

CONTRACT DECLARATIONS AND EXECUTION

RFP or Informal Solicitation #	Contract #
RFP MED-18-018	MED-19-014

Title of Contract
Revenue Collections and Estate Recovery Services for Iowa Medicaid


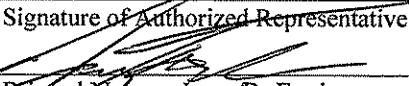
This Contract must be signed by all parties before the Contractor provides any Deliverables. The Agency is not obligated to make payment for any Deliverables provided by or on behalf of the Contractor before the Contract is signed by all parties. This Contract is entered into by the following parties:

Agency of the State (hereafter "Agency")	
Name/Principal Address of Agency: Iowa Department of Human Services 1305 E. Walnut Des Moines, IA 50319-0114	Agency Billing Contact Name / Address: Kera Oestreich Iowa Medicaid Enterprise 100 Army Post Rd, Des Moines, IA 50315 Phone: 515-256-4892
Agency Contract Manager (hereafter "Contract Manager") /Address ("Notice Address"): Kera Oestreich Iowa Medicaid Enterprise 100 Army Post Rd, Des Moines, IA 50315 E-Mail: koestre@dhs.state.ia.us	Agency Contract Owner (hereafter "Contract Owner") / Address: Michael Randol 100 Army Post Rd Des Moines IA 50315 E-Mail: mrandol@dhs.state.ia.us
Phone: 515-256-4892	
Contractor: (hereafter "Contractor")	
Legal Name: Health Management Systems, Inc. (HMS)	Contractor's Principal Address: 5615 High Point Drive Irving, TX 75038
Tax ID #: ██████████	Organized under the laws of: State of Delaware
Contractor's Contract Manager Name/Address ("Notice Address"): Michele Carpenter 5615 High Point Drive Irving Texas 75038	Contractor's Billing Contact Name/Address: Michele Carpenter 5615 High Point Drive Irving TX 75038 Phone: 703.759.0389
Phone: 703.759.0389	
E-Mail: Michele.carpenter@hms.com	

Contract Information	
Start Date: 07/02/18	End Date of Base Term of Contract: 06/30/21
Possible Extension(s): The Agency shall have the option to extend this Contract up to 3 additional 1-year extensions.	
Contractor a Business Associate? Yes	Contractor subject to Iowa Code Chapter 8F? No
Contract Include Sharing SSA Data? No	Contractor a Qualified Service Organization? Yes
Contract Warranty Period (hereafter "Warranty Period"): The term of this Contract, including any extensions.	Contract Contingent on Approval of Another Agency: No
Security & Privacy Office Data Confirmation Number: [REDACTED]	
Contract Payments include Federal Funds? Yes The contractor for federal reporting purposes under this contract is a: Vendor DUNS #: [REDACTED] The Name of the Pass-Through Entity: Iowa Department of Human Services	
CFDA #: 93.778	Federal Awarding Agency Name: Department of Health Services/Centers for Medicare and Medicaid Services
Grant Name: Medical Assistance Program	

Contract Execution

This Contract consists of this Contract Declarations and Execution Section, the attached Certifications (if any), Special Terms, General Terms for Services Contracts, and all Special Contract Attachments. In consideration of the mutual covenants in this Contract and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the parties have entered into this Contract and have caused their duly authorized representatives to execute this Contract.

Contractor, Health Management Systems, Inc. (HMS)		Agency, Iowa Department of Human Services	
Signature of Authorized Representative:	Date:	Signature of Authorized Representative:	Date:
	7/23/18		7/26/18
Printed Name: Jeffrey S. Sherman		Printed Name: Jerry R. Foxhoven	
Title: CFO		Title: Director	

SECTION 1: SPECIAL TERMS

1.1 Special Terms Definitions.

“Business Hours” means 8:00 AM thru 5:00 PM Central Time, Monday through Friday, excluding State holidays.

“Coordination of Benefits Agreement” or **“COBA”** is a file that standardizes the way that eligibility and Medicare claims payment information within a claims crossover context is exchanged with CMS.

“EPSDT” is the Early and Periodic Screening, Diagnosis, and Treatment benefit that provides comprehensive and preventive health care services for children under age 21 who are enrolled in Medicaid.

“Healthy Behaviors” are actions Members must complete in order to continue receiving free coverage under the Iowa Health and Wellness Plan after the first year of coverage. These actions include completing a health risk assessment and a wellness exam. More information can be found at this link: <http://dhs.iowa.gov/ime/about/iowa-health-and-wellness-plan/healthybehaviorsprogram>.

“HIPP” is the Health Insurance Premium Payment program.

“Home and Community-based Services (HCBS) Programs” are for people with disabilities and older Iowans who need services to allow them to stay in their home and community instead of going to an institution. LTSS are delivered through seven 1915(c) waiver programs and five non-waiver programs. More information can be found at this link: <http://dhs.iowa.gov/ime/members/medicaid-a-to-z/hcbs>.

HCBS Waiver Programs. Under HCBS waiver programs, Iowa can waive certain Medicaid program requirements, allowing the State to provide care for people who might not otherwise be eligible under Medicaid. Through the following 1915(c) waivers, Iowa targets services to people who need LTSS:

- AIDS/HIV
- Brain Injury
- Children’s Mental Health
- Elderly
- Health and Disability
- Intellectual Disability
- Physical Disability

HCBS Non-waiver Programs include:

- Habilitation Services – State Plan 1915(i) program
- Home Health program (including EPSDT private duty nursing/personal cares)
- Hospice program
- Money Follows the Person (MFP) program
- Program of All-inclusive Care for the Elderly (PACE) program

“IME Units” are the professional and system services contractors within the IME that perform the majority of Iowa Medicaid program business functions under performance-based contracts.

“Iowa Health and Wellness Plan” or **“IHAWP”** provides comprehensive health coverage at low or no cost to Iowans between the ages of 19 and 64, who have an income that does not exceed 133 percent of the federal poverty level, and who are not otherwise eligible for Medicaid or Medicare. The majority of IHAWP Members are enrolled in managed care.

“Member” means an individual enrolled in Iowa’s Medicaid, or CHIP (*hawk-i*) Programs.

“MEPD” is the Medicaid for Employed People with Disabilities program.

“*Service Organization Control 2*” or “*SOC 2*” means the internal controls at the third-party service relevant to security, availability, processing integrity, confidentiality, or privacy. For a company to receive SOC 2 certification, it must have sufficient policies and strategies that satisfactorily protect the client’s data.

1.2 Contract Purpose.

The parties have entered into this Contract for the purpose of retaining the Contractor to provide Revenue Collections and Estate Recovery functions and other related services for the Iowa Medicaid program.

1.3 Scope of Work.

1.3.1 Deliverables.

The Contractor shall provide the following:

1.3.1.1 General Obligations

A. Staffing.

1. The Contractor shall designate individuals as “key personnel,” subject to Agency continued approval. The Agency reserves the right to interview any and all candidates for named key positions prior to approving the personnel. Special requirements for key personnel are as follows:
 - a. Account Manager. Responsible for the overall service delivery of the team, complying with contractual requirements and meeting the Agency’s expectations. The Account Manager shall be responsible for Contract compliance and general project oversight. The Account Manager must adopt an exemplary behavior; also he or she must collaborate, and cultivate and promote the spirit of trust and professionalism with the Agency, other IME Units, and stakeholders. The Account Manager shall represent the Contractor and be the primary liaison with the Agency. Minimum qualifications include:
 - i. Three years of experience in account management or major supervisory role for a government or private sector as a healthcare payer, including a minimum of three years of experience in a state of equivalent scope to Iowa.
 - ii. Bachelor’s Degree or at least 4 years relevant experience to the position.
 - iii. Previous management experience with Medicaid, specifically in third party liability, recoveries, and knowledge of HIPAA rules and requirements is desired.
 - b. Transition Manager. Responsible for facilitating all planning and operational readiness activities necessary to ensure a successful transition. This position will no longer be required once the Contractor has successfully transitioned to operations. The Transition Manager may also serve as the Account or Operations Manager. Minimum qualifications include:
 - i. Three years of experience in account management or major supervisory role for government or in the private sector as a healthcare payer or provider.
 - ii. Bachelor’s Degree or equivalent relevant experience to the position.
2. Operations Manager. Responsible for day to day project management and supervision. Minimum qualifications include:
 - i. Four years of experience managing third party liability operations in a healthcare environment similar in scope and volume to the Iowa Medicaid Program. The experience shall include third party liability identification and verification, recoveries, quality management, and knowledge of HIPAA rules and requirements.
 - ii. Bachelor’s Degree or equivalent relevant experience to the position.
3. Named key personnel shall:
 - a. Be committed to the project full time and co-located with Agency staff at the Iowa Medicaid Enterprise (IME) permanent facility in Des Moines, Iowa;
 - b. Be available during Business Hours to respond to questions and concerns related to the Contract, except for routine absences or participation in required off-site meetings. Account

- Manager and Operations Manager positions are required to communicate absences with the Agency contract manager and provide suitable coverage during extended absences;
- c. Provide policy advice and support to the Agency and participate in meetings with the Agency as subject matter expert;
 - d. Prepare and present status updates periodically to the Agency and other stakeholders, as requested by the Agency;
 - e. Comply with all timelines in the Agency-approved project work plans; and
 - f. Develop and maintain a plan for job rotation and knowledge transfer to ensure that all functions can be adequately performed during the absence of key personnel for vacation and other reasons. Any planned absences of key personnel shall be immediately communicated to the Agency. The Contractor shall ensure staff are trained and able to perform the functions of sensitive positions when the primary staff member is absent.
4. The Agency reserves the right of prior approval for any replacement of the key personnel:
 - a. The Contractor must commit named key personnel to the project on or before the conclusion of the transition period of the Contract and for at least six months, and must not replace key personnel during this period except in cases of termination, death, or the key person's resignation;
 - b. The Contractor shall provide the Agency with a minimum of 15 days' notice prior to any proposed transfer or replacement of named key personnel. At the time of providing notice, the Contractor shall also provide the Agency with the resumes and references of the proposed replacement of named key personnel;
 - c. Replacement personnel must be in place performing their new functions before the departure of the personnel they are replacing;
 - d. Replacement personnel shall have knowledge transfer, experience, and ability comparable to the person originally in the position; and
 - e. The Agency may waive requirements (a) through (d) above upon presentation of good cause by the Contractor. In those instances when good cause is granted, the Contractor commits to replacing key personnel within thirty days (30) of the departure of a key person and to providing temporary personnel in the interim that are capable of maintaining operational performance at acceptable levels.
 5. The Contractor shall provide the following non-managerial positions:
 - a. Trained staff with required legal authority and certification to act on behalf of the Agency for Section 1.3.1.5, Estate Recovery and Trust Operations. The Contractor shall act on behalf of the Agency in the following areas, but not limited to probate, hearings, trial, and appeals. Applicable staff shall remain in good standing with the Iowa Bar Association and the Iowa Attorney General's Office.
 - b. Sufficient staff to perform system updates, workflow changes, interface reporting management and maintenance, and technical assistance for TPL-related issues, as necessary to support Medicaid program management and federal reporting requirements; and
 - c. Quality assurance/quality control staff with experience developing, executing and reporting formal quality assurance plans.
 6. The Contractor shall primarily recruit Des Moines-based professionals and ensure that as many staff as possible directly associated with the provision of Contract services are collocated at the IME's permanent facility to ensure collaboration with Agency staff. See Attachment 3.2.

B. System and Software Requirements

1. The Contractor shall maintain systems and software, as necessary, to support Contract functions, including the ability to interface with data sources as determined by the Agency.
 - a. The Contractor shall provide a solution to include but not limited to identifying third party liability, billings, accounts receivable and recoveries, and a provider portal for reporting.

- b. The Contractor shall perform system quality assurance and testing in accordance with the Agency-approved systems implementation plan.
 - c. The Contractor shall meet the Agency and the Office of the Chief Information Officer's security standards for data collection, storage, and secured electronic transmissions. This includes, but is not limited to, a minimum 256-bit encryption for both authentication and data transmission. See Contract Section 2.9.6.
 - d. The Contractor shall ensure that the Contractor solutions:
 - i. Effectively apply all federal and State code, rules, and regulations related to Contract functions;
 - ii. Accept and maintain accurate current and historical data;
 - iii. Create sufficient audit trails for all activity as per state and federal regulations regarding data retention; and
 - iv. Deliver all interfaces timely. Real-time exchange of data shall occur whenever possible to ensure data is consistent and accurate.
 - e. The Contractor shall manage application security for the Contractor solutions to ensure access is available and appropriate to the role description.
 - f. The Contractor shall ensure security safeguards are in place to assure the integrity of system hardware, software, records, and files, including but not limited to:
 - i. Orienting new employees to security policies and procedures;
 - ii. Conducting periodic review sessions on security procedures;
 - iii. Developing lists of personnel to be contacted in the event of a potential or suspected security breach;
 - iv. Maintaining entry logs for limited access areas;
 - v. Maintaining an inventory of Agency assets, not including any financial assets;
 - vi. Limiting physical access to systems hardware, software, and libraries; and
 - vii. Maintaining confidential and critical materials in limited access, secured areas.
 - g. If the Contractor's systems or applications will host Agency data, the Contractor shall provide the following to the Agency:
 - i. Completed Vendor Security Questionnaire using the template provided in Attachment 3.5;
 - ii. Documentation of SOC 2 compliance or the following documentation prior to system implementation and annually thereafter:
 - a) Attestation of passed information security risk assessment;
 - b) Attestation of passed network penetration scan; and
 - c) If the Contractor utilizes a web application in performance of services under this Contract, attestation of passed web application security scan.
 - iii. The Contractor shall develop and maintain, subject to Agency approval, a disaster recovery and business continuity plan to address recovery of business functions, business units, business processes, human resources, and the technology infrastructure. The Contractor shall comply with the Agency-approved plan at all times. The Contractor shall protect against hardware and software failures, human error, natural disasters, and other emergencies that could interrupt services and operations.
2. The Contractor shall develop, maintain, and comply at all times with an interface control document (ICD), subject to Agency approval. The Contractor shall develop this document with consultation from Agency data management staff and update as changes occur, but not less frequently than annually. The ICD shall include, but is not limited to:
- a. Description of the data exchange and processing necessary to implement and operate Contractor solutions; and
 - b. Interfaces necessary for electronic transmissions of data files, processing rules, and required sequence of data to manage the services.

3. The Contractor shall take all steps necessary to maintain connectivity to Agency digital infrastructure, including updating interfaces as needed.

C. Quality Assurance/Quality Improvement

1. The Contractor shall perform quality assurance reviews on a statistically valid random sample basis of TPL subsystem entries, in accordance with the Agency-approved quality assurance plan.
2. The Contractor shall implement quality improvement procedures that are based on proactive improvements rather than retroactive responses. The Contractor must understand the nature of and participate in quality improvement procedures that may occur in response to critical situations and shall assist in the planning and implementation of quality improvement procedures based on proactive improvement. Duties include but are not limited to:
 - a. Monitor the quality and accuracy of the Contractor's own work;
 - b. Perform continuous workflow analysis to improve performance of Contractor functions and submit quarterly reports of the quality assurance activities, findings and corrective actions (if any) to the Agency electronically. The quality assurance report shall at a minimum show the number of items sampled by category, the number of errors and the percent accurate; and
 - c. Provide the Agency with a description of any changes to the workflow for approval prior to implementation.

D. Performance Reporting and Corrective Actions

1. The Contractor shall submit monthly performance reports using an Agency-approved format, similar to the sample in Attachment 3.4, detailing all deliverables and performance measures that have been met or unmet during the month. This report shall be submitted with the monthly invoice.
2. The Contractor shall provide written notification to the Agency within two business days of discovery of any problems, concerns, or issues of non-compliance.
3. The Contractor shall maintain records of such reports and other related communications issued in writing during the course of Contract performance.
4. The Contract Owner has final authority to approve problem-resolution activities.
5. The Agency's acceptance of a problem report shall not relieve the Contractor of any obligation under this Contract or waive any other remedy. The Agency's inability to identify the extent of a problem or the extent of damages incurred because of a problem shall not act as a waiver of performance or damages under this Contract.
6. To the extent that Deficiencies are identified in the Contractor's performance and notwithstanding other remedies available under this Contract, the Agency may require the Contractor to develop and comply with a corrective action plan to resolve the Deficiencies, subject to Agency approval.

E. Receipt of Checks and Bank Deposits

1. The Contractor shall receive checks or money orders related to the work that it performs, such as recoveries and premium payment processing. The Contractor shall meet the following requirements for checks or money orders:
 - a. Log and prepare all payments for deposit on the day of receipt and conduct daily deposits in the Agency Title XIX recovery bank account.
 - b. Provide deposit receipt and check log to the Agency Division of Fiscal Management within 24 hours of depositing checks. The log shall include the daily beginning number and amount of checks located in the Agency-owned safe, the number and amount of the daily deposit, and the ending number of checks located in the Agency-owned safe.
 - c. Submit credits or adjustments to the Core MMIS contractor within ten (10) business days of depositing the check, in those instances in which deposited checks are associated with claims.
 - d. Complete a request for refund through the process established by the Agency Fiscal Management Division, in those instances in which deposited checks are unable to be credited or adjusted through claims offsets in the Agency's MMIS system.

- e. Assist in the maintenance and updating of the existing check classification code schematic, as necessary.
 - f. Assist the Agency Division of Fiscal Management in the reconciliation of the monthly Title XIX Recovery bank account, if requested to do so.
2. Revenue Collections is the IME Unit designated to receive checks or money orders from all IME Units. The Contractor shall deposit payments received by IME Units to the Agency Title XIX recovery bank account.

F. Insurance Carrier Files and Data Use Agreements

1. The Contractor shall receive data files from the insurance carriers that will enable the Contractor to match insurance carrier members with Members and applicants of the *hawk-i* program. The Contractor shall obtain signed Data Use Agreements (DUAs) with all insurance carriers necessary to complete the Contract scope of work.
2. The Contractor shall maintain a listing of insurance carriers who have an existing DUA with the Contractor, and send a report to the Agency within thirty (30) days of the start of the Contract, on a quarterly basis, and as requested.

G. Requests for Information

1. The Contractor shall respond to Agency requests for information and other requests for assistance within the timeframe that the Agency specifies. The Contractor shall provide information in response to:
 - a. Freedom of Information Act (FOIA) requests;
 - b. Requests for Information (RFIs) from Iowa Legislators;
 - c. Open Records Act requests, as required in Iowa Code Chapter 22;
 - d. State or federal audits;
 - e. Payment Error Rate Measurement (PERM) project, as requested; and
 - f. Miscellaneous requests.
2. The Contractor shall comply with information protocols and response timeframes determined by the Agency Public Information Officer.

