

CONTRACT DECLARATIONS AND EXECUTION

RFP or Informal Solicitation #	Contract #
RFP #MED-18-015	MED-18-015

Title of Contract
Quality Improvement Organization Services for Iowa Medicaid

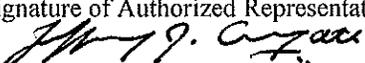
This Contract must be signed by all parties before the Contractor provides any Deliverables. The Agency is not obligated to make payment for any Deliverables provided by or on behalf of the Contractor before the Contract is signed by all parties. This Contract is entered into by the following parties:

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: Stephanie Boyle Iowa Medicaid Enterprise 100 Army Post Road Des Moines, IA 50315 Phone: (515) 256-4747
Agency Contract Manager (hereafter "Contract Manager") /Address ("Notice Address"): Stephanie Boyle Iowa Medicaid Enterprise 100 Army Post Road Des Moines, IA 50315	Agency Contract Owner (hereafter "Contract Owner") / Address: Michael Randol Iowa Medicaid Enterprise 100 Army Post Road Des Moines, IA 50315
E-Mail: sboyle@dhs.state.ia.us	E-Mail: mrandol@dhs.state.ia.us
Phone: (515) 256-4747	
Contractor: (hereafter "Contractor")	
Legal Name: Telligen, Inc.	Contractor's Principal Address: 1776 West Lakes Parkway West Des Moines, IA 50266
Doing Business As Name(s): Telligen	
Tax ID #: 420992483	Organized under the laws of: State of Iowa
Contractor's Contract Manager Name/Address ("Notice Address"): Jeff Chungath, CEO Telligen, Inc. 1776 West Lakes Parkway West Des Moines, IA 50266	Contractor's Billing Contact Name/Address: RheaAnn Frost-Clewell, Director of Finance Telligen, Inc. 1776 West Lakes Parkway West Des Moines, IA 50266 Phone: 515.440.8904
Phone: (515) 440-8519	
E-Mail: jchungat@telligen.com contracts@telligen.com	

Contract Information	
Start Date: 05/01/18	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: Yes Which Agency? CMS
Security & Privacy Office Data Confirmation Number: N/A	
Contract Payments include Federal Funds? Yes The contractor for federal reporting purposes under this contract is a: Vendor DUNS #: 087131785 The Name of the Pass-Through Entity: Iowa Department of Human Services	
CFDA #: 93.778 Grant Name: Medical Assistance Program	Federal Awarding Agency Name: Department of Health and Human Services/Centers for Medicare and Medicaid Services

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, Telligen, Inc.		Agency, Iowa Department of Human Services	
Signature of Authorized Representative: 	Date: 4/25/2018	Signature of Authorized Representative: 	Date: 5/4/18
Printed Name: Jeff Chungath		Printed Name: Jerry R. Foxhoven	
Title: CEO		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.

“Centers for Medicare and Medicaid Services” or ***“CMS”*** is part of the U.S. Department of Health and Human Services. CMS oversees Medicare and Medicaid, as well as many other federal healthcare programs, including those that involve Health Information Technology such as the meaningful use incentive program for electronic health records (EHR). In addition to Medicare and Medicaid, CMS administers the Children's Health Insurance Program (CHIP), the Health Insurance Portability and Accountability Act (HIPAA) and key portions of the 2015 Medicare Access and CHIP Reauthorization Act (MACRA) law.

“Consumer Choices Option” or ***“CCO”*** is an option available under the Home and Community Based Services waivers that gives Members control over a targeted amount of Medicaid dollars so that they may develop a plan to meet their needs by directly hiring employees and/or purchasing other goods and services.

“Health Home” is a team of professionals working together to provide whole-person, patient-centered, coordinated care for certain Medicaid populations. Programs that currently fall under Health Home are:

“Chronic Condition Health Home” is for individuals who have two chronic conditions or one chronic condition and are at risk for a second chronic condition from the following list:

- High Blood Pressure
- Obesity
- Heart Disease
- Diabetes
- Substance Abuse
- Asthma
- Mental Health Needs

“Integrated Health Home” or ***“IHH”*** is for adults with a serious mental illness (SMI) and children with a serious emotional disturbance (SED). The Integrated Health Home is administered by the Medicaid Managed Care Organizations and provided by community-based Integrated Health Homes.

“Health Information Technology for Economic and Clinical Health (HITECH) Act”, a part of the American Recovery and Reinvestment Act (ARRA), created the Medicare and Medicaid Electronic Health Records (EHR) Incentive Programs to promote the adoption of EHRs in support of the ultimate goals of improving the quality of patient care and reducing health costs. Through this program, eligible hospitals and doctors earn incentives by demonstrating “meaningful use” of certified technology, which means that health care providers use EHRs in ways that improve care and lower costs.

“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

“ICF/ID” means Intermediate Care Facility for persons with Intellectual Disability.

“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.

“Level of Care” or **“LOC”** is the medically necessary care needed for a Member, based on criteria established in Iowa Administrative Code.

“Long Term Services and Supports” or **“LTSS”** are services and supports used by individuals of all ages with functional limitations and chronic illnesses who need assistance to perform routine daily activities such as bathing, dressing, preparing meals, and administering medications.

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

“Minimum Data Set” or **“MDS”** is part of the federally mandated process for clinical assessment of all residents in Medicare and Medicaid certified nursing homes. This process provides a comprehensive assessment of each resident's functional capabilities and helps nursing home staff identify health problems. MDS information is transmitted electronically by nursing homes to the national MDS database at CMS.

“National Correct Coding Initiative” or **“NCCI”** is a CMS program that consists of coding policies and edits. Providers report procedures/services performed on beneficiaries utilizing Healthcare Common Procedure Coding System (HCPCS)/Current Procedural Terminology (CPT) codes. These codes are submitted on claim forms. NCCI policies and edits address procedures / services performed by the same provider for the same beneficiary on the same date of service. The coding policies of NCCI are based on coding conventions defined in the American Medical Association’s Current Procedural Terminology Manual, national and local Medicare policies and edits, coding guidelines developed by national societies, standard medical and surgical practice, and/or current coding practice.

“Payment Error Rate Measurement” or **“PERM”** is a CMS program that measures improper payments in Medicaid and CHIP and produces error rates for each program. The error rates are based on reviews of the fee-for-service (FFS), managed care, and eligibility components of Medicaid and CHIP in the federal fiscal year (FFY) under review. CMS audits Iowa every three years, with the most recent audit for FFY 2017. The review period for the current audit started 10/1/2016 and goes through 9/30/2017. The Agency anticipates CMS will begin sending PERM errors in October 2017, and the Agency will be responding to those through at least March 2018, if not longer.

“Resource Utilization Group” or **“RUG”** means any of a number of classifications into which a nursing facility resident is categorized, based on functional status and anticipated use of services and resources. RUGs are assigned to individuals based on data elements derived from the Minimum Data Set (MDS) that in turn generate a case mix score used in the calculation of facility payment.

“State Medicaid Health Information Technology Plan” or **“SMHP”** provides the vision and roadmap to encourage the adoption and meaningful use of electronic health records systems by Iowa Medicaid providers. This strategic plan allows the Agency to leverage technology to improve quality outcomes and manage the growing costs of health care delivery.

1.2 Contract Purpose.

The parties have entered into this Contract for the purpose of retaining the Contractor to provide Quality Improvement Organization 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 government or in the private sector as a healthcare payer or provider.
 - ii. Bachelor’s Degree or at least 4 years relevant experience to the position.
 - iii. Previous management experience with Medicaid, specifically Medicaid managed care, LTSS, medical services, behavioral health, utilization management, coding and billing, 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.
 - c. Medical and LTSS Operations Manager. Responsible for day to day project management and supervision. Minimum qualifications include:
 - i. Four years of experience managing a major component of a healthcare operation in an environment similar in scope and volume to the Iowa Medicaid Program. The experience shall include LTSS, utilization management, behavioral health, Medicaid managed care, and quality management.
 - ii. Bachelor’s Degree or equivalent relevant experience to the position.
 - d. HCBS Quality Oversight Operations Manager. Responsible for day to day project management and supervision. Minimum qualifications include:
 - i. Four years of experience managing a major component of a healthcare operation in an environment similar in scope and volume to the Iowa Medicaid Program. The experience shall include HCBS quality control and outcomes, federal requirements for HCBS waiver programs, and provider relations.

- ii. Bachelor's Degree or equivalent relevant experience to the position.
 - e. Medicaid Medical Director (MMD). Responsible for ensuring medical oversight of QIO professional staff, overall leadership related to all medical facets that may affect the Medicaid Program, and helping the Iowa Medicaid program deliver value-driven, high-quality, cost-effective health care in an efficient manner. The MMD shall participate in the Medicaid Medical Directors Learning Network (MMDLN), the IME quality committee, the Pharmacy and Therapeutics (P&T) and Drug Utilization Review (DUR) committees, and other State and national committees as requested by the Agency, chair the Clinical Advisory Committees, and provide input in the review of Medicaid policies and procedures. The Medical Director plays an important role in continuous quality improvement and the implementation of policy for an efficient Medicaid Program. The MMD shall collaborate with the Medicaid Director, MCO chief medical officers, and policy staff to ensure clinical policies and procedures are implemented consistently throughout the entire delivery system. Minimum qualifications include:
 - i. Four years of experience as a managing physician in a managed care environment as either an MD or DO.
 - f. Key Project Personnel for Population Health Improvement Special Projects, as identified within Contract Section 1.3.1.5.
- 2. Named key personnel shall:
 - a. Be committed to the project full time and co-located with Agency staff at the IME permanent facility in Des Moines, Iowa;
 - b. Be onsite during normal 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.
- 3. 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.
4. The Contractor shall retain (on staff or in a consulting capacity) medical and social service professionals and other fields as deemed necessary by the Agency in order to perform Contractor duties identified within the Contract. Contractor staff and/or consultants shall be knowledgeable about the Iowa Medicaid Program's policies and procedures regarding coverage and limitations. These professionals shall provide consultation to the Agency in the following areas at a minimum:
 - a. Anesthesiology
 - b. Audiology
 - c. Brain injury
 - d. Cardiovascular, vascular, and thoracic surgery
 - e. Child psychiatry
 - f. Chiropractic services
 - g. Dentistry
 - h. Developmental disability services (such as autism spectrum, cerebral palsy, intellectual disability, and similar conditions)
 - i. Disability services
 - j. Geriatrics
 - k. Family practice
 - l. Hematology
 - m. Medical supplies and equipment
 - n. Neurology
 - o. Obstetrics/gynecology
 - p. Occupational therapy
 - q. Oncology
 - r. Ophthalmology
 - s. Optical
 - t. Optometry
 - u. Organ transplant services
 - v. Orthodontics
 - w. Pathology
 - x. Pediatrics
 - y. Physical medicine
 - z. Plastic surgery
 - aa. Podiatry
 - bb. Psychiatry
 - cc. Psychology
 - dd. Radiology and nuclear medicine
 - ee. Rehabilitation (physical therapy, occupational therapy and speech therapy)
 - ff. Speech pathology
 5. The Contractor shall also provide the following non-managerial positions:
 - a. Claims and coding staff qualified to provide technical assistance and support to the Agency, providers, and MCOs;
 - b. Quality assurance/quality control staff with experience developing, executing and reporting formal quality assurance plans.
 6. The Contractor shall ensure that all staff, whether they are employees, agents, subcontractors or anyone acting for or on behalf of Contractor, are properly licensed, certified or accredited as required under applicable State law and/or Iowa Administrative Code. Contractor shall

