for Unanticipated Tasks as necessary. The Vendor is required to provide costs for Packaged Software and Hardware. The Vendor must provide costs for the DDI Hosting and Disaster Recovery Services.

Care Management Supplemental Services

The ongoing Supplemental Service Provision and any other potential ongoing payments must be monthly based on units proposed by the Vendor (e.g., such measures as number and type of Vendor staff positions, transaction volumes, population base, hosting and support, etc.) to be specified by the Vendor.

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If relevant, the Vendor must provide fixed Hourly Rates to the State for work to be performed. In addition, fixed Labor rates must be available for the State to use for Unanticipated Tasks as necessary.

3.12.2 Proposal Crosswalk — Mandatory Templates

The table below lists the Mandatory templates that the Vendor will submit as part of its Technical and Cost Proposal Packages.

Table 17. Mandatory Response Templates

RESPONSE TEMPLATE	TEMPLATE / ATTACHMENT ELEMENTS
Template A	Cover Letter and Executive Summary
Template B	Vendor Experience
Template C	Vendor References
Template D	Vendor Project Organization and Staffing Time Commitment
Template E	Staff Experience
Template F	Response to Functional Requirements
Template G	Response to Functional Requirements Approach
Template H	Response to Non-Functional Requirements
Template I	Response to Technical Requirements Approach
Template J	Response to Implementation Requirements Approach
Template K	Response to Maintenance Requirements Approach
Template L	Work Plan
Template M	RFP Response Checklist

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RESPONSE TEMPLATE	TEMPLATE / ATTACHMENT ELEMENTS
Template N	Cost Workbook
Template O	Response to Supplemental Services Requirements and Staffing Model Approach

3.12.3 Order of Precedence

One a final contract is executed between the Vendor and the State, it shall represent the entire agreement between the parties on the subject matter. All prior agreements, representations, statements, negotiations and understandings shall have no effect except to the extent expressly set forth in the Contract.

3.12.4 Procurement Library

The following table describes the documents that are available in the Procurement Library for reference purposes.

Table 18. Procurement Library

FILE #	PROCUREMENT LIBRARY ITEM FILE NAME
1	Health Services Enterprise Architecture
2	VT DII Strategic Plan 2013 - 2018
3	Vermont AHS Software Products 2013
4	DVHA Organization Chart
5	VCCI Service Summary
6	Vermont Demographics Slide
7	DVHA VCCI Current Staffing and Eligible Population Map
8	Integration of Blueprint Community Health Team and DVHA

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FILE #	PROCUREMENT LIBRARY ITEM FILE NAME
9	Blueprint Level of Service
10	Diabetes Assessment (Sample)
11	Diabetes Action Plan (Sample)
12	Diabetes Pharmacy Call Guide (Sample)
13	Diabetes Patient Health Registry (Sample)
14	Diabetes Patient Health Brief (Sample)
15	Provider Population Report
16	DVHA Staff Performance Snapshot Report
17	Hospital Service Area Data for Providers
18	Care Management Developmental Disabilities Services Program Summary
19	Children's Integrated Services: Annual Performance Report FY2011
20	Children's Integrated Services Timelines
21	VCCI To-Be Workflows (Draft)
22	Pediatric Palliative Care Program Overview
23	High Risk Pregnancy Program Overview
24	Vermont Health Connect Policies and Standards
25	Children's Integrated Services Contract Performance Measures

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3.13 Additional Terms and Conditions

3.13.1 Business Registration

To be awarded a contract by the State of Vermont, a Vendor(other than an individual doing business in his/her own name) must be registered with the Vermont Secretary of State's office, http://www.sec.state.vt.us/tutor/dobiz/forms/fcregist.htm, and must obtain a Vendor's Business Account Number issued by the Vermont Department of Taxes, http://www.state.vt.us/tax/pdf.word.excel/forms/business/s-1&instr.pdf

3.13.2 Cancellation

The Contract between the State and the Vendor will be cancellable for convenience upon 30 days written notice. The State shall also specifically reserve the right to cancel the Contract, or any portion thereof, if, in the opinion of the State, the services or materials supplied by the Vendor are not consistent with the terms of the Contract or if the System does not function as required in the State environment. The State will consider cancellation upon discovery that a Vendor is in violation of any portion of the Contract, including an inability by the Vendor to provide the products, support, and/or service offered in its response.