H. Centralized Email Mailboxes and Telephone Lines.

1. The Contractor shall manage assigned Agency centralized email mailboxes and telephone lines for communications necessary to support Contract functions.
2. The Contractor shall track and log communications within IME systems.
3. The Contractor shall monitor the quality and accuracy of the Contractor's communications in accordance with the Agency-approved quality assurance plan.
4. The Contractor shall submit a report to the Agency on management of communications, to include timeliness and accuracy of responses, on a quarterly and annual basis.

I. Branding

1. The Contractor shall not reference the Contractor's corporate name in any Deliverables associated with this Contract and shall not mark Deliverables as confidential or proprietary, except when legally necessary to do so (i.e., for certain Estate Recovery Services).

1.3.1.2 Transition Phase

- A. Planning.** The Contractor shall develop, maintain, and comply at all times with the following, subject to Agency approval:
1. Project work plans. Work plans include:
 - a. A transition plan detailing Contractor's strategy to implement the staff, systems and services contemplated by this Contract;

- b. A systems implementation plan detailing implementation, quality assurance, and testing activities related to Contractor's system solutions;
- c. An operations plan detailing the daily performance of all required activities by the Contractor, including required coordination and safeguards;
- d. TPL action plan, utilizing the CMS template.
- e. A quality assurance plan detailing requirements and timeframes for monitoring the quality and accuracy, as well as continuous workflow analysis, of the Contractor's functions;
- f. A reporting plan detailing requirements for submitting reports to the Agency. This plan shall be developed in consultation with the Agency. Reporting plan requirements include but are not limited to:
 - i. Use of standard naming conventions;
 - ii. Templates for standardized reports that may be necessary to implement the project. The Contractor shall revise report content as needed and upon Agency request;
 - iii. Use of the Agency-designated SharePoint site to upload reports, with links sent to relevant Agency staff via email;
 - iv. Detail of whom the reports should be delivered to for review and approval, as necessary;
 - v. Any posting requirements for external stakeholders;
 - vi. Frequency and due dates for reports;
 - vii. An Agency report monitoring tool similar to the sample in Attachment 3.3; and
 - viii. A monthly performance reporting tool similar to the sample in Attachment 3.4.
- g. A training plan detailing, at minimum:
 - i. Training of Contractor staff in all systems functions that they will use. This may include the Medicaid Management Information System (MMIS), OnBase, Data Warehouse/Decision Support system (DW/DS) and other state and external Contractor systems;
 - ii. Training of Contractor staff in system and operational procedures required to perform the Contractor's functions under the Contract;
 - iii. Continuous standard operating procedures training process for Contractor staff. At minimum, the Contractor shall train staff when:
 - a) New staff or replacement staff are hired;
 - b) New policies or procedures are implemented; and
 - c) Changes are made to any existing policies or procedures prior to the change's implementation if possible, and if not, concurrent with the change's implementation.
 - iv. Training of Agency employees and other Agency contractors, as requested. Such training shall be at no additional cost to the Agency.

Each plan shall generally adhere to the approximate timing and requirements set forth in Sections 1.3.1.3 and 1.3.2, to include, at minimum:

- i. Definition of each project activity;
 - ii. Sequence of activities;
 - iii. Identification of who is responsible for each project activity;
 - iv. Defined deliverables and outcomes;
 - v. Timeframe in which each activity will be completed;
 - vi. A plan update schedule, which shall include updates no less frequently than quarterly; and
 - vii. Identification of Agency responsibilities and expectations.
2. Standard operating procedures (SOPs).
- a. SOPs shall be maintained in the Agency-prescribed format using standard naming conventions in the documentation.

- b. SOPs shall document the processes and procedures used by the Contractor in the performance of its obligations under this Contract, including but not limited to:
 - i. Notification and issue escalation procedures and timelines; and
 - ii. Policy manuals required for all Core MMIS functions.
- c. SOPs shall be updated with any changes to the methods and procedures used by the Contractor in the performance of its duties under this Contract. The Contractor shall document all changes within 30 business days of the change. The Contractor shall use version control to identify the most current documentation and any previous versions, including their effective dates. The Contractor shall provide all documentation in electronic form and store all documentation within the Agency-designated repository.
- d. SOPs shall be reviewed with the Agency no less than annually.

B. Operational Readiness

- 1. The Contractor shall prepare for the onset of operations in the existing Agency environment. This includes but is not limited to the following:
 - a. Review the turnover plan from the current contractor;
 - b. Utilize the Agency's comprehensive operational readiness checklist of its start-up activities;
 - c. Ensure that all checklist activities have been satisfactorily completed and signed-off by the Agency;
 - d. Develop and implement a corrective action plan for all outstanding activities for review and approval by the Agency;
 - e. Conduct training for its staff;
 - f. Gather and document all Agency technical and operational requirements pertaining to work performed under this Contract;
 - g. Produce and update all operations documentation and obtain Agency approval of each iteration;
 - h. Establish Agency-approved interfaces, as necessary; and
 - i. Obtain written approval from the Agency to start operations.
- 2. The Contractor shall work proactively with the Agency and the outgoing contractor to take over the management of any work that remains open when the outgoing contract ends on June 30, 2018, including but not limited to, TPL verifications and updates, pay and chase activities, lien recovery, yield management, provider overpayments, and Estate Recovery and Trust cases identified in Contract Sections 1.3.1.3 through 1.3.1.5.

1.3.1.3 Revenue Collections Operations

A. Third Party Liability (TPL) Identification and Verification

The Contractor's obligations under this Section are applicable to the populations specified below. Beginning July 1, 2019, this Section shall also apply to *hawk-i* Members.

- 1. Identification of TPL.
 - a. The Contractor shall identify all liable third-party resources for FFS Medicaid Members and TRICARE for the entire Medicaid population.
 - b. The Contractor shall process all local leads received at the Agency for all Medicaid Members. A local lead includes but is not limited to mail, phone calls, insurance information from Medicaid applications and ongoing Income Maintenance work, PARIS matches, data exchanges for the Social Security Administrations, and the Child Support Recovery Unit.
 - c. The Contractor shall perform data matches with other governmental and private insurers as required to identify TPL resources.
 - d. The Contractor shall assist the Agency in defining its TPL responsibilities and make recommendations to change the content of the TPL action plan to the Agency.
- 2. Verification of TPL.

- a. The Contractor shall verify insurance coverage for all Medicaid Members based upon claims information, Insurance Questionnaire (IQ) forms, or any other forms of TPL notification submitted by Agency income maintenance workers, providers, staff of the Member Services unit, or any other entity providing TPL updates.
 - b. The Contractor shall verify 100% of TPL before updating the insurance on Member file in the Agency TPL subsystem.
 - c. The Contractor shall maintain applicable data use agreements with governmental and private insurance companies to verify coverage.
3. Update and Maintain Agency TPL Subsystem.
- a. The Contractor shall update and maintain the Agency third-party carrier code list. This includes carrier ID and name, address, city, state and zip code, phone number and name of contract person.
 - b. The Contractor shall communicate with and respond to MCO data requests regarding the carrier code list.
 - c. The Contractor shall maintain third-party resources as outlined in the TPL action plan by Member State Identification Number (SID) on the TPL subsystem of the Agency-approved system that must, at a minimum, include:
 - i. First and last names of policyholder;
 - ii. Social security number (SSN) of policyholder;
 - iii. Full insurance company name;
 - iv. Group number, if available;
 - v. Name and address of policyholder's employer, if known;
 - vi. Insurance carrier ID;
 - vii. Type of policy and coverage, including identification of covered types of services under the policy;
 - viii. Effective date of coverage, if new; and
 - ix. Termination date of coverage, if ended.
 - d. The Contractor shall maintain the integrity of the Agency-approved MMIS TPL subsystem by working Agency ad hoc TPL gap reports within 10 business days. The analysis shall include but not be limited to:
 - i. When a Member is approved for Medicaid and there is an active insurance in the TPL subsystem that hasn't been verified in over a year (12 months).
 - ii. When medical insurance is coded in the system, but lacks the prescription coverage or vice versa.
 - iii. When Noncustodial Parent insurance has been identified in the past:
 - a) If the Member is coded as an adult and the absent parent policy is still active, term the AP policy and convert it to a TPL in order to cost avoid instead of pay and chase.
 - b) If the Member is coded as a child and turns 19, if the policy is still active, switch the AP policy to a regular policy in order to cost avoid instead of pay and chase.
4. Quality Assurance (QA) TPL data in Agency TPL Subsystem.
- a. The Contractor shall utilize an Agency-approved methodology for monthly quality assurance samples verifying the accuracy of TPL updates applied during the previous month.
 - b. The Contractor shall develop a corrective action plan for identified errors through the QA process.
 - c. The Contractor shall correct any errors identified through the QA process within twenty-four (24) hours of identification.
 - d. The Contractor shall research, analyze and make any necessary corrections to all error reports generated from the MMIS as directed by the Agency.
5. Reports.

- a. The Contractor shall produce reports to meet federal and state requirements, including but not limited to:
 - i. Monthly report summarizing amounts billed and collected, current and year-to-date.
 - ii. Quarterly report summarizing recoveries and unrecoverable amounts by carrier, type of coverage, and reason.
- b. The Contractor shall submit quarterly TPL activity reports to the Agency.
- c. The Contractor shall produce internal reports used to investigate possible third-party liability when a paid claim contains a TPL amount and no resource information is on file.
- d. The Contractor shall produce monthly pay-and-chase carrier bills.

B. Third Party Liability Recoveries

The Contractor's obligations under this Section are applicable to Fee-for-Service claims, and TRICARE claims for the entire Medicaid population, or as directed by the Agency.

1. Cost Avoidance.

- a. The Contractor shall ensure all claims for Members with TPL are billed to the liable third party before Medicaid is billed, except for EPSDT, prenatal care and court ordered child support recovery (IV-D) enforceable claims.
- b. The Contractor shall provide the Agency with best practice policy and industry standard practices related to TPL cost avoidance.

2. Pay and Chase.

- a. The Contractor shall perform all recovery activities for pay-and-chase claims, which includes submission of claims to third-party insurers, recovery tracking, receipt of recovery payments, and production of reports on recovery activities.
- b. The Contractor shall identify paid claims for TPL tracking and potential recovery, including all federally mandated pay-and-chase services.
- c. The Contractor shall track and recover paid claims denied by insurance carriers. Identify and record reasons for denial of post-payment billed claims by TPL carrier.
- d. The Contractor shall identify paid claims for up to three years prior and bill insurance carrier for these claims, when retroactive TPL resources are found.
- e. The Contractor shall identify type and amount of recovery, utilizing the paid claims file.
- f. The Contractor shall meet all minimum TPL processing requirements defined in Chapter 3, Section 3900 of the CMS State Medicaid Manual.
- g. The Contractor shall track and adjudicate all post-payment requests for reimbursement to a final payment or denial and identify denial by type and reason.
- h. The Contractor shall initiate follow-up activities on denied post-payment billings as agreed with the Agency within five business days of receipt of the denial notice.
- i. The Contractor shall ensure that TPL recoveries do not exceed the Medicaid paid amount and will reconcile any over recoveries through Agency-approved reimbursement practices.
- j. The Contractor shall coordinate with the Agency and other insurers to develop and maintain pay and chase processes including but not limited to disallowance.
- k. The Contractor shall provide the Agency with best practice policy and industry standard practices related to TPL pay and chase.

3. Lien Recovery/Subrogation.

- a. The Contractor shall identify trauma, accident and medical malpractice cases where funds expended by Medicaid can be recovered from liable third parties.
- b. The Contractor shall coordinate lien recovery efforts with liable third parties and Attorneys of Members.
- c. The Contractor shall recover funds from liable third parties for trauma, accident and medical malpractice cases.

- d. The Contractor shall review claims with trauma indicators to identify potential cases for subrogation; prepare records of the medical services provided to the Member based on the medical assistance claims.
 - e. The Contractor shall identify potential cases for subrogation and prepare reports of the amount of medical services provided to the Member based on the medical assistance claims data.
 - f. The Contractor shall act on the Agency's approved questionnaire for trauma related injuries identified through ICD-10 codes.
 - g. The Contractor shall send a follow-up request to Members that have not submitted the trauma related injury questionnaire within forty-five (45) business days of the initial request. The Contractor shall send a notification of non-cooperation with TPL to the Agency for any Member over the age of 21 that does not provide a response to the trauma related questionnaire within ten (10) business days of the due date.
 - h. The Contractor shall notify the Agency within twenty-four (24) hours for Members that comply with the request after the notification of non-cooperation with TPL has been sent to the Agency.
 - i. The Contractor shall provide case data to the state Attorney General's office for subrogation cases that are appealed.
 - j. The Contractor shall maintain a process or utilize a tool that identifies claims to build recovery cases (such as tort cases related to auto accidents).
 - k. The Contractor shall provide to the Agency reports to meet federal and state requirements to include but not limited to:
 - i. Ad-hoc listings of potential recovery claims leads to be researched
 - ii. Amounts billed and collected, current, and year-to-date (monthly); and
 - iii. Potential trauma, accident, or medical malpractice claims (monthly) that are actively being pursued.
 - l. The Contractor shall log and prepare all recoveries to be deposited in the Agency Title XIX recovery bank account.
 - m. The Contractor shall track all subrogation cases from initial intake to final disposition and provide a monthly report of these cases to the Agency. The report shall include but not limited to the following items:
 - i. Number of cases opened;
 - ii. Number of cases closed; and
 - iii. Money recovered.
 - n. The Contractor shall provide monthly reports to the Agency of subrogation recovery activity with state fiscal year-to-date data and updated for the previous month's activity.
 - o. The Contractor shall provide subject matter expertise in order to track and trend Agency claims data for regular, ongoing TPL-related national settlements and mass torts. The Contractor shall report findings quarterly or as requested by the Agency.
 - p. The Contractor shall represent the Agency in identifying and pursuing the results of class-action lawsuits where the Agency may be able to recover funds.
4. Yield Management.
- a. The Contractor shall utilize a yield management process by which a denied or under-processed claim with third-party insurance is reviewed for accuracy.
 - b. The Contractor shall request additional information and challenge the denial or lack of payment when it appears the claim should have been paid by the third-party insurance carrier.
 - c. The Contractor shall obtain all necessary Explanation of Benefits (EOBs) from the appropriate source and enter into the Agency-approved system.
 - d. The Contractor shall submit monthly reports of yield management collections to the Agency, to include but not limited to the total state fiscal year-to-date amount of Medicaid funds recovered and breakouts, as directed by the Agency.

- e. The Contractor shall provide an annual report with summary information for the previous state fiscal year to the Agency, to include but not limited to a compilation of the information from the monthly reports.

C. Premium Payment Processing

1. Premium Payment Processing. The Contractor's obligations under this Section are applicable to MEPD, IHAWP, and Dental Wellness Members. Beginning July 1, 2019, this Section shall also apply to *hawk-i* Members.
 - a. The Contractor shall post all unprocessed batch payments received from MEPD, IHAWP, and Dental Wellness lockboxes to the systems designed to record their respective premium information. The Agency has established an automated bar coding system that electronically captures the required information. Most premium payment transactions are received from the bank electronically. For those that are not, the posting function will be a manual process.
 - b. The Contractor shall request assistance from MEPD, IHAWP, or Dental Wellness program manager for any payment for which the respective account cannot be determined.
 - c. The Contractor shall follow program-specific Agency-approved written procedures for handling items returned by a financial institution because of non-payment.
 - d. The Contractor shall send any client correspondence sent to lockboxes to the respective program manager for processing.
 - e. The Contractor shall assist the Agency with researching and viewing online lockbox transmittal information as needed.
 - f. For contribution/premium payment checks that are received manually, the Contractor shall post the checks to the system designed to record respective premium information within one (1) business day of receipt from the bank.
 - g. The Contract shall provide a summary report of premium payment processing to the Agency upon request.

D. Provider Overpayments (Credit Balance)

The Contractor's obligations under this Section are applicable to Fee-for-Service claims only.

1. The Contractor shall identify provider overpayments that have created a credit balance in the Agency MMIS system from active and inactive providers.
2. The Contractor shall notify providers of balances due to the Agency that have not been completely recovered through the claims processing system if there has not been sufficient activity as defined by the Agency for thirty (30) calendar days.
3. The Contractor shall send initial provider notification letter within ten (10) business days of the provider being reported as being in a credit balance and having insufficient activity for thirty (30) calendar days.
4. The Contractor shall request the additional information within five (5) business days of determination of the need for additional information for action to be taken on the credit or adjustment related to a provider refund.
5. For refunds requiring additional information from the provider, the Contractor shall enter claim credits or adjustments within five (5) business days of receipt of additional information from the provider.
6. The Contractor shall refer any providers with an identified overpayment who have filed for Chapter 7 or Chapter 11 bankruptcies to the Iowa Attorney General's Office.
7. The Contractor shall refer to the Estate Recovery program any deceased providers with a provider overpayment.
8. The Contractor shall prepare and submit the adjustment forms to transfer the overpayment amount to the actively enrolled provider, when a provider is in a credit balance and their federal tax identification number matches that of an actively enrolled provider.

9. The Contractor shall prepare and process credits or adjustments against recoveries received within ten (10) business days of receipt of the recoveries.
10. The Contractor shall record payments received in the Agency's accounts receivable system for generally accepted accounting principle (GAAP) reporting and bank account reconciliation purposes.
11. The Contractor shall refer the provider overpayment account to the Agency within ten (10) business days, when a Provider with an overpayment fails to pay in full, sign a payment agreement, and/or has exhausted appeal rights.
12. The Contractor shall prepare and submit the adjustment forms to write off the provider overpayment as bad debt, when the amount of the credit balance is below a threshold, as determined by the Agency.
13. The Contractor shall submit a monthly report to the Agency of provider overpayment collection activity and overpayments referred to the Agency from the previous month.

E. Provider Withholds

The Contractor's obligations under this Section are applicable to Fee-for-Service claims, and TRICARE claims for the entire Medicaid population, or as directed by the Agency.

1. The Contractor shall receive requests from the Agency Child Support Recovery Unit, the Internal Revenue Service, and other state or federal entities, to withhold provider payments.
2. The Contractor shall submit provider withhold data to the Core MMIS contractor.
3. The Contractor shall receive and act on withholds against providers to be recovered from Medicaid payments.
4. The Contractor shall recover withholds from claims submitted for payment and forward the recovered funds to the requesting entity.
5. The Contractor shall maintain electronic and/or paper transmittal documentation related to received data requests.
6. The Contractor shall process all requests for withholds and claim offsets within one (1) business day of receipt.
7. The Contractor shall identify the provider number of the entity for which a claim offset is required.
8. The Contractor shall enter withhold and assignment information to be used in directing or splitting payments to the provider and the entity requesting the withhold.
9. The Contractor shall monitor the recovery of the claim offset amounts and verify processing of offsets against the claims file.
10. The Contractor shall ensure that the monetary amounts of each claim offset do not exceed the state or federal regulations governing monetary garnishments.
11. The Contractor shall submit a monthly report to the Agency of withholds and claims offsets processed the previous month.