establish standards, subject to Agency approval, for service providers who are not otherwise required to be licensed, certified or accredited under State law and/or Iowa Administrative Code.

7. 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 Special Contract Attachment 3.2.

B. System and Software Requirements

1. The Contractor shall utilize and maintain systems and software listed in Attachment 3.2, as necessary, to support all QIO functions.
2. The Contractor shall provide sufficient staff to maintain and update code as necessary for current MQUIDS and QPS applications hosted by the Agency. The applications are deployed in a 3 tier configuration:
 - a. Client components are installed on the user system, along with the executable application and its associated libraries;
 - b. Application server components are hosted in Internet Information Services (IIS) running on Windows 2008 server and .NET Framework; and
 - c. SQL end database.
3. The Contractor shall maintain all current program information within the Agency's computer network.

C. Receipt of Checks

1. In the event that the Contractor receive checks or money orders related to the work that it performs, the Contractor shall deliver them to the Revenue Collections contractor's designated point of contact for daily deposits.

D. Appeals and Hearings

1. The Contractor shall provide administrative assistance to the Agency in tracking and assigning all IME appeals related to the FFS population, as well as any appeals the IME may receive of MCO decisions, utilizing protocols and timeframes determined by the Agency.
2. The Contractor shall submit a report of all IME appeal hearings to the Agency on a quarterly basis. This includes but is not limited to:
 - a. Status;
 - b. Disposition of case;
 - c. Analysis of appeal trends and recommendations for policy changes identified from appeals; and
 - d. Breakout analysis of appeal hearings for Level of Care and needs based assessment determinations and PAs, with fiscal year-to-date totals, analysis of trends, and recommendations for improvements (including internal quality improvements).
3. The Contractor shall provide medical expertise and necessary assistance in any stage of the appeal process concerning Contractor's findings that result in an appeal, including but not limited to:
 - a. Research issues as necessary;
 - b. Provide administrative support in preparing for and participating in appeals;
 - c. Provide written statements;
 - d. Provide expert testimony where appropriate to defend Agency decisions; and
 - e. Review ALJ decisions to determine if a Director's review of reversed decision is warranted. If warranted, prepare documentation for Director's review and submit within 10 days of receipt of the ALJ decision.

E. Quality Improvement and MCO Quality Oversight

1. 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.
 - c. Provide the Agency with a description of any changes to the workflow for approval prior to implementation.
2. MCO Quality Oversight. In accordance with CMS Special Terms and Conditions for Iowa's 1915(b) Waiver, the Contractor shall:
 - a. LTSS Care Plan Review. Duties include but are not limited to:
 - i. Review a representative sample of LTSS plans of care that includes a reduction, suspension, or termination in services for the first year.
 - ii. Receive a monthly service plan reduction report from each of the MCOs documenting any reductions they have made in the past month;
 - iii. Request additional information from a representative sample of these service plan reductions;
 - iv. Review the information provided for these service plan reductions to see if the rationale for reduction provided by the MCOs is consistent with the MCOs documentation and permissible under federal and State laws as well as the terms of the contract; and
 - v. Report findings to the Agency on a monthly basis.
 - b. MCO Interdisciplinary Team (IDT) Ride Alongs. This scope of work will cease on June 30, 2020. To ensure that MCO IDTs follow a person-centered process, are individualized to address Member-specific needs, and result in person-centered service plans based on historical information and future desires and outcomes. Contractor duties include but are not limited to:
 - i. Randomly select 5 IDT meetings from each MCO to participate in each month;
 - ii. Observe the service planning process during the IDT meetings;
 - iii. Record observations on Agency-approved forms; and
 - iv. Report findings to the Agency on a monthly basis.

F. 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.

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; and
 - d. Miscellaneous requests.
2. The Contractor shall comply with information protocols and response timeframes determined by the Agency.

H. Centralized Email Mailboxes and Toll-free Telephone Lines.

1. The Contractor shall manage assigned Agency centralized email mailboxes and toll-free telephone lines for communication with Members, authorized representatives, providers, and facilities necessary to support QIO 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.

1.3.1.2 Transition

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, applications, software, and services contemplated by this Contract;
 - b. An operations plan detailing the daily performance of all required activities by the Contractor, including required coordination and safeguards;
 - c. A communications plan specifying expectations for all parties involved. This plan shall be developed in consultation with the Agency;
 - d. A quality assurance plan detailing requirements and timeframes for monitoring the quality and accuracy, as well as continuous workflow analysis, of the Contractor's QIO and MCO oversight functions.
 - e. 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.
- f. A training plan detailing, at minimum:
 - i. Training of Contractor staff in all systems, applications, and software that they will use.
 - ii. Training of Contractor staff on privacy and security policies and procedures to include but not limited to:
 - a) Orienting new employees on privacy and security policies and procedures;
 - b) Conducting periodic review sessions on privacy and security policies and procedures; and
 - c) Developing lists of personnel to be contacted in the event of a potential or suspected security breach;
 - iii. Training of Contractor staff in operational procedures required to perform the Contractor's functions under the Contract.
 - iv. 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.
 - v. 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 Section 1.3.1.3 and 1.3.2, to include, at minimum:

- a. Definition of each project activity;
 - b. Sequence of activities;
 - c. Identification of who is responsible for each project activity;
 - d. Defined deliverables and outcomes;
 - e. Timeframe in which each activity will be completed;
 - f. A plan update schedule, which shall include updates no less frequently than quarterly; and
 - g. 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.
 - 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 calendar days of the change, subject to Agency approval.
 - d. The Contractor shall use version control to identify the most current documentation and any previous versions, including their effective dates.
 - e. The Contractor shall provide all documentation in electronic form and store all documentation within the Agency-designated repository.

- f. Collaborate with other IME Units to incorporate information relevant to provider operations on all levels.
 - g. Develop and distribute informational letters, emails, and Agency website postings for HCBS providers that provide a brief description of changes, as appropriate.
 - h. SOPs shall be reviewed with the Agency no less than annually.
3. The Contractor shall collaborate with the Agency and other IME Units to maintain and update provider manuals as necessary.

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, such as Utilization Management activities identified in Contract Section 1.3.1.3 and HCBS Reviews identified in Contract Section 1.3.1.4.

1.3.1.3 Medical and LTSS Operations

A. Medical Support

1. Claims Pre-pay Reviews.
The Contractor shall review FFS claims assigned by the Agency and make decisions on individual service claims that reflect current Iowa Medicaid policy. This includes but is not limited to:
 - a. Manually review claims that have been suspended within the MMIS for review to determine medical necessity or appropriateness and take appropriate action to adjudicate the claims;
 - b. Approve payment for all reasonable and necessary medical services and supplies;
 - c. Manually price claims when no current fee or payment exists for the service; and
 - d. Update IME data systems to reflect review outcomes.
2. Provider Claims Inquiries.
Upon receipt of provider FFS claims inquiries, the Contractor shall
 - a. Review claims information and documentation, requesting additional information if needed;
 - b. Determine whether the service is payable;
 - c. Notify the provider of the outcome of the review; and
 - d. If the service is payable, the Contractor shall update the appropriate IME data systems.
3. Exceptions to policy (ETP).
The Contractor shall provide necessary assistance in the FFS ETP process, including but not limited to:

- a. Log, track, and review ETP requests for the Bureau of Medical and Long-Term Services and Supports Policy;
 - b. When necessary, request additional information from the requestor;
 - c. Consult with Bureau policy staff and other IME Units as necessary;
 - d. Make recommendations for approval or denial of the request based on Agency policies and procedures, cost-effectiveness, medical necessity, and the availability of lower cost alternatives;
 - e. Prepare response letters for approval by Bureau staff and signature by the Medicaid Director; and
 - f. Submit a report of all Bureau ETPS to the Agency on a quarterly basis. This includes but is not limited to:
 - i. Requestor;
 - ii. Status;
 - iii. Disposition of request; and
 - iv. Analysis of ETP trends and recommendations for policy changes identified from ETP requests.
4. Procedure and Diagnosis Codes.
- The Contractor shall provide professional and technical support to the Agency related to procedure and diagnosis codes. This includes but is not limited to:
- a. Annually review ICD-10 diagnosis and surgical code and HCPCS updates;
 - b. Retrieve and review quarterly Medicaid National Correct Coding (NCCI) files and maintain accurate tracking of changes to NCCI guidelines;
 - c. Determine MMIS and policy impacts;
 - d. Update IME systems, as appropriate;
 - e. Answer MCO questions and review MCO documents related to billings, claims, and codes, as requested by the Agency; and
 - f. Participate as subject matter expert in meetings related to code updates and issues, as requested.
5. Clinical Advisory Committees (CAC).
- a. Medical Assistance CAC

The Medical Assistance CAC provides a process for physician/provider intervention to promote quality care, member safety, cost effectiveness and positive physician/provider relations through discussion about Medicaid benefits and healthcare services.