3.13.3 Indemnification

The State has no legal authority to indemnify a Vendor and this condition is not negotiable. Further, all contract terms and conditions, including a Vendor license will be subject to the laws of the State of Vermont and any action or proceeding brought by either the State or a Contractor in connection with a Contract shall be brought and enforced in the Superior Court of the State of Vermont, Civil Division, Washington Unit. Vendors who are not able to enter into a contract under these conditions should not submit a bid. Liquidated Damages

DVHA and the Vendor agree that failure by the Vendor to meet the performance standards and timelines set forth in the Contract will result in damages sustained by DVHA and that it is difficult to quantify DVHA's actual damages sustained by reason of such failure. It is agreed by both parties that this RFP will establish the baseline schedule for measuring Vendor performance. It is therefore agreed that DVHA may require the Vendor to pay liquidated damages for failure according to the following criteria.

1. For failure by the Vendor to meet a deliverable date, DVHA may require the Vendor to pay liquidated damages per work day, for each and every day thereafter until such deliverable is completed and accepted as corrected and approved by DVHA. The parties understand that liquidated damages are intended to be a last resort to expedite action on the part of Vendor and are not intended to be punitive. DVHA, at its option, may

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begin default proceedings at any point during the period during which the Vendor has failed to meet timeliness, performance standard, documentation, work product, or deliverable date(s). DVHA will not begin default proceedings prior to the beginning of the calendar month following the deliverable due date. The deliverable due dates will be defined in the final Schedule and Work Plan.

2. Written notification of failure to meet a performance standard, documentation, work product, or deliverable related to this contract may be given by DVHA's Contract Manager at any time a failure occurs. In the event of failure to meet a performance standard, documentation, work product, or deliverable, the Vendor must have up to fifteen (15) calendar days from the date of receipt of the written notification to correct the failure set forth in the written notification. If the failure is not resolved within the period and DVHA deems that the Vendor has not acted in good faith, liquidated damages may be imposed retroactively to the date of expected delivery.

3. The Vendor shall not be liable for liquidated damages to the extent any failure to perform is directly caused by acts or omissions of the State.

4. If for any reason the Vendor is delayed in meeting the approved schedule due to negligence on the part of DVHA or by any cause not due to the Vendor's fault or negligence, then the Contract schedule may, at DVHA's option, be extended by change order for such reasonable time as DVHA may determine. Any claim for extension of time must be made in writing to the DVHA Contract Manager not more than five calendar days after the Vendor reasonably should have become aware of the delay.

3.13.4 Warranties

The State expects the Vendor to make the following warranties:

i. The Vendor has all requisite power and authority to execute, deliver and perform its obligations under the Contract and the execution, delivery and performance of the Contract by the Vendor has been duly authorized by the Vendor.

ii. There is no outstanding litigation, arbitrated matter or other dispute to which the Vendor is a party which, if decided unfavorably to the Vendor, would reasonably be expected to have a material adverse effect on the Vendor's ability to fulfill its obligations under the Contract.

iii. The Vendor will comply with all laws applicable to its performance of the services and otherwise to the Vendor in connection with its obligations under the Contract.

iv. All deliverables will be free from material errors and shall perform in accordance with the specifications therefor.