1.3.1.4 Insurance Data Match for the for the *hawk-i* Program

A. Daily Application Data Match and Verification

1. The Contractor shall receive a daily file, in an Agency-approved format, from the Agency of all new *hawk-i* applicants received at the Agency on the prior business day. The file includes, but may not be limited to:
 - a. Name of the head of household, including social security number and date of birth if available;
 - b. Name of other parents or guardians in the household, including social security numbers if available;
 - c. Name of the child applicant;
 - d. Date of birth of the child applicant;
 - e. Social security number of the child applicant;
 - f. Address of the household; and

- g. State Identification Number (SID).
2. The Contractor shall use the daily file from the Agency to perform a data match with the insurance carrier member file within one (1) business day of receipt of the file.
3. The Contractor, upon finding a match with a *hawk-i* applicant and an insurance carrier member, shall conduct policy verification with the insurance carrier within one (1) business day of performing the data match.
4. The Contractor shall deliver a monthly report, in an Agency-approved format, to the Agency, that includes but is not limited to:
 - a. Identity of every child for whom a match occurred from the daily files of the previous month; and
 - b. The outcome of the policy verification activity for all cases identified in the report.

B. Response File to the Agency

1. The Contractor shall produce a response file, in an Agency-approved format, to the Agency and/or the Agency's designee, of policy verifications listing *hawk-i* applicants and Members within one (1) business day from the day the verification is completed. Beginning July 1, 2019, work related to quarterly data matches shall cease. The file shall include, but may not be limited to, the following:
 - a. Name of applicant as provided in the file from the Agency;
 - b. Date of birth of the applicant as provided in the file from the Agency;
 - c. The SID as provided in the file from the Agency;
 - d. Social security number of the applicant as provided in the file from the Agency;
 - e. Policyholder name;
 - f. Insurance carrier name and telephone number;
 - g. Coverage type (only major medical/healthcare policies should be included);
 - h. Coverage start and termination dates;
 - i. Group number (if available from the insurance carrier); and
 - j. Policy number.

C. Data.

1. The Contractor shall transmit data to all parties through a secure environment. The Contractor and Agency shall mutually agree upon the secure environment to be used.
2. The Contractor shall maintain interfaces with the Agency eligibility system to receive eligibility information on *hawk-i* applicants and Members.
3. The Contractor shall provide a data feed including all verified data matches to the Agency's MMIS system in an Agency-approved format. This data feed shall be provided daily for daily application matches and quarterly for on-going matches. Beginning July 1, 2019, work related to quarterly data matches shall cease.
4. The Contractor shall ensure that the data collected from any insurance carrier and *hawk-i* applicant and enrollee files shall only be used to fulfill the service requirements of this Contract, unless the data use agreement signed by the insurance carrier permits otherwise. Any other use of the data is prohibited without the written consent of the Agency.
5. The Contractor shall store the data obtained from the insurance carriers and the Agency in a secured environment for ninety (90) days after the matches are performed.
6. The Contractor shall discard data files after ninety (90) days and all files from the insurance carriers and Agency shall be permanently destroyed. Note that the insurance carrier data may be retained for a longer period as outlined in the data use agreement between the insurance carrier and the Contractor.

1.3.1.5 Estate Recovery and Trust Operations

A. Estate Recovery

1. The Contractor shall recover Medicaid expenditures from assets of eligible deceased Members.

2. The Contractor shall identify assets of the deceased Member that are available for estate recovery.
3. The Contractor shall take all necessary steps to collect from identified assets and interest when applicable.
4. The Contractor shall maintain the Iowa Department of Public Health (IDPH) interface, for official death records to match against the eligibility file. The format of this file will be established by the IDPH.
5. The Contractor shall comply with all requirements to pursue recoveries from estates of deceased Medicaid Members, as required in Iowa Code § 249A.5.
6. The Contractor shall receive names of deceased Medicaid Members from the IDPH Vital Statistics data or from other available sources.
7. The Contractor shall advise the Iowa Attorney General's (AG's) Office in writing of any case in which a person refuses to cooperate with the Contractor's recovery process or any case requiring court proceedings.
 - a. This notice must describe the issues involved and must be provided to the AG's office within seven business days of the refusal to cooperate or discovery that a court proceeding is required.
 - b. Pursuant to Iowa Code § 13.7, the AG's office has exercised its discretion to have the Contractor's attorney appear and represent the Agency in all probate and/or district court proceedings related to the estate recovery program.
 - c. The AG's office, however, will retain the discretion to determine pursuant to Iowa Code § 13.7 whether the AG's office will represent the Agency in any given probate or district court proceeding related to the estate recovery program.
 - d. The Contractor shall coordinate all representation in probate and/or district court proceedings with the AG's office. The AG will represent the Agency in any matters appealed to the Iowa Supreme Court or Court of Appeals.
 - e. The Contractor shall provide copies of relevant paperwork regarding court proceedings to the AG's office upon request. The Contractor shall also provide copies of relevant paperwork regarding court proceedings when the Contractor's attorney deems it necessary to provide such paperwork.
8. The Contractor shall cooperate with and provide information and assistance to the AG's office as necessary.
9. The Contractor shall staff a dedicated toll-free telephone number to provide information regarding estate recoveries. At a minimum, the telephone number must be staffed Monday through Friday from 8:00 a.m. to 4:30 p.m., Central Standard Time (CST), excluding state holidays.
10. The Contractor shall submit history credits or adjustments to the Core MMIS contractor, utilizing the format designated by the Core MMIS contractor, within 10 business days of receipt of payments related to estate recoveries. Apply credits or adjustments to the oldest claims, in terms of dates the services were provided, first.
11. The Contractor shall provide sufficient staff to answer questions from attorneys, deceased Member's authorized representatives, the Agency's staff, and public concerning recoveries.
12. The Contractor shall log and prepare all payments to be deposited in the Agency Title XIX recovery bank account.
13. The Contractor shall submit request for refund payments received in error to the Agency's Division of Fiscal Management within 10 business days of receiving the request for refund or discovering the error. The Contractor shall return to the Agency any fee paid to the Contractor for the erroneous recovery.
14. The Contractor shall identify deceased Members through information obtained from various sources including eligibility files from the Agency, files of reported deaths from the Iowa Department of Public Health, information from attorneys and any other sources, or as otherwise directed by the Agency.

15. The Contractor shall identify medical assistance subject to recovery from the estate of a deceased Member, a surviving spouse, or a surviving child in accordance with Iowa Code § 249A.5(2)(d).
16. The Contractor shall file an estate recovery claim in probate court on behalf of the Agency for deceased Members whose estates have been opened.
17. When an estate subject to recovery is opened in probate, and a notice of probate has been received, the Contractor shall notify the representative of the deceased within 10 business days.
18. The Contractor shall determine the value of the estate subject to recovery, the expenses of the estate, and the priority of the expenses by requesting information on the deceased Member's assets and the expenses from the deceased Member's authorized representative.
19. The Contractor shall determine the amount of Medicaid paid on behalf of the deceased Member subject to recovery by obtaining the deceased Member's history of paid claims, including capitation payments on the behalf of the deceased Member. The Contractor must obtain a history of paid claims for any deceased person referred by any source. The following Medicaid payments are subject to recovery:
 - a. For a Medicaid eligible person under age 55, when the person was living in a nursing facility (NF), an Intermediate Care Facility for individuals with Intellectual disability (ICF/ID), or a mental health institute, and wasn't reasonably expected to be discharged and return home for six consecutive months or longer, or dies before staying six consecutive months.
 - b. If the Agency QIO Unit has determined that a deceased Member under age 55 could return home in six months even though the deceased Member stayed in the NF or ICF/ID longer than six months, or the deceased Member died before returning home. If a deceased Member's authorized representative alleges that there is such a determination, the Contractor must verify this information and request documentation of the decision. The Contractor must document in the deceased Member's file the reason recovery was not made.
 - c. If the deceased Member is under age 55 and receiving HCBS waiver services. If the person receiving HCBS Waiver services subsequently enters a NF or ICF/ID, as indicated by the eligibility files, the Medicaid paid for a partial month in the NF or ICF/ID is subject to recovery.
 - d. The eligibility file has aid types and waiver codes that identify people in a NF, ICF/ID, or HCBS waiver.
20. The Contractor shall notify the authorized representative of the deceased Member to pay the lessor of the amount of the estate subject to recovery or the amount of Medicaid payments. The Contractor will add interest accrued to the Medicaid debt in accordance with Iowa Code § 535.3.
21. The Contractor shall have the ability to receive vital statistics data from the IDPH as formatted.
22. The Contractor shall educate the public, disseminate information and answer inquiries about the estate recovery program. This responsibility includes:
 - a. Participating in seminars, and meetings with the bar association, social services agencies, the Agency employees, deceased Members' authorized representatives, Members of the public, and other organizations as requested.
 - b. Preparing and distributing material describing the estate recovery program. The Agency must approve all written material prior to distribution.
 - c. Maintain a publically accessible website, in accordance with federal regulation on accessibility. The Agency must approve the format and contents. The Contractor shall provide a link to the Agency website.
23. The Contractor shall notify the deceased Member's authorized representative of the right to claim undue hardship and a waiver to recovery at the same time the Contractor notifies the deceased Member's authorized representative of the debt due the Agency. The Contractor shall also inform the deceased Member's authorized representative of the 30-day time limit to request a hardship waiver.
24. The Contractor shall process undue hardship claims as follows:

- a. Upon receipt of an undue hardship request, the Contractor shall determine if the request is timely or if there is a reason to grant extension beyond the 30-day period.
 - b. If the request is not made within the 30-day period and an extension is not granted, the Contractor shall notify in writing the person claiming a hardship and requesting a waiver, that the request is denied as untimely. The notice must give the legal basis for denial 441 IAC 78.28(7)g.(2) and inform the person of the right and the timeframe to file an appeal in writing with the Agency.
 - c. If the hardship request is timely, the Contractor shall obtain income and resource information to support the request for a recovery waiver. The Contractor shall outline the undue hardship process and inform the person making the request of the process.
 - d. If the income and asset information is not received within 90 days, the Contractor will follow up with the requestor. If the information has not been supplied, the Contractor shall deny the hardship claim with a written notice informing the requestor of the right and timeframe to file an appeal.
 - e. The Contractor shall obtain the Agency approval for all notice formats required by this section.
 - f. The Contractor shall request of the person requesting a hardship waiver a description of the circumstances whereby the disapproval of hardship would result in deprivation of food, clothing, shelter, or medical care such that life or health would be endangered.
 - g. The Contractor shall then determine if recovery would result in deprivation of food, clothing, shelter, or medical care such that life or health would be endangered and present the waiver request to the Agency for review. The Agency will determine if the hardship waiver of recovery will be granted.
 - h. The Contractor shall track all requests for a waiver and their disposition.
 - i. The Contractor shall represent the Agency in appeal hearings where a hardship waiver is not granted.
25. The Contractor shall maintain and update monthly estate recovery information, including but not limited to the following:
- a. Deceased Member's SID (sort field in ascending order);
 - b. Name of deceased Member;
 - c. Amount of recovery so the recovery can be matched to the Contractor's deposits;
 - d. Total amount recovered in the preceding months, and year to date;
 - e. Interest earned in the preceding months;
 - f. Total number of cases in which a letter was sent requesting recovery from an estate;
 - g. Total number of cases pending each month;
 - h. Total number of cases processed with a recovery;
 - i. Total number of cases processed without a recovery and the reason recovery did not occur; and
 - j. Total number of cases deferred due to a surviving spouse, disabled child or minor child.
26. The Contractor must include the following in the monthly report when the Contractor returns money to a deceased Member's beneficiary or creditor:
- a. Documentation as to the reason for the return of funds, including the deceased Member name, SID, and amount returned.
 - b. Name of the deceased Member's beneficiary or creditor to whom the funds were returned.
27. The Contractor shall provide an annual report to the Agency, to include but not limited to the following information:
- a. A summary of the year's activities;
 - b. Total dollars collected;
 - c. Number of cases pending;
 - d. Dollar value of the cases pending;
 - e. Any case referred to the AG's office;

- f. Total Medicaid expenditures paid out on behalf of the Members for whom recovery is requested;
- g. Percentage of the amount recovered from Estate Recovery compared to the total amount of Medicaid paid for the Member;
- h. Total number of cases referred to the AG's office;
- i. The total dollar amount of estates where recovery did not occur;
- j. Average number of months to settle a case from initial identification to collection;
- k. Total number of undue hardship requests;
- l. Total number of undue hardship requests granted and denied; and
- m. Total number of cases deferred due to undue hardship.

B. Trust Monitoring

- 1. The Contractor shall develop and maintain a searchable case tracking system for all medical assistance income trusts and special needs trusts for which the State is a residuary beneficiary. The case tracking system or database shall include all pertinent information concerning the trust and documentation regarding any correspondence, expenditure report reviews, or other activity related to the trust.
- 2. The Contractor shall inform trustees of their obligations to the State of Iowa as a residuary beneficiary of the trust.
- 3. The Contractor shall conduct outreach activities to educate trustees and members of the bar association on obligations owed to the State arising from special needs and medical assistance income trusts.
- 4. The Contractor shall respond to written, email, and phone correspondence regarding trust-related issues.
- 5. The Contractor shall validate individuals on new and existing Medicaid cases who have established a medical assistance income trust or special needs trust for which the State is a residuary beneficiary and establish a file in the case tracking system.
- 6. The Contractor shall review trust documents referred by eligibility staff for Medicaid eligibility purposes and advise the Agency in an Agency-approved format on whether the trust language meets requirements for exemption from the general rules regarding self-settled trusts.
- 7. The Contractor shall establish a review schedule for each trust in the case tracking system to ensure that trust income and expenditures from the trust are reviewed annually.
- 8. The Contractor shall review all trusts upon request and provide a written summary to Medicaid eligibility staff on how the trust affects the applicant or Member's eligibility as soon as possible and no more than fourteen (14) calendar days of receipt of the referral.
- 9. The Contractor shall track activity of the trusts to identify trust terminations for which recovery activity should be initiated.
- 10. The Contractor shall request in writing, and review requests, for expenditures from medical assistance income trusts and special needs trusts, resolve disputes with trustees or beneficiaries over expenditures, identify any Agency objections to requested trust expenditures, and file any necessary court documents regarding approval of requested expenditures.
- 11. The Contractor shall refer cases to the Iowa Attorney General's Office in situations when:
 - a. The trustee or representative has spent trust funds inappropriately and/or violated obligations to the trust residuary beneficiary, and attempts to resolve such concerns with the trustee or representative are unsuccessful;
 - b. A trustee or beneficiary has requested court approval of an expenditure to which the Agency does not consent; or
 - c. The trustee or representative does not respond to inquiries regarding expenditures from the trust, including providing annual expenditure reports or otherwise cooperate with recovery efforts.

12. The Contractor shall draft all necessary guidance documents regarding trust related obligations, including but not limited to, informational letters, training materials, forms, a communication plan, proposed administrative rules, employee manual entries, and Internet materials for Agency approval.
13. The Contractor shall establish an annual review schedule for each trust case at the time the case is entered into the tracking system.
14. The Contractor shall submit a monthly report which includes identifying information for all trust cases disposed of during the month, the resolution of each trust case (e.g. closed with collection, closed without collection, referred to the Attorney General's office, etc.), the total amount owed to the State for those cases and the amount that was collected.
15. The Contractor shall submit a quarterly report which includes identifying information for all trust cases disposed of during the quarter, the resolution of each trust case (e.g. closed with collection, closed without collection, referred to the Attorney General's Office, etc.), the total amount owed to the State for those cases and the amount that was collected. The quarterly report shall also include the total number of all open trust cases, the year-to-date number of closed cases, the total amount of Medicaid expenditures for those cases and the total amount collected for those cases.
16. The Contractor shall conduct outreach activities as directed by the Agency to educate trustees and members of the bar association on obligations owed to the State arising from special needs and medical assistance income trusts and provide a summary of outreach activities on a quarterly basis.
17. Reports.
 - a. The Contractor shall provide monthly reports of ongoing cases and collections to the Agency.
 - b. The Contractor shall provide a quarterly report with the summary information for the most recent quarter to the Agency.
 - c. The Contractor shall provide an annual report with summary information for the previous state fiscal year to the Agency. The report shall be a compilation of the information from the quarterly reports.

C. Trust Recovery

1. The Contractor shall:
 - a. Identify individuals on Medicaid that have established a medical assistance income trust or special needs trust.
 - b. Ensure tracking of these individuals for termination of the trust.
 - c. Determine the amount of Medicaid paid on behalf of these Members and notify trustees of the amount due the Agency
 - d. Collect up to the amounts in the trust upon death of the individual or when the trust is terminated.
2. The Contractor shall maintain information from trusts and similar sources into a case tracking system or database.
3. The Contractor shall record the names of individuals who have terminated a medical assistance income trust or special needs trust that is subject to recovery.
4. The Contractor shall determine the amount of Medicaid paid on behalf of the Member subject to recovery by obtaining the Member's history of paid claims from the Agency-approved system and the Medicare buy-in file.
5. The Contractor shall determine the amount in the trust after final deposits are made, and trustees fees, and medical expenses are paid.
6. The Contractor shall notify the trustee/representative in writing of the amount due the Agency, which is the lesser of the balance in the terminated trust, up to the amount of medical assistance paid.
7. The Contractor shall notify the representative and refer any cases to the Attorney General's office where the trustee or representative does not respond to recovery efforts.

8. The Contractor shall log and prepare all trust recoveries to be deposited in the Agency Title XIX recovery bank account.
9. The Contractor shall attend meetings with the Agency staff to discuss policy changes or issues.
10. The Contractor shall provide technical assistance to the Agency, if requested, including but not limited to attendance at public meetings, any organization's meeting, or seminars.
11. The Contractor shall provide timely and accurate assistance to trustees with questions.
12. Reports.
 - a. The Contractor shall provide monthly reports of ongoing cases and collections to the Agency.
 - b. The Contractor shall submit an annual report which includes identifying information for all trusts acted on during the state fiscal year, the resolution of each trust case (such as closed with a collection, closed without a collection, still open), the money amount owed to Medicaid and the money amount (if any) that was collected.

1.3.1.6 Turnover Phase

Within this final phase of the Contract, the Contractor turns over operations to a new contractor near the end of the Contract term. This phase is activated when the Agency enters into a contract with a new entity (such as a newly awarded contractor) and begins the process of transferring responsibility for operations to that entity.