In order to meet this requirement, the Contractor shall:

 - i. Provide medical support, coordination and facilitation for the Medical Assistance CAC. The committee members will represent all medical services providers. The committee will meet at a minimum quarterly and consist of seven to nine medical services providers. The Contractor's MMD will chair the Medical Assistance CAC. Payment for attendee pass-through costs shall be made as expenses are incurred as requested by the Agency, which include but are not limited to quarterly meeting costs and ad hoc committee meetings for clinical advisory committee member attendance.
 - ii. Submit a report summarizing activities of the Medical Assistance CAC to the Agency on an annual basis, within 90 days of the end of each State fiscal year.
 - b. *hawk-i* CAC

Iowa Code § 514I.5(7)(i) requires the *hawk-i* Board to "Establish and consult with a clinical advisory committee to make recommendations to the Board regarding the clinical aspects of the hawk-i program." This committee is made up of a variety of health care professionals.

In order to meet this requirement, the Contractor's MMD shall chair the *hawk-i* CAC and the Contractor shall:

- i. Maintain a schedule of meetings. This includes identifying a location for the meeting and/or arranging for a conference call. Meetings shall be scheduled at least on a quarterly basis;
 - ii. Plan the agenda for the meetings;
 - iii. Record minutes of the meetings;
 - iv. Recruit committee members as needed; and
 - v. Be available to present recommendations from the committee to the *hawk-i* Board.
6. Minimum Data Set Support and Nursing Facility Case Mix Index.
 - a. The Contractor shall provide support and technical assistance to the Agency related to any CMS updates to the Minimum Data Set (MDS) and Resource Utilization Group (RUG) scores, including participating in CMS calls on MDS and RUG development.
 - b. The Contractor shall develop and maintain RUG-based methodologies, subject to Agency approval.
 - c. The Contractor shall extract and maintain data from the national MDS database at CMS, to include maintaining appropriate data use agreements with CMS.
 - d. The Contractor shall calculate a nursing facility case mix index (CMI) and resident roster on a quarterly basis, ensuring roster rules are applied consistently from quarter to quarter.
 - e. The Contractor shall submit the CMI and resident roster to the IME Provider Cost Audit and Rate Setting (PCA) unit for quality assurance review, and incorporate any feedback prior to submitting the resident rosters to Iowa nursing facilities.
 - f. The Contractor shall communicate as necessary with nursing facility staff, to include providing help desk support services to Iowa nursing facilities, related to case mix index and RUG scores developed by the Contractor.
7. MDS Section “Q” Intake Calls.
 - a. The Contractor shall receive calls from nursing facilities reporting a resident (regardless of pay source) who identifies he or she wants to talk with someone about the possibility of returning to the community.
 - b. Following the intake calls, Contractor shall refer residents to a Local Contact Agency (designated by the IME) for options counseling and possible transition planning.
8. Payment Error Rate Measurement (PERM).

The Contractor shall provide support to the Agency during the CMS PERM project on a tri-annual basis, as requested. This includes but is not limited to:

 - a. Monitor the PERM website as requested for new claims to be added to the list of reviews.
 - b. Providing timely medical review on all cases that were identified by the auditors and assigned to the Contractor, to include:
 - i. Research claims information on MMIS; and
 - ii. Medical record review including coding verification, billing and unit validation, appropriate setting of services, medical necessity of procedures and hospital stays.
 - c. Provide findings from each of the medical reviews along with detailed explanation of agreement or disagreement with the PERM auditor’s findings to the Agency.
 - d. Explain in detail any disputes with CMS findings to the Agency liaison with supporting rationale from the Iowa Administrative Code (IAC) and provider manuals.
9. The Contractor shall ensure that Iowa Medicaid policies align with current and/or changing medical practices. This includes but is not limited to:
 - a. Advising the Agency on changes to evidence-based best practices, national and State trends, and federal policy changes;
 - b. Consulting the Agency on requested changes to Medicaid services, whether from the Agency, providers or other stakeholders. This responsibility includes drafting proposed

- policy clarifications or new policy regarding services covered under the Medicaid program; and
- c. Providing the Agency with appropriate medical and professional expertise to evaluate any requests for new or unusual services or treatment modalities and their impact on current coverage policy.
10. The Contractor shall answer MCO questions and review MCO documents related to HEDIS measures, case management, clinical, medical, and general health policies and procedures, as requested by the Agency.
 11. The Contractor shall provide professional support to Medicaid providers regarding policy, prior authorization or billing requirements. This support may be in the form of oral instruction or written communication and must be documented in Agency data systems.
 12. The Contractor shall provide professional and technical support to the Agency in responding to program reviews and audits.
 13. Contractor staff and/or consultants shall attend meetings with providers, MCOs, or other stakeholder groups in support of the Medicaid program, as requested by the Agency.
 14. The Contractor shall certify new outpatient hospital programs for appropriateness of Medicaid coverage and make recommendations to the Agency regarding appropriateness of new and/or existing programs, and determine criteria to be used regarding coverage for new and/or existing programs.
 15. The Contractor shall prepare, and submit to the Agency for approval, the CMS 64.96 Quarterly Report of Abortions, Hysterectomies and Sterilization, including supplemental worksheets relating to abortions and qualifications for federal funding.
 16. The Contractor shall assist the Agency in its efforts to secure grants as requested, and perform functions that are within the SOW of this Contract that fall under the grant.

B. Utilization Management

1. **Prior Authorizations (PA).** This section applies only to the FFS population.
 - a. Routine PAs.

The Contractor shall process PA requests for routine services to include but not limited to:

 - i. Audiology;
 - ii. Certain dental services, including orthodontia;
 - iii. Certain HCBS services, including CCO;
 - iv. Certain medical services;
 - v. Durable medical equipment (DME);
 - vi. Enteral;
 - vii. Home health;
 - viii. Surgical, including physician administered drugs and genetic testing; and
 - ix. Organ transplant services/related; and
 - x. Vision.
 - b. Special PAs.

The Contractor shall process PA requests for the following special types of PAs:

 - i. Swing bed admissions and continued stays. Contractor duties include but are not limited to:
 - a) Determination of nursing facility or skilled nursing facility Level of Care;
 - b) Determination of appropriate number of days for authorization based on medical needs of the member;
 - c) Verification of swing-bed hospital provider efforts to locate appropriate alternative care within a 30-mile radius;
 - d) Necessary monitoring of swing bed providers to ensure active discharge planning is taking place; and

- e) Special consideration for Iowa Wellness Plan Members, as they have different skilled nursing care benefits.
- ii. Behavioral health services. The Contractor shall review criteria approved by the Agency to determine medical necessity and appropriateness for and duration of hospital or other facility stays (if applicable) for persons to receive services addressing behavioral health concerns. These services include but are not limited to:
 - a) Inpatient psychiatric hospitalization;
 - b) Residential behavioral health treatment; and
 - c) Psychiatric Medical Institute for Children (PMIC).
- iii. Community-based neurobehavioral rehabilitation services. The Contractor shall follow criteria set forth in Iowa Admin. Code r. 441- 78.56 to determine medical necessity for initial and subsequent community-based neurobehavioral rehabilitation services. This includes but is not limited to:
 - a) Review the provider's treatment plan and supporting documentation, and approve if the following conditions are met:
 - 1) The plan conforms to the medical necessity requirements;
 - 2) The plan is consistent with the written diagnosis and treatment recommendations;
 - 3) The plan is sufficient in amount, duration, and scope to reasonably achieve its purpose;
 - 4) The provider can demonstrate that the provider possesses the skills and resources necessary to implement the plan; and
 - 5) The plan does not exceed 180 days in duration.
- iv. Early and Periodic Screening, Diagnostic, and Treatment (EPSDT). The Contractor shall review criteria approved by the Agency to determine medical necessity for EPSDT private duty nursing and personal care services. In addition to processing PAs, the Contractor shall conduct care promotion activities to include but not limited to:
 - a) Collaborate with an interdisciplinary team, as requested, for care conferences when a decrease in the approved number of hours occurs. The interdisciplinary team reviews the options available to assist the family in maintaining their special needs member in the home.
 - b) Provide a monthly electronic PA summary, including PAs on file for the next 6 months of authorized services, to the University of Iowa Child Health Specialty Clinic (CHSC) for their clients.
- v. Facility short-stays. Contractor duties include but are not limited to:
 - a) Conduct reviews to identify short-stay approvals for members seeking admission to a Nursing Facility (NF), Skilled Nursing Facility (SNF), ICF/ID, Nursing Facility for the Mentally Ill (NF/MI), Inpatient Psychiatric Hospital, or PMIC when the prior living arrangement was a community setting.
 - b) Conduct reviews for continued stay to ensure that facility placement is for the shortest duration possible, allowing members who choose to return to the community to do so at the earliest possible opportunity.
- vi. High-tech imaging (such as MRI, MRA, CT, and PET) for radiology services, except in hospital and emergency room settings. The Contractor shall perform the medical review process for high-tech imaging that target variation in practice, promote cost-effective clinical decision making and increase the safety of Iowa Medicaid members.
- c. The Contractor shall provide timely review of all PA requests in accordance with Iowa Admin. Code r. 441-79.9 and the conditions for payment as established in Iowa Admin.

Code ch. 441-78 to determine whether the service to be provided is medically necessary and appropriate, determine whether the service should be approved, denied, or modified, and (if approved) determine an approved duration, as required.