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v. The Vendor 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 the Contract and none of the deliverables or other materials or technology provided by the Vendor to the State will infringe upon or misappropriate the intellectual property rights of any third party.

vi. Each and all of the services shall be performed in a timely, diligent, professional and workpersonlike 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 Vendor shall re-perform any services that the State has determined to be unsatisfactory in its reasonable discretion, or the Vendor will refund that portion of the fees attributable to each such deficiency.

vii. The Vendor has adequate resources to fulfill its obligations under the Contract.

viii. Virus Protection. Vendor warrants and represents that 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.

3.13.5 Change Order Procedures

DVHA and the Vendor must work together to develop Change Order Procedures and a System Modification Authorization (SMA) form. A SMA form will be completed for every request for a system modification. It will serve as the tracking mechanism for the receipt of a Change Order request through completion of all required actions.

As soon as possible after receipt of a System Modification Authorization form, but not more than ten (10) business days (unless an extension is agreed to by the State) thereafter, the Vendor must provide a written statement defining the scope of work, estimating the time for completion, and whether the change has a price impact on the contract. The statement must include a description of the work to be done and price increase or decrease involved in implementing the change. The cost or credit to DVHA resulting from a change in the work must be the total of the number of person-hours by level of expertise times the hourly Change Order rate bid by the Vendor. DVHA will approve the SMA form or request more information within ten (10) business days of receipt of the completed SMA form.

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The provision for Change Orders does not include any corrections of deficiencies for any activities or deliverables for which the Vendor is responsible under the terms of the SOW and contract. Such corrections and deliverables are the responsibility of the Vendor without charge to DVHA. Any costs associated with an investigation to determine the source of a problem requiring correction is also the responsibility of the Vendor.

3.13.5.1 Proof of Insurance Coverage

The Vendor will furnish the DVHA Contract Manager original Certificates of Insurance evidencing the required coverage to be in force on the date of award, and renewal certificates of insurance, or such similar evidence, if the coverage has expiration or renewal date occurring during the term of the Agreement. The Vendor will submit evidence of insurance prior to Contract execution. The failure of DVHA to obtain such evidence from the Vendor before permitting the Vendor to commence work will not be deemed to be a waiver by DVHA and the Vendor will remain under continuing obligation to maintain and provide proof of the insurance coverage.

The insurance specified above will be carried until all services required to be performed under the terms of the Agreement are satisfactorily completed. Failure to carry or keep such insurance in force will constitute a violation of the Contract, and DVHA maintains the right to stop work until proper evidence of insurance is provided.

The insurance will provide for thirty (30) calendar days prior written Notice to be given to DVHA in the event coverage is substantially changed, canceled, or non-renewed. The Vendor must submit a new coverage binder to DVHA to ensure no break in coverage.

The Vendor will require all Subcontractors operating in Vermont to carry Worker's Compensation coverage in the amounts required by Vermont law. The Vendor will also require Subcontractors to carry Comprehensive Liability Insurance including Bodily Injury coverage of $100,000.00 per occurrence and Property Damage Coverage of $25,000.00 per occurrence. The Vendor may provide the coverage for any or all Subcontractors, and, if so, the evidence of insurance submitted will so stipulate.

The Parties expressly understand and agree that any insurance coverage and limits furnished by the Vendor will in no way expand or limit the Vendor's liabilities and responsibilities specified within the contract documents or by applicable law.

The Vendor and each Subcontractor agree that insurer will waive their rights of subrogation against DVHA.

The Vendor expressly understands and agrees that any insurance maintained by DVHA will apply in excess of and not contribute with insurance provided by Vendor under the Agreement.

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If the Vendor, or its Subcontractor(s), desire additional coverage, higher limits of liability, or other modifications for its own protection, the Vendor and each of its Subcontractors will be responsible for the acquisition and cost of such additional protection.

3.13.6 Taxes

Most state purchases are not subject to federal or state sales or excise taxes and must be invoiced tax free. An exemption certificate will be furnished upon request covering taxable items. The Vendor agrees to pay all Vermont taxes which may be due as a result of this contract. If taxes are to be applied to the purchase it will be so noted in the response.