Once the turnover phase begins, the Contractor shall:

- A. Fully cooperate with the Agency and new entity.
- B. Develop and comply with a turnover plan detailing the activities necessary to transfer responsibility for operations to the new entity.

1.3.2 Performance Measures

A. General Requirements

1. The Contractor shall respond to email or telephone inquiries from Members, authorized representatives, or providers within two business days of receipt.
 - a. The contractor will maintain this requirement at 98 percent Service Level Agreement (SLA).
2. The Contractor shall deposit checks or money orders received at the Iowa Medicaid Enterprise (IME) facility within one (1) business day of their preparation for deposit.
3. The Contractor shall deliver the initial insurance carrier report to the Agency within thirty (30) days of the start of the Contract.

B. Transition

1. The Contractor shall submit transition, system implementation, and operations plans to the Agency for approval within 15 business days after execution of this Contract, unless specified otherwise. The Contractor shall receive final approval no later than 10 business days after first submission.
2. The Contractor shall submit the remaining plans to the Agency for approval within 20 business days after execution of this Contract. The Contractor shall receive final approval no later than 10 business days after first submission.
3. The Contractor shall submit SOPs to the Agency for approval within 25 business days after the execution of this Contract. The Contractor shall receive final approval no later than 10 business days after first submission.

C. Third Party Liability (TPL) Identification and Verification

1. The Contractor shall complete the verification or validation of TPL and update MMIS with the data within forty-five (45) business days of receiving the Medicaid or *hawk-i* Member TPL leads. The Contractor shall perform QA reviews to ensure 98 percent accuracy rate for electronic data transmission to MMIS. The Contractor shall perform QA reviews to ensure 98 percent accuracy rate for manual work. Any errors identified must have a corrective action plan and be followed to resolution.

D. Third Party Liability Recoveries

1. The Contractor shall post TPL recovery amounts and denial information within two business days of receipt of the recovery data to track benefit recoveries.
2. The Contractor shall initiate follow-up activities on unpaid post-payment carrier billings within 90 days.
3. The Contractor shall provide monthly reports of lien recovery activity by the tenth business day of the month with state fiscal year-to-date data and updated for the previous month's activity.
4. The Contractor shall prepare and process credits or adjustments against recoveries received within 20 business days.

E. Premium Processing

1. For premium payment checks that are received manually, the Contractor shall post the checks to the system(s) designed to record MEPD, IHAWP, *hawk-i*, or Dental Wellness premium information within one (1) business day of receipt.

F. Provider Overpayments (Credit Balance)

1. The Contractor shall log, prepare, and deposit all provider refund checks in the Agency Title XIX recovery bank account within one business day of receipt.
2. The Contractor shall prepare and process credits or adjustments against refunds within ten (10) business days of receipt of the refund unless additional information is required to determine the action to be taken. The Contractor will maintain this requirement at 98 percent SLA, for checks received an unable to be processed within 10 business days, a waiver request must be submitted to the Agency with a proposed resolution date and receive approval from the Contract Manager.
3. The Contractor shall request the additional information within five (5) business days of determination of the need for additional information for action to be taken on the credit or adjustment related to a provider refund.
4. For refunds requiring additional information from the provider, the Contractor shall enter claim credits or adjustments within five (5) business days of receipt of additional information from the provider.

G. Provider Withholds

1. The Contractor shall process all requests for withholds and claims offsets within one (1) business day of receipt of request.
2. The Contractor shall validate the processing of claims offsets within one (1) business day after each adjudication cycle.

H. Insurance Data Match for the *hawk-i* Program

1. The Contractor shall conduct a data match on daily files within two business day of receipt of file.
2. The Contractor shall conduct policy verification with the insurance carrier within one business day of performing the daily data match.
3. The Contractor shall submit the response file to the Agency within one business day of the day of verification completion.

I. Estate Recovery

1. The Contractor shall notify the authorized representative of the deceased Member within ten (10) business days when an estate subject to recovery is opened in probate, and a Notice of Probate has been received.
2. When an estate subject to recovery is opened in probate, and a notice of probate has been received, the Contractor shall notify the representative of the deceased within ten (10) business days.

3. The Contractor shall notify the representative of the deceased that there is an amount due the Agency as a result of estate recovery within 30 days of receiving the report of death.

J. Trust Monitoring

1. The Contractor shall log all Trusts referred by Medicaid eligibility staff into the case tracking system within one (1) business day of receipt.
2. The Contractor shall review all trusts upon request and provide a written summary on how the trust affects the applicant or Member's eligibility as soon as possible and no more than fourteen (14) calendar days of receipt of the referral.
3. The Contractor shall provide all newly identified trustees with educational material within fifteen (15) calendar days of identifying the trust.
4. The Contractor shall respond to written correspondence regarding trust-related issues within ten (10) business days.
5. The Contractor shall respond to phone calls and email messages regarding trust-related issues within two (2) business days.
6. The Contractor shall request annual expenditure reports from the trustee, in writing, no later than thirty (30) calendar days from the month of the review.
7. The Contractor shall complete reviews of annual expenditure reports from trustees not submitted to a court within thirty (30) days of receipt of the report in ninety (90) percent of all cases.
8. The Contractor shall review any court filings regarding Special Needs Trusts or Medical Assistance Income Trusts within ten (10) business days and in sufficient time to permit timely court filings.
9. The Contractor shall refer all matters requiring the attention of the Attorney General's office are within ten (10) business days and in sufficient time to permit timely court filings.

K. Trust Recovery

1. The Contractor shall notify the representative/attorney of the deceased of the obligation of the trust to relinquish funds in repayment of medical assistance payments within 10 business days of identification of the existence of a medical assistance income trust or a special needs trust.

L. Reporting

1. The Contractor shall deliver accurate and timely reports to the Agency. All submitted reports shall be concise, free from typographical and grammatical errors, and come to logical conclusions.
2. Unless otherwise specified, the Contractor shall provide all identified reports in an Agency-approved secure format and in accordance with timeframes established in the Agency-approved reporting plan.
3. The Contractor shall submit reports within the timeframes established in the Agency-approved reporting plan and according to the following schedule, unless otherwise specified within the Agency-approved reporting plan:
 - a. Weekly reports: within ten business days of end of reporting period;
 - b. Monthly reports: within ten business days of end of reporting period;
 - c. Quarterly reports: within ten business days of end of reporting period;
 - d. Semi-annual reports: within ten business days of end of reporting period;
 - e. Annual reports: within twenty business days of end of reporting period; and
 - f. Ad hoc reports: within two business days of request, unless otherwise specified and agreed upon.
4. For those reports that will be released to external stakeholders, and other special reports as identified within the reporting plan, the Contractor shall:
 - a. Submit a draft to the Agency for review 30 calendar days prior to the release date.
 - b. Receive final approval of the report no later than 14 days after first submittal.

1.4 Monitoring, Review, and Problem Reporting.

1.4.1 Agency Monitoring Clause. The Contract Manager or designee will:

- Verify Invoices and supporting documentation itemizing work performed prior to payment;
- Determine compliance with general contract terms, conditions, and requirements; and
- Assess compliance with Deliverables, performance measures, or other associated requirements based on the following:
 - The Agency's representative will perform at minimum monthly desk monitoring of deliverables, reports, and results to determine the success of the Contractor.
 - The Agency's representative will sign-off on completed Scope of Work items, provide feedback on progress and determine if other measures are required to ensure achievement of items approved and documented.

1.4.2 Agency Review Clause. The Contract Manager or designee will use the results of monitoring activities and other relevant data to assess the Contractor's overall performance and compliance with the Contract. At a minimum, the Agency will conduct a review semi-annually; however, reviews may occur more frequently at the Agency's discretion. As part of the review(s), the Agency may require the Contractor to provide additional data, may perform on-site reviews, and may consider information from other sources.

The Agency may require one or more meetings to discuss the outcome of a review. Meetings may be held in person. During the review meetings, the parties will discuss the Deliverables that have been provided or are in process under this Contract, achievement of the performance measures, and any concerns identified through the Agency's contract monitoring activities.

1.4.3 Problem Reporting. As stipulated by the Agency, the Contractor and/or Agency shall provide a report listing any problem or concern encountered. Records of such reports and other related communications issued in writing during the course of Contract performance shall be maintained by the parties. At the next scheduled meeting after a problem has been identified in writing, the party responsible for resolving the problem shall provide a report setting forth activities taken or to be taken to resolve the problem together with the anticipated completion dates of such activities. Any party may recommend alternative courses of action or changes that will facilitate problem resolution. The Contract Owner has final authority to approve problem-resolution activities.

The Agency's acceptance of a problem report shall not relieve the Contractor of any obligation under this Contract or waive any other remedy. The Agency's inability to identify the extent of a problem or the extent of damages incurred because of a problem shall not act as a waiver of performance or damages under this Contract.

1.4.4 Addressing Deficiencies. To the extent that Deficiencies are identified in the Contractor's performance and notwithstanding other remedies available under this Contract, the Agency may require the Contractor to develop and comply with a plan acceptable to the Agency to resolve the Deficiencies.

1.5 Contract Payment Clause.

1.5.1 Pricing. In accordance with the payment terms outlined in this section and Contractor's completion of the Scope of Work as set forth in this Contract, the Contractor will be compensated an amount not to exceed \$32,663,942.64 during the entire term of this Contract, which includes any extensions or renewals thereof. Payment will occur as follows:

1.5.2 Payment Methodology.

- a. The Contractor will be paid a fixed monthly amount for services rendered and a contingency fee based on sums collected, less any contingency fees paid on collections that were later reversed, in accordance with the pricing set forth in Special Contract Attachment 3.1 (i.e., the Cost Proposal).
- b. Withhold of First Payment. The Agency will withhold the first monthly payment until such time as the final work plans and SOPs are accepted by the Agency.
- c. Deliverables and Performance Measure Withholding Payment. The Contractor may invoice 98% of the fixed amount each month. The Agency will withhold 2% of the monthly amount to assure the Contractor meets required Deliverables and Performance Measures.
In order to claim the withhold amount, the Contractor must show in the monthly performance report that each performance measure has been met. Determination of whether performance measures have been met is strictly and solely at the discretion of the Agency.
- d. Contingency fees are not subject to the 2% withhold.
- e. Withholding of Final Payment. The Agency may withhold the last full monthly payment due at the end of the Contract until such time as the Contractor has fully completed all Turnover activities and completely closed out the Contract.

1.5.3 Timeframes for Regular Submission of Initial and Adjusted Invoices. The Contractor shall submit an Invoice for services rendered in accordance with this Contract. Invoice(s) shall be submitted monthly. Unless a longer timeframe is provided by federal law, and in the absence of the express written consent of the Agency, all Invoices shall be submitted within six months from the last day of the month in which the services were rendered. All adjustments made to Invoices shall be submitted to the Agency within ninety (90) days from the date of the Invoice being adjusted. Invoices shall comply with all applicable rules concerning payment of such claims.

1.5.4 Submission of Invoices at the End of State Fiscal Year. Notwithstanding the timeframes above, and absent (1) longer timeframes established in federal law or (2) the express written consent of the Agency, the Contractor shall submit all Invoices to the Agency for payment by August 1st for all services performed in the preceding state fiscal year (the State fiscal year ends June 30).

1.5.5 Payment of Invoices. The Agency shall verify the Contractor's performance of the Deliverables and timeliness of Invoices before making payment. The Agency will not pay Invoices that are not considered timely as defined in this Contract. If the Contractor wishes for untimely Invoice(s) to be considered for payment, the Contractor may submit the Invoice(s) in accordance with instructions for the Long Appeal Board Process to the State Appeal Board for consideration. Instructions for this process may be found at:
http://www.dom.state.ia.us/appeals/general_claims.html.

The Agency shall pay all approved Invoices in arrears. The Agency may pay in less than sixty (60) days, but an election to pay in less than sixty (60) days shall not act as an implied waiver of Iowa law.

1.5.6 Reimbursable Expenses. Unless otherwise agreed to by the parties in an amendment or change order to the Contract that is executed by the parties, the Contractor shall not be entitled to receive any other payment or compensation from the State for any Deliverables provided by or on behalf of the Contractor pursuant to this Contract. The Contractor shall be solely responsible for paying all costs, expenses, and charges it incurs in connection with its performance under this Contract.

1.6 Insurance Coverage.

The Contractor and any subcontractor shall obtain the following types of insurance for at least the minimum amounts listed below:

Type of Insurance	Limit	Amount
General Liability (including contractual liability) written on occurrence basis	General Aggregate	\$2 Million
	Product/Completed Operations Aggregate	\$1 Million
	Personal Injury	\$1 Million
	Each Occurrence	\$1 Million
Automobile Liability (including any auto, hired autos, and non-owned autos)	Combined Single Limit	\$1 Million
Excess Liability, Umbrella Form	Each Occurrence	\$1 Million
	Aggregate	\$1 Million
Workers' Compensation and Employer Liability	As required by Iowa law	As Required by Iowa law
Property Damage	Each Occurrence	\$1 Million
	Aggregate	\$1 Million
Professional Liability	Each Occurrence	\$2 Million
	Aggregate	\$2 Million

1.7 Business Associate Agreement. The Contractor, acting as the Agency's Business Associate, performs certain services on behalf of or for the Agency pursuant to this Contract that require the exchange of information that is protected by the Health Insurance Portability and Accountability Act of 1996, as amended, and the federal regulations published at 45 CFR part 160 and 164. The Business Associate agrees to comply with the Business Associate Agreement Addendum (BAA), and any amendments thereof, as posted to the Agency's website: <http://dhs.iowa.gov/HIPAA/baa>. This BAA, and any amendments thereof, is incorporated into the Contract by reference.

By signing this Contract, the Business Associate consents to receive notice of future amendments to the BAA through electronic mail. The Business Associate shall file and maintain a current electronic mail address with the Agency for this purpose. The Agency may amend the BAA by posting an updated version of the BAA on the Agency's website at: <http://dhs.iowa.gov/HIPAA/baa>, and providing the Business Associate electronic notice of the amended BAA. The Business Associate shall be deemed to have accepted the amendment unless the Business Associate notifies the Agency of its non-acceptance in accordance with the Notice provisions of the Contract within 30 days of the Agency's notice referenced herein. Any agreed alteration of the then current Agency BAA shall have no force or effect until the agreed alteration is reduced to a Contract amendment that must be signed by the Business Associate, Agency Director, and the Agency Security and Privacy Officer.

1.8 Qualified Service Organization. The Contractor acknowledges that it will be receiving, storing, processing, or otherwise dealing with confidential patient records from programs covered by 42 CFR part 2, and the Contractor acknowledges that it is fully bound by those regulations. The Contractor will resist in judicial proceedings any efforts to obtain access to patient records except as permitted by 42 CFR part 2. "Qualified Service Organization" as used in this Contract has the same meaning as the definition set forth in 42 CFR § 2.11.

SECTION 2. GENERAL TERMS FOR SERVICES CONTRACTS

2.1 Definitions. Definitions in this section correspond with capitalized terms in the Contract.

“Acceptance” means that the Agency has determined that one or more Deliverables satisfy the Agency’s Acceptance Tests. Final Acceptance means that the Agency has determined that all Deliverables satisfy the Agency’s Acceptance Tests. Non-acceptance means that the Agency has determined that one or more Deliverables have not satisfied the Agency’s Acceptance Tests.

“Acceptance Criteria” means the Specifications, goals, performance measures, testing results and/or other criteria designated by the Agency and against which the Deliverables may be evaluated for purposes of Acceptance or Non-acceptance thereof.

“Acceptance Tests” or “Acceptance Testing” mean the tests, reviews, and other activities that are performed by or on behalf of the Agency to determine whether the Deliverables meet the Acceptance Criteria or otherwise satisfy the Agency, as determined by the Agency in its sole discretion.

“Applicable Law” means all applicable federal, state, and local laws, rules, ordinances, regulations, orders, guidance, and policies in place at Contract execution as well as any and all future amendments, changes, and additions to such laws as of the effective date of such change. Applicable Law includes, without limitation, all laws that pertain to the prevention of discrimination in employment and in the provision of services (e.g., Iowa Code ch. 216 and Iowa Code § 19B.7). For employment, this would include equal employment opportunity and affirmative action, and the use of targeted small businesses as subcontractors of suppliers. The term Applicable Law also encompasses the applicable provisions of Section 508 of the Rehabilitation Act of 1973, as amended, and all standards and requirements established by the Architectural and Transportation Barriers Access Board and the Iowa Office of the Chief Information Officer.

“Bid Proposal” or “Proposal” means the Contractor’s proposal submitted in response to the Solicitation, if this Contract arises out of a competitive process.

“Business Days” means any day other than a Saturday, Sunday, or State holiday as specified by Iowa Code §1C.2.

“Confidential Information” means, subject to any applicable State and federal laws and regulations, including but not limited to Iowa Code Chapter 22, any confidential or proprietary information or trade secrets disclosed by either party (a “Disclosing Party”) to the other party (a “Receiving Party”) that, at the time of disclosure, is designated as confidential (or like designation), is disclosed in circumstances of confidence, or would be understood by the parties, exercising reasonable business judgment, to be confidential. Regardless of whether or not the following information is designated as confidential, the term Confidential Information includes information that could be used to identify recipients or applicants of Agency services and recipients of Contract services including Protected Health Information (45 C.F.R. § 160.103) and Personal Information (Iowa Code § 715C.1(11)), Agency security protocols and procedures, Agency system architecture, information that could compromise the security of the Agency network or systems, and information about the Agency’s current or future competitive procurements, including the evaluation process prior to the formal announcement of results.

Confidential Information does not include any information that: (1) was rightfully in the possession of the Receiving Party from a source other than the Disclosing Party prior to the time of disclosure of the information by the Disclosing Party to the Receiving Party; (2) was known to the Receiving Party prior to the disclosure of the information by the Disclosing Party; (3) was disclosed to the Receiving Party without restriction by an independent third party having a legal right to disclose the information; (4) is in the public domain or shall have become publicly available other than as a result of disclosure by the Receiving Party in violation of this Agreement or in breach of any other agreement with the Disclosing Party; (5) is independently developed by the Receiving Party without any reliance on Confidential Information disclosed by the Disclosing Party; or (6) is disclosed

by the Receiving Party with the written consent of the Disclosing Party.

“Contract” means the collective documentation memorializing the terms of the agreement between the Agency and the Contractor identified in the Contract Declarations and Execution Section and includes the signed Contract Declarations and Execution Section, the General Terms for Services Contracts, the Special Terms, and any Special Contract Attachments, as these documents may be amended from time to time.