- d. The Contractor shall request additional PA documentation, as necessary. If additional documentation is not received within 45 days of initial request, the Contractor shall issue a technical denial no earlier than day 45 but no later than 60 days of initial request.
- e. For any PA requests for which a decision has not been reached within 60 days of request, the Contractor shall:
 - i. Automatically approve the PA request, per Iowa Admin. Code r. 441-79.8(7)"b"; and
 - ii. Report immediately to the Agency in writing the reason for inaction.
- f. The Contractor may approve, but cannot deny, a PA request without first referring it to a peer consultant.
- g. When a PA request is denied or modified, the Contractor shall send a copy of the Request for Prior Authorization form(s) to the provider and produce and send notice of decision (NOD) to the Member and provider, on Agency-approved forms, to include but not limited to the following information:
 - i. The reason and the circumstances for the adverse action;
 - ii. The appropriate section of the Iowa Administrative Code;
 - iii. Information as to the specific reason for the denial that Members would understand as the basis for denial; and
 - iv. Member appeal rights.
- h. When a PA request is approved, the Contractor shall send a copy of the Request for Prior Authorization form(s) to the provider with the PA decision.
- i. The Contractor shall maintain PA files, to include but not limited to:
 - i. Maintain detailed audit trail reports of all changes to PA records, indicating date of last change, ID of the person making the change, and information changed for each PA record;
 - ii. Maintain PA requests and supporting documentation in the Agency workflow management system. Hardcopy requests and documentation will be imaged by the Agency-approved system contractor and be made available to the Contractor electronically; and
 - iii. Update Agency data systems with outcomes of PA decisions.
- j. The Contractor shall track, trend and analyze services requiring prior authorization and report recommendations for policy changes to the Agency as requested.
- k. The Contractor shall submit a report of HCBS PA activities that occurred the previous month, with fiscal year-to-date totals, analysis of trends, and recommendations for improvements (including internal quality improvements) to the Agency on a monthly basis.

2. Level of Care and Needs Based Eligibility Assessment Reviews for LTSS.

- a. The Contractor shall perform the following types of Level of Care (LOC) and needs based eligibility assessment (NBA) reviews for the LTSS programs and populations identified:
 - i. **Initial LOC Review**, for all applicants or Members (FFS and MCO) upon admission or when accessing HCBS waiver program, facility (NF, SNF, ICF/ID, and PMIC), and PACE (regardless of funding source) services for the first time;
 - ii. **Continued Stay Review (LOC-CSR)**, for HCBS waiver program, facility, and PACE services, annually or when there is a significant change in the Member's needs for the following populations:
 - a) All FFS Members;

- b) Any MCO Member where the MCO determines the LOC has changed; and
- c) All PACE members, regardless of funding source (i.e., FFS, MCO, Medicare, and private payer).
- iii. **Initial NBA Review** for all applicants or Members (FFS and MCO) requesting Medicaid funding for Habilitation services for the first time;
- iv. **Continued Stay Review (NBA-CSR)** for Habilitation services, annually or when there is a significant change in the Member's needs for the following populations:
 - a) All FFS Members; and
 - b) Any MCO Member where the MCO determines the NBA has changed.
- b. The Contractor shall begin LOC and NBA reviews once request is received via ISIS workflow milestone, certification form, or core standardized assessment submittal.
- c. The Contractor shall accept documentation for LOC and NBA review from the Member's physician, provider, case manager, MCO, and/or core standardized assessment (CSA) vendor. The Contractor shall request additional information, as necessary.
- d. The Contractor shall ensure LOC and NBA reviews are based on an objective and accurate evaluation of the individuals' needs. Based on these reviews, the Contractor shall:
 - i. Determine whether LOC and NBA criteria are met in accordance with all State and federal requirements based on information provided;
 - ii. Approve or deny LOC or NBA requests, in accordance with criteria and within timeframes established by the Agency;
 - iii. If services are approved, review service plan. If changes to the service plan are necessary, notify the case manager, as required;
 - iv. Document LOC and NBA decisions within Agency data systems; and
 - v. Produce and send notice of decision (NOD) to the Member, physician, provider, case manager, and/or facility, per Agency requirements.
- e. The Contractor shall submit a quarterly report to the Agency on applicants and Members approved and denied for LTSS based on LOC and NBA determinations, using Agency-approved criteria.

3. Tiered Rates.

The Contractor shall assist the Agency in determining payment tiers for supported community living services, residential-based supported community living services, day habilitation services, and adult day care services provided under the Intellectual Disabilities (ID) waiver. Duties include but are not limited to:

- a. Determine acuity tiers based on the results of the SIS assessment tool;
- b. Assign acuity tiers based on mathematically valid processes;
- c. Assign tiers to all new applicants or Members (FFS and MCO) requesting Medicaid funding for ID waiver services for the first time; and
- d. Assign tiers annually or when there is a significant change in the Member's needs for the following populations:
 - i. All FFS Members; and
 - ii. Any MCO Member where the MCO determines the Level of Care has changed.

4. Quality Reviews.

The Contractor shall conduct quality reviews in accordance with all State and federal requirements, as approved by the Agency. Duties include but are not limited to:

- a. HCBS Waiver and Habilitation Program Evidentiary Reviews
 - i. Coordinate the reviews with other IME Units and Agency staff.

- ii. Review assessed needs, medical necessity, person-centered care planning, effective services delivered timely, and discharge plans. The review shall determine whether:
 - a) Services are individualized and reflect member's preferences and needs.
 - b) Services are implemented as planned and produce the desired results.
 - c) Members are safe and secure.
 - d) Members are free to exercise their rights.
 - e) Services strive to improve quality outcomes for members.
 - iii. Provide results of these reviews to the Agency for approval, prepared in accordance with the Agency's HCBS evidentiary materials guidelines, as approved by CMS.
 - iv. Provide a written review findings report to the Agency, to include recommendations for enhancements, corrective actions, or both, within 30 business days of completion of the quality reviews, subject to Agency approval.
 - b. Community-based Neurobehavioral Rehabilitation Services (CNRS) Quality Reviews.
 - i. All CNRS providers shall be reviewed over a randomized three year cycle.
 - ii. Review risk-based service needs, medical necessity, person-centered care planning, effective services delivered timely, and discharge plans to determine whether:
 - a) Members have a need for assistance
 - b) Members have a qualifying brain injury diagnosis co-occurring with a DSM-V diagnosis
 - c) Members have a standardized comprehensive neurobehavioral assessment documenting the member's need for services
 - d) Members treatment plans are individualized and reflect the members needs
 - e) Services are implemented as planned and produce the desired results.
 - f) CNRS staff delivering or supervising direct service to the members meet the training criteria in rule.
 - iii. Coordinate the reviews with other IME Units and Agency staff.
 - iv. Provide a written review findings report of the quality review to the Agency, to include recommendations for enhancements, corrective actions, or both, within 30 business days of completion of the quality reviews, subject to Agency approval.
 - v. Forward a copy of the report to the provider once approved.

5. Minimum Data Set Validation Reviews.

The Contractor shall conduct annual MDS validation reviews of a minimum of 25 percent or approximately 110 of the current Iowa certified nursing facilities, to include but not limited to:

- a. Ensure every facility has been reviewed at least once within each four year period.
- b. Ensure facilities currently identified as being at-risk and those with the highest MDS error rates from the previous State fiscal year are given priority for reviews.
- c. For each facility reviewed, conduct MDS validation on 25 percent, or a minimum of five, whichever is higher, of the Medicaid residents.
- d. MDS validation reviews may be conducted remotely as desk reviews or on-site, if deemed necessary based on the complexity and professional opinion of the reviewer.
- e. Ensure a minimum inter-rater reliability of 95 percent.
- f. The validation review will utilize all pertinent information, including the MDS, the member's medical record, and interviews with facility staff.

- g. Conduct exit conference with the nursing facility administrative staff to identify inconsistencies found in the MDS fields utilized for RUGs III classifications. The exit conference shall include MDS assessment with patterns of errors, areas that need improvement, staff education and training needs, and notice of when the final report will be sent to the facility.
- h. Confirm Pre-Admission Screening and Resident Review (PASRR) was complete and appropriate documentation is included in the member's medical record.
- i. Provide formal written report of the MDS validation process to the facility.
- j. Notify the Agency if a nursing facility's error rate is greater than the established threshold or questionable patterns of coding or transmission are noticed.
- k. Submit reports of MDS validation review activity and findings to the Agency on a quarterly basis.

6. Utilization Reviews (URs).

For the entire Medicaid population, the Contractor shall conduct UR activity in accordance with 42 CFR Part 456. Contractor duties include but are not limited to:

- a. Facilities.
For ICF/ID, NF/MI, PMIC, and Mental Health Institute (MHI) facilities, evaluate the appropriateness of placement and that services are meeting the treatment needs of the member, to include but not limited to:
 - i. Conduct an annual on-site review of current medical records for and observe members in the facility at the time of the onsite visit.
 - ii. Provide a written review findings report of the UR results to the facility, to include recommendations for enhancements, corrective actions, or both, within 30 business days of completion of the review.
 - iii. Report aggregate findings to the Agency on a quarterly basis.
- b. Hospitals.
For hospitals, evaluate utilization control processes to assess their comprehensiveness and verify their completion. Duties include but are not limited to:
 - i. Conduct a triennial desk review of hospital utilization control process documentation.
 - ii. Notify the provider of the review results, including any identified deficiencies. This letter will be sent to each CAH within three business days following review completion.
 - iii. Provide a written review findings report of the UR results to the Agency, to include recommendations for enhancements, corrective actions, or both, within 30 business days of completion of the review.
 - iv. Report aggregate findings to the Agency on a quarterly basis.

1.3.1.4 Quality Oversight Operations for HCBS Waiver, MFP, and Habilitation Programs

A. General Requirements

For requirements listed in Section 1.3.1.4, the Contractor shall:

- 1. HCBS Quality Assurance and Quality Improvement Recommendations. Duties include but are not limited to:
 - a. Identify improvements to the technical and functional requirements of the HCBS waiver continuous quality improvement (CQI) process.
 - b. Make recommendations to the Agency that identify system improvements and best practices in quality assurance and quality improvement within the HCBS waiver, Habilitation and MFP programs.
 - c. Recommendations shall be based upon trending and analysis of data collected from Contractor functions.
 - d. Collaborate with other IME Units to make recommendations to the Agency that recommend policy revisions based on identified quality indicators.