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4. Proposal Evaluation

The State will use a formal evaluation process to select the successful Vendor(s). The State will consider capabilities or advantages that are clearly described in the proposal, which may be confirmed by key personnel interviews, oral presentations, site visits, demonstrations, and references contacted by DVHA. DVHA reserves the right to contact individuals, entities, or organizations that have had dealings with the Vendor or proposed staff, whether or not identified in the proposal.

The State will more favorably evaluate proposals that offer no or few exceptions, reservations, or limitations to the terms and conditions of the RFP, including the State's General Provisions.

4.1 Evaluation Criteria

The State will evaluate proposals based on the following best value Evaluation Criteria:

- Vendor Experience, including:
  - Relevant Vendor Experience
  - Customer References
- Project Staff and Project Organization, including:
  - Project Organization
  - Key Project Personnel Experience
- Business Solution, including:
  - Functional
  - Generalize System Behavior / Technology
  - Implementation Approach
  - Ongoing Operations Approach
- Cost
  - Initial implementation
  - Ongoing Operations

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4.2 Initial Compliance Screening

The State will perform an initial screening of all proposals received. Unsigned proposals and proposals that do not include all required forms and sections are subject to rejection without further evaluation. DVHA reserves the right to waive minor informalities in a proposal and award contracts that are in the best interest of the State of Vermont.

Initial screening will check for compliance with various content requirements and minimum qualification requirements defined in the RFP. The State through DVHA also reserves the right to request clarification from Vendors who fail to meet any initial compliance requirements prior to rejecting a proposal for material deviation from requirements or non-responsiveness.

4.3 Minimum Mandatory Qualifications

If the Vendor (Prime and/or Subcontractor) does not maintain these credentials or cannot demonstrate compliance with all of these requirements to the State, the Vendor proposal may be rejected.

- The Vendor must have at least five (5) years' experience with projects of similar size and scope to the State's that include design, configuration, implementation, and operation of a Care Management solution in the healthcare or behavioral health domain in compliance with all federal and state regulations.
- The Vendor (Prime only) must submit at least three (3) references using Template C to verify that Vendor has experience in the design, development and implementation of at least three (3) solutions similar in size, complexity and scope to this procurement in the past five (5) years.
- The Care Management Solution proposed by the Vendor must have been previously implemented successfully in a State environment. A successful implementation is defined as one in which the Care Management Solution provides risk stratification, nationally recognized screening and assessment tools, evidence-based plan of care, and robust reporting and shared analytics capabilities successfully.
- The Vendor's Care Management Solution must be able to function independently from the MMIS, interface with the current MMIS system, and interface with the new Core MMIS system chosen at a later date based on the technical standards provided in this RFP (See Template H – Non-Functional Requirements).

The Vendor is to demonstrate compliance with the above mandatory requirements in Template A - Cover Letter and Executive Summary. If the Vendor's Proposal meets the above mandatory requirements, the Vendor's Proposal may be included in the next part of the technical evaluation phase of this RFP – the Competitive Field Determination.

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4.4 Competitive Field Determinations

The State may determine that certain proposals are within the field of competition for admission to discussions. The field of competition consists of the proposals that receive the highest or most satisfactory evaluations. The State may, in the interest of administrative efficiency, place reasonable limits on the number of proposals admitted to the field of competition.

Proposals that do not receive at least seventy percent (70%) of the evaluation points for each of the evaluation criteria, may, at the sole discretion of the State, be eliminated from further consideration.

4.5 Oral Presentations and Site Visits

The State may, at its sole discretion, request oral presentations, site visits where solution is fully operational, and/or demonstrations from one or more Vendors admitted to the field of competition. The Key Personnel as identified in the Vendor's Proposal must be active participants in the oral presentations – the State is not interested in corporate or sales personnel being the primary participants in oral presentations. This event, if held, will focus on an understanding of the capabilities of the Vendor and importantly identified key personnel's ability to perform consistent with the Vendor's proposal in meeting the State's requirements. The State will notify selected Vendors of the time and location for these activities, and may supply agendas or topics for discussion. The State reserves the right to ask additional questions during oral presentations, site visits, and or demonstrations to clarify the scope and content of the written proposal.