“Deficiency” means a defect, flaw, anomaly, failure, omission, interruption of service, or other problem of any nature whatsoever with respect to a Deliverable, including, without limitation, any failure of a Deliverable to conform to or meet an applicable specification. Deficiency also includes the lack of something essential or necessary for completeness or proper functioning of a Deliverable.

“Deliverables” means all of the services, goods, products, work, work product, data, items, materials and property to be created, developed, produced, delivered, performed, or provided by or on behalf of, or made available through, the Contractor (or any agent, contractor or subcontractor of the Contractor) in connection with this Contract. This includes data that is collected on behalf of the Agency.

“Documentation” means any and all technical information, commentary, explanations, design documents, system architecture documents, database layouts, test materials, training materials, guides, manuals, worksheets, notes, work papers, and all other information, documentation and materials related to or used in conjunction with the Deliverables, in any medium, including hard copy, electronic, digital, and magnetically or optically encoded media.

“Force Majeure” means an event that no human foresight could anticipate or which if anticipated, is incapable of being avoided. Circumstances must be abnormal and unforeseeable, so that the consequences could not have been avoided through the exercise of all due care. The delay or impossibility of performance must be beyond the control and without the fault or negligence of the parties. Force Majeure does not include: financial difficulties of the Contractor or any parent, subsidiary, affiliated or associated company of the Contractor; claims or court orders that restrict the Contractor’s ability to deliver the Deliverables

contemplated by this Contract; strikes; labor unrest; or supply chain disruptions.

“Invoice” means a Contractor’s claim for payment. At the Agency’s discretion, claims may be submitted on an original invoice from the Contractor or may be submitted on a claim form acceptable to the Agency, such as a General Accounting Expenditure (GAX) form.

“Solicitation” means the formal or informal procurement (and any Addenda thereto) identified in the Contracts Declarations and Execution Section that was issued to solicit the Bid Proposal leading to this Contract.

“Special Contract Attachments” means any attachment to this Contract.

“Special Terms” means the Section of the Contract entitled “Special Terms” that contains terms specific to this Contract, including but not limited to the Scope of Work and contract payment terms. If there is a conflict between the General Terms for Services Contracts and the Special Terms, the Special Terms shall prevail.

“Specifications” means all specifications, requirements, technical standards, performance standards, representations, and other criteria related to the Deliverables stated or expressed in this Contract, the Documentation, the Solicitation, and the Bid Proposal. Specifications shall include the Acceptance Criteria and any specifications, standards, or criteria stated or set forth in any applicable state, federal, foreign, and local laws, rules and regulations. The Specifications are incorporated into this Contract by reference as if fully set forth in this Contract.

“State” means the State of Iowa, the Agency, and all State of Iowa agencies, boards, and commissions, and when this Contract is available to political subdivisions, any political subdivisions of the State of Iowa.

2.2 Duration of Contract. The term of the Contract shall begin and end on the dates specified in the Contract Declarations and Execution Section, unless extended or terminated earlier in accordance with the termination provisions of this Contract. The Agency may, in its sole discretion, amend the end date of this Contract by exercising any applicable extension by giving the Contractor a written extension at least sixty (60) days prior to the expiration of the initial term or renewal term.

2.3 Scope of Work. The Contractor shall provide Deliverables that comply with and conform to the Specifications. Deliverables shall be performed within the boundaries of the United States.

2.4 Compensation.

2.4.1 Withholding Payments. In addition to pursuing any other remedy provided herein or by law, the Agency may withhold compensation or payments to the Contractor, in whole or in part, without penalty to the Agency or work stoppage by the Contractor, in the event the Agency determines that: (1) the Contractor has failed to perform any of its duties or obligations as set forth in this Contract; (2) any Deliverable has failed to meet or conform to any applicable Specifications or contains or is experiencing a Deficiency; or (3) the Contractor has failed to perform Close-Out Event(s). No interest shall accrue or be paid to the Contractor on any compensation or other amounts withheld or retained by the Agency under this Contract.

2.4.2 Erroneous Payments and Credits. The Contractor shall promptly repay or refund the full amount of any overpayment or erroneous payment within thirty (30) Business Days after either discovery by the Contractor or notification by the Agency of the overpayment or erroneous payment.

2.4.3 Offset Against Sums Owed by the Contractor. In the event that the Contractor owes the State any sum under the terms of this Contract, any other contract or agreement, pursuant to a judgment, or pursuant to any law, the State may, in its sole discretion, offset any such sum against: (1) any sum Invoiced by, or owed to, the Contractor under this Contract, or (2) any sum or amount owed by the State to the Contractor, unless otherwise required by law. The Contractor agrees that this provision constitutes proper and timely notice under any applicable laws governing offset.

2.5 Termination.

2.5.1 Termination for Cause by the Agency. The Agency may terminate this Contract upon written notice for the breach by the Contractor or any subcontractor of any material term, condition or provision of this Contract, if such breach is not cured within the time period specified in the Agency's notice of breach or any subsequent notice or correspondence delivered by the Agency to the Contractor, provided that cure is feasible. In addition, the Agency may terminate this Contract

effective immediately without penalty and without advance notice or opportunity to cure for any of the following reasons:

2.5.1.1 The Contractor furnished any statement, representation, warranty, or certification in connection with this Contract, the Solicitation, or the Bid Proposal that is false, deceptive, or materially incorrect or incomplete;

2.5.1.2 The Contractor or any of the Contractor's officers, directors, employees, agents, subsidiaries, affiliates, contractors or subcontractors has committed or engaged in fraud, misappropriation, embezzlement, malfeasance, misfeasance, or bad faith;

2.5.1.3 The Contractor or any parent or affiliate of the Contractor owning a controlling interest in the Contractor dissolves;

2.5.1.4 The Contractor terminates or suspends its business;

2.5.1.5 The Contractor's corporate existence or good standing in Iowa is suspended, terminated, revoked or forfeited, or any license or certification held by the Contractor related to the Contractor's performance under this Contract is suspended, terminated, revoked, or forfeited;

2.5.1.6 The Contractor has failed to comply with any applicable international, federal, state (including, but not limited to Iowa Code Chapter 8F), or local laws, rules, ordinances, regulations, or orders when performing within the scope of this Contract;

2.5.1.7 The Agency determines or believes the Contractor has engaged in conduct that: (1) has or may expose the Agency or the State to material liability; or (2) has caused or may cause a person's life, health, or safety to be jeopardized;

2.5.1.8 The Contractor infringes or allegedly infringes or violates any patent, trademark, copyright, trade dress, or any other intellectual property right or proprietary right, or the Contractor misappropriates or allegedly misappropriates a trade secret;

2.5.1.9 The Contractor fails to comply with any applicable confidentiality laws, privacy laws, or any provisions of this Contract pertaining to confidentiality or privacy; or

2.5.1.10 Any of the following has been engaged in by or occurred with respect to the Contractor or any corporation, shareholder or entity having or owning a controlling interest in the Contractor:

- Commencing or permitting a filing against it which is not discharged within ninety (90) days, of a case or other proceeding seeking liquidation, reorganization,

or other relief with respect to itself or its debts under any bankruptcy, insolvency, or other similar law now or hereafter in effect; or filing an answer admitting the material allegations of a petition filed against it in any involuntary case or other proceeding commenced against it seeking liquidation, reorganization, or other relief under any bankruptcy, insolvency, or other similar law now or hereafter in effect with respect to it or its debts; or consenting to any such relief or to the appointment of or taking possession by any such official in any voluntary case or other proceeding commenced against it seeking liquidation, reorganization, or other relief under any bankruptcy, insolvency, or other similar law now or hereafter in effect with respect to it or its debts;

- Seeking or suffering the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its assets;
- Making an assignment for the benefit of creditors;
- Failing, being unable, or admitting in writing the inability generally to pay its debts or obligations as they become due or failing to maintain a positive net worth and such additional capital and liquidity as is reasonably adequate or necessary in connection with the Contractor's performance of its obligations under this Contract; or
- Taking any action to authorize any of the foregoing.

2.5.2 Termination Upon Notice. Following a thirty (30) day written notice, the Agency may terminate this Contract in whole or in part without penalty and without incurring any further obligation to the Contractor. Termination can be for any reason or no reason at all.

2.5.3 Termination Due to Lack of Funds or Change in Law. Notwithstanding anything in this Contract to the contrary, and subject to the limitations set forth below, the Agency shall have the right to terminate this Contract without penalty and without any advance notice as a result of any of the following:

- 2.5.3.1** The legislature or governor fail in the sole opinion of the Agency to appropriate funds sufficient to allow the Agency to either meet its obligations under this Contract or to operate as required and to fulfill its obligations under this Contract; or
- 2.5.3.2** If funds are de-appropriated, reduced, not allocated, or receipt of funds is delayed, or if any funds or revenues needed by the Agency to make any payment hereunder are insufficient or unavailable for

any other reason as determined by the Agency in its sole discretion; or

2.5.3.3 If the Agency's authorization to conduct its business or engage in activities or operations related to the subject matter of this Contract is withdrawn or materially altered or modified; or

2.5.3.4 If the Agency's duties, programs or responsibilities are modified or materially altered; or

2.5.3.5 If there is a decision of any court, administrative law judge or an arbitration panel or any law, rule, regulation, or order is enacted, promulgated, or issued that materially or adversely affects the Agency's ability to fulfill any of its obligations under this Contract.

The Agency shall provide the Contractor with written notice of termination pursuant to this section.

2.5.4 Other remedies. The Agency's right to terminate this Contract shall be in addition to and not exclusive of other remedies available to the Agency, and the Agency shall be entitled to exercise any other rights and pursue any remedies, in law, at equity, or otherwise.

2.5.5 Limitation of the State's Payment

Obligations. In the event of termination of this Contract for any reason by either party (except for termination by the Agency pursuant to Section 2.5.1, *Termination for Cause by the Agency*) the Agency shall pay only those amounts, if any, due and owing to the Contractor hereunder for Deliverables actually and satisfactorily provided in accordance with the provisions of this Contract up to and including the date of termination of this Contract and for which the Agency is obligated to pay pursuant to this Contract; provided however, that in the event the Agency terminates this Contract pursuant to Section 2.5.3, *Termination Due to Lack of Funds or Change in Law*, the Agency's obligation to pay the Contractor such amounts and other compensation shall be limited by, and subject to, legally available funds. Payment will be made only upon submission of Invoices and proper proof of the Contractor's claim. Notwithstanding the foregoing, this section in no way limits the rights or remedies available to the Agency and shall not be construed to require the Agency to pay any compensation or other amounts hereunder in the event of the Contractor's breach of this Contract or any amounts withheld by the Agency in accordance with the terms of this Contract. The Agency shall not be liable, under any circumstances, for any of the following:

2.5.5.1 The payment of unemployment compensation to the Contractor's employees;

2.5.5.2 The payment of workers' compensation claims, which occur during the Contract or extend beyond the date on which the Contract terminates;

2.5.5.3 Any costs incurred by the Contractor in its performance of the Contract, including, but not limited to, startup costs, overhead, or other costs associated with the performance of the Contract;

2.5.5.4 Any damages or other amounts associated with the loss of prospective profits, anticipated sales, goodwill, or for expenditures, investments, or commitments made in connection with this Contract; or

2.5.5.5 Any taxes the Contractor may owe in connection with the performance of this Contract, including, but not limited to, sales taxes, excise taxes, use taxes, income taxes, or property taxes.

2.5.6 Contractor's Contract Close-Out Duties.

Upon receipt of notice of termination, at expiration of the Contract, or upon request of the Agency (hereafter, "Close-Out Event"), the Contractor shall:

2.5.6.1 Cease work under this Contract and take all necessary or appropriate steps to limit disbursements and minimize costs, and furnish a report within thirty (30) days of the Close-Out Event, describing the status of all work performed under the Contract and such other matters as the Agency may require.

2.5.6.2 Immediately cease using and return to the Agency any property or materials, whether tangible or intangible, provided by the Agency to the Contractor.

2.5.6.3 Cooperate in good faith with the Agency and its employees, agents, and independent contractors during the transition period between the Close-Out Event and the substitution of any replacement service provider.

2.5.6.4 Immediately return to the Agency any payments made by the Agency for Deliverables that were not rendered or provided by the Contractor.

2.5.6.5 Immediately deliver to the Agency any and all Deliverables for which the Agency has made payment (in whole or in part) that are in the possession or under the control of the Contractor or its agents or subcontractors in whatever stage of development and form of recordation such property is expressed or embodied at that time.

2.5.7 Termination for Cause by the Contractor.

The Contractor may only terminate this Contract for the breach by the Agency of any material term of this Contract, if such breach is not cured within sixty (60)

days of the Agency's receipt of the Contractor's written notice of breach.

2.6 Change Order Procedure. The Agency may at any time request a modification to the Scope of Work using a change order. The following procedures for a change order shall be followed:

2.6.1 Written Request. The Agency shall specify in writing the desired modifications to the same degree of specificity as in the original Scope of Work.

2.6.2 The Contractor's Response. The Contractor shall submit to the Agency a firm cost proposal for the requested change order within five (5) Business Days of receiving the change order request.

2.6.3 Acceptance of the Contractor Estimate. If the Agency accepts the cost proposal presented by the Contractor, the Contractor shall provide the modified Deliverable subject to the cost proposal included in the Contractor response. The Contractor's provision of the modified Deliverables shall be governed by the terms and conditions of this Contract.

2.6.4 Adjustment to Compensation. The parties acknowledge that a change order for this Contract may or may not entitle the Contractor to an equitable adjustment in the Contractor's compensation or the performance deadlines under this Contract.

2.7 Indemnification.

2.7.1 By the Contractor. The Contractor agrees to indemnify and hold harmless the State and its officers, appointed and elected officials, board and commission members, employees, volunteers, and agents (collectively the "Indemnified Parties"), from any and all costs, expenses, losses, claims, damages, liabilities, settlements, and judgments (including, without limitation, the reasonable value of the time spent by the Attorney General's Office,) and the costs, expenses, and attorneys' fees of other counsel retained by the Indemnified Parties directly or indirectly related to, resulting from, or arising out of this Contract, including but not limited to any claims related to, resulting from, or arising out of:

2.7.1.1 Any breach of this Contract;

2.7.1.2 Any negligent, intentional, or wrongful act or omission of the Contractor or any agent or subcontractor utilized or employed by the Contractor;

2.7.1.3 The Contractor's performance or attempted performance of this Contract, including any agent or subcontractor utilized or employed by the Contractor;

2.7.1.4 Any failure by the Contractor to make all reports, payments, and withholdings required by

federal and state law with respect to social security, employee income and other taxes, fees, or costs required by the Contractor to conduct business in the State of Iowa;

2.7.1.5 Any claim of misappropriation of a trade secret or infringement or violation of any intellectual property rights, proprietary rights, or personal rights of any third party, including any claim that any Deliverable or any use thereof (or the exercise of any rights with respect thereto) infringes, violates, or misappropriates any patent, copyright, trade secret, trademark, trade dress, mask work, utility design, or other intellectual property right or proprietary right of any third party.

2.8 Insurance.

2.8.1 Insurance Requirements. The Contractor, and any subcontractor, shall maintain in full force and effect, with insurance companies licensed by the State of Iowa, at the Contractor's expense, insurance covering its work during the entire term of this Contract, which includes any extensions or renewals thereof. The Contractor's insurance shall, among other things:

2.8.1.1 Be occurrence based and shall insure against any loss or damage resulting from or related to the Contractor's performance of this Contract regardless of the date the claim is filed or expiration of the policy.

2.8.1.2. Name the State of Iowa and the Agency as additional insureds or loss payees on the policies for all coverages required by this Contract, with the exception of Workers' Compensation, or the Contractor shall obtain an endorsement to the same effect; and

2.8.1.3 Provide a waiver of any subrogation rights that any of its insurance carriers might have against the State on the policies for all coverages required by this Contract, with the exception of Workers' Compensation.

The requirements set forth in this section shall be indicated on the certificates of insurance coverage supplied to the Agency.

2.8.2 Types and Amounts of Insurance Required. Unless otherwise requested by the Agency in writing, the Contractor shall cause to be issued insurance coverages insuring the Contractor and/or subcontractors against all general liabilities, product liability, personal injury, property damage, and (where applicable) professional liability in the amount specified in the Special Terms for each

occurrence. In addition, the Contractor shall ensure it has any necessary workers' compensation and employer liability insurance as required by Iowa law.

2.8.3 Certificates of Coverage. The Contractor shall submit certificates of the insurance, which indicate coverage and notice provisions as required by this Contract, to the Agency upon execution of this Contract. The Contractor shall maintain all insurance policies required by this Contract in full force and effect during the entire term of this Contract, which includes any extensions or renewals thereof, and shall not permit such policies to be canceled or amended except with the advance written approval of the Agency. The insurer shall state in the certificate that no cancellation of the insurance will be made without at least a thirty (30) day prior written notice to the Agency. The certificates shall be subject to approval by the Agency. Approval of the insurance certificates by the Agency shall not relieve the Contractor of any obligation under this Contract.

2.8.4 Notice of Claim. Contractor shall provide prompt notice to the Agency of any claim related to the contracted services made by a third party. If the claim matures to litigation, the Contractor shall keep the Agency regularly informed of the status of the lawsuit, including any substantive rulings. The Contractor shall confer directly with the Agency about and before any substantive settlement negotiations.

2.9 Ownership and Security of Agency Information.

2.9.1 Ownership and Disposition of Agency Information. Any information either supplied by the Agency to the Contractor, or collected by the Contractor on the Agency's behalf in the course of the performance of this Contract, shall be considered the property of the Agency ("Agency Information"). The Contractor will not use the Agency Information for any purpose other than providing services under the Contract, nor will any part of the information and records be disclosed, sold, assigned, leased, or otherwise provided to third parties or commercially exploited by or on behalf of the Contractor. The Agency shall own all Agency Information that may reside within the Contractor's hosting environment and/or equipment/media.

2.9.2 Foreign Hosting and Storage Prohibited. Agency Information shall be hosted and/or stored within the continental United States only.

2.9.3 Access to Agency Information that is Confidential Information. The Contractor's employees, agents, and subcontractors may have access to Agency Information that is Confidential Information to the extent necessary to carry out responsibilities under the Contract. Access to such Confidential Information shall comply with both the State's and the Agency's policies and procedures. In all instances, access to Agency Information from outside of the United States and its protectorates, either by the Contractor, including a foreign office or division of the Contractor or its affiliates or associates, or any subcontractor, is prohibited.

2.9.4 No Use or Disclosure of Confidential Information. Confidential Information collected, maintained, or used in the course of performance of the Contract shall only be used or disclosed by the Contractor as expressly authorized by law and only with the prior written consent of the Agency, either during the period of the Contract or thereafter. The Contractor shall immediately report to the Agency any unauthorized use or disclosure of Confidential Information. The Contractor may be held civilly or criminally liable for improper use or disclosure of Confidential Information.