- e. Report findings to the Agency on a quarterly and annual basis.
2. HCBS Website. Duties include but are not limited to:
 - a. Provide rule hyperlinks that explain processes related to provider quality oversight.
 - b. Provide an updated list of provider training schedules.
 - c. Provide updated list of staff to include the Program Supervisors and all Specialists with county assignments, a telephone number, and email address.
 - d. Establish, develop and maintain a continuous FAQ link containing information approved by the Agency SMEs.
 - e. Provide all other information, to be determined by the Agency, on a timely basis.
 - f. Contractor shall update Agency-approved HCBS waiver dashboard on a monthly basis.
 - g. Report activities to the Agency on a monthly, quarterly, and annual basis.
3. Administrative Support. Duties include but are not limited to:
 - a. Complete any clerical and administrative functions associated with program administration of services, as assigned by the Agency.
 - b. Prepare for and assist the Agency with audits/renewals and reviews related to the provider quality assurance oversight data.
 - c. Resolve billing problems.
 - d. Assist with SOP and provider manual updates.
 - e. Maintain a resource guide.
 - f. Review and determine approval for assigned applications for new HCBS providers, to include but not limited to:
 - i. Review to ensure applications are complete;
 - ii. Send notification to providers of the requirements and documents needed for becoming a Medicaid HCBS waiver provider;
 - iii. Conduct a desk review of provider application and documentation to determine if application can be approved; and
 - iv. Notify IME Provider Services unit, as applicable.
 - g. Provide assistance to providers and field staff on specified program issues as approved by the Agency.
 - h. Work with the Agency and other IME Units on identified issues.
 - i. Report activities to the Agency on a quarterly and annual basis.
4. Provider Training. Duties include but are not limited to:
 - a. Develop and conduct training in collaboration with the Agency's MCOs;
 - b. Various methods of training dissemination including web-enabled training for providers as approved by the Agency.
 - c. Interpretation, clarification, and guidance on procedural expectations of State and Federal regulations and administrative code, as well as industry accepted standards for best practice.
 - d. Focus areas based on HCBS quality assurance processes and supported by Contractor data analysis, subject to Agency approval.
 - e. Coordinate with other IME Units to develop and deliver provider training tools and reference materials.
 - f. Identify system improvements and best practices in provider training.
 - g. Report activities to the Agency on a quarterly and annual basis.
5. Log all provider reviews, complaints, incidents, and surveys into the current Agency electronic tracking database, to include discovery, remediation, and improvement activities. Duties include but are not limited to:
 - a. Associated data shall be stored for no less than ten (10) years.
 - b. Data shall undergo internal quality checks by the Contractor to mitigate data entry errors.
 - c. Present an internal quality assurance analysis to the Agency on a quarterly and annual basis.

6. Provide statistically valid and reliable processes to include but not limited to:
 - a. Samples, reviews, tools, and techniques shall be evaluated for statistical validation and reliability.
 - b. 100% of processes should be included in all relevant SOPs and maintained at an annual basis to ensure accuracy.

B. HCBS Provider Reviews

1. The Contractor shall conduct the following types of reviews for HCBS waiver and Habilitation programs:
 - a. **Periodic Reviews.** Duties include but are not limited to:
 - i. 100% of enrolled providers are reviewed over a randomized five-year cycle. Periodic reviews may be completed in a combination of desk review or onsite visits, depending on the level of provider intervention required.
 - ii. Reviews shall always include, but are not limited to, review of member documentation, policies and procedures, employee records, and financial statements.
 - iii. Verify the accuracy of the provider's self-assessment by reviewing evidence of the implementation of required policies and procedures.
 - iv. Periodic review tool(s) shall be approved by the Agency on an annual basis.
 - b. **Focused Desk Reviews.** Duties include but are not limited to:
 - i. 100% of enrolled providers are reviewed over a randomized five year cycle. Focused reviews may be completed in a combination of desk review or onsite visits, depending on the level of provider intervention required.
 - ii. Areas of focus are determined by the Agency, based on CMS quality framework, HCBS settings requirements, and other trends.
 - iii. Reviews may include, but are not limited to, review of member documentation, policies and procedures, employee records, and financial statements.
 - iv. Verify the accuracy of the provider's self-assessment by reviewing evidence of the implementation of required policies and procedures.
 - v. Focused review tool(s) shall be approved by the Agency on an annual basis.
 - vi. Present an internal quality assurance analysis to the Agency on a monthly, quarterly, and annual basis.
 - c. **Targeted Reviews.** Duties include but are not limited to:
 - i. Review shall be initiated as a result of concerns arising from a desk review, complaint, incident, or Agency referral.
 - ii. Reviews shall include investigation of the targeted issue or concern. Areas of reviews may include, but are not limited to, review of member documentation, policies and procedures, employee records, incident reports, member survey and financial statements.
 - iii. Verify the accuracy of the provider's self-assessment by reviewing evidence of the implementation of required policies and procedures.
 - iv. Conduct provider targeted reviews as desk reviews unless circumstances rise to level that requires an onsite review.
 - v. The Contractor shall provide technical assistance and training to providers to demonstrate increased provider compliance of targeted review areas, to include but not limited to:
 - a) Analyze and trend areas of deficiency in MCO and FFS each quarter and provide appropriate aggregate outreach to providers on a quarterly or annual basis.
 - b) Document activities performed to enhance provider understanding of State and Federal rules, laws, and regulations as well as industry accepted standards for best practice.

- c) Report findings to the Agency on a quarterly and annual basis.
 - vi. Present an internal quality assurance analysis to the Agency on a monthly, quarterly, and annual basis.
- d. **Certification Reviews of Enrolled Providers.** Duties include but are not limited to:
 - i. Certification reviews shall be conducted within the program mandated timeframe found in Iowa Admin. Code ch. 441-77.
 - ii. Reviews include, but are not limited to, policies and procedures, staff training, and employee records.
 - iii. Verify the accuracy of the provider's self-assessment by reviewing evidence of the implementation of required policies and procedures.
 - iv. Develop certification tool(s) and review on an annual basis.
 - v. Submit certification tool(s) to the Agency for approval on an annual basis.
 - vi. The Contractor shall provide technical assistance and training to providers to demonstrate increased provider compliance on certification onsite reviews to include but not limited to:
 - a) Analyze and trend areas of deficiency each quarter and provide appropriate aggregate outreach to providers on a quarterly or annual basis;
 - b) Document activities performed to enhance provider understanding of State and Federal rules, laws, and regulations as well as industry accepted standards for best practice; and
 - c) Report findings to the Agency on a quarterly and annual basis.
 - vii. Present an internal quality assurance analysis to the Agency on a monthly, quarterly, and annual basis.
- e. **Chapter 24/HCBS Waiver Provider Onsite Reviews.** The Contractor shall collaborate with the Agency's Division of Mental Health and Disability Services (MHDS) to provide quality oversight of providers of Iowa Admin. Code ch. 441-24 services, also known as Chapter 24 providers, and HCBS waiver services. The Contractor shall manage, monitor, and follow-up on collaborative on-site reviews to include but not limited to:
 - i. Conduct Chapter 24/HCBS reviews:
 - a) Upon request, enrolled Chapter 24/HCBS waiver providers are reviewed onsite within the program mandated timeframe.
 - b) Reviews shall always include, but are not limited to, review of member documentation, policies and procedures, employee records, and financial statements.
 - c) Verify the accuracy of the provider's self-assessment by reviewing evidence of the implementation of required policies and procedures.
 - d) Periodic review tool(s) shall be approved by the Agency on an annual basis.
 - e) Report totals of Chapter 24/HCBS reviews on a monthly, quarterly, and annual basis.
 - ii. Provide technical assistance and training to providers to demonstrate increased provider compliance on Chapter 24/HCBS onsite reviews to include but not limited to:
 - a) Analyze and trend areas of deficiency and provide appropriate aggregate outreach to providers on a quarterly and annual basis.
 - b) Document activities performed to enhance provider understanding of State and Federal rules, laws, and regulations as well as industry accepted standards for best practice.
 - c) Report findings to the Agency on a quarterly and annual basis.
 - iii. Collaborate with the MHDS to include but not limited to:

- a) Attend meetings to discuss progress on reviews.
 - b) Coordinate scheduled reviews.
 - c) Discuss and collaborate on all rule revisions and implementation that are necessary.
 - d) Report activities to the Agency on a quarterly and annual basis.
- f. **Provider Self-Assessment Reviews.** The Contractor shall review completed provider annual self-assessments to ensure full completion and compliance to include but not limited to:
- i. Ensure that providers are complying with quality self-assessment requirements defined in State and Federal laws, rules, and regulations as well as industry accepted standards for best practice.
 - ii. Review and revise self-assessment tool(s) on an annual basis and attain approval by the Agency.
 - iii. Publish the self-assessment tool, as approved by the Agency, and a publicly communicate a deadline for submission on the HCBS website.
 - iv. Ensure that 100% of enrolled providers submit an annual self-assessment.
 - v. Report findings to the Agency on a monthly, quarterly, and annual basis.
2. Unless otherwise specified in the section above, the Contractor shall collaborate with the Agency's Managed Care Organizations (MCOs) to provide technical assistance and training to providers to demonstrate increased provider compliance on reviews to include but not limited to:
- a. Analyze and trend areas of deficiencies and provide appropriate aggregate outreach to providers on a quarterly basis.
 - b. Document activities performed to enhance provider understanding of State and Federal rules, laws, and regulations as well as industry accepted standards for best practice.
 - c. Report findings to the Agency on a monthly, quarterly, and annual basis.
3. The Contractor shall submit all reports of provider reviews to include but not limited to:
- a. Findings report shall articulate when deficiencies are found and relevant correlations to State and Federal rule, law, and regulation as well as industry accepted standards for best practice.
 - b. Report findings to the Agency on a monthly, quarterly, and annual basis, in an Agency-approved format.
4. The Contractor shall initiate development of corrective action plans (CAPs) with providers who have policy, procedure, and outcome deficiencies based off reviews, to include but not limited to:
- a. CAP initiation shall occur simultaneously with review findings report.
 - b. Provide education and assistance when areas of compliance are not clearly established such that the provider can attain a plan for achievable success within the timeframe preceding the follow-up compliance review.
 - c. Review and approve CAPs to come into compliance with IAC standards at a 100% level.
 - d. The review and approval process shall be based on established protocols approved by the Agency.
 - e. Subsequent correspondence with providers shall be in a format approved by the Agency.
 - f. Report findings to the Agency on a monthly, quarterly, and annual basis.
5. The Contractor shall conduct a follow up compliance review to ensure that the provider has implemented policies and procedures agreed upon in the approved CAP, and report findings to the Agency on a monthly, quarterly, and annual basis.