The Vendor's oral presentation, site visit, and/or demonstration must substantially represent material included in the written proposal, and should not introduce new concepts or offers unless specifically requested by DVHA.

4.6 Best and Final Offers

The State may, but is not required to, permit Vendors to prepare one or more revised offers. For this reason, Vendors are encouraged to treat their original proposals, and any revised offers requested by the State, as best and final offers.

4.7 Discussions with Vendors

The State may, but is not required to, conduct discussions with all, some, or none of the Vendors admitted to the field of competition for the purpose of obtaining the best value for DVHA. It may conduct discussions for the purpose of:

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- Obtaining clarification of proposal ambiguities;
- Requesting modifications to a proposal; and/or
- Obtaining a best and final offer.

The State may make an award prior to the completion of discussions with all Vendors admitted to the field of competition if DVHA determines that the award represents best value to the State of Vermont.

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5. Glossary of Acronyms and Terms

A

Accountable Care Organization: ACO

Administration for Children & Families: ACF

Ad Hoc Query: Queries created by users to obtain information for a specific need as it arises

Affordable Care Act (ACA): On March 23, 2010, President Obama signed into law the Patient Protection and Affordable Care Act. On March 30, 2010, the Health Care and Education Reconciliation Act of 2010 was signed into law. The two laws are collectively referred to as the Affordable Care Act (ACA). The Affordable Care Act expands Medicaid eligibility: effective on January 1, 2014, Medicaid will be available for the first time to individuals without minor children earning less than one hundred thirty-three percent (133%) of the Federal poverty level (FPL).

Agency of Human Services (AHS): "the Agency", Vermont's agency of Health and Human Services.

Application to Application: A2A

B

Backup and Recovery: BUR

Blueprint for Health: "Blueprint"

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Business Intelligence (BI): The process or capability of gathering information in the field of business; the process of turning data into information and then into knowledge

Business Process Analysis: Methodology used for developing a system's Functional Requirements by establishing an understanding of the as-is environment and identifying the to-be operational business and service delivery processes of the future system

C

Capability Maturity Model: CMM

Care Management: CM

Centers for Medicare and Medicaid Services: CMS

Chief Information Officer: CIO

Chief Technology Officer: CTO

Children with Special Health Needs: CSHN

Children's Integrated Services: CIS

Chronic Obstructive Pulmonary Disease: COPD

Commercial Off-The-Shelf (COTS): Ready-made software applications

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Community Health Teams: CHT

Contract: Binding agreement between the State of Vermont and the awarded Vendor

Coronary Heart Failure: CHF

D

Dashboards: Display Key Performance Indicators (KPIs) or business metrics using intuitive visualization, including dials, gauges and traffic lights that indicate the state of various KPIs against targets

Data Mart: Analytical data stores, usually part of a data warehouse, that are designed to focus on specific business functions for a specific community within an organization

Data Sharing: Refers to the collaboration functionality (e.g., search, data exchange, communication mechanisms) or the work stream containing that functionality

Data Warehouse: A repository of an organization's electronically stored data, designed to facilitate reporting and analysis

Deliverables Acceptance Document: DAD

Deliverables Expectations Document: DED

Department for Children and Families: DCF - The State's eligibility and enrollment for Medicaid and all public assistance programs are administered by DCF

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Department of Corrections: DOC

Department of Disabilities, Aging and Independent Living: DAIL is responsible for all community-based long-term care services for older Vermonters, individuals with developmental disabilities, traumatic brain injuries, and physical disabilities

Department of Health and Human Services: DHHS

Department of Information and Innovation: DII

Department of Mental Health: DMH administers mental health programs across the State through multiple programs for both adult and children's services