2.9.5 Contractor Breach Notification Obligations. The Contractor agrees to comply with all applicable laws that require the notification of individuals in the event of unauthorized use or disclosure of Confidential Information or other event(s) requiring notification in accordance with applicable law. In the event of a breach of the Contractor's security obligations or other event requiring notification under applicable law, the Contractor agrees to follow Agency directives, which may include assuming responsibility for informing all such individuals in accordance with applicable laws, and to indemnify, hold harmless, and defend the State of Iowa against any claims, damages, or other harm related to such breach.

2.9.6 Compliance of Contractor Personnel. The Contractor and the Contractor's personnel shall comply with the Agency's and the State's security and personnel policies, procedures, and rules, including any procedure which the Agency's personnel, contractors, and consultants are normally asked to follow. The Contractor agrees to cooperate fully and to provide any assistance necessary to the Agency in the investigation of any security breaches that may involve the Contractor or the Contractor's personnel. All services shall be performed in

accordance with State Information Technology security standards and policies as well as Agency security protocols and procedures. By way of example only, see Iowa Code 8B.23, <http://secureonline.iowa.gov/links/index.html>, and <https://ocio.iowa.gov/home/standards>.

2.9.7 Subpoena. In the event that a subpoena or other legal process is served upon the Contractor for records containing Confidential Information, the Contractor shall promptly notify the Agency and cooperate with the Agency in any lawful effort to protect the Confidential Information.

2.9.8 Return and/or Destruction of Information. Upon expiration or termination of the Contract for any reason, the Contractor agrees to comply with all Agency directives regarding the return or destruction of all Agency Information and any derivative work. Delivery of returned Agency Information must be through a secured electronic transmission or by parcel service that utilizes tracking numbers. Such information must be provided in a format useable by the Agency. Following the Agency's verified receipt of the Agency Information and any derivative work, the Contractor agrees to physically and/or electronically destroy or erase all residual Agency Information regardless of format from the entire Contractor's technology resources and any other storage media. This includes, but is not limited to, all production copies, test copies, backup copies and/or printed copies of information created on any other servers or media and at all other Contractor sites. Any permitted destruction of Agency Information must occur in such a manner as to render the information incapable of being reconstructed or recovered. The Contractor will provide a record of information destruction to the Agency for inspection and records retention no later than thirty (30) days after destruction.

2.9.9 Contractor's Inability to Return and/or Destroy Information. If for any reason the Agency Information cannot be returned and/or destroyed upon expiration or termination of the Contract, the Contractor agrees to notify the Agency with an explanation as to the conditions which make return and/or destruction not possible or feasible. Upon mutual agreement by both parties that the return and/or destruction of the information is not possible or feasible, the Contractor shall make the Agency Information inaccessible. The Contractor shall not use or disclose such retained Agency Information for any purposes other than those expressly permitted by

the Agency. The Contractor shall provide to the Agency a detailed description as to the procedures and methods used to make the Agency Information inaccessible no later than thirty (30) days after making the information inaccessible. If the Agency provides written permission for the Contractor to retain the Agency Information in the Contractor's information systems, the Contractor will extend the protections of this Contract to such information and limit any further uses or disclosures of such information.

2.9.10 Contractors that are Business Associates. If the Contractor is the Agency's Business Associate, and there is a conflict between the Business Associate Agreement and this Section 2.9, the provisions in the Business Associate Agreement shall control.

2.10 Intellectual Property.

2.10.1 Ownership and Assignment of Other Deliverables. The Contractor agrees that the State and the Agency shall become the sole and exclusive owners of all Deliverables. The Contractor hereby irrevocably assigns, transfers and conveys to the State and the Agency all right, title and interest in and to all Deliverables and all intellectual property rights and proprietary rights arising out of, embodied in, or related to such Deliverables, including copyrights, patents, trademarks, trade secrets, trade dress, mask work, utility design, derivative works, and all other rights and interests therein or related thereto. The Contractor represents and warrants that the State and the Agency shall acquire good and clear title to all Deliverables, free from any claims, liens, security interests, encumbrances, intellectual property rights, proprietary rights, or other rights or interests of the Contractor or of any third party, including any employee, agent, contractor, subcontractor, subsidiary, or affiliate of the Contractor. The Contractor (and Contractor's employees, agents, contractors, subcontractors, subsidiaries and affiliates) shall not retain any property interests or other rights in and to the Deliverables and shall not use any Deliverables, in whole or in part, for any purpose, without the prior written consent of the Agency and the payment of such royalties or other compensation as the Agency deems appropriate. Unless otherwise requested by the Agency, upon completion or termination of this Contract, the Contractor will immediately turn over to the Agency all Deliverables not previously delivered to the

Agency, and no copies thereof shall be retained by the Contractor or its employees, agents, subcontractors, or affiliates, without the prior written consent of the Agency.

2.10.2 Waiver. To the extent any of the Contractor's rights in any Deliverables are not subject to assignment or transfer hereunder, including any moral rights and any rights of attribution and of integrity, the Contractor hereby irrevocably and unconditionally waives all such rights and enforcement thereof and agrees not to challenge the State's rights in and to the Deliverables.

2.10.3 Further Assurances. At the Agency's request, the Contractor will execute and deliver such instruments and take such other action as may be requested by the Agency to establish, perfect, or protect the State's rights in and to the Deliverables and to carry out the assignments, transfers and conveyances set forth in Section 2.10, *Intellectual Property*.

2.10.4 Publications. Prior to completion of all services required by this Contract, the Contractor shall not publish in any format any final or interim report, document, form, or other material developed as a result of this Contract without the express written consent of the Agency. Upon completion of all services required by this Contract, the Contractor may publish or use materials developed as a result of this Contract, subject to confidentiality restrictions, and only after the Agency has had an opportunity to review and comment upon the publication. Any such publication shall contain a statement that the work was done pursuant to a contract with the Agency and that it does not necessarily reflect the opinions, findings, and conclusions of the Agency.

2.10.5 Federal License. As this Contract is at least partially federally funded, the federal government reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use and to authorize others to use for federal government purposes, software and associated documentation designed, developed or installed in whole or in part with federal funds pursuant to this Contract.

2.11 Warranties.

2.11.1 Construction of Warranties Expressed in this Contract with Warranties Implied by Law. Warranties made by the Contractor in this Contract, whether: (1) this Contract specifically denominates the Contractor's promise as a warranty; or (2) the warranty is created by the Contractor's affirmation or

promise, by a description of the Deliverables to be provided, or by provision of samples to the Agency, shall not be construed as limiting or negating any warranty provided by law, including without limitation, warranties that arise through the course of dealing or usage of trade. The warranties expressed in this Contract are intended to modify the warranties implied by law only to the extent that they expand the warranties applicable to the Deliverables provided by the Contractor. With the exception of Subsection 2.11.3, the provisions of this section apply during the Warranty Period as defined in the Contract Declarations and Execution Section.

2.11.2 Contractor represents and warrants that:

2.11.2.1 All Deliverables shall be wholly original with and prepared solely by the Contractor; or it owns, possesses, holds, and has received or secured all rights, permits, permissions, licenses, and authority necessary to provide the Deliverables to the Agency hereunder and to assign, grant and convey the rights, benefits, licenses, and other rights assigned, granted, or conveyed to the Agency hereunder or under any license agreement related hereto without violating any rights of any third party;

2.11.2.2 The Contractor has not previously and will not grant any rights in any Deliverables to any third party that are inconsistent with the rights granted to the Agency herein; and

2.11.2.3 The Agency shall peacefully and quietly have, hold, possess, use, and enjoy the Deliverables without suit, disruption, or interruption.

2.11.3 The Contractor represents and warrants that:

2.11.3.1 The Deliverables (and all intellectual property rights and proprietary rights arising out of, embodied in, or related to such Deliverables); and

2.11.3.2 The Agency's use of, and exercise of any rights with respect to, the Deliverables (and all intellectual property rights and proprietary rights arising out of, embodied in, or related to such Deliverables), do not and will not, under any circumstances, misappropriate a trade secret or infringe upon or violate any copyright, patent, trademark, trade dress or other intellectual property right, proprietary right or personal right of any third party. The Contractor further represents and warrants there is no pending or threatened claim, litigation, or action that is based on a claim of infringement or violation of an intellectual property right, proprietary right or personal right or misappropriation of a trade secret related to the Deliverables. The Contractor

shall inform the Agency in writing immediately upon becoming aware of any actual, potential, or threatened claim of or cause of action for infringement or violation or an intellectual property right, proprietary right, or personal right or misappropriation of a trade secret. If such a claim or cause of action arises or is likely to arise, then the Contractor shall, at the Agency's request and at the Contractor's sole expense:

- Procure for the Agency the right or license to continue to use the Deliverable at issue;
- Replace such Deliverable with a functionally equivalent or superior Deliverable free of any such infringement, violation, or misappropriation;
- Modify or replace the affected portion of the Deliverable with a functionally equivalent or superior Deliverable free of any such infringement, violation, or misappropriation; or
- Accept the return of the Deliverable at issue and refund to the Agency all fees, charges, and any other amounts paid by the Agency with respect to such Deliverable. In addition, the Contractor agrees to indemnify, defend, protect, and hold harmless the State and its officers, directors, employees, officials, and agents as provided in the Indemnification Section of this Contract, including for any breach of the representations and warranties made by the Contractor in this section.

The warranty provided in this Section 2.11.3 shall be perpetual, shall not be subject to the contractual Warranty Period, and shall survive termination of this Contract. The foregoing remedies provided in this subsection shall be in addition to and not exclusive of other remedies available to the Agency and shall survive termination of this Contract.

2.11.4 The Contractor represents and warrants that the Deliverables shall:

2.11.4.1 Be free from material Deficiencies; and

2.11.4.2 Meet, conform to, and operate in accordance with all Specifications and in accordance with this Contract during the Warranty Period, as defined in the Contract Declarations and Execution Section. During the Warranty Period the Contractor shall, at its expense, repair, correct or replace any Deliverable that contains or experiences material Deficiencies or fails to meet, conform to or operate in accordance with Specifications within five (5) Business Days of receiving notice of such Deficiencies or failures from the Agency or within such other period as the Agency specifies in the notice. In the event the Contractor is

unable to repair, correct, or replace such Deliverable to the Agency's satisfaction, the Contractor shall refund the fees or other amounts paid for the Deliverables and for any services related thereto. The foregoing shall not constitute an exclusive remedy under this Contract, and the Agency shall be entitled to pursue any other available contractual, legal, or equitable remedies. The Contractor shall be available at all reasonable times to assist the Agency with questions, problems, and concerns about the Deliverables, to inform the Agency promptly of any known Deficiencies in any Deliverables, repair and correct any Deliverables not performing in accordance with the warranties contained in this Contract, notwithstanding that such Deliverables may have been accepted by the Agency, and provide the Agency with all necessary materials with respect to such repaired or corrected Deliverable.

2.11.5 The Contractor represents, warrants and covenants that all services to be performed under this Contract shall be performed in a professional, competent, diligent, and workmanlike manner by knowledgeable, trained, and qualified personnel, all in accordance with the terms and Specifications of this Contract and the standards of performance considered generally acceptable in the industry for similar tasks and projects. In the absence of a Specification for the performance of any portion of this Contract, the parties agree that the applicable Specification shall be the generally accepted industry standard. So long as the Agency notifies the Contractor of any services performed in violation of this standard, the Contractor shall re-perform the services at no cost to the Agency, such that the services are rendered in the above-specified manner, or if the Contractor is unable to perform the services as warranted, the Contractor shall reimburse the Agency any fees or compensation paid to the Contractor for the unsatisfactory services.

2.11.6 The Contractor represents and warrants that the Deliverables will comply with all Applicable Law.

2.11.7 Obligations Owed to Third Parties. The Contractor represents and warrants that all obligations owed to third parties with respect to the activities contemplated to be undertaken by the Contractor pursuant to this Contract are or will be fully satisfied by the Contractor so that the Agency will not have any obligations with respect thereto.

2.12 Acceptance of Deliverables.

2.12.1 Acceptance of Written Deliverables. For the purposes of this section, written Deliverables means documents including, but not limited to project plans, planning documents, reports, or instructional materials ("Written Deliverables"). Although the Agency determines what Written Deliverables are subject to formal Acceptance, this section generally does not apply to routine progress or financial reports. Absent more specific Acceptance Criteria in the Special Terms, following delivery of any Written Deliverable pursuant to the Contract, the Agency will notify the Contractor whether or not the Deliverable meets contractual specifications and requirements. Written Deliverables shall not be considered accepted by the Agency, nor does the Agency have an obligation to pay for such Deliverables, unless and until the Agency has notified the Contractor of the Agency's Final Acceptance of the Written Deliverables. In all cases, any statements included in such Written Deliverables that alter or conflict with any contractual requirements shall in no way be considered as changing the contractual requirements unless and until the parties formally amend the Contract.

2.12.2 Acceptance of Software Deliverables. Except as otherwise specified in the Scope of Work, all Deliverables pertaining to software and related hardware components ("Software Deliverables") shall be subject to the Agency's Acceptance Testing and Acceptance, unless otherwise specified in the Scope of Work. Upon completion of all work to be performed by the Contractor with respect to any Software Deliverable, the Contractor shall deliver a written notice to the Agency certifying that the Software Deliverable meets and conforms to applicable Specifications and is ready for the Agency to conduct Acceptance Testing; provided, however, that the Contractor shall pretest the Software Deliverable to determine that it meets and operates in accordance with applicable Specifications prior to delivering such notice to the Agency. At the Agency's request, the Contractor shall assist the Agency in performing Acceptance Tests at no additional cost to the Agency. Within a reasonable period of time after the Agency has completed its Acceptance Testing, the Agency shall provide the Contractor with written notice of Acceptance or Non-acceptance with respect to each Software Deliverable that was evaluated during such Acceptance Testing. In the event the Agency provides notice of Non-

acceptance to the Contractor with respect to any Software Deliverable, the Contractor shall correct and repair such Software Deliverable and submit it to the Agency within ten (10) days of the Contractor's receipt of notice of Non-acceptance so that the Agency may re-conduct its Acceptance Tests. In the event the Agency determines, after re-conducting its Acceptance Tests with respect to any Software Deliverable that the Contractor has attempted to correct or repair pursuant to this section, that such Software Deliverable fails to satisfy its Acceptance Tests, then the Agency shall have the continuing right, at its sole option, to: (1) require the Contractor to correct and repair such Software Deliverable within such period of time as the Agency may specify in a written notice to the Contractor; (2) refuse to accept such Software Deliverable without penalty and without any obligation to pay any fees or other amounts associated with such Software Deliverable (or receive a refund of any fees or amounts already paid with respect to such Software Deliverable); (3) accept such Software Deliverable on the condition that any fees or other amounts payable with respect thereto shall be reduced or discounted to reflect, to the Agency's satisfaction, the Deficiencies present therein and any reduced value or functionality of such Software Deliverable or the costs likely to be incurred by the Agency to correct such Deficiencies; or (4) terminate this Contract and/or seek any and all available remedies, including damages. Notwithstanding the provisions of Section 2.5.1, *Termination for Cause by the Agency*, of this Contract, the Agency may terminate this Contract pursuant to this section without providing the Contractor with any notice or opportunity to cure provided for in the termination provisions of this Contract. The Agency's right to exercise the foregoing rights and remedies, including termination of this Contract, shall remain in effect until Acceptance Tests are successfully completed to the Agency's satisfaction and the Agency has provided the Contractor with written notice of Final Acceptance.

2.12.3 Notice of Acceptance and Future Deficiencies. The Contractor's receipt of any notice of Acceptance, including Final Acceptance, with respect to any Deliverable shall not be construed as a waiver of any of the Agency's rights to enforce the terms of this Contract or require performance in the event the Contractor breaches this Contract or any

Deficiency is later discovered with respect to such Deliverable.

2.13 Contract Administration.

2.13.1 Independent Contractor. The status of the Contractor shall be that of an independent contractor. The Contractor, its employees, agents, and any subcontractors performing under this Contract are not employees or agents of the State or any agency, division, or department of the State simply by virtue of work performed pursuant to this Contract. Neither the Contractor nor its employees shall be considered employees of the Agency or the State for federal or state tax purposes simply by virtue of work performed pursuant to this Contract. The Agency will not withhold taxes on behalf of the Contractor (unless required by law).

2.13.2 Incorporation of Documents. To the extent this Contract arises out of a Solicitation, the parties acknowledge that the Contract consists of these contract terms and conditions as well as the Solicitation and the Bid Proposal. The Solicitation and the Bid Proposal are incorporated into the Contract by reference. If the Contractor proposed exceptions or modifications to the Sample Contract attached to the Solicitation or to the Solicitation itself, these proposed exceptions or modifications shall not be incorporated into this Contract unless expressly set forth herein. If there is a conflict between the Contract, the Solicitation, and the Bid Proposal, the conflict shall be resolved according to the following priority, ranked in descending order: (1) the Contract; (2) the Solicitation; (3) the Bid Proposal.

2.13.3 Intent of References to Bid Documents. To the extent this Contract arises out of a Solicitation, the references to the parties' obligations, which are contained in this Contract, are intended to supplement or clarify the obligations as stated in the Solicitation and the Bid Proposal. The failure of the parties to make reference to the terms of the Solicitation or the Bid Proposal in this Contract shall not be construed as creating a conflict and will not relieve the Contractor of the contractual obligations imposed by the terms of the Solicitation and the Contractor's Bid Proposal. Terms offered in the Bid Proposal, which exceed the requirements of the Solicitation, shall not be construed as creating an inconsistency or conflict with the Solicitation or the Contract. The contractual obligations of the Agency are expressly stated in this document. The Bid

Proposal does not create any express or implied obligations of the Agency.

2.13.4 Compliance with the Law. The Contractor, its employees, agents, and subcontractors shall comply at all times with all Applicable Law. All such Applicable Law is incorporated into this Contract as of the effective date of the Applicable Law. The Contractor and Agency expressly reject any proposition that future changes to Applicable Law are inapplicable to this Contract and the Contractor's provision of Deliverables and/or performance in accordance with this Contract. When providing Deliverables pursuant to this Contract the Contractor, its employees, agents, and subcontractors shall comply with all Applicable Law.

2.13.4.1 The Contractor, its employees, agents, and subcontractors shall not engage in discriminatory employment practices which are forbidden by Applicable Law. Upon the State's written request, the Contractor shall submit to the State a copy of its affirmative action plan, containing goals and time specifications, and non-discrimination and accessibility plans and policies regarding services to clients as required under 11 Iowa Admin. Code chapter 121.