C. HCBS Waiver, Habilitation, and MFP Provider Complaints

This Section applies to the FFS population, except where MCO reporting indicates there are providers with similar complaints open with multiple MCOs. If there is a systemic issue with a provider, the Contractor shall request more information from the provider and follow-up as described below.

1. The Contractor shall handle complaints in a manner consistent with the Agency to include but not limited to:
 - a. Ensure complaints have an initial assessment completed within three (3) business days and the resulting action(s) will be in accordance with HCBS waiver, Habilitation, and MFP program policies, procedures and State and Federal rules, laws, and regulations.
 - b. Resulting action (e.g. investigation, closure, or referral) shall be logged and reported to the Agency.
 - c. Initiate fact-finding correspondence with relevant parties and correspondence within two business days of initial assessment.
 - d. Correspondence with all parties shall be in a format approved by the Agency.
 - e. Report findings to the Agency on a monthly, quarterly, and annual basis.
2. The Contractor shall conduct investigations of complaints when determined necessary in initial assessment to include but not limited to:
 - a. Notify the Agency and the applicable provider if it is determined during the initial assessment that an investigation is necessary.
 - b. Correspondence with the provider shall be in a format approved by the Agency.
 - c. Correspondence and associated data shall be logged within an electronic database.
 - d. Report findings to the Agency on a monthly, quarterly, and annual basis.
3. The Contractor shall make written recommendations to the Agency related to complaint management to include but not limited to:
 - a. Recommendations identify system improvements and best practices in complaint management.
 - b. Collaborate with other IME Units to recommend policy revisions based on identified quality indicators.
 - c. Report recommendations to the Agency on a quarterly and annual basis.

D. HCBS Waiver, Habilitation, and MFP Provider Incident Reporting Management

This Section applies to the FFS population, except where MCO reporting indicates there are providers with similar incidents open with multiple MCOs. If there is a systemic issue with a provider, the Contractor shall request more information from the provider and follow-up as described below.

1. The Contractor shall ensure that HCBS waiver, Habilitation and MFP providers are complying with incident reporting requirements to include but not limited to:
 - a. Provide education and assistance when it is discovered that providers are not adhering or are misinterpreting requirements or industry accepted standards for best practice.
 - b. Identify trend areas of deficiency each quarter and provide training or outreach to clarify requirements.
 - c. Document activities performed to enhance provider understanding of State and Federal rules, laws, and regulations as well as industry accepted standards for best practice.
 - d. Report findings to the Agency on a quarterly and annual basis.
2. The Contractor shall ensure that providers are submitting incident reports into the Iowa Medicaid Portal Access (IMPA) system on a timely basis to include but not limited to:
 - a. For incidents that are faxed/mailed to the Agency, the Contractor shall follow up with provider to remind them of the IMPA requirement.
 - b. Provide training or outreach to providers who are not submitting incident reports within the mandated timeframe.
 - c. Initiate contact with the provider to remediate the rate of untimely submission upon discovery of provider submitting incidents in IMPA outside the mandated timeframe.

- d. Report findings to the Agency on a quarterly and annual basis.
3. The Contractor shall complete targeted reviews of providers based on incident reports to include but not limited to:
 - a. Health and welfare of an individual or individuals appears to be at risk, either presently or in the future.
 - b. Immediately notify the Agency and the case manager or service worker.
 - c. Notify the provider in advance of the review unless it is determined that the individual is in immediate jeopardy.
 - d. Associated correspondence shall be in a format approved by the Agency.
 - e. Report findings to the Agency on a monthly, quarterly, and annual basis.
4. The Contractor shall meet with the Agency staff to review the previous period's major incidents to include but not limited to:
 - a. Report the discovery, remediation and improvement activities for flagged incident reports.
 - b. Provide monthly, quarterly and annual reports with statistical analysis and trending of aggregate incident data as well as detailed information on the discovery and remediation associated with flagged incident reports.
 - c. Provide evaluate a statistically valid sample at a 95% confidence level to identify error rate of data entry for provider submitted reports.
 - d. Report findings to the Agency on a monthly, quarterly, and annual basis, in an Agency-approved format.
5. The Contractor shall make written recommendations to the Agency related to incident reporting to include but not limited to:
 - a. Recommendations identify improvements and best practices in incident report management.
 - b. Collaborate with other IME Units to recommend policy revisions based on identified quality indicators.
 - c. Report recommendations to the Agency on a quarterly and annual basis.

E. HCBS Waiver and Habilitation Member Surveys

This section applies only to the FFS population.

1. The Contractor shall manage, monitor and maintain the Iowa Participant Experience Survey (IPES) or redesigned tool to include but not limited to:
 - a. Tool examines the experience of program members.
 - b. Areas of member experience examined include, but are not limited to: satisfaction, safety, service utilization, choice, and dignity.
 - c. Revisions or newly developed components of the survey tool must be approved by the Agency and statistically validated.
 - d. Provide initial and ongoing training to contract staff on reliable interviewing techniques for the member survey tool being used.
 - e. Ensure representative samples of members are interviewed each period at a 95% confidence level.
 - f. Work with other units in the Agency to ensure representative sample.
 - g. Report findings to the Agency on a monthly, quarterly, and annual basis.
2. The Contractor shall develop appropriate and universal follow up for responses that are flagged to include but not limited to:
 - a. Established per design of the member survey tool and as approved by the Agency.
 - b. 100% of flagged responses shall be remediated with a case manager or service worker within the 15 business days.
 - c. Document the discovery, remediation and improvement associated with flagged responses in an electronic database, or equivalent.

- d. Develop communication strategies with case managers and service workers to ensure improvement of the quality of life and services for members interviewed.
- e. Report findings to the Agency on a quarterly and annual basis.
3. The Contractor shall make written recommendations to the Agency related to member surveys to include but not limited to:
 - a. Recommendations identify system improvements and best practices in member surveys.
 - b. Collaborate with other IME Units to recommend policy revisions based on identified quality indicators.
 - c. Identify trends in member survey responses that could be used to drive systemic policy changes and improvements
 - d. Data shall be derived from a centralized database, or equivalent, such that it can undergo replication for future reports.
 - e. Report recommendations to the Agency on a quarterly and annual basis.

F. MFP Surveys. This scope of work will cease on March 31, 2020.

1. The Contractor shall manage, monitor and maintain the MFP participant survey or redesigned tool to include but not limited to:
 - a. Tool approved by the Agency and CMS examines the quality of life of MFP participants in all areas designated by federal funding requirements. Revisions or newly developed components of the survey tool must be approved by the Agency and statistically validated.
 - b. Provide initial and ongoing training to contract staff on reliable interviewing techniques for the member survey tool being used.
 - c. Interview MFP participants at a 100% level.
 - d. Collaborate with other units in the Agency to ensure representative sample.
 - e. Report findings to the Agency on a monthly, quarterly, and annual basis.
2. The Contractor shall develop appropriate and universal follow up for MFP survey responses that are flagged to include but not limited to:
 - a. Established per design of the MFP survey tool and as approved by the Agency.
 - b. 100% of flagged responses shall be remediated with a transition specialist within 15 business days.
 - c. Document the discovery, remediation and improvement associated with flagged responses in an electronic database, or equivalent.
 - d. Develop communication strategies with transition specialists to ensure improvement of the quality of life and services for members interviewed.
 - e. Report findings to the Agency on a quarterly and annual basis.
3. The Contractor shall make written recommendations to the Agency related to MFP surveys to include but not limited to:
 - a. Recommendations identify system improvements and best practices in MFP surveys.
 - b. Collaborate with other IME Units to recommend policy revisions based on identified quality indicators.
 - c. Identify trends in member survey responses that could be used to drive systemic policy changes and improvements
 - d. Data shall be derived from a centralized database, or equivalent, such that it can undergo replication for future reports.
 - e. Report recommendations to the Agency on a quarterly and annual basis.

G. HCBS Waiver Slot Management

1. The Contractor shall assign one full-time HCBS Slot Manager and one fully trained backup to assist the Agency with management and release of waiver slots to include but not limited to:

- a. Allocate slots based on waiver funding allocation and wait list characteristics.
- b. Meet with Agency staff as necessary to determine distribution strategy and discuss status.
- c. Publish funding allocations on the website within 10 business days of the end of the reporting period.
- d. Published status format must be accessible to the public and formatted as approved by the Agency.
- e. Report waiver slot and wait list data to the Agency on a monthly, quarterly, and annual basis.
- f. Ad hoc reporting, upon Agency request.

1.3.1.5 Population Health Improvement Special Projects

A. Program of All Inclusive Care for the Elderly (PACE)

The Contractor shall support Agency PACE activities based on requirements set forth in 42 CFR, Part 460, to include but not limited to:

1. The Contractor shall operate a quality assurance and compliance monitoring plan for the PACE providers in accordance with 42 CFR, Part 460, to include but not limited to:
 - a. Operate a quality assurance and compliance monitoring plan for PACE providers.
 - b. In cooperation with CMS and the Agency for newly established PACE programs, provide adequate staff to complete the initial technical assistance review.
 - c. Conduct at least one unscheduled quality review on site annually utilizing the quality review process developed by CMS.
 - d. In cooperation with CMS and the Agency, participate with adequate staff in the annual reviews of the PACE organization during the three-year trial period and biannually thereafter.
 - e. Conduct an initial exit conference with the PACE organization for the preliminary outcomes of the review.
 - f. Utilizing the CMS format, submit a written report on the findings of the quality assurance and compliance monitoring of PACE providers, as well as recommendations and any corrective actions, to the Agency within 30 business days of completion of the review.
 - g. Monitor and follow up to ensure corrective actions are implemented.