Department of Vermont Health Access: DVHA administers nearly all of the publically funded health care programs for the State of Vermont

Design, Development and Implementation: DDI

Disability Determination Services: DDS

E

Early and Periodic Screening, Diagnosis and Treatment: EPSDT

Emergency Department: ED

Engineering Change Requests: ECR

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Enterprise Project Management Office: EPMO

Enterprise Service Bus (ESB): A software construct found in a Service-Oriented Architecture which provides fundamental services via a messaging engine

F

Federal Information Security Management Act: FISMA

Federally Qualified Health Centers: FQHC

Firewall: A technological barrier designed to prevent unauthorized or unwanted communications between computer networks or hosts

G

General Assistance: GA

Global Commitment to Health Waiver: As part of the State Fiscal Year 2006 budget proposal process, the Douglas Administration presented the Plan for Saving the Vermont Medicaid System. With this long-term strategy Vermont proposed to replace its existing section 1115a waiver, the Vermont Health Access Plan (VHAP). The replacement is the Global Commitment to Health. With the Federal approval of this proposal, certain Federal Medicaid requirements found in Title 19 of the Social Security Act are waived. The result is that the Global Commitment to Health includes the tools necessary for the state, in partnership with the Federal government, to address future needs in a holistic, global manner.

Government Accounting Office: GAO

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H

Health Information Exchange: HIE

Health Information Technology: HIT

Health Information Technology for Economic and Clinical Health Act: HITECH

Health Insurance Portability & Accountability Act: HIPAA

Health Services Enterprise (HSE): The overreaching program structure that governs the HIX, the IE solution, the MSE and the HSE Platform

HSE Platform: HSEP - "the Platform," the services and infrastructure that will be shared across solutions

High Risk Pregnancy Program: HRP

I

Identity Management: The management of individual IDs, their authentication, authorization, and privileges/permissions within or across system and enterprise boundaries

Institute of Electrical and Electronics Engineers: IEEE

Integrated Eligibility: IE, may refer to Vermont's Integrated Eligibility System, the functionality associated with the process of determining eligibility for multiple programs through the use of a single application or the work stream containing that functionality

Integrated Family Services: IFS

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Information Architecture: A description of the information and data flows that are critical to a solution. This architecture illustrates the types of information and data that are collected by a solution and how the information is aggregated, stored, and used for reporting purposes

Information Technology Infrastructure Library: ITIL

Interface: A point of interaction between two systems or modules

International Electrotechnical Commission: IEC

International Standards Organization: ISO

K

L

M

Maintenance and Operations: M&O

Managed Care Entity: MCE

Maternal Child Health: MCH

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Medicaid: Provides low-cost or free coverage for low-income children, young adults under age 21, parents, pregnant women, caretaker relatives, people who are blind or disabled and those ages 65 or older

Medicaid Information Technology Architecture: MITA

Medicaid Management Information System: MMIS

Metadata: Information that describes various facets of an information asset to improve its usability throughout its life cycle

Master Data Management: MDM

Microsoft Office SharePoint Server: MOSS

Module: A portion of a system that provides specific, discrete functionality

N

National Committee for Quality Assurance: NCQA

National Information Exchange Model: NIEM

National Institutes of Standards and Technology: NIST

Non-Functional Requirements: NFR

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O

Office of the National Coordinator: ONC

Operational Data Store (ODS): A database designed to integrate data from multiple sources to make analysis and reporting easier

P

Password: Confidential authentication information, usually composed of a string of characters used to provide access to a computer resource

Patient-Centered Medical Home: PCMH

Pediatric Palliative Care Program: PPCP

Plan of Care: POC

Portal: A computing gateway that unifies access to enterprise information and applications

Primary Care Providers: PCP

Project Information Library: PIL

Project Management Body of Knowledge: PMBOK

Project Management Institute: PMI

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Protected Health Information: PHI