2.13.4.2 In the event the Contractor contracts with third parties for the performance of any of the Contractor obligations under this Contract as set forth in Section 2.13.9, the Contractor shall take such steps as necessary to ensure such third parties are bound by the terms and conditions contained in this Section 2.13.4.

2.13.4.3 Notwithstanding anything in this Contract to the contrary, the Contractor's failure to fulfill any requirement set forth in this Section 2.13.4 shall be regarded as a material breach of this Contract and the State may cancel, terminate, or suspend in whole or in part this Contract. The State may further declare the Contractor ineligible for future state contracts in accordance with authorized procedures or the Contractor may be subject to other sanctions as provided by law or rule.

2.13.4.4 The Contractor, its employees, agents, and subcontractors shall also comply with all Applicable Law regarding business permits and licenses that may be required to carry out the work performed under this Contract.

2.13.4.5 If all or a portion of the funding used to pay for the Deliverables is being provided through a grant from the Federal Government, the Contractor acknowledges and agrees that pursuant to applicable

federal laws, regulations, circulars, and bulletins, the awarding agency of the Federal Government reserves certain rights including, without limitation, a royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for Federal Government purposes, the Deliverables developed under this Contract and the copyright in and to such Deliverables.

2.13.5 Procurement. The Contractor shall use procurement procedures that comply with all applicable federal, state, and local laws and regulations.

2.13.6 Non-Exclusive Rights. This Contract is not exclusive. The Agency reserves the right to select other contractors to provide Deliverables similar or identical to those described in the Scope of Work during the entire term of this Contract, which includes any extensions or renewals thereof.

2.13.7 Amendments. This Contract may only be amended by mutual written consent of the parties, with the exception of (1) the Contract end date, which may be extended under the Agency's sole discretion, and (2) the Business Associate Agreement, which may be modified or replaced on notice pursuant to Section 1.5, *Business Associate Agreement*. Amendments shall be executed on a form approved by the Agency that expressly states the intent of the parties to amend this Contract. This Contract shall not be amended in any way by use of terms and conditions in an Invoice or other ancillary transactional document. To the extent that language in a transactional document conflicts with the terms of this Contract, the terms of this Contract shall control.

2.13.8 No Third Party Beneficiaries. There are no third party beneficiaries to this Contract. This Contract is intended only to benefit the State and the Contractor.

2.13.9 Use of Third Parties. The Agency acknowledges that the Contractor may contract with third parties for the performance of any of the Contractor's obligations under this Contract. The Contractor shall notify the Agency in writing of all subcontracts relating to Deliverables to be provided under this Contract prior to the time the subcontract(s) become effective. The Agency reserves the right to review and approve all subcontracts. The Contractor may enter into these contracts to complete the project provided that the Contractor remains responsible for all Deliverables provided under this Contract. All restrictions,

obligations, and responsibilities of the Contractor under this Contract shall also apply to the subcontractors and the Contractor shall include in all of its subcontracts a clause that so states. The Agency shall have the right to request the removal of a subcontractor from the Contract for good cause.

2.13.10 Choice of Law and Forum. The laws of the State of Iowa shall govern and determine all matters arising out of or in connection with this Contract without regard to the conflict of law provisions of Iowa law. Any and all litigation commenced in connection with this Contract shall be brought and maintained solely in Polk County District Court for the State of Iowa, Des Moines, Iowa, or in the United States District Court for the Southern District of Iowa, Central Division, Des Moines, Iowa, wherever jurisdiction is appropriate. This provision shall not be construed as waiving any immunity to suit or liability including without limitation sovereign immunity in State or Federal court, which may be available to the Agency or the State of Iowa.

2.13.11 Assignment and Delegation. The Contractor may not assign, transfer, or convey in whole or in part this Contract without the prior written consent of the Agency. For the purpose of construing this clause, a transfer of a controlling interest in the Contractor shall be considered an assignment. The Contractor may not delegate any of its obligations or duties under this Contract without the prior written consent of the Agency. The Contractor may not assign, pledge as collateral, grant a security interest in, create a lien against, or otherwise encumber any payments that may or will be made to the Contractor under this Contract.

2.13.12 Integration. This Contract represents the entire Contract between the parties. The parties shall not rely on any representation that may have been made which is not included in this Contract.

2.13.13 No Drafter. No party to this Contract shall be considered the drafter of this Contract for the purpose of any statute, case law, or rule of construction that would or might cause any provision to be construed against the drafter.

2.13.14 Headings or Captions. The paragraph headings or captions used in this Contract are for identification purposes only and do not limit or construe the contents of the paragraphs.

2.13.15 Not a Joint Venture. Nothing in this Contract shall be construed as creating or constituting the relationship of a partnership, joint venture, (or other association of any kind or agent and principal

relationship) between the parties hereto. No party, unless otherwise specifically provided for herein, has the authority to enter into any contract or create an obligation or liability on behalf of, in the name of, or binding upon another party to this Contract.

2.13.16 Joint and Several Liability. If the Contractor is a joint entity, consisting of more than one individual, partnership, corporation, or other business organization, all such entities shall be jointly and severally liable for carrying out the activities and obligations of this Contract, for any default of activities and obligations, and for any fiscal liabilities.

2.13.17 Supersedes Former Contracts or Agreements. This Contract supersedes all prior contracts or agreements between the Agency and the Contractor for the Deliverables to be provided in connection with this Contract.

2.13.18 Waiver. Except as specifically provided for in a waiver signed by duly authorized representatives of the Agency and the Contractor, failure by either party at any time to require performance by the other party or to claim a breach of any provision of the Contract shall not be construed as affecting any subsequent right to require performance or to claim a breach.

2.13.19 Notice. With the exception of the Business Associate Agreement, as set forth in Section 1.5, *Business Associate Agreement*, any notices required by the Contract shall be given in writing by registered or certified mail, return receipt requested, by receipted hand delivery, by Federal Express, courier or other similar and reliable carrier which shall be addressed to each party's Contract Manager as set forth in the Contract Declarations and Execution Section. From time to time, the parties may change the name and address of a party designated to receive notice. Such change of the designated person shall be in writing to the other party.

Each such notice shall be deemed to have been provided:

- At the time it is actually received in the case of hand delivery;
- Within one (1) day in the case of overnight delivery, courier or services such as Federal Express with guaranteed next-day delivery; or
- Within five (5) days after it is deposited in the U.S. Mail.

2.13.20 Cumulative Rights. The various rights, powers, options, elections, and remedies of any party provided in this Contract, shall be construed as

cumulative and not one of them is exclusive of the others or exclusive of any rights, remedies or priorities allowed either party by law, and shall in no way affect or impair the right of any party to pursue any other equitable or legal remedy to which any party may be entitled.

2.13.21 Severability. If any provision of this Contract is determined by a court of competent jurisdiction to be invalid or unenforceable, such determination shall not affect the validity or enforceability of any other part or provision of this Contract.

2.13.22 Time is of the Essence. Time is of the essence with respect to the Contractor's performance of the terms of this Contract. The Contractor shall ensure that all personnel providing Deliverables to the Agency are responsive to the Agency's requirements and requests in all respects.

2.13.23 Authorization. The Contractor represents and warrants that:

2.13.23.1 It has the right, power, and authority to enter into and perform its obligations under this Contract.

2.13.23.2 It has taken all requisite action (corporate, statutory, or otherwise) to approve execution, delivery, and performance of this Contract and this Contract constitutes a legal, valid, and binding obligation upon itself in accordance with its terms.

2.13.24 Successors in Interest. All the terms, provisions, and conditions of the Contract shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, and legal representatives.

2.13.25 Records Retention and Access.

2.13.25.1 Financial Records. The Contractor shall maintain accurate, current, and complete records of the financial activity of this Contract which sufficiently and properly document and calculate all charges billed to the Agency during the entire term of this Contract, which includes any extensions or renewals thereof, and for a period of at least seven (7) years following the date of final payment or completion of any required audit (whichever is later). If any litigation, claim, negotiation, audit, or other action involving the records has been started before the expiration of the seven (7) year period, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular seven (7) year period, whichever is later. The Contractor shall permit the Agency, the Auditor of the State of Iowa or any other

authorized representative of the State and where federal funds are involved, the Comptroller General of the United States or any other authorized representative of the United States government, to access and examine, audit, excerpt and transcribe any directly pertinent books, documents, papers, electronic or optically stored and created records, or other records of the Contractor relating to orders, Invoices or payments, or any other Documentation or materials pertaining to this Contract, wherever such records may be located. The Contractor shall not impose a charge for audit or examination of the Contractor's books and records. Based on the audit findings, the Agency reserves the right to address the Contractor's board or other managing entity regarding performance and expenditures. When state or federal law or the terms of this Contract require compliance with the OMNI Circular, or other similar provision addressing proper use of government funds, the Contractor shall comply with these additional records retention and access requirements:

2.13.25.1.1 Records of financial activity shall include records that adequately identify the source and application of funds. When the terms of this Contract require matching funds, cash contributions made by the Contractor and third-party in-kind (property or service) contributions, these funds must be verifiable from the Contractor's records. These records must contain information pertaining to contract amount, obligations, unobligated balances, assets, liabilities, expenditures, income, and third-party reimbursements.

2.13.25.1.2 The Contractor shall maintain accounting records supported by source documentation that may include but are not limited to cancelled checks, paid bills, payroll, time and attendance records, and contract award documents.

2.13.25.1.3 The Contractor, in maintaining project expenditure accounts, records and reports, shall make any necessary adjustments to reflect refunds, credits, underpayments or overpayments, as well as any adjustments resulting from administrative or compliance reviews and audits. Such adjustments shall be set forth in the financial reports filed with the Agency.

2.13.25.1.4 The Contractor shall maintain a sufficient record keeping system to provide the necessary data for the purposes of planning, monitoring, and evaluating its program.

2.13.25.2 The Contractor shall retain all non-medical and medical client records for a period of seven (7)

years from the last date of service for each patient; or in the case of a minor patient or client, for a period consistent with that established by Iowa Code § 614.1(9), whichever is greater.

2.13.26 Audits. Local governments and non-profit subrecipient entities that expend \$750,000 or more in a year in federal awards (from all sources) shall have a single audit conducted for that year in accordance with the provisions of the OMNI Circular, OMB Uniform Guidance: Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 C.F.R. 200. A copy of the final audit report shall be submitted to the Agency if either the schedule of findings and questioned costs or the summary schedule of prior audit findings includes any audit findings related to federal awards provided by the Agency. If an audit report is not required to be submitted per the criteria above, the subrecipient must provide written notification to the Agency that the audit was conducted in accordance with Government Auditing Standards and that neither the schedule of findings and questioned costs nor the summary schedule of prior audit findings includes any audit findings related to federal awards provided by the Agency. See the OMNI Circular, Section 200.330, Subrecipient and Contractor Determinations for a discussion of subrecipient versus contractor (vendor) relationships. The Contractor shall provide the Agency with a copy of any written audit findings or reports, whether in draft or final form, within two (2) Business Days following receipt by the Contractor. The requirements of this paragraph shall apply to the Contractor as well as any subcontractors.

2.13.27 Reimbursement of Audit Costs. If the Auditor of the State of Iowa notifies the Agency of an issue or finding involving the Contractor's noncompliance with laws, rules, regulations, and/or contractual agreements governing the funds distributed under this Contract, the Contractor shall bear the cost of the Auditor's review and any subsequent assistance provided by the Auditor to determine compliance. The Contractor shall reimburse the Agency for any costs the Agency pays to the Auditor for such review or audit.

2.13.28 Staff Qualifications and Background Checks. The Contractor shall be responsible for assuring that all persons, whether they are employees, agents, subcontractors, or anyone acting for or on behalf of the Contractor, are properly licensed, certified, or accredited as required under applicable state law and the Iowa Administrative Code. The

Contractor shall provide standards for service providers who are not otherwise licensed, certified, or accredited under state law or the Iowa Administrative Code.

The Agency reserves the right to conduct and/or request the disclosure of criminal history and other background investigation of the Contractor, its officers, directors, shareholders, and the Contractor's staff, agents, or subcontractors retained by the Contractor for the performance of Contract services.

2.13.29 Solicitation. The Contractor represents and warrants that no person or selling agency has been employed or retained to solicit and secure this Contract upon an agreement or understanding for commission, percentage, brokerage, or contingency excepting bona fide employees or selling agents maintained for the purpose of securing business.

2.13.30 Obligations Beyond Contract Term. All obligations of the Agency and the Contractor incurred or existing under this Contract as of the date of expiration or termination will survive the expiration or termination of this Contract. Contract sections that survive include, but are not necessarily limited to, the following: (1) Section 2.4.2, *Erroneous Payments and Credits*; (2) Section 2.5.5, *Limitation of the State's Payment Obligations*; (3) Section 2.5.6, *Contractor's Contract Close-Out Duties*; (4) Section 2.7, *Indemnification*, and all subparts thereof; (5) Section 2.9, *Ownership and Security of Agency Information*, and all subparts thereof; (6) Section 2.10, *Intellectual Property*, and all subparts thereof; (7) Section 2.13.10, *Choice of Law and Forum*; (8) Section 2.13.16, *Joint and Several Liability*; (9) Section 2.13.20, *Cumulative Rights*; (10) Section 2.13.24 *Successors In Interest*; (11) Section 2.13.25, *Records Retention and Access*, and all subparts thereof; (12) Section 2.13.26, *Audits*; (13) Section 2.13.27, *Reimbursement of Audit Costs*; (14) Section 2.13.35, *Repayment Obligation*; and (15) Section 2.13.39, *Use of Name or Intellectual Property*.

2.13.31 Counterparts. The parties agree that this Contract has been or may be executed in several counterparts, each of which shall be deemed an original and all such counterparts shall together constitute one and the same instrument.

2.13.32 Delays or Potential Delays of Performance. Whenever the Contractor encounters any difficulty which is delaying or threatens to delay the timely performance of this Contract, including but not limited to potential labor disputes, the Contractor

shall immediately give notice thereof in writing to the Agency with all relevant information with respect thereto. Such notice shall not in any way constitute a basis for an extension of the delivery schedule or be construed as a waiver by the Agency or the State of any rights or remedies to which either is entitled by law or pursuant to provisions of this Contract.

Failure to give such notice, however, may be grounds for denial of any request for an extension of the delivery schedule because of such delay.

Furthermore, the Contractor will not be excused from failure to perform that is due to a Force Majeure unless and until the Contractor provides notice pursuant to this provision.

2.13.33 Delays or Impossibility of Performance Based on a Force Majeure. Neither party shall be in default under the Contract if performance is prevented, delayed, or made impossible to the extent that such prevention, delay, or impossibility is caused by a Force Majeure. If a delay results from a subcontractor's conduct, negligence or failure to perform, the Contractor shall not be excused from compliance with the terms and obligations of the Contract unless the subcontractor or supplier is prevented from timely performance by a Force Majeure as defined in this Contract.

If a Force Majeure delays or prevents the Contractor's performance, the Contractor shall immediately use its best efforts to directly provide alternate, and to the extent possible, comparable performance. Comparability of performance and the possibility of comparable performance shall be determined solely by the Agency.

The party seeking to exercise this provision and not perform or delay performance pursuant to a Force Majeure shall immediately notify the other party of the occurrence and reason for the delay. The parties shall make every effort to minimize the time of nonperformance and the scope of work not being performed due to the unforeseen events. Dates by which performance obligations are scheduled to be met will be extended only for a period of time equal to the time lost due to any delay so caused.

2.13.34 Right to Address the Board of Directors or Other Managing Entity. The Agency reserves the right to address the Contractor's board of directors or other managing entity of the Contractor regarding performance, expenditures, and any other issue the Agency deems appropriate.

2.13.35 Repayment Obligation. In the event that any State and/or federal funds are deferred and/or

disallowed as a result of any audits or expended in violation of the laws applicable to the expenditure of such funds, the Contractor shall be liable to the Agency for the full amount of any claim disallowed and for all related penalties incurred. The requirements of this paragraph shall apply to the Contractor as well as any subcontractors.

2.13.36 Reporting Requirements. If this Contract permits other State agencies and political subdivisions to make purchases off of the Contract, the Contractor shall keep a record of the purchases made pursuant to the Contract and shall submit a report to the Agency on a quarterly basis. The report shall identify all of the State agencies and political subdivisions making purchases off of this Contract and the quantities purchased pursuant to the Contract during the reporting period.

2.13.37 Immunity from Liability. Every person who is a party to the Contract is hereby notified and agrees that the State, the Agency, and all of their employees, agents, successors, and assigns are immune from liability and suit for or from the Contractor's and/or subcontractors' activities involving third parties and arising from the Contract.

2.13.38 Public Records. The laws of the State require procurement and contract records to be made public unless otherwise provided by law.

2.13.39 Use of Name or Intellectual Property. The Contractor agrees it will not use the Agency and/or State's name or any of their intellectual property, including but not limited to, any State, state agency, board or commission trademarks or logos in any manner, including commercial advertising or as a business reference, without the expressed prior written consent of the Agency and/or the State.

2.13.40 Taxes. The State is exempt from Federal excise taxes, and no payment will be made for any taxes levied on the Contractor's employees' wages. The State is exempt from State and local sales and use taxes on the Deliverables.

2.13.41 No Minimums Guaranteed. The Contract does not guarantee any minimum level of purchases or any minimum amount of compensation.

2.14 Contract Certifications. The Contractor will fully comply with obligations herein. If any conditions within these certifications change, the Contractor will provide written notice to the Agency within twenty-four (24) hours from the date of discovery.

2.14.1 Certification of Compliance with Pro-Children Act of 1994. The Contractor must comply with Public Law 103-227, Part C Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act). This Act requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the Deliverables are funded by federal programs either directly or through State or local governments. Federal programs include grants, cooperative agreements, loans or loan guarantees, and contracts. 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 (other than clinics) where Women, Infants, and Children (WIC) coupons are redeemed.

The Contractor further agrees that the above language will be included in any subawards that contain provisions for children's services and that all subgrantees shall certify compliance accordingly. Failure to comply with the provisions of this law may result in the imposition of a civil monetary penalty of up to \$1,000.00 per day.

2.14.2 Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transactions

By signing this Contract, the Contractor is providing the certification set out below:

2.14.2.1 The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the Contractor knowingly rendered an erroneous certification, in addition to other remedies available to the federal government, the Agency or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

2.14.2.2 The Contractor shall provide immediate written notice to the Agency if at any time the Contractor learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.

2.14.2.3 The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction,

participant, person, primary covered transaction, principle, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. Contact the Agency for assistance in obtaining a copy of those regulations.

2.14.2.4 The Contractor agrees by signing this Contract that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the Agency or agency with which this transaction originated.

2.14.2.5 The Contractor further agrees by signing this Contract that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

2.14.2.6 A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. A participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.