B. Health Homes

The Contractor shall support Agency Health Home initiatives based on provisions within the Affordable Care Act of 2010 and Iowa Medicaid State plan, to include but not limited to:

1. Health Home Coordinator
 - a. Provide quality oversight of Health Home programs and remain flexible with program design.
 - b. Keep current and advise the Agency regarding any innovative best practices to Health Home models including but not limited to, medical, dental, behavioral and LTSS, or related issues.
 - c. Maintain and facilitate ongoing primary stakeholder understanding and buy-in on Health Home programs.
 - d. Provide guidance and education necessary to engage potential Health Home clinics.
 - e. Maintain the interface for reimbursement and incentive methodology to ensure care coordination and quality of care are part of the Health Home programs.
 - f. Develop performance indicators to identify effective Health Homes for incentive payments.
 - g. Develop a plan to monitor new Health Home programs screening and assessment outcomes.
 - h. Facilitate evaluation of Health Home programs and CMS quality measure reporting.

- i. Answer MCO questions and review MCO documents related to Health Home programs, as requested by the Agency.
- j. Provide reports to the Agency monthly on Health Home activities and annually on Health Home savings.

C. Health Information Technology for Economic and Clinical Health (HITECH or HIT)

The Contractor shall support Agency HIT activities based on provisions in the American Recovery and Reinvestment Act (ARRA) and in compliance with Federal regulations outlined in 42 CFR 495. Contractor duties include but are not limited to the following:

- 1. HIT Coordinator
 - a. Research, plan and oversee the HIT project, including initiatives supporting the meaningful use of health information exchange and coordination with the Iowa Health Information Network (IHIN), HIT Planning activities related to Iowa's Round Two SIM Testing grant, and integration of the Meaningful Use program into the MACRA Quality Payment Program.
 - b. Contribute to the definition of incentive payment strategies for Medicaid EHR incentive payment program and other value based payment strategies by recommending HIT platforms to support those payments. Duties include but are not limited to:
 - i. Recommend strategies to leverage the availability of clinical data to promote efficiencies and improve clinical outcomes as identified through SIM HIT planning activities.
 - ii. Recommend strategies to capture quality metrics for the purposes of measuring meaningful use of electronic health records, health/medical home performance monitoring, federal reporting, Medicaid Value Based Payment programs, or other Medicaid program for evaluation purposes.
 - iii. Identify connection points between the health information exchange and the MMIS system for administrative efficiencies and program evaluation.
 - c. Support and track projects related to Health Information Technology as directed by the Agency. Duties include but are not limited to:
 - i. Ensure weekly status reports regarding HIT project(s) status, items completed, work planned for the next week (including meetings), outstanding action items and issues are provided to the agency
 - ii. Schedule and facilitate monthly status meetings with the project steering team and Provider Services Unit Manager.
 - iii. Manage the continuing development of the HIT plan as directed by the Agency, including initiatives identified from HIT planning workgroups.
 - iv. Review and update annually the State Medicaid Health Information Technology Plan (SMHP) to allow Iowa Medicaid to leverage technology to improve quality outcomes and manage the growing costs of health care delivery.
 - v. Update the HIT I-APD annually and as needed, to support State HIT efforts identified through SIM.
 - vi. Provide HIT I-IAPD budget planning and tracking to support to the Agency.
 - vii. Provide consolidated project tracking and reporting for all Health Information Technology projects.
 - d. Ensure privacy and security in expanding the availability of health information exchange.
 - e. Represent the Agency in discussions with stakeholders.
 - f. Participate in planning and execution of statewide provider assessment as directed by the Agency.
 - g. Participate in the Iowa e-Health advisory council, SIM HIT planning workgroups, and other workgroups as directed by the Agency.

- h. Represent Iowa Medicaid Enterprise in presentations and workshops related to Health Information Technology as directed by the Agency, including HIT planning workgroups.
2. HIT Advisor
- a. Support and track projects related to Health Information Technology as directed by the Agency that includes:
 - i. Direct provider outreach for incoming and outbound calls for EHR incentive program inquiries.
 - ii. Review and resolve EHR incentive application questions from the pre-payment auditors (escalated issues).
 - iii. Provide direction and training to EHR pre-payment auditors.
 - iv. Coordinate and resolve EHR incentive payment issues.
 - v. Support the Agency's EHR incentive payment system's queue progress per incentive year, including prioritization of tickets, testing releases, and identifying bugs that need action.
 - vi. Research CMS updates impacting the EHR incentive program and develop training for the pre-payment auditors, system changes, updates to regulatory authority (SMHP addendum, SMHP), and reworking processes for pre- and post-payment auditors.
 - vii. Recreate and solidify processes for pre- and post-payment auditors, and correlating system enhancements or updates needed.
 - b. Support the HIT Coordinator in compiling weekly status reports regarding HIT project(s) status, items completed, work planned for the next week (including meetings), outstanding action items and issues
 - c. Participate in regular status meetings with the project steering team and Provider Services Unit Manager.
 - d. Assist the HIT Coordinator in reviewing and developing updates to the SMHP and IAPD documents and monthly and quarterly updates to CMS to support the EHR Incentive Payment Program.
3. EHR Pre-payment Auditor(s)
- a. Assist in the implementation of the EHR Incentive Payment Program at the direction of the HIT Coordinator.
 - b. Assist in the implementation of systems and process modifications to support paying provider incentives for the adoption and meaningful use of certified technology at the direction of the HIT Coordinator.
 - c. Monitor provider adoption of electronic health records.
 - d. Research barriers to EHR adoption.
 - e. Assist in outreach to providers to encourage them to adopt and meaningfully use electronic health records.
 - f. Educate providers on the EHR incentive payment program.
 - g. Communicate with providers regarding status of their EHR application.
 - h. Provide application instructions to providers, including directing them to the CMS registration and attestation system.
 - i. Process first and second quality review of provider applications for the EHR incentives in a timely manner.
 - j. Retrieving the necessary data from the EHR incentive payment system for the HIT Coordinator and assisting with analysis. Data includes but is not limited to:
 - i. Performance data;
 - ii. Number of providers applying for incentives from the system;
 - iii. Number of payments made, total dollars distributed, broken down by provider type from the system; and
 - iv. Average length of time from application to payment from the system.

- k. Support the HIT Coordinator in compiling weekly status reports regarding HIT project(s) status, items completed, work planned for the next week (including meetings), outstanding action items and issues

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, providers, or facilities within two business days of receipt.
- 2. The Contractor shall participate in 100% of assigned appeal hearings.

B. Transition

- 1. The Contractor shall submit transition 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 communications, quality assurance, reporting, and training 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. The Contractor shall document all SOP changes within 30 calendar days of the change.

C. Medical Support

1. Provider Claims Inquiries.

- a. The Contractor shall notify providers within five business days of receipt of a claims inquiry with missing or incomplete information.
- b. The Contractor shall send the final determination letter on a claims inquiry to the provider within 10 business days of receipt of complete documentation.

2. ETPs.

- a. The Contractor shall provide ETP recommendations to Bureau staff within eight business days of receipt unless additional information is requested.
- b. The Contractor shall request additional information, if needed, within two business days of ETP receipt.
- c. The Contractor shall complete 95 percent of ETP determinations within 10 business days of receipt of complete information, and 100 percent within 20 business days.

3. PERM.

- a. The Contractor shall complete medical record reviews for the PERM project within 10 business days of receipt of records, to include physician review if required.

D. Utilization Management

1. HCBS PAs:

- a. The Contractor shall review and communicate decisions on 100 percent of HCBS PAs within two business days of requests of initial service plans once all required materials are received.
 - b. The Contractor shall review and communicate decisions within five business days of requests for reassessments of service plans once all required materials are received.
 - c. The Contractor shall arrange for peer-to-peer conversations, as requested, within one business day of request.
2. Medical PAs:
 - a. The Contractor shall review and communicate decisions on 95 percent of Medical PA requests not requiring physician review within 10 business days of initial receipt, and 100 percent within 15 business days of initial receipt.
 - b. The Contractor shall review and communicate decisions on 95 percent of Medical PA requests requiring physician review within 15 business days of initial receipt, and 100 percent within 20 business days of initial receipt.
 - c. For those Medical PA requests for which additional information has been requested and not received, the Contractor shall review and communicate decisions for 95 percent of the PAs no earlier than 45 calendar days from initial receipt (to allow time for receipt of the requested information) and no later than 60 calendar days of initial receipt, and complete 100 percent within 60 calendar days of initial receipt.
 - d. For urgent PA requests, the Contractor shall review and communicate decisions within 72 hours from receipt of the request.
 3. LOC and NBA Reviews:
 - a. The Contractor shall complete 95 percent of Initial LOC and NBA determinations within two business days of receipt of complete information, and 100 percent within five business days.
 - b. The Contractor shall complete 95 percent of LOC-CSR and NBA-CSR determinations within five business days of receipt of complete information, and 100 percent within ten business days.
 4. Utilization Reviews:
 - a. The Contractor shall conduct annual onsite UR facility visits between months 10 and 12 months following the prior year visit.
 - b. The Contractor shall conduct UR hospital desk review every three years for each hospital.
 - c. The Contractor shall complete desk review of hospital utilization control process within 25 business days following receipt of submitted documentation.
 - d. The Contractor shall submit written UR findings report to the Agency within 30 business days of completion of each review.

E. HCBS Quality Oversight Operations

1. The Contractor shall submit provider review findings reports to the Agency within 15 business days of the review, and to the provider within 15 business days of Agency approval.
2. Provider Review, Incident, Complaint, and Survey Logs:
 - a. The Contractor shall log data at an entry rate of error not to exceed 5%.
 - b. The Contractor shall log 90% of data within two business days of activity.
3. HCBS Incidents and Complaints:
 - a. The Contractor shall complete initial assessments within 3 business days.
 - b. The Contractor shall initiate fact-finding correspondence with relevant parties within 2 days of initial assessment.
4. CAPS:
 - a. The Contractor shall initiate CAPs within 30 business days of review.
 - b. The Contractor shall review and make determinations on CAPS within 15 business days of initial submission.