Process Flows: A diagram depicting the set of activities required to perform a specific function in the future state

Proposal: An offer from the State requesting specific services to a prospective Vendor

Q

Q&A: Questions and Answers

QA: Quality Assurance

R

Recovery Point Objective: RPO

Recovery Time Objective: RTO

Request for Proposal: RFP

Requirements Traceability Matrix: RTM – Detailed list of requirements necessary for the proposed solution

Return on Investment: ROI

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S

SCHIP: State Children's Health Insurance Program

Service Level Agreement: SLA

Service-Oriented Architecture (SOA): A set of design principles used in application development characterized by the following attributes:

1. The system must be modular. This provides the obvious benefit of being able to "divide and conquer" — to solve a complex problem by assembling a set of small, simple components that work together
2. The modules must be distributable — that is, able to run on disparate computers and communicate with each other by sending messages over a network at runtime
3. Module interfaces must be "discoverable" — that is, clearly defined and documented. Software developers write or generate interface metadata that specifies an explicit contract, so that another developer can find and use the service
4. A module that implements a service must be "swappable." This implies that it can be replaced by another module that offers the same service without disrupting modules that used the previous module. This is accomplished by separating the interface design from the module that implements the service
5. Service provider modules must be shareable — that is, designed and deployed in a manner that enables them to be invoked successively by disparate applications in support of diverse business activities

Seven Conditions and Standards: In April 2011, CMS published guidance entitled *The Seven Conditions & Standards for Enhanced Funding*, which lists requirements that states must meet to leverage the 100%, 90/10, and other federally matched funding streams that support the ACA. The Seven Standards serve as a touchstone for the modular, flexible, interoperable design of the Health Services Enterprise and its emphasis on reusability of portfolio components.

Shared Analytics: Refers to the business intelligence functionality or the work stream containing that functionality

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Shared Savings Program: SSP

Simple Object Access Protocol (SOAP): A protocol specification for exchanging structured information in the implementation of Web Services

Software Development Life Cycle: SDLC

Software Engineering Institute: SEI

Solution Architecture: A holistic description of a solution comprised of business architecture, information architecture, and technology architecture views

State Medicaid Agency: SMA

State of Vermont: "State" or "Vermont"

Subject Matter Expert: SME

System Modification Authorization: SMA

T

Technical Design Document: TDD

Technology Architecture: The technical layer on which a solution is based. The technical architecture is comprised of all the major hardware and software technology entities required to enable the solution to meet the business and information requirements

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Three Squares (3SquaresVT): Food stamps program for Vermont

Traumatic Brain Injury: TBI

U

Use Case: A format used to capture the requirements from a client and user perspective. The purpose of the use cases is to illustrate *what* the system is expected to do, not *how* it is expected to do it.

User Acceptance Test: UAT

User Interface (UI): The method or component users use to interact with a system

V

Vendor: Systems Integrator that is awarded the Contract to provide the solution

Vermont Chronic Care Initiative: VCCI – A Healthcare Reform strategy for Medicaid

Vermont Department of Health: VDH - Sets the State's public health priorities and works with DVHA to help realize public health goals within the population served by DVHA

Vermont Information Technology Leaders: VITL

Vermont Health Access Plan (VHAP) is a health insurance program for adults age 18 and older who meet income guidelines and have been uninsured for 12 months or more

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Vermont Health Connect: Vermont Health Connect (VHC) is the online health insurance exchange

W

Web Services: Web services are modular business services delivered over the Internet as and when needed. The modules can be combined, can come from any source, and can eventually be acquired dynamically and without human intervention, when needed. They are a key building block of a Service-Oriented Architecture

Women, Infants, & Children: WIC

Work: "The Work" in this RFP is defined as project services and ongoing operational and hosting services.

X

Extensible Markup Language: XML, a language similar to HTML that allows for the self-descriptive categorization, storage and transport of data

Y

Z

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