2.14.2.7 Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

2.14.2.8 Except for transactions authorized under Section 2.14.2.4 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the federal

government, the Agency or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

2.14.2.9 The Contractor certifies, by signing this Contract, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.

Where the Contractor is unable to certify to any of the statements in this certification, such Contractor shall attach an explanation to this Contract.

2.14.3 Restriction on Lobbying.

This section is applicable to all federally-funded contracts.

Title 45 of the Code of Federal Regulations, Part 93 sets conditions on the use of Federal funds supporting this Contract. The Contractor shall comply with all requirements of CFR Part 93 which is incorporated herein as if fully set forth. No appropriated funds supporting this Contract may be expended by the Contractor for payment of any person for influencing or attempting to influence an employee of the agency (as defined in 5 U.S.C.552(f)), a member of Congress in connection with the award of this Contract, the making of any federal funding grant award connected to this Contract, the making of any Federal loan connected to this Contract, the entering into any cooperative agreement connected to this Contract, and the extension, continuation, or modification of this Contract.

2.14.3.1 The Contractor shall file with the Agency a certification form, set forth in Appendix A of 45 CFR Part 93, certifying the Contractor, including any subcontractor(s) at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) have not made, and will not make, any payment prohibited under 45 CFR § 93.100.

2.14.3.2 The Contractor shall file with the Agency a disclosure form, set forth in Appendix B of 45 CFR Part 93, in the event the Contractor or subcontractor(s) at any tier (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) has made or has agreed to make any payment using non-appropriated funds, including profits from any covered Federal action, which would be prohibited under 45 CFR §93.100 if paid for with appropriated funds. All disclosure forms shall be forwarded from tier to tier until

received by the Contractor and shall be treated as a material representation of fact upon which all receiving tiers shall rely.

2.14.3.3 The Contractor shall file with the Agency subsequent disclosure forms at the end of each calendar quarter in which there occurs any event that requires disclosure or materially affects the accuracy of the information contained in any disclosure form previously filed. Such events include:

2.14.3.3.1 A cumulative increase of \$25,000 or more in the amount paid or expected to be paid to influence a covered Federal action;

2.14.3.3.2 A change in the person(s) or individual(s) influencing or attempting to influence a covered Federal action; and

2.14.3.3.3 A change in the officer(s), employee(s), or Member(s) contacted to influence or attempt to influence a covered Federal action.

2.14.3.4 The Contractor may be subject to civil penalties if the Contractor fails to comply with the requirements of 45 CFR Part 93. An imposition of a civil penalty does not prevent the Agency from taking appropriate enforcement actions which may include, but not necessarily be limited to, termination of the Contract.

2.14.4 Certification Regarding Drug Free Workplace

2.14.4.1 Requirements for Contractors Who are Not Individuals. If the Contractor is not an individual, the Contractor agrees to provide a drug-free workplace by:

2.14.4.1.1 Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition;

2.14.4.1.2 Establishing a drug-free awareness program to inform employees about:

- The dangers of drug abuse in the workplace;
- The Contractor's policy of maintaining a drug-free workplace;
- Any available drug counseling, rehabilitation, and employee assistance programs; and
- The penalties that may be imposed upon employees for drug abuse violations;

2.14.4.1.3 Making it a requirement that each employee to be engaged in the performance of such

contract be given a copy of the statement required by Subsection 2.14.4.1.1;

2.14.4.1.4 Notifying the employee in the statement required by Subsection 2.14.4.1.1 that as a condition of employment on such contract, the employee will:

- Abide by the terms of the statement; and
- Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;

2.14.4.1.5 Notifying the contracting agency within ten (10) days after receiving notice under the second unnumbered bullet of Subsection 2.14.4.1.4 from an employee or otherwise receiving actual notice of such conviction;

2.14.4.1.6 Imposing a sanction on, or requiring the satisfactory participation in a drug abuse assistance or rehabilitation program by, any employee who is so convicted, as required by 41 U.S.C. § 703; and

2.14.4.1.7 Making a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

2.14.4.2 Requirement for Individuals. If the Contractor is an individual, by signing the Contract, the Contractor agrees not to engage in the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance in the performance of the Contract.

2.14.4.3 Notification Requirement. The Contractor shall, within thirty (30) days after receiving notice from an employee of a conviction pursuant to 41 U.S.C. § 701(a)(1)(D)(ii) or 41 U.S.C. § 702(a)(1)(D)(ii):

2.14.4.3.1 Take appropriate personnel action against such employee up to and including termination; or

2.14.4.3.2 Require such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency.

2.14.5 Conflict of Interest. The Contractor represents, warrants, and covenants that no relationship exists or will exist during the Contract period between the Contractor and the Agency that is a conflict of interest. No employee, officer, or agent of the Contractor or subcontractor shall participate in the selection or in the award or administration of a subcontract if a conflict of interest, real or apparent, exists. The provisions of Iowa Code chapter 68B shall apply to this Contract. The Contractor shall establish safeguards to prevent employees, consultants, or members of governing bodies from

using their positions for purposes that are, or give the appearance of being, motivated by the desire for private gain for themselves or others with whom they have family, business, or other ties.

In the event the Contractor becomes aware of any circumstances that may create a conflict of interest the Contractor shall immediately take such actions to mitigate or eliminate the risk of harm caused by the conflict or appearance of conflict. The Contractor shall promptly, fully disclose and notify the Agency of any circumstances that may arise that may create a conflict of interest or an appearance of conflict of interest. Such notification shall be submitted to the Agency in writing within seven (7) Business Days after the conflict or appearance of conflict is discovered.

In the event the Agency determines that a conflict or appearance of a conflict exists, the Agency may take any action that the Agency determines is necessary to mitigate or eliminate the conflict or appearance of a conflict. Such actions may include, but are not limited to:

2.14.5.1 Exercising any and all rights and remedies under the Contract, up to and including terminating the Contract with or without cause; or

2.14.5.2 Directing the Contractor to implement a corrective action plan within a specified time frame to mitigate, remedy and/or eliminate the circumstances which constitute the conflict of interest or appearance of conflict of interest; or

2.14.5.3 Taking any other action the Agency determines is necessary and appropriate to ensure the integrity of the contractual relationship and the public interest.

The Contractor shall be liable for any excess costs to the Agency as a result of the conflict of interest.

2.14.6 Certification Regarding Sales and Use Tax. By executing this Contract, the Contractor certifies it is either (1) registered with the Iowa Department of Revenue, collects, and remits Iowa sales and use taxes as required by Iowa Code chapter 423; or (2) not a “retailer” or a “retailer maintaining a place of business in this state” as those terms are defined in Iowa Code § 423.1(42) and (43). The Contractor also acknowledges that the Agency may declare the Contract void if the above certification is false. The Contractor also understands that fraudulent certification may result in the Agency or its representative filing for damages for breach of contract.

2.14.7 Certification Regarding Iowa Code Chapter 8F. If the Contractor is or becomes subject to Iowa Code chapter 8F during the entire term of this Contract, which includes any extensions or renewals thereof, the Contractor shall comply with the following:

2.14.7.1 As a condition of entering into this Contract, the Contractor shall certify that it has the information required by Iowa Code § 8F.3 available for inspection by the Agency and the Legislative Services Agency.

2.14.7.2 The Contractor agrees that it will provide the information described in this section to the Agency or the Legislative Services Agency upon request. The Contractor shall not impose a charge for making information available for inspection or providing information to the Agency or the Legislative Services Agency.

2.14.7.3 Pursuant to Iowa Code § 8F.4, the Contractor shall file an annual report with the Agency and the Legislative Services Agency within ten (10) months following the end of the Contractor's fiscal year (unless the exceptions provided in Iowa Code § 8F.4(1)(b) apply). The annual report shall contain:

2.14.7.3.1 Financial information relative to the expenditure of state and federal moneys for the prior year pursuant to this Contract. The financial information shall include but is not limited to budget and actual revenue and expenditure information for the year covered.

2.14.7.3.2 Financial information relating to all service contracts with the Agency during the preceding year, including the costs by category to provide the contracted services.

2.14.7.3.3 Reportable conditions in internal control or material noncompliance with provisions of laws, rules, regulations, or contractual agreements included in external audit reports of the Contractor covering the preceding year.

2.14.7.3.4 Corrective action taken or planned by the Contractor in response to reportable conditions in internal control or material noncompliance with laws, rules, regulations, or contractual agreements included in external audit reports covering the preceding year.

2.14.7.3.5 Any changes in the information submitted in accordance with Iowa Code §8F.3

2.14.7.3.6 A certification signed by an officer and director, two directors, or the sole proprietor of the Contractor, whichever is applicable, stating the annual report is accurate and the recipient entity is in full compliance with all laws, rules, regulations, and contractual agreements applicable to the recipient entity and the requirements of Iowa Code chapter 8F.

2.14.7.3.7 In addition, the Contractor shall comply with Iowa Code chapter 8F with respect to any subcontracts it enters into pursuant to this Contract. Any compliance documentation, including but not limited to certifications, received from subcontractors by the Contractor shall be forwarded to the Agency.

2.14.8 Reserved. (*Food and Nutrition Services Funded Contract*).

SECTION 3: SPECIAL CONTRACT ATTACHMENTS

Attachment 3.1	Pricing Schedule
Attachment 3.2	Collocation
Attachment 3.3	Sample Report Monitoring Tool
Attachment 3.4	Sample Monthly Performance Reporting Tool
Attachment 3.5	Vendor Security Questionnaire

Attachment 3.1: Pricing Schedule

Categories of Services and Population Served	Initial Contract Years - Monthly Prices				Optional Contract Years - Monthly Prices		
	Year 1 7/1/2018 - 6/30/2019	Year 2 7/1/2019 - 6/30/2020	Year 3 7/1/2020 - 6/30/2021	Option Year 1 7/1/2021 - 6/30/2022	Option Year 2 7/1/2022 - 6/30/2023	Option Year 3 7/1/2023 - 6/30/2024	
TPL Identification and Verification (Section 1.3.1.3.A) Medicaid population	\$ 147,303.00	\$ 124,350.00	\$ 124,350.00	\$ 124,350.00	\$ 124,350.00	\$ 124,350.00	
TPL Identification and Verification (Section 1.3.1.3.A) hawk-i population	\$ -	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	
Third Party Liability Recoveries (Section 1.3.1.3.B) Medicaid population	\$ 72,047.00	\$ 65,000.00	\$ 65,000.00	\$ 65,000.00	\$ 65,000.00	\$ 65,000.00	
Premium Payment Processing (Section 1.3.1.3.C) Medicaid population	\$ 3,157.95	\$ 3,157.95	\$ 3,157.95	\$ 3,157.95	\$ 3,157.95	\$ 3,157.95	
Premium Payment Processing (Section 1.3.1.3.C) hawk-i population	\$ -	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	
Provider Overpayments and Withholds (Sections 1.3.1.3.D and E) Medicaid population	\$ 3,157.92	\$ 3,157.92	\$ 3,157.92	\$ 3,157.92	\$ 3,157.92	\$ 3,157.92	
Insurance Data Match for the hawk-i Program (Section 1.3.1.4)	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	
General Admin and Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Contingency Fee Rate							
Estate Recovery and Trust Operations (Section 1.3.1.5)	11%	11%	11%	11%	11%	11%	
Fixed Fee Annual Cost	\$ 2,803,990.44	\$ 2,803,990.44	\$ 2,803,990.44	\$ 2,803,990.44	\$ 2,803,990.44	\$ 2,803,990.44	
Contingency Fee Total Cost	\$ 2,640,000.00	\$ 2,640,000.00	\$ 2,640,000.00	\$ 2,640,000.00	\$ 2,640,000.00	\$ 2,640,000.00	
Grand Total For The Entire Project					\$	32,663,942.64	

Attachment 3.2: Collocation

As part of the Contract agreement the Agency will provide the following to Contractor staff housed at the Iowa Medicaid Enterprise (IME) permanent facility:

- Cubicles with shelving/storage/desk lighting/desk tops/chairs *(see note)
- Telephones and telephone service
- Standard DHS Desktop PC or Laptop with docking station
- Keyboard and mouse
- LAN/Internet Access
- Software List (see table below)
- Access to IME laptops for occasional use
- Printing, envelopes, and postage for correspondence directly related to the Iowa Medicaid Program
- DHS Standard Forms
- Access to copiers including copy supplies, network printers, and Fax
- Access to storage
- Access to shredding
- Access to IME training equipment
- Access to break rooms and conference rooms

* Note: Work surfaces throughout the building have been installed at the “standard” height. If a Contractor employee is tall or short the work surface can be adjusted for that employee up or down. If an employee has pain due to equipment they are using, an ergonomic evaluation can be completed at the Contractor’s expense. If special equipment is needed based on the ergonomic evaluation, purchase of equipment is at the Contractor’s expense. If any change is needed due to a medical necessity, a note from the employee’s doctor is required. This includes lights out or on, work surfaces raised for standing purposes (more than an inch or two), etc.

Software List

Below is a list of Agency-licensed systems and software available for use on Agency computers.

Name of System/Software	Business Purpose
Adobe Acrobat	Reports
CEO (Wells Fargo web application)	Premium Processing
DHS Server	HIPP File receipts
Google Mail	State email system
Health Financial Systems (HFS)	Medicare cost report
HIPPPassport	HIPP processing
Iowa Medicaid Portal Access (IMPA)	Secure DHS system for document uploads, used for monthly accounts receivable.
Microsoft Office 2010 (Access, Excel, PowerPoint, Project, Publisher, SharePoint, Visio, Word)	
Microsoft Windows 7 Enterprise Operating System	Operating system
MMIS	Medicaid information system, used for TPL, Provider Offsets, Reports, Eligibility, Claims Review
OnBase Client	Workflow and document management system, used for TPL, Subrogation, Checks Processing, Disallowance, Bank Reconciliation, Claims adjustments
Passport	MEPD premium processing
PPS	IHAWP, Dental Wellness, and <i>hawk-i</i> premium processing
RightFax Utility Software	Fax utility software
Roxio CD/DVD Creator Basic	
WinZip	Send/receive compress/ encrypted files

Attachment 3.3: Sample Report Monitoring Tool

Note: this sample is for illustrative purposes only.

Report	Frequency	Due Date	Copy Provided to	Contract Section
1.3.1.1 General Obligations				
Initial insurance carrier report	One-time			
Insurance carrier report	Quarterly and as requested			
Vendor Security Questionnaire	One-time	TBD		
Attestation of passed information security risk assessment.	Annually	TBD and July 1 each year thereafter		
Attestation of passed network penetration scan	Annually	TBD and July 1 each year thereafter		
Attestation of passed web application security scan	Annually	TBD and July 1 each year thereafter		
Disaster Recovery and Business Continuity Plan	Quarterly			
Quality Assurance and Corrective Actions Report	Monthly			
Performance Report				
1.3.1.2 Transition				
Project Work Plans	TBD			
Operational Readiness Checklist	One-time			
1.3.1.3 Third Party Liability				
TPL findings report	Quarterly			
TPL amounts billed and collected, current and year-to-date	Monthly			
TPL recoveries and unrecoverable amounts by carrier, type of coverage, and reason	Quarterly			
TPL activity reports	Quarterly			
Quality assurance report	Monthly			
1.3.1.3 Lien Recovery (Pay and Chase)				

Report	Frequency	Due Date	Copy Provided to	Contract Section
Listings of potential recovery claims based on user input section parameters (subrogation)	Monthly			
Lien Recovery amounts billed and collected, current, and year-to-date	Monthly			
Potential trauma, accident, or medical malpractice claims	Monthly			
Subrogation activity report	Monthly			
1.3.1.3 Yield Management				
Yield management collections report	Monthly			
Yield management annual report	Annually			
1.3.1.3 Premium Payment Processing				
Premium payment processing report	Ad Hoc			
1.3.1.3 Provider Overpayment/Credit Balance				
Provider overpayment activity report	Monthly			
1.3.1.3 Provider Withhold				
Withhold processing report	Monthly			
1.3.1.4 Insurance Data Match for the <i>hawk-i</i> Program				
Insurance Data Match report	Monthly			
1.3.1.5 Estate Recovery				
Estate Recovery summary report	Monthly			
Estate Recovery annual report	Annually			
1.3.1.5 Trust Monitoring				
Trust Monitoring annual report	Annually			

Report	Frequency	Due Date	Copy Provided to	Contract Section
Outreach activities summary report	Quarterly			
1.3.1.5 Trust Recovery				
Trust Recovery ongoing cases and collections report	Monthly			
Trust Recovery annual report	Annually			

Attachment 3.4: Sample Monthly Performance Reporting Tool

Note: this sample is for illustrative purposes only.

Business Area	Contract Section	Performance Standard	Total Completed within timeframes	Standard Met (Y/N)
General Requirements		Respond to email or telephone inquiries from Members, authorized representatives, or providers within two business days of receipt.		
General Requirements		Deposit checks or money orders received at the Iowa Medicaid Enterprise (IME) facility within one (1) business day of their preparation for deposit.		
General Requirements		Deliver the initial insurance carrier report to the Agency within thirty (30) days of the start of the Contract.		
Transition		Submit transition, system implementation, and operations plans to the Agency for approval within 15 business days after Contract execution.		
Transition		Submit SOPs to the Agency within 25 business days after Contract execution.		
Third Party Liability		Deposit all TPL recovery amounts within two (2) business days and post/apply all denial information within sixty (60) business days of receipt.		
Lien Recovery		Prepare and process credits or adjustments against recoveries received within 20 business days.		
Premium Processing		For contribution/premium payment checks that are received manually, post the checks to the system designed to record premium information within one (1) business day of receipt from the bank.		
Provider Overpayments – Credit Balances		Prepare and process credits or adjustments against recoveries received within thirty (30) calendar days of receipt of the recoveries.		
Provider Withholds		Process all requests for withhold within one (1) business day of receipt of request.		
Insurance Data Match for the <i>hawk-i</i> Program		The Contractor shall conduct a data match on daily files within one (1) business day of receipt of file.		
Estate Recovery		The Contractor shall notify the authorized representative of the		

		deceased Member within ten (10) business days when an estate subject to recovery is opened in probate, and a Notice of Probate has been received.		
Trust Monitoring		The Contractor shall log all Trusts referred by Medicaid eligibility staff into the case tracking system within one (1) business day of receipt.		
Trust Recovery		The Contractor shall notify the representative/attorney of the deceased of the obligation of the trust to relinquish funds in repayment of medical assistance payments within 10 business days of identification of the existence of a medical assistance income trust or a special needs trust.		

REPORTING

Report due during the month	Due Date/Time	Accepted by the Agency (Y/N)	Standard Met (Y/N)

Attachment 3.5: Vendor Security Questionnaire