- c. The Contractor shall conduct a compliance review within 60 business days after CAP is approved.

F. PACE

1. The Contractor shall submit the written PACE findings report to the Agency within 30 business days of completion of the review.

G. HIT

1. The Contractor shall participate in 100% of HIT project status meetings.
2. The Contractor shall complete first reviews of applications within two business days.
3. The Contractor shall complete second reviews of applications within two business days.
4. The Contractor shall review applications with 100% accuracy prior to incentive payment disbursement.
5. The Contractor shall respond to all emails or calls to providers within two business days on technical questions, status of applications and the incentive program in general.

H. 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 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 two business days of end of reporting period;
 - b. Monthly reports: within ten business days of end of reporting period;
 - c. Quarterly reports: within fifteen business days of end of reporting period;
 - d. Annual reports: within twenty business days of end of reporting period; and
 - e. Ad hoc reports: within two business days of request, unless otherwise specified.
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 and Review.

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 as needed, 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 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.

1.5 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 \$56,398,800.00 during the entire term of this Contract, which includes any extensions or renewals thereof.

1.5.2 Payment Methodology.

- a. The Contractor will be paid a fixed amount for services rendered, in accordance with the pricing set forth in Special Contract Attachment 3.1.
- 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 92% of the fixed amount each month. The Agency will withhold 8% of the monthly amount to assure the Contractor meets required Deliverables and Performance Measures as follows:
 - i. Section 1.3.2.D Utilization Management - 3% of the monthly amount
 - ii. Section 1.3.2.E HCBS Quality Oversight Operations 2% of the monthly amount
 - iii. Section 1.3.2.H Reporting - 3% of the monthly amount

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. 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.
- e. The Contractor shall separately invoice the Agency for quarterly Medical Assistance CAC attendee pass-through costs, subject to Agency approval. These pass-through costs are not subject to the 8% withhold.

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 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 Reserved. (Change Order Procedure)

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.

2.11 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. Reserved. (*Acceptance of Software Deliverables*)

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 3.1: Pricing Schedule

Categories of Services	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
Medical Support (Section 1.3.1.3.A)	\$ 216,400.00	\$ 220,900.00	\$ 225,500.00	\$ 230,300.00	\$ 235,100.00	\$ 240,000.00
Prior Authorizations (Section 1.3.1.3.B.1)	\$ 69,800.00	\$ 71,300.00	\$ 72,800.00	\$ 74,300.00	\$ 75,900.00	\$ 77,500.00
LOC and NBA Reviews for LTSS (Section 1.3.1.3.B.2)	\$ 172,900.00	\$ 176,500.00	\$ 180,200.00	\$ 183,900.00	\$ 187,800.00	\$ 191,700.00
Utilization Management- Other (Sections 1.3.1.3.B.3-6)	\$ 13,400.00	\$ 13,700.00	\$ 14,000.00	\$ 14,300.00	\$ 14,600.00	\$ 14,900.00
HCBS Provider Reviews (Section 1.3.1.4.B)	\$ 85,400.00	\$ 87,200.00	\$ 89,000.00	\$ 90,800.00	\$ 92,700.00	\$ 94,600.00
HCBS Waiver, Habilitation, and MFP Provider Complaints and Incident Reporting Management (Sections 1.3.1.4.C-D)	\$ 22,100.00	\$ 22,500.00	\$ 23,000.00	\$ 23,500.00	\$ 24,000.00	\$ 24,500.00
HCBS Waiver and Habilitation Member Surveys, MFP Surveys, and Slot Management (Sections 1.3.1.4.E-G)	\$ 31,100.00	\$ 31,700.00	\$ 32,400.00	\$ 33,000.00	\$ 33,700.00	\$ 34,500.00
Program of All-Inclusive Care for the Elderly (Section 1.3.1.5.A)	\$ 13,400.00	\$ 13,700.00	\$ 14,000.00	\$ 14,300.00	\$ 14,600.00	\$ 14,900.00
Health Homes (Section 1.3.1.5.B)	\$ 14,900.00	\$ 15,200.00	\$ 15,600.00	\$ 15,900.00	\$ 16,200.00	\$ 16,600.00
HIT (Section 1.3.1.5.C)	\$ 40,300.00	\$ 41,200.00	\$ 42,000.00	\$ 42,900.00	\$ 43,800.00	\$ 44,700.00
General Admin and Other	\$ 63,600.00	\$ 65,000.00	\$ 66,300.00	\$ 67,700.00	\$ 69,100.00	\$ 70,600.00
Total Monthly Pricing	\$ 743,300.00	\$ 758,900.00	\$ 774,800.00	\$ 790,900.00	\$ 807,500.00	\$ 824,500.00
Total Annual Cost	\$ 8,919,600.00	\$ 9,106,800.00	\$ 9,297,600.00	\$ 9,490,800.00	\$ 9,690,000.00	\$ 9,894,000.00
Grand Total For The Entire Project						\$ 56,398,800.00

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 storage
- Access to shredding
- Access to copiers including copy supplies, network printers, and Fax
- Access to break rooms and conference rooms
- Access to IME training equipment
- Access to courier service for pick-up and delivery of IME materials to and from specific external entities, specifically the Capitol complex and the United States Post Office

*Contractor staff housed in the field will be provided IME laptops, hotspots, and software. Correspondence mailed from Contractor field staff will be at the Contractor's expense.

**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.

Systems and 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
Appeals Information System (AIS)	DHS System for appeal tracking
Cisco CallRex	Call center recording software
Cisco VPN	Field staff use to connect to the DHS network
Code IT	Claims software
First Data Bank (previously known as MEDISPAN)	Clinical drug information to help inform medication-related decisions
Google Mail	State email system
Go To Meeting	Webinars
Iowa Health Information Network (IHIN)	Iowa's Health Information Exchange system, access EHR information, alerts, and notifications for Members
Iowa Medicaid Portal Access (IMPA)	Secure DHS system for document uploads.
Individualized Services Information System (ISIS)	HCBS services coordination and workflow system.
Microsoft Office 2010 (Access, Excel, Powerpoint, Project, Publisher, Sharepoint, Visio, Word)	
Microsoft Windows 7 Enterprise Operating System	Operating system
MMIS	Medicaid information system (enrollment, PA entry, claims)

Medicaid Quality Utilization Information Data System (MQUIDS)	Data entry and retrieval application for documenting review data and outcomes related to HCBS Programs
OnBase Client	Workflow and document management system
QualAssure Performance System (QPS)	Data entry and retrieval application for documenting data and outcomes related to provider reviews
RightFax Utility Software	Fax utility software
Roxio CD/DVD Creator Basic	CD/DVD Creator
Worker Information System Exchange (WISE)	Slot database, number of slots filled, released, member info for each slot assigned, etc)
WinZip	Send/receive compress/ encrypted files

Attachment 3.3: Sample Report Monitoring Tool

Note: this sample is for illustrative purposes only.

Report	Contract Section	Frequency	Due Date	Copy Provided to
1.3.1.1 General Obligations				
Appeals and Hearings		Quarterly		
Quality Assurance and Corrective Actions Report		Quarterly		
MCO Quality Oversight Reports		Monthly		
Performance Report		Monthly		
1.3.1.2 Transition				
Project Work Plans		TBD		
Operational Readiness Checklist		One-time		
1.3.1.3.A Medical Support				
Report of Abortions, Hysterectomies, and Sterilization CMS 64.96		Quarterly		
Trend Report		Quarterly		
Appeal Hearings Summary Report		Quarterly		
Exception to Policy Summary Report		Monthly		
Clinical Advisory Committees Activities Report		Annual		
1.3.1.3.B Utilization Management				

Monthly Activity Report for HCBS PA					
LOC and NBA Reviews Report					
1.3.1.4 HCBS Quality Oversight Operations					
1.3.1.5 Population Health Improvement Special Projects					
Health Home Monitoring Report					
Health Home Yearly Savings Report				Annually	
SMHP				Annually and as needed	
HIT Status Reports				Monthly	
HIT I-APD Update				Annually and as needed	

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)
Appeals and Hearings Transition		Participate in 100% of assigned appeal hearings. Submit transition and operations plans to the Agency for approval within 15 business days after Contract execution.		
Claims Inquiries		Send the final determination letter on a claims inquiry to the provider within 10 business days of receipt of complete documentation.		
Exceptions to Policy		Complete 95 percent of Exception to Policy Determinations within 10 business days of receipt of complete information. Complete 100 percent within 20 business days.		
Prior Authorizations		Complete 95 percent of PA requests not requiring physician review, enter into system, and send appropriate notice within 10 business days of initial receipt. Complete 100 percent within 15 business days of initial receipt.		
Prior Authorizations		Complete 95 percent of PA requests requiring physician review, enter into system and send appropriate notice within 15 business days of initial receipt. Complete 100 percent within 20 business days of initial receipt.		
Prior Authorizations		Review and make HCBS PA determinations within two business days of requests of initial service plans once all required materials are received.		
LOC and NBA Reviews		Complete 95 percent of initial LOC and NBA determinations within two business days of receipt of complete information. Complete 100 percent within five business days.		
Utilization Reviews		Conduct annual on-site UR visits between months 10 and 12 following the prior year visit to ICF/ID, NF/MI, PMIC and MHI facilities.		

QUALITY OVERSIGHT OPERATIONS FOR HCBS WAIVER, MFP, AND HABILITATION PROGRAMS

Review Type	Contract Section	Performance Standard	Total Completed within timeframes	Standard Met (Y/N)
Provider Periodic Review		Review 100% of enrolled providers over a randomized five-year cycle		
Provider Periodic Review		Submit provider review findings reports to the Agency within 15 business days of the review, and to the provider within 15 business days of Agency approval.		
		Initiate CAPs within 30 business days of review		

REPORTING